

# ANNUAL REPORT 2020







**SLEEP UNDER THE STARS**

**STEPPING STONE HOUSE**

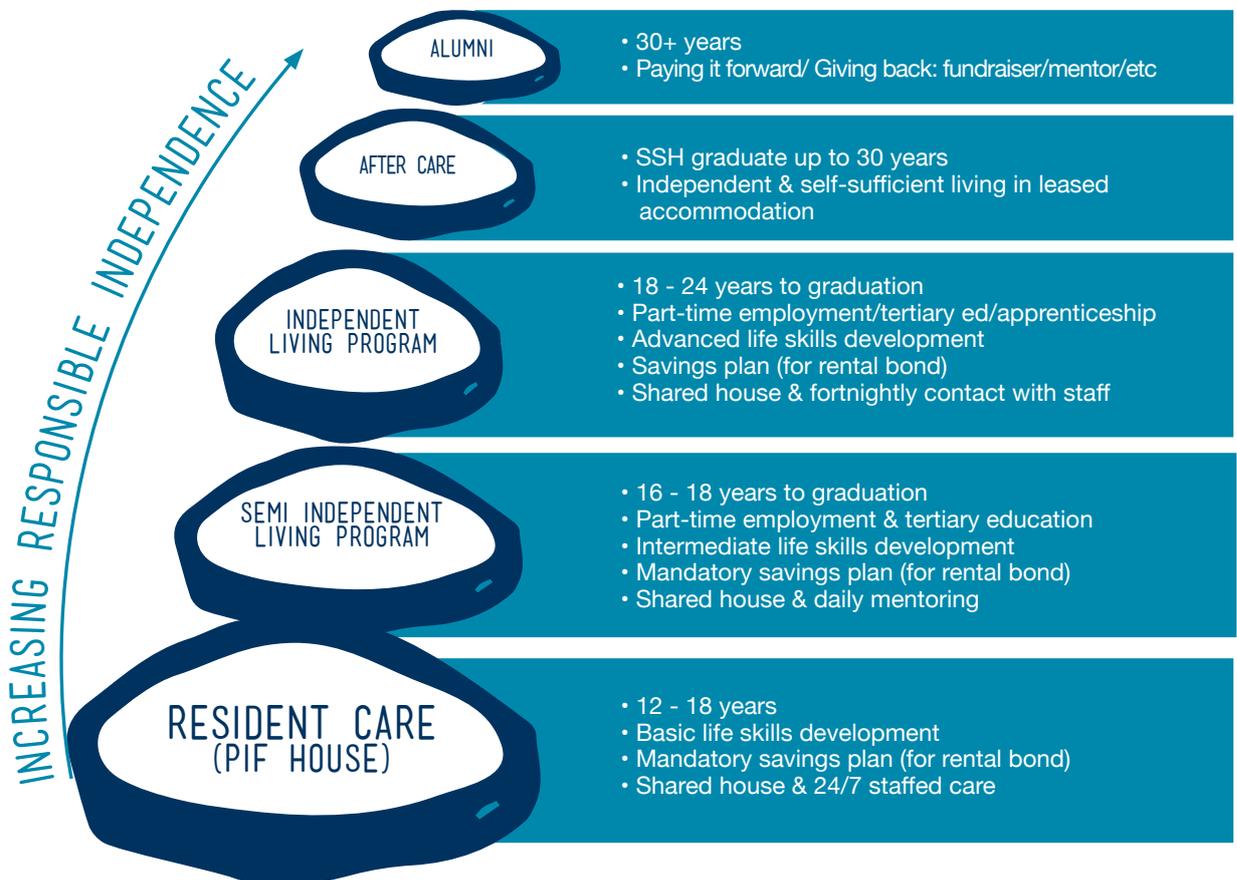
# HELPING YOUTH BUILD THEIR FUTURE

Established in 1989, Stepping Stone House is an award-winning organisation that provides accommodation and personal development to help homeless and at-risk youth become independent and the very best they can be.

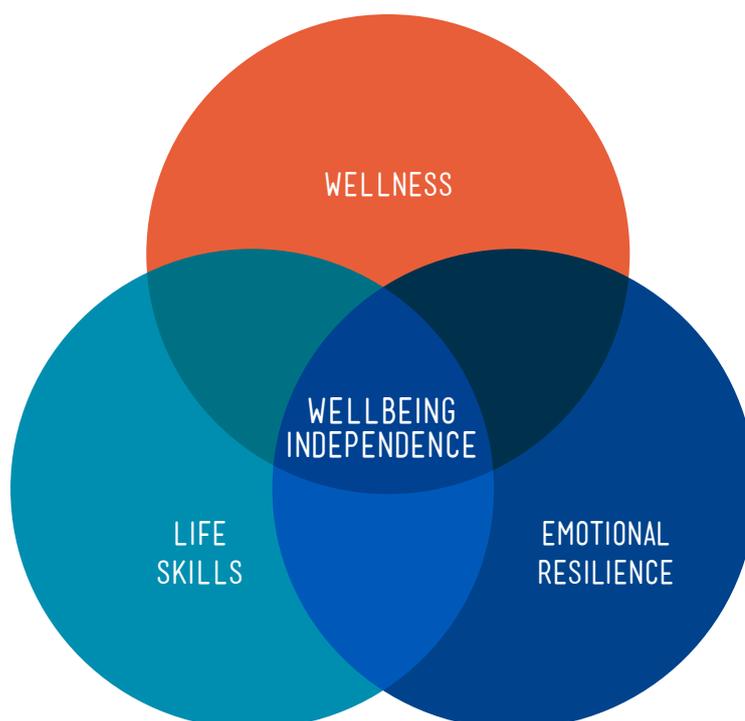
This profit-for-purpose charity develops the self-esteem, emotional resilience, self-confidence and good health of children and young people aged 12 to 24 years old. This development is achieved through a combination of outdoor adventure education, counselling, careers and employment coaching, education and life skills.

Stepping Stone House is unique in that young people who live at our homes will often stay for years, giving them a sense of permanency and the time necessary to undo the impact the trauma has had in their young lives. The youth are generally referred to Stepping Stone House from all over Australia via Community Services, Juvenile Justice, crisis accommodation services and self-referrals.

A specific focus is placed on giving the youth a fun living environment and leaving with wonderful childhood memories and an improved wellbeing.



**Stepping Stone House supports children and young people to achieve independence and wellbeing by focusing on the following three key areas:**



**Stepping Stone House provides support for homeless and at-risk youth with:**

- Accommodation
- Therapeutic care
- Adventure education to build emotional resilience
- School and tertiary education support
- Practical employment and career development programs
- Restoration to their families or significant others
- Life skills workshops
- Confidence-building empowerment camps
- Cultural competence camps
- Mental health
- Duke of Edinburgh Award Scheme
- Volunteering
- Mentors
- Financial management

SSH was incorporated under the Association Incorporation Act 1984. SSH is governed by a Board and its Constitution is in accordance with the new Associations Incorporation Act of 2009.

### PHILOSOPHY OF CARE

SSH supports young people on their journey to independent living and improved wellbeing.

- We pursue every opportunity to INSPIRE youth to have the confidence to pursue their dreams and purpose.
- We aim to give children and young people wonderful childhood memories.
- We engage young people with passion, energy and creativity, focusing and building on individual strengths and experiences.
- We believe community is key to the success of young people thus actively integrating both our service and young people into the local and broader community is paramount in all we do.
- We support young people to be the best they can be by providing professional casework practice, a nurturing therapeutic environment focusing on strengths and positive role modelling.
- We value education and provide opportunities to learn about life and decision-making.
- We provide a safe, stable and consistent environment with individual focus on the physical and emotional needs of young people.

## CHAIR'S MESSAGE 2020

It is my pleasure to once again report on a successful year at Stepping Stone House. This year has certainly been another challenging and extremely busy year at Stepping Stone House. I am therefore delighted to report that the young people in our care have continued to become independent and be the best they can be.

### Improving the Wellbeing of our Youth

Despite the outbreak of the COVID-19 pandemic, the youth in our homes have continued to grow, recording sustained progress in our annual and quarterly surveys. The average wellbeing increase of our youth for 2019/20 was 21%, and we are proud of the achievements of our young people and staff.

### Our Strategic Expansion

Over the last 12 months we have successfully completed the 2019/20 phase of our strategic expansion, increasing our service capacity to support 20 children and youth in our homes (previously 13), and 44 in our Aftercare program (previously 43). We've also continued our support of at-risk Indigenous youth, with 22% of the youth currently in our programs having Aboriginal/Torres Strait Islander heritage. Our aspiration is to increase this to 38%, so as to reflect the representation of Indigenous youth within the Out-of-Home Care system.

Over the last year we also conducted a strategic review of our scaling plan, with key donors, supporters and stakeholders agreeing on a course of action to facilitate the successful expansion of our model. To factor in the outbreak of COVID-19, our committee has now extended our strategic plan by one year. Our goal of 200 youth supported in our programs remains the same, however we now aim to achieve this by 2024.

### Media Coverage and a New Ambassador!

Stepping Stone House received national coverage when our CEO Jason was invited to appear on SBS News, providing insight on the impacts of COVID-19 on youth homelessness and the non-profits sector. Our organisation also received social media publicity thanks to rising NRL superstar, Ronaldo Mulitalo signing up to become our very first ambassador. Many thanks to Ronaldo and the Cronulla Sharks for championing our cause through the #give5get5 campaign.

### Meeting Our Challenges

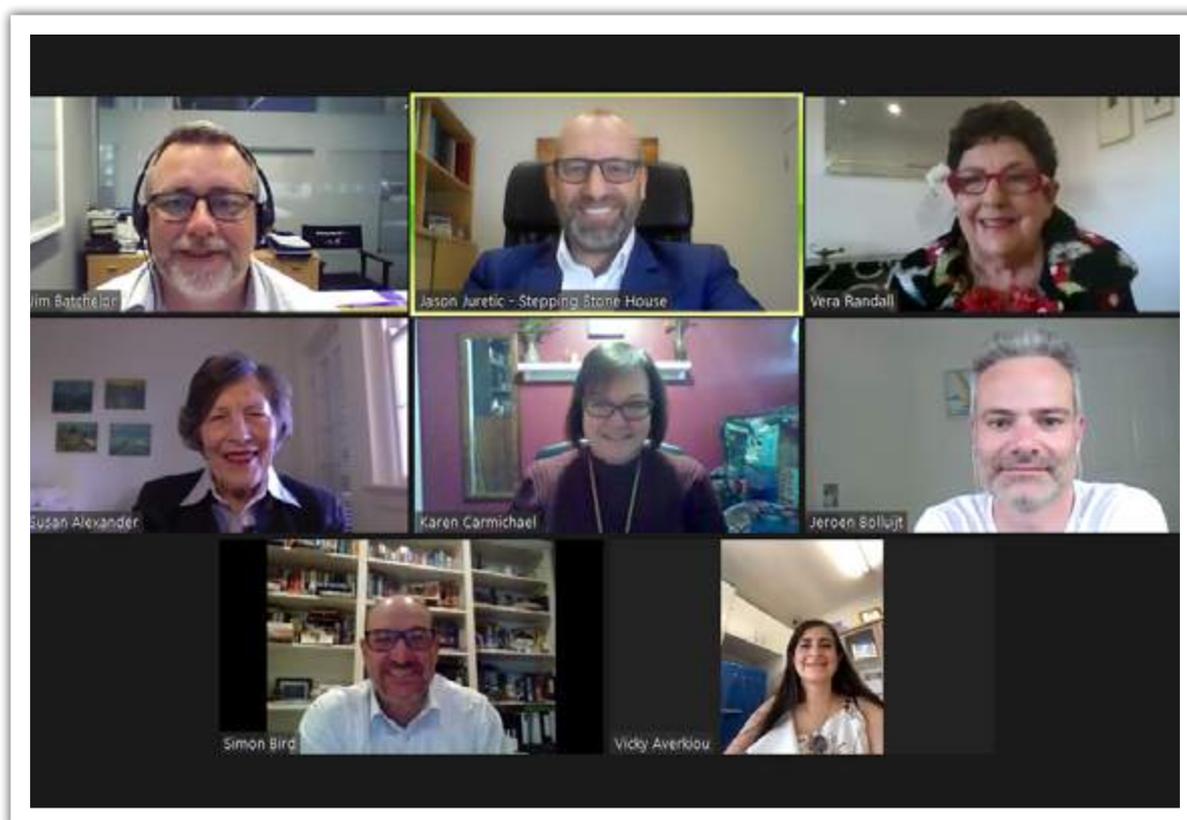
Reduced fundraising opportunities during the COVID-19 pandemic saw a significant drop in our revenue, and like other charities, we are now preparing for a challenging financial year. JB Were, Australia's largest private wealth management service, are predicting philanthropic donations will fall by 19% by 2021. Unlike other charities, SSH has not received any government funding since 2018, and relies heavily on corporate giving and philanthropic donations. We applaud the generosity of those who have already donated and ask those who haven't yet to dig deep!



### Thank You!

The annual Board of Directors survey was positive and I thank my fellow Board members, management and staff for their tireless work. I'd also like to give my thanks to the outstanding contribution given by John Warburton who has stepped down after six years of service as a Board member and Trustee of Stepping Stone Foundation. A huge thanks also to The Chappell Foundation, Stepping Stone Foundation, Kennards Hire Foundation, Goodman Foundation, as well as the rest of our philanthropic community for assisting Stepping Stone House in these uncertain times.

**SIMON BIRD**  
Stepping Stone House, Chair



## CEO'S REPORT 2020



## 2019

Stepping Stone House really hit the ground running in their thirtieth year! Our youth were actively engaged with our programs, school and work, recording an average wellbeing score of 41% above the baseline level for 2019. Another significant achievement during this time was the formalisation of a partnership between Stepping Stone House and Outward Bound Australia. This hugely beneficial partnership allows us to outsource our adventure education and resilience-building camps to their expert mentors, and offers our youth ad-hoc expeditions to help complete their Bronze, Silver, and Gold Duke of Edinburgh awards.

Sleep Under the Stars 2019 was a massive success, with \$503,000 raised for youth homelessness, our highest total ever! A special thanks to the Macquarie Foundation for taking roles on the event committee, as well as our key sponsors, the SSH staff (especially fundraising and communications manager Jessica Mienert) as well as the students of Knox Grammar and Cherrybrook High, who ran additional sleepout events for their schools.

The monumental year that was 2019 concluded with our annual Christmas party, with over 40 staff, Board members, volunteers, current and former residents celebrating at one of the SSH homes. It was a real moment of community spirit and togetherness, which paved the way for the challenges of 2020. I just loved seeing former SSH residents bring their own children to celebrate the magical time of Christmas.

## 2020

Despite achieving immense success in the second half of 2019, the average wellbeing of our young people fell by 51% over the three months following the COVID-19 outbreak. Although there are many factors that determine the wellbeing of our youth, the reality is that young people who are experiencing homelessness or "at risk" are even further disadvantaged by the pandemic. In addition to the delivery of core SSH programs being affected, ever-changing daily routines, job losses, diminished social lifelines and reduced access to mental health professionals really made life tough for our youngsters.

As the year progressed, we saw similar impacts across the youth homelessness sector, with Youth Off the Streets reporting a 50% increase in the number of young people they saw sleeping rough during their nightly walks and the Department of Communities and Justice reporting very high numbers of searches on their website for housing and domestic violence support. The youth unemployment rate reached 16.3% in July 2020, and this was reflected at our homes which saw all but 2 of our youngsters lose their casual/part-time jobs.

At an organisational level, we were forced to cancel the annual SSH Sailing Regatta at the Royal Sydney Yacht Squadron. In addition to being a fun-filled day of competitive racing and community spirit, the Regatta is also an important fundraising event for Stepping Stone House. My deepest thanks to the teams who donated the registration fee despite the event not going ahead. We are truly grateful for your ongoing support of our cause.

I am extremely proud of Stepping Stone House for their ingenuity and innovation in the face of tremendous adversity this year. In addition to working from home and getting used to virtual staff meetings over Zoom, we successfully held the Annual SSH Revue over Zoom – with minimal technological difficulties! We have very much embraced the versatility of digital solutions, also kick-starting the transition of our Skills for Life program onto an online platform. Many thanks to Adobe ANZ who are kindly providing their Adobe Captivate Learning Management System free of charge to host all 450 skills.

As always, the staff and youth team who run our day-to-day programs have been nothing short of spectacular. Over the last year, our annual Employee Engagement Survey recorded 4.56 out of 5.0, and the SSH staff retention rate remains at 94% despite many new positions being added to our roster. We now have 70% of our staff team with a bachelor's degree or equivalent, and this success was recently reflected in SSH being announced as a finalist for the Australian HR Awards's NFP Employer of Choice.



## Next Steps

Our focus for our residents is two-fold for the coming year. In addition to supporting an additional 28 youth in our residential and Aftercare programs, we must support our current youth as they endeavour to re-secure employment. So far, 7 of our youth have successfully re-engaged with casual or part-time work since the pandemic began, and we anticipate this to be their most important challenge as the JobKeeper scheme is rolled back.

At an organisational level, we will continue to embrace digital solutions as the pandemic continues. Sleep Under the Stars 2020 will be a remote event, with our community participating remotely from backyards, lounge rooms and more. It's shaping up to be an awesome occasion with a fundraising goal of \$560,000, so be sure to sign your team up at [www.sleepunderthestars.com.au](http://www.sleepunderthestars.com.au) and not miss an update! We need your support now, more than ever.

Lastly, I'd like to express my gratitude to the SSH staff and Board, as well as our community of volunteers and donors for all of your support over the last year. To achieve the amount of success we have over the last year takes a monumental effort, and I am deeply thankful to every single person who has supported our youth and cause. A special mention to The Chappell Foundation, Stepping Stone Foundation, Huber Social, Kennards Hire Foundation, the Property Industry Foundation, Goodman Foundation, Kennards Self Storage, SustainAbility, Lotus People and Raymond Sykes.

It takes a village to go from surviving to thriving, and Stepping Stone House has developed a tremendous village of generous and compassionate supporters. Our vision of ending youth homelessness in Australia remains the ultimate objective, and on behalf of Stepping Stone House I thank each and every one of you for being with us on this journey.

A handwritten signature in black ink, which appears to read 'Jason Juretic'. The signature is stylized and cursive.

**JASON JURETIC**  
Chief Executive Officer

## RESIDENTIAL SERVICES MANAGER REPORT

### Introduction

It gives me great pleasure to report on the achievements and successes of the Stepping Stone House young people and programs for a third year.

### Wellbeing

Once again we have seen our young people significantly progress their personal development and wellbeing. I have seen again and again the value of our organisation achieving such a high staff retention rate each year. For the youth at Stepping Stone House, the staff team are exceptional role models and perhaps the most consistent adults in their young lives. Although it may take some time, building trust with our youth is vital to helping them achieve their best. This is not something which occurs overnight and can take years of consistency to develop. One of our residents who has been with us for over four years cited that being able to predict how the people around her would respond, no matter what was going on for her, was one of the things she was most grateful for as it gave her the reassurance that she could be honest about what was really going on for her.

In addition to seeing the developing confidence and independence of our new residents, the past year has seen previous residents return and share their journey. Stepping Stone House is honoured to share the story of former resident Shen, who completed the voice-over for our new flagship video. The video is quite simply amazing, and we are thankful to Shen for sharing her personal story.

### Expansion

In addition to witnessing the improved wellbeing of our youth, the last 12 months has seen a rapid expansion of our model of care. This includes a new Semi-Independent Living Program (SILP) which supports 4 additional youth and is jointly funded by The Chappell Foundation and attendees of the 2019 Sleep Under the Stars event.

We have also adjusted the model to accommodate the speed at which youth are moving through the programs. Young people who are in our Independent Living Program (ILP) now live in their own apartments rather than the SSH homes. Although they still have weekly contact with their case managers, this gives our ILP youth more space and independence, as most are working or studying full-time. As well as giving our ILP youth greater autonomy, this change has had a positive influence on the atmosphere of the SSH group homes, as young people's confidence increases that they can make the next steps of their journey with SSH right there to support them along the way.

### Programs

Alongside expanding our service capacity, we have recently added a new role of Program Facilitator who monitors and assists with our young people's engagement in our programs. Many thanks to our corporate sponsors who have funded this role, which will be vital as our youth seek to re-secure employment during 2020.

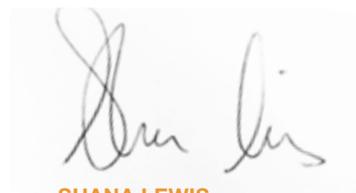
I am immensely proud of our team for maintaining the excellent standard of our programs, which resulted in Stepping Stone House re-securing accreditation from the Office of the Children's Guardian. Our Case Managers work tirelessly and with such a dedication to ensure our young people receive care that not only meets government standards of good practice within Out-of-Home Care, but also provides a stable and safe base for them to explore and build a solid future for themselves. Additionally, over the last year we have worked closely with Nous Group to create an evaluation framework for our Careers Program as part of their Community Partnership Scheme. In addition to analysing best-practice youth employment programs in Australia and internationally, we created KPI's that will allow us to accurately measure the impact of our own programs.

Ensuring that Stepping Stone House and its programs adhere to best practice is instrumental in the lives of our youth, but it also has the potential to create additional funding streams for our organisation. In the coming year, Stepping Stone House will be trialling a Payment-by-Outcomes model (PBO), through which our income is contingent on the success of our programs.

## A Final Thanks

I'd like to firstly thank the SSH staff and the huge network of volunteers who drive the ongoing success of our programs. Our organisation simply could not run without their patience and dedication to supporting our youth. Thanks must also go to our house maintenance team (Malcolm, Michael and Paul) who have kept the houses in order as well as our corporate teams who have completed working bees on the house and gardens. Having a positive environment has a huge impact on the day-to-day wellbeing of our young people. We are truly grateful.

Lastly I would like to thank those who deserve the most recognition for this year, our youth. We are deeply proud of your resilience and fortitude as you take on new challenges, become independent and be the very best you can be.



**SHANA LEWIS**  
Residential Services Manager



## BOARD MEMBERS

(ALL BOARD MEMBERS ARE VOLUNTEERS)

### SIMON BIRD

Simon Bird is a Fellow of the Australian Institute of Company Directors and former Director and Fellow of CPA Australia. Simon has accumulated over 30 years corporate experience.

This includes roles as Chief Executive Officer and Chief Financial Officer with large public companies together with Directorships on listed company Boards and not-for-profit organisations.

As part owner of two child care centres and parent of two adult children, he has a keen interest in the welfare of our youth. Simon joined the Board in February 2016.

### SUSAN ALEXANDER OAM

Susan Alexander has dedicated decades to bettering the welfare of young Australians, culminating in 2016 when she received an Order of Australia Medal for service to the community, particularly children's welfare.

Susan spent over 45 years in the Public Sector with a break to raise three children and 20 years of voluntary association with the Not for Profits. She first joined Child Welfare (now Communities and Justice), trained as a Psychologist, held a variety of front-line, management and Director's positions and later worked part time for the Children's Guardian and as an Official Community Visitor.

Susan's natural ability to build partnerships translated to many volunteer roles, mainly with Marist Youth Care and Uniting Care Burnside, then Board Director, professional mentor and Chair/member of many committees.

Her involvement with Stepping Stone House was initially as a supporter, voluntary consultant then Board Director since 2013. In this current capacity, Susan advocates for children's rights, provides supervision/mentoring/advice to senior staff and assists in staff selection, policy development and strategic planning.

Susan's commitment and dedication to make a difference in the lives of children and young people is highly visible, and unwavering.

### JEROEN BOLLUIJT

Jeroen Bolluijt is a global entrepreneur with more than two decades of business experience that extends across Australia, The Netherlands, USA and Europe.

From running his own tech start-ups to co-founding an incubator with Deloitte in The Netherlands and advisory roles with industry associations in the areas of best practice standards; Jeroen brings a comprehensive range of skills and experience to assist businesses solve their most complex and challenging problems.

### VICKY AVERKIOU

Vicky Averkiou has an honours degree in Psychology from UNSW and a V. Grad. Cert. in Developmental Trauma from the Australian Childhood Foundation. She has worked 13 years within statutory child protection.

Six of those years was as a caseworker, working across the spectrum from intake to out-of-home-care. It was her work with high-needs adolescents in care that sparked her passion for trauma-informed practice.

She worked seven years as a Casework Specialist, supporting field staff across three districts and two adolescent units with consultation, reviews, coaching, and training. She now works as a private consultant across the NGO and government sectors. She incorporates mindfulness and meditation in her private practice with clients.

### JIM BATCHELOR

Jim Batchelor is Managing Director of Universal Sony Pictures Home Entertainment; a Joint Venture that distributes film and TV content for a number of Major Hollywood and Local Studios.

Jim has worked both in Australia and Internationally in a number of Senior Commercial Roles. Jim's experience is broad across Sales, Buying, Marketing and Change Management.

### VERA RANDALL

Vera Randall founded Knitwit, an Australian home sewing franchise which encourages women to overcome fear, build up self confidence and share success. Vera has served on government and not-for-profit Boards including Australia Post, Quality Australia and Habitat for Humanity Australia and International.

She currently co-owns Just Better Care Northern Suburbs, a business providing in-home and share house support to people who are frail-aged, living with disability or dementia. Vera is Australia's Inaugural Business Woman of the year.

### KAREN CARMICHAEL

Karen Carmichael has an established and diverse finance career in notable ASX companies, such as Myer group, Mitsubishi Electric Australia, Schwartzkopf and SingTel Optus Communications, Karen was named Worldwide Who's Who Professional of the Year in Financial Management for 2012, in recognition of her achievements.

Her passion for making a difference extends beyond the corporate world and she is strongly committed to working with those in need. She was awarded NSW Corporate Volunteer of 2008 for her work with high school students in the disadvantaged areas of Sydney through the Australian Business and Community Network.

Karen also enjoys the arts and is prior Treasurer of Critical Path, a contemporary dance choreographic research association.



## OUTCOMES ACHIEVED IN 2015 - 2020

MEASURE	FOSTER CARE	SSH GRADUATES
Completed year 10 (Rosa)	60%	96%
Completed year 12 (HSC TAFE)	42%	55%
Completed tertiary education	2%	30%
School attendance	60%	87%
Accommodated at 19 years old	40%	100%
Employed on graduation	TBC	100%
Wellbeing*	TBC	Up 21%
Transition to foster care	n/a	8%
Restored to family	TBC	17%
Social impact		\$1 = \$3.40

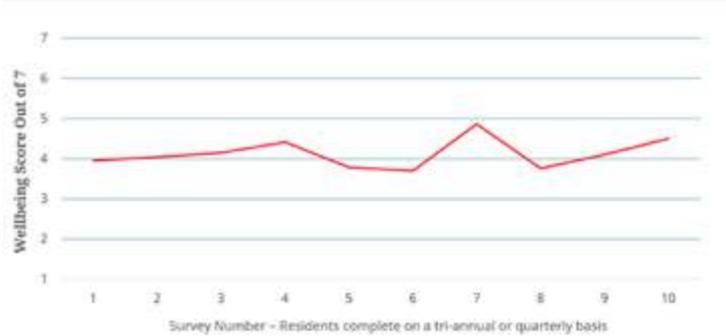


Stepping Stone House is committed to measuring impact throughout as individual's complete journey, which can span several years. As this longitudinal data is collected, the analysis and findings will be strengthened. The above analysis is based on 26 baseline measurements and 12 Graduation, After Care and Alumni measurements.

\* Independent evaluation by Huber Social

## LIFE AFTER STEPPING STONE HOUSE

**5/7**  
 AVERAGE WELLBEING SCORE



**+28%**  
 POSITIVE SHIFT IN WELLBEING FROM THE AVERAGE SCORE WHEN YOUNG PEOPLE FIRST ENGAGE\*

NOTE: This graph shows ongoing progress from a residents first measurement. As the journey from baseline through to graduation typically takes several years, we do not yet have sufficient data to show an average for the complete journey from baseline to graduation to determine trends in the highs and lows. This data will be collected overtime. This graph includes measurements from 30 individuals.

**POSITIVE OUTCOMES FOR YOUTH IN THEIR CARE**

- +86% wellness
- +52% housing skills
- +37% employment skills
- +36% personal development
- +31% faith in the law
- +29% purpose

### HIGHEST SCORING FACTORS

- Wellness
- Housing
- Employment
- Personal Development
- Faith in Law



# FINANCIAL REPORT

For the year ended 30 June 2020

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## **INCITE ACCOUNTANTS & ADVISORS**

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# SYDNEY STEPPING STONE INC.

## PROFIT AND LOSS STATEMENT

For the Year Ended 30<sup>th</sup> June 2020

	NOTE	2020	2019
<b>INCOME</b>	<b>4</b>	<b>\$</b>	<b>\$</b>
Interest Received		6,224	7,073
Other Income		15,692	1,118
Govt Subsidies - Jobkeeper/Cash Flow Boost		83,000	-
Donations		125,908	110,007
Institutional Donations		714,102	494,723
Fund Raising Events		595,572	584,105
Contracted Care		137,891	89,629
Residents Contributions		10,472	25,566
SSI Foundation		449,608	504,803
<b>Total Income</b>	<b>2</b>	<b>2,138,469</b>	<b>1,817,024</b>
<b>EXPENDITURE</b>	<b>5</b>		
Accountancy Fees		935	853
Advertising		18,477	26,506
Auditors Remuneration		1,000	900
Consultancy/Agency Staff		117,621	24,268
Depreciation		15,794	14,503
Resident Expenses		62,122	77,962
General Expenses		42,450	16,568
Insurance		48,986	45,383
Legal Costs		13,438	3,156
Motor Vehicle Expenses		22,954	24,243
Property Rental		11,000	-
Property Expenses		37,536	26,405
Salaries		1,359,831	1,162,943
Leave Expense		43,897	35,603
Staff Training & Welfare		13,809	21,517
Superannuation Contributions		125,203	106,790
Computer Expense		12,644	24,374
Fundraising Expenses		53,814	66,317
<b>Total Expenditure</b>	<b>3</b>	<b>2,001,511</b>	<b>1,678,291</b>
<b>Profit</b>		<b>136,958</b>	<b>138,733</b>

# SYDNEY STEPPING STONE INC.

## INCOME STATEMENT

For the Year Ended 30<sup>th</sup> June 2020

	NOTE	2020	2019
		\$	\$
<b>Revenue</b>		<b>1,542,897</b>	<b>1,232,919</b>
<b>Expenses excluding Finance Costs</b>		<b>1,405,939</b>	<b>1,094,186</b>
<b>Profit Attributable To Members Of The Company</b>		<b>136,958</b>	<b>138,733</b>

# SYDNEY STEPPING STONE INC

## BALANCE SHEET

As at 30<sup>th</sup> June 2020

	NOTE	2020	2019
<b>CURRENT ASSETS</b>		\$	\$
Cash and Cash Equivalents	7	1,413,119	1,033,098
Trade and Other Receivables	8	12,504	35,008
Other Current Assets	10	-	5,250
<b>Total Current Assets</b>		<b>1,425,623</b>	<b>1,073,356</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	11	151,388	159,555
Other Non-Current Assets	10	6,930	880
<b>Total Non-Current Assets</b>		<b>158,318</b>	<b>160,435</b>
<b>Total Assets</b>		<b>1,583,741</b>	<b>1,233,791</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	12	27,274	6,111
Current Tax Liabilities	9	20,122	15,818
Financial Liabilities	13	7,651	18,336
Short Term Provisions	14	172,352	131,907
Other Current Liabilities	15	357,965	200,000
<b>Total Current Liabilities</b>		<b>585,364</b>	<b>372,172</b>
<b>Total Liabilities</b>		<b>585,364</b>	<b>372,172</b>
<b>Net Assets</b>		<b>998,577</b>	<b>861,619</b>
<b>EQUITY</b>			
Reserves	16	364	364
Retained Profits	17	998,213	861,255
<b>Total Equity</b>		<b>998,577</b>	<b>861,619</b>

# SYDNEY STEPPING STONE INC.

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30<sup>th</sup> June 2020

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a nonreporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

#### BASIS OF PREPARATION

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

##### (a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

##### (b) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

##### (c) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related oncosts.

##### (d) Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent of management valuation. All assets, excluding freehold land and buildings held for investment, are depreciated over their useful lives.

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by Sydney Stepping Stone Inc.. Depreciation commences from the time the asset is held ready for use. Any leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful lives used for each class of depreciable asset are considered to fall within standard parameters. Standard rates of depreciation have been used for each class of asset.

The carrying value of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

**(e) Borrowings**

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of current payables.

**(f) Trade and Other Receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment.

At the end of each reporting period, the carrying value of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the financial statements.

**(g) Revenue and Other Income**

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

**(h) Trade and Other Payables**

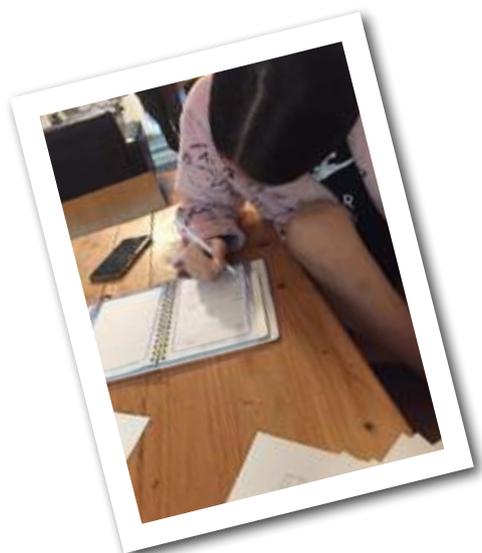
Trade payables are obligations on the basis of normal credit terms and do not bear interest. They are recognised at their transaction price.

**NOTE 2: REVENUE**

<i>Other Income</i>	2020	2019
	\$	\$
Interest Received	6,224	7,073
Other Income	15,692	1,118
Govt Subsidies - Jobkeeper/Cash Flow Boost	83,000	-
Donations	125,908	110,007
Institutional Donations	714,102	494,723
Fund Raising Events	595,572	584,105
Contracted Care	137,891	89,629
Residents Contributions	10,472	25,566
SS Foundation	449,608	504,803
	<b>2,138,469</b>	<b>1,817,024</b>

**NOTE 3: EXPENSES**

	2020	2019
	\$	\$
Employee Benefits Expense	1,485,034	1,269,733
Depreciation and Amortisation Expenses	15,794	14,503
Advertising	18,477	26,506
Insurance	48,986	45,383
Other Expenses	433,220	322,166
	<b>2,001,511</b>	<b>1,678,291</b>



#### NOTE 4: INCOME DETAILS

<b>Income</b>	<b>2020</b>	<b>2019</b>
	\$	\$
<i>Interest Recieved</i>		
<b>Interest Recieved</b>	<b>6,224</b>	<b>7,073</b>
<i>Other Income</i>		
<b>Other Income</b>	<b>15,692</b>	<b>1,118</b>
<i>Govt Subsidies - Jobkeeper/Cash Flow Boost</i>		
<b>Govt Subsidies - Jobkeeper/Cash Flow Boost</b>	<b>83,000</b>	-
<i>Institutional Donations</i>		
<b>Institutional Donations</b>	<b>714,102</b>	<b>494,723</b>

#### NOTE 5: EXPENSES DETAILS

<b>Overhead Expenses</b>	<b>2020</b>	<b>2019</b>
	\$	\$
<i>Auditor's Remuneration</i>		
<b>Auditor's Remuneration</b>	<b>1,000</b>	<b>900</b>
<b>Total Expenses</b>	<b>1,000</b>	<b>900</b>

#### NOTE 6: PROFIT FOR THE YEAR

Profit before income tax expense from continuing operations includes the following specific expenses:

<b>Income</b>	<b>2020</b>	<b>2019</b>
	\$	\$
<b>Charging As Expense :</b>		
<b>Movements In Provisions :</b>		
<b>Depreciation :</b>		
- Property Improvement	<b>3,902</b>	<b>3,960</b>
- Motor Vehicles	<b>2,708</b>	<b>3,333</b>
- Office Furniture and Equipment	<b>9,184</b>	<b>7,210</b>
<b>Net Expenses Resulting From Movement In Provisions</b>	<b>15,794</b>	<b>14,503</b>
<b>Net Loss On Disposal Of Non-Current Assets:</b>		
- Property, plant & equipment	<b>(595,572)</b>	<b>(584,105)</b>

**NOTE 7: CASH AND CASH EQUIVALENTS**

<i>Cash and Cash Equivalents</i>	2020	2019
	\$	\$
Macquarie Term Deposit	300,000	300,000
Petty Cash	921	1,725
<i>Cash At Bank</i>		
SHH Everyday #769	528,741	184,006
Theatre Fund & Burwood Council #889	15,744	16,133
Rent Account #0386	8,851	19,790
WBC Petty Cash #053	3,724	2,345
SSH Bonus Interest #785	555,137	509,099
Property Improvements & Maintenance	-	-
<b>Total Cash And Cash Equivalents</b>	<b>1,413,119</b>	<b>1,033,098</b>
<b>Cash Reconciliation</b>	<b>1,413,119</b>	<b>1,033,098</b>
Cash And Cash Equivalents	1,413,119	1,033,098

**NOTE 8: TRADE AND OTHER RECEIVABLES**

<i>Current</i>	2020	2019
	\$	\$
Trade Debtors	12,504	35,008
<b>Total Trade And Other Receivables</b>	<b>12,504</b>	<b>35,008</b>
	12,504	35,008

**NOTE 9: TAX ASSETS AND LIABILITIES**

<i>Liabilities</i>	2020	2019
	\$	\$
PAYG Payable	20,122	15,818
<b>Net Tax Liabilities</b>	<b>(20,122)</b>	<b>(15,818)</b>



**NOTE 10: OTHER ASSETS**

<i>Current</i>	2020	2019
Prepayments	-	5,250
	-	5,250
<i>Non-current</i>		
Rental Bond	6,050	-
Canterbury Road	880	880
<b>Total Other Assets</b>	<b>6,930</b>	<b>6,130</b>

**NOTE 11: PROPERTY, PLANT AND EQUIPMENT**

	2020	2019
	\$	\$
Property Improvements	133,968	133,968
Less Accumulated Depreciation & Impairment	(27,181)	(23,173)
	<b>106,787</b>	<b>110,795</b>
<b>Total Land And Buildings</b>	<b>106,787</b>	<b>110,795</b>
Motor Vehicles	63,597	63,597
Less: Accumulated Depreciation	(51,853)	(49,145)
	<b>11,744</b>	<b>14,452</b>
Office Furniture & Equipment	129,247	121,620
Less: Accumulated Depreciation	(96,390)	(87,312)
	<b>32,857</b>	<b>34,308</b>
<b>Total Plant And Equipment</b>	<b>44,601</b>	<b>48,760</b>
<b>Total Property, Plant And Equipment</b>	<b>151,388</b>	<b>159,555</b>

**NOTE 12: TRADE AND OTHER PAYABLES**

<i>Current</i>	2020	2019
	\$	\$
Other Creditors	27,274	6,111
	<b>27,274</b>	<b>6,111</b>
<b>Total Trade And Other Payables</b>	<b>27,274</b>	<b>6,111</b>

**NOTE 13: FINANCIAL LIABILITIES**

<b>Current</b>	<b>2020</b>	<b>2019</b>
	\$	\$
Resident Bonds	7,651	18,336
<b>Total Current</b>	<b>7,651</b>	<b>18,336</b>
<b>Total Financial Liabilities</b>	<b>7,651</b>	<b>18,336</b>

**NOTE 14: PROVISIONS**

<b>Current</b>	<b>2020</b>	<b>2019</b>
	\$	\$
GST Payable	(8,305)	(1,737)
<b>Provision For Holiday Pay</b>		
Provision for Holiday Pay	116,595	100,417
<b>Provision For Long Service Leave</b>		
Provision for Long Service Leave	52,550	24,831
<b>Superannuation Contributions Surcharge</b>		
Superannuation Contributions Surcharge	11,512	8,396
	<b>172,352</b>	<b>131,907</b>
<b>Total Provisions</b>	<b>172,352</b>	<b>131,907</b>

**NOTE 15: OTHER LIABILITIES**

<b>Current</b>	<b>2020</b>	<b>2019</b>
	\$	\$
Income In Advance	357,965	200,000
	<b>357,965</b>	<b>200,000</b>
<b>Total Other Liabilities</b>	<b>357,965</b>	<b>200,000</b>

**NOTE 16: RESERVES**

<b>General Reserve</b>	<b>2020</b>	<b>2019</b>
	\$	\$
Opening Balance	364	364
Closing Balance	364	364
<b>Total Reserves</b>	<b>364</b>	<b>364</b>

**NOTE 17: RETAINED PROFITS I ACCUMULATED LOSSES**

	2020	2020
	\$	\$
Retained Profits at Beginning of Financial Year	861,255	722,522
<b>Add</b>		
Net profit attributable to members	136,958	138,733
<b>Retained Profits At 30 June 2017</b>	<b>998,213</b>	<b>861,255</b>

**NOTE 18: COMPANY DETAILS**

**The registered office of the company is:**  
 Sydney Stepping Stone Inc.  
 Level 9, 31 Market St SYDNEY NSW 2000

**The principal place of business is:**  
 Sydney Stepping Stone Inc.  
 Level 9, 31 Market St SYDNEY NSW 2000

**The principal activities of the company include:**  
 Stepping Stone House provides an accredited out-of-home-care residential service providing medium to long term accommodation in a house at Dulwich Hill, Sydney.



## SYDNEY STEPPING STONE INC. DIRECTORS' DECLARATION

*For the year ending 30<sup>th</sup> June 2020*

The Directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in the Notes to the Financial Statements.

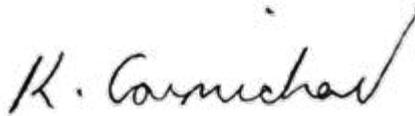
The Directors of the Company declare that:

1. The financial statements and notes, as set out in the financial report, present fairly the Company's financial position as at 30 June 2020 and its performance for the reporting period ended on that date in accordance with the accounting policies described in the Notes to the Financial Statements; and
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



**SIMON BIRD**  
Director



**KAREN CHARMICHAEL**  
Director

**Dated this 24th day of September 2020**

# SYDNEY STEPPING STONE INC. INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYDNEY STEPPING STONE INC.

We have audited the accompanying financial report, being a special purpose financial report, of Sydney Stepping Stone Inc. (the Company), which comprises the Balance Sheet as at 30 June 2020, and the Income Statement for the Year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

## Directors' Responsibility For The Financial Report

The Directors of the Company are responsible for the preparation of the financial report, and have determined that the accounting policies described in the Notes to the Financial Statements are appropriate to meet the requirements of the Company's constitution and the needs of the Members. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Independence

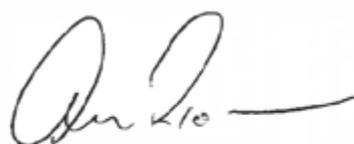
In conducting our audit, we have complied with the independence requirements of the Australian Professional Ethical Pronouncements.

## Opinion

In our opinion, the financial report presents fairly, in all material respects the financial position of Sydney Stepping Stone Inc. as at 30 June 2020 and of its financial performance for the Year then ended in accordance with the accounting policies described in the Notes to the Financial Statements.

## Basis Of Accounting

Without modifying our opinion, we draw attention to the Notes to the Financial Statements, which describe the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the Directors' financial reporting obligations under the company's constitution. As a result, the financial report may not be suitable for another purpose.



**ANDREW RIORDAN**  
Incite Accountants & Advisors  
Level 9, 31 Market Street, Sydney NSW 2000

**Dated this 24th day of September 2020**

## SUPPORTERS

Stepping Stone House only exists through the efforts of many. We believe community problems are best solved by communities themselves. It means working together across private and public sectors, profit and not-for-profit enterprise, through both individual and collective efforts. Without all of those who support us we wouldn't be able to help young people become independent and be the best they can be. Here we acknowledge just some of the many who make it all possible.

Thanks to all of you who partner with us, fund aspects of our work, make donations, work side by side with us, provide opportunities for our young people, pitch in and help day to day, provide in-kind support of all types and advocate for what we do. Every contribution, no matter how large or small, is greatly appreciated. Thank you also to our anonymous supporters.

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