



ANNUAL REPORT 2022



HELPING YOUTH BUILD THEIR FUTURE

Established in 1989, the Stepping Stone House (SSH) mission is as follows:

“SSH provides a safe place for children and young people at risk or experiencing homelessness so they can begin to heal, build resilience, create connections and become the very best they can be”.

The SSH vision is ambitious, but it must happen. It is as follows:

“End Youth Homelessness in Australia.”

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. Development is achieved through a combination of outdoor adventure education, counselling, careers and employment coaching, education, and life skills. SSH is unique in that young people who live at its homes will often stay for years, giving them a sense of permanency and the time necessary to undo the impact that trauma has had in their young lives. Young people are generally referred to SSH from all over Australia via Community Services, Juvenile Justice, crisis accommodation services and self-referrals. A specific focus is placed on giving the young people a FUN living environment, ensuring that they leave with wonderful childhood memories and improved wellbeing.

The SSH model of care is person-centred, meaning our Care Team builds each young person’s development plan around their unique circumstances, challenges, and strengths. Quality care remains at the core of this process, and as such we have refined our mission statement to reflect this commitment.

Our values are:



Fun



Allyship



Connection



Creativity



Trustworthiness

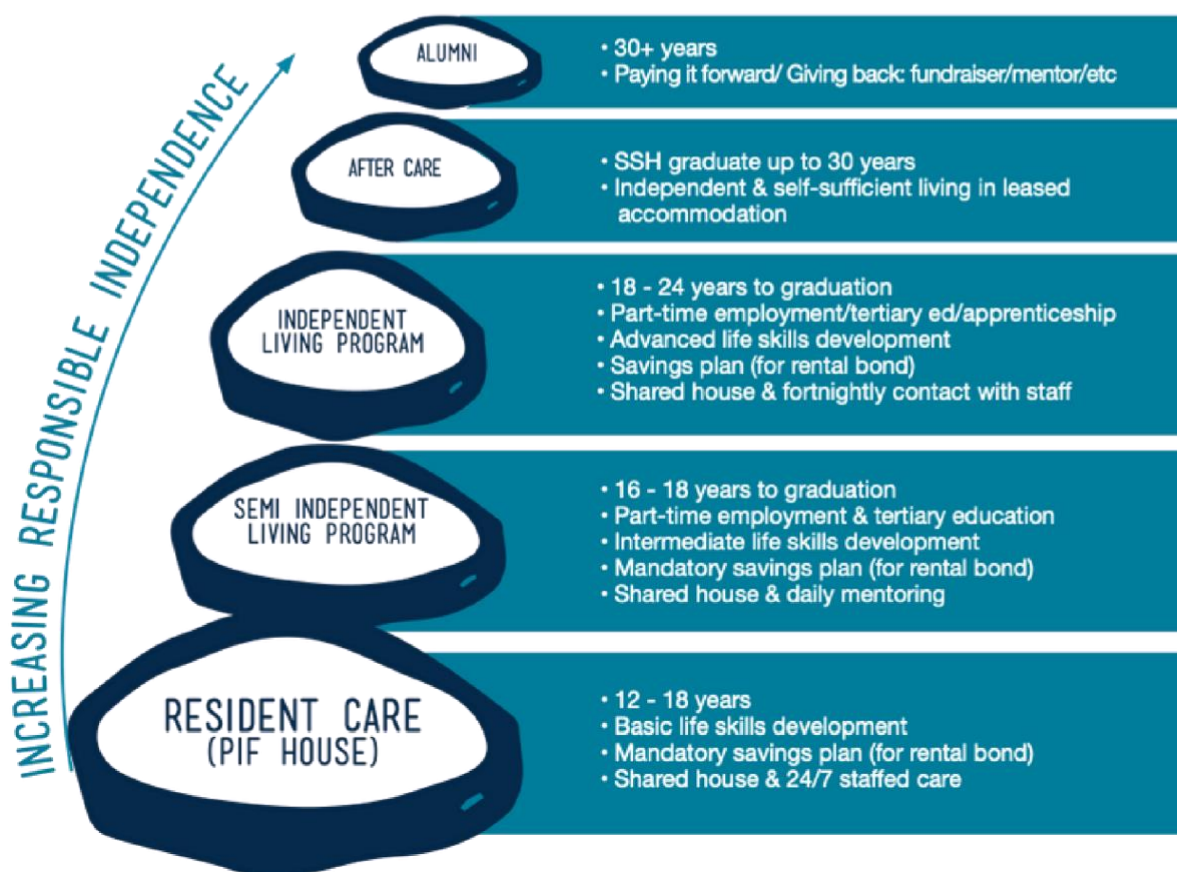


Self-Determination

Stepping Stone House provides support for young people experiencing or at-risk youth of homelessness 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 healthcare
- ✓ 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.



CHAIR'S MESSAGE - SIMON BIRD

The past year has been a transformative year for SSH in many areas. As SSH General Manager Shana Lewis points out in her report, the young people in our care have achieved outstanding results in the past 12 months. Our strategic growth has been maintained, with a total of 87 young people now supported at SSH. The setup of our Community Hub in Alexandria earlier this year was a major achievement.

Over the last 12 months, the Board invested in a new parallel strategy, which seeks to make an even bigger impact on our vision of ending youth homelessness in Australia. A mix of paid experts and pro-bono consultants have helped us develop “Helios”, an innovative research project to see how our evidence-based model could be adopted by other communities across Australia.

This investment in Helios meant SSH ended the financial year with a planned deficit and certain reserves were utilised to support our core operations. A portion of our reserves were invested in a trading portfolio, which was adversely impacted by global market conditions during the year. Despite this, we ended the year in a good financial position and with growing revenues expect to enable further investment in our infrastructure ready to scale SSH in the coming years

SSH is not immune to politics and the recent change in Federal Government may create opportunities for us. As a politician who grew up in a housing commission, it will be interesting to see what Prime Minister Anthony Albanese brings to the table. It has also been great to see SSH featured in several radio and television pieces this year, as our brand and message reaches new heights.

We were fortunate to have Kathryn Rigney from Minter Ellison and Lauren Hill from Westpac attend our board meetings this year, as part of the Westpac Foundation Board Observership Program, with both making valuable contributions for which we are most grateful. As in prior years I sincerely appreciate all the efforts of my fellow directors, management, our staff, and army of volunteers for their contributions towards everything we have achieved during another challenging year.

None of this, however, would have been possible without the wonderful philanthropic support we continue to get from corporates, foundations, and individuals in ever growing numbers.

I look forward to updating you on an even greater year in our next report.

Thank you, all.



SIMON BIRD
Stepping Stone House, Chair

CEO'S REPORT - JASON JURETIC

It's my pleasure to report on another inspiring and successful year once again for SSH. I would firstly like to thank our growing community of supporters who are the village that allows our organisation to thrive through tough times. All those volunteer hours, donations, phone calls and zoom meetings over the last year culminated in some truly fantastic outcomes. Young people remain at the centre of everything we do, and thanks to your support, SSH has now expanded to support 87 young people who are experiencing or at-risk of homelessness.

A key milestone over the past year has been the opening of the SSH Community Hub, our new centre in Alexandria where SSH comes together to learn, grow, and celebrate. For the young people in the Independent Living Program, “the Hub” as we have come to call it, is a safe and welcoming space that they can drop into any time they like. It's been great to see the space utilised as young people meet with their case workers, participate in development workshops, and celebrate key events such as Christmas and birthday parties. A massive thanks to Goodman who provided the space at discounted cost, and to Macquarie who are paying the rent for the first year. Thanks also go to Westpac who have fitted out the Hub with donated technology and furniture, and to Aboriginal artist Bianca Caldwell (Wiradjuri Dreaming) who has decorated the walls with beautiful depictions of the role that SSH plays in supporting young people.

Another big outcome over the last 12 months has been the development of our new digital skills resource, My Skills for Life. This eLearning tool takes the hundreds of life skills that SSH has collected over the years into an online space, giving our

organisation a higher level of consistency in life skills training. Many thanks to Adobe who are providing their Captivate platform completely free-of-charge for the first year, while we pilot the new program with the SSH young people. Once we implement their feedback, the long-term vision for My Skills for Life is to roll it out to at-risk young people across Australia, including those in other youth refuges, foster-care, out-of-home care, and even those in the Youth Justice system. Thanks also to the Department of Communities and Justice, Equity Trustees, QBE Foundation, and the Danks Trust who provided financial support through their respective grant rounds.

Last year marked five years since I joined The Home Stretch campaign, which advocates for the provision of extended care to 21 years across all Australian states and territories. In this time, I have met with four different Ministers for Families and Communities, and I really feel that change is coming this year. For those who have not been following the campaign, NSW is now the only state that is yet to commit to extended care. To put this into context, an estimated 1200 kids age out of care every year, of which we know around 36% will experience homelessness. To paraphrase Desmond Tutu, we need to move upstream and prevent the estimated 400 kids becoming homeless each year in NSW. If we can extend care for them, they will be more likely to succeed. This is an approach which we have seen incredible results with at SSH. It is also far less costly in the long-term, as young people who receive extended care are far less likely to be unemployed, hospitalised, or enter the justice system.



As Simon mentions in his report, we have not lost sight of our ambitious vision to end youth homelessness over the last 12 months and have taken strategic steps through the early-stage project known as Helios. We are thrilled with its potential, and remain focused on our core business and executing our current strategic plan. Many thanks to Tanya Jackson-Vaughan and Brett Nan Tie, who have steered the research and development of the framework that we will take to the Australian community.

I believe that a team is always greater than the sum of its parts, and I'd like to thank the SSH team and staff, both the care team and the fundraising team. You have all gone above and beyond the call of duty to achieve some truly fantastic results. Thank you for everything you do for the SSH young people.

For next year, my top priority is to maintain SSH's commitment to excellence as we expand the numbers of young people we support. This will be achieved through three key strategies: increasing our multi-year revenue, enhancing our digital and technological capabilities through the roll out of My Skills for Life, and a renewed focus on staff recruitment and retention. When compared to sector averages, SSH has a high staff retention rate of 79%, but this is the lowest it has been in recent years. Increasing this rate is particularly important to our work, ensuring SSH young people have consistent role models who they can trust and learn from.

It takes a village to go from surviving to thriving, and each and every person who supports our young people is helping us make a difference. Special thanks go to The Chappell Foundation, Stepping Stone Foundation, Kennards Hire Foundation, Goodman Foundation, Property Industry Foundation, Kennards Self Storage, Princess Polly, SustainAbility, Lotus People, Waratah Foundation, and Huber Social. Thank you once again.

Let's keep up the momentum and achieve even more next year.

JASON JURETIC
Chief Executive Officer

GENERAL MANAGERS REPORT - SHANA LEWIS

It's been another strong year with some excellent outcomes achieved by the young people we support. It is my pleasure to report that 87% percent of SSH young people are currently employed, and we had an all-time high of five young people that successfully completed the HSC in 2021. It is particularly great to see the results of this year's Huber Social Impact Report confirm the positive role that SSH plays in improving the overall wellbeing of young people – with an average increase of 14% recorded from the time young people join to their graduation.

It was immensely satisfying to see our Youth Advocacy Program begin to make traction with the young people, and the value of lived experience recognised more broadly. In particular, I would like to thank and congratulate Matthew Krishna for advocating for extended care to 21 years on behalf of the NSW Home Stretch Campaign, presenting in NSW Parliament alongside our CEO Jason Juretic. Lived experience is a vital step to a more informed policy design, and it is truly fantastic to see SSH young people given this platform. Many thanks to our pro-bono psychologist Emma Collins who provides clinical assessment to program participants, ensuring they are ready to safely share their story.

FUN is the first organisational value of SSH, and it is a priority for our team to create opportunities for joy in the lives of the young people we support. The unfortunate reality is that many young people have never experienced a family holiday before they arrive at SSH, and our camps are always a key highlight in the SSH calendar. This year included a Summer Camp at Stockton Beach in Newcastle, as well as a very memorable Snow Camp which had not ran for three years due to the pandemic. This included seven young people who had never seen the snow before, and it was wonderful for our staff to enjoy this moment with them. Thank you to the Pratten Foundation for funding the camp each year – the tough conditions definitely tested the resilience of our young people (and staff!)

My key goal for the coming year is to improve recruitment and retention, following a year where the sector has seen heightened levels of attrition as people have changed careers after what has been two incredibly hard years navigating the social sector through COVID-19 with people also moving away from face-to-face work and into careers that offer working from home. Retaining a consistent staff retention rate and quality of care is particularly important to effectively support the young people at SSH, and this will be a top priority for me.

Other goals include the further development our compliance system, helping us to better monitor the development of young people as we scale, as well as creating a formalised education program in partnership with our international partners Eva's Initiatives in Canada, and Centrepoin in the United Kingdom. I will also be supporting the roll out of My Skills for Life, and the continued growth of the Youth Advocacy Program by preparing young people through ethical storytelling coaching and psychological reviews.

Thank you to our staff for going above and beyond for our organisation and the young people we support. Together we have achieved fantastic outcomes and your loyalty to the SSH cause has been inspiring. I would also like to thank the other community service providers who work with SSH; MyFoundations, Foyer Central, St George Community Housing, Rent Choice Youth, CREATE Foundation, LadderUp, WEAVE Youth & Community Services, SecondBite, OzHarvest, Thread Together, Dress for Success, Service NSW, Mentoring Men. Thanks also to the RS Foundation for the support to improve our volunteer onboarding program. Community engagement is so important to our sector, and we look forward to achieving even greater outcomes together with our partners in the coming years.



SHANA LEWIS
Residential Services Manager

BOARD MEMBERS

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 childcare 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.

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.

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 cofounding 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 solving their most complex and challenging problems.

SUE BARWICK

Sue Barwick brings over two decades of experience in the for-purpose sector to the SSH Board, having worked in a number of strategic fundraising roles in both Australia and the UK. Sue is the current Head of Donor Services at the McGrath Foundation, and relishes the opportunity to work with like-minded people to achieve a shared objective. Sue began her career in the commercial sector, gaining skills in advertising and communications which she has successfully translated into her outstanding for-purpose career. Sue joined the Board in January 2022.

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.

SHEN WILSON

After growing through the adversity of experiencing poverty and youth homelessness, Shen now lives and works in Castle Hill NSW with her four children and partner Bec.

After working in youth work and education, Shen shifted her focus and began a journey toward independent business ownership and upskilling. After selling her business, Shen now works for Sydney Trains as a Train Guard where she has an affinity for the trains which sheltered her when she had nowhere to go. She attributes her success to her inner strength and the support, guidance, and education she received whilst living in the residential premises of Stepping Stone House.

In addition to her duties as a Board Director, Shen helps ensure SSH is a culturally safe space, being a proud member of the LGBTQIA+ community, and an Aboriginal woman from the Dja Dja Wurrung People. Speaking at key events, Shen is also a SSH Ambassador and regularly uses her lived experience of out-of-home care to advocate for the organisation's vision to end youth homelessness in Australia.

VERA RANDALL

Vera Randall founded Knitwit, an Australian home sewing franchise which encouraged women to overcome fear, build up self-confidence and share success. The business expanded to operate in seven countries, operated successfully for 22 years before being overtaken by social change mission accomplished.

Vera has served on government and not for profit Boards including Australia Post, Quality Australia and Habitat for Humanity Australia and international.

She owned the business Just Better Care Northern Suburbs for 15 years providing in-home support for people who are frail, aged, living with disability or dementia before moving on to seek her next challenge.

Vera is Australia's Inaugural Verve Clicquot Business Woman of the Year.

SUPPORTERS

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

ANNUAL The Chappell Foundation
Transurban Limited
Waratah Foundation
Westconnex Community
Connections
Westpac Foundation
Westpac Group

CORPORATES/FOUNDATIONS

Ahrens, Michael
Alahakoon, Krish Adobe ANZ
Adobe Foundation
Be Kind Sydney
Clitheroe Foundation
Commbank Staff Foundation
Dept Communities & Justice
DHL Express
Equity Trustees
ETREA Foundation (multi-year)
Federal Gov – Office for Women Goodman
Goodman Foundation
Kennards Hire
Kennards Hire Foundation
Kennards Self Storage
Lady Mary Fairfax Charitable Trust
Lendlease Foundation
Lotus People Macpac
Macquarie Foundation
Matana Foundation (multi-year)
McKinsey
Novus Foundation
Pallas Capital
Perpetual Trustees
Pratten Foundation
Princess Polly
Property Industry Foundation
QBE Foundation
RS Foundation
Social Sector Support Fund
Stepping Stone Foundation
SustainAbility

ANNUAL REPORT 2022

INDIVIDUAL & COMMUNITY DONORS: WHO HAVE GIVEN \$1000 OR MORE

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.

Bailador
Baragry, Bronwyn
Bennett, William
Booth, Christina
CAF America
Campbell, Craig
Clarkson, Anthony
Cloney, John
Dan, Joanne
Deposit Labs
Donohue, Stephen
Eaton, Roger
Edmonds, Philip
Europa Constructions
Evatt, Elizabeth
Fairfax, John
Favretto, Peter
FitzSimons, Peter
Gale Foundation
Goldentree Asset
Goldspink, Jill
Harper Bernays Charitable
Trust
Hawker, Jill
Hearl, Peter
Henry, David & Jill
Jephcott, William
Keldoulis, Robert
Keneco Property
King, Joshua
Larke, Robert

LNP Audit & Assurance Lord,
Gary
Macarthur, Margaret
Makinex
Marrickville FC
Matthews, Terry & Katrina Maybloom,
Bernard
McCann, Matthew
Mcilrath, William McLennan,
Bruce
Moles, Geoff
Murchison, James
Nance, Carol
O'Keefe, Daniel
Parker, Michael
Perry, Deborah
Pitts, Howard
Rendle, John & Carolyn Robertson,
Atholl
Salgo, Andrew
Sleap, Pam
The Small Family Bequest
Smith, Rosalie
Spring, Mark
Swiss Reinsurance Walton,
Peter
Warnes , Deborah
Wells, David
White, Judith
Xpansiv

FINANCIAL REPORT



Sydney Stepping Stone Inc.



**Profit and Loss Statement
For the Year ended 30 June 2022**

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.

For the Year ended 30 June 2022



| | Note | 2022 \$ | 2021 \$ | |
|--|----------|------------|------------------|------------------|
| Income | 4 | | 458,571 | 515,686 |
| | | | 3,727,756 | 2,854,123 |
| Dividends Received | | 14,980 | - | |
| Interest Received | | 137 | 2,230 | |
| Movement in Net Market Values | | (125,324) | - | |
| Other Income | | 2,318 | 3,000 | |
| Govt Subsidies – Jobkeeper/Cash Flow Boost | | - | 213,400 | |
| Donations | | 263,853 | 142,864 | |
| Institutional Donations | | 1,611,247 | 1,012,018 | |
| Fundraising Events | | 1,306,265 | 788,800 | |
| Contracted Care | | 179,158 | 157,584 | |
| Residents Contributions | | 16,551 | 18,541 | |
| SS Foundation | | | | |
| Total Income | 2 | | | |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.

| Expenditure | 5 | | 261,821 | 259,734 |
|---|----------|-----------|------------------|------------------|
| | | | 3,915,328 | 2,726,090 |
| Accountancy Fees | | 1,461 | 1,011 | |
| Advertising | | 42,498 | 17,833 | |
| Auditor's Remuneration | | 1,000 | 1,000 | |
| Adviser Charges | | 3,968 | - | |
| Consultancy/Agency Staff | | 197,125 | 87,308 | |
| Depreciation - Property Improvements | | 3,803 | 3,849 | |
| Depreciation - Motor Vehicles | | 1,788 | 2,200 | |
| Depreciation - Office Furniture & Equipment | | 4,817 | 7,420 | |
| Resident Expenses | | 84,814 | 75,787 | |
| General Expenses | | 58,853 | 51,483 | |
| Insurance | | 138,291 | 71,831 | |
| Legal Costs | | - | 9,271 | |
| Motor Vehicle Expenses | | 21,718 | 34,979 | |
| Property Rental | | 110,192 | 22,000 | |
| Property Expenses | | 56,816 | 41,577 | |
| Salaries & Wages | | 2,569,504 | 1,761,655 | |
| Leave Provisions | | 49,384 | 63,974 | |
| Staff Training & Welfare | | 35,307 | 25,577 | |
| Superannuation Contributions | | 252,597 | 164,287 | |
| Computer Expense | | 19,571 | 23,314 | |
| Fundraising Expenses | | | | |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.

For the Year ended 30 June 2022



| | | | |
|-------------------|---|------------------|----------------|
| Total Expenditure | 3 | | |
| (Loss)/Profit | | <u>(187,572)</u> | <u>128,033</u> |

Income Statement

| | Note | 2022 \$ | 2021 \$ |
|---|------|-------------------------|-----------------------|
| Revenue | | 2,421,491 | 2,065,323 |
| Expenses excluding Finance Costs | | 2,609,063 | 1,937,290 |
| (Loss)/Profit Attributable To Members Of The Company | | <u>(187,572)</u> | <u>128,033</u> |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.


Balance Sheet
As at 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|----------------------------------|------|------------------|------------------|
| Current Assets | | | |
| Cash and Cash Equivalents | 7 | 919,740 | 1,780,860 |
| Trade and Other Receivables | 8 | 2,400 | 14,154 |
| Financial Assets | | 385,697 | 125,000 |
| Total Current Assets | | 1,307,837 | 1,920,014 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 11 | 163,047 | 141,318 |
| Other Non-Current Assets | 10 | 64,671 | 6,050 |
| Total Non-Current Assets | | 227,718 | 147,368 |
| Total Assets | | 1,535,555 | 2,067,382 |
| Current Liabilities | | | |
| Trade and Other Payables | 12 | 60 | 51,800 |
| Current Tax Liabilities | 9 | 44,526 | 29,791 |
| Financial Liabilities | 13 | 7,622 | 11,097 |
| Short Term Provisions | 14 | 299,609 | 289,762 |
| Other Current Liabilities | 15 | 244,700 | 558,322 |
| Total Current Liabilities | | 596,517 | 940,772 |
| Total Liabilities | | 596,517 | 940,772 |
| Equity | | | |
| Reserves | 16 | 364 | 364 |
| Retained Profits | 17 | 938,674 | 1,126,246 |
| Total Equity | | 939,038 | 1,126,610 |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.

For the Year ended 30 June 2022



Net Assets

939,038

1,126,610

=====

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.
Notes to the Financial Statements
For the Year ended 30 June 2022



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 or 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.

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.
Notes to the Financial Statements
For the Year ended 30 June 2022



(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.

| | | | |
|---|--|------------------|------------------|
| 2 | Revenue | 2022 | 2021 |
| | | \$ | \$ |
| | Other Income | | |
| | Dividends Received | 14,980 | - |
| | Interest Received | 137 | 2,230 |
| | Movement in Net Market Values | (125,324) | - |
| | Other Income | 2,318 | 3,000 |
| | Govt Subsidies – Jobkeeper/Cash Flow Boost | - | 213,400 |
| | Donations | 263,853 | 142,864 |
| | Institutional Donations | 1,611,247 | 1,012,018 |
| | Fundraising Events | 1,306,265 | 788,800 |
| | Contracted Care | 179,158 | 157,584 |
| | Residents Contributions | 16,551 | 18,541 |
| | SS Foundation | 458,571 | 515,686 |
| | | 3,727,756 | 2,854,123 |
| 3 | Expenses | 2022 | 2021 |
| | | \$ | \$ |
| | Employee Benefits Expense | 2,822,101 | 1,925,942 |
| | Depreciation and Amortisation Expenses | 10,408 | 13,469 |
| | Advertising | 42,498 | 17,833 |

Sydney Stepping Stone Inc.
Notes to the Financial Statements
For the Year ended 30 June 2022



| | | |
|-----------------|------------------|------------------|
| Adviser Charges | 3,968 | - |
| Insurance | 138,291 | 71,831 |
| Other Expenses | 898,062 | 697,015 |
| | 3,915,328 | 2,726,090 |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

| | | | |
|---|--|------------------|------------------|
| 4 | Income Details | 2022 | 2021 |
| | | \$ | \$ |
| | Income | | |
| | <i>Dividends Received</i> | | |
| | Dividends Received | 14,570 | - |
| | - Other Corporations - Foreign Income | 410 | - |
| | | 14,980 | - |
| | <i>Interest Received</i> | | |
| | Interest Received | 137 | 2,230 |
| | <i>Movement in Net Market Values</i> | | |
| | - Movements | (35,752) | - |
| | - Investments Realised | (89,572) | - |
| | | (125,324) | - |
| | <i>Other Income</i> | | |
| | Other Income | 2,318 | 3,000 |
| | <i>Govt Subsidies – Jobkeeper/Cash Flow Boost</i> | | |
| | Govt Subsidies – Jobkeeper/Cash Flow Boost | - | 213,400 |
| | Donations | 263,853 | 142,864 |
| | <i>Institutional Donations</i> | | |
| | Institutional Donations | 1,611,247 | 1,012,018 |
| | Fundraising Events | 1,306,265 | 788,800 |
| | Contracted Care | 179,158 | 157,584 |
| | Residents Contributions | 16,551 | 18,541 |
| | SS Foundation | 458,571 | 515,686 |
| | Total Income | 3,727,756 | 2,854,123 |
| 5 | Expenses Details | 2022 | 2021 |
| | | \$ | \$ |
| | Overhead Expenses | | |
| | <i>Auditor's Remuneration</i> | | |
| | Auditor's Remuneration | 1,000 | 1,000 |
| | Total Expenses | 1,000 | 1,000 |
| 6 | Profit For The Year | 2022 | 2021 |
| | | \$ | \$ |
| | Profit before income tax expense from continuing operations includes the following specific expenses: | | |
| | Charging As Expense : | | |
| | Movements In Provisions : | | |
| | Depreciation : | | |
| | - Property Improvement | 3,803 | 3,849 |
| | - Motor Vehicles | 1,788 | 2,200 |
| | - Office Furniture and Equipment | 4,817 | 7,420 |
| | Net Expenses Resulting From Movement In Provisions Net Loss On Disposal Of Non-Current Assets : | 10,408 | 13,469 |
| | - Property, plant & equipment | (1,306,265) | (788,800) |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.
Notes to the Financial Statements
For the Year ended 30 June 2022



| | | | |
|----|--|-----------------|------------------|
| 7 | Cash and Cash Equivalents | 2022 | 2021 |
| | | \$ | \$ |
| | Cash And Cash Equivalents | | |
| | Petty Cash - C1 | 475 | 795 |
| | Petty Cash - C2 | 358 | 117 |
| | WBC Petty Cash #053 | - | 8,175 |
| | <i>Cash at Bank</i> | | |
| | SSH Everyday #769 | 535,261 | 801,511 |
| | Westpac #386 | 19,523 | 17,290 |
| | Theatre Account #889 | 15,555 | 15,749 |
| | SSH Bonus Interest #785 | 340,042 | 937,223 |
| | WBC Petty Cash | 1,526 | - |
| | <i>Credit Cards</i> | | |
| | Visa | 7,000 | - |
| | Total Cash And Cash Equivalents | 919,740 | 1,780,860 |
| | Cash Reconciliation | | |
| | Cash and Cash Equivalents | 919,740 | 1,780,860 |
| | | 919,740 | 1,780,860 |
| 8 | Trade and Other Receivables | 2022 | 2021 |
| | | \$ | \$ |
| | Current | | |
| | Trade Debtors | 1,100 | 14,154 |
| | Other Debtors | 1,300 | - |
| | Ssi Share Investment Account | | |
| | SSI Share Investment Account | 253,128 | 125,000 |
| | SSI Share Investments Cash | 132,569 | - |
| | 388,097 | 139,154 | |
| | Total Trade And Other Receivables | 388,097 | 139,154 |
| 9 | Tax Assets and Liabilities | 2022 | 2021 |
| | | \$ | \$ |
| | Liabilities | | |
| | PAYG Payable | 44,526 | 29,791 |
| | Net Tax Liabilities | (44,526) | (29,791) |
| 10 | Other Assets | 2022 | 2021 |
| | | \$ | \$ |
| | Non-Current | | |
| | Rental Bond | | |

Sydney Stepping Stone Inc.
Notes to the Financial Statements
For the Year ended 30 June 2022



| | | | |
|---------------------------|-------|---------------|--------------|
| Rental Bond | | 64,671 | 6,050 |
| | | <hr/> | <hr/> |
| 64,671 | 6,050 | <hr/> | <hr/> |
| | | 64,671 | 6,050 |
| Total Other Assets | | <hr/> <hr/> | <hr/> <hr/> |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

Sydney Stepping Stone Inc.
Notes to the Financial Statements
For the Year ended 30 June 2022



| | | | |
|----|---|----------------|----------------|
| 11 | Property, Plant and Equipment | 2022 | 2021 |
| | | \$ | \$ |
| | Property Improvements | 148,162 | 133,968 |
| | Less Accumulated Depreciation & Impairment | (35,045) | (31,136) |
| | | <u>113,117</u> | <u>102,832</u> |
| | Total Land And Buildings | <u>113,117</u> | <u>102,832</u> |
| | Motor Vehicles | 68,924 | 63,924 |
| | Less: Accumulated Depreciation | (55,841) | (54,053) |
| | | <u>13,083</u> | <u>9,871</u> |
| | Office Furniture & Equipment | 145,262 | 132,319 |
| | Less: Accumulated Depreciation | (108,415) | (103,704) |
| | | <u>36,847</u> | <u>28,615</u> |
| | Total Plant And Equipment | <u>49,930</u> | <u>38,486</u> |
| | Total Property, Plant And Equipment | <u>163,047</u> | <u>141,318</u> |
| 12 | Trade and Other Payables | 2022 | 2021 |
| | | \$ | \$ |
| | Current | | |
| | Other Creditors | 60 | 51,800 |
| | | <u>60</u> | <u>51,800</u> |
| | 60 | 51,800 | |
| | Total Trade And Other Payables | <u>60</u> | <u>51,800</u> |
| 13 | Financial Liabilities | 2022 | 2021 |
| | | \$ | \$ |
| | Current | | |
| | Resident Bonds | 7,622 | 11,097 |
| | Total Current | <u>7,622</u> | <u>11,097</u> |
| | Total Financial Liabilities | <u>7,622</u> | <u>11,097</u> |
| 14 | Provisions | 2022 | 2021 |
| | | \$ | \$ |
| | Current | | |
| | GST Payable | (6,355) | 41,439 |
| | Provision For Holiday Pay | | |
| | Provision for Holiday Pay | 190,060 | 169,003 |
| | Provision For Long Service Leave | | |
| | Provision for Long Service Leave | 92,444 | 64,117 |
| | Superannuation Contributions Surcharge | | |
| | Superannuation Contributions Surcharge | 23,460 | 15,203 |
| | | <u>299,609</u> | <u>289,762</u> |
| | 299,609 | 289,762 | |
| | Total Provisions | <u>299,609</u> | <u>289,762</u> |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

- 8 -

Sydney Stepping Stone Inc.
Notes to the Financial Statements
For the Year ended 30 June 2022

| | | | |
|----|--|----------------|------------------|
| 15 | Other Liabilities | 2022 | 2021 |
| | | \$ | \$ |
| | Current | | |
| | Income In Advance | 244,700 | 558,322 |
| | | | |
| | 244,700 | 558,322 | |
| | Total Other Liabilities | 244,700 | 558,322 |
| 16 | Reserves | 2022 | 2021 |
| | | \$ | \$ |
| | General Reserve | | |
| | Opening Balance Closing Balance | 364 | 364 |
| | Total Reserves | 364 | 364 |
| | | 364 | 364 |
| 17 | Retained Profits / Accumulated Losses | 2022 | 2021 |
| | | \$ | \$ |
| | Retained Profits at Beginning of Financial Year | 1,126,246 | 998,213 |
| | Add | | |
| | Net profit attributable to members | - | 128,033 |
| | Less | | |
| | Net loss attributable to members | 187,572 | - |
| | Retained Profits At 30 June 2022 | 938,674 | 1,126,246 |
| 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. | | |

The accompanying notes form part of these financial statements. These financial statements should be read in conjunction with the attached Compilation Report.

- 9 -



**Sydney Stepping Stone Inc.
Directors' Declaration
For the Year ended 30 June 2022**



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 2022 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 Carmichael
Director

Dated this 27TH day of OCTOBER 2022

**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 2022, 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 2022 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 St SYDNEY NSW 2000

Dated this 28th day of October 2022



BOARD, DONATION & HOUSE ENQUIRIES

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