



AustChamShanghai



ANNUAL REPORT 2022

*Australian Chamber of Commerce
Shanghai*

Contents

About Us	3
Chair's Remarks	4
CEO's Report	6
The Year in Highlights	8
Corporate Governance Statement	11
Annual Financial Report	22
Directors' Report	23
Auditor's Report	25
Consolidated Statement of Income and Retained Profit	28
Consolidated Statement of Financial Position	29
Consolidated Statement of Cash Flows	30
Accounting Policies and Explanatory Notes to the Consolidated Financial Statements	31
Company Supervisor and Legal Counsel's Report	38
Corporate Voting Members	39
Corporate Directory	43



About Us

The **Australian Chamber of Commerce Shanghai (AustCham Shanghai)** is the peak body for Australian business in East China. As a membership-based organisation, AustCham Shanghai represents businesses and individuals involved in trade and investment between Australia and China and provides support, education, advocacy and business services.

Founded in 1994, AustCham Shanghai is the largest Australian Chamber of Commerce in the Greater China region. As the trading relationship has evolved beyond energy and resources to encapsulate a wide variety of sectors, AustCham Shanghai has grown to represent businesses in every sector, from manufacturing, health and aged care, to education and financial services.

The Chamber is based at Australia House by AustCham Shanghai, a stand-alone 5,300sqm seven-storey building in downtown Shanghai that provides physical offices, co-working spaces, food & beverage outlets, event spaces and showcase opportunities for the Australia-China business community. The development is in partnership with Anken, a long-term member of the Chamber.

Today, our Chamber brings the business community together through membership services, events, delegations, project management, representation and advocacy.

Membership Services

- Business Advisory
- Business Connections
- Market Updates
- Executive Networking
- Industry Forums
- Advocacy
- Project and Event Management
- Corporate Social Responsibility
- In-Market Representation





Heidi Dugan
Chair of the Board,
AustCham Shanghai

Chair's Remarks

2021 was a year of refocusing and rebuilding. As the impact of the pandemic dragged on and the high-level relationship between China and Australia failed to improve, businesses in the Australia-China sphere were looking to AustCham Shanghai for support and leadership. We've listened and we've stepped-up. We delivered more and better-quality events; we conducted a series of high-level government meetings to build valuable relationships; we supported students and businesses alike in meaningful initiatives; and we advocated strongly for our members' interests with leaders from both China and Australia.

While 2022 looks to be still fraught with uncertainty, I am confident that AustCham Shanghai is well-positioned to quickly adapt and cater to the future needs of members.

Financial Performance

Despite the extended challenges across 2020 and 2021, I am happy to report that the Chamber remains fiscally healthy. AustCham Shanghai's earnings before tax for the 2021 Financial Year was RMB 342,078, a 24.83% (RMB 68,039) increase from the previous year. Performance is largely attributed to strong financial discipline and value-creation from new and critical initiatives such as Consulting and Management Services. The strong results came on the back of

gradual recovery from the initial impact of COVID19 and is in line with the Board's prudent and phased strategy to minimise cost across 2020, stabilise operations through 2021, and reinvest for rebuilding for growth into the future.

The results also included a significant commitment to building on AustCham Shanghai's biggest asset – our people – to strengthen value and support for members in these pivotal times, with the costs of that investment largely borne in the out years.

Balance Sheet and Financial Strength

The Company's net asset position increased 9.81% to be RMB 3.6 million at the end of the Financial Year 2021. The Company is in a strong liquidity position with the ability to pay its short-term obligations 2.12 times. The Company has no debt finance.

In accordance with the Board's medium-term outlook to continue to maintain the strength of the Balance Sheet, the Board has proposed that no dividends be paid to the sole shareholder for the benefit of the members for the 2021 Financial Year, and that post-tax profits be allocated to operational capital. The consideration of uncertain times ahead mean it is doubly prudent to maintain our financial capacity to continue both stable operations and have capital for any investment needed to shift the Chambers operations to meet future needs and changes.

The company has RMB 2 million in capital reserves. This provides 5.8 months of cover for average operating expenses (as of May 2022). The Company's position in the reporting period last year was 5.7 times cover.

Strategic Direction

The Chamber has embraced continual change along with the operating climate to adapt our value proposition for members. Our stakeholder network, and by extension the business opportunities being presented to members, is changing in its demographics and fast-growing. Members asked us to grow our China corporate network and we are doing just that. That's why we have been able to deliver for members more complex and value-adding market engagement projects.

The Chamber has also focused on growing its voice for businesses through active engagement with both Australian and Chinese government officials. The strength of our membership has informed these

dialogues and our participation in advocacy and trade development and attraction initiatives will only grow. We are dedicated to identifying and growing new opportunities in market, to continue to help members access these opportunities in meaningful ways.

Corporate Governance

The Board is accountable to members for the performance of the Company's business, and we aspire to excellence in keeping with the highest governance standards.

On the back of significant corporate governance work across 2020-21, the Board undertook a headline audit of all past internal audits with a view to clear any and all outstanding issues.

AustCham Shanghai's corporate governance framework and practices are detailed in the Corporate Governance Statement in this Annual Report.

Other key governance documents are available on our website at www.austchamshanghai.com.

Corporate Social Responsibility

Despite a reduction in charitable donations across 2021, the Chamber continued to support charitable causes in various formats. A total of RMB 87,769.71 was donated to our local corporate social responsibility partners, as part of our commitment to give back to the community we operate in.

Due to a desire to include donations from the AustCham Shanghai Community Awards Gala, which was originally scheduled in December 2021, the 2021 donations were made in early 2022.

Board of Directors

Details on the composition of the Board and the committees of the Board can be found in the Corporate Governance Statement on page 12. With the exception of the Executive Director, members of the Board are elected for a two-year term as independent non-executive directors and are not remunerated. I would like to express my thanks to the Board of Directors for their commitment and contribution to the Company and the Australian community in China during what has been a challenging period.

I would also like to thank the outgoing Chair, Simon Lance and outgoing Deputy Chair Craig Weightman



for their exceptional service to the Board and the community. They served until the 2021 AGM and deserve significant plaudits for the strong position that was passed on to the new leadership.

CEO and Employees

On behalf of my fellow Directors, I would like to express our appreciation for the efforts of our CEO and Executive Director, Simon Woods, and the Company's employees – together they have performed exceptionally, and I have every confidence they will continue to do so. I would also like to thank the efforts of the former CEO and Executive Director, Bede Payne. Bede and Simon worked hand in hand for much of 2021 and ensured that the organisation navigated tricky circumstances and was in good shape as it transitioned to new leadership.

The future is bright for AustCham Shanghai. We have strong foundations that we can build on for growth as we enter an exciting next phase. As we continue to transform, we remain relentlessly focused on one simple and clear objective – to be a bridge between China and Australia.

Handwritten signature of Heidi Dugan in cursive script.

Heidi Dugan

Chair of the Board,
AustCham Shanghai



Simon Woods

CEO and Executive Director,
AustCham Shanghai

CEO's Report

Our strategic view that the Chamber would need to evolve to operate in the new environment, has actualised. The economic environment may have changed but our place in the bilateral-relationship and our part in encouraging continued commercial development between the two countries solidified. Our relative importance, in an increasingly complex environment, was also amplified.

Relationships continue to be disrupted by two headlines - Covid19 and the bilateral political situation. In 2020 we navigated these drivers and adjusted our strategy; 2021 saw us embracing the change and accelerating on delivering new initiatives to value-add to our Members.

China's Covid-Zero policy was mostly successful during 2021 but meant international movement was difficult - both for business travel and incoming talent. As such, international commercial exchange was predictably hindered. The recent outbreak during 2022 has further increased the complexities and stress on businesses in a similar or greater manner than 2020.

The politics remained complex but AustCham Shanghai continues to contribute to the dialogue. We have continued to be a voice for China-Australia businesses during 2021 with briefings and increased connections

with local government bodies and organisations - an approach that has and will continue during 2022.

Delivering on our strategy

AustCham Shanghai's core mission remains steadfast - we are a bridge for trade and investment, and we seek new and creative ways to generate value for members. In 2021 our core operations continued while we explored and added new timely initiatives, demonstrated by the extensive work conducted to support Chinese students who were unable to travel to Australia, and an expanded focus on engagement with both Chinese and Australian government officials.

We successfully rebalanced our income streams to ease the reliance on member contributions and as a result, we have held our membership fees stable for a third consecutive year. I'm very proud to announce that our initiatives have achieved some early successes and we are in a position to continue to fund these strategic programs in the future. The Chamber was able to post earnings before tax of RMB 342,078.

Core Business

Membership services continue to be the main revenue contributor for the Chamber, which increased slightly from 2020. That said, we worked hard during 2021 to reduce the reliance on membership fees and strongly rebuilt our consulting and projects income close to pre-2020 pandemic levels. As of 31 March 2022, AustCham Shanghai has 203 platinum, corporate, and small business members.

Our seven member-led Industry Forums (Food, Beverage & Agribusiness; Manufacturing, Sourcing & Supply Chain; Finance Investment & Tax; Human Resources; Built Environment; Women in Business; and Education & Training) saw a 13% growth in engagement, with active committee participants increasing from 190 members in 2021, to 215 members as of May 2022. As we stepped into 2022, these Forums and their importance within the membership and the influence on the Chamber's direction, continues to grow and expand.

In 2021, we continued our approach of delivering targeted high-quality events. We were able to navigate the pandemic protocols to deliver more than 40 events including industry forums, government briefings, member seminars and webinars, professional development activities, social networking events, and charity fundraisers.

Some of the 2021 events highlights included an Australia Day event attended by more than 400 guests, a series of graduation ceremonies delivered with the support of partners saw over 600 students celebrate their graduation, a Pitch Boot Camp supported by Study Melbourne Hub which saw almost 100 students go through intense networking and mentoring sessions, an almost full year of monthly Aussie drinks, breakfast briefings with both the Ambassador and the Consul General, one of our biggest corporate golf days on record, and much more.

I'm particularly proud of our Food and Beverage showcase which brought Australian food and beverage brands to Chinese buyers attending the China International Import Expo, along with the second annual AustCham Shanghai Community Awards held online during March 2022. Both are amazing successes considering the limitations we face. The main award, the AustCham Shanghai Community Member of the Year, was won by Michelle Garnaut.

A voice for members

AustCham Shanghai continues to see our role as an advisor on-the-ground from China. To do this, our Platinum members were engaged in a series of meetings with senior Australian politicians including the Trade Ministers, the Shadow Trade Minister and the Opposition Leader's office. We also welcomed strong and growing support for Australian representatives in China, led by Australian Consul General in Shanghai, Dominic Trindade.

On the ground, our engagement with Chinese stakeholders has strengthened, particularly with the Foreign Affairs Office of the Shanghai Municipal People's Government, whom we now have regular exchanges, and with Invest Shanghai, who have welcomed us back into formal consultations. These trusted relationships – strong and strengthening – are the basis for the type of open dialogue needed now more than ever.

Communications

Our communications with various stakeholders have also been consistently growing in engagement and quality. Our digital network increased by more than 25% year-on-year and now includes over twelve thousand social media followers. The strengthening of our communications has led to the 2022 launch of our WeChat Channel, hosting an extensive collection of AustCham Shanghai and members' content,



providing a more effective platform to talk to not only our members, but also our broader community of interested WeChat users.

CSR Funds

Despite disruptions, we continually sought new ways to raise funds for our CSR partners and were able to donate RMB 87,769.71 on behalf of members. Our current CSR partners are The Renewal Center, Shanghai Sunrise, Chunhui Children, and Lifeline Shanghai, who are all financial partners.

Outlook

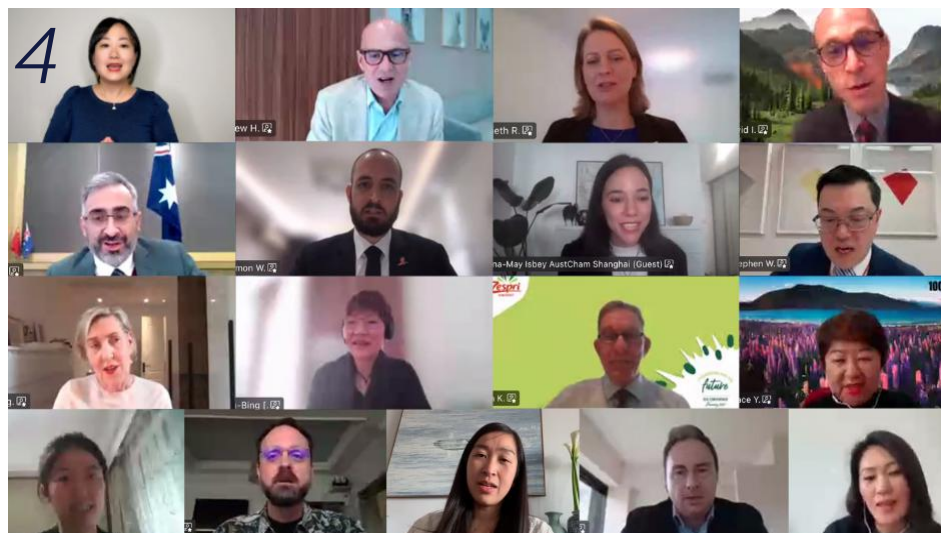
AustCham Shanghai's role as a trusted on-the-ground partner is more important now than ever and the Chamber must continue to adapt to ensure that we are able to provide support not only to our member companies, but to the individuals that make up our community.

Our work to strengthen our stakeholder partnerships and broaden our in-market networks has already paid dividends, evident by events like the Food and Beverage showcase which was a multi-level collaboration with government and member partners. AustCham Shanghai must continue to evolve in a way that heightens our value proposition for members.

AustCham Shanghai continues to weather some of the most tumultuous years of our existence but whatever the future holds, we are ready to deliver for our Members and community.

Simon Woods

CEO and Executive Director,
AustCham Shanghai



The Year in Highlights

Connecting the Australia-China community

Keeping members and the community informed

- 1. Australia Day
- 2. Corporate Golf Day
- 3. ANZAC Day Aussie & Kiwi Drinks
- 4. Online Community Awards Gala

- 5. Breakfast Briefing with the Australian Ambassador
- 6. Austrade Briefing
- 7. Member Town Hall
- 8. Monthly Managing Directors Lunch



Connecting and supporting the Australian alumni in China

Facilitating the Australia-China trade relations

Exploring new ways of communications

- 9. USYD Internship Program
- 10. Australian Universities Graduation Celebration
- 11. Pitch Bootcamp with Study Melbourne Hub

- 12. FMCG Showcase in partnership with Austrade

- 13. AustCham Shanghai Events Rebranding
- 14. Launch of AustCham Shanghai WeChat Channel

At a Glance



87,769 RMB

was donated to our local charity partners on behalf of members.

203

platinum, corporate, and small business AustCham Shanghai members, as of 31 March 2022.



13%

growth in engagement within our seven industry forums, increasing to 215 members as of May 2022.



37%

The 3 largest industries represented in AustCham Shanghai's Membership are Food, Beverage & Agribusiness, Finance, Investment & Tax, Manufacturing, Sourcing & Supply Chain. These industries account for over 37% of the membership.



86

events, forums, roundtables and meetings in 2021, including those with local and Australian governments.

25%

Our digital network increased by more than 25% year-on-year and now includes over twelve thousand social media followers.





Corporate Governance Statement

Overview

This Corporate Governance Statement describes the governance framework, policies and practices of AustCham Shanghai. Our approach to corporate governance is based on a commitment to consultation with our members and being open and transparent when reporting our decisions and performance. This approach includes a commitment to excellence in governance standards, which the Board sees as fundamental to the sustainability of our business.

The diagram on the right illustrates the legal structure of our Company and the relationship between our members, directors and employees within this framework.

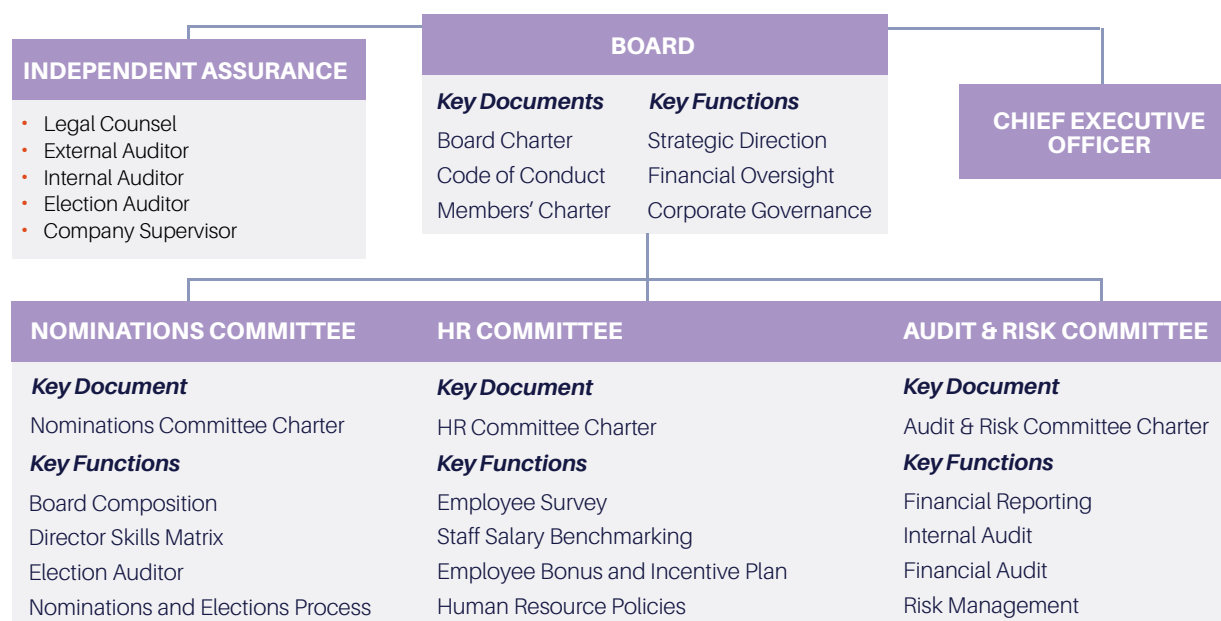
Board Structure and Operation

Governance Framework

The diagram below shows the Company's current governance framework, including the current Board Committees. From time to time, the Board may form other committees or request Directors to undertake other specific extra duties. The key functions of the Board and each of the Board Committees are outlined in this Governance Statement. The Board and Board Committee Charters, along with other governance documents, are available on our website www.austchamshanghai.com.



Note: Working committees such as Industry Forums are not Board Committees (that is, they have no delegation of authority from the Board) but sit beneath the CEO to implement Board-approved strategies and policies, or to provide a forum for consultation with members.



Key people and independent service providers who provide oversight of the corporate governance for the Company are listed in the table below.

Ao Shang Hui Consulting (Shanghai) Ltd

Board of Directors

Ms Alexandra Chu	Non-executive Director
Mr Barclay Doring	Nominations Committee Chair; Non-executive Director
Ms Heidi Dugan	Chair; Non-executive Director
Mr James Gathercole	HR Committee Chair; Non-executive Director
Mr Toby Graham	Non-executive Director
Ms Stephanie Liu	Non-executive Director
Ms Unice Liu	Non-executive Director
Mr Todd Pearson	Non-executive Director
Mr Simon Woods	CEO, Executive Director & Legal Representative
Ms Becky Xia	Audit & Risk Committee Chair; Non-executive Director
Mr Tony Zhang	Deputy Chair; Non-executive Director

Board Appointments

Ms Maria McDermott	Company Secretary
Mr Martyn Huckerby	Company Supervisor
Fok Chan Leung Wan	External Auditor
Azure Group	Internal Auditor
Tiang & Partners	Legal Counsel
Ms Frances Gong, CPA Australia	Election Auditor

AustCham Consulting (Hong Kong) Ltd

(100% shareholder of AustCham Shanghai)

Board of Directors

Ms Heidi Dugan	Non-Executive Chair
Mr Tony Zhang	Non-Executive Director
Ms Becky Xia	Non-Executive Director

Board Appointments

*Extend Holdings Limited	**Trustee
*Extend Secretaries Limited	Company Secretary

*Both entities are operating entities of Hong Kong fiduciary service provider a-pass.

** The Trustee is the registered shareholder of AustCham Consulting Limited. The shares are held pursuant to a Declaration of Trust for the benefit of the corporate voting members of AustCham Shanghai, hereinafter referred to as the Members.



Board Meetings

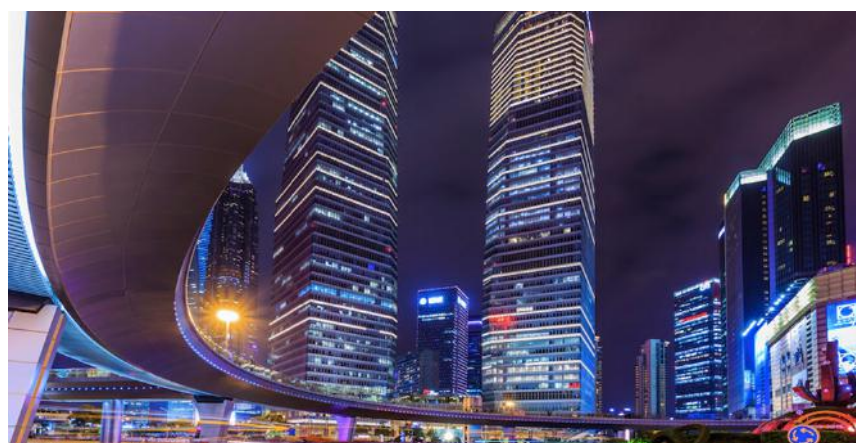
The Board held ten (10) scheduled meetings during the one-year term of the current Board up until June 2022.

In addition to the Board considering strategic matters at each Board meeting, the Board also discusses and approves the overall strategic direction on an annual basis.

Directors are encouraged to voice their opinions in an informed and constructive manner at Board meetings, so that their experience and independent judgment can bear on the issues and decisions at hand.

Time is set aside in Board meetings without management present, so that Non-executive Directors can discuss issues appropriate to such a forum.

The Chair sets the agenda for each meeting, in conjunction with the Company Secretary and CEO. All Directors are welcome to suggest to the Chair that particular items of business be included in the agenda and there are opportunities to raise issues under any other business at the meetings. Meeting packs are distributed to all Directors in advance of the meetings to allow them sufficient time to prepare for meetings.



The Board currently comprises eleven (11) Directors, including ten (10) Non-executive Directors and one (1) Executive Director. The current Non-executive Directors, their date of appointment and their meeting attendance record since the last Annual General Meeting is set out below.

Board of Directors	Term in Office	Meetings Attended
Ms Alexandra Chu	Director since June 2020	10
Mr Barclay Doring	Director since June 2021 and Nominations Committee Chair since July 2021	10
Ms Heidi Dugan	Director since July 2019 and Chair since July 2021	10
Mr James Gathercole	Director since July 2021 and HR Committee Chair since July 2021	10
Mr Toby Graham	Director since July 2021	10
Ms Stephanie Liu	Director since July 2018	10
Ms Unice Liu	Director since March 2020	10
Mr Todd Pearson	Director since June 2020	10
Ms Becky Xia	Director since June 2020 and Audit & Risk Committee Chair since March 2021	9
Mr Tony Zhang	Director since February 2021 and Deputy Chair since July 2021	10

*Note: * The Board held 10 ordinary meetings and 1 Strategy Day meeting during the period from 1 July 2021 – 31st May 2022;*

Role of Directors

The Board Charter outlines the roles and responsibilities of the Board. Key responsibilities in summary are:

- Approving the strategic direction of the Company and significant strategic initiatives;
- Approving the Company's annual targets and financial statements and monitoring financial performance against forecast and prior periods;
- Overseeing good governance and risk management practice; and
- Reviewing succession plans for the CEO.

The Constitution and the Board Charter enables the Board to delegate to Board Committees and management.

The roles and responsibilities delegated to the Board Committees are captured in the Charters of each of the three established committees, namely:

- Audit & Risk
- Human Resources
- Nominations

The Board Charter, Board Committee Charters and the Constitution are available on our website at www.austchamshanghai.com.

The Board has also delegated to the CEO, and through the CEO to other managers, responsibility for the day-to-day management of the business. The scope of, and limitations to, management-delegated authority is clearly documented. These delegations balance effective oversight with appropriate empowerment and accountability of management.



Role of the Chair

The Board elects one of the Non-executive Directors as Chair, currently Ms Heidi Dugan. Ms Dugan was appointed Chair in July 2021. The Chair's role includes:

- Providing effective leadership to the Board in relation to all Board matters;
- Guiding the agenda and conducting Board meetings;
- In conjunction with the Company Secretary, arranging regular Board meetings throughout the year, confirming that minutes of meetings accurately record decisions taken and, where appropriate, the views of individual Directors;
- Ensuring the performance of the Board and its Directors is in line with the Directors' Code of Conduct;
- Acting as the primary point of communication between the Board and the CEO;
- Representing the views of the Board to the public; and
- Taking a leading role in creating and maintaining an effective corporate governance system.



Role of the CEO

Our CEO is Mr Simon Woods. The CEO's role includes:

- Leadership of the management team;
- Developing strategic objectives for the business; and
- The day-to-day management of the Company's operations.

Director Induction and Professional Development

All new Directors participate in an induction program to familiarise themselves with our business and strategy, culture and values and any current issues before the Board. The induction program includes meetings with the Chair and the CEO. New Directors receive appropriate background documentation, coordinated by the Company Secretary and by the CEO on the nature of the Company's business and its key drivers.

The Board encourages Directors to undertake continuing education and training to develop and maintain the skills and knowledge needed to perform their role as Directors effectively. The Board, therefore, supports Directors being members of the Australian Institute of Company Directors in order to keep abreast of current governance issues and participate in webinars or online courses provided by the Institute.

Access to Information

All Directors have complete access to senior management and may seek information from the Company's Auditors, provided that all such enquiries are first advised to the Chair and the CEO.

Board and Director Performance Assessment

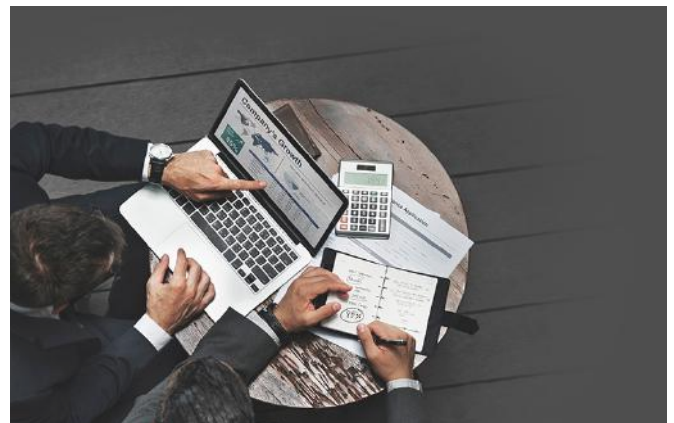
The Board is committed to implementing a system for review of its own performance and that of its committees annually. Under this system, the Chair will also hold individual discussions with each Director to discuss their performance on a needs basis. The non-executive Directors are responsible for evaluating the performance of the CEO, who in turn evaluates the performance of all other Senior Managers. The evaluations are based on Board-approved criteria, including the Company's business performance, achievement of long-term strategic objectives and the attainment of individual performance objectives.

Company Secretary

Our Company Secretary is Ms Maria McDermott. Under the Board Charter, the Company Secretary is accountable to, and reports directly to, the Board (through the Chair where appropriate) on all governance matters. All Directors have unfettered access to the Company Secretary. Under the Board Charter, the Directors appoint the Company Secretary.

Key focus areas of the Board over the past twelve months included

- Review of the Strategic Business Plan for the Company;
- Overseeing management's performance in strategy implementation;
- Monitoring the Company's operating and cash flow performance, financial position and key metrics; and
- Enhancing value for Members.



Board Composition

Essential requirements

The Board considers that each Non-executive Director must have the following essential personal attributes to be suitable to serve as a Director of the Company:

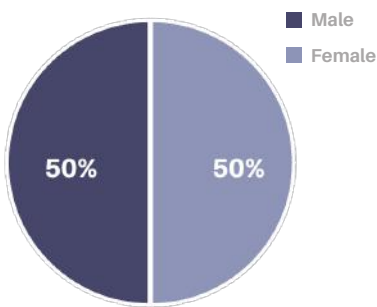
- High standards of personal integrity and ethical behaviour;
- Independence of thought;
- Sound judgment and decision-making;
- Team player;
- Good listener;
- Strong interpersonal and communication skills;
- Active networker; and
- Available to serve the needs of the company.

Diversity

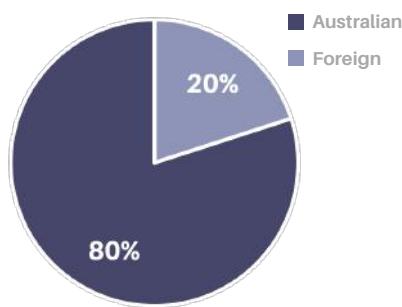
The Board recognises that a mix of Directors who represent a diverse range of viewpoints contribute to better decision-making. Therefore, it is important to ensure that its membership has an appropriate mix of people based on gender, ethnicity, industry represented, company-type represented, and length of tenure on the Board.

The adjacent tables and charts outline the current diversity of the Board membership.

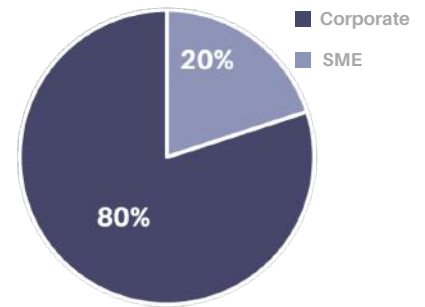
Gender Diversity



Nationality Diversity



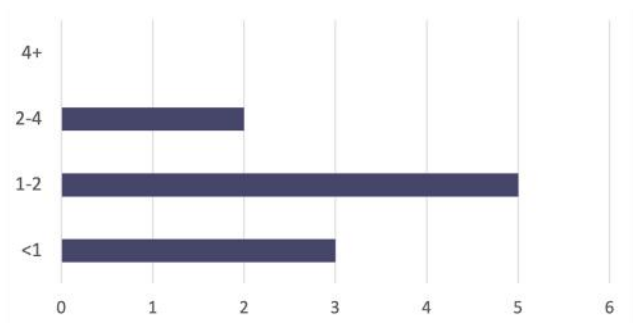
Company Diversity



Industry Breakdown of the Board of Directors

Food and Beverage	1
Hospitality	1
Financial Services	2
Professional Services	2
HR and Immigration	2
Construction and Property	1
Sport	1

Board Tenure



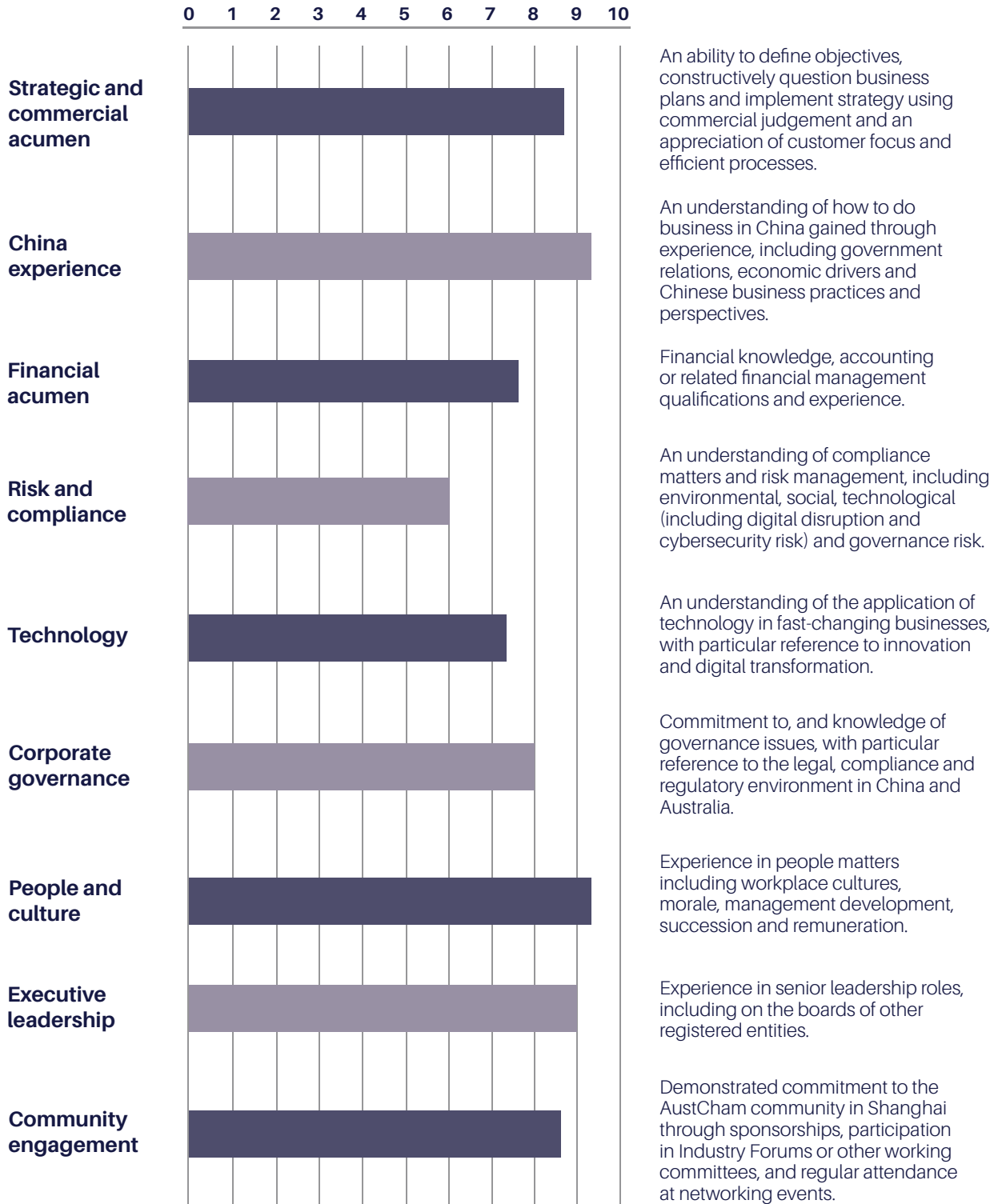
Skills, Knowledge and Experience

The Board recognises that each Director will not necessarily possess experience in all areas relevant to the Company's operations. Therefore, it seeks to ensure its membership includes an appropriate mix of Directors with skills, knowledge and experience in core competencies.

With this in mind, each Director completed a self-assessed skills matrix, which were consolidated and shown below, highlighting the diverse strengths across the Board.

AustCham Shanghai

Consolidated Directors' Skills Matrix



Board Committees

Purpose

To increase the effectiveness of the Board's functioning and to allow the Board to spend additional and more focused time on specific issues, the Board has three standing committees, being the Nominations Committee, the Human Resources Committee, and the Audit and Risk Committee.

Membership and attendance

Each of the Board Committees are comprised of Non-executive Directors. The CEO has a standing invitation to attend all Board Committee meetings – except where the relevant committee is discussing the CEO's employment arrangements or Non-executive Director only sessions are being held – and may participate in discussions but has no voting rights. Other Senior Managers may be invited to attend Board Committee meetings where the committee chair believes that person's attendance would be useful and relevant.

Each Board Committee has a formal Charter detailing the committee's role and responsibilities. These Charters can be found on the AustCham Shanghai website at www.austchamshanghai.com.

Details of the current membership of each committee are set out below, along with the meeting attendance record for members of each committee.

Committee Name	Members	Meetings Attended/ Held
Audit and Risk Committee	Ms Becky Xia (Chair)	7/7
	Mr Toby Graham	7/7
	Ms Stephanie Liu	7/7
	Mr Todd Pearson	6/7
Nominations Committee	Mr Barclay Doring (Chair)	5/5
	Ms Heidi Dugan	5/5
	Mr Tony Zhang	5/5
HR Committee	Mr James Gathercole (Chair)	3/3
	Ms Alex Chu	3/3
	Ms Unice Liu	3/3

Board Committee meetings

Board Committee meetings are held at scheduled intervals during the year, with additional meetings convened as required.

The Board Committees are generally scheduled to meet prior to the Board meeting.

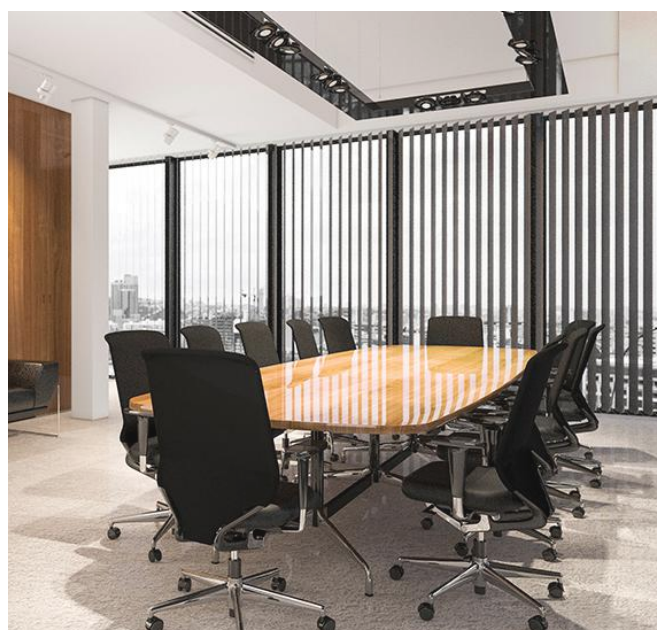
Minutes of each Board Committee meeting are formally approved by the committee at the following committee meeting. The Chair of each committee reports on the activities and meetings of the committee at each Board meeting.

Audit and Risk Committee

The Board is focused to ensure the integrity of the Company's financial reporting, its management of risk and its legal, regulatory and policy compliance. The Audit and Risk Committee assists the Board in achieving this objective.

The Audit and Risk Committee assists the Board to meet its oversight responsibilities in relation to:

- Financial statements and financial reporting;
- Financial risk management processes, accounting and control systems;
- Internal and external audit arrangements;
- Compliance with legal, regulatory and internal policy requirements; and
- Risk management programs.



Key focus areas of the Audit and Risk Committee over the past twelve months

- The preparation of the statutory financial accounts of the Company, including the review of those accounts and the application of accounting policies in accordance with Chinese Accounting Standards;
- Reviewing and implementing an internal audit plan to assess the effectiveness of the Company's internal control environment. Engaging with the internal auditor on their findings and making recommendations to the Board to implement;
- Review and update of the risk management and action plan, and periodic assessments of the significant risks of the Company;
- Review and update of a Business Continuity Plan;
- Reviewing and evaluating the adequacy of the Company's insurance arrangements to ensure appropriate cover for identified operational and business risks;
- Review and update of financial reporting to provide real-time financial data to the Board;
- Review of a project to implement policies and procedures to ensure compliance with new data protection legislation; and
- Oversight of the creation of a new Treasurer role.

HR Committee

The Board's objective is to ensure that the Company has adopted remuneration and human resources policies that meet the needs of the business and encourage a performance-oriented culture.

The role of the Committee is to:

- Ensure appropriate policies and procedures are in place to assess the remuneration levels of the CEO, Senior Managers and staff;
- Ensure a clear relationship between business performance and the key performance indicators and remuneration of the CEO and Senior Managers;
- Align management and staff incentive awards with

the creation of value for Members;

- Ensure that the human resources strategy, policies and procedures are appropriate to the Company's needs and clearly designed and executed.

Key focus areas of the HR Committee over the past twelve months

- Review of staff remuneration & incentive plans;
- Oversight of CEO performance & professional development; and
- Reviewing succession plans.

Nominations Committee

The Board's objective in relation to Board nomination and review is that the Company has adopted transparent policies and practices to allow Members to elect a Board that:

- Has an effective composition, size, mix of skills, experience and commitment to adequately discharge its responsibilities and duties and add value to the Company and its Members;
- Has a proper understanding of, and competence to deal with, the current and emerging issues; and
- Can effectively review and challenge the performance of management and exercise independent judgment.

Key focus areas of the Nominations Committee over the past twelve months

- Review of nominations and elections process;
- Review and update the Directors' skills matrix;
- Review of nominations process in the Members Charter and recommending to remove the minimum vote threshold for Director elections;
- Assessing and implementing the annual performance appraisal of the Board and Board Committees; and
- Reviewing the training program for existing and new Directors.

Risk Management Framework

The Board is responsible for approving the Risk Management Strategy and for monitoring the effectiveness of risk management by the Company. The Board has delegated to the Audit and Risk Committee responsibility to:

- Review and recommend the Risk Management Strategy to the Board for approval; and
- Approve frameworks, policies and processes for managing risk.

The CEO and management team are responsible for implementing our risk management strategy and frameworks, and for developing policies, controls, processes and procedures for identifying and managing risk in all of the business's activities.

Internal Audit Function

The Audit and Risk Committee Charter sets out the role of the Committee in executing the internal audit function. The Audit and Risk Committee oversees a risk identification process and then recommends an annual internal audit plan to ensure that planned audit activities are aligned to material business risks.

The Audit and Risk Committee recommends an internal auditor to the Board for approval and reviews internal audit reports issued by the internal auditor.

The Committee also monitors progress with recommendations made in internal audit reports to ensure the adequacy of the internal control environment. The internal audit function and external audit function are separate and independent of each other.

The roles and responsibilities of the Audit and Risk Committee are further set out in the Audit and Risk Committee Charter.

External Auditor Independence Policy

The role of the external auditor is to assess whether or not the financial statements provide a true and fair view and are free of material misstatement. An external auditor is appointed to audit the financial statements of the Company.

The Audit & Risk Committee reviews the effectiveness, performance and independence of the external auditor annually.

In reviewing the independence of the auditor, the Audit & Risk Committee must assess whether:

- An employment relationship exists or could be deemed to exist, between the Company and the auditor, its officers or former officers, employees or former employees or certain relatives;
- A financial relationship exists between the auditor and the Company other than that of the engagement of auditor; and
- The auditor provides any non-audit services to the Company.

Financial Risk Certification

The CEO provides a written statement to the Board in respect of the full-year reporting periods.

With regard to the maintenance of financial records, compliance of financial statements with accounting standards and systems or risk management and internal compliance in this written statement, the Board received assurance from the CEO that the declarations were founded on a sound system of risk management and internal control and that the system was operating effectively in all material aspects in relation to financial reporting risks, in respect of the full-year reporting period.



Company Supervisor

In accordance with the Company Law of China and the Company's Constitution, the Directors of our parent Company in Hong Kong must appoint a Company Supervisor. The main role of the Company Supervisor is to check the Company's financial affairs and ensure that Directors are performing their duties in accordance with the Constitution.

The Company Supervisor may attend meetings of the Board and the Board Committees provided that prior notice is given to the Chair of the Board.

The Company Supervisor has complete access to senior management through the Chair, CEO and Company Secretary at all times and may seek information from the Company's External and Internal Auditors provided that all such enquiries are first advised to the Chair and the CEO.

Our Company Supervisor is Mr Martyn Huckerby, who was appointed by the Board for a three-year term in January 2017 and appointed for a further three year term at the 2020 Annual General Meeting. A resolution will be put to the 2022 Annual General Meeting to appoint him for a third term of three years commencing 1st January 2023.



Conduct and Ethics

Codes of Conduct

The Board has adopted Codes of Conduct that detail standards for acceptable practices by the Directors, Members, and employees, and the behaviour and responsibilities expected of them.

The Codes exist to ensure that all of the Company's people act in the best interests of the business, manage any potential conflicting interests, act in the best interests of their customers and colleagues (absent any conflict with their duties to the Company), ensure all business is undertaken safely, fairly, honestly and ethically, maintain confidentiality, comply with Company policy and behave in accordance with the underpinning values of the Company.

The Board is committed to promoting conduct and behaviour that is honest, fair, legal and ethical and respects the rights of the Members and other

stakeholders, including clients and customers, suppliers, creditors and employees.

The Codes of Conduct are reviewed to ensure compliance with legal obligations and ethical principles.

Board of Directors' Guiding Principles

To complement the Directors' Code of Conduct, the Board has agreed on a set of guiding principles for the operation of the Board and the conduct of its meetings.

Guiding Principles Statement

"The Board of AustCham Shanghai is committed to developing a high performance Board and aspires to excellence in standards of governance. We will achieve this by:

- Being respectful and supportive of management, asking questions that stimulate management thinking and provide constructive input that ensures management derives value from Board input.
- Working together as a team.
- Encouraging and valuing diverse but well-informed opinions.
- Being accountable to Members for our decisions.
- Maintaining openness and transparency in disclosing information at Board and Board Committee meetings.
- Adopting a consultative approach in our communications with Members and other key stakeholders.
- Ensuring that the roles of the Board, committees, the Chair, the CEO and management are clearly defined in writing.
- Keeping debate and decisions within the Boardroom.
- Ensuring Board papers are circulated at least 5 working days before Board meetings. Last minute papers will be kept to a minimum.
- Keeping communications open with the CEO about relevant stakeholder activity outside of meetings."



Annual Financial Report

Directors' Report

The directors have pleasure in presenting their annual report together with the audited consolidated financial statements of the company and its subsidiary ("the group") for the year ended 31 December 2021.

Principal Activities

The principal activities of AustCham Consulting Limited ("the company") and its subsidiary are provision of consultation and events management for business communities. The details of its subsidiary are set out in note 12(b) to the consolidated financial statements.

Results and Appropriations

The results of the group for the year ended 31 December 2021 and its state of affairs as at 31 December 2021 are set out in the consolidated financial statements on pages 6 to 18.

The directors do not recommend the payment of any dividend for the year ended 31 December 2021.

Share Capital

There were no movements during the year.

Directors

The following directors held office during the year and up to the date of this report were:

XIA Linghua	(Appointed on 7 June 2021)
DUGAN Heidi Marie	(Appointed on 9 July 2021)
ZHONG Tao	(Appointed on 9 July 2021)
MITSONIS Demetrios	(Resigned on 5 February 2021)
LANCE Simon Anthony	(Resigned on 9 July 2021)
WEIGHTMAN Craig Anthony Joseph	(Resigned on 9 July 2021)

In accordance with the company's Articles of Association, all directors being remained in the office for an unlimited period of time.

Principal Activity

During the financial year, the company and its subsidiary provided consultation and events management for business communities.

The following directors of the subsidiary held office during the year and up to the date of this report:

CHU Alexandra	LIU Yan
DORING Barclay Konrad	PERSON Jamie Todd
DUGAN Heidi Marie	WOODS Simon Christopher
GATHERCOLE James Franklin	XIA Linghua
GRAHAM Toby Meredith Mckelvey	ZHANG Tao
LIU Dingying	

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the group were entered into or existed during the year.

Business Review

The group falls within the reporting exemption for the year. Accordingly, the group is exempted from preparing a business review under section 388(3)(a) of the Hong Kong Companies Ordinance.

Other Matters

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or consolidated financial statements which would render any amount stated in the consolidated financial statements misleading.

Auditors

Fok Chan Leung Wan CPA Limited were appointed as auditors of the company in place of Messrs. Li Man Fai, Certified Public Accountant (Practising).

The consolidated financial statements have been audited by Fok Chan Leung Wan CPA Limited who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



Chair
DUGAN Heidi Marie

Hong Kong
20 May 2022

Auditor's Report

**INDEPENDENT AUDITOR'S REPORT
TO THE SOLE MEMBER OF
AUSTCHAM CONSULTING LIMITED**
(incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of AustCham Consulting Limited ("the company") and its subsidiary ("the group") set out on pages 6 to 18, which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of income and retained profits, and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have 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.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report set out on pages 1-2, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the group'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 directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

The board of directors is responsible for overseeing the group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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 these consolidated financial statements.

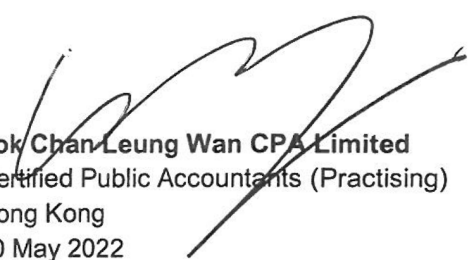
As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 group's internal control.

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 group'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 consolidated financial statements or, 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 group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors 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.



Fok Chan Leung Wan CPA Limited
Certified Public Accountants (Practising)
Hong Kong
20 May 2022

LEUNG Pak Kee
Practising Certificate No. P05175

Consolidated Statement of Income and Retained Profit

	Notes	2021 RMB	2020 RMB
Revenue	3	10,132,870	9,865,205
Other revenue	4	57,761	90,429
Administrative expenses		(9,848,553)	(9,681,595)
Profit before taxation	5	342,078	274,039
Taxation	6	(16,259)	(29,475)
Profit for the year		325,819	244,564
Retained profits at beginning of the year		2,014,622	1,770,058
Retained profits at end of the year		2,340,441	2,014,622

The accompanying accounting policies and notes are part of these financial statements.

Consolidated Statement of Financial Position

	Notes	2021 RMB	2020 RMB
Non-current Assets			
Property, plant and equipment	7	43,800	42,128
Current Assets			
Accounts receivable	8	280,469	237,288
Other receivables, deposits and prepayments	9	425,895	357,030
Cash and bank balances		6,150,225	4,535,916
		6,856,589	5,130,234
Current Liabilities			
Accruals and other payables		3,148,427	1,628,319
Accounts payable		80,975	198,875
		3,229,402	1,827,194
Net Current Assets		3,627,187	3,303,040
Net Assets		3,670,987	3,345,168
Represented by:			
Capital and Reserves			
Share capital	10	1,267,523	1,267,523
Currency remeasurement reserve		63,023	63,023
Retained profits		2,340,441	2,014,622
Total Equity		3,670,987	3,345,168

The consolidated financial statements were approved by the Board of Directors on and are signed on its behalf by:



Director
XIA Linghua



Director
DUGAN Heidi Marie

The accompanying accounting policies and notes are part of these financial statements.

Consolidated Statement of Cash Flows

	2021 RMB	2020 RMB
Net cash flows from operating activities		
Profit before taxation	342,078	274,039
Adjustments for:		
Depreciation	21,805	24,988
Prior year adjustments	-	1,593
Bank interest income	(25,017)	(21,267)
Operating profit before working capital changes	338,866	279,353
(Increase)/ decrease in accounts receivable	(43,181)	93,000
(Increase)/ decrease in other receivables, deposits and prepayments	(68,865)	46,251
(Decrease)/ increase in accounts payable	(117,900)	125,625
Increase/ (decrease) in accruals and other payables	1,520,108	(289,958)
Decrease in amount due to a related company	-	(43,275)
Decrease in receipts in advances	-	(19,661)
Cash generated from operations	1,629,028	191,335
Income tax paid	(16,259)	(29,475)
Net cash generated from operating activities	1,612,769	161,860
Cash flows from investing activities		
Bank interest received	25,017	21,267
Purchase of property, plant and equipment	(23,477)	(19,952)
Net cash generated from investing activities	1,540	1,315
Net increase in cash and cash equivalents	1,614,309	163,175
Cash and cash equivalents at beginning of the year	4,535,916	4,372,741
Cash and cash equivalents at end of the year	6,150,225	4,535,916
Analysis of balances of cash and cash equivalents		
Cash and bank balances	6,150,225	4,535,916

The accompanying accounting policies and notes are part of these financial statements.

Accounting Policies and Explanatory Notes to the Consolidated Financial Statements

1. Corporate Information

a. Registered Office and Principal Place of Business

The company was incorporated under the Hong Kong Companies Ordinance. Its registered office is located at Unit 801-2, 8/F., Tung Hip Commercial Building, 244-248 Des Voeux Road Central, Hong Kong.

b. Principal Activities

The principal activities of the group are provision of consultation and events management for business communities. The details of its subsidiary are set out in note 12(b) to the consolidated financial statements.

2. Principal Accounting Policies

a. Basis of Preparation of the Consolidated Financial Statements

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

The group's management makes assumptions, estimates and judgements in the process of applying the group's accounting policies that affect the assets, liabilities, income and expenses in the consolidated financial statements prepared in accordance with HKFRS for Private Entities. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results may differ from these estimates.

b. Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the consolidated financial statements of the group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Chinese Renminbi, which is the group's functional and the group's presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

c. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, demand deposits and the other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts is shown within borrowings in current liabilities on the consolidated statement of financial position.

d. Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the group and its subsidiaries. A subsidiary is an entity (including special purpose entity) over which the group has the power to govern the financial and operating policies so as to obtain benefits from its activities, generally but not necessarily accompanying a shareholding of more than half of the voting power. The subsidiary is fully consolidated from the date on which

control is transferred to the group and is de-consolidated from the date that control ceases.

All intragroup transactions, balances, income and expenses are eliminated. Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the group. There is no difference in the reporting date of the consolidated financial statements of the group and its subsidiary used in the preparation of the consolidated financial statements.

In the company's statement of financial position, the investment in a subsidiary is stated at cost less provision for impairment loss. The results of the subsidiary are accounted for by the company on the basis of dividends received and receivable.

e. Trade and Other Receivables

Trade and other receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

f. Trade and Other Payables

Trade and other payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

g. Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its present working condition and location for its intended use.

h. Depreciation

Depreciation is calculated to write off the cost of fixed assets with residual value of 5% of the total cost over their estimated useful lives, using the straight-line method, at the following annual rates:

Office equipment	5 years
Electronic equipment	3 years

i. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are generally recognised for all temporary differences that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled (taxable temporary differences). Deferred tax assets are generally recognised for all temporary differences that will result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled (deductible temporary differences) - but only to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

j. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

2. Principal Accounting Policies (Continued)

j. Leases (Continued)

Rights to assets held under finance leases are recognised as assets of the group at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in fixed assets, and depreciated and assessed for impairment losses in the same way as owned assets.

Rental payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

k. Impairment of Non-financial Assets, other than Inventories

At each reporting date, assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

l. Revenue Recognition

Service income is recognised when services are rendered.

Interest income is recognised on a time proportion basis applicable interest rates.

m. Related Parties

For the purpose of these consolidated financial statements, related party includes a person and entity as defined below:

a. A person or a close member of that person's family is related to the group if that person:

- (i) is a member of the key management personnel of the group and the company or of a parent of the group and the company;
- (ii) has control over the group and the company; or
- (iii) has joint control or significant influence over the group and the company or has significant voting power in it.

b. An entity is related to the group and the company if any of the following conditions applies:

- (i) the entity, the group and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) either entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member).
- (iii) both entities are joint ventures of a third entity.
- (iv) either entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefit of employees of either of the group and the company or an entity related to the group and the company.
- (vi) the entity is controlled or jointly controlled by a person identified above.
- (vii) a person identified above has significant voting power in the entity.
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the group or to the group's parent.

**2021
RMB****2020
RMB****3. Revenue**

Revenue, which also the group's turnover, represents membership fee, events and projects revenue and service revenue received and receivable for the year.'

Membership fee	2,635,388	2,483,835
Events and projects revenue	471,680	431,920
Service revenue	7,025,802	6,949,450
	10,132,870	9,865,205

4. Other Revenue

Bank interest income	25,017	21,267
Exchange gain, net	-	27,878
Sundry income	32,744	41,284
	57,761	90,429

5. Profit before Taxation

Profit before taxation as stated in the consolidated statement of income and retained profits was arrived at after charging and crediting the followings:

Charging:		
Auditors' remuneration	19,559	30,000
- Current year	29,460	-
- Underprovision in prior year	21,805	24,988
Depreciation		
Directors' emoluments		
- Fees	-	-
- Salaries and allowance	-	-
Exchange loss, net	41,509	-
Other staff costs	5,713,154	6,329,675
And crediting:		
Bank interest income	25,017	21,267
Exchange gain, net	-	27,878

6. Taxation

(a) Taxation in the consolidated statement of income and retained profits represents profits tax:

Current tax		
- Hong Kong profits tax	-	-
- China corporate income tax	16,259	29,475
	16,259	29,475

6. Taxation (Continued)

The group exposure to income tax is Hong Kong profits tax and China corporate income tax. During the year, the group carried out all of its business activities outside Hong Kong and therefore the group does not have any Hong Kong tax payable. The group does not have any material deferred tax liability or asset.

(b) Reconciliation between tax expense and accounting profit at applicable rates:

	2021 RMB	2020 RMB
Profit before taxation	342,078	274,039
Notional tax on profit before taxation, calculated at 16.5% (2020: 16.5%)	56,443	45,216
Effect of different tax rates of group entities operating	57,710	26,653
Tax effect of non-taxable revenue	(120,754)	(42,394)
Tax effect of tax loss not recognised	22,860	-
Actual tax expense	16,259	- 29,475

7. Property, plant and equipment

	Balance at 1/1/2021 RMB	Additions RMB	Balance at 31/12/2021 RMB
Cost			
Office equipment	16,792	-	16,792
Electronic equipment	145,399	23,477	168,876
	162,191	23,477	185,668
Accumulated Depreciation			
Office equipment	12,511	765	13,276
Electronic equipment	107,552	21,040	128,592
	120,063	21,805	141,868
Net Book Value	42,128		43,800

8. Accounts receivable

	2021 RMB	2020 RMB
Accounts receivable	280,469	237,288
Less: Allowance for doubtful debts	-	-
	280,469	237,288

2021
RMB

2020
RMB

9. Other Receivable, Deposits and Prepayments

Other receivables	75,604	9,000
Deposits	193,132	272,260
Prepayments	157,159	75,770
	425,895	357,030

10. Share Capital

Issued and fully paid: 4 ordinary shares	1,267,523	1,267,523
---	-----------	-----------

11. Operating Lease Commitment

At the end of the reporting period, the group had the following future minimum lease payments under non-cancellable operating leases in respect of land and buildings which fall due as follows:

Not later than one year	984,846	619,129
Later than one year and not later than five years	1,489,608	2,474,454
	2,474,454	3,093,583

12. Statement of Financial Position of the Company

Information about the statement of financial position of the company at the end of the reporting period is as follows:

Non-current Assets		
Investment in a subsidiary	1,027,853	1,027,853
Current Assets		
Cash and bank balances	411,405	506,380
Current Liabilities		
Accrued expenses	19,559	-
Net Current Assets	391,846	506,380
Net Assets	1,419,699	1,534,233
Represented by:		
Capital and Reserves		
Share capital	1,267,523	1,267,523
Retained profits	152,176	266,710
Total Equity	1,419,699	1,534,233

12. Statement of Financial Position of the Company (Continued)

The financial statements were approved by the Board of Directors on and are signed on its behalf by:



Director
XIA Linghua



Director
DUGAN Heidi Marie

Note:

(a) Movements of the company's retained profits during the year and prior years are as follows:

	RMB
At 1 January 2020	280,146
Loss for the year	(13,436)
At 31 December 2020 and 1 January 2021	266,710
Loss for the year	(114,534)
At 31 December 2021	152,176

(b) Investment in a subsidiary

	2021 RMB	2020 RMB
Unlisted investment, at cost	1,027,853	1,027,853

Particulars of the company's subsidiary are as follows:

Name of subsidiary	Place of incorporation/ registration and business	Issued/Paid in capital	Percentage of shareholding	Principal activities
Ao Shang Hui Consulting (Shanghai) Ltd 澳上會商務諮詢(上海) 有限公司	People's Republic of China	RMB1,027,853	100%	Provision of consultation and events management for business communities

Company Supervisor and Legal Counsel's Report

18 May 2022

Over the past difficult year, I am honoured to have had the opportunity to support AustCham Shanghai and its members as Supervisor and Legal Counsel. During that period I have fulfilled those roles under the auspices of an engagement between AustCham and the PwC legal network (which operates in the region through the independent law firm Tiang & Partners).

From my dealings with AustCham Shanghai, I am not aware of any material risks for AustCham that have arisen in relation to the contractual and employment matters. I have also not been made aware of any significant legal disputes or any pending legal issues that would be likely to materially adversely affect AustCham or its members.

As I have mentioned in previous reports, the structure of AustCham Shanghai is aligned with its culture as a member-centric organisation. The shares of the holding company in Hong Kong continue to be held in trust for AustCham Shanghai members and I understand that the requisite documentation is generally in order (subject to continuing to update certain records with the PRC State Administration for Market Regulation). I understand that AustCham's ongoing project to improve its governance arrangements has been continuing, under the guidance of Maria McDermott as Company Secretary.

Accordingly, I confirm that to the best of my knowledge, AustCham's legal risks are being managed effectively by its management team and the Board of Directors.

My term as Company Supervisor will expire at the end of this year and I have offered to continue in that role. Should members decide to reappoint me, I look forward to working together over what will hopefully be a better period ahead.



Martyn Huckerby
Company Supervisor
& Legal Counsel to AustCham Shanghai



Corporate Voting Members

A

Abbey Road & Geneva	Borys Priadko	Capital Eight	Joanne K Wood
Acclime	Christophe Marquis	CaroMel China Co. Ltd	Greg McLardie
Aepoch Advisors	Michael Chiao	Carrington Day	Peter Arkell
Aetna International	Steven Blahy	Central Studios	Rodney Evans
Ajinga	Henry Beecher	Changzhou Municipal Bureau	Wendy Yang
Alibaba Cloud	James Wang	of Commerce(Changzhou	
AllBright Law Offices	Michael Xu	International Investment	
Anglo American Resources	William Fu	Promotion Center)	
Trading (China)Co.,Ltd		Chaoly	Daphne Tuijin
Anken Group	Alexandra Chu	Chartered Accountants	Elizabeth Chan
Annex Foods Pty Ltd	Jonathan Crowder	Australia and New	
Ashton Legal Services ILP	Ruobing Yang	Zealand(Hong Kong)Limited	
Pty Ltd		China Skinny Ltd	Mark Tanner
Arete Group	Heidi Dugan	Cockram Projects	Johnny Han
Asian Tigers K.C. DAT (China)	Jason Will	Coles Supermarkets Australia	Nick Alston
Ltd.		Pty Ltd	
August Leadership	James Gathercole	Commonwealth Bank of	Ming Kao
Australia and New Zealand	Didier Magloire	Australia Shanghai Branch	
Bank (China) Company		Cowan Business Consulting	Joanna Kelly Hutchins
Limited		(Shanghai) Co.,Ltd	
Australia AXGZ Int'l	Lawrence Feng	CPA Australia	Frances Gong
Vocational Education		Cross Asset Wealth	Kenneth Sin
Institute		Crown Worldwide (China) Co.,	Adrian Young
Australian National University	Nancy Yu	Ltd.	
Australian Pathway Education	Kate Banasik	Crowne Plaza Shanghai	Sean Han
Group		CSL Behring (Shanghai)	Harold Chan
Australian Trade Commission	Bing Liu	Consulting Ltd	
(Austrade)			
Azure Group Chartered	Stephanie Liu		
Accountants			

B

B&R Enclosures (Suzhou) Co	Marko Dimitrijevic
Ltd	
Balance Trading Company	Peter Maher
Pty Ltd	
Baldwin Boyle Group	Unice Liu
Banyan Tree Shanghai On	Barclay Doring
the Bund	
Beef Emporium Holdings	William Li
Beijing Jurlique Trading Co.	Nora Li
Limited	
Beijing ZhongGuanCun	Pei Yao
Overseas Park	
BHP Billiton International	Cathy Ho
Trading (Shanghai) Co., Ltd	
BING DESIGN	Bing Bing Deng
BIPO	Kai Lynn Mok
Blackmores	Park Ling
BlueScope	Xu Huang
BM Consulting (Shanghai)	Shaun Corrigan
BVLBARI Industrial	Jerry Xu
technology (Shanghai) Co.,	
Ltd.	

C

Capital (Shanghai) Business	Susan Dietz-Henderson
-----------------------------	-----------------------

Management Co. Ltd.	
Capital Eight	Joanne K Wood
CaroMel China Co. Ltd	Greg McLardie
Carrington Day	Peter Arkell
Central Studios	Rodney Evans
Changzhou Municipal Bureau	Wendy Yang
of Commerce(Changzhou	
International Investment	
Promotion Center)	
Chaoly	Daphne Tuijin
Chartered Accountants	Elizabeth Chan
Australia and New	
Zealand(Hong Kong)Limited	
China Skinny Ltd	Mark Tanner
Cockram Projects	Johnny Han
Coles Supermarkets Australia	Nick Alston
Pty Ltd	
Commonwealth Bank of	Ming Kao
Australia Shanghai Branch	
Cowan Business Consulting	Joanna Kelly Hutchins
(Shanghai) Co.,Ltd	
CPA Australia	Frances Gong
Cross Asset Wealth	Kenneth Sin
Crown Worldwide (China) Co.,	Adrian Young
Ltd.	
Crowne Plaza Shanghai	Sean Han
CSL Behring (Shanghai)	Harold Chan
Consulting Ltd	

D

Deakin University	Shirley Xie
Demage Messe International	Chyngyz Sher
Dezan Shira & Associates	Lauren Eiko Fujino
Digital Creative	Samuel Jesse
Digital Crew	Ophenia Liang
Dulwich College Shanghai	Alice Shi
Pudong	
Dulwich College Shanghai	Piers Matthews
Puxi	
Dulwich College Suzhou	Alan Williams

E

Earnest Advisory	David Yu
eCargo Enterprise Limited	Lawrence Lun
Ecquality Timber Products	Terry Newman
Elders Limited	Vivi Cai
Ernst & Young Hua Ming LLP	Joanne Warrin
Shanghai Branch	
Exyte	Frank Lorenzetto

F

Fanhai International School	Joyce Liu
of Finance, Fudan University	
(FISF)	
Flinders University	Brett Wagner
FMG Trading Shanghai Co.,	Julie Song
Ltd	
Fragomen (Shanghai) Co., Ltd	Becky Xia

G			
Geebox Logistics Co.,Ltd	Jun Li	Megi Limited	Selina Liu
Geowise	James Kokkinos	MinterEllison	Michael Wadley
Goldhawk	John L'Epagniol	Mondiale VGL Pty Ltd	Leighton Karl
Goodman Management Consulting (Shanghai) Co. Ltd	Grace Hang	Moore - MS Advisory	Brian Blomer
Grand Hyatt Shanghai		Motor Group Business Consulting (Shanghai) Co., Ltd	Warren Spence
Griffith University	Anthony Ha	N	
GWA Group	Renee Beauchamp	National Australia Bank	Patrick Huang
	Rianna Yu	Netlinkz Global Pty Limited	Rotem Salomonovitch
		New South Wales Government	Murray Davis
		New Zealand Trade & Enterprise	Richard Dunsheath
H	Lachlan Easom	Nib Health Fund Limited	Lucas Chen
Hangzhou Lani Trading Company			
Hassell	Minmin Long	O	
Hays Specialist Recruitment	Simon Lance	O-I (Shanghai) Management Co., Ltd.	Paul Marsden
hcreates interior design	Hadleigh Churchill		
Hi-Com (Shanghai) Consulting Co., Ltd	Nick Miao	P	
Hill & Associates (PRC) Ltd	Howard Wang	Pallet N Plate Co. Ltd.	Anthony Chow
HolaDaisy	Daisy Tang	Penfolds	Tom King
Hong Fang Law	Federico Bartolini	Place Design Group Pty. Ltd.	Mark Burgess
Hyatt On the Bund		Port Adelaide Football Club	Tony Zhang
		Q	
I		Qantas Airways Limited	Alan Chang
Iluka Trading (Shanghai) Co., Ltd	Maria Fernandez	QTZ Interior Decoration Co., Ltd.	Burn Liu
Inflight VR	Jiajie Guo		
Intercontinental Shanghai Ruijin	Kim Powley	R	
Its Risky Business	Craig Maroun	Radisson Collection Hotel, Xing Guo Shanghai	Howard Bennett
		Red Hot Branding & Marketing Sourcing	Stephen Barron
J	Zhan PAN	Redfern Digital	Ryan Molloy
J&J	Danny Parnack	Reform Clothing Co.	Robert Di Benedetto
J.W. Marriott Shanghai at Tomorrow Square		Renew Material	Wong Teck Tin
JET IT Services	Ervis Micukaj	Rio Tinto Trading(Shanghai) Co., Ltd	Christine Yuan
Jie Xiong Consulting	Diana Xin	Ritter Sport	Simon Manetti
JINGdigital	Aaron Chang	S	
JLL	Grant Weine	SAGE HOUSE	Mavis Mak
JunZeJun Law Offices	Zhengyang Wang	Santa Fe Relocation	James Gooding
		SBA Stone Forest	Lee Lee Tan
K	Rong Fan	SCWoods&Co	Lawrence Russo
K & L Gates	Theodore O'Mahony	Shanghai 31Jiu Food Co Ltd	Frank Li
KANVID	Mark Schaub	Shanghai Bowdex Motor Co., Ltd.	Alice Chen
King & Wood Mallesons	Mette Knudsen	Shanghai Cohost Property Management Co., Ltd	Todd Gill
Knudsen China		Shanghai Fairmont Peace Hotel Company Limited	George Wee
	Marc Donnelly	Shanghai Forest Manor Group	Rong Pan
L		Shanghai PowerfulPoints Co., Ltd	Lee Featherby
Lendlease Greater China		Shanghai Pureco Packaging	Alistair Sexton
	Michelle Garnaut		
M	Alan Reid		
M on the Bund and the M Glamour	Thomas Horn		
MA Financial Group Limited			
Macquarie Commodities Trading (Shanghai) Co., Ltd	Lily Chen		
Martec China	Lily Lu		
Mazars	Joe Zhu		
Meat & Livestock Australia			

Corporate Directory

Austcham Consulting Limited

Directors

Ms Heidi Dugan
Mr Tony Zhang
Ms Becky Xia

Trustee

Extend Holdings Limited
Suite 1, Commercial House One,
Eden Island, Republic of Seychelles

Secretariat

Extend Secretaries Limited
901 Hermes Commercial Centre
4 Hillwood Road
Tsim Sha Tsui, Hong Kong

Registered Office

Austcham Consulting Limited
Unit 801-2, 8th Floor, Tung Hip Commercial
Building,
224-248 Des Voeux Road Central,
Sheung Wan, Hong Kong

Ao Shang Hui Consulting (Shanghai) Co., Ltd

Directors

Ms Alexandra Chu
Mr Barclay Doring
Ms Heidi Dugan
Mr James Gathercole
Mr Toby Graham
Ms Stephanie Liu
Ms Unice Liu
Mr Todd Pearson
Ms Becky Xia
Mr Tony Zhang

Company Secretary

Ms Maria MCDERMOTT

Registered Office

Ao Shang Hui Consulting (Shanghai) Co., Ltd
Room J, 6th Floor Building 5, 658 Xikang Road
Jing'An District, Shanghai 200040

AustCham Shanghai

Office 701, No. 80 Pingwu Rd,
Changning District, Shanghai, 200052
上海市长宁区平武路80号澳洲之家701室
邮编：200052

Follow us on
social media



WeChat



Mini Program



WeChat Channel



LinkedIn