

2021

2022



swop

ANNUAL
REPORT

PRESIDENT'S REPORT



While restrictions have been set aside, the impact of COVID-19 on the sex work community and the sex industry in New South Wales continues. Work has been slow to pick back up for many and incomes are reduced. Many sex workers used all savings and reserves and migrant sex workers were not covered by any safety net payments. Power and housing prices continue to increase, impacting on housing stability, work space stability and incomes. Longer term impacts on mental health and physical health are also ongoing concerns. Access to other services continue to be impacted by staff unwell with COVID-19.

We started this financial year, July 2021, in lockdown. It continued into October 2021 straining our capacity and dampening our optimistic plans for the year. For organisations like ours, the need for strong representation, advocacy and support work didn't stop as we navigated new rules, new policing approaches, in a deluge of misinformation, all while attempting to negotiate the best possible outcomes for our community. Returning to 'post-lockdown normality' is far less straightforward for the sex industry in NSW and for our organisation than anyone imagined. Staff worked to capacity throughout difficult times supporting our communities health, rights and wellbeing requiring new approaches, flexibility and adaption to address the needs of sex workers in New South Wales.

Of course our work this financial year was not only centred on COVID-19 impacts but also on progressing key policy areas, and addressing stigma and discrimination, alongside our essential health promotion, community engagement, peer education and outreach activities.

Heading into this year SWOP NSW had a plan to have its staffing back to capacity and while the lockdown delayed recruitment I'm pleased to see many of the roles filled. Our organisation owes many thanks and much gratitude to Joanna (Acting CEO) and Tori (Acting CEO, then Acting Outreach Manager) who covered high level Acting roles way beyond the timeframe they committed to, to support the organisation through these times, the set up of our office in Alexandria and recruitment of staff. Both Joanna and Tori provided handover and support for incoming staff Brady (CEO) and Polly (Outreach Manager).

Aside from the difficulties this year has presented, the organisation and its staff have made many achievements, as you will see reflected in this Annual Report. I would like to take this opportunity to thank the staff at SWOP NSW for their great work and dedication to their roles, the organisation's membership for the many ways in which you have contributed to the organisation over this year, and the Governance Committee members for their excellent work.

During this term the Governance Committee finalised the organisation's 2022-25 Strategic Plan and in June, joined the staff, including many new staff, to discuss its implementation now underway.

It is with great pleasure that I join my colleagues on the SWOP NSW Governance Committee to present this Annual Report to you.

JANELLE FAWKES
President

CEO'S REPORT



The early months of 2022 saw significant changes to and expansion of the SWOP team. Acting CEO Joanna handed over to incoming CEO Brady, who brought to the role experience in human rights advocacy in relation to sex work, as well as independent sex work. Acting Outreach Manager Tori handed over to incoming Outreach Manager Polly, whose background includes work with homeless persons as well as stripping, brothel and parlour work. Additionally, SWOP welcomed Miya as Finance Officer, Ellie and Hana as Policy Officers, Kelly as an additional Chinese Outreach Team member, Tallula as the Private Sex Worker Outreach Officer, Mishy and Pip as additional General Outreach Team members and Som, Rosa and Anita as casual outreach workers (each multilingual).

Throughout this period of continued transition and growth, the SWOP Governance Committee (including several re-elected members) continued to provide strong support and guidance. Special thanks to Janelle as SWOP President for the enormous amount of energy and expertise she has given to the organisation and its management during her time in this role.

Whilst COVID-19 related mandatory restrictions finally eased after the second lockdown ended towards the end of 2021, SWOP continued to proactively monitor the situation and respond accordingly. When NSW COVID-19 cases surged over the Christmas holiday period, SWOP instituted temporary non-contact outreach measures to ensure that all services remained available to NSW sex workers, as safely as possible.

Since then, regular outreach has resumed at a rapid pace, with team members travelling across Sydney and the state to meet with sex workers and sex industry owners/operators we have been unable to see in person in recent years. We have also welcomed an increasingly steady flow of local and touring sex workers to our Alexandria office. SWOP workshops and forums continue to remain available online to ensure maximum accessibility. SWOP events have also recommenced, with the first Hookers & Strippers Ball since the onset of the COVID-19 pandemic in Australia being held in June 2022 to celebrate International Whores Day. We look forward to celebrating with community again at World Pride in February/March 2023.

SWOP NSW collaborated with Scarlet Alliance and other Australian sex worker organisations, particularly Respect QLD, to provide financial relief and other support to sex workers affected by the floods in early 2022.

We offer our congratulations to Vixen Victoria for their successful decriminalisation campaign, and the establishment of a funded peer sex worker organisation. We continue to offer our wholehearted support to Respect Inc and #DecrimQLD as they work towards a similar outcome.

BRADY
Chief Executive Officer

YEAR AT A GLANCE

SWOP office

The SWOP office moved at the beginning of the year from Surry Hills to Alexandria. The office is accessible and welcomes sex workers to drop in and talk with peers. Currently the office is having minor improvements with the addition of the Sex Worker Art Project, where SWOP called out to sex workers to display their art upon the walls, all art is by sex workers, and is for sale, all proceeds go back to the artist. SWOP continues to welcome all art by all sex workers.

New faces

Over the course of the year, SWOP NSW has continued to transition, grow and gain stability. A large number of new staff have joined our existing team: Brady (CEO), Polly (Outreach Manager), Miya (Finance), Hana & Ellie (Policy), Rosa (Aboriginal Outreach), Kelly & Anita (Chinese Outreach), Som (Thai outreach) Talulla and Mishy (Private Worker Outreach), Pip (General Outreach). We thank Joanna and Tori for their work managing SWOP through most of the year.

Training and in-services

The outreach team have facilitated several trainings to organisations that work with or are in contact with sex workers. In the last year SWOP NSW has provided Hunter New England police, Albion St Centre and ICLC (Inner City Legal Centre) with trainings on working with sex workers, with a focus on destigmatising the industry by ensuring emphasis on cultural sensitivity, appropriate language and of course, always reiterating that sex work is work.

Vaccination, flood and financial support

SWOP NSW continued to monitor and respond to the evolving COVID-19 situation. Throughout the Omicron outbreak at the beginning of 2022, SWOP offered COVID safe drop ins at our office, and non-contact outreach to ensure our services remained safely available for sex workers. SWOP NSW worked throughout the year with other Australian sex worker organisations and local health services to provide sex work specific education about monkeypox, and to increase access to vaccination for eligible members of our community. SWOP NSW also worked with Scarlet Alliance, Respect QLD and Mission Australia to provide financial relief and other support to NSW sex workers affected by the 2022 floods and Covid-19.

Outreach

SWOPconnect services operated in person, and via phone, email and various social media platforms throughout the year. We also regularly communicated with sex workers and other sex industry staff via e-newsletters.

As soon as it was possible, in person outreach recommenced at a rapid pace. During 2022, the SWOP NSW outreach team has visited street-based sex workers, parlour, brothel and massage workers, independent workers, BDSM workers, strippers, sugar babies and porn/cam performers across metropolitan Sydney and NSW. Regional areas currently being visited include: Tweed Heads, Byron Bay, Ballina, Lismore, Casino, Coffs Harbour, Port Macquarie, Kempsey, Tamworth, Taree, Newcastle, Gosford, Wollongong, Port Kembla, Nowra, Bathurst, Orange, Dubbo, Albury, Wagga Wagga and Griffith.



3,565
OCCASIONS OF
SERVICE



5,811
WORKER PACKS
DISTRIBUTED



547
NEW WORKER
INTERACTIONS



116,234
CONDOMS
DISTRIBUTED



61
CAPACITY
BUILDING
EVENTS



53,549
LUBES
DISTRIBUTED



1,835
PARLOUR AND
MASSAGE VISITS



16,390
DAMS
DISTRIBUTED



1,334
PRIVATE WORKER
INTERCTIONS



32,600
GLOVES
DISTRIBUTED



81
TOTAL PARTNERED
OUTREACHES



3,390
FITS DISTRIBUTED

SEX WORKERS OUTREACH PROJECT INC.
COUNSELLING PROGRAM

The SWOP counselling program provided over 550 occasions of service in the July-June 2022 financial year. This number represents counselling (with referrals and resources) provided directly to sex workers in NSW, primarily in tele-counselling sessions. Not included in this data are the many occasions of individual advocacy and referral consultations.

Most referrals to SWOP counsellor are word-of-mouth recommendations from sex worker peers and from our Outreach team. Responding to immediate needs, including callers in distress, is a vital aspect in SWOP counselling & support. During COVID that immediacy increased with sex workers contacting SWOP with work uncertainty and financial insecurity on a daily basis.

Workers on temporary visas faced additional hardship, being excluded from government funded financial programs during the lockdowns. Support from the SWOP counsellor included tailored referrals to local services for material/financial aid or temporary accommodation.

Requests for SWOP counselling support from independent/private sex workers has continued to increase. That increase may be reflective of trends in the sex industry.

Strength-based counselling supports workers toward realising their goals, managing personal issues and challenges associated with sex work and stigma. Many workers describe negative perceptions of sex work as a key barrier to establishing professional and social supports.

The last year saw a sharp rise in the numbers of workers describing the impact of crimes of violence on their wellbeing, their work and their personal relationships. Along with discussing sexual and reproductive health, SWOP counselling provided information and resources on managing trauma and its impacts.

Sex workers are supported in accessing healthcare services, legal advice, justice services and to extended trauma-specific counselling.

550
PEER
COUNSELLING SESSIONS

“ you help to detangle the situation with practicality but at the same time respecting my choices and privacy ”

COMMUNITY SERVICES

Community service is another crucial part of SWOP’s work within the sex industry. Chantell continues to advocate for sex workers within the prison system. Providing individual support helps SWOP to identify and tackle structural barriers affecting sex worker health and wellbeing, from stigma and discrimination in legal representation.

SWOP continues to have a presence on interagency and advisory groups to ensure sex worker voices contribute to important decision making about them. This also presents an opportunity for Chantell to engage and connect with support services and offer sex worker sensitivity training and SWOP in-services.

This year SWOP’s Transgender project saw more of an increase of Transgender sex workers move towards working independently during COVID-19. The closures of the last remaining transgender brothels in the Sydney area in the past two years have also added to this transition. SWOP continued to engage with all sex workers during this period informing on the ever-changing COVID-19 updates and restrictions.



We ♥ Volunteers SWOP

If you are interested in coming along to a SWOP NSW Volunteer Morning Tea & Orientation Session, please call (02) 9184 9466 and ask to speak with Chantell

MALE PROJECT

Our male identifying program works to ensure all workers receive information to make informed decisions, providing updates for both diseases and vaccinations, and supporting workers in isolation, loneliness and other challenges.

Male work continues to transition through the impacts of both COVID-19 and monkeypox.

The majority of male work in NSW is either independent or online as there are currently no known male brothels.

Our outreach worker Charlie has extensive knowledge in navigating both private and online work. If any male worker needs help in navigating this type of work, Charlie is available by phoning SWOPconnect during office hours or by coming into the SWOP office for the dedicated male worker drop-in sessions which are held weekly.

SWOP + KRC

WORKSHOP

DISCUSSING BARRIERS FOR
MALE-IDENTIFYING SEX WORKERS

WEDNESDAY 20TH APRIL
2:30PM

SEX WORKERS ONLY
REGISTER HERE:
[HTTPS://TINYURL.COM/RHSMP88X](https://tinyurl.com/RHSMP88X)





“ there are currently no known male brothels in NSW ”

Tori and Charlie at the annual Hookers and Strippers Ball.





**MALE WORKER
DROP-IN**
EVERY FRIDAY 3-6PM
7/110 BOTANY RD,
ALEXANDRIA





CHAT TO CHARLIE
(02) 9184 9466
WHERE TO GET TESTED
WHERE TO GET SUPPORT
PREP AND HOW TO ACCESS
STI PREVENTION
WORKERS PACKS
UNDETECTABLE
-UNTRANSMITTABLE
COVID-19 INFORMATION



โปรแกรม E-list ของเรา

- เรียนเชิญเข้าร่วม E-LIST ของ SWOP NSW
สำหรับเจ้าของ/ผู้ประกอบการธุรกิจให้บริการ
คุณจะได้รับอีเมลเกี่ยวกับ:
- ข้อมูลด้านสุขภาพและความปลอดภัยในที่ทำงานของสถานที่ให้บริการ
 - สิทธิและความรับผิดชอบของสถานที่ให้บริการ
 - การอัปเดต COVID-19 เฉพาะกิจการสถานที่ให้บริการ
 - WORKSHOPS/กิจกรรมอื่น ๆ สำหรับเจ้าของ/ผู้ประกอบการ

ถ้าคุณสนใจในการรับข่าวสารโปรดระบุอีเมลของคุณ

หรือส่งอีเมลของคุณมายัง SWOPCONNECT@SWOP.ORG.AU หัวข้อเรื่อง JOIN OUR E-LIST
SWOP เคารพความเป็นส่วนตัวของคุณและไม่เปิดเผยที่อยู่อีเมลของคุณกับบุคคลที่สาม
ขอบคุณเป็นอย่างสูงที่ให้ความร่วมมือ



swop
SEX WORKERS OUTREACH PROJECT

INTERNATIONAL
Migrants Day

VIRTUAL
AFTERNOON TEA
SEX WORKERS ONLY
DECEMBER 17
3PM-4PM



THAI PROJECT

SWOP NSW Thai speaking team is determined to increase SWOP's presence through SWOPconnect, partnerships, regional and Sydney based outreach, by responding to changing trends, and through our new Line app group.

This year we saw more Thai workers touring and popping up in regional parlours. Our multicultural team made more outreach visits to regional areas. In Wollongong there are two parlours that really welcome SWOP input, and we ran a successful hepatitis B workshop 101 specifically for their Thai-speaking staff that was well received. We tailor our workshops to the needs and requests of Thai workers and can cover subjects such as visa, family and domestic violence, as well as our important sexual health messages.

In the past, the majority of cis women Thai workers worked in parlours and massage, but they have slowly shifted to do private work. Thai transgender and male workers still primarily work privately which meant our outreach to these groups remained strong.

SWOP staff continues to work closely with health promotion Thai project at SSHC. They referred Thai workers to SWOP for support including covid funding, food delivery, counselling, or outreach visit if required.

In late 2021 SWOP NSW launched a presence on the popular Line app for Thai workers, creating a group for information and news for sex work. Some Thai workers cannot come back to Australia due to COVID and Visa related issues. Line allows us to stay connected to migrating and travelling workers.

Line helps the Thai project team to network with other Thai peer educators who work in sex worker organisation in each state, including Respect, Vixen, Magenta and Sin. This works well because all of us are part time staff. We can discuss any issues by posting in Chatroom and refer workers who are going to that state so workers can work safely.

The Thai team have noticed Thai workers are being employed in Chinese massage parlour, due to the shutdown of many massage parlours during the COVID period. The SWOP NSW Thai and Chinese speaking teams are working closely together to ensure we provide outreaches in multiple languages. We have also recently recruited more casual staff who speak Mandarin or Thai.



Birdie, Mon and friends at the annual Hookers and Strippers Ball.

CHINESE PROJECT

SWOP NSW Chinese project continued to stay connected to community through online outreach including a growing WeChat channel. Mandarin speaking workers also accessed the SWOP food box program and we ensured that Chinese-speaking workers obtained SWOP services. The COVID period increased the vulnerability of migrant Asian sex workers. The absence of visa expiration information and lack of access to social security and support directly increased distress.

During lockdown one Chinese worker provided feedback via WeChat and stated, "SWOP saves my life on rainy days".

The SWOP Chinese project continued to provide support to the Chinese community through online workshops, providing vaccine information in language, and disseminating updates on changing COVID restrictions and laws.

However, the number of calls from workers in distress, sometimes severe, increased in response to COVID restriction changes.

One worker contacted WeChat at 10 pm and sought help during COVID lockdown in a dire situation. That night SWOP's team worked collaboratively to support the worker. Our quick response to this and to other critical situations increased trust with the Chinese-speaking sex worker community.

This year the SWOP Chinese project increased the number of engagements with private/independent CALD workers through text and call, as well as outreach visits to regional areas with local regional sexual health clinics.

Chinese-speaking workers are more willing to talk with us on WeChat as they feel the space is private. In WeChat, Chinese-speaking workers can contact us anonymously, receive an update on our outreach visit areas, information on SWOP events (on the "MOMENT" board), and a range of issues including family, relationships, mental health, AOD, police, safety, visas or immigration.

During the period of COVID restriction, Chinese-speaking workers had to change their ways of working - sometimes pushing them into isolation. The themes that arose throughout the last year included lack of social support, mental health concerns, safety at the workplace and family issues. Mental health and sexual health go hand in hand, and supporting Chinese-speaking sex workers' holistic health is our priority.



“SWOP saves my life
on rainy days”

swop 仅在 2022 年 1 月期间进行非接触外展

请致电 **9184 9466** /
swopconnect@swop.org.au
联系我们

♥ 安排安全的性用品和信息送到您的
工作场所

♥ 从 **SWOP** 的外展团队成员那里获得
支持和信息



SEX WORKERS OUTREACH PROJECT INC. EVENTS AND WORKSHOPS

SWOP events have also recommenced, with the first Hookers & Strippers Ball since the onset of the COVID-19 pandemic in Australia being held in June 2022 to celebrate International Whores Day. We look forward to celebrating with community again at World Pride in February/March 2023.

We have also welcomed an increasingly steady flow of local and touring sex workers to our Alexandria office. SWOP workshops and forums continue to remain available online to ensure maximum accessibility.

SWOP celebrated/commemorated events of significance to our communities such as NAIDOC week, Knock Out, IDAHOBIT, and notably International Whores Day with our first Hookers & Strippers Ball since the COVID-19 pandemic.

25

SWOP WORKSHOPS



Rosalina Ngala, at the annual Hookers & Strippers Ball.



SUBMISSIONS AND PROJECTS

Consultations

SWOP NSW has sought sex workers input to support our representation work on a range of topics. A consultation was held about our contribution to Alex Greenwich’s Equality Bill and multiple forums have asked specific sex working populations about barriers to reporting sexual and domestic violence. SWOP NSW continues to work on this important project with the Department Of Communities and Justice.

We have continued our work to achieve anti-discrimination protections for sex workers and repeal of sections of the Summary Offences Act that undermine decriminalisation. SWOP has also made submissions on decriminalisation of sex work in Queensland, the guidelines for the Mandatory Testing Act procedures, and the Coercive Control Bill.

SWOP NSW worked with Scarlet Alliance to generate submissions to the Disability Royal Commission. SWOP assisted Scarlet Alliance to hold several community consultations with sex workers with disabilities from across Australia to inform submissions to be made to the Disability Royal Commission later this year.

Partnerships

SWOP has an ongoing relationship with Inner City Legal Centre (ICLC) who provide specialised advice and representation for sex workers on legal matters that affect us. SWOP is also developing relationships with Refugee Advocacy and Casework Service (RACS), Immigration Advice and Rights Centre (IARC) and HIV/AIDS Legal Centre (HALC) around immigration and related legal advice and representation for sex workers.

Monkeypox response

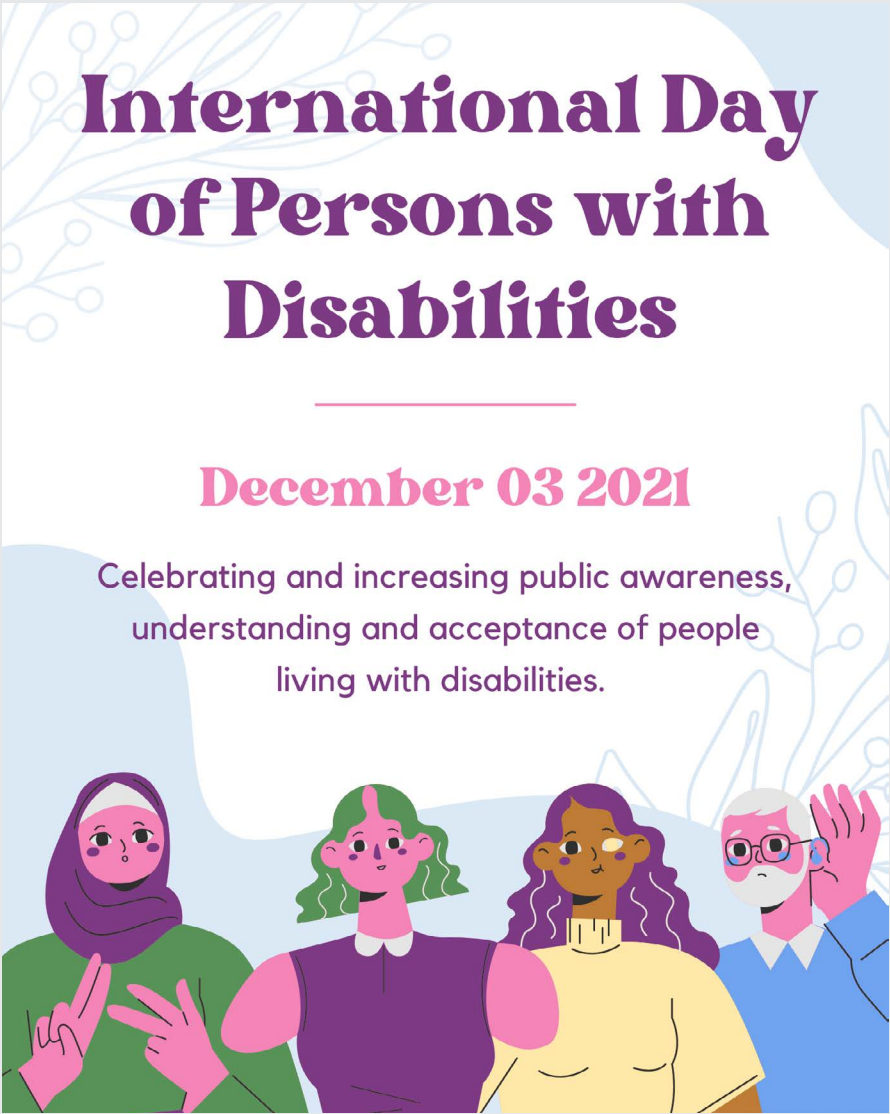
SWOP worked with Ministry of Health to promote the initial monkeypox virus (MPXV) vaccination rollout. SWOP assisted numerous sex workers to access vaccination at the Crown St pop-up vaccination clinic. SWOP successfully advocated for the ATAGI guidelines to be applied, allowing sex workers to be included in the initial vaccination rollout. SWOP is continuing to inform sex workers about vaccine availability.

Council Interaction Project

SWOP has been working with Ministry of Health to update guidelines for council regulation of sexual services premises (SSPs). Guidelines were originally produced in 2004 in response to many local council’s restrictive practices towards approval and compliance measure for SSP. The project should update the Guidelines with regulatory changes. The Guidelines and a planned training module for council decision makers should assist to improve development approvals and compliance processes employed by various councils. SWOP is engaging in consultation processes with sex industry business owners and sex workers as part of updating the SSP Guidelines.

Outreach Barriers to Reporting Violence against Sex Workers Project

SWOP has been contracted by the Department of Communities and Justice to undertake consultation and a roundtable meeting of stakeholders around barriers to reporting domestic, work related and sexual violence against sex workers. SWOP engaged with sex workers through an online survey and will continue with a stratified selected sample of sex workers in various settings. The roundtable to review the data and scope out barriers (and means to address them) will be held in early February 2023.



THE EXECUTIVE COMMITTEE



JANELLE
President
Janelle Fawkes is passionate about good governance and strongly believes in the skills, strength and capacity of sex workers. Janelle started work as a sex worker in New South Wales and has worked in and undertaken governance roles in several sex worker organisations, including 10 years as CEO of Scarlet Alliance. She was also involved in the committee supporting SWOP's transition to independence.



Y
Vice President
I am a visual artist and sex worker. I started sex work over 10 years ago and established a private dungeon offering BDSM services. In my past employment I was working as a tertiary teacher. I have carried over my interest in education researching how sex workers share skills and learn. I'm from a Greek background and feel passionate about cultural and ethnic diversity. I completed a PhD in 2021 at the University of Sydney in the field of LGBTQIA+ politics in the HIV/AIDS era.



CHARLOTTE
Treasurer
Charlotte has been working in the sex industry from the 2010s. In December 2020, she joined the SWOP NSW as the treasurer. She hopes to bring her experience as a sex worker and an accountant working in not for profit organisations into the treasurer's role. She believes in social justice especially for sex workers, LGBTQIA+ and other marginalised people. Having SWOP NSW in a strong financial and resilient is also important to her.



MISH
Secretary
Mish Pony (they/them) was appointed Secretary of SWOP NSW in April 2021. They are also a Director of AFAO (2013-2022), and Chief Operations Officer at Scarlet Alliance, Australian Sex Workers Association. They have been sex working and a part of sex worker and queer organising for over 10 years and are active in sex worker and trans research projects. They are based on Gadigal Land in Sydney.



LARA
Ordinary Member
My name is Lara (she/her). I've been a sex worker for 22 years. Over that time, sex workers have educated me, supported me and endlessly amazed me with their fabulousness. With a background in counselling and social justice roles, I also run an online peer support and skill share space for sex workers, and am dedicated to facilitating the space in a way that cherishes community and peer education. This is my second time serving on the SWOP executive committee, and I am excited to be part of the team leading SWOP into a strong and resilient future.



CLEO
Ordinary Member
Cleo Kali (she/her) is an Eora based sex worker with more than ten years of experience across a broad spectrum of positions and working conditions, from establishment and independent FSSW to stripping, online content creation, and BDSM. She has a strong commitment to fighting for the rights of sex workers, LGBTQIA+ and other marginalised groups. Cleo believes passionately in the right to self-determination for all sex workers, and all people.



GISELLE
Ordinary Member
Giselle Lucas (she/her) is an Eora based sex worker, artist, writer and advocate. Approaching a decade as a sex worker- she joined SWOP Executive Committee in 2020 with hopes to provide insights from her double life as a political organiser and skills from her time working in media and communications. Giselle has 10 years' experience in media, social justice fields and not-for-profits, and a loud and vocal passion for sex worker rights, community building, policy, tech, and human rights.

TREASURER'S REPORT



SWOP NSW has been able to achieve a surplus for the 2021-2022 financial year. As expected, the surplus was not as large as the previous year. We can report a surplus of \$179,000. The size of the surplus in later years is expected to reduce with the economic environment.

The continuing impact of COVID has meant challenges for SWOP NSW. The funding from the Ministry of Health has remained stable. The organisation has also been able to obtain other minor grants in line with the strategic goal of diversifying income.

I would also like to thank SWOP NSW management, our new finance officer, and consultants that were involved in ensuring that SWOP NSW has achieved a great financial result for 2021-2022.

CHARLOTTE
Treasurer



SWOP NSW was audited by DFK Laurence Varnay

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Financial Statements

For the Year Ended 30 June 2022

Sex Workers Outreach Project Inc

ABN 38 451 145 442

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For the Year Ended 30 June 2022

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Sex Workers Outreach Project Inc

ABN 38 451 145 442

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Directors of Sex Workers Outreach Project Inc

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

DFK Laurence Varnay Auditors Pty Ltd



Colin Grady
Director

07 November 2022

Sydney

Local knowledge. National connections. Global reach.



DFK Laurence Varnay is a member of DFK International, a worldwide association of independent accounting firms and business advisers. Our DFK membership means that we can assist you with expanding your business overseas by networking with other member firms. You can have the essential combination of global reach and local knowledge.

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DFK Laurence Varnay Auditors Pty Ltd

ABN 75 648 004 595

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Statement of Income and Retained Surplus For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue	4	1,248,918	1,448,220
Other income	4	156,508	325,259
Rent and rates		(39,558)	(92,699)
Administrative expenses	5	(112,008)	(100,351)
Finance expenses	5	(3,867)	-
Salaries and associated costs		(893,082)	(1,106,353)
Communications		-	(1,999)
Events and activities		(5,943)	(9,845)
Program materials and services		(129,376)	(120,250)
Other expenses	5	(42,285)	-
Surplus before income taxes		179,307	341,982
Income tax expense	2(a)	-	-
Surplus for the year		179,307	341,982
Retained surplus			
Retained surplus at the start of the year		656,536	314,554
Retained surplus at the end of the year		835,843	656,536

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Statement of Financial Position

As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,356,975	958,596
Trade and other receivables	7	20,435	285
Inventories	8	9,890	4,566
Other assets	10	8,682	-
TOTAL CURRENT ASSETS		<u>1,395,982</u>	<u>963,447</u>
NON-CURRENT ASSETS			
Trade and other receivables	7	10,107	-
Property, plant and equipment	9	8,021	-
Right of use assets	11	86,441	-
TOTAL NON-CURRENT ASSETS		<u>104,569</u>	<u>-</u>
TOTAL ASSETS		<u>1,500,551</u>	<u>963,447</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	46,624	103,238
Provisions	15	128,989	146,309
Income in advance	13	390,042	57,364
Lease liabilities	11	34,732	-
TOTAL CURRENT LIABILITIES		<u>600,387</u>	<u>306,911</u>
NON-CURRENT LIABILITIES			
Lease liabilities	11	44,321	-
Provisions	15	20,000	-
TOTAL NON-CURRENT LIABILITIES		<u>64,321</u>	<u>-</u>
TOTAL LIABILITIES		<u>664,708</u>	<u>306,911</u>
NET ASSETS		<u>835,843</u>	<u>656,536</u>
EQUITY			
Retained surplus		835,843	656,536
TOTAL EQUITY		<u>835,843</u>	<u>656,536</u>

The accompanying notes form part of these financial statements.

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers, granting bodies & fundraising (inclusive of goods & services tax)	1,392,046	1,773,817
Payments to suppliers and employees (inclusive of goods & services tax)	(985,855)	(1,297,530)
Interest received from Deposits at call	209	359
Net cash provided by operating activities	406,400	476,646
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(8,021)	-
Net cash used by investing activities	(8,021)	-
Net increase in cash and cash equivalents held	398,379	476,646
Cash and cash equivalents at beginning of year	958,596	481,950
Cash and cash equivalents at end of financial year	1,356,975	958,596

The accompanying notes form part of these financial statements.

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Notes to the Financial Statements For the Year Ended 30 June 2022

The financial statements cover Sex Workers Outreach Project Inc as an individual entity. Sex Workers Outreach Project Inc is a not-for-profit Association incorporated under the *Associations Incorporation Act (NSW) 2009, Associations Incorporation Regulation (NSW) 2016* ('the Act') and the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The functional and presentation currency of Sex Workers Outreach Project Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosure and the Australian Charities and Not-for-profits Commission Act 2012. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Revenue and other income

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The income recognition requirements under AASB 1058 shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

An example of a 'related amount' is AASB 15 and in cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058. Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition.

The entity recognises revenue from the following major sources is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

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

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (cont'd)

(b) Revenue and other income (cont'd)

Grant revenue

The organisation has analysed the terms of each contract to determine whether the arrangement meets the enforceability and the 'sufficiently specific' criteria under AASB 15. For those grant contracts that are not enforceable or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058. Income will be deferred under AASB 15 otherwise and recognised when (or as) the performance obligations are satisfied.

Donations, sponsorship and fundraising revenue

Based on an analysis of the organisation's underlying arrangements for donations as at 30 June 2021 on the basis of the facts and circumstances that exist at that date, the organisation has assessed that the impact of the income requirements will not have a significant impact on the amounts recognised in the Organisation's financial statements as majority of the donations do not meet the 'enforceability' and the 'sufficiently specific' criteria under AASB 15 and would therefore be accounted as immediate income recognition under AASB 1058.

Interest revenue

Interest is recognised using the effective interest method.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(c) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category, they have been allocated to activities on a basis consistent with use of the resources.

Program materials and services costs include the costs of merchandise sold, and the costs incurred in providing resources and outreach programs to sex workers.

Event and activities costs are those costs directly incurred in running events, forums and workshops by the association.

Administrative costs are those incurred in connection with administration of the association and compliance with constitutional and statutory requirements.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (cont'd)

(d) Goods and services tax (GST) (cont'd)

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (cont'd)

(f) Financial instruments (cont'd)

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial Assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Impairment of non financial assets

At the end of each reporting period the Association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (cont'd)

(f) Financial instruments (cont'd)

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Leases

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (cont'd)

(h) Leases (cont'd)

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) 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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

(j) 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 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.

(k) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

(l) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Association.

Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Critical Accounting Estimates and Judgments

The members of the committee make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - revenue recognition - deferred income

The Association receives income from certain grants and donations under contracts, which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of the timing of the delivery of the service that has been provided, or the completion of a specified activity, under the relevant contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4 Revenue and Other Income

	2022	2021
	\$	\$
Operating revenue		
- Operating grants	1,182,495	1,394,400
- Sale of goods	37,118	49,382
- Member subscriptions	1,421	201
- Donations, sponsorship and fundraising revenue	27,884	4,237
Total Revenue	1,248,918	1,448,220
Other Income		
- COVID-19 government subsidy	99,404	324,900
- Interest received from deposits at call	209	359
- Sundry income	56,895	-
	156,508	325,259

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Notes to the Financial Statements For the Year Ended 30 June 2022

5 Result for the Year

	2022 \$	2021 \$
Finance Costs		
- Interest - right of use assets	3,867	-

The result for the year includes the following specific expenses:

Administrative expenses:

- Financial and HR services	7,976	44,589
- IT expenses	41,953	1,377

Other expenses

- Legal expenses	9,039	-
- Depreciation - right of use assets	33,246	-

6 Cash and Cash Equivalents

Cash at bank and in hand	1,149,084	750,912
Deposits at call	207,891	207,684
	1,356,975	958,596

7 Trade and Other Receivables

CURRENT

Trade receivables	13,456	285
GST receivable	5,676	-
Other receivables	1,303	-
Total current trade and other receivables	20,435	285

NON-CURRENT

Deposits	10,107	-
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The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

8 Inventories

CURRENT

At cost:

Stock on hand	9,890	4,566
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Sex Workers Outreach Project Inc

ABN 38 451 145 442

Notes to the Financial Statements For the Year Ended 30 June 2022

9 Property, plant and equipment

	2022	2021
	\$	\$
Computer equipment		
At cost	8,021	-

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Computer Equipment	Total
	\$	\$
Year ended 30 June 2022		
Balance at the beginning of year	-	-
Additions	8,021	8,021
Balance at the end of the year	8,021	8,021

10 Other Assets

	2022	2021
	\$	\$
CURRENT		
Prepayments	8,682	-

11 Leases

(a) Right-of-use assets

	Buildings	Total
	\$	\$
Year ended 30 June 2022		
Balance at beginning of year	-	-
Additions to right-of-use assets	119,687	119,687
Depreciation charge	(33,246)	(33,246)
Balance at end of year	86,441	86,441

The lease for Suite 7/110 Botany Road, Alexandria NSW 2015 office premises is until 31 August 2024.

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Notes to the Financial Statements For the Year Ended 30 June 2022

11 Leases (cont'd)

(b) Lease liabilities

	2022 \$	2021 \$
CURRENT		
Buildings (Undiscounted)	38,098	-
Buildings (Unexpired)	(3,366)	-
	<u>34,732</u>	-
NON-CURRENT		
Buildings (Undiscounted)	46,246	-
Buildings (Unexpired)	(1,925)	-
	<u>44,321</u>	-

12 Trade and Other Payables

CURRENT		
Trade payables	15,431	4,669
GST payable	-	32,264
Sundry payables and accrued expenses	31,193	66,305
	<u>46,624</u>	<u>103,238</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

13 Income in Advance

CURRENT		
Deferred income - Government grants	390,042	49,899
Provision for unbilled expenses	-	7,465
Total	<u>390,042</u>	<u>57,364</u>

14 Auditors' Remuneration

Remuneration of the auditor DFK Laurence Varnay Auditors Pty Ltd, for: - auditing the financial statements	<u>4,500</u>	<u>4,000</u>
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Notes to the Financial Statements

For the Year Ended 30 June 2022

15 Provisions

	2022	2021
	\$	\$
CURRENT		
Long service leave	70,735	89,335
Annual leave	58,254	56,974
	128,989	146,309
NON-CURRENT		
Make-good provision	20,000	-

16 Contingencies

In the opinion of the Directors, the Association did not have any contingencies at 30 June 2022 (2021: None).

17 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:		
Surplus for the year	179,307	341,982
Non-cash flows in surplus:		
- depreciation - right of use assets	33,246	-
- interest - right of use assets	3,867	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(20,150)	697
- (increase)/decrease in prepayments	(8,682)	31,766
- (increase)/decrease in inventories	(5,324)	12,126
- increase in income in advance	332,678	57,373
- (decrease)/increase in trade and other payables	(56,615)	58,656
- movement due to adoption of right of use assets	(34,607)	-
- (decrease) in employee benefits	(17,320)	(25,954)
Cashflows from operations	406,400	476,646

18 Events after the end of the Reporting Period

As the COVID-19 pandemic continues to create uncertainty in both local and global communities and economies, the Association continues to consider the impact on its future operations and undertake appropriate measures and precautions in response

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Notes to the Financial Statements

For the Year Ended 30 June 2022

19 Statutory Information

The registered office of and principal place of business of the company is:

Sex Workers Outreach Project Inc

Suite 7

110 Botany Road,

Alexandria NSW 2015

Sex Workers Outreach Project Inc

ABN 38 451 145 442

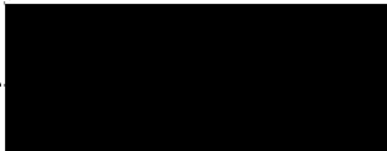
Committee Members' Declaration

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

1. Present fairly the financial position of Sex Workers Outreach Project Inc as at 30 June 2022 and its performance for the year ended on that date in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Sex Workers Outreach Project 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 committee and is signed for and on behalf of the committee by:

President



Treasurer



Dated this twenty-eighth day of October 2022

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Independent Audit Report to the members of Sex Workers Outreach Project Inc

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a general purpose - simplified disclosures financial report of Sex Workers Outreach Project Inc (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of income and retained surplus, the statement of cash flows for the year ended 30 June 2022, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report has been prepared in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position at 30 June 2022 and of their financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards – simplified disclosures and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Association in accordance with the auditor independence requirements of 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 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.

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Independent Audit Report to the members of Sex Workers Outreach Project Inc

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Australian Charities and Not-for-profits Act 2012, Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2016, and for such internal control as management determines 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, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Sex Workers Outreach Project Inc

ABN 38 451 145 442

Independent Audit Report to the members of Sex Workers Outreach Project Inc

- Conclude on the appropriateness of the management's 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association 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.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with management, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

DFK Laurence Varnay Auditors Pty Limited



Sydney
Dated 07 November 2022



SEX WORKERS OUTREACH PROJECT INC.

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