



SECTOR CONNECT  
INCORPORATED

ANNUAL REPORT

| 2021—2022

# CONTENTS





# ACKNOWLEDGEMENT TO COUNTRY



**We acknowledge the traditional  
custodians of this land and pay our  
respects to the Elders past,  
present and emerging for they hold the  
memories, the traditions, the culture  
and hopes of Aboriginal Australia.  
We would like to say thank you to the  
Dharawal people for the thousands of  
years of care and respect they have  
shown for this country and pay our  
respects to their cultures and  
traditions.  
We must always remember that under  
the concrete and asphalt this land is,  
was and always will be traditional  
Aboriginal land.**



# ABOUT SECTOR CONNECT



**Sector Connect** is the peak organisation representing and providing regional leadership to community services in the South West Sydney Health District with a primary focus on *Campbelltown, Camden, Wollondilly* and *Wingecarribee NSW*. We have 20 years' experience as a regional leader, responsive to our region's changing needs as we identify priority areas for research and planning.

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## Our Vision

The whole community working together for social, cultural and economic wellbeing



## Our Mission

To Lead in:

- strengthening the not for profit sector for effective service to community,
- being a credible connected representative voice for the sector,
- building strategic relationships for influence and well informed advocacy for the region,
- facilitating partnerships for collaborative planning and efforts to impact key social issues and growth in the region.

# Our Values

The values and beliefs central to all we do at Sector Connect include:



- Social justice – we challenge inequities and strive to close gaps for those experiencing disadvantage
- Respect – we respect the dignity and rights of all people
- Inclusion – we value and learn from diversity, and take an inclusive approach in all we do
- Integrity – we have an honest, reliable and principled position in our work
- Innovation – we seek creative effective solutions

## What we do

We provide:



- strategic leadership,
- expertise and innovation,
- professional development,
- organisational and industry development,
- facilitate services networks/interagencies,
- industry information hub for the region,
- advocate and represent vulnerable communities across the region,
- deliver projects and planning processes to support a strong collaborative regional sector,
- we also provide some community development and support activities for specific target groups which currently include the Aboriginal and Torres Strait Islander community.



# CHAIRPERSON'S REPORT



GREG DUFFY

**“In what has proven to be a challenging year on so many levels, we have still achieved great things, and our coverage continues far and wide.”**

---

Thank you to the Board who managed to attend and contribute so much. We have all become technological masters, and no meetings were ever lost despite what was going on around us. As a Peak Body, I think we represent the Macarthur area very well, and Tania's leadership and her communication with the Board make our task a simple one.

Thank you to the staff for their resilience, expertise and professionalism throughout the year. I attended the Agency Exchange Day at Wests Leagues, which perfectly sums up what you do. Your reach is far and wide for a small team, and you are all highly respected within the sector. You should all be proud of your achievements.

Thank you to the funding bodies, our partners, sponsors and volunteers.

Let's hope that the current year is full of positives and the world can get back to some normality; goodness knows, we could all do with that.

Thank you

**- GREG DUFFY**

# EXECUTIVE DIRECTOR'S REPORT



TANIA MUCHITSCH

**“I am very pleased with what the Sector Connect team have managed to achieve this year on so many different levels”**

---

We were able to navigate the complex world of COVID and all the new variants. Although fatigued with this, like most services, we were able to pull together practical support and partnerships for the services that expressed the need. For example, services were required to fill in and provide many different Government forms and reports, which tended to change with each health announcement. I don't think any service has done so many risk assessments in the history of their service! Some services suddenly received more funding to apply for during COVID to meet extra demand. Whilst great news, there was more work for managers who then had the challenge of finding staff. We were happy to help where we could through these trying times, and I can honestly say, like many, we learnt a lot.

We also picked up some extra funding to support the wellbeing of the sector, and as a result, we organised a series of free workshops for the sector. This encouraged us to develop more of our original work and tap into our existing team talent. As a result of the efforts, we are now steadily growing the sector staff development arm of our service.

The Targeted Earlier Intervention (TEI) Program continued to keep us busy this year. We had a lot of services contact us (some from other districts) to provide training. The data exchange was the most popular topic requested, followed by measuring outcomes. As a result, we achieved higher than average results with our outputs in training.



One of many highlights this year was the fantastic turnout at the Macarthur Wingecarribee exchange day. So many services came together to exchange their information. It certainly brought joy to the sector connect team to see the industry so happy to see each other face to face. The participant feedback gave us the impression they felt like it was a wellbeing activity on many levels!

The Volunteering Management Activity (VMA) Program has been our biggest challenge this year. As many of you know, our volunteer resource centre services transitioned to project work for only one year. Project work was challenging to do during lockdowns. One highlight was producing a new inclusive volunteering resource to support people with cerebral palsy. We continue to advocate for the continuation of funding, especially as volunteering has been down 19% since the 2016 census. Volunteering Involving Organisations told us of their struggle to find volunteers. Some have closed down as a result. Concerningly, this has broader consequences for the whole community. As I write this, the VMA program is currently unfunded.

Financially we were able to save some money this year. As a result, we will be able to hold on to existing VMA staff for an extra three months whilst we wait to see if there are opportunities for volunteering to be supported beyond the 21/22 financial year.

Once again, thank you to the team and thank you to the Sector Connect Board. Together we have got through a very challenging time. Let us hope there is no mention of the word 'lockdowns' or COVID in next year's annual report!

**- Tania Muchitsch**

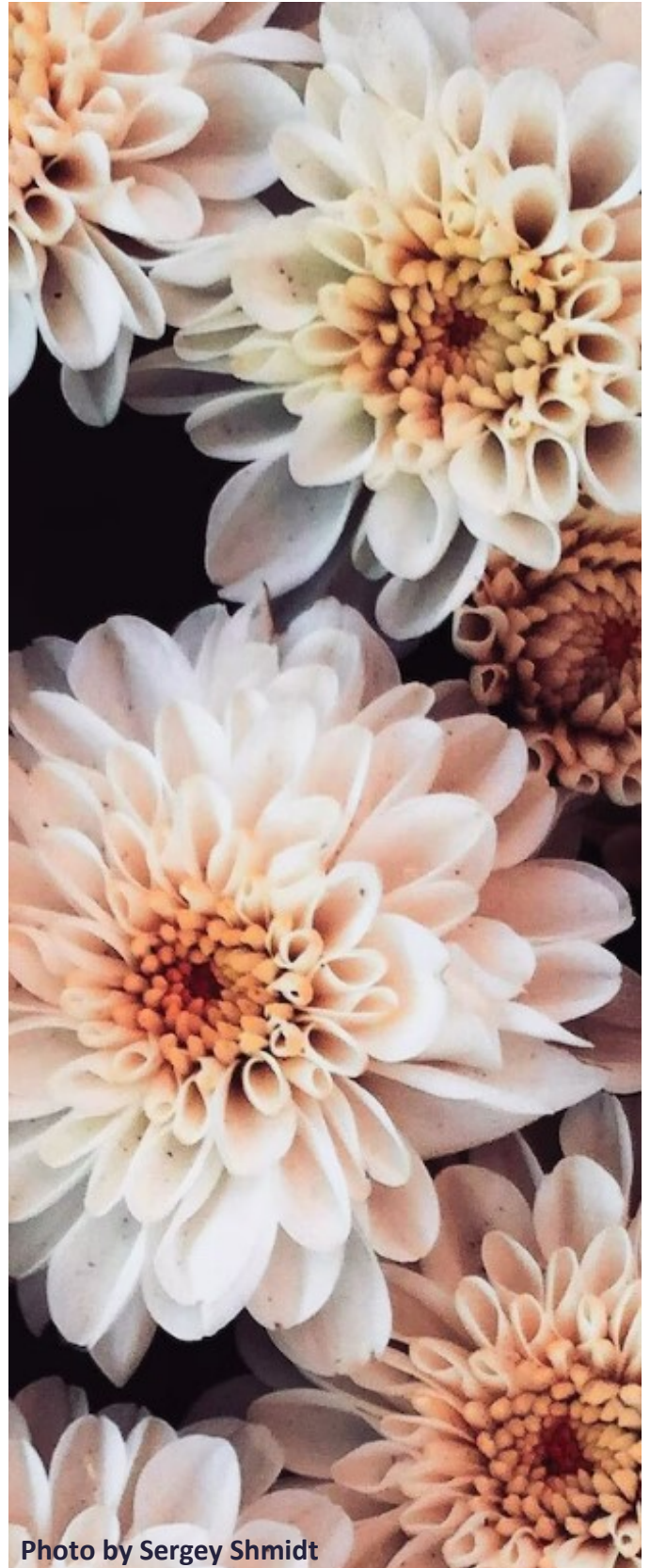


Photo by Sergey Shmidt



# OUR TEAM





**JEANNE DUFFY**

**SENIOR SECTOR DEVELOPMENT OFFICER**



**JONATHAN GOODALL**

**SECTOR DEVELOPMENT OFFICER**



**JULIE SEDGMEN**

**PROJECT OFFICER**



**WENFANG XING**

**FINANCE OFFICER**



**HOLLIE MCCURLEY**

**DIGITAL DESIGNER & ADMIN ASSISTANT**



**NICOLE DALEY, ADMIN ASSISTANT FOR THE MACARTHUR  
HOMELESSNESS STEERING COMMITTEE**



# OUR WORK



# VOLUNTEERING MANAGEMENT ACTIVITY

## (Transitional)

Reported By Jonathan Goodall

We have fulfilled all our requirements under the volunteering activity funding (VMA) transitional agreement with the Centre For Volunteering (CFV) and have participated fully in all activities which were on offer. This mainly consisted of providing their resources to our volunteering involving organisations (VIOs) and receiving feedback which we then reported back to the CFV. We also attended regular workshops with the CFV and provided feedback as requested.

Volunteering funding ended with the financial year in June, and the future of the VMA funding will now continue to be managed by state volunteering peaks. Currently, communication has been minimal, but we know the distribution of VMA funding will be project based on people with disability, new arrivals and Aboriginal and Torres Strait Islanders. Sector Connect is self-funding employment until the end of September 2022 in the hope of retaining staff.

As a result, the previously funded volunteer resource centres (VRCs) have been working together to lobby for funding and to encourage the government to reinvestigate how funds are distributed. There has been a large upswell of media attention, and public discourse surrounding the impact of Covid on the volunteering sector and the struggles organisations are facing in finding volunteers. The latest data shows a 19% drop in volunteering since the 2016 census. We are now hearing about VIOs closing because their model cannot be sustained without volunteers. Previously these organisations were assisted by programs like Sector Connect Volunteering to build capacity, advertise and find volunteers. As volunteer resource programs are no longer funded, organisations have an additional struggle to fill their roles. We are hopeful that there will be some movement towards refunding the remaining volunteer resource centres as the broader implications for the social service sector are concerning.



### Occupational therapy student project:

We had two more students from Western Sydney University's Occupational Therapy Department. These students were tasked with producing a resource to help services to understand how best to support a person with cerebral palsy to volunteer. The resource is available for free for anyone to utilise. Hollie moved the resource over to a webpage and it is now freely accessible online.



**GUIDELINES**



# SECTOR DEVELOPMENT

Reported By the Whole Team

## Community Sector Coordination:

These are activities undertaken to support coordination and collaboration; strengthen organisational capacity of local TEI organisations. Examples include coordinating interagency activities (chairing, secretariat, venue, etc.); backbone support to collective impact work; interdisciplinary place-based projects; local consultation processes; coaching/mentoring; good

governance; and being a conduit between NGOs, government, business and the wider community.

Results:

**SESSIONS (89),**

**TOTAL PARTICIPANT OUTPUTS (845)**

We facilitated and co-supported the following networks through a mixture of face-to-face, hybrid, and online delivery.

- " *Macarthur Child, family and youth*
- " *Macarthur Youth Services network*
- " *SWS Leadership network*
- " *SWS Executive Leadership Breakfast*
- " *MacUnity*
- " *Highlands Child Youth and Family*
- " *Wingecarribee Aboriginal Network*
- " *Macarthur Agency Exchange day (Event)*
- " *Omicron Risk Assessment Peer Support*
- " *TEI Q and A*

This year we hosted our executive leadership breakfast at the lovely Gledswood homestead and winery. We had a strong turnout from across South Western Sydney. As a result of interest and feedback, we will be allowing for a bigger event and more networking time next year. Thank you to those participants who helped us set some priorities for our interagencies!

Sector Connect provides effective support to the community service sector

Strategic Goal 1.



**Working groups** are more task-oriented and aim to address local issues. Sector Connect continues to participate in and support the:

- **Southern Highlands Domestic & Family Violence Forum –**  
new website developed, service mapping, planning for high profile public localised campaign with cinema and bus advertising organised for the near future
- **Paint the Town Read –**  
early literacy 0-5 - all four areas took a blow due to Covid restrictions; however, they are all up and running with strategic planning completed in 3 of 4 LGAs ready for 2022/23.
- **COVID WHS Peer Support—**  
Constant changes in health and funding body directives increased the administrative workload for managers. Sector Connect linked up several service providers to share the workload. Participants provided very positive feedback on this approach.

## Community Sector Coordination continued:

Again a highlight for us this year was being able to hold the Macarthur Agency Exchange day at Western Suburbs Leagues Club. This event is essential as it allows services to get to know one another, leading to referrals, collaborations and partnerships. Last year, we just snuck the event in with Covid 19 making things restrictive. This year, we were able to promote it with more confidence in the social climate, and as a result, we sold out of stallholder and participant tickets. An added bonus was getting to meet the new Minister for Communities and Justice and Minister for Disabilities, Natasha Maclaren-Jones MLC and introducing her and Member for Camden Peter Sidgreaves to some of our local organisations.

### Macarthur Wingecarribee Agency Exchange Day at West Leagues



Strategic Goal 1.  
Sector Connect provides effective support to the community service sector



## Community Sector Planning:

These activities are undertaken to assist organisations and community networks to plan and support their communities to achieve TEI outcomes. Examples include representation/advocacy, brokering partnerships, networking, information clearinghouse, research and evaluation, policy advice and professional development.

Results:

**SESSIONS (188),**

**TOTAL PARTICIPANT OUTPUTS (500)**

This year we increased our sector planning work, not on purpose, but simply because of the changes to the sector as a result of the impact of covid and natural weather events. Hybrid methods of working have made it even easier to catch up too.

Sector connect participates in many other groups and networks to ensure we can represent, advocate and act as a conduit across the sector. These groups range from government working parties with our funding bodies, a mixture of three tiers of government, such as the Western Sydney Health Alliance, to State Peak networks such as FONGA, to groups with other service providers such as the headspace consortium. Some meet monthly, and sometimes it is one-off sessions to resolve an issue for the sector. There are a lot of meetings to attend; however, priority is based on the needs of the services (and their clients) we represent.



## Education Skill and Training:

These are activities that increase the knowledge and skills of community organisations to strengthen social capital, local networks, social inclusion, and sense of belonging to different communities.

Results:

**SESSIONS (51),**

**TOTAL PARTICIPANT OUTPUTS (266)**

Targeted earlier intervention (TEI) providers still required additional support with reporting data as well as training that would enable them to reach milestones on their contracts. Sector Connect was able to provide individual and small group training sessions thanks to our growing expertise in the DEX. Training tends to be directed by the sector's needs at any particular time. This year we introduced customised TEI sessions for services and continued to offer popular training such as key concepts in corporate governance.

We also address an emerging need by offering more in the worker wellbeing space. Demand from services to provide more support to their workers after a very demanding time in history and continuous worker shortages putting additional pressure on existing staff shifted the focus to reducing worker burnout.

### ClubGRANTS

Reported by Jeanne

Sector Connect continues to enjoy facilitating the Campbelltown ClubGRANTS funding round each year. 2022 saw 42 applicants with 22 projects funded (over 80k in total). Local priorities are set by the committee each year, and this year, Domestic and Family Violence was at the top of the list.





*There is a crossover with much of the sector development already mentioned above. Rather than repeat this, In this section we will focus on other aspects of our work.*

## Auspicing –

Reported by Jeanne

It is a risk to take an auspice on, but it is also a risk not to provide general support and build capacity. Small committees and charities, despite good intentions, often need support to receive funding and grants, particularly if they are not big enough to have audited financial reports or become incorporated. We do not take this on lightly and want to ensure we can help. We have continued auspice arrangements with the Campbelltown Domestic and Family Violence Committee and the Macarthur Homelessness Steering Committee. We also actively participate in both these committees and contribute to:

- ♦ the Campbelltown DFV Committee, which has been developing an ongoing relationship with community partners, is planning forums in the future to promote best practices across the sector
- ♦ the Macarthur Homelessness Steering Committee which is developing a weekly Homelessness Hub and an ongoing project to increase Youth Homelessness Crisis Accommodation (15-17) year olds.



### Innovation/Quality Improvement:

The Wingecarribee Aboriginal Network adopted a new format moving to a space that ensures Aboriginal worker and community members drive the network. The network now has two streams; the Wingecarribee Aboriginal Network (WAN) and the Wingecarribee Aboriginal Yarn (WAY). The WAY is for Aboriginal people only and is steered by the Aboriginal Community Development Officer at Wingecarribee Council – the conversation in the yarn then dictates the business of the WAN, which in turn can ask questions on culture which may influence service delivery. Since implementing the new model, attendance in both streams has been encouraging.

## Responding to changing environments

reported by Julie and Tania

In response to the second lockdown, Sector Connect continued to meet the wellbeing needs expressed by the sector by offering online micro wellbeing workshops. Two of these workshops were offered independently by Sector Connect, and two workshops were offered in partnership with Campbelltown City Council.

We continue to strive to lead by example in terms of good workplace wellbeing practice, and in response to staff wellbeing needs, we introduced individual wellbeing sessions for staff, peer support sessions, and instituted online staff huddles each week during the extended lockdown to ensure staff continued to feel connected, valued and socially engaged.

The Project Officer facilitated a Staff Planning Day in July 2021 utilising the planning tool 'Vivid Visioning'. The output of this process was the collaborative development of the Sector Connect Vivid Vision, which included goals relating to the physical office environment, technology, our reputation, developing a fee-for-service vision, our digital presence and our organisational culture.

We have achieved many of the goals identified and continue to work towards the remaining goals.

### Emerging Needs in Sector Wellbeing and Learning

This year we took up the opportunity to develop our staff development & training arm. We promoted and received enquiries for our Wellbeing Workshops for teams. As a result, we delivered the Prioritising Sleep Workshop to three organisations and the Self Care for Compassionate Hearts Workshop to one organisation.

The Leadership as Futures Creation one year leadership development course enrolled the Spring 2021 cohort and is well underway with four modules completed. The course supports sector development through 21st-century leadership development, supporting leaders to develop capacities to meet increasing complexity within the sector. The fifth and final module will be completed in Spring 2022.



## Branching out

The increasing complexity of the 21st century led us to develop a series of workshops and courses to develop the capacities and practices needed to meet the demands of the future. Transformative learning has become an essential element of our work, and as a result, we have developed a new staff development and training arm of our organisation.

In preparation, we have changed our space to offer the sector external supervision (if they wish to have it on our premises) and a comfortable, affordable training space that the sector can hire or for us to provide training.

In 22/23 we will be offering:

- “ external supervision and clinical governance support
- “ Counselling & training room hire
- “ More training and staff development workshops (either developed and facilitated by us or through external providers)





# OUR GOVERNANCE



# OUR GOVERNANCE

# OUR GOVERNANCE

**GREG DUFFY**



**CHAIRPERSON**

General Manager,  
Community Links Wellbeing

**DEBBIE MCCALL**

**DUTY CHAIRPERSON & ABORIGINAL REP**

Aboriginal Community Partnerships Officer,  
Campbelltown City Council



**KEN BOND**



**TREASURER**

Consultant,  
Fitzpatrick + Robinson

**DR. NICOLE SHARP**

**SECRETARY & PUBLIC OFFICER**

Director and Occupational Therapist,  
Believe and Become Pty Ltd ,  
Adjunct Fellow  
School of Health Science  
Western Sydney University







**KYLIE SOMALIS**

**BOARD MEMBER**

Head Teacher,  
Personal and Community Services Macquarie Fields College,  
TAFE NSW

**NEVINE YOUSSEF**

**BOARD MEMBER**

Partner, Accredited Specialist Family Law,  
Family Law Department,  
Marsden Law Group



**EDWARD FEUERSTEIN**

**BOARD MEMBER**

General manager  
Life Beyond Barriers Inc

**JO HEALY**

**BOARD MEMBER**

Reporter & Presenter,  
Fox Sports News





# TREASURER'S REPORT



# TREASURER'S REPORT



KEN BOND

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On behalf of the Board, I would like to present the *financial reports* for the year ending 30 June 2022.

This year has seen us again operate in a very difficult and challenging environment due primarily to the continued Impacts and restrictions imposed by COVID-19. This has changed the way we all work, and Sector Connect is no different. During this period, due to the efforts of Tania and her team, we have seen the profit again show a slight decrease \$39,716.49 in 2020/21 to \$32,939.22 in 2021/22.

The result is a credit to the continuing hard work put in by Tania Muchitsch and her team. This has ensured that Sector Connect continues to remain viable. Total Equity has grown to \$226,818.08, giving us a stable base as we continue to move forward in a period of uncertainty

I would like to thank both Tania and Wenfang Xing for their efforts during the past year. Wen has continued to ensure that the Board has been provided with financial reports in a timely and effective manner. This has enabled the Board to continue to make sound and informed financial decisions.

I would also like to thank the staff and the Board members for their efforts during a very challenging period for us all.

Please refer to the *financial reports* and accompanying notes for further detail regarding Sector Connect's financial performance during 2021/22.

**- Ken Bond**



**SECTOR CONNECT**  
INCORPORATED

**ABN 20 166 069 899**  
**Financial Statements**

**For the year ended 30 June, 2022**



## Sector Connect Inc

PO Box 3477 NARELLAN NSW 2567

02 4648 5933

### Profit and loss report

01 Jul 2021 - 30 Jun 2022

	2022	2021
<b>Income</b>		
Donations	2.00	0.00
Funding Income	436,074.73	358,501.64
Management Fees	16,854.13	16,457.70
Other Income	69,148.20	63,377.24
<b>Total Income</b>	<b>522,079.06</b>	<b>438,336.58</b>
<b>Expenses</b>		
Wages On-Costs	71,283.64	49,419.71
Travel Expenses	2,632.00	2,556.76
Salaries	305,225.31	255,493.54
Admin expenses	59,555.81	57,364.29
Program Expenses	31,668.27	28,618.87
Equipment	18,840.23	22,426.65
<b>Total Expenses</b>	<b>489,205.26</b>	<b>415,879.82</b>
<b>Operating Profit</b>	<b>32,873.80</b>	<b>22,456.76</b>
<b>Other Income</b>		
Interest Income	65.42	91.73
Cash Boost Stimulus Non Assessable	0.00	17,168.00
<b>Total Other Income</b>	<b>65.42</b>	<b>17,259.73</b>
<b>Net Profit</b>	<b>32,939.22</b>	<b>39,716.49</b>

## Sector Connect Inc

PO Box 3477 NARELLAN NSW 2567

02 4648 5933

Balance sheet as at 30 Jun 2022

	2022	2021
<b>Assets</b>		
<b>Current Assets</b>		
Cash On Hand	342,209.02	265,668.38
Trade Debtors	2,497.00	14,787.77
Other Assets	2,657.57	464.41
<b>Total Current Assets</b>	<b>347,363.59</b>	<b>280,920.56</b>
<b>Total Assets</b>	<b>347,363.59</b>	<b>280,920.56</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade Creditors	5,272.80	8,398.37
Other Creditors	1,876.78	508.10
GST Liabilities	5,271.41	8,331.83
Payroll Liability	45,731.98	33,996.81
Prepaid Income	4,233.34	0.00
Prepaid Membership	2,222.73	5,702.28
Funds Held	45,240.80	23,907.95
Discrete Projects	1,928.14	6,196.36
<b>Total Current Liabilities</b>	<b>111,777.98</b>	<b>87,041.70</b>
<b>Non-current Liabilities</b>		
Payroll Liabilities	8,767.53	0.00
<b>Total Non-current Liabilities</b>	<b>8,767.53</b>	<b>0.00</b>
<b>Total Liabilities</b>	<b>120,545.51</b>	<b>87,041.70</b>
<b>Net Assets</b>	<b>226,818.08</b>	<b>193,878.86</b>
<b>Equity</b>		
Retained Earnings	193,878.86	154,162.37
Current Year Surplus/Deficit	32,939.22	39,716.49
<b>Total Equity</b>	<b>226,818.08</b>	<b>193,878.86</b>



# Sector Connect Inc.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### 1. Basis of preparation of Special Purpose Financial Statements

The association is a not-for-profit entity. The board is of the opinion that it is unlikely there are users of these financial statements who are not in a position to require the preparation of reports tailored to their information needs and have prepared special purpose financial statements. Accordingly, these financial statements have been prepared the board's reporting requirements under the Australian Charities and Not-for-profits Commission Act 2012

### 2. Compliance with the recognition and measurement requirements in AAS

These special purpose financial statements comply with all the recognition and measurement in Australian Accounting Standards.

### 3. Significant accounting policies

#### Revenue Recognition

The association recognises income from its main revenue streams, as listed below:

- Government & other grants,
- Management fees,
- Training services

#### Government & other grants

When the association receives grants and donations, it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations as referred to in AASB 1058.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. In all other cases the income is recognised immediately.

#### Unrecognised revenue

The association regularly receives volunteer services as part of its operations. While the association has assessed that the fair value of its volunteer services can be reliably measured, it has decided to adopt the policy option permitted under AASB 1058 not to recognise volunteer services in the financial statements.

#### Income Tax

The association is exempt from income tax.

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

The depreciable amounts of fixed assets costing more than \$3,000 are depreciated over the useful life of the asset to the association. Fixed assets acquired for a specific project including those costing less than \$3,000, are depreciated over the term of the project. Website development costs are included as depreciable assets.

Assets costing less than \$3,000 are written off as an expense at the time of acquisition.

#### c. 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 have been measured at the amounts expected to be paid when the liability is settled.

#### e Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. 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 in the assets and liabilities statement are shown inclusive of GST.

## Sector Connect Inc.

### STATEMENT BY MEMBERS OF THE BOARD

The board has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the board the financial report

1. Presents a true and fair view of the financial position of Sector Connect Inc as at 30 June 2022 and its performance for the year ended on that date.
2. Satisfies the requirements of the Australian Charities and Not-for-profits Commission Act 2012
3. At the date of this statement, there are reasonable grounds to believe that Sector Connect Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the board and is signed for and on behalf of the board by:

Chairperson..... 

Treasurer..... 

Dated this 7<sup>TH</sup> day of OCTOBER, 2022



# Sector Connect Inc.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

### INDEPENDENT AUDITOR'S REPORT

To the members of Sector Connect Inc.

#### Opinion

I have audited the financial report of Sector Connect Inc, which comprises the statement of financial position as at 30 June 2022, the statement of income & expenditure, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by members of the board.

In my opinion the financial report of Sector Connect Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of Matter - Basis of Accounting

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

#### Responsibility of the Board for the Financial Report

The Board of the registered entity is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The Board's responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The Board is responsible for overseeing the registered entity's financial reporting process.

## Sector Connect Inc.

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

#### Auditor's Responsibilities for the Audit of the Financial Report

My 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 my 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Stephen Hall

8 October 2022





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