

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

<b>CONTENTS</b>	<b>PAGE(S)</b>
DIRECTORS' REPORT	1 - 2
INDEPENDENT AUDITOR'S REPORT	3 - 5
STATEMENT OF COMPREHENSIVE INCOME	6
STATEMENT OF FINANCIAL POSITION	7
STATEMENT OF CHANGES IN FUNDS	8
STATEMENT OF CASH FLOWS	9
NOTES TO THE FINANCIAL STATEMENTS	10 - 32

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
DIRECTORS' REPORT**

The directors have pleasure in submitting their annual report together with the audited account financial statements for the year ended 30 June 2024.

**Principal activities**

The Chamber has a mission to promote and represent Australian business and values while enabling members to connect, engage, and grow bilateral relationships. It seeks to connect, engage and represent its members.

**Fund**

The deficit for the year of HK\$322,335 (deficit in 2023: HK\$32,136) has been transferred from reserves. Other movements in reserves are set out in the statement of changes in funds.

**Business review**

The Chamber falls within reporting exemption for the financial year ended 30 June 2024. Accordingly, the Chamber is exempted from preparing a business review.

**Directors**

The directors of the Chamber during the year and up to the date of this report were as follows:

Angela Ruth Mackay	
Anna Mary Tehan	(resigned on 30 January 2024)
Benjamin Bede Quinlan	(appointed on 30 January 2024)
Bing Liu	(appointed on 28 August 2024)
Chien Min Chang	
Darren Raymond Bowdern	(resigned on 21 March 2024)
David John Simmonds	(resigned on 15 November 2024)
Eileen Burnett-Kant	(appointed on 15 November 2024)
Fiona Louise Nott	
Gary Anthony Seib	(appointed on 30 January 2024)
James Patrick Lee Bitossi	
Josephine Alice Orgill	
Liam John Collette	
Michael James Connolly Hogan	
Patrick Vincent Vizzone	
Robert James Quinlivan	
Scott John Harmer	(appointed on 30 January 2024)
Shannon Powell	(resigned on 31 May 2024)
Simone Wheeler	(resigned on 30 January 2024)
Victoria Isobel Campbell Crasti	(appointed 21 March 2024)

No contract of significance to which the Chamber was a party and in which a director of the Chamber had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
DIRECTORS' REPORT (CONTINUED)**

**Directors' interest**

At no time during the year was the Chamber a party to any arrangement to enable the directors and chief executive of the Chamber (including their spouses and children under 18 years of age) to acquire by means of the acquisition of shares in, or debentures of, the Chamber or any other body corporate.

**Management contracts**

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

**Permitted indemnity provision**

At no time during the financial year ended 30 June 2024 were there any permitted indemnity provisions in force for the benefit of one or more directors of the Chamber.

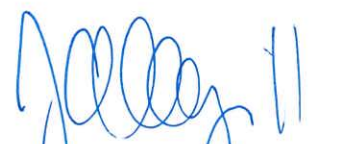
At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more directors of the Chamber.

**Auditor**

During the year, Messrs. Richard Albuquerque & Co., Certified Public Accountants, resigned as auditor of the Company and SFAI (HK) CPA Limited, Certified Public Accountants, was appointed by the Board of Directors to fill the vacancy so arising.

The financial statements have been audited by SFAI (HK) CPA Limited, who retire and, being eligible, offer themselves for re-appointment as auditor of the Company at the forthcoming annual general meeting.

For and on behalf of the Board



Josephine Alice Orgill  
Chairman

Hong Kong, 11 FEB 2025



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG**  
(A company incorporated in Hong Kong and limited by guarantee)

**Opinion**

We have audited the financial statements of The Australian Chamber Of Commerce In Hong Kong ("the Chamber") set out on pages 6 to 32, which comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Chamber as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") 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 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 Company 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 matter**

The financial statements of the Chamber for the year ended 30 June 2023 was audited by another auditor who issued an unqualified audit opinion dated 27 February 2024.

**Other information**

The directors of the Chamber are responsible for the other information. The other information comprises the information included in the directors' report set out on pages 1 to 2, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 directors of the Chamber and those charged with governance for the financial statements**

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

In preparing the financial statements, the directors of the Chamber are responsible for assessing the Chamber'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 of the Chamber either intends to liquidate the Chamber or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the 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 our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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.



**SFAI**  
GLOBAL

HONG KONG

香港灣仔皇后大道東213號  
胡忠大廈27樓2室  
Unit 2, 27/F, Wu Chung House  
213 Queen's Road East,  
Wanchai Hong Kong

總機 General	(852) 3707 3164
傳真 Fax	(852) 8148 6087
電郵 Email	info@sfai.com.hk
網址 Website	www.sfai.com.hk

- 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 Chamber's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Chamber.
- Conclude on the appropriateness of the Chamber's 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 Chamber's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial 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 Chamber to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 control that we identify during our audit.

SFAI (HK) CPA Ltd.

**SFAI (HK) CPA Limited**  
**Certified Public Accountants**

**Fok Tat Choi**  
Practicing Certificate Number P06895  
Hong Kong, **11 FEB 2025**

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 HK\$	2023 HK\$
<b>Revenue</b>			
Turnover	5	4,320,912	4,546,146
Other revenue	6	<u>344,273</u>	<u>551,782</u>
Total revenue		<u>4,665,185</u>	<u>5,097,928</u>
<b>Expenses</b>			
Staff costs	7(a)	(3,530,958)	(3,718,633)
Event expenses		(84,663)	(216,000)
Project expenses		(1,644)	(1,400)
Depreciation	7(b)	(6,454)	(19,326)
Finance cost	8	(3,577)	(16,049)
Other operating expenses	9	<u>(1,360,224)</u>	<u>(1,158,656)</u>
Total expenses		<u>(4,987,520)</u>	<u>(5,130,064)</u>
<b>Deficit before taxation</b>	7	(322,335)	(32,136)
Income tax expense	10	<u>-</u>	<u>-</u>
<b>Deficit and total comprehensive loss for the year</b>		<u>(322,335)</u>	<u>(32,136)</u>


The notes on pages 10 to 32 form an integral part of, and should be read in conjunction with, these financial statements.



**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	Note	2024 HK\$	2023 HK\$
<b>Non-current assets</b>			
Property, plant and equipment	12	26,135	8,178
Right-of-use assets	13(a)	244,225	83,354
		<u>270,360</u>	<u>91,532</u>
<b>Current assets</b>			
Accounts receivable	14	498,220	235,580
Deposits and prepayments	14	185,140	280,698
Cash and cash equivalents	15	2,874,478	2,979,899
		<u>3,557,838</u>	<u>3,496,177</u>
<b>Current liabilities</b>			
Accounts payable and accrued charges	16(a)	572,474	716,008
Subscriptions in advance	16(b)	2,407,138	1,509,904
Deferred income	16(c)	13,440	199,890
Lease liability	13(b)	140,652	87,219
		<u>3,133,704</u>	<u>2,513,021</u>
Net current assets		<u>424,134</u>	<u>983,156</u>
<b>Total assets less current liabilities</b>		<u>694,494</u>	<u>1,074,688</u>
<b>Non-current liability</b>			
Lease liability	13(b)	110,191	-
Provision for reinstatement costs	18	40,000	208,050
		<u>150,191</u>	<u>208,050</u>
<b>Net assets</b>		<u>544,303</u>	<u>866,638</u>
<b>Funds</b>			
Accumulated surplus	20	<u>544,303</u>	<u>866,638</u>

The financial statements on pages 6 to 32 were approved and authorised for issue by the Board of Directors on **11 FEB 2025** :

  
\_\_\_\_\_  
Josephine Alice Orgill  
Director

  
\_\_\_\_\_  
Victoria Isobel Campbell Crasti  
Director

The notes on pages 10 to 32 form an integral part of, and should be read in conjunction with, these financial statements.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF CHANGES IN FUNDS  
FOR THE YEAR ENDED 30 JUNE 2024**

	<b>Accumulated surplus/ (deficit) HK\$</b>
Balance at 1 July 2022	898,774
Deficit and total comprehensive loss for the year	<u>(32,136)</u>
Balance at 30 June 2023 and 1 July 2023	866,638
Deficit and total comprehensive loss for the year	<u>(322,335)</u>
Balance at 30 June 2024	<u>544,303</u>

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2024**

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
<b>Deficit before taxation</b>	(322,335)	(32,136)
<b>Adjustments for:</b>		
Depreciation- right-of-use assets	118,243	500,122
Depreciation	6,454	19,326
Loss on disposal of property, plant and equipment	4,189	-
Interest income	(49,056)	(9,159)
Lease interest paid	<u>3,577</u>	<u>16,049</u>
<b>Operating cash flows before changes in working capital</b>	(238,928)	494,202
Decrease/(increase) in deposits and prepayments	95,558	(4,777)
Increase in accounts receivable	(262,640)	(80,350)
Decrease in other receivable	-	48,266
(Decrease)/increase in accounts payable and accrued charges	(143,534)	275,845
Decrease in deferred income	(186,450)	(407,312)
Increase/(decrease) in subscriptions in advance	897,234	(190,218)
Increase in subscriptions billing in advance	-	57,500
Decrease in provision for reinstatement costs	<u>(168,050)</u>	<u>-</u>
<b>Cash (used in)/generated from operating activities</b>	(6,810)	193,156
Interest received	<u>49,056</u>	<u>9,159</u>
<b>Net cash generated from operating activities</b>	<u>42,246</u>	<u>202,315</u>
<b>Investing activities</b>		
Payment for the purchase of fixed assets	<u>(28,600)</u>	<u>-</u>
<b>Net cash used in investing activities</b>	<u>(28,600)</u>	<u>-</u>
<b>Financing activities</b>		
Payment for right-of use assets	<u>(119,067)</u>	<u>(524,399)</u>
<b>Net cash used in financing activities</b>	<u>(119,067)</u>	<u>(524,399)</u>
<b>Net decrease in cash and cash equivalents</b>	(105,421)	(322,084)
<b>Cash and cash equivalents at beginning of the year</b>	<u>2,979,899</u>	<u>3,301,983</u>
<b>Cash and cash equivalents at end of the year</b>	<u>2,874,478</u>	<u>2,979,899</u>

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**1. GENERAL**

The Australian Chamber of Commerce in Hong Kong (“the Chamber”) is a company limited by guarantee, incorporated and domiciled in Hong Kong. The address of its registered office is Flat 301-2, 3/F, Lucky Building, 39 Wellington Street, Central.

The Chamber has a mission to promote and represent Australian business and values while enabling members to connect, engage, and grow bilateral relationships. It seeks to connect, engage and represent its members.

**2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)**

**(a) Amendments to HKFRSs that are mandatorily effective for the current year**

In the current year, the Chamber has applied following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual period beginning on 1 July 2023 for the preparation of the financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform-Pillar Two model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

The directors of the Chamber considers that the application of the amendments to HKFRSs in the current year has had no material impact on the Chamber’s financial positions and performance for the current and prior years and/or on the disclosures set out in these financial statements.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)**

(b) New and amendments to HKFRSs in issue but not yet effective

The Chamber has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective.

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>2</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>2</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>2</sup>
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements <sup>2</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>3</sup>

1. Effective for annual periods beginning on or after a date to be determined.

2. Effective for annual periods beginning on or after 1 January 2024.

3. Effective for annual periods beginning on or after 1 January 2025.

The directors of the Chamber anticipates that the application of all these new and amendments to HKFRSs will have no material impact on the financial statements in the foreseeable future.

**3. BASIS OF PREPARATION**

The financial statements have been prepared in accordance with HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations and the disclosure requirements of the Hong Kong Companies Ordinance issued by the HKICPA. For the purpose of preparation of the financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users.

The financial statements have been prepared on the historical cost basis at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Chamber’s accounting policies, which are described in note 4, the directors of the Chamber are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**3. BASIS OF PREPARATION (CONTINUED)**

Critical accounting judgements and key sources of estimation uncertainty (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgements and key sources of estimation uncertainty during the financial year.

**4. MATERIAL ACCOUNTING POLICY INFORMATION**

(a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss.

Depreciation is calculated to write off the cost of items of fixed assets, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Leasehold improvements	2 – 3 years
Right-of-use asset	Over the lease term
Furniture and fixtures	5 years
Computer and office equipment	3½ years

Both the useful life of an asset and its residual value, if any, are reviewed annually.

The carrying amounts of fixed assets are reviewed for indications of impairment at the end of each reporting period. An impairment loss is recognised in profit or loss if the carrying amounts of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The recoverable amount of an asset, or of the cash-generating unit to which it belongs, is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Gains or losses arising from the retirement or disposal of an item of fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

**(b) Leases**

When the Chamber acts as a lessee, the Chamber assesses at inception of a contract whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a year of time of exchange for consideration.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Chamber elects, by class of underlying asset, not to separate non-lease components from lease components and instead account for each lease component and any associated non-lease components as a single lease component.

At the commencement date, the Chamber recognises a right-of-use asset and a lease liability for the rights and obligations created by all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases for which the underlying asset is of low value. The Chamber recognises the lease payments associated with those short-term leases and leases for which the underlying asset is of low value as an expense on a straight-line basis over the lease term.

When the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting year in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use asset also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 4(a) and 4(g)).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

(b) Leases (Continued)

The Chamber presents right-of-use assets that meet the definition of investment property in investment property, presents right-of-use assets that do not meet the definition of investment property in property, plant and equipment (see note 4(a)), and presents lease liabilities separately in the statement of financial position.

(c) Receivables

A receivable is recognised when the Chamber's right to consideration is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Chamber has an unconditional right to consideration, the amount is presented as a contract asset. Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

When there is any evidence indicating that the receivable balances become uncollectible, for instance, when the debtors suffer from liquidation, bankruptcy, having net liabilities or inadequate cash flow, bad debts are recognised and the balances are written off in that period against the corresponding provision for expected credit losses ("ECL") allowance that has previously been made for these balances.

(d) Payables

Payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(f) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.



**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

(g) Credit losses and impairment of assets

(i) Impairment of financial assets

The Chamber recognises a loss allowance for expected credit losses (“ECL”) on the financial assets measured at amortised cost (including bank deposits and cash and trade and other receivables).

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Chamber in accordance with the contract and the cash flows that the Chamber expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- bank deposits and cash, and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECL is the maximum contractual period over which the Chamber is exposed to credit risk.

In measuring ECL, the Chamber takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECL are measured on either of the following bases:

- 12-month ECL: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECL: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

(g) Credit losses and impairment of assets (Continued)

(i) Impairment of financial assets (Continued)

Accounts receivable and other financial assets measured at amortised cost

The Chamber measures the loss allowance for other receivables equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Chamber recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of default occurring since initial recognition.

In assessing whether the credit risk has increased significantly since initial recognition, the Chamber compares the risk of a default occurring on the financial assets at the reporting date with the risk of default occurring on the financial assets at the date of initial recognition. In making this assessment, the Chamber considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

(g) Credit losses and impairment of assets (Continued)

(i) Impairment of financial assets (Continued)

Accounts receivable and other financial assets measured at amortised cost  
(Continued)

Despite the foregoing, the Chamber assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

For internal credit risk management, the Chamber considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Chamber, in full (without taking into account any collateral held by the Chamber).

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the property, plant and equipment may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

(g) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets (Continued)

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(h) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognized.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

(i) Provision and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Chamber has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(j) Revenue recognition

After the adoption of HKFRS 15, the Chamber recognises revenue from contracts with customers when (or as) the Chamber satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Chamber recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained in accordance with HKFRS 15) that is allocated to that performance obligation. Further details of the Chamber's revenue and other income recognition policies are as follows:

- (i) Members' subscriptions are accounted for on a pro-rata basis over the period of membership.
- (ii) Income from events held is recognised when the event takes place.
- (iii) Income from projects mainly arose from projects mainly arose from advertising, boardroom hire and intern program.
- (iv) Income is recognised upon publication of advertisements.
- (v) Income from other mainly arose from receipt of Employee Subsidy Scheme and sponsorship.
- (vi) Interest income is recognised as it accrues using the effective interest method.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

(k) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

(l) Related parties

(i) A person, or a close member of that person's family, is related to the Chamber if that person:

- (1) has control or joint control over the Chamber;
- (2) has significant influence over the Chamber;
- (3) is a member of the key management personnel of the Chamber or the Chamber's parent.

(ii) An entity is related to the Chamber if any of the following conditions applies:

- (1) The entity and the Chamber are members of the same Chamber (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Chamber of which the other entity is a member).
- (3) Both entities are joint ventures of the same third party.
- (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (5) The entity is a post-employment benefit plan for the benefit of employees of either the Chamber or an entity related to the Chamber.
- (6) The entity is controlled or jointly controlled by a person identified in (i) above.
- (7) A person identified in (i)(1) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (8) The entity, or any member of a Chamber of which it is a part, provides key management personnel services to the Chamber or to the Chamber's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

- (1) that person's children and spouse or domestic partner;
- (2) children of that person's spouse or domestic partner; and
- (3) dependents of that person or that person's spouse or domestic partner.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**5. TURNOVER**

The Chamber is principally engaged in enhancing the profile of Australian business in Hong Kong and creating and sustaining network and business development opportunities for members.

Membership subscription and entrance fees for events received from members of the Chamber were conducted in the normal course of operations at terms no less than those charged to, and contracted with, other third parties, apart from non-members who were charged a small entrance fee premium. Sponsors, including members of the Chamber, were charged special rates for entrance fees to events as part of the usual sponsorship agreements.

Turnover recognised during the year is as follows:

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
Members' subscriptions	3,242,550	3,702,512
Income from events	1,078,362	843,634
	<u>4,320,912</u>	<u>4,546,146</u>

**6. OTHER REVENUE**

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
Project income	157,059	381,359
Other income	187,214	170,423
	<u>344,273</u>	<u>551,782</u>

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**7. DEFICIT BEFORE TAXATION**

Deficit before taxation is arrived at after charging:

(a) Staff costs

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
Salaries, wages and other benefits	3,440,529	3,614,381
Contributions to defined contribution retirement plan	<u>90,429</u>	<u>104,525</u>
	<u><b>3,530,958</b></u>	<u><b>3,718,633</b></u>

Included in staff costs is remuneration of key management personnel of HK\$1,398,000 (2023: HK\$1,218,000).

(b) Other items

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
Depreciation	<u>6,454</u>	<u>19,326</u>

**8. FINANCE COST**

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
Lease interest	<u>3,577</u>	<u>16,049</u>



**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**9. OTHER OPERATING EXPENSES**

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
Accounting fee	191,540	-
Air conditioning and management fee	79,818	97,560
Auditor's remuneration	63,800	63,800
Bank charges	31,731	8,233
Business registration fee	2,150	150
Computer expenses	160,434	165,999
Depreciation - right-of-use assets	118,243	500,122
Electricity	16,226	24,689
Entertainment	33,844	22,295
Hospitality	2,403	9,747
Insurance premium	30,190	29,360
Internet	4,747	2,496
Medical insurance	150,842	119,773
Professional fee	41,973	10,785
Office supplies and maintenance	67,702	67,911
Rates	20,019	17,000
Rent expense	309,214	-
Recruitment	3,482	1,065
Social media	409	961
Sundry expenses	5	-
Telephone and fax	9,863	9,410
Trademark	1,569	1,569
Travelling	20,020	5,731
	<u>1,360,224</u>	<u>1,158,656</u>

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**10. INCOME TAX EXPENSE**

No provision for Hong Kong profits tax for the year has been made since the Chamber has made a taxation loss for the year. (2023: Nil).

As at 30 June 2024, there was cumulative tax losses of HK\$1,898,406 (2023: HK\$1,526,309) available to be carried forward against future taxable profits.

(a) Reconciliation between tax expense and accounting deficit at applicable tax rate:

	<b>2024</b> <b>HK\$</b>	<b>2023</b> <b>HK\$</b>
Deficit before taxation	<u>(322,335)</u>	<u>(32,136)</u>
Notional tax on deficit before taxation, calculated at 16.5% (2023: 16.5%)	(53,185)	(5,302)
Tax effect of non-taxable income	(8,094)	(9,299)
Taxation credit brought forward offset against with the assessable profits	61,395	12,450
Tax effect of timing differences not recognised	<u>(116)</u>	<u>2,151</u>
Income tax expense	<u>-</u>	<u>-</u>

(b) Deferred tax assets not recognized

The Chamber has not recognised deductible temporary differences of HK\$1,907,583 (2023: HK\$1,536,195) that give rise to deferred tax assets of HK\$314,751 as at 30 June 2024 (2023: HK\$253,472) in respect of estimated cumulative tax losses, as it is not probable that future taxable profits against which the losses can be utilized will be available. No provision for deferred tax has been made on other deductible temporary differences including those arising from depreciation charges in excess of related depreciation allowances. The tax losses do not expire under current tax legislation.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**11. DIRECTORS' REMUNERATION**

No directors' remuneration as defined as Section 383(1) of the Hong Kong Companies Ordinance was paid or payable for the year (2023: Nil).

**12. PROPERTY, PLANT AND EQUIPMENT**

	Leasehold improvements HK\$	Furniture and fixture HK\$	Computer and office equipment HK\$	Total HK\$
<b>COST</b>				
At 1 July 2022	1,246,801	167,602	1,859,021	3,273,424
Additions	-	-	-	-
At 30 June 2023 and 1 July 2023	1,246,801	167,602	1,859,021	3,273,424
Additions	28,600	-	-	28,600
Disposals	(1,246,801)	(134,773)	(1,753,964)	(3,135,538)
At 30 June 2024	28,600	32,829	105,057	166,486
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>				
At 1 July 2022	1,246,801	159,994	1,839,124	3,245,919
Charge for the year	-	3,604	15,723	19,327
At 30 June 2023 and 1 July 2023	1,246,801	163,598	1,854,847	3,265,246
Charge for the year	3,178	2,852	424	6,454
Eliminated on disposals	(1,246,801)	(134,334)	(1,750,214)	(3,131,349)
At 30 June 2024	3,178	32,116	105,057	140,351
<b>CARRYING VALUES</b>				
At 30 June 2024	25,422	713	-	26,135
At 30 June 2023	-	4,004	4,174	8,178

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**13. LEASES**

(a) Right-of-use assets

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
<b>Cost</b>		
At 1 July	1,000,244	1,000,244
Additions	279,114	-
Written-off	<u>(1,000,244)</u>	<u>-</u>
At 30 June	<u>279,114</u>	<u>1,000,244</u>
<b>Accumulated depreciation</b>		
At 1 July	916,890	416,768
Depreciation	118,243	500,122
Written-off	<u>(1,000,244)</u>	<u>-</u>
At 30 June	<u>34,889</u>	<u>916,890</u>
<b>Net book value</b>	<u>244,225</u>	<u>83,354</u>

The right-of-use assets is a lease of office premise.

(b) Lease liability

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
Current portion	140,652	-
Non-current portion	<u>110,191</u>	<u>87,219</u>
	<u>250,843</u>	<u>87,219</u>

**14. ACCOUNTS RECEIVABLE, DEPOSITS AND PREPAYMENTS**

	<b>2024 HK\$</b>	<b>2023 HK\$</b>
Accounts receivable	499,490	236,850
Less: allowance for doubtful debts	<u>(1,270)</u>	<u>(1,270)</u>
	<u>498,220</u>	<u>235,580</u>
Deposits and prepayments	<u>185,140</u>	<u>280,698</u>
	<u>683,360</u>	<u>516,278</u>

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**14. ACCOUNTS RECEIVABLE, DEPOSITS AND PREPAYMENTS (CONTINUED)**

The amount of the Chamber's deposits and prepayments expected to be recovered or recognised as expense after more than one year is Nil (2023: Nil). All other accounts receivable, deposits and prepayments are expected to be recovered or recognised as expense within one year.

Accounts receivable is due within 30 days from the date of billing. Details on the Chamber's credit policy is set out in note 21(a).

The aging analysis of accounts receivable by due dates is as follows:

	<b>2024</b>	<b>2023</b>
	<b>HK\$</b>	<b>HK\$</b>
Not past due	79,040	105,900
1 month or less past due	190,050	-
2 to 3 months past due	151,100	93,400
More than 3 months past due	<u>79,300</u>	<u>37,550</u>
	<u>499,490</u>	<u>236,850</u>

The management makes periodic individual assessment on the accounts receivable and estimates the amount of ECL based on historical settlement records, past experience, forward-looking information and also quantitative and qualitative information that is reasonable and supportable. Based on above assessments, the management considered that the ECL on accounts receivable is immaterial and therefore no ECL was recognized for the year (2023: Nil).

**15. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include the following components:

	<b>2024</b>	<b>2023</b>
	<b>HK\$</b>	<b>HK\$</b>
Cash at banks and in hand	<u>2,874,478</u>	<u>2,979,899</u>

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**16. PAYABLES**

- (a) Accounts payable and accrued charges

The amount represents expenses and accruals in the ordinary course of operations.

- (b) Subscriptions in advance

The amount represents membership fees which have been received in advance and which are earned over the course of the membership period, typically one year.

- (c) Deferred income

The amount represents sponsorship, event services fees and event ticket fees which have been received for events which have not been held as at the end of the financial year.

**17. EMPLOYEE RETIREMENT BENEFITS**

The Chamber operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Scheme Ordinance for employees. The MPF scheme is defined contribution retirement scheme administered by independent trustee. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of \$30,000. Contributions to the plan vest immediately.

**18. PROVISION FOR REINSTATEMENT COSTS**

	<b>2024</b>	<b>2023</b>
	<b>HK\$</b>	<b>HK\$</b>
At 1 July	208,050	208,050
Reversal	<u>(168,050)</u>	<u>-</u>
At 30 June	40,000	208,050
Less: Current portion	<u>-</u>	<u>-</u>
Non-current portion	<u>40,000</u>	<u>208,050</u>

The Chamber is required to reinstate the property at the end of the lease. Provision is therefore made for the best estimate of the expected costs that relate to the restoration of the alternations made to the property under the operating lease.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**19. LIMITED BY GUARANTEE**

The Chamber is limited by guarantee, such that under the provisions of the Chamber's memorandum of association every member shall, in the event of the Chamber being wound up, contribute such amount as may be required to meet the liabilities and expenses of the Chamber, but not exceeding HK\$100 each.

Should there remain any property on winding up, after satisfaction of all the Chamber's liabilities, this is required to be transferred or given to other institutions with similar objectives to those of the Chamber.

**20. FUNDS**

(a) Components of the Chamber's funds

The opening and closing balances of each component of the Chamber's funds and reconciliation between these amounts are set out in the statement of changes in funds.

(b) Funds management

The Chamber's primary objectives when managing funds are to safeguard the Chamber's ability to continue as a going concern, so that it can continue to provide services to the Chamber's members by pricing services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Chamber is not subject to externally imposed fund requirements in either the current or prior year.

(c) Estate fund reserve

Included in the Chamber's accumulated deficit is an Estate Fund Reserve as prescribed by the Memorandum and Articles of the Chamber. For each financial year in which the Chamber achieves a net profit, the Chamber is required to set aside an amount equal to 5% of the net profit to the Estate Funds Reserve which is to be used for funding the long-term premises of the Chamber. The balance in the reserve at 30 June 2024 was HK\$75,471. (2023: HK\$75,471) There was no increase as the Chamber incurred a net loss in the financial year.

**21. FINANCIAL INSTRUMENTS BY CATEGORY**

	<b>2024</b>	<b>2023</b>
	<b>HK\$</b>	<b>HK\$</b>
Financial assets at amortised cost	<u>3,372,698</u>	<u>3,215,479</u>
Financial liabilities at amortised cost	<u>823,317</u>	<u>803,227</u>

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**22. FINANCIAL RISK MANAGEMENT AND FAIR VALUES**

Exposure to credit and liquidity risks arises in the normal course of the Chamber's activities. The Chamber's exposure to these risks and the financial risk management policies and practices to manage these risks are described below.

(a) Credit risk

The Chamber's credit risk is primarily attributable to accounts receivable and cash and cash equivalents. The Chamber has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Bank deposits and cash at bank are normally only deposited with counterparties with sound credit ratings. Given their high credits ratings, the Chamber does not expect any counterparty to fail to meet its obligations.

At the end of the reporting period, the Chamber has minimal concentration of risk.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset at the end of the reporting period. The Chamber does not provide any guarantees which would expose the Chamber to credit risk.

*Maximum exposure and year-end staging*

The tables below show the credit quality and the maximum exposure to credit risk based on the Chamber's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are gross carrying amounts for financial assets.

<b><u>As at 30 June 2024</u></b>	<b>Accounts receivable HK\$</b>	<b>Cash and cash equivalents HK\$</b>	<b>Total HK\$</b>
Stage 1	269,090	2,874,478	3,143,568
Stage 2	151,100	-	151,100
Stage 3	79,300	-	79,300
	<u>499,490</u>	<u>2,874,478</u>	<u>3,373,968</u>

<b><u>As at 30 June 2023</u></b>	<b>Accounts receivable HK\$</b>	<b>Cash and cash equivalents HK\$</b>	<b>Total HK\$</b>
Stage 1	105,900	2,979,899	3,085,799
Stage 2	93,400	-	93,400
Stage 3	37,550	-	37,550
	<u>236,850</u>	<u>2,979,899</u>	<u>3,216,749</u>



**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**22. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)**

(b) Liquidity risk

The Chamber's policy is to regularly monitor current and expected liquidity requirements, to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following table shows the remaining contractual maturities at the end of the reporting period of the Chamber's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Chamber can be required to pay.

2024	Contractual undiscounted cash outflow			Total HK\$	Carrying amount at 30 June HK\$
	Within 1 year or on demand HK\$	More than 1 year but less than 2 years HK\$	More than 2 years but less than 3 years HK\$		
Accounts payable and accrued charges	572,474	-	-	572,474	572,474
Lease liability	150,000	112,500	-	262,500	250,843
Provision for reinstatement costs	-	40,000	-	40,000	40,000
	<u>722,474</u>	<u>152,500</u>	<u>-</u>	<u>874,974</u>	<u>863,317</u>
2023	More than 1 year but less than 2 years HK\$	More than 1 year but less than 2 years HK\$	More than 2 years but less than 3 years HK\$	Total HK\$	Carrying amount at 30 June HK\$
Accounts payable and accrued charges	716,008	-	-	716,008	716,008
Lease liability	87,219	-	-	87,219	87,219
Provision for reinstatement costs	-	208,050	-	208,050	208,050
	<u>803,227</u>	<u>208,050</u>	<u>-</u>	<u>1,011,277</u>	<u>1,011,277</u>

(c) Fair values

All financial instruments are carried at amount not materially different from their fair value at 30 June 2024 and 2023.

**THE AUSTRALIAN CHAMBER OF COMMERCE IN HONG KONG  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**23. MATERIAL RELATED PARTY TRANSACTIONS**

There is no material related party for the year that enquires disclosure under Hong Kong Accounting Standard 24 “Related party disclosures”.

*Transaction with key management personnel*

The remuneration of key management personnel of the Chamber is disclosed in note 10.

**24. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified in order to conform with current year’s presentation.

**25. APPROVAL AND ISSUE OF FINANCIAL STATEMENTS**

The statement of financial position was approved and the financial statements were authorised for issue by the Board of Directors of the Chamber on **11 FEB 2025**.