

ANNUAL REPORT FOR THE YEAR TO OCTOBER 2017

The NSW Government forecasts of population growth for metropolitan Sydney over the next 20 years are frightening, at 37% or 1.7 million. Planning systems have been put in place and legislation has been enacted to facilitate development that claim to maintain a 'liveable' city but we have serious doubts this can be achieved given the attitude of the current government to the environment. Legislation like the biodiversity offsetting provisions that came into force in August are aimed at facilitating development, not protecting bushland.

STEP and all the community groups that are concerned about the impending loss of native vegetation and suburban trees will need to fight to try to keep Sydney's unique bushland and wildlife.

This annual report gives a brief summary of our activities over the past year. More details are in the issues of our newsletter, STEP Matters and on our website.

Committee

Several of STEP's committee members have knowledge of our environment that makes an essential contribution to our work in making submissions and liaising with local councils. They have been doing this voluntary work for many years. There comes a time when dedicated people need to give up these responsibilities.

Andrew Little has decided not to stand for the committee next year. During his period on the committee since 2005 he has provided detailed analysis of local soils, vegetation and bushland restoration issues that has formed the basis of our submissions. He also has detailed knowledge of planning laws and has led and organised our walks program. He will be hard to replace.

Our committee members are being stretched by the volume of developments and changes in legislation. We need more resources to continue our work. If you would like to volunteer or know a potential candidate please let us know. Help with a one-off issue or particular aspects of our work is very welcome.

Publications

The updated version of the Lane Cove Valley map was published late in 2016 and has been well received. The waterproof paper is proving to be much more resilient.

There continues to be steady demand for our maps that are appreciated by those who want to plan a walk by looking at the 'big picture' and identify options for different routes.

Sales of books has slowed over recent years in line with the general reduction in interest in larger format books. The Field Guide to the Lane Cove Valley remains the most comprehensive source of information about this beautiful part of Sydney. The Weather Book is useful for all people preparing to venture into the outdoors and simply a great source of information.

Accounts

Our operations broke even over the year so that membership fees and interest income cover our core activities. The use of email to distribute our newsletters has reduced costs significantly.

Total assets reduced due to accounting adjustments writing off the cost of our web system update and donations were made to some other environmental organisations with similar objectives to ours.

We appreciate the pro bono work done by Allan Donald, chartered accountant, who completed the audit of STEP's financial statements.

Environment Protection Fund

We have maintained the Environment Protection Fund which provides deductible gift recipient status for donations that support STEP's environmental objectives. We received a total of \$349 in donations in the past financial year. The government is still threatening to impose more strict conditions on environment NGOs if they are to maintain entitlement to tax deductibility status of donations.

We have not made any payments out of the Environment Protection Fund for the past two years but we are currently developing a scheme for funding a student research project

Electronic Media

Our website has been working smoothly. Helen Wortham does a sterling job in keeping the website up-to-date and setting up the newsletter on the main page in an attractive and easy to use format so that individual stories can be selected or the whole newsletter can be downloaded.

Trish Lynch and John Burke continue to alert readers to current issues and events through Facebook and Twitter. Trish and John have established links with many like-minded people and organisations. Social media does receive a lot of bad publicity but careful use does facilitate valuable information sharing.

Education

We support the Young Scientist Awards run by the Science Teachers' Association of NSW with a prize in the environmental sustainability category. The winner of the STEP prize this year investigated the design of nest boxes for sugar gliders.

We also supported the Children's Threatened Species Art Competition. The primary school children produced some fabulous paintings.

Talks

We organised public talks over the past year on paleoclimatology, environment management in Hornsby, UNESCO World Heritage, the Hawkesbury River and the geology of Sydney Harbour.

Walks

Our walks program was disrupted by wet weather with two walks having to be postponed. Walks were held in the local area and on the Central Coast.

The walks aim to be educational and to encourage new walkers so most walks are not physically challenging. We thank Andrew Little and John Martyn for organising and leading walks this past year. If you have a request for a walk please let us know.

Newsletter

Our newsletter, STEP Matters, is our main means of communicating events, our activities and current issues. We also include other articles with an environmental angle that will be of interest to members. The newsletter is also sent to local councillors and politicians. We welcome alerts from our members of local events and developments and, of course, feedback on articles is always welcome.

Administration Matters

Attendees at the AGM will be asked to approve a major rewrite of our constitution so that it is consistent with the model rules developed by the Department of Fair Trading. We have taken the opportunity to amend our objectives. We continue to focus on conservation of bushland but the defined area of interest is expanded to cover northern Sydney rather than our local area. This reflects the fact that threats are sourced more from broader state issues rather than local government.

We thank Jan Newby for her help in creating the new draft.

Anniversaries

STEP was established in 1978 so 2018 is our 40th anniversary year. We are planning a celebration and publication of a historical report that is being prepared by Graeme Aplin.

It is 10 years since the Blue Gum High Forest Group, a local coalition of groups and individuals, including STEP, was successful in increasing the protection of a significant area of BGHF in St Ives. A number of walks and talks have been organised by FOKE during the year to celebrate this achievement.

Step Inc

ABN 55 851 372 043

**Community-based Environmental
Conservation since 1978.**

**PO Box 5136, South Turramurra, NSW 2074
secretary@step.org.au**

FINANCIAL STATEMENTS

For the Year Ended

30th June 2017

Step Inc

GENERAL ACCOUNT

	Notes	2017	2016
		\$	\$
Income Statement for the year ended 30th June			
Publication sales		4,938	4,249
Interest		1,277	2,378
Member subscriptions		1,854	3,372
Grants		-	1,700
Total revenue		8,069	11,699
Cost of sales		4,428	5,261
Newsletter		600	2,730
Insurance		360	315
Web Site		633	180
Web Site Design Amortisation		-	345
Subscriptions		615	580
Grant expenses		-	1,762
Awards		400	300
Meetings		685	562
Fees		477	86
Total operating expenses		8,198	11,820
Operating surplus / (deficit)		(129)	(122)
Grants and Donations	2	3,600	3,132
Web site design write off		2,756	-
Surplus / (deficit)		(6,485)	(3,254)

Balance Sheet as at 30th June

ASSETS (current)			
Cash at Bank		2,416	5,110
Term deposit		64,277	63,000
Inventories - publications		2,796	3,421
CURRENT ASSETS		69,489	71,531
ASSETS (non-current)			
Web Design		3,101	3,101
Accum. Amortisation		(3,101)	(345)
NON-CURRENT ASSETS		-	2,756
TOTAL ASSETS		69,489	74,287
LIABILITIES (all current)			
Payable to Step EFP		-	(650)
Subscriptions in advance		3,820	2,783
TOTAL LIABILITIES		3,820	2,133
NET ASSETS		65,669	72,154
ACCUMULATED FUNDS			
Life Members' Reserve	3	-	7,235
General funds	4	65,669	64,919
TOTAL FUNDS		65,669	72,154

Step Inc
ENVIRONMENT PROTECTION FUND

	Notes	2017	2016
		\$	\$
Income Statement for the year ended 30th June			
Donations		349	350
Interest		134	102
Total revenue		483	452
Grants		-	-
Other expenses		-	-
Total expenses		-	-
Surplus (deficit)		483	452

Balance Sheet as at 30th June

ASSETS (all current)			
Cash at Bank		3,585	3,884
Receivable from Step		-	(650)
Term Deposit		5,237	5,105
TOTAL ASSETS		8,822	8,339
NET ASSETS		8,822	8,339
ACCUMULATED FUNDS			
Fund balance at start of year		8,339	7,887
Surplus (deficit)		483	452
TOTAL FUNDS		8,822	8,339

Step Inc

Notes to the Financial Statements

For the year ended 30th June 2017

NOTE 1: Statement of significant accounting policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act (NSW) and other regulatory authorities. The committee has determined that the association is not a reporting entity.

The financial statements are based on historical costs, and on an accruals and going concern basis.

The following material accounting policies, which are consistent with previous periods unless otherwise stated, have been adopted in the preparation of this financial report:

(a) Tax The Association is not liable for income tax, and is not registered for gst.

(b) Inventories are measured at the lower of cost and net realisable value.

(c) Revenue from the sale of publications is recognized upon delivery to customers. Grants are recognized as associated expenditure is incurred. Other revenue is recognized when the right to receive the revenue is established.

(d) Life Members' Reserve The committee resolved on 7th June 2017 to close the reserve and to transfer the residual balance to general funds.

(e) Type of Organisation STEP Inc is an incorporated association (incorporated on 18th August 1986) and is subject to the Associations Incorporation Act of New South Wales by virtue of which the members have limited liability.

(f) Plant and Equipment - Depreciation Plant is measured at cost less accumulated depreciation which is charged on a straight line basis.

(g) Web Design Costs – Amortisation Web design costs have been written off in the current year.

	2017	2016
	\$	\$

Note 2 Donations

Total Env Centre	500	300
Environ. Def Office	700	600
Aust Cons Foundation	300	300
Nat Parks Assoc.	500	400
Nat Conserv Council	1,000	500
Invasive Species Council	500	500
Science Teachers	100	-
Everyday Hero	-	532
Totals	3,600	3,132

Note 3 Life Members Reserve

At start of year	7,235	6,235
Subscriptions	-	1,000
Transfer to general funds	<u>(7,235)</u>	-
At end of year	-	7,235

Note 4 General Funds

At start of year	64,919	68,473
Surplus for the year	(6,485)	(3,554)
Life Members Transfer	<u>7,235</u>	-
At end of year	65,669	64,919

Resolution of the Committee

In the opinion of the members of the committee:

- the accompanying financial statements give a true and fair view of the Association's financial position as at June 30th 2017 and for the year ended on that date.
- At the date of this declaration, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the committee



J Green

A Andrew

Turramurra, 13th September 2017

ALLAN WILLIAM DONALD

Chartered Accountant

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Independent Audit Report to the Membership of STEP Inc

Scope

I have audited the attached financial report, being a special purpose financial report comprising the Statement by Members of the Committee, Balance Sheet, Income Statement and Notes to the Financial Statement for the year ended 30 June 2017 of STEP Inc. The Committee is responsible for the financial report and has determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Association Incorporations Act (NSW) and are appropriate to meet the needs of the members. I have conducted an independent audit of this financial report in order to express an opinion on it to the members of STEP Inc. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial statements have been prepared for the purpose of fulfilling the requirements of the Associations Incorporations Act (NSW). I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates, or for any purpose other than that for which it was prepared.

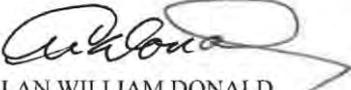
The audit has been conducted in accordance with Australian Auditing Standards. The procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 so as to present a view which is consistent with my understanding of the association's financial position and performance represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly, in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of STEP Inc as at 30 June 2017 and the result of its operations for the year then ended.

Signed on: 12 September 2017



ALLAN WILLIAM DONALD
CHARTERED ACCOUNTANT