HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ABN 69 007 629 012

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

CONTENTS

General Information

The financial report covers Hands On SA Limited (the Company) as an individual entity. The Company exists to enable people with disabilities to be the best they can be. Following a merger with Finding Workable Solutions Inc, the Company re-branded to Mobo Group (Australia) during the previous reporting period.

The financial report is presented in Australian dollars, which is the functional and presentation currency of the Company, and consists of the financial statements, notes to the financial statements and the directors' declaration.

The Company is a not-for-profit unlisted public company limited by guarantee, a registered charity with the Australian Charities and Not-for-Profits Commission, incorporated and domiciled in Australia. Its registered office and principal place of business are:

47 King William Street
Kent Town SA 5067

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial report.

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the Company for the period ended 30 June 2019.

DIRECTORS

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

		A	B
Mr. Sam Scammell		11	11
Mr. Gary Anderson		11	8
Mr. Antimo Spagnuolo		11	11
Ms. Clare Feszczak		11	11
Mr. Robert Syling AFSM OAM		11	11
Mr. Ralph Kogler		11	9
Mr. John Allen		11	8
Mr. Barry Sharpe	(Resigned 21 November 2018)	5	5

column A is the number of meetings the Director was entitled to attend during the financial year
column B is the number of meetings the Director attended during the financial year

REVIEW OF OPERATIONS

The net surplus of the Company for the year ended 30 June 2019 is $456,999 (2018: $179,168).

PRINCIPAL ACTIVITY

The principal activities of the Company during the financial year are to provide employment and related support services to people with a disability.

CONTRIBUTION ON WINDING UP

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $50 each towards meeting any outstanding obligations of the entity. As at 30 June 2019, the Company had 7 members (2018: 8).

COMPANY SECRETARY

Andrew Ramsey is the appointed Company Secretary.

INFORMATION ON DIRECTORS

Mr. Sam Scammell

Chairman

Sam has more than 30 years experience as a practicing lawyer and as a senior executive providing business mentoring and business development services as well as specialties in legal, governance and compliance to the Board.

Mr. Antimo Spagnuolo

Finance, Risk & Audit Committee Chairman

Antimo has more than 30 years of senior/executive experience in the areas of corporate finance, business management and banking.

Mr. Gary Anderson

Director

Gary brings strategic business, marketing and facilitation skills to the Board.

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT

INFORMATION ON DIRECTORS (cont.)

Ms. Clare Feszczak
Director
Clare brings to the Board experience across public, private and not for profit sectors, with skills in governance, change management, project management and business best practice.

Mr. Robert Syling AFSM OAM
Director
Robert brings to the Board an extensive career and understanding of the disability sector.

Mr. Ralph Kogler
Director
Ralph brings to the Board a diverse range of senior management skills having worked many years in a CEO capacity.

Mr. John Allen
Director
John brings to the Board skills and experience in project management, engineering, and construction.

Mr. Barry Sharpe (Resigned 21 November 2018)
Director
Barry brings business and marketing strategy expertise to the Board.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* is set out on the next page.

This report is made in accordance with a resolution of Directors.

On behalf of the Directors;

Mr. Sam Scammell
Chairman

16/10/2019
Date

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)

AUDITOR'S INDEPENDENCE DECLARATION UNDER DIVISION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS ACT 2012 TO THE BOARD OF HANDS ON SA LIMITED

I declare that to the best of my knowledge and belief, in relation to the audit of Hands On SA Limited for the year ended 30 June 2019 there have been:

i) no contraventions of the auditor independence requirements as set out in 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.

NOT FOR PROFIT ACCOUNTING SPECIALISTS
KESWICK SA 5035

N. Matsis

Nicholas Matsis CPA
Registered Company Auditor No 77466

31 October 2019
Date:

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		$	$
REVENUE & OTHER INCOME	3	7,231,878	6,365,977
EXPENSES			
Raw Materials & Consumables		320,504	213,207
Employee Benefit Expenses	4	5,245,673	4,499,336
Depreciation & Amortisation		189,828	198,356
Other Expenses		1,018,874	1,275,909
TOTAL EXPENSES		6,774,879	6,186,809
NET SURPLUS/(DEFICIT) FOR THE YEAR		456,999	179,168
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		456,999	179,168

The accompanying notes form part of these financial statements

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019	2018
		$	$
CURRENT ASSETS			
Cash & Cash Equivalents	5	1,580,851	498,520
Financial Assets	6	1,505,918	4,221,067
Trade & Other Receivables	7	398,480	325,523
Inventories		18,350	20,982
Other Assets	8	56,071	47,563
TOTAL CURRENT ASSETS		3,559,670	5,113,655
NON-CURRENT ASSETS			
Property, Plant & Equipment	9	10,211,256	8,398,655
TOTAL ASSETS		13,770,926	13,512,310
CURRENT LIABILITIES			
Trade & Other Payables	10	298,540	284,703
Provisions	11	482,615	665,368
Income Received in Advance		-	31,786
TOTAL CURRENT LIABILITIES		781,155	981,857
NON-CURRENT LIABILITIES			
Provisions	11	64,570	62,252
TOTAL LIABILITIES		845,725	1,044,109
NET ASSETS		12,925,201	12,468,202
EQUITY		12,925,201	12,468,202

The accompanying notes form part of these financial statements

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	Members Funds	Accumulated Surplus	Reserves	Total
		$	$	$	$
BALANCE AT 1 JULY 2017		161	10,449,714	901,615	11,351,490
Net Surplus/(Deficit) for the Year		-	179,168	-	179,168
Net Assets from Merger		-	937,544	-	937,544
BALANCE AT 30 JUNE 2018		161	11,566,426	901,615	12,468,202
BALANCE AT 1 JULY 2018		161	11,566,426	901,615	12,468,202
Net Surplus/(Deficit) for the Year		-	456,999	-	456,999
BALANCE AT 30 JUNE 2019	12&13	161	12,023,425	901,615	12,925,201

The accompanying notes form part of these financial statements

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Operations		7,040,332	5,730,556
Interest Received		86,803	115,176
Payments to Suppliers & Employees		(6,710,515)	(6,005,091)
NET CASH FLOWS FROM OPERATING ACTIVITIES		416,620	(159,358)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Property, Plant & Equipment		(2,090,771)	(178,157)
Disposal of Property, Plant & Equipment		41,333	500,910
NET CASH FLOWS FROM INVESTING ACTIVITIES		(2,049,438)	322,752
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Loans		-	(512,406)
NET CASH FLOWS FROM FINANCING ACTIVITIES		-	(512,406)
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS		(1,632,818)	(349,012)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		4,719,587	5,028,077
CASH & CASH EQUIVALENTS ACQUIRED DURING MERGER		-	40,522
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	14	3,086,769	4,719,587

The accompanying notes form part of these financial statements

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

1. CORPORATE INFORMATION

The financial statements of Hands On SA Limited (the Company), for the year ended 30 June 2019, were authorised for issue in accordance with a resolution of the Directors on 16 October 2019.

The Company is a not-for-profit unlisted public company limited by guarantee and is incorporated and domiciled in Australia.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the Australian Accounting Standards - Reduced Disclosure Requirements.

The financial statements have been prepared on an accrual basis and is based on historical costs, except for land and buildings that have been recorded at current valuations, and the long service leave provision that takes into account the changing value of money.

The financial statements are presented in Australian dollars which is the functional and presentation currency of the Company. The Company is a not-for-profit entity for the purpose of preparing the financial statements.

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

b) Significant Accounting Judgement, Estimates & Assumptions

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to expected useful life of buildings.

Long Service Leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

c) New Accounting Standards for Application in Future Periods

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

c) New Accounting Standards for Application in Future Periods (cont.)

AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 16 Leases will be applicable to the Company for the annual reporting period ending 30 June 2020. It is anticipated that the adoption of these new standards may have an impact on the Company's annual financial statements. Accordingly, the Company conducted an assessment of the impact of these new standards on the comparative information of the annual financial statements for the year ending 30 June 2020, and have determined that the impact of the new standards will be immaterial.

d) Changes in Accounting Policies

For the reporting period ended 30 June 2019, AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

The adoption of AASB 9 has not required any reclassification or adjustments in relation to the classification and measurement of the financial assets of the Company.

e) Revenue & Other Income

Income comprises revenue from the sale of goods, government grants, rendering of services, and fundraising activities.

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

Income is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Sales Revenue

Sales revenue include income from sale of goods and services.

Income from the sale of goods is recognised when the risk and rewards associated with the goods have transferred from the Company to the buyer which generally occur at the point of sale. Income from rendering services is recognised when the service has been provided.

Grant Revenue

Grant income is recognised as income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant income is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the Statement of Financial Position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from Services Provided

Revenue from rendering services is recognised when the service has been provided.

f) Income Tax

The Company is exempt from income tax pursuant to the Income *Tax Assessment Act 1997* . Accordingly, Australian Accounting Standard AASB 112 has not been applied and no provision for income tax has been included in the financial statements.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

g) Goods & 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 Australian Taxation 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.

h) Employee Entitlements

Short-term Employee Benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Long-term Employee Benefits

The Company's liability for long service leave is included in other long-term benefits if they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. It is measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

Defined Contribution Plans

The Company provides post-employment benefits through defined contribution plans. The amount charged as an expense in respect of superannuation represents the fixed contributions made or payable by the company to the superannuation funds of employees. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions.

i) Leases

Operating Leases

Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

j) Cash & Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less where the investment is convertible to known amounts of cash and is subject to insignificant risk of changes in value. For the purposes of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, plus term deposits with maturity dates of less than twelve months from balance date net of any outstanding bank overdrafts.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

k) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

Amortised cost
Fair Value through profit or loss (FVPL)
Equity instruments at fair value through other comprehensive income (FVOCI)

Classifications are determined by both:

The entities business model for managing the financial asset
The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

The Company's financial assets include cash & cash equivalents, trade & other receivables and term deposits, which fall into the Amortised Cost category. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. The Company's trade receivables fall within the scope of the new requirements.

In applying this forward-looking approach, a distinction is made between:

Stage 1

Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk.

Stage 2

Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low.

Stage 3

Financial instruments that have objective evidence of impairment at the reporting date.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

k) Financial Instruments (cont.)

Impairment of Financial assets (cont.)

12-month expected credit losses' are recognised for the first category while lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade & Other Receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Accounting policies applicable to comparative period (30 June 2018)

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transaction costs. Financial instruments are classified and measured as asset out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Held-To-Maturity investment

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method. The Company's term deposits with a maturity date greater than three months fall into this category.

l) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs necessary to make the sale. 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.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

m) Property, Plant & Equipment

Plant and equipment are measured using the cost model. Land and buildings are measured using the revaluation model.

Property, plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Changes in the carrying amount arising on revaluation of land and buildings are recorded to other comprehensive income and charged to a revaluation reserve in equity.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated over the assets useful life to the Company commencing from the time the asset is held ready for use.

The method of depreciation and depreciation rates used for each class of depreciable assets are shown below:

Fixed Asset Class	**Depreciation rate**	**Method**
Buildings	2.50%	Straight Line
Plant & Equipment	15%	Reducing Balance
Motor Vehicles	22%	Reducing Balance

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

An item of property, plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the Company or when it has no sale value. Any gain or loss arising on DE recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

n) Impairment Testing of Property, Plant & Equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Company at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Company's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

n) Impairment Testing of Property, Plant & Equipment (cont.)

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in use. To determine the value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

3. REVENUE & OTHER INCOME

	2019 $	2018 $
Revenue		
Revenue from Services Provided	4,609,266	3,973,767
Grant Revenue	192,706	396,247
Sales Revenue	1,919,872	1,570,955
Interest Received	86,803	115,176
	6,808,647	6,056,145
Other Income	423,231	309,831
Total Revenue & Other Income	7,231,878	6,365,977

	2019 $	2018 $

4. EMPLOYEE BENEFIT EXPENSES

Expenses recognised for employee benefits are analysed as follow:

	2019 $	2018 $
Salaries	4,872,619	3,757,941
Workers Compensation Insurance	73,740	63,404
Superannuation	375,210	315,499
Employee Benefit Provisions	180,435	228,443
Other Employee Benefits	100,900	134,049
	5,602,904	4,499,336

The liabilities recognised for employee benefits are reported in note 12.

5. CASH & CASH EQUIVALENTS

	2019 $	2018 $
Cash at Bank	1,060,936	496,119
Cash on Hand	1,450	2,401
Term Deposits	518,465	-
	1,580,851	498,520

6. FINANCIAL ASSETS

Bank term deposits with a maturity term of more than 3 months but less than 12 months are shown as current financial assets.

	2019 $	2018 $
Term Deposits	1,505,918	4,221,067

7. TRADE & OTHER RECEIVABLES

	2019 $	2018 $
Trade Receivables	298,266	291,523
Other Receivables	648	15,000
Accrued Income	99,566	19,000
	398,480	325,523

All of the Company's trade and other receivables have been reviewed for indicators of impairment. No indicators of impairment have been identified and accordingly no allowance for credit losses were provided.

8. OTHER ASSETS

	2019 $	2018 $
Prepaid Expenses	52,998	44,491
Bond Paid	3,073	3,072
	56,071	47,563

9. PROPERTY, PLANT & EQUIPMENT

LAND & BUILDINGS

	2019 $	2018 $
Land		
At Valuation	5,488,000	4,708,000
Buildings		
At Valuation	4,367,419	3,155,266
Accumulated Depreciation	(177,818)	(101,486)
	4,189,601	3,053,780
Total Land & Buildings	9,677,601	7,761,780

	2019 $	2018 $
9. PROPERTY, PLANT & EQUIPMENT (cont.)		
Plant & Equipment		
At Cost	597,015	546,571
Accumulated Depreciation	(238,291)	(200,088)
	358,724	346,483
Motor Vehicles		
At Cost	289,434	429,747
Accumulated Depreciation	(114,503)	(139,355)
	174,931	290,392
Total Property, Plant & Equipment	10,211,256	8,398,655

In 2018, the Company acquired property, plant & equipment with a fair value of $2,133,658 as part of a merger. The land & buildings acquired as part of the merger were recorded in the financial statements at fair value based on valuations conducted by an independent valuer on 15 August 2017.
The Company's land and buildings, other than those acquired as part of the merger, were revalued at 31 January 2017 by independent valuers. Valuations were made on the basis of open market value in an arms length transaction based on similar properties.
At 30 June 2019, the Board of Directors are of the opinion that the carrying amount of the properties approximates the fair value.
Land & Buildings are not encumbered.

	2019	2018
Reconciliation of Property, Plant & Equipment carrying amount:		
Balance at Beginning of the Year	8,398,655	6,786,519
Additions During the Year	2,090,771	2,317,543
Depreciation for the Year	(189,828)	(198,356)
Disposals During the Year	(88,342)	(498,363)
Minor Assets Written Off During the Year	-	(8,688)
Balance at the End of the Year	10,211,256	8,398,655

10. TRADE & OTHER PAYABLES

	2019	2018
Trade Payables	203,328	168,710
Other Payables	95,212	115,993
	298,540	284,703

All above liabilities are short-term. The carrying values are considered to be a reasonable approximation of fair value.

11. PROVISIONS

Provisions include the following liabilities recognised for employee benefits:

	2019	2018
Current		
Annual Leave	221,954	233,653
Long Service Leave	260,661	431,715
	482,615	665,368
Non-Current		
Long Service Leave	64,570	62,252

	2019	2018
	$	$
12. RESERVES		
Asset Revaluation Surplus	901,615	901,615

The asset revaluation reserve records unrealised gains on revaluation of property, plant & equipment recorded at fair value.

13. ACCUMULATED FUNDS

Accumulated Funds at the Beginning of the Year	11,566,426	10,449,714
Net Surplus/(Deficit) for the Year	456,999	179,168
Accumulated Funds Acquired with Merger	-	937,544
Accumulated Funds at the End of the Year	12,023,425	11,566,426

14. CASH FLOW INFORMATION

Cash and cash equivalents at the end of the year are reconciled as follow:

Cash at Bank & Cash On Hand	1,062,386	498,520
Term Deposits - maturity period less than 3 months	518,465	-
Term Deposits - maturity period more than 3 months	1,505,918	4,221,067
	3,086,769	4,719,587

15. RELATED PARTY TRANSACTIONS

The key management personnel of the Company consists of the Directors of the Company, the Chief Executive Officer and the Department Managers.

Transactions with key management personnel

The Directors act in an honorary capacity and receive no compensation for their services other than reimbursement of expenses incurred in relation to their capacity as Directors.

Total Key Management Personnel Remuneration	763,157	666,196

The Company paid $1,000 (2018: $7,500) to a Director for consulting services.

16. FAIR VALUE MEASUREMENT

Fair value measurement of financial instruments

There are no financial instruments that are carried at fair value as at 30 June 2019.

Fair value measurement of non-financial instruments

The following table shows the non-financial assets measured at fair value on a recurring basis:

Land	5,488,000	4,708,000
Buildings	4,189,601	3,053,780

17. CONTINGENT LIABILITIES

There are no contingent liabilities that have been incurred by the Company in relation to 2019 or 2018.

18. CAPITAL COMMITMENTS

As at the reporting date the Company did not commit any funds towards assets expected to be received on a future date.

19. POST-REPORTING DATE EVENTS

With the exception of the Company entering into a contract of sale of 24 King William Street, Kent Town SA, no adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

20. MEMBERS GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $50 each towards meeting any outstanding obligations of the Company. At 30 June 2019, the total amount that members of the Company are liable to contribute if the Company wound up is $350 (2018: $400).

HANDS ON SA LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' DECLARATION

In the Directors' opinion:

1. the attached financial statements and notes thereto comply with Australian Accounting Standards - Reduced Disclosure Requirements and give a true and fair view of the financial position of the Company as at 30 June 2019 and of its performance for the financial year ended on that date;

2. the attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013* ; and

3. there are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 60.15 (2) of the *Australian Charities and Not-for-profit Commission Regulation 2013* .

Mr. Sam Scammell
Chairman

16 / 10 / 2019
Date

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INDEPENDENT AUDITOR'S REPORT FOR HANDS ON SA LIMITED

Auditor's Opinion

We have audited the financial report, being a general purpose financial report, of Hands On SA Limited for the year ended 30 June 2019, comprising the statement of financial position, statement of changes in equity, statement of comprehensive income and statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Hands On SA Limited has been prepared in accordance with the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards –Reduced Disclosure Requirements, and Division 60 of 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 entity in accordance with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 and 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 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.

Information Other than the Financial Report and Auditor's Report Thereon

The Board Members of the entity are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we will communicate the matter to the Board Members.

The Responsibility of the Board Members for the Financial Report

The Board Members of the entity are responsible for the preparation and fair presentation of the financial report, and have determined that the accounting policies used and described in Note 1 to the financial statements, which form part of the financial reports, are appropriate to meet the financial reporting requirements of the members and of the Australian Charities and Not-for-profits Commission Act 2012. The Board Members' responsibility also includes 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, the Board Members are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Committee website at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

NOT FOR PROFIT ACCOUNTING SPECIALISTS
KESWICK SA 5035

Nicholas Matsis CPA
Registered Company Auditor No 77466

Dated: 31 October 2019