

AUSTRALIA CHINA BUSINESS COUNCIL

ACN 075 909 625

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

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AUSTRALIA CHINA BUSINESS COUNCIL ACN 075 909 625 - DIRECTORS' REPORT

As an Australian public company limited by guarantee, this report is provided in accordance with section 299 and section 300B of the *Corporations Act 2001*.

1. Status

We are a not-for-profit organisation established to promote the development of Australia's resources.

2. Objectives

Our vision is for our members and the Australian community to achieve effective business outcomes in their engagement with China.

To achieve our vision, we assist our members and the Australian business community to establish and grow constructive and sustainable business relationships through trade, investment, cooperation and collaboration with China.

3. Strategy for achieving objectives

We design and deliver member programs and community programs which aim to foster the gaining of knowledge and the sharing of insights and experiences as well as connecting people and enhancing networks. We also develop and lead advocacy initiatives designed to deliver on our purpose and achieve our vision.

4. Principal activities

In the 2022 Financial Year, we engaged in the following principal activities to promote Australia's resources:

- Community programs - summits, symposiums, business briefings and cultural celebrations
- Member programs - government briefings, industry updates and business roundtables

There were no significant changes in those principal activities during the period.

5. Performance

We monitor our performance through regular meetings of the national leadership group, board, board committees and working groups.

The national leadership group comprises the chair, national executive officer and branch manager for VIC, NSW, QLD and WA.

As at 30/06/2022, the following board committees have been established: Governance and Audit Committee, Finance Committee, Nominations and Remuneration Committee, Membership and Sponsorship Committee, Thought Leadership Committee and Net Zero Working Group.

We measure our performance using the following key performance indicators, with year-on-year improvement in the key performance indicators as a measure of our success or otherwise:

Key performance indicator	2022	2021
Membership numbers	416	470
Membership Income	\$540,646	\$555,272
Event Income	\$195,154	\$246,772
Sponsorship Income - Organisation	\$307,024	\$311,274
Sponsorship Income - Event	\$242,018	\$157,061
Grant Income	\$202,750	\$51,000
Net Assets	\$843,019	\$933,359
Operating surplus (or deficit)	(\$90,340)	(\$10,824)

In the 2022 Financial Year, we continued to be faced with the following challenges which impacted performance of our key performance indicators:

- COVID-19 pandemic and resulting lockdowns
- Strained relationship between Australia and China

In the 2022 Financial Year, we continued to undertake the following steps to achieve year-on-year improvement in the key performance indicators:

- Review and refresh our member program and community program to reflect the changing needs and interests of our members and the Australian community. In the 2022 Financial Year, we established the Net Zero Working Group to formulate and deliver the Green Channel Initiative in the 2022 and 2023 Financial Years.
- Build and enhance our relationships with sponsors and partners to secure funding to deliver our member program and community program. In the 2022 Financial Year, we successfully delivered our NAFCR Series using funding secured from the National Foundation for Australia China Relations in the 2021 Financial Year. In the 2022 Financial Year, we successfully secured funding to deliver our Green Channel Initiative in the 2022 and 2023 Financial Years.
- Monitor and manage operating costs and identify and harvest operational efficiencies to support net assets and an operating surplus

We remain committed to securing the long term operational and financial viability of the organisation while remaining true to our vision and mission, and are focused on creating a solid and agile organisation for the future.

6. **Events since 30/06/2022**

Since 30/06/2022, there has been no event arise which will or may significantly affected our activities and operations in future financial years.

7. **Directors**

In the 2022 Financial Year, the individuals outlined in schedule A were appointed. As at 30/06/2022, each director had the experience and special responsibilities outlined in schedule A. In the 2022 Financial Year, we held seven board meetings and each director's attendance is outlined in schedule A.

8. **Members**

Under clause 4.1 of the constitution, each member's liability is limited. Under clause 4.2 of the constitution, each member undertakes to contribute to the liabilities of the organisation if it is wound up. Under clause 4.3 of the constitution, each member's liability to contribute to the liabilities of the organisation if it is wound up is limited to \$10.00 in any circumstance.

9. **Officers**

Under clause 27.1 of the constitution, the organisation indemnifies each officer of the organisation against any liabilities incurred by them in their capacity as officer of the organisation, except if the liability arises out of conduct involving a lack of good faith. Under clause 27.1 of the constitution, the organisation may insure officers of the company against a liability incurred by them in their capacity as officer of the organisation.

In the 2022 Financial Year, the organisation maintained an insurance policy for the benefit of its officers.

10. **Auditor's Independence Declaration**

The auditor's independence declaration for the year ending 30 June 2022 has been received and is included in this report on Page 6.


David Olsson (Nov 4, 2022 11:02 GMT+8)

David Olsson
National President and Chair

Nov 4, 2022
October 2022



Schedule A- Directors

Appointment and Retirements

FY22

As at 01/07/2021

Start date	Director
27/11/2008	Sean David Keenihan
17/12/2013	Adam Neil Charles Handley
23/07/2015	Jingmin Qian
23/07/2015	Lawrence Joseph Smith
29/11/2017	Michael Gerard Wadley
25/02/2019	Michael John Clifton
17/10/2019	Matthew James Schofield
26/11/2019	David Charles Olsson
23/09/2020	Jie Chen
24/11/2020	Karyn Leanne Kent
24/11/2020	James William Clarke
24/11/2020	Keith William Miranda
13/04/2021	Ian George Locke
10/06/2021	Laura Tianhui Mattiazzi
23/11/2021	Daryl James Guppy
Start date	Secretary
14/08/2020	Alexander Charles Gibbs
22/02/2021	Michael John Clifton

As at 30/06/2022

Start date	Director
27/11/2008	Sean David Keenihan
23/07/2015	Jingmin Qian
17/10/2019	Matthew James Schofield
26/11/2019	David Charles Olsson
23/09/2020	Jie Chen
24/11/2020	James William Clarke
24/11/2020	Keith William Miranda
10/06/2021	Laura Tianhui Mattiazzi
23/11/2021	Anthony Coles
23/11/2021	Heng Dack Ting
15/02/2022	Carl Hinze
17/05/2022	Mary Helen Studdert
Start date	Alternate director
23/11/2021	Daryl James Guppy
Start date	Secretary
15/09/2021	Mary Helen Studdert

Activity

Appointments

Start date	Director
21/09/2021	Erin Devine Buttermore
23/11/2021	Anthony Coles
23/11/2021	Heng Dack Ting
15/02/2022	Carl Hinze
17/05/2022	Mary Helen Studdert
Start date	Alternate director
23/11/2021	Daryl James Guppy
Start date	Secretary
15/09/2021	Mary Helen Studdert

Retirements

End date	Director
21/09/2021	Ian George Locke
23/11/2021	Lawrence Joseph Smith
23/11/2021	Michael Gerard Wadley
23/11/2021	Karen Leanne Kent
23/11/2021	Daryl James Guppy
17/05/2022	Adam Neil Charles Handley
10/06/2022	Erin Devine Buttermore
22/06/2022	Michael John Clifton
End date	Secretary
30/09/2021	Michael John Clifton
8/10/2021	Alexander Charles Gibbs



Experience and Special Responsibilities

FY22

Director	Experience	Position	Special Responsibilities
David Olsson	Australia China Business Council	National President	Chair
David Olsson	King & Wood Mallesons	International Director	
Keith Miranda	Australia China Business Council	National Treasurer	Chair - Finance Committee
Keith Miranda	Citi	Head of Investment Partnerships	
Keith Miranda	Lumira Investments Pty Ltd	Director	
Laura Mattiazzi	Australia China Business Council	Appointed Director	Chair - Membership and Sponsorship Committee
Laura Mattiazzi	Westpac Banking Corporation Limited	Regional General Manager, Agribusiness	
Jingmin Qian	Australia China Business Council	Appointed Director	
Jingmin Qian	Jing Meridian Advisory Pty Ltd	Director and Consultant	
Sean Keenihan	Australia China Business Council	Appointed Director	Chair - Nomination and Remuneration Committee
Sean Keenihan	Norman Waterhouse	Chairman and Partner	
Mary Studdert	Australia China Business Council	Appointed Director	Company Secretary
Mary Studdert	Studdert Legal & Advisory	Consultant	
Mary Studdert	DuluxGroup Limited	Senior Legal Counsel	
Matthew Schofield	Australia China Business Council	VIC Branch President	Chair - Governance and Audit Committee
Matthew Schofield	ShineWing Australia Pty Ltd	Partner and Head of Corporate Finance	
Carl Hinze	Australia China Business Council	QLD Branch Representative	
Carl Hinze	Holding Redlich	Partner	
James Clarke	Australia China Business Council	WA Branch President	Chair - Thought Leadership Committee
James Clarke	James Clarke & Associates	Director and Consultant	
Jenny Chen	Australia China Business Council	ACT Branch President	
Jenny Chen	St George Bank	Relationship Director, Business Banking	
Anthony Coles	Australia China Business Council	SA Branch Representative	Chair - Net Zero Working Group
Anthony Coles	Sinosphere Pty Ltd, trading as H Lab Australia	Managing Director	
Richard Ting	Australia China Business Council	NT Branch Representative	
Richard Ting	Darwin City Hotel (Ting Family Investments Pty	Managing Director	
Daryl Guppy	Australia China Business Council	NT Branch Representative (alternate)	
Daryl Guppy	Guppytraders.com	Owner	



Attendances

FY22

Board meeting	
Director	Attendances
David Olsson	7 of 7
Keith Miranda	7 of 7
Laura Mattiazzi	5 of 7
Jingmin Qian	7 of 7
Sean Keenihan	7 of 7
Mary Studdert	2 of 2
Matthew Schofield	7 of 7
Carl Hinze	4 of 4
James Clarke	7 of 7
Jenny Chen	4 of 7
Anthony Coles	5 of 5
Richard Ting	0 of 0
Daryl Guppy	6 of 7
Erin Buttermore	7 of 7
Michael Clifton	5 of 7
Adam Handley	3 of 5
Karyn Kent	3 of 3
Lawrence Smith	3 of 3
Michael Wadley	1 of 3



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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF AUSTRALIA CHINA BUSINESS COUNCIL A.B.N. 075 909 625

I declare that to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2022 there have been:

- i. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii. No contravention of any applicable code of professional conduct in relation to the audit.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011

Dated this 3rd day of November 2022

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue from continuing operations			
Member subscriptions		540,646	555,272
Functions		195,154	246,772
Sponsorship income		549,042	468,335
Sponsor grants for research		202,750	51,000
Advertising		-	1,100
Other income			
Interest received		585	1,122
COVID-19 government assistance payments		-	320,150
Other income		8,381	67,788
Total revenue		1,496,558	1,711,539
Employee expenses		(1,017,273)	(1,186,549)
Catering expenses		(123,112)	(177,780)
Communication expenses		(55,844)	(53,889)
Printing, stationary, postage and office expenses		(9,250)	(10,426)
Insurance expense		(8,488)	(8,720)
Rent expenses		(11,698)	2,924
Travel expenses		(13,252)	(7,109)
Accounting and auditing fees		(107,845)	(107,916)
Bank and merchant fees		(11,713)	(11,898)
Depreciation and amortisation expenses		(2,905)	(3,017)
Other expenses from ordinary activities		(225,518)	(157,983)
Total expenses		(1,586,898)	(1,722,363)
Net surplus/(deficit) before income tax		(90,340)	(10,824)
Income tax expense	1 (j)	-	-
Net surplus/(deficit) attributable to the Company		(90,340)	(10,824)

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
Surplus/(deficit) for the year	(90,340)	(10,824)
Other comprehensive income after income tax	-	-
Total comprehensive income for the year	(90,340)	(10,824)
Total comprehensive income attributable to the Company	(90,340)	(10,824)

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	1,062,415	1,228,305
Trade and other receivables	3	131,337	172,808
Other current assets	4	1,585	2,739
TOTAL CURRENT ASSETS		1,195,337	1,403,852
NON CURRENT ASSETS			
Property, plant and equipment	5	9,076	4,004
Investments in ASX listed investments: Queensland Branch		197,389	200,000
TOTAL NON-CURRENT ASSETS		206,465	204,004
TOTAL ASSETS		1,401,802	1,607,856
LIABILITIES			
CURRENT LIABILITIES			
Trade and other creditors	6	489,432	608,205
Provisions	7	69,351	66,292
TOTAL CURRENT LIABILITIES		558,783	674,497
NON-CURRENT LIABILITIES			
Provisions	7	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		558,783	674,497
NET ASSETS		843,019	933,359
EQUITY			
Contributed equity		12	12
Accumulated funds		843,007	933,347
TOTAL EQUITY		843,019	933,359

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Share Capital	Accumulated Funds \$	Total \$
Balance as at 1 July 2020	12	944,171	944,183
Surplus/ (Deficit) attributable to the Company	-	(10,824)	(10,824)
Balance as at 30 June 2021	12	933,347	933,359
Surplus/ (Deficit) attributable to the Company	-	(90,340)	(90,340)
Balance as at 30 June 2022	12	843,007	843,019

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grant funding and other income		1,435,340	1,948,906
Payments to suppliers and employees		(1,590,620)	(1,716,047)
Interest received		585	1,122
Net cash generated from/(used in) operating activities	8	<u>(154,695)</u>	<u>233,981</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(7,977)	-
Proceeds from disposal of property, plant and equipment		-	-
Payments for investments in ASX listed investments: Queensland Branch		(43,222)	(200,000)
Proceeds from the disposal of investments in ASX listed investments		40,004	-
Net cash generated from/(used in) investing activities		<u>(11,195)</u>	<u>(200,000)</u>
Net increase/(decrease) in cash held		(165,890)	33,981
Cash and cash equivalents at beginning of financial year		1,228,305	1,194,324
Cash and cash equivalents at end of financial year	2	<u><u>1,062,415</u></u>	<u><u>1,228,305</u></u>

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1. Statement of Significant Accounting Policies

The financial statements and notes represent those of Australia China Business Council, the Company.

Basis of preparation

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. the Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Property, Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

b. Impairment of Assets

At each reporting date, the Company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Note 1. Statement of Significant Accounting Policies (continued)

d. Employee Benefits

Short term benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

the Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of accounts payable and other payables in the statement of financial position.

Superannuation

Superannuation contributions are made by the Company to approved superannuation funds for all employees. The costs are charged as employee expenses as they are incurred. the Company has no legal obligation to cover any shortfall in the superannuation funds' obligations to provide benefits to employees on retirement.

e. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities in the statement of financial position.

g. Revenue

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Company's different activities have been met. Details of the activity-specific recognition criteria are described below.

Grant Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and 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.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue 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.

Note 1. Statement of Significant Accounting Policies (continued)

g. Revenue (continued)

Donations and Bequests

Donations and bequests are recognised as revenue when received.

Interest Revenue

Interest revenue is recognised as it accrues using the effective method, which for floating rate financial assets is the rate inherent in the instrument.

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

h. Trade and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount normally paid within 30 days of recognition of the liability.

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

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

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows excluded from the receipts from customers or the payments to suppliers.

j. Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under the *Income Tax Assessment Act 1997*.

k. Trade and Other Receivables

Accounts receivable and other debtors include amounts due from members, sponsors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Note 1. Statement of Significant Accounting Policies (continued)

I. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When a company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

m. Significant management judgement in applying accounting policies

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Estimation uncertainty

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Impairment

the Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets.

Where an impairment trigger exists, the recoverable amount of the asset is determined.

Useful Lives of Depreciable Assets

The estimation of the useful lives of assets has been based on historical experience. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

n. Australian Accounting Standards issued not yet effective

A number of new standards are effective for annual periods beginning after 1 July 2021 and earlier application is permitted; however the Company has not early adopted the new or amended standards in preparing these financial statements.

The new standards are not expected to have a significant impact on the Company's financial statements, apart from: AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities. This standard will remove the ability of the Company to prepare special purpose financial statements and will require the Company to prepare general purpose financial statements – Tier 2; and apply the disclosures set out in AASB 1060.

As the Company does not apply all the recognition and measurement requirements of all Australian Accounting Standards, there will be a material impact on the amounts recognised in the financial statements.

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Note 2. Cash and Cash Equivalents		
Cash at bank	1,062,415	1,228,341
Cash on hand	-	(36)
	<u>1,062,415</u>	<u>1,228,305</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	<u>1,062,415</u>	<u>1,228,305</u>
	<u>1,062,415</u>	<u>1,228,305</u>
Note 3. Trade and Other Receivables		
Trade debtors	131,337	156,833
Provision for doubtful debts	-	-
Sundry debtors	-	15,975
	<u>131,337</u>	<u>172,808</u>
Note 4. Other Current Assets		
Prepayments	<u>1,585</u>	<u>2,739</u>
	<u>1,585</u>	<u>2,739</u>
Note 5. Property, Plant and Equipment		
Office furniture		
At cost	2,548	2,548
Less accumulated depreciation	<u>(2,548)</u>	<u>(2,548)</u>
	-	-
Office equipment		
At cost	397	397
Less accumulated depreciation	<u>(234)</u>	<u>(205)</u>
	<u>163</u>	<u>192</u>
Computer equipment		
At cost	35,964	27,987
Less accumulated depreciation	<u>(27,051)</u>	<u>(24,175)</u>
	<u>8,913</u>	<u>3,812</u>
Total property, plant and equipment	<u>9,076</u>	<u>4,004</u>
Reconciliation of movement in carrying values		
Written down value at beginning of the year	4,004	7,021
Additions	7,977	-
Disposals	-	-
Depreciation expense	<u>(2,905)</u>	<u>(3,017)</u>
Written down value at end of the year	<u>9,076</u>	<u>4,004</u>

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
Note 6. Accounts Payable and Other Liabilities		
Current - unsecured		
Accounts payable	18,534	1,614
Other payables	7,693	27,241
Income received in advance	382,765	490,698
GST liability/(asset)	44,430	49,494
PAYG Withholding payable	14,250	16,267
Superannuation payable	21,760	22,891
	<u>489,432</u>	<u>608,205</u>
Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
- Total current	489,432	608,205
- Total non-current	-	-
	<u>489,432</u>	<u>608,205</u>
Note 7. Provisions		
Current		
Provision for annual leave	48,564	48,960
Provision for long service leave	20,787	17,332
	<u>69,351</u>	<u>66,292</u>
Non-current		
Provision for long service leave	-	-
	<u>-</u>	<u>-</u>
Note 8. Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Operating surplus/(deficit)	(90,340)	(10,824)
Non-cash flows in profit		
Depreciation of non-current assets	2,905	3,017
Unrealised (gain)/ loss on listed investments	15,870	-
Reallised (gain)/ on listed investments	(10,041)	-
Changes in assets and liabilities		
(Increase)/decrease in trade debtors and other debtors	41,471	(67,272)
(Increase)/decrease in prepayments	1,154	-
Increase/(decrease) in accounts and other payables	(10,840)	2,168
Increase/(decrease) in income received in advance	(107,933)	305,761
Increase/(decrease) in employee entitlements	3,059	1,131
Cash flow from operations	<u>(154,695)</u>	<u>233,981</u>

AUSTRALIA CHINA BUSINESS COUNCIL
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 9. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from related parties and bank loans.

The company does not have any derivative instruments at 30 June 2022.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2022 \$	2021 \$
Financial Assets			
Cash and cash equivalents	2	1,062,415	1,228,305
Trade and other receivables	3	131,337	172,808
Other current assets	4	1,585	2,739
		<u>1,195,337</u>	<u>1,403,852</u>
Financial Liabilities			
Trade and other payables	6	489,432	608,205
		<u>489,432</u>	<u>608,205</u>

(i) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

(ii) Liquidity Risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate borrowing facilities are maintained.

(iii) Interest Rate Risk

The finance committee meets on a regular basis to analyse the interest rate exposure in the context of the most recent economic conditions and forecasts.

Note 10. Related Party Transactions

The Group's main related parties are as follows:

Other related parties

Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

AUSTRALIA CHINA BUSINESS COUNCIL
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 10. Related Party Transactions (continued)

	2022	2021
	\$	\$
Sinosphere Pty Ltd	10,000	-
Mr Anthony Coles, a director of the company is a director of Sinosphere Pty Ltd and provided consulting services to the company at normal commercial rates.		
James Clarke & Associates Pty Ltd	89,345	-
Mr James Clarke, a director of the company, is a director of James Clarke & Associates Pty Ltd and provided consulting services to the company at normal commercial rates.		

Apart from the related party transactions specified above, the directors act in an honorary capacity and are not paid for their services as directors.

Note 11. Company Details

The registered office of the company is:

International Chamber House
Level 5, 121 Exhibition Street
Melbourne VIC 3000

The principal place of business of the company is:

International Chamber House
Level 5, 121 Exhibition Street
Melbourne VIC 3000

AUSTRALIA CHINA BUSINESS COUNCIL
ACN 075 909 625
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Australia China Business Council, the Directors declare that:

1. The financial statements and notes, as set out on pages 6 to 18, are in accordance with the *Corporations Act 2001*, and
 - i. complying with Australian Accounting Standards applicable to the Company; and
giving a true and fair view of the financial position of the Company's as at 30 June 2022 and of its performance
 - ii. for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Director *David Olsson*
David Olsson (Nov 4, 2022 11:02 GMT+8)

Director 

Dated this Nov 4, 2022
day of



AUSTRALIA CHINA BUSINESS COUNCIL
A.B.N. 075 909 625
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Australia China Business Council (the company), which comprises the statement of financial position as at 30 June 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Board of Directors.

In my opinion, the accompanying financial report of Australia China Business Council is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance and cash flows for the year ended on 30 June 2022; and
- ii. complying with Australian Accounting Standards and The Corporations Act 2001.

Basis of Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company would be on the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Australia China Business Council to meet the requirements of the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, 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 Corporation'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.



Collins & Co Audit Pty Ltd

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Footscray VIC 3011
Australia

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Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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.

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

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011

Dated this 3rd day of November 2022










ACBC - FY22 Special Purpose Report - Auditor Signed

Final Audit Report

2022-11-04

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