



Stepping Stone Clubhouse Incorporated

ABN 65 874 279 055

Financial Statements

For the year ended 30 June 2023

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Stepping Stone Clubhouse Incorporated

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Officers' Report

The officers present their report, together with the financial statements of Stepping Stone Clubhouse Incorporated (the Association) for the year ended 30 June 2023.

Officers

The following persons were officers of the Association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Melanie Sennett (CEO)
Morag Roseby (resigned as Secretary - 17 August 2022)
Mareesa Robertson (appointed 17 August 2022)

Committee members

The following persons were members of the Management Committee for the financial year and up to the date of this report, unless otherwise stated:

Executive members

Position

President	Jessica Watkinson (member since 19 May 2021 - appointed 16 November 2022) Anne-Marie Carroll (member since 18 November 2020 - resigned 16 November 2022)
Vice President	Fotina Hardy (member since 19 May 2021 - appointed 16 November 2022)
Treasurer	Jessica Watkinson (member since 19 May 2021 - resigned 16 November 2022) Ross Morgan (member since 18 November 2020 - appointed 18 November 2020)

General members

Scott Brown (member since 18 November 2020 - appointed 18 November 2020)
Brian Goodall (member since 18 November 2020 - appointed 18 November 2020)
Anne-Marie Carroll (member since 18 November 2020 - appointed 18 November 2020)
Kerrin Dickinson (member since 16 November 2022 - appointed 16 November 2022)
Marianne Wyder (member since 16 November 2022 - appointed 16 November 2022)
Andrew Mclean (member since 16 November 2022 - appointed 16 November 2022)
Jeremy Phillips (member since 16 November 2022 - appointed 16 November 2022)
Fotina Hardy (member since 19 May 2021 - resigned 16 November 2022)

Objectives and Activities

The objective of the Association is to assist adults living with a mental illness in developing the skills and confidence necessary to lead a satisfying and productive life. Members are provided the opportunity to work side-by-side with the Association's staff to share responsibility for all clubhouse operations. In addition, Members are supported to improve their social/ interpersonal skills, housing, employment and education. Members can be linked into a range of employment options through various employer partners in the community through the Association. Members also benefit from a network of staff and fellow members through the Association's social recreation program.

Summary from the President

This year has been one of growth following the consolidation of previous years and has seen an increase in income of 29%. This increase has been mainly attributed to an increase in NDIS Service income (44%) which has happened through a significant focus on developing this area through leadership, staff, and policies. There has also been a significant increase in interest income, due to strong policies and practices in financial management.

We have seen a 35% increase in employee benefit expenses which reflects CPI increases, and additional positions based on the organisational realignment, and in the Support Services space.

This year has seen a significant investment of time into planning and proposals for activities that will not be commencing until next financial year but reflect the reputation and strength of Stepping Stone Clubhouse, its staff, and members. Overall Stepping Stone Clubhouse ends the year in a good financial position, and ready for the potential growth expected in 2024.



Jessica Watkinson (GAICD)

Brisbane

07 September 2023

Date

Stepping Stone Clubhouse Incorporated

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Auditor's Independence Declaration



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DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF STEPPING STONE CLUBHOUSE INCORPORATED

As lead auditor of Stepping Stone Clubhouse Incorporated for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'R M Swaby', is written over a light blue horizontal line.

R M Swaby
Director

BDO Audit Pty Ltd

Brisbane, 7 September 2023

Stepping Stone Clubhouse Incorporated

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Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2023

	Notes	2023	2022
Income			
Grant income	4	1,360,442	1,232,399
Service income	5	1,823,011	1,264,401
Donations		24,462	22,278
Interest income		30,648	564
Other income	6	139,460	97,159
Total Income		3,378,023	2,616,801
Expenses			
Accounting and audit fees	7	62,250	89,504
Consulting and professional fees		58,931	35,207
Depreciation	8	133,848	116,694
Employee benefits expense		2,719,431	2,107,764
Motor vehicle expenses		24,691	23,821
Other expenses		301,060	244,358
Total Expenses	9	3,300,211	2,617,348
Surplus/ (Loss) before Income Tax Expense		77,812	(547)
Income tax expense		-	-
Surplus/ (Loss) after Income Tax Expense		77,812	(547)
Other comprehensive income		-	-
Total Comprehensive Income/ (Expense)		77,812	(547)

The accompanying notes form part of these financial statements.

Stepping Stone Clubhouse Incorporated

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Statement of Financial Position As at 30 June 2023

	Notes	2023	2022
Assets			
Current Assets			
Cash and cash equivalents	10	2,293,582	2,671,364
Trade and other receivables	11	160,168	165,941
Other current assets	12	38,537	26,232
Total Current Assets		2,492,287	2,863,537
Non-Current Assets			
Right of use asset	13	136,613	99,101
Property, plant and equipment	14	680,126	664,291
Total Non-Current Assets		816,739	763,392
Total Assets		3,309,026	3,626,929
Liabilities			
Current Liabilities			
Trade and other payables	15	170,784	115,880
Employee benefits	16	259,257	192,169
Lease liabilities	17	56,021	46,580
Contract liabilities	18	309,399	607,507
Total Current Liabilities		795,461	962,136
Non-Current Liabilities			
Lease liabilities	17	83,517	52,557
Contract liabilities	18	-	260,000
Total Non-Current Liabilities		83,517	312,557
Total Liabilities		878,978	1,274,693
Net Assets		2,430,048	2,352,236
Equity			
Retained surpluses		2,430,048	2,352,236
Total Equity		2,430,048	2,352,236

The accompanying notes form part of these financial statements.

Stepping Stone Clubhouse Incorporated

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Statement of Changes in Equity For the year ended 30 June 2023

	2023	2022
Equity		
Opening Balance	2,352,236	2,352,783
Increase/ (Decrease)		
Surplus/ (loss) for the year	77,812	(547)
Total Increase/ (Decrease)	77,812	(547)
Closing Balance	2,430,048	2,352,236

The accompanying notes form part of these financial statements.

Stepping Stone Clubhouse Incorporated

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Statement of Cash Flows For the year ended 30 June 2023

	Notes	2023	2022
Cash flows from operating activities			
Grants (inclusive of GST)		860,968	868,522
Service revenue (GST free)		1,819,844	1,297,980
Payments to suppliers and employees (inclusive of GST)		(3,107,218)	(2,650,804)
Interest received		30,648	564
Interest paid		(5,040)	(3,819)
Other receipts (inclusive of GST)		169,808	107,774
Net cash used in operating activities	19	(230,990)	(379,783)
Cash flows from investing activities			
Payments for purchases of plant and equipment		(92,707)	(13,181)
Net cash used in investing activities		(92,707)	(13,181)
Cash flows from financing activities			
Payment of lease liabilities		(54,085)	(77,862)
Net cash used in financing activities		(54,085)	(77,862)
Net decrease in cash and cash equivalents held		(377,782)	(470,826)
Cash and cash equivalents at beginning of year		2,671,364	3,142,190
Cash and cash equivalents at end of year	10	2,293,582	2,671,364

The accompanying notes form part of these financial statements.

Stepping Stone Clubhouse Incorporated

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Notes to the Financial Statements For the year ended 30 June 2023

1. General information and Statement of Compliance

These general purpose financial statements have been prepared by Stepping Stone Clubhouse Incorporated (the Association) as an individual entity in accordance with the Australian Accounting Standards Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'); financial reporting requirements of the *Australian Charities and Not-for-profit Commission Act 2012* (ACNC Act); *Associations Incorporation Act (QLD) 1981* (as amended by the *Associations Incorporation and Other Legislation Amendment Act (QLD) 2007*). A statement of compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) cannot be made due to the Association applying not-for-profit specific requirements contained in the Australian Accounting Standards.

The financial statements of the Association are presented in Australian dollars, which is the Association's functional and presentation currency.

The Association is a not-for-profit incorporated association and the registered office is Unit 9, 61 Holdsworth Street, Coorparoo, Queensland, Australia.

The financial statements were authorised for issue by the Management Committee of the Association on 30 August 2023.

2. Statement of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise set out below.

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the incorporated association.

Basis of preparation

Historical cost convention

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

In the preparation of the financial report, the Association has adopted the following significant accounting policies, which are consistent with the prior year unless stated.

Revenue

Revenue - Introduction

Revenue comprises revenue from the government grants, donations, interest and rendering of services.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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2. Statement of Significant Accounting Policies - continued

Revenue - continued

Revenue from contracts with customers - continued

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Government grants

Grant revenue is recognised in profit or loss when the incorporated association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the incorporated association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Donations

Donations and bequests are recognised at the time of receipt.

Interest revenue

Interest is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The incorporated association has elected not to recognise volunteer services as either revenue or other form of contribution received. A related consumption or capitalisation of such resources received is also not recognised.

Income Tax

The Association is a charitable institution, and as such, is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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2. Statement of Significant Accounting Policies - continued

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and Other Receivables

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from granting bodies. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Receivables are recognised at amortised cost, less any provision for impairment.

Contract assets

Contract assets are recognised when the incorporated association has transferred goods or services to the customer but where the incorporated association is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Property, Plant and Equipment

Property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the terms.

The depreciable amount of all property, plant and equipment is depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready for use. Useful lives and depreciation methods are as follows:

Buildings	Straight line	40 years
Building improvements	Straight line	15 - 25 years
Motor vehicles	Diminishing Value	4 years
Furniture and fittings	Diminishing Value	3 - 10 years
Plant and equipment	Diminishing Value	1 - 5 years
Intangibles	Diminishing Value	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Association. Gains and losses between carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the depreciated replacement cost, being the current replacement cost less accumulated depreciation calculated on the basis of such cost to reflect the already consumed future economic benefits of the asset.

Leases

Finance leases are leases of fixed assets where substantially all of the risks and benefits incidental to the ownership of the asset are transferred to the entity, but the legal ownership is not transferred to the entity.

Finance leases are capitalised by recording an asset and a corresponding liability at the lower of the amounts equal to the fair value of the leased asset, or the minimum lease payments measured at present value including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Operating lease payments are charged to the income statement on a straight-line basis over the term of the lease.

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2. Statement of Significant Accounting Policies - continued

Right-of-use Assets

Right-of-use assets are measured at cost which includes the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs incurred by the Association. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is measured at the present value of the lease payments discounted at an annual rate.

Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the ATO is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the association that remain unpaid at 30 June 2023. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

Contract liabilities

Contract liabilities represent the incorporated association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the incorporated association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the incorporated association has transferred the goods or services to the customer.

Employee Benefits

Short-term employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Other long-term employee benefits

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the current wage rate.

Employee benefits are presented as current liabilities in the statement of financial position if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives of assets

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

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	2023	2022
	\$	\$
4. Grant income		
Recurrent grants		
Department of Health (Qld)		
Community Mental Health	255,869	243,523
Q Health-Bilateral Funding	100,000	-
PHN Brisbane South		
Partners in Recovery (CPSP)	411,288	431,383
Total Recurrent grants	767,157	674,906
Non-recurrent grants		
Department of Health (Qld)		
Q Health-Clubhouse Enhancement	520,000	520,000
Q Health-Evaluation Project	54,240	17,038
Lord Mayor's Charitable Trust		
Grants	11,273	3,455
Westpac Banking Limited		
Foundation Grant	-	10,000
PHN Brisbane South		
Primary Health Network (PHN)	7,772	-
Queensland Government		
Solar Grant	-	7,000
Total Non-recurrent grants	593,285	557,493
Total grant income	1,360,442	1,232,399
5. Service income		
Revenue from contracts with customers		
NDIS services revenue	1,823,011	1,264,401
Total services income	1,823,011	1,264,401
Disaggregation of Revenue		
<i>Geographical regions</i>		
Australia	1,823,011	1,264,404
6. Other income		
Milestones employment income	27,871	899
Café income	51,983	41,447
Other income	59,606	54,813
Total service income	139,460	97,159
7. Accounting and audit fees		
Included in accounting and audit fees were the following fees that were paid or payable for services provided by BDO Audit Pty Ltd the auditor of the incorporated association:		
<i>Audit Services</i>		
Audit of the Financial Statements and Grant Acquittals	12,000	18,153
Other services	3,150	1,530
Taxation services	-	-
	15,150	19,683

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	2023	2022
	\$	\$
8. Depreciation		
Depreciation is comprised of depreciation on:		
Land and buildings	14,379	14,378
Building improvements	41,812	39,748
Motor vehicles	1,339	2,383
Plant and equipment	14,410	11,670
Furniture fixtures and fittings	7,400	5,056
Intangibles	1,280	1,600
Plant and equipment - right-of-use-asset	12,612	16,499
Motor vehicles - right-of-use-asset	40,616	25,360
Total depreciation	133,848	116,694
9. Expenses		
Included in total expenses are the following:		
Superannuation	240,506	182,080
Finance costs	5,040	3,716
10. Cash & cash equivalents		
Cash at bank	280,945	2,671,364
Term deposits	2,012,637	-
Total cash & cash equivalents	2,293,582	2,671,364
11. Trade and other receivables		
Current		
Trade receivable	160,168	165,710
Other receivables	-	231
Total Current	160,168	165,941
Total trade and other receivables	160,168	165,941
The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balan		
12. Other current assets		
Current		
Prepayment	38,537	26,232
Total Current	38,537	26,232
Total other current assets	38,537	26,232
13. Right of Use Asset		
Plant and equipment - right-of-use		
Plant and equipment -right-of-use	48,725	82,481
Accumulated depreciation of right-of-use	(4,873)	(64,614)
Total Plant and equipment - right-of-use	43,852	17,867
Motor vehicle - right-of-use		
Motor vehicle -right-of-use	165,507	113,119
Accumulated depreciation of motor vehicle right-of-use	(72,746)	(31,885)
Total Plant and equipment - right-of-use	92,761	81,234
Total right-of-use asset	136,613	99,101

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	2023	2022
	\$	\$
14. Property plant and equipment		
Land and buildings		
Buildings at cost	575,146	575,146
Accumulated depreciation of buildings	(416,911)	(402,532)
Total Land and buildings	158,235	172,614
Building Improvements		
Building improvements at cost	924,979	883,106
Accumulated amortisation of building improvements	(498,628)	(456,816)
Total Building Improvements	426,351	426,290
Motor Vehicles		
Vehicles at cost	108,413	108,413
Accumulated depreciation of vehicles	(104,388)	(103,050)
Total Motor Vehicles	4,025	5,363
Plant and equipment		
Plant and equipment at cost	230,930	186,106
Accumulated depreciation of plant and equipment	(176,822)	(165,204)
Total Plant and Equipment	54,108	20,902
Furniture, fixtures and fittings		
Furniture, fixtures and fittings at cost	67,151	67,151
Accumulated depreciation of furniture, fixtures and fittings	(52,307)	(44,907)
Total Furniture, fixtures and fittings	14,844	22,244
Intangibles		
Intangibles at cost	15,300	15,300
Accumulated amortisation of Intangibles	(10,179)	(8,899)
Total Intangibles	5,121	6,401
Capital Works in Progress		
Capital works in progress at cost	17,442	10,477
Total Capital Works in Progress	17,442	10,477
Total property plant and equipment	680,126	664,291

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2023

\$

14. Property plant and equipment - continued

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Land and buildings	
Balance at 1 July 2022	172,614
Depreciation	(14,379)
Balance at 30 June 2023	158,235
Building Improvements	
Balance at 1 July 2022	426,290
Additions	41,873
Depreciation	(41,812)
Balance at 30 June 2023	426,351
Vehicles	
Balance at 1 July 2022	5,363
Depreciation	(1,338)
Balance at 30 June 2023	4,025
Plant and equipment	
Balance at 1 July 2022	20,902
Additions	47,822
Disposals	(206)
Depreciation	(14,410)
Balance at 30 June 2023	54,108
Furniture, fixtures and fittings	
Balance at 1 July 2022	22,244
Depreciation	(7,400)
Balance at 30 June 2023	14,844
Intangibles	
Balance at 1 July 2022	6,401
Depreciation	(1,280)
Balance at 30 June 2023	5,121
Capital Works in Progress	
Balance at 1 July 2022	10,477
Additions	6,965
Depreciation	-
Balance at 30 June 2023	17,442
Total	
Balance at 1 July 2022	664,291
Additions	96,660
Disposals	(206)
Depreciation	(80,619)
Balance at 30 June 2023	680,126

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	2023	2022
	\$	\$
15. Trade and other payables		
Current		
Trade payables	30,909	1,358
Accrued expenses and other payables	132,249	107,540
GST payable	7,626	6,982
Total Current	170,784	115,880
Total trade and other payables	170,784	115,880
16. Employee benefits		
Current		
Annual leave	204,311	134,630
Leave In lieu	17,859	20,727
Long service leave	37,087	36,812
Total Current	259,257	192,169
Total employee benefits	259,257	192,169
17. Lease liabilities		
Current		
Lease liabilities	56,021	46,580
Total Current	56,021	46,580
Non-Current		
Lease liabilities	83,517	52,557
Total Current	83,517	52,557
Total lease liabilities	139,538	99,137
18. Contract liabilities		
Current		
Unearned revenue		
Q Health	288,722	602,962
Training Fees	10,677	4,545
Brisbane City Council Grant	10,000	-
Total Current	309,399	607,507
Non-Current		
Unearned revenue - Queensland Health	-	260,000
Total Current	-	260,000
Total contract liabilities	309,399	867,507
19. Cash flow information		
Reconciliation of cash flows from operating activities:		
Surplus for the year	77,812	(547)
Non-cash flows in profit		
- Depreciation	133,848	116,694
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase) / decrease in trade and other receivables	5,773	162,706
- increase in other current assets	(12,305)	17,538
- increase/ (decrease) in trade and other payables	54,904	(188,490)
- increase/(decrease) in contract liabilities	(558,108)	(532,493)
- increase/ (decrease) in employee provisions	67,086	44,809
Net cash used in operating activities	(230,990)	(379,783)

Stepping Stone Clubhouse Incorporated

ABN 65 874 279 055

20. Mortgages, Charges and Securities

Stepping Stone Clubhouse has an overdraft facility with Westpac Bank available to draw up to \$50,000 secured by a Mortgage over Unit 9, 61 Holdsworth Street, Coorparoo Queensland 4151. The balance of this facility at the end of the year was NIL.

As part of the Capital Funding Agreement between the Department of Communities , Disability Services (acting for the State of Queensland) and Stepping Stone Clubhouse Inc., a second mortgage exists over the property for a period of 15 years (to 27 January 2025) to secure repayment of the funding if circumstances arise and to ensure that in the event of any sale or lease of the property, the terms and conditions of the agreement would have to be adhered to.

21. Contingencies

In the opinion of the Committee of Management, the Association did not have any contingent liabilities at 30 June 2023 (30 June 2022: nil).

22. Related party transactions

The Association's related parties include its subsidiary, key management personnel and other related entities as described below. All related party transactions were made on terms equivalent to those that prevail in arms length transactions.

	2023	2022
	\$	\$
(a) Key management personnel		
Compensation		
The aggregate compensation made to key management personnel of the Association is set out below:		
Aggregate compensation	613,119	393,136

23. Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of financial year which significantly affected or may significantly affect the operation of the Association, the results of those operations or the state of affairs of the the Association in future financial years.

Stepping Stone Clubhouse Incorporated

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Statement by Members of the Committee For the year ended 30 June 2023

In the opinion of the committee the financial report as set out on pages 3 to 16:

- (i) Satisfies the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and *Associations Incorporation Act (QLD) 1981* as amended;
- (ii) Gives a true and fair view of Stepping Stone Clubhouse Incorporated as at 30 June 2023 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- (iii) Complies with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*;
- (iv) At the date of this statement, there are reasonable grounds to believe that Stepping Stone Clubhouse Incorporated 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 committee and is signed for and on behalf of the committee by:



Jessica Watkinson (GAICD)

Brisbane

07 September 2023

Date

INDEPENDENT AUDITOR'S REPORT

To the members of Stepping Stone Clubhouse Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Stepping Stone Clubhouse Incorporated (the registered entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Stepping Stone Clubhouse Incorporated, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Officer's Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities of the registered entity are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

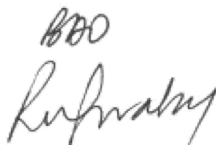
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



R M Swaby
Director

Brisbane, 7 September 2023

Stepping Stone Clubhouse Incorporated

ABN 65 874 279 055

Statement of Profit or Loss For the year ended 30 June 2023

	2023	2022
Other Income		
Grants	1,360,442	1,232,399
Service income	1,823,011	1,264,401
Donations	24,462	22,278
Interest income	30,648	564
Other income	139,460	97,159
Total Income	3,378,024	2,616,801
Expenses		
Accounting fees	42,700	70,394
Auditors remuneration	19,550	19,110
Bank charges	996	913
Body corporate levies	8,099	11,296
Catering expense	51,545	46,684
Cleaning and pest control	2,395	3,912
Clubhouse International	5,381	-
Consulting and professional fees	58,931	35,207
Depreciation	133,848	116,694
Employment Costs	2,719,431	2,107,764
Fares parking and tolls	746	784
Fees and permits	1,016	873
Insurance (excluding motor vehicle)	20,938	30,779
Interest and finance charges	5,040	3,716
Hire charges	8,867	14,588
Operations development	1,982	2,616
Other expense	56,319	35,212
Printing postage and stationery	8,747	4,125
Rates, electricity and water	17,564	26,933
Repairs and maintenance	22,408	14,638
Staff and member training	11,661	1,463
Subscriptions	28,283	17,718
Telephone and fax	33,861	26,219
Travel and accommodation	3,300	63
IT Expenses	11,915	1,827
Vehicle expenses	24,691	23,820
Total Expenses	3,300,212	2,617,348
Profit/(loss) before tax	77,812	(547)
Income tax expense	-	-
Net Profit/(loss) After Tax	77,812	(547)