

HONG KONG WATCH

England & Wales · Charity number 1180013

Details

Status Registered

Legal form CIO

Registered 2018-09-20

Register [View on the Charity Commission register](#)

Contact

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35-37 Ludgate Hill
London
EC4M 7JN

Phone 02074881867

Email info@hongkongwatch.org

Website www.hongkongwatch.org

Activities

Objects: THE OBJECTS OF THE CIO ARE TO PROMOTE HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS) IN HONG KONG BY ALL OR ANY OF THE FOLLOWING MEANS:- MONITORING ABUSES OF HUMAN RIGHTS; - OBTAINING REDRESS FOR THE VICTIMS OF SUCH ABUSES;- RESEARCH INTO HUMAN RIGHTS ISSUES;- PROVIDING TECHNICAL ADVICE TO INTERNATIONAL GOVERNMENTS, INCLUDING THE UK GOVERNMENT AND OTHERS, ON HUMAN RIGHTS;- CONTRIBUTING TO THE SOUND ADMINISTRATION OF HUMAN RIGHTS LAW BY OFFERING EXPERT ADVICE TO INTERNATIONAL GOVERNMENTS; - COMMENTING ON PROPOSED HUMAN RIGHTS LEGISLATION;- COMMENTING ON THE CAUSES OF HUMAN RIGHTS ABUSES, INCLUDING VIOLATIONS OF JUDICIAL INDEPENDENCE AND FREEDOM OF SPEECH IN ACADEMIA; - PUBLISHING AUTHORITATIVE REPORTS WHICH PROVIDE AN IN-DEPTH EXAMINATION OF POTENTIAL VIOLATIONS OF HUMAN RIGHTS;- PROMOTING RESPECT FOR HUMAN RIGHTS AMONG INDIVIDUALS AND CORPORATIONS;- INTERNATIONAL ADVOCACY OF HUMAN RIGHTS, MAKING RECOMMENDATIONS TO THE UNITED KINGDOM GOVERNMENT AND THE WIDER INTERNATIONAL COMMUNITY WHEN VIOLATIONS OF HUMAN RIGHTS IN HONG KONG TAKE PLACE;- FACILITATING DISCUSSION AND ENGAGEMENT WITH HUMAN RIGHTS IN HONG KONG AMONG KEY STAKEHOLDERS IN ACADEMIA, GOVERNMENT, PARLIAMENT, THE MEDIA, AND HONG KONG'S CIVIL SOCIETY; - RELIEVING NEED AMONG THE VICTIMS OF HUMAN RIGHTS ABUSE;- ELIMINATING INFRINGEMENTS OF HUMAN RIGHTS.IN FURTHERANCE OF THAT OBJECT BUT NOT OTHERWISE, THE TRUSTEES SHALL HAVE POWER TO ENGAGE IN POLITICAL ACTIVITY PROVIDED THAT THE TRUSTEES ARE SATISFIED THAT THE PROPOSED ACTIVITIES WILL FURTHER THE PURPOSES OF THE CHARITY TO AN EXTENT JUSTIFIED BY THE RESOURCES COMMITTED AND THE ACTIVITY IS NOT THE DOMINANT MEANS BY WHICH THE CHARITY CARRIED OUT ITS OBJECTS.THIS OBJECT WILL BE PURSUED PARTICULARLY FROM THE UNITED KINGDOM OR ELSEWHERE IN THE WORLD AT THE TRUSTEES' DISCRETION.NOTHING IN THIS CONSTITUTION SHALL AUTHORISE AN APPLICATION OF THE PROPERTY OF THE CIO FOR THE PURPOSES WHICH ARE NOT CHARITABLE IN ACCORDANCE WITH [SECTION 7 OF THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT 2005] AND [SECTION 2 OF THE CHARITIES ACT (NORTHERN IRELAND) 2008].

Activities: Promotion of human rights in Hong Kong by: monitoring abuses, research into human rights issues and providing technical advice; publishing in-depth reports; raising awareness of, and promoting public support for, human rights issues; facilitating discussion and engagement with human rights in civil society; and international advocacy of human rights.

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£431,131	£437,002	-	-
2023-12-31	£392,051	£418,833	-	-
2022-12-31	£600,825	£387,000	£1,292,269	7
2021-12-31	£566,719	£272,149	£1,078,444	7
2020-12-31	£756,584	£136,107	£783,874	4

Trustees

Name	Role	Appointed
Benedict Rogers	Chair	2024-08-03
AILEEN YI WAN LAM		2018-09-20
Dr MALTE PHILIPP KAEDING PHD		2018-09-20
GRAY DANIEL SERGEANT		2018-09-20

HONG KONG WATCH

England & Wales - Charity number 1180013

Accounts

REGISTERED CHARITY NUMBER: 1180013

Report of the Trustees and Financial Statements for
the
Year Ended 31 December 2024

Hong Kong Watch
(A Charitable Incorporated Organisation)

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**Company Information for the
Year Ended 31 December 2024**

**Report of the Trustees
for the Period 1 January 2024 to 31 December 2024**

The Trustees present their report with the financial statements of the charity for the period 1 January 2024 to 31 December 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number: 1180013

Principal address

Office 7
35-37 Ludgate Hill
London
EC4M 7JN

Trustees

Aileen Yi Wan Lam (Chair)
Gray Sergeant
Dr Malte Kaeding
Benedict Rogers (joined on 3 August 2024)
Michael Danielsen (joined on 25 February 2024, until 7 July 2025)

UK Patrons

Alistair Carmichael MP
Lord Alton of Liverpool
Former MP Fiona Bruce
Sir Geoffrey Nice KC
Sir Malcolm Rifkind KC
Lord Patten of Barnes
Sarah Champion MP (until March 2025)
Baroness Kennedy of The Shaws KC
Catherine West MP (until her appointment as Indo-Pacific Minister in July 2024)
Lord Ashdown of Norton-sub-Hamdon (until December 2018 when he passed away)

International Patrons

Garnett Genuis MP (Canada)
Jung-Hoon Lee (South Korea)
Ambassador Derek Mitchell (US)
Ambassador Sam Brownback (US)
Hon. Irwin Cotler (Canada)
Former Senator Jim Munson (Canada)
Senator Leo Housakos (Canada)
James Bezan MP (Canada)
Melissa Lantsman MP (Canada)
Cathay Wagantall MP (Canada)

**Company Information for the
Year Ended 31 December 2024**

Shuvaloy Majumdar MP (Canada)
Alexis Brunelle-Duceppe MP (Canada)
Miriam Lexmann MEP (Slovakia)
Frank Müller-Rosentritt MdB (Germany)
Hon. David Kilgour (until April 2022 when he passed away)

Independent examiner

Samuel Troy FCA, Connected Accounting Limited
2 Victoria Square, St Albans, AL1 3TF

Report of the Independent Examiner to the Trustees of Hong Kong Watch

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was formed on 20 September 2018 as a Charitable Incorporated Organisation, controlled by its governing document and which constitutes an incorporated charity. The charity registration number is 1180013.

Trustee selection and training

Hong Kong Watch is governed by a Board of Trustees whose members are elected as the need arises. The Trustees who have served during the year are set out above. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. The charity trustees will make available to each new charity trustee, on or before his or her first appointment: a) a copy of the current version of this constitution; and b) a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

Organisational structure

The Board of Trustees administers the charity and meets regularly. Responsibility for day-to-day management of the charity has been delegated to the Senior Management Team.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The measures are set out in the relevant internal policies such as the Financial Management and Controls Policy, the Anti-Money Laundering Policy and the Health and Safety Policy. Policies and risks are regularly reviewed.

OBJECTIVES AND ACTIVITIES

Hong Kong Watch's charitable objects are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) in Hong Kong by all or any of the following means:

- Monitoring abuses of human rights;
- Raising worldwide awareness of human rights issues in Hong Kong;
- Promoting respect for human rights among individuals and corporations;
- Publishing authoritative research reports which provide an in-depth examination of potential violations of human rights;
- Providing technical advice to the British government and governments worldwide on human rights issues in Hong Kong;
- Commenting on proposed human rights legislation affecting Hong Kong;
- Commenting on the causes of human rights abuses in Hong Kong, including violations of judicial independence and freedom of religion or belief;
- Informing the British government and the wider international community when violations of human rights in Hong Kong take place;
- Facilitating discussion and engagement with human rights in Hong Kong among key stakeholders in government, parliament, media, academia and Hong Kong civil society.

Report of the Independent Examiner to the Trustees of Hong Kong Watch

The Board of Trustees review the aims, objectives and activities of the organisation each year. This report looks at what the organisation has achieved and the outcomes of its work in the reporting period. The Board of Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Board of Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The Board of Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Board of Trustees consider how planned activities will contribute to the aims and objectives that have been set.

PUBLIC BENEFIT

In carrying out its work Hong Kong Watch pays due regard to Charity Commission guidance concerning public benefit. The Trustees are satisfied that all Hong Kong Watch's activities for the financial year that ended 31 December 2024 were of public benefit and that the organisation's funds were spent so as to achieve public benefit.

ACHIEVEMENTS AND PERFORMANCE

2024 saw the passage of the Safeguarding National Security Bill under Article 23 of the Basic Law of Hong Kong. This domestic national security legislation aggressively undermines the autonomy, democracy, and rule of law in Hong Kong, while also threatening the safety of those overseas through various forms of transnational repression. Key trends during the reporting year included:

- Ongoing arrests and convictions under the National Security Law and the Safeguarding National Security Ordinance (also known as Article 23).
- The trial of Jimmy Lai: British citizens had been targeted as 'co-conspirators' or 'collaborators'.
- The case of 'Hong Kong 47': 45 including former legislators, activists and trade unionists, convicted under the National Security Law with sentencing ranging from 4 years and 2 months to 10 years' imprisonment.
- Transnational repression: Six further exiled Hong Kongers targeted with arrest warrants and HK\$1 million bounties on Christmas Eve; national security police targeted families and cancelled passports of overseas Hong Kong activists.
- Declining press freedom: *Stand News* editors found guilty of alleged sedition; *Bloomberg* journalist denied work visa.
- Crackdown on civic society and liberty: Civic Party of Hong Kong officially dissolved following the enactment of Article 23; Hong Kong court banned pro-democracy anthem 'Glory to Hong Kong'; titles forced to be removed from the Hong Kong Book Fair.

Report of the Independent Examiner to the Trustees of Hong Kong Watch

In response to the significant decline in Hong Kong's human rights and basic freedoms, Hong Kong Watch worked closely with parliamentarians, international organisations, civil society groups and the media to educate them on political prisoner trial developments in Hong Kong. We also focused on identifying policy gaps within international lifeboat schemes through regular parliamentary engagement and original research. Through our community outreach initiatives in the United Kingdom, Europe and North America, we worked to forge connections between diaspora Hong Kong communities and promote engagement with civic and democratic processes.

1. Human Rights Campaigns

Political prisoners campaign

Throughout the reporting year, we continued to monitor cases related to political prisoners and charges under the National Security Law. We did so through regular maintenance of our political prisoners database, and updating international governments about the latest developments in Hong Kong. In particular, we prepared a briefing document for over 40 MPs to inform them about the latest development of Hong Kong's human rights situation ahead of a Westminster Hall debate held in January. As a result, numerous MPs cited the ongoing trial of British citizen Jimmy Lai, and raised their concerns that at least four British citizens have been named as either 'co-conspirators' or 'collaborators' in the case. Our team also testified at a hearing held by the Canadian Parliament on the detention of Hong Kong political prisoner Jimmy Lai, and reiterated our call for his immediate and unconditional release.

To mark World Press Freedom Day this year, we organised an event in the UK Parliament to discuss the erosion of press freedom in Hong Kong following the enactment of Article 23, and call for an end to the prosecution of the owner of pro-democracy newspaper *Apple Daily*, Jimmy Lai.

In May 2024, we facilitated a joint statement from a cross-party international coalition of 47 parliamentarians and public figures to condemn the verdict of the 'Hong Kong 47' case, where former and aspiring legislators were charged on national security grounds for organising and participating in an unofficial primary election. Following the sentencing of 45 of the Hong Kong 47, we spoke at a press conference outside the US Congress alongside Members of Congress and other representatives of the Hong Kong diaspora, and highlighted the impact of the National Security Law on the rule of law in Hong Kong.

International lifeboat campaign

In order to inform policy-makers of the latest human rights developments in Hong Kong and iron out gaps in existing international lifeboat schemes, we strengthened our parliamentary engagement through regular contact with government officials and representatives in the UK, the EU, the US and Canada.

United Kingdom

Throughout the year, we had regular meetings with UK parliamentarians, government officials and diplomats to inform them of the critical issues that impact those on the BNO visa scheme. In particular, following the General Election, we organised a parliamentary seminar in October to explore how the new UK Parliament and government should approach Hong Kong and support the Hong Kong community.

Report of the Independent Examiner to the Trustees of Hong Kong Watch

European Union

From January to March 2024, Hong Kong Watch conducted three visits to Brussels to discuss the dangers of Article 23 legislation in Hong Kong. During the visits, we met with MEP offices, diplomatic missions, the Belgian Ministry of Foreign Affairs and other NGOs to discuss the human rights situation in China and Hong Kong, and attended various events to deepen our connection with other EU Hong Konger groups.

United States

This year, we continued to broaden our connections with US policy-makers, NGOs, and other key stakeholders to educate them on the latest human rights developments in Hong Kong. Following the launch of our report on the state of freedom of religion or belief in Hong Kong last year, we attended the International Religious Freedom Summit in Washington DC. During the visit, we spoke at panel and roundtable events, and met with the US State Department, congressional offices, civil society and think tank organisations. We will continue to meet and update key stakeholders in Washington DC on the evolving human rights crisis in Hong Kong.

Canada

Since the announcement of the Canadian lifeboat scheme in November 2020, Hong Kong Watch has worked to identify gaps within the proposed framework to ensure it remains accessible to more Hong Kongers in need. This year, we continued to inform policy-makers about key issues faced by those on the Hong Kong Pathway through meetings with Parliamentarians, government offices, the Prime Minister's Office, and NGO contacts. We also worked with the Hong Kong community to amplify their concerns by supporting community actions and hosting online information sessions.

Transnational repression campaign

In light of the passage of Article 23 this year, we strengthened our work to inform policy-makers in the UK, Canada and the US about the risk it poses to the safety of the Hong Kong diaspora. We made a submission as part of the Article 23 consultation process, and published a joint letter signed by over 85 international human rights groups to warn international governments about the risk of transnational repression it poses. This was followed by a statement led by Hong Kong Watch from 90 international parliamentarians and public figures condemning the passage of Article 23.

In March, we made a submission to the Joint Committee on the National Security Strategy in the UK Parliament to raise the issue of transnational repression of BNO Hong Kongers in the UK, and its potential impact on BNO visa holders' participation in the UK's electoral democracy as we enter an election year.

In April, we published a new briefing to warn about the threats of transnational repression and foreign interference faced by Hong Kongers in Canada, followed by a meeting with the Royal Canadian Mounted Police (RCMP) National Security unit to discuss our findings. In August, our team gave evidence at a government inquiry on foreign interference, where we shared our insights on addressing concerns surrounding foreign influence in democratic processes in Canada. Later in October, we also spoke at a Foreign Interference Public Inquiry Consultation Panel, to highlight the need for legislative response to transnational repression in Canada and identify gaps in existing legislation.

Report of the Independent Examiner to the Trustees of Hong Kong Watch

Mandatory Provident Fund campaign

Since the launch of our Mandatory Provident Fund (MPF) campaign in April 2023, we have worked to educate policy-makers on the issue of Hong Kongers being denied access to their MPF retirement savings. Our research, updated in May 2024, found that Hong Kongers have been blocked from accessing up to £3 billion worth of their savings that they are entitled to withdraw after permanently departing from Hong Kong. This issue mainly affects BNO Hong Kongers in the UK and Canada.

Following the passage of a motion in the Canadian Parliament in February 2024 to summon executives of two financial institutions to testify at a Committee hearing on MPF issues, we testified in the Canadian House of Commons to inform policymakers about our research findings.

In November 2024, we coordinated a letter from 13 UK parliamentarians to a financial institution to inquire about how its restructure will affect BNO Hong Kongers who make MPF claims. We also organised a community letter signed by nearly 400 Hong Kongers to urge a financial institution to release Hong Kongers' MPF retirement savings. This was followed by a hearing in the UK Parliament where we heard the personal testimonies of three affected Hong Kongers.

Special privileges campaign

Given the rapid deterioration of human rights in Hong Kong, this year, Hong Kong Watch actively participated in the discussion of the status of Hong Kong in international fora and raised concerns about Hong Kong's special privileges across the UK, the EU, Canada and the US. Our activities include submitting written evidence to the UK House of Commons Foreign Affairs Committee inquiry on Hong Kong's role in international fora, organising online consultation calls with the Hong Kong diaspora, and hosting a seminar in the Canadian Parliament on Hong Kong's special status.

2. Research and Policy Briefing

Monthly human rights developments briefings

Through our in-depth research reports and policy briefings, we aim to provide comprehensive and independent analysis of the human rights situation in Hong Kong, support the development of our international campaigns, identify policy gaps and inform policy-makers around the globe of ways to enhance support for the diaspora Hong Kong community in their countries. Our human rights developments briefings are published monthly to document the rapid deterioration of human rights in Hong Kong following the imposition of the National Security Law in 2020 and the Safeguarding National Security Ordinance in 2024.

Biweekly political prisoners briefings

Along with our monthly human rights briefings, we also published biweekly political prisoners briefings after the start of the trial of the 47 democrats in February 2023. Both the monthly human rights developments and biweekly political prisoners briefings were shared with key stakeholders around the world.

Report of the Independent Examiner to the Trustees of Hong Kong Watch

In-depth research

In November 2024, we published a report titled *Invisible Decline: Violations of Digital Rights in Hong Kong and Their Impact*, and explored the decline of digital rights in Hong Kong. The report was launched in London, Brussels, Ottawa and Washington DC, where we heard from Hong Kong activists who had experienced transnational repression in the digital space.

In the same month, we also organised an online launch of our report titled *In the Name of National Security: How Hong Kong's National Security Laws Dismantle the Rule of Law in Comparative Perspective*. This report analyses the impact of Hong Kong's national security laws on the rule of law in Hong Kong and offers a comparative review with legislation in China, Russia, and Malaysia.

Other research papers and policy briefings

In January 2024, we published a briefing exposing the risks of Huawei and Build Your Dreams establishing factories in the EU, following their respective announcements of the establishment of their first European factories in Hungary and France, in November and December 2023. Later in April, the European Council and Parliament respectively passed the European Commission's proposal of 'prohibiting products made with forced labour on the Union market' as recommended in this briefing.

In March 2024, we launched a briefing making the case of granting home fee status for BNO students in the British Parliament. During the launch, we heard testimonies from young BNO students on how the prohibitive international fees would impact their futures.

In April 2024, we published a briefing urging EU member states to introduce lifeboat schemes for Hong Kongers in the EU. The briefing found that 1.86 million Hong Kongers continue to have no lifeline out of Hong Kong, following the passage of Article 23 in March.

In the same month, we published a policy briefing outlining urgent cases affected by the backlog of permanent residency applications under the Hong Kong Pathway. The briefing analyses survey data and highlights the severe impact on the validity of study permits for applicants' children.

In response to the enactment of Article 23 and increasing transnational repression by the Chinese government in the UK, we published a briefing in May 2024 urging the UK government to address these state-sponsored threats to the Hong Kong diaspora.

Building on original research from last year, we updated our briefings on withheld MPF retirement savings in the UK and Canada, and on Hong Kong Economic and Trade Offices (HKETOs) in Canada.

In July 2024, we released a policy briefing calling for the UK government to redress the eligibility gap in the BNO visa which leaves Hong Kongers born between 1 July 1979 and 30 June 1997 to BNO parents out of the scheme.

On the day of the State Opening of the British Parliament, we published a briefing, *UK Policy Roadmap on Hong Kong*, which outlines key issues affecting the Hong Kong community and policy recommendations for the new government to address them.

Report of the Independent Examiner to the Trustees of Hong Kong Watch

In September 2024, we published a briefing, *EU Policy Roadmap on Hong Kong*, which illustrates how the European Parliament and other EU Institutions should approach Hong Kong, especially following the passage of Article 23 in March.

Over the summer and autumn, Hong Kong Watch distributed a survey to the Hong Kong diaspora around the world to identify key concerns and priorities of the diaspora. The survey results were compiled and published as a briefing. This was followed by a consultation call to collect further input from the community to inform our future work.

3. Education and Community Outreach

Youth Initiative programme

This year, we continued our Youth Initiative programme in Canada to support the integration of young Hong Kongers into Canadian society through civic and political engagement. We held four in-person training workshops in Toronto in partnership with Members of Parliament and a parliamentary intern to educate Hong Kongers about the role of elected representatives, government structures and mechanisms.

Canada

Throughout the year, we also strengthened our relationship with the Hong Kong diaspora in Canada and worked to connect Members of Parliament with their constituents through various community initiatives organised by a community centre. Activities included festive celebrations around Lunar New Year and Mid-Autumn festival, roundtable discussions to address urgent cases concerning Hong Kong Pathway applicants, and conference sessions aimed at educating the Hong Kong diaspora worldwide about Canadian federal politics and international relations, in Ottawa.

United Kingdom

Since 2022, Hong Kong Watch has delivered a series of civic and political engagement events which aims to help the Hong Kong BNO community better understand the UK's political and social structures and encourage them to engage with civic and democratic processes.

This year, we organised a series of events to educate BNOs about their voting rights and encourage them to participate in the UK's General Election. This included a seminar on election and voting with a cross-party panel of local Councillors in Wimbledon, and a hustings event in Sutton for BNO Hong Kongers to meet with their local candidates and learn about the different political parties. Following the election, we organised two events in Reading and Nottingham respectively, for BNOs to meet their newly elected representatives and raise questions about the government's policy on BNO issues.

Over the summer and autumn, we also organised a number of events in London to promote social integration of BNOs by informing them about local services and resources on policing, NHS, education, taxation and volunteering.

Report of the Independent Examiner to the Trustees of Hong Kong Watch

To strengthen our connection with the diaspora community and other human rights organisations, Hong Kong Watch actively participates in collaborative actions with Hong Kong community groups and NGOs. In particular, we co-organised a three-day conference event where we facilitated engagement between the Hong Kong community and MPs. To commemorate the 35th anniversary of the Tiananmen Square massacre, we supported an event featuring a panel discussion with activists in collaboration with other human rights NGOs. In November, Hong Kong Watch spoke at an event in Glasgow to address transnational repression against the Hong Kong diaspora via INTERPOL's Red Notice system. We also co-hosted a seminar on repression across Asia in the UK Parliament, in partnership with human rights groups focusing on North Korea, Tibet, and the Uyghur region. Throughout the year, we also participated in a number of close-door roundtables to discuss strategic responses to Article 23 legislation and its associated business risks.

Europe

In September, our team visited the Hague in the Netherlands and spoke at the launch event of a Hong Kong community organisation which brings together art, culture, and social justice, alongside other Hong Kong activists and artists.

4. Media and Social Media

Engagement via media and our social media channels is an essential tool for Hong Kong Watch to raise public awareness of Hong Kong's human rights issues and to disseminate educational information with regards to human rights standards to a wide audience.

Hong Kong Watch has broadened its extensive network in international and Hong Kong media, both print and online. During the reporting period, a total of 82 op-eds written by our Patrons and staff members were published in leading media outlets across the world, including *The Telegraph*, *The Spectator*, *The Diplomat*, *The Independent*, *The Hill*, *Inside Policy* of the Macdonald-Laurier Institute, *The Tablet*, and *UCA News*.

We continued to build on our reputation of expertise on Hong Kong by giving interviews and commenting on TV and radio channels. During the reporting period, we secured extensive media coverage, including in top media outlets such as *BBC*, *Bloomberg*, *The Guardian*, *Reuters*, *The Telegraph*, *The Times*, *Sky News*, *The i Paper*, *Nikkei Asia*, *The Globe and Mail*, and *National Post*.

Hong Kong Watch makes an impact through online presence as well, on social media platforms and our website by:

- raising awareness and reaching new audiences
- publicising our research and views
- offering ways for our supporters and Hong Kong people to communicate with us
- allowing us opportunities to establish relationships with civil society actors, policy-makers and media globally
- promoting our fundraising campaigns

Our social media platforms, Facebook, Instagram and Twitter, all saw a rise in impact in the reporting year. This increased online presence was also reflected on our website, where all activity updates, research reports, events, campaigns, and media coverage of the organisation were posted.

**Report of the Independent Examiner to the Trustees of
Hong Kong Watch**

PLANS FOR FUTURE PERIODS

Following the passage of the Safeguarding National Security Ordinance in March 2024 and the continued violation of human rights and basic freedoms in Hong Kong, Hong Kong Watch will continue to speak up for the rights and freedoms of Hong Kongers who remain in Hong Kong and those in the diaspora around the world. Priority areas going forward include: continuing to keep a spotlight on the human rights situation in Hong Kong; identifying and informing the international community of the gaps in lifeboat policies for Hong Kongers, especially in the UK and Canada; speaking up for political prisoners in Hong Kong; tackling transnational repression against the Hong Kong diaspora, including the blocking of access to MPF savings; ensuring that perpetrators of human rights violations in Hong Kong, the undermining of the rule of law, and breaches to the Sino-British Joint Declaration are held to account; conducting research and informing the international community on business and human rights, the impact of the National Security Law and Safeguarding National Security Ordinance, academic freedom, digital rights, transnational repression, Hong Kong's special privileges, and the civil society landscape in Hong Kong; providing civic and political education for the Hong Konger diaspora through our Civic and Political Engagement series, Youth Initiative programmes and community events, and continuing to educate policy-makers, the media and the public about the situation in Hong Kong.

FINANCIAL REVIEW

Hong Kong Watch concluded 2024 with a slight deficit of £5,871 and a reserve exceeding three years' worth of current HR expenditure, in line with our reserves policy. Despite the deficit this year, total income increased by 10%. The charity remains in a strong position to sustain and expand its activities in the future. Fundraising was concentrated on a crowdfunding campaign in the autumn, which raised just over £67,000. With these funds, Hong Kong Watch was able to maintain and expand its operations. The total number of employees and regular contractors was seven by the end of 2024.

Principal funding sources

The principal source of funding for Hong Kong Watch remained private donations from individuals, as in previous years. We would like to express our heartfelt gratitude for the generous contributions made by the individuals who have funded our work, as well as the grant makers and foundations that have supported us in 2024.

Hong Kong Watch has not employed any professional fundraisers or commercial participators to carry out fundraising activities directly with the public. The organisation also did not have any fundraising carried out by third parties and therefore did not subscribe to any fundraising schemes or codes.

Report of the Independent Examiner to the Trustees of Hong Kong Watch

Policy on reserves

The Board maintains its position that the organisation should keep unrestricted reserves adequate for three years of the current level of HR expenditure. The objective is to ensure that the charity will be in a position to sustain its activities in the long term. The Directors will continue to work with the Board of Trustees to monitor reserves, and manage annual budgets and current activities to align with this policy whilst the profile and reach of the charity grows.

Responsibilities of Trustees

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' Statement of Recommended Practice (SORP);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

Each of the persons who is a Trustee at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant information of which the charitable company's independent examiner is unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's independent examiner in connection with preparing their report and to establish that the charitable company's independent examiner is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the Trustees on 23 October 2025 and signed on their behalf by:

AILEEN CALVERLEY

**Report of the Independent Examiner to the Trustees of
Hong Kong Watch**



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Aileen Calverley
Chair, Hong Kong Watch

**Report of the Independent Examiner to the Trustees of
Hong Kong Watch**

I report on the accounts for the Year Ended 31 December 2024, which are set out on pages fifteen to twenty one.

Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

SAMUEL TROY

.....

Samuel Troy FCA
Connected Accounting Limited

Date: 18 July 2025

Statement of Financial Activities for the
Year Ended 31 December 2024

	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
Notes				
INCOMING RESOURCES				
Incoming resources from generated funds				
Donation and legacies	185,350	-	185,350	202,448
Grants	44,658	170,618	215,276	169,183
Events	4,853	-	4,853	-
Other income	3,048	-	3,048	-
Investment income	22,604	-	22,604	20,420
	<u>260,513</u>	<u>170,618</u>	<u>431,131</u>	<u>392,051</u>
Total incoming resources				
RESOURCES EXPENDED				
Costs of generating funds				
Fundraising	31,885	-	31,885	26,292
Charitable activities				
Research, advocacy and education	234,499	170,618	405,117	392,541
	<u>266,384</u>	<u>170,618</u>	<u>437,002</u>	<u>418,833</u>
Total resources expended				
Net Incoming/(Outgoing) resources	(5,871)	-	(5,871)	(26,782)
Transfers between funds	-	-	-	-
	<u>(5,871)</u>	<u>-</u>	<u>(5,871)</u>	<u>(26,782)</u>
Net movement in funds				
Total funds brought forward	1,265,487	-	1,265,487	1,292,269
	<u>1,259,616</u>	<u>-</u>	<u>1,259,616</u>	<u>1,265,487</u>
TOTAL FUNDS CARRIED FORWARD				

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

The notes form part of these financial statements.

Balance Sheet
At 31 December 2024

		Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	4	2,492	928	3,420	4,460
CURRENT ASSETS					
Cash in hand		1,237,293	-	1,237,293	1,260,578
Trade debtors		-	6,600	6,600	858
Prepayments		4,246	-	4,246	7,271
Other Debtors		<u>24,511</u>	<u>-</u>	<u>24,511</u>	<u>27,287</u>
		1,266,050	6,600	1,272,650	1,295,994
CREDITORS					
Amounts falling due within one year	9	(8,926)	(7,528)	(16,454)	(34,967)
		<u>1,257,124</u>	<u>(928)</u>	<u>1,256,196</u>	<u>1,261,027</u>
NET CURRENT ASSETS					
		1,259,616	-	1,259,616	1,265,487
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,259,616</u>	<u>-</u>	<u>1,259,616</u>	<u>1,265,487</u>
NET ASSETS					
		<u>1,259,616</u>	<u>-</u>	<u>1,259,616</u>	<u>1,265,487</u>
FUNDS					
	6				
Unrestricted funds				1,259,616	1,265,487
Restricted funds				<u>-</u>	<u>-</u>
TOTAL FUNDS					
				<u>1,259,616</u>	<u>1,265,487</u>

These financial statements have been prepared in accordance with the provisions applicable to the small companies' regime. The financial statements were approved by the Board of Trustees on 28 August 2025 and were signed on its behalf by:

AILEEN CALVERLEY

.....
Aileen Calverley, Chair

The notes form part of these financial statements.

Cash Flow Statement for the
Year Ended 31 December 2024

	Notes	31.12.24 £	31.12.23 £
Net cash inflow from operating activities	1	(44,773)	(66,043)
Returns on investments and servicing of finance			
Proceeds from the disposal of equipment		247	1,191
Purchases of equipment		(1,363)	(1,012)
Interest from investments		22,604	20,420
Net cash inflow from investing activities		21,488	20,600
Net change in cash in the period		(23,285)	(45,3444)
Cash and cash equivalents at the beginning of the reporting period		1,260,578	1,306,022
		_____	_____
Cash and Cash equivalents at the end of the reporting period		1,237,293	1,260,578
		=====	=====

1. RECONCILIATION OF NET (OUTGOING)\INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.12.24 £	31.12.23 £
Net (outgoing)\incoming resources	(5,871)	(26,782)
Depreciation charges	2,030	2,255
Interest from investments	(22,604)	(20,420)
Loss/(profit)on sale of fixed assets	126	(8)
Decrease/(increase) in debtors	59	(10,123)
Increase/(decrease) in creditors	(18,513)	(10,965)
Net cash inflow from operating activities	(44,773)	(66,043)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.01.24 £	Cash flow £	At 31.12.24 £
Net cash			
Cash in hand	1,260,578	(23,285)	1,237,293
Liquid resources			
Current asset investments	-	-	-
Total	1,260,578	(23,285)	1,237,293

The notes form part of these financial statements

**Notes to the Financial Statements for the
Year Ended 31 December 2024**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Hong Kong Watch meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the period ended 31 December 2024 (2023: £Nil).

Trustees' expenses

Expenses reimbursed to Trustees for the period ended 31 December 2024 were £3,175 (2023: £4,552).

**Notes to the Financial Statements for the
Year Ended 31 December 2024**

3. STAFF COSTS

	31.12.24	31.12.23
	£	£
Wages and salaries	207,175	199,713
Social security costs	15,888	14,148
Employer pension costs	4,765	4,456
Other	-	-
	<u>227,828</u>	<u>218,317</u>

The average monthly number of employees during the year was as follows:

	31.12.24	31.12.23
	<u>6</u>	<u>7</u>

No employees received emoluments above £60,000.

Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £37,162 (2023: £46,274), including pension costs.

4. TANGIBLE FIXED ASSETS

	Office equipment
COST	
At 1 January 2024	8,237
Additions	1,363
Disposals	<u>(1,212)</u>
At 31 December 2024	<u>8,388</u>
 DEPRECIATION	
At 1 January 2024	(3,777)
Charge for year	(2,030)
Eliminated on disposal	<u>839</u>
At 31 December 2024	<u>(4,968)</u>
 NET BOOK VALUE	
At 31 December 2023	<u>4,460</u>
At 31 December 2024	<u>3,420</u>

**Notes to the Financial Statements for the
Year Ended 31 December 2024**

5. ANALYSIS OF SUPPORT AND DIRECT COSTS

Support Costs

	Fundraising	Research, Advocacy & Education	31.12.24 Total	31.12.23 Total
	£	£	£	£
Management				
Insurance	574	7,295	7,869	8,495
Postage & Stationery	138	2,466	2,604	2,512
Advertising	4,897	6,639	11,536	13,276
Staff training	164	2,080	2,244	1,533
Sundries	119	1,508	1,627	279
Depreciation	114	2,042	2,156	2,247
Computer Software, Telephone & Consumables	<u>330</u>	<u>4,218</u>	<u>4,548</u>	<u>4,880</u>
	6,336	26,248	32,584	33,222
Finance				
Bank & Transaction Charges	7,250	779	8,029	6,795
Foreign exchange Gains /Loss	2,464	(910)	1,554	3,711
Accountancy, Legal & Professional fees	<u>635</u>	<u>8,065</u>	<u>8,700</u>	<u>9,650</u>
	10,349	7,934	18,283	20,156
Governance				
Independent Examination Fees	105	1,335	1,440	1,440
Human Resources				
Wages & Salaries	<u>2,231</u>	<u>43,335</u>	<u>45,566</u>	<u>43,663</u>
Total Support Costs	<u>19,021</u>	<u>78,852</u>	<u>97,873</u>	<u>98,481</u>
Direct Costs				
Event Costs	2,139	18,614	20,753	6,319
Purchases	-	10,104	10,104	6,000
Other Research Costs	-	9,305	9,305	10,101
Travel Costs	1,389	21,038	22,427	39,488
Wages & Salaries	8,922	173,340	182,262	174,654
Consultancy	<u>414</u>	<u>93,864</u>	<u>94,278</u>	<u>83,790</u>
Total Direct Costs	<u>12,864</u>	<u>326,265</u>	<u>339,129</u>	<u>320,352</u>
Total Resources Expended	<u>31,885</u>	<u>405,117</u>	<u>437,002</u>	<u>418,833</u>

**Notes to the Financial Statements for the
Year Ended 31 December 2024**

6. MOVEMENT IN FUNDS

	At 1.1.24 £	Income £	Expenditure £	At 31.12.24 £
Unrestricted funds				
General fund	1,265,487	260,513	(266,384)	1,259,616
Restricted funds				
Groundwork London	-	33,000	(33,000)	-
Democracy Fund	-	91,597	(91,597)	-
Unbound Philanthropy	-	30,000	(30,000)	-
Taiwan Foundation for Democracy	-	5,547	(5,547)	-
ABA	-	10,474	(10,474)	-
Total Restricted Funds	<u>-</u>	<u>170,618</u>	<u>(170,618)</u>	<u>-</u>
TOTAL FUNDS	<u>1,265,487</u>	<u>431,131</u>	<u>(437,002)</u>	<u>1,259,616</u>

Comparatives for movement in funds

	At 1.1.23 £	Income £	Expenditure £	At 31.12.23 £
Unrestricted funds				
General fund	1,296,580	222,868	(253,961)	1,265,487
Restricted funds				
Evenstar	-	6,000	(6,000)	-
Groundwork London	-	20,000	(20,000)	-
Democracy Fund	-	107,760	(107,760)	-
Unbound Philanthropy	(4,311)	29,087	(24,776)	-
Taiwan Foundation for Democracy	-	6,336	(6,336)	-
Total Restricted Funds	<u>(4,311)</u>	<u>169,183</u>	<u>(164,872)</u>	<u>-</u>
TOTAL FUNDS	<u>1,292,269</u>	<u>392,051</u>	<u>(418,833)</u>	<u>1,265,487</u>

Fund Note

Democracy Funds

A project to research and advocate collaboration on international policy between legislators.

Unbound Philanthropy

A project to promote the rights and integration of refugees and the British National (Overseas) Status Holders in the UK.

Fund Note (continued)

Notes to the Financial Statements for the Year Ended 31 December 2024

Taiwan Foundation for Democracy

Launch events for our report on digital rights in Hong Kong.

Groundwork London

Civic engagement collaboration project for newly arrived Hong Kongers.

ABA

Research, writing and launch of our report comprising a comparative analysis of the National Security Law.

7. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure in relation to defined contribution plans was £4,765 (2023: £4,456).

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions of £846 (2023: £640) were payable to the fund as at the balance sheet date.

8. FINANCIAL INSTRUMENTS

	31.12.24	31.12.23
	£	£
Financial assets measured at fair value through income and expenditure	1,238,666	1,262,278
Financial assets measured at amortised cost	<u>33,982</u>	<u>33,716</u>
	<u>1,272,648</u>	<u>1,295,994</u>
Financial liabilities measured at amortised cost	<u>(15,608)</u>	<u>(34,354)</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade creditors	2,299	1,555
Other creditors	5,215	5,940
Accruals and deferred income	<u>8,940</u>	<u>27,472</u>
	<u>16,454</u>	<u>34,967</u>

10. POST BALANCE SHEET EVENTS

There have been no post balance sheet events.

HONG KONG WATCH

England & Wales - Charity number 1180013

Accounts

REGISTERED CHARITY NUMBER: 1180013

Report of the Trustees and Financial Statements for
the
Year Ended 31 December 2023

Hong Kong Watch
(A Charitable Incorporated Organisation)



**Contents of the Financial Statements for the
Year Ended 31 December 2023**

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**Company Information for the
Year Ended 31 December 2023**

**Report of the Trustees
for the Period 1 January 2023 to 31 December 2023**

The Trustees present their report with the financial statements of the charity for the period 1 January 2023 to 31 December 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number: 1180013

Principal address

Office 7
35-37 Ludgate Hill
London
EC4M 7JN

Trustees

Aileen Yi Wan Lam (Chair)
Gray Sergeant
Dr Malte Kaeding

UK Patrons

Alistair Carmichael MP
Lord Alton of Liverpool
Former MP Fiona Bruce
Sir Geoffrey Nice KC
Sir Malcolm Rifkind KC
Lord Patten of Barnes
Sarah Champion MP
Baroness Kennedy of The Shaws KC
Catherine West MP (Until her appointment to Indo-Pacific Minister)
Lord Ashdown of Norton-sub-Hamdon (Until December 2018 when he passed away)

International Patrons

Garnett Genuis MP (Canada)
Jung-Hoon Lee (South Korea)
Ambassador Derek Mitchell (US)
Ambassador Sam Brownback (US)
Hon. Irwin Cotler (Canada)
Former Senator Jim Munson (Canada)
Senator Leo Housakos (Canada)
James Bezan MP (Canada)
Melissa Lantsman (Canada)
Cathay Wagantall MP (Canada)
Miriam Lexmann MEP (Slovakia)
Frank Müller-Rosentritt MdB (Germany)

**Company Information for the
Year Ended 31 December 2023**

Independent examiner

Samuel Troy FCA, Connected Accounting Limited
2 Victoria Square, St Albans, AL1 3TF

**Trustees' Report for the
Year Ended 31 December 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was formed on 20 September 2018 as a Charitable Incorporated Organisation, controlled by its governing document and which constitutes an incorporated charity. The charity registration number is 1180013.

Trustee selection and training

Hong Kong Watch is governed by a Board of Trustees whose members are elected as the need arises. The Trustees who have served during the year are set out above. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. The charity trustees will make available to each new charity trustee, on or before his or her first appointment: a) a copy of the current version of this constitution; and b) a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

Organisational structure

The Board of Trustees administers the charity and meets regularly. Responsibility for day-to-day management of the charity has been delegated to the Chief Executive appointed by the Trustees.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The measures are set out in the relevant internal policies such as the Financial Management and Controls Policy, the Anti-Money Laundering Policy and the Health and Safety Policy. Policies and risks are regularly reviewed.

OBJECTIVES AND ACTIVITIES

Hong Kong Watch's charitable objects are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) in Hong Kong by all or any of the following means:

- Monitoring abuses of human rights;
- Raising worldwide awareness of human rights issues in Hong Kong;
- Promoting respect for human rights among individuals and corporations;
- Publishing authoritative research reports which provide an in-depth examination of potential violations of human rights;
- Providing technical advice to the British government and governments worldwide on human rights issues in Hong Kong;
- Commenting on proposed human rights legislation affecting Hong Kong;
- Commenting on the causes of human rights abuses in Hong Kong, including violations of judicial independence and freedom of religion or belief;
- Informing the British government and the wider international community when violations of human rights in Hong Kong take place;
- Facilitating discussion and engagement with human rights in Hong Kong among key stakeholders in government, parliament, media, academia and Hong Kong civil society.

Trustees' Report for the Year Ended 31 December 2023

The Board of Trustees review the aims, objectives and activities of the organisation each year. This report looks at what the organisation has achieved and the outcomes of its work in the reporting period. The Board of Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Board of Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The Board of Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Board of Trustees consider how planned activities will contribute to the aims and objectives that have been set.

PUBLIC BENEFIT

In carrying out its work Hong Kong Watch pays due regard to Charity Commission guidance concerning public benefit. The Trustees are satisfied that all Hong Kong Watch's activities for the financial year that ended 31 December 2023 were of public benefit and that the organisation's funds were spent so as to achieve public benefit.

ACHIEVEMENTS AND PERFORMANCE

2023 saw the ongoing crackdown on Hong Kong's civil society reaching deeper into areas of media and internet censorship under the threat of the National Security Law, while also extending overseas through various forms of transnational repression. Key trends during the reporting year included:

- Ongoing arrests of pro-democracy figures, protesters and journalists and conviction of activists under the National Security Law.
- Declining press freedom and disbanding of independent media outlets.
- Disbanding of civil society organisations.
- Electoral reforms and a decline of nearly 80,000 registered voters in Hong Kong.
- Crackdown on freedom of religion or belief: Hong Kong Watch launched a report on evolving threats to freedom of religion or belief in Hong Kong, including the impact of the draconian National Security Law on religious believers, self-censorship in sermons and other religious activities, threats to faith-based schools in the education sector, and Beijing's campaign of 'Sinicization' of religion.
- Transnational repression: In July and December 2023, the Hong Kong government issued arrest warrants with HK\$1 million (£97,958) bounties for a total of 13 exiled pro-democracy activists in the UK, US and Australia.
- Financial transnational repression: In April 2023, Hong Kong Watch launched original research exposing how the Hong Kong government ceasing to recognise the British National (Overseas) (BNO) passport as a valid form of identity has blocked tens of thousands of Hong Kongers from accessing up to £2.2 billion worth of their Mandatory Provident Fund (MPF) retirement savings that they are entitled to withdraw after permanently departing from Hong Kong.

**Trustees' Report for the
Year Ended 31 December 2023**

In response to the significant deterioration in Hong Kong's human rights and basic freedoms, Hong Kong Watch worked closely with Parliamentarians, international organisations, civil society groups and the media to educate them on the plights of Hong Kong's political prisoners. We also focused on driving forward the accessibility of international lifeboat schemes through regular parliamentary engagement and original research. Through our community outreach initiatives in the United Kingdom and North America, we worked to forge connections between diasporic Hong Kong communities and promote engagement with civic and democratic processes.

1. Human Rights Campaigns

Political prisoners campaign

Throughout the reporting year, we continued to monitor and update our political prisoners database. We also published 'Key Court Dates' and a 'Timeline of Arrests, Prosecutions and Sentencing' to log upcoming trials and record the outcomes of cases related to political prisoners and charges under the National Security Law. We also regularly updated our international partners on the latest situations of Hong Kong's peaceful political prisoners during meetings and through our biweekly political prisoners briefings which will be detailed later in this report.

On 28 February 2023, Hong Kong Watch organised a cross-party group of 54 UK parliamentarians and public figures to write to the former Foreign Secretary James Cleverly MP, urging him to intercede with the Hong Kong government and call for the immediate release of the pro-democracy lawmaker Claudia Mo on compassionate grounds as her husband was in the hospital ICU with pneumonia.

On 22 March 2023, Hong Kong Watch gave evidence at an All-Party Parliamentary Group (APPG) on Hong Kong hearing in the UK Houses of Parliament, on the dismantling of media freedom in Hong Kong and the case of *Apple Daily* and its founder and proprietor Jimmy Lai, who is a British citizen that has been in prison since December 2020. The hearing was followed by the APPG on Hong Kong publishing a report titled, *Report into Media Freedom in Hong Kong: the case of Jimmy Lai and Apple Daily*, which examines the increasing suppression of media freedom in Hong Kong and urges the UK government to address the situation of Jimmy Lai and beyond.

In October 2023, Hong Kong Watch participated in a high-level meeting at the Canadian High Commission with diplomats from Canada, Japan, France, Germany and the US to update them on the human rights situation in Hong Kong, including the plight of political prisoners such as Jimmy Lai, Hong Kong barrister Chow Hang-tung, and the 47 democrats who are on trial for running in "unofficial" pro-democracy primary elections for the Hong Kong Legislative Council in July 2020.

Mandatory Provident Fund campaign

Hong Kong Watch launched its Mandatory Provident Fund (MPF) campaign in April 2023 to educate policy-makers on the issue of Hong Kongers being denied access to their MPF retirement savings after finding that the Hong Kong government not recognising the BNO passport as a valid form of identity has blocked Hong Kongers from accessing up to £2.2 billion worth of their savings that they are entitled to withdraw after permanently departing from Hong Kong. This issue mainly affects BNO Hong Kongers in the UK and Canada.

**Trustees' Report for the
Year Ended 31 December 2023**

Following the launch of our original MPF research in April 2023, we coordinated a letter from 90 UK Parliamentarians urging the UK government to take action on this issue in May 2023. These actions marked the start of our MPF campaign against financial transnational repression, to educate policy-makers on how the People's Republic of China and Hong Kong authorities target Hong Kongers in exile, even once they are thousands of miles away from Hong Kong.

During a visit to Ottawa in October 2023, a Canadian Parliamentarian agreed to propose a meeting on MPF in the Special Committee on the Canada–People's Republic of China Relationship in the Canadian House of Commons, which would involve summoning representatives from Canadian MPF trustees Manulife and Sun Life. The same Parliamentarian also committed to hosting a roundtable on MPF. These commitments were followed by the publication of a briefing on MPF specific to the role of Canadian financial companies in withholding an estimated C\$1.5 billion in Hong Kongers' MPF savings. The briefing was accompanied by survey data from the Hong Kong diaspora revealing that Manulife and Sun Life rejected over 90% of customers applying for MPF withdrawal on the grounds that the BNO visa was either not a valid document or does not show permission to reside outside Hong Kong. The Canada-specific briefing and survey was then replicated in the US.

International lifeboat campaign

In order to inform policy-makers of the latest human rights developments in Hong Kong and iron out gaps in existing international lifeboat schemes, we strengthened our parliamentary engagement through regular contact with government officials and representatives in the United Kingdom, European Union, United Nations, United States and Canada.

UK

According to statistics from the UK Home Office, since the introduction of the BNO visa scheme in 2021 up until the end of the reporting year, more than 191,000 applications have been received.

In August 2023, the Home Office announced its decision to add the Hong Kong BNO route to the list of visas which are eligible for 'priority service', providing application results within five working days.

In September 2023, the UK government announced its commitment to provide greater mental health support for young people from Hong Kong as part of a £2.5 million government fund. This fund allows councils and voluntary organisations to bid for a share of funding which will help thousands of under 21-year-olds from Hong Kong, Afghanistan and Ukraine improve their integration into British society. As well as the new £2.5 million fund, the government granted continued funding to councils across the UK to support under-21s who have arrived in the UK through the BNO visa.

We are committed to continuing to develop cross-party engagement with UK Parliamentarians on the BNO visa scheme while engaging with BNO Hong Kongers on the community level.

**Trustees' Report for the
Year Ended 31 December 2023**

EU and the United Nations

Throughout the reporting year, we worked to strengthen our network in the European Union and our contact with the United Nations. In July 2023, Hong Kong Watch conducted a visit to Brussels to discuss the anniversary of the imposition of the National Security Law and the Handover of Hong Kong with six Members of the European Parliament and other parliamentary staffers. During the visit, Hong Kong Watch also presented a briefing to the European Parliament Informal Hong Kong Watch Group, which published a joint letter condemning the three-year anniversary of the Hong Kong National Security Law. The letter, addressed to European Commission President Ursula von der Leyen, called for European Member States and the European Commission to work to secure the immediate release of all people detained under the National Security Law and for the Hong Kong and Chinese authorities to end political show trials in Hong Kong.

In the same month, Hong Kong Watch visited Brussels again to speak at a panel event on surveillance in China and to raise concerns around the Hong Kong Police Force targeting pro-democracy activists overseas by issuing arrest warrants with bounties. During this visit, Hong Kong Watch also met with five Members of the European Parliament and other parliamentary staffers to update them on the situation involving arrest warrants with bounties for exiled Hong Kongers around the world.

Our final trip to Brussels took place in November 2023, when we launched our report on the state of freedom of religion or belief in Hong Kong at an event in the European Parliament. At the event and in eight meetings with key EU stakeholders, we educated EU officials about the increasing threats in the religious freedom landscape in Hong Kong.

Until October 2023, Hong Kong Watch had an employee based in Berlin (who has relocated with Hong Kong Watch to Washington, DC), who regularly met with Members of the German Bundestag to provide updates on the human rights crisis in Hong Kong. Hong Kong Watch also maintained formal collaboration with a Hong Kong NGO based in Germany to conduct meetings, organise events, and translate our monthly human rights briefing into German. In November 2023, we collaborated with this NGO to co-host a policy conference in Berlin titled, 'Canary in the Coal Mine: Hong Kong and Taiwan's Significance for Germany's China Strategy'. The conference consisted of two policy sessions focused on "Germany's new China Strategy: How do we stand by our principles?" and "What are Hong Kong and Taiwan's significance for the EU and the International Order?" The conference provided a platform for policy-makers and civil society to educate one another on what had been done and what could be done in the China policy space in Germany.

Hong Kong Watch also actively participated in United Nations mechanisms to keep the international community informed about Hong Kong's situation. In January 2023, we made a submission to the United Nations Committee on Economic, Social and Cultural Rights for its review of China (Hong Kong) in the 73rd session detailing that press freedom and cultural rights are under attack in Hong Kong. Following this submission, Hong Kong Watch delivered a statement and gave recommendations during the UN's Review of Hong Kong's compliance with the International Covenant on Economic, Social and Cultural Rights in February 2023.

**Trustees' Report for the
Year Ended 31 December 2023**

In May 2023, Hong Kong Watch made a submission to the United Nations Committee on the Elimination of Discrimination against Women. We also delivered a statement before the UN Committee on Women's Rights in preparation for China's review under the Convention on the Elimination of Discrimination Against Women, which took place on 12 May 2023. For this, Hong Kong Watch coordinated with and trained other Hong Kong diaspora NGOs to make their own submissions and attend the review.

In July 2023, Hong Kong Watch made three joint submissions to the UN Universal Periodic Review of the People's Republic of China. The first submission focused on human rights violations related to the 2019 protests, the National Security Law, civil society, political prisoners, women's rights, and freedom of the media, and was informally endorsed by 35 civil society organisations. The second submission focused on the human rights violations inflicted by Hong Kong under the National Security Law on Hong Kongers in the city and abroad. Finally, the third submission focused on violations of political rights, rights of emigration, conditions of detention, and the implementation of the National Security Law in Hong Kong. We had a total of 16 meetings with UN Member States on these submissions during visits to Geneva in October 2023, when we also spoke at the Geneva Forum 2023 about the Chinese Communist Party's assimilationist policy and how it impacts Hong Kong. In November 2023, we made a statement at the UN UPR Information Pre-Session in a room of more than 200 diplomats from different UN Member States. Once again, Hong Kong Watch coordinated with and trained other Hong Kong diaspora NGOs to make their own submissions and attend the review.

United States

We also worked to broaden our network in North America. We relocated one of our staff members from Berlin to Washington, DC in November 2023 to increase our engagement with US policy-makers and other key stakeholders to educate them on the latest human rights developments in Hong Kong.

In November 2023, we met with the US State Department, six congressional offices, and two DC-based civil society and think tank organisations. This was followed by the launch of our report on the state of freedom of religion or belief in Hong Kong titled, *Sell Out My Soul: The Impending Threats to Freedom of Religion or Belief in Hong Kong*, at three separate events in Washington, DC in November 2023. The launch of the report coincided with meetings to present our report to the US State Department's Office of International Religious Freedom, the US Commission on International Religious Freedom, and Members of Congress and congressional staffers.

Our US-based staff member will continue to update key stakeholders in Washington, DC on the evolving human rights crisis in Hong Kong.

**Trustees' Report for the
Year Ended 31 December 2023**

Canada

Since the announcement of the Canadian lifeboat scheme in February 2022, Hong Kong Watch has worked to identify gaps within the proposed framework to ensure it remains accessible to more Hong Kongers in need. In February 2023, Hong Kong Watch organised a cross-party group of 28 Canadian Parliamentarians to write to the Minister of Immigration, Refugees and Citizenship, calling for the extension and expansion of the Open Work Permit scheme for Hong Kongers, which was due to expire on 7 February 2023. This contributed to the Canadian government announcing the expansion of the Open Work Permit scheme to 7 February 2025 and expansion of the eligibility of the scheme from five years to ten years to include those who have graduated from post-secondary education in the last ten years on 6 February 2023. In addition to the expansion of the Open Work Permit scheme, we partnered with a Canadian Parliamentarian to introduce a House of Commons petition in June 2023, calling for the Immigration, Refugees, and Citizenship Canada to remove the requirement for a police certificate from the Hong Kong Police for Open Work Permit applicants and introduce an alternative security check as necessary.

In April 2023, a Hong Kong Watch Canada Patron introduced a House of Commons petition calling for Immigration, Refugees, and Citizenship Canada (IRCC) to expand the Hong Kong Pathway Stream B permanent residency and remove the five-year graduation restriction. This was followed by two separate roundtable discussions on the issue with the Shadow Minister of Immigration and a Hong Kong Watch Patron. On 31 May 2023, Hong Kong Watch gave evidence to the Hong Kong Friendship Group in the Canadian Parliament to update them on the need to expand the Stream B Pathway. On 11 July 2023, IRCC announced the expansion of the Stream B Pathway.

To defend Hong Kongers who have relocated to Canada under either of these lifeboat schemes, Hong Kong Watch Canada testified as a witness at the Standing Committee on Foreign Affairs' study of Bill C-281, the *International Human Rights Act*, in March 2023.

We will continue to inform Canadian parliamentarians and government officials on lifeboat schemes for Hong Kongers and the deterioration of the human rights situation in Hong Kong, especially following the official launch of 'Hong Kong Watch Canada' on 30 May 2023 at Parliament Hill in Ottawa. Around 100 guests including 20 parliamentarians attended the launch.

2. Research and Policy Briefing

Monthly human rights developments briefings

Through our in-depth research reports and policy briefings, we aim to provide comprehensive and independent analysis on the human rights situation in Hong Kong, support the development of our international campaigns, and inform policy-makers around the globe of policy gaps and ways to enhance support for the diasporic Hong Kong community in their countries. Our human rights developments briefings are published monthly to document the rapid deterioration of human rights in Hong Kong following the imposition of the National Security Law in Hong Kong in 2020.

Trustees' Report for the Year Ended 31 December 2023

Biweekly political prisoners briefings

Along with our monthly human rights briefings, we started publishing biweekly political prisoners briefings after the start of the trial of the 47 democrats facing charges for running in “unofficial” pro-democracy primary elections for the Hong Kong Legislative Council in July 2020. Both the monthly human rights developments and biweekly political prisoners briefings are shared with key stakeholders around the world.

Research on international lifeboat campaign

In November 2023 ahead of the UK general election in 2024, Hong Kong Watch published research titled, *First-time and floating: How 140,000 Hong Kongers could swing seats at the next UK General Election*, which included briefings for each major political party (Conservative, Labour and Liberal Democrats) on how an estimated 140,000 eligible Hong Kong BNO voters could swing key seats for the three main political parties. We briefed UK Parliamentarians on this research, educating them on key policy asks to support BNO Hong Kongers.

Other research papers and policy briefings

In April 2023, we published original research on the withholding of Hong Kongers' Mandatory Provident Fund (MPF) retirement savings, finding that the Hong Kong government refusing to recognise the BNO passport as a valid form of identity has blocked Hong Kongers from accessing up to £2.2 billion worth of their retirement savings that they are entitled to after permanently departing from Hong Kong. The report was widely covered in *The Financial Times*, *The Times*, *The Wall Street Journal*, *City AM*, *Al Jazeera*, *The Guardian*, and *Radio Free Asia*, and received a response from the MPF Authority in Hong Kong.

In September 2023, Hong Kong Watch published a paper looking at the Hong Kong government's indirect ownership of the London Metals Exchange, the ongoing investigation of the exchange by the Financial Conduct Authority and the Bank of England into the suspension of nickel trading last year, and the important role the exchange plays in terms of the strategic metals market which will be vital for the green energy transition. The paper calls for the Financial Conduct Authority and the Bank of England to expand its ongoing investigation into the London Metals Exchange into the ownership of the exchange, including by assessing whether the Hong Kong government via the Hong Kong Exchanges and Clearing (HKEX) remains a fit and proper entity to run the metals exchange.

In November 2023, we launched a report on the state of freedom of religion or belief in Hong Kong titled, *Sell Out My Soul: The Impending Threats to Freedom of Religion or Belief in Hong Kong*. The report details the impact of the draconian National Security Law on religious believers, self-censorship in sermons and other religious activities, threats to faith-based schools in the education sector, and Beijing's campaign of 'Sinicization' of religion. The report was launched in London, Brussels, Washington DC and Ottawa to educate policy-makers about the latest developments in the religious freedom landscape in Hong Kong.

**Trustees' Report for the
Year Ended 31 December 2023**

In November 2023, Hong Kong Watch Canada published a briefing on Hong Kongers facing intimidation by the regime in Beijing in Canada. The briefing includes case studies that outline the experiences of five Hong Konger Canadians from Toronto, Vancouver and Calgary who have been active in the pro-democracy movement or the Hong Kong community. This research followed Hong Kong Watch hosting an online briefing in April 2023 with Canadian Parliamentarians where Hong Konger Canadians shared their experiences with threats and intimidation by the Chinese Communist Party's United Front Department in Canada.

In the same month, Hong Kong Watch published a briefing on foreign interference in industry and technology in Canada, identifying significant gaps in the ability of the Canadian government to counter industrial and economic espionage, especially in technology and intellectual property. The briefing recommended a three-pronged approach to counter the growing threats of economic and technological espionage of all adversarial foreign states.

Following Hong Kong Watch research reports published in June 2022 exposing that some of Canada's largest pension funds were investing in Chinese companies involved in human rights violations, military modernization, and repression in the Xinjiang Uyghur Autonomous Region through active and passive investment, the Canadian House of Commons' Special Committee on Canada–People's Republic of China presented an interim report in December 2023, which proposed further actions based on our reports. As a result of this same research, Canada's largest pension fund, CPP Investments, laid off at least five employees in its Hong Kong office in 2023 after facing public pressure due to its investments tied to human rights violations. The British Columbia Investment Management Corp. (BCI) also suspended new private asset investments in China.

3. Education and Community Outreach

Youth Initiative and internship programme

In recognition of the desire of Hong Kongers to participate in the UN mechanisms focused on Hong Kong, Hong Kong Watch hosted an online training as part of our Youth Initiative programme in January 2023 to inform Hong Kongers about how to participate in and prepare a submission for the UN's Universal Periodic Review of China, including Hong Kong.

To promote integration into Canadian civic society and strengthen representation of Hong Kongers in Canada, Hong Kong Watch continued our Youth Initiative programme which was launched in a Toronto community centre in November 2022. In March 2023, Hong Kong Watch organised a roundtable event at the Toronto community centre, where a participant in the Youth Initiative programme who became an intern for a member of the Canadian Parliament in the same month shared his parliamentary internship experience thus far.

After undergoing eight sessions of training during the summer, two participants in our Youth Initiative programme were chosen to work for prominent figures in the Canadian Parliament. This achievement highlights the effectiveness of the program in providing opportunities for young immigrants to gain valuable experience and contribute to the Canadian political landscape, the Hong Kong diaspora community and the pro-democracy movement. In November 2023, we promoted our Youth Initiative programme for 2024 at a community event in Toronto with nearly 800 participants.

Trustees' Report for the Year Ended 31 December 2023

In February 2023, a Hong Kong community centre in Toronto and a Taiwanese group in Canada hosted a Lunar New Year banquet to connect the Hong Kong and Taiwanese communities, bringing together nearly 300 people. In the same month, Hong Kong Watch participated in an Open Work Permit roundtable organised by a community centre in Toronto to answer participants' questions about lifeboat schemes for Hong Kongers, including the Hong Kong Pathway Stream B.

In May 2023, Hong Kong Watch hosted a roundtable discussion on Hong Kongers' MPF savings and obtaining Certificates of No Criminal Conviction (CNCC) for overseas Hong Kongers at a community centre in Toronto. We were joined by a Canadian Parliamentarian, and collected signatures from the more than 100 participants for a petition on the CNCC issue. In August 2023 we hosted another roundtable at a community centre in Toronto, this time with another Canadian Parliamentarian and a focus on lifeboat schemes for Hong Kongers in Canada.

Civic and political engagement series

In 2022, Hong Kong Watch began a series of civic and political engagement events, which aims to help the Hong Kong BNO community better understand the UK's political and social structures and the ways they can engage with civic and democratic processes. In April 2023, we held a panel discussion at St Albans Cathedral to discuss how Hong Kongers can get involved in civic activities.

In July 2023, we hosted a panel discussion on the anniversary of the National Security Law to discuss the safety of Hong Kongers in Manchester, following an attack against a peaceful BNO Hong Kong protester by Chinese Consulate officials in Manchester in October 2022.

In August 2023, we hosted an informal discussion to discuss voter rights of BNOs and the political environment ahead of the UK's general election, with over 60 participants engaging in the discussion. To celebrate the Mid-Autumn Festival in September 2023 we hosted a community meet-up and festive potluck. The event included a panel discussion with two comedians who discussed the relationship between British comedy and politics, and how understanding political satire could help BNOs in the UK engage in political and civic discussions.

Hong Kong Watch hosted a workshop for BNO Hong Kongers on personal tax and England's tax system in November 2023. In December 2023, we hosted a cross-party panel discussion in the UK Parliament for BNO Hong Kongers to inform UK Parliamentarians on the issues that matter most to them, including security issues around the renewal of HKSAR passports, the ongoing inability of Hong Kongers to access their MPF retirement savings, and the ineligibility of BNOs for Home Fee status at UK universities.

North America activities

In July 2023 in response to the Hong Kong government issuing arrest warrants with bounties for eight Hong Kong pro-democracy activists overseas, nine former and current Canadian Parliamentarians wrote to the Minister of Foreign Affairs to 'consider a package of measures to support pro-democracy activists and the Hong Kong community in Canada and ensure their safety in the face of intimidation and threats from the People's Republic of China and their apparatchiks in Hong Kong.'

Trustees' Report for the Year Ended 31 December 2023

In the same month, Hong Kong Watch organised a group of eleven Parliamentarians in Canada to write to the Minister of Immigration, Refugees and Citizenship and the Minister of Foreign Affairs to call for an investigation as to why Hong Kong police officers were given visa waivers under an Electronic Travel Authorisation (ETA) to attend the World Police and Fire Games in Winnipeg given their gross human rights violations during the 2019 and 2020 pro-democracy protests in Hong Kong.

Other activities

In September 2023, Hong Kong Watch visited Taiwan to attend the International Religious Freedom Summit Asia. We also held meetings with policy-makers, journalists and civil society to learn more about how to support Hong Kongers in Taiwan.

In December 2023, Hong Kong Watch visited Taiwan to give a presentation on digital rights at a Conference and to meet with government officials and civil society members to inform them about the situation in Hong Kong. The digital rights presentation focused on digital rights in Hong Kong, how they are impacted by the National Security Law and the sedition law, and how this influences global narratives related to Hong Kong and China.

4. Media and Social Media

Engagement via media and our social media channels is an essential tool for Hong Kong Watch to raise public awareness of Hong Kong's human rights issues and to disseminate educational information with regards to human rights standards to a wide audience.

Hong Kong Watch has broadened its extensive network in international and Hong Kong media, both print and online. During the reporting period, a total of 38 op-eds written by our Patrons and staff members were published in leading media outlets across the world, including *The Telegraph*, *The Globe and Mail*, *The Spectator*, *Foreign Policy*, *The Diplomat*, *The Independent*, *The Tablet* and *UCA News*.

We continued to build on our reputation of expertise on Hong Kong by giving interviews and commenting on TV and radio channels. During the reporting period, we secured extensive media coverage, including in top media outlets such as *BBC*, *Bloomberg*, *Financial Times*, *The Guardian*, *Reuters*, *The Telegraph*, *The Times*, *Washington Post*, *The Globe and Mail*, and *National Post*.

Hong Kong Watch makes an impact through online presence as well, on social media platforms and our website by:

- raising awareness and reaching new audiences
- publicising our research and views
- offering ways for our supporters and Hong Kong people to communicate with us
- allowing us opportunities to establish relationships with civil society actors, policy-makers and media globally
- promoting our fundraising campaigns

Our social media platforms, Facebook, Instagram and Twitter, all saw a rise in impact in the reporting year. This increased online presence was also reflected on our website, where all activity updates, research reports, events, campaigns, and media coverage of the organisation were posted.

**Trustees' Report for the
Year Ended 31 December 2023**

PLANS FOR FUTURE PERIODS

As the assault on the human rights situation in Hong Kong continues to worsen following the passage of the Safeguarding National Security Ordinance in March 2024 along with continued violations under the 2020 National Security Law, Hong Kong Watch will continue to focus the international spotlight on the city and speak up for the rights and freedoms of Hong Kongers who remain in Hong Kong and those in the diaspora around the world. Priority areas going forward include: continuing to keep a spotlight on the human rights situation in Hong Kong; informing the international community of the need for lifeboat assistance for Hong Kongers, especially in the UK and Canada; speaking up for political prisoners in Hong Kong; campaigning for the release of frozen MPF savings in Hong Kong; ensuring that perpetrators of human rights violations in Hong Kong, the undermining of the rule of law, and breaches to the Sino-British Joint Declaration are held to account; conducting research and informing the international community on business and human rights, the impact of the National Security Law and Safeguarding National Security Ordinance, academic freedom, digital rights, transnational repression, Hong Kong's special privileges, and the civil society landscape in Hong Kong; providing civic and political education for the Hong Konger diaspora through our Civic and Political Engagement series, Youth Initiative programmes and community events, and continuing to educate policy-makers, the media and the public about the situation in Hong Kong.

FINANCIAL REVIEW

Hong Kong Watch concluded 2023 with a deficit of £26,782 and a reserve exceeding three years' worth of current HR expenditure. Despite the deficit for 2023, the charity remains in a strong position to sustain and expand its activities in the future. Fundraising efforts in 2023 focused on a crowdfunding campaign during the autumn, which raised almost £50,000. With these funds, the organisation was able to maintain and expand its operations, including the hiring of new staff members. The total number of employees and regular contractors was seven by the end of 2023.

Principal funding sources

The principal source of funding for Hong Kong Watch remained private donations from individuals, as in 2022. Even though total income decreased by a significant 35% compared to the previous period, the charity has managed to maintain impactful activities and recruit new staff members.

We would like to express our heartfelt gratitude for the generous contributions made by the individuals who have funded our work, as well as the grant makers and foundations that have supported us with donations in 2023.

Hong Kong Watch has not employed any professional fundraisers or commercial participators to carry out fundraising activities directly with the public. The organisation also did not have any fundraising carried out by third parties and therefore did not subscribe to any fundraising schemes or codes.

**Trustees' Report for the
Year Ended 31 December 2023**

Policy on reserves

The Board maintains its position that the organisation should keep unrestricted reserves adequate for three years of the current level of HR expenditure. The objective is to ensure that the charity will be in a position to sustain its activities in the long term. The Director and Finance & Operations Manager will continue to work with the Board of Trustees to monitor reserves, and manage annual budgets and current activities to align with this policy whilst the profile and reach of the charity grows.

Responsibilities of Trustees

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' Statement of Recommended Practice (SORP);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

Each of the persons who is a Trustee at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant information of which the charitable company's independent examiner is unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's independent examiner in connection with preparing their report and to establish that the charitable company's independent examiner is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

**Trustees' Report for the
Year Ended 31 December 2023**

This report was approved by the Trustees on 16 October 2024 and signed on their behalf by:

AILEEN CALVERLEY

.....

**Aileen Calverley
Chair, Hong Kong Watch**

**Report of the Independent Examiner to the Trustees of
Hong Kong Watch**

I report on the accounts for the Year Ended 31 December 2023, which are set out on pages fifteen to twenty one.

Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

SAMUEL TROY

.....

Samuel Troy FCA
Connected Accounting Limited

Date: 16 October 2024

Statement of Financial Activities for the
Year Ended 31 December 2023

	Unrestricted funds £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
Notes				
INCOMING RESOURCES				
Incoming resources from generated funds				
Donation and legacies	202,448	-	202,448	466,278
Grants	-	169,183	169,183	133,200
Investment income	20,420	-	20,420	1,347
	<u>222,868</u>	<u>169,183</u>	<u>392,051</u>	<u>600,825</u>
Total incoming resources				
RESOURCES EXPENDED				
Costs of generating funds				
Fundraising	26,292	-	26,292	32,933
Charitable activities				
Research, advocacy and education	227,669	164,872	392,541	354,067
	<u>253,961</u>	<u>164,872</u>	<u>418,833</u>	<u>387,000</u>
Total resources expended				
Net Incoming/(Outgoing) resources	(31,093)	4,311	(26,782)	213,825
Transfers between funds	-	-	-	-
	<u>(31,093)</u>	<u>4,311</u>	<u>(26,782)</u>	<u>213,825</u>
Net movement in funds				
Total funds brought forward	1,296,580	(4,311)	1,292,269	1,078,444
TOTAL FUNDS CARRIED FORWARD	<u>1,265,487</u>	<u>-</u>	<u>1,265,487</u>	<u>1,292,269</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.
The statement of financial activities includes all gains and losses recognised in the year.

The notes form part of these financial statements.

Balance Sheet
At 31 December 2023

		Unrestricted funds £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	4	3,020	1,440	4,460	6,886
CURRENT ASSETS					
Cash in hand		1,238,864	21,714	1,260,578	1,306,022
Trade debtors		858	-	858	-
Prepayments		7,271	-	7,271	5,786
Other Debtors		<u>24,409</u>	<u>2,878</u>	<u>27,287</u>	<u>19,507</u>
		1,271,402	24,592	1,295,994	1,331,315
CREDITORS					
Amounts falling due within one year	9	(8,935)	(26,032)	(34,967)	(45,932)
NET CURRENT ASSETS					
		<u>1,262,467</u>	<u>(1,440)</u>	<u>1,261,027</u>	<u>1,285,383</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,265,487</u>	-	<u>1,265,487</u>	<u>1,292,269</u>
NET ASSETS					
		<u><u>1,265,487</u></u>	<u><u>-</u></u>	<u><u>1,265,487</u></u>	<u><u>1,292,269</u></u>
FUNDS					
	6				
Unrestricted funds				1,265,487	1,296,580
Restricted funds				<u>-</u>	<u>(4,311)</u>
TOTAL FUNDS					
				<u><u>1,265,487</u></u>	<u><u>1,292,269</u></u>

These financial statements have been prepared in accordance with the provisions applicable to the small companies' regime. The financial statements were approved by the Board of Trustees on 16 October 2024 and were signed on its behalf by:

AILEEN CALVERLEY

.....
Aileen Calverley, Chair

The notes form part of these financial statements.

Cash Flow Statement for the
Year Ended 31 December 2023

	Notes	31.12.23 £	31.12.22 £
Net cash inflow from operating activities	1	(66,043)	317,491
Returns on investments and servicing of finance			
Proceeds from the disposal of equipment		1,191	-
Purchases of equipment		(1,012)	(5,148)
Interest from investments		20,420	-
Net cash inflow from investing activities		20,600	(5,148)
Net change in cash in the period		(45,444)	312,343
Cash and cash equivalents at the beginning of the reporting period		1,306,022	993,679
		_____	_____
Cash and Cash equivalents at the end of the reporting period		1,260,578	1,306,022
		=====	=====

1. RECONCILIATION OF NET (OUTGOING)\INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.12.23 £	31.12.22 £
Net (outgoing)\incoming resources	(26,782)	213,825
Depreciation charges	2,255	1,550
Interest from investments	(20,420)	-
Loss/(profit)on sale of fixed assets	(8)	-
Decrease/(increase) in debtors	(10,123)	75,104
Increase/(decrease) in creditors	(10,965)	27,012
Net cash inflow from operating activities	(66,043)	317,491

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.01.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash in hand	1,306,022	(45,444)	1,260,578
Liquid resources			
Current asset investments	-	-	-
Total	1,306,022	(45,444)	1,260,578

The notes form part of these financial statements

**Notes to the Financial Statements for the
Year Ended 31 December 2023**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Hong Kong Watch meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the period ended 31 December 2023.

Trustees' expenses

Expenses reimbursed to Trustees' for the period ended 31 December 2023 were £4,552 (2022: £4,509).

**Notes to the Financial Statements for the
Year Ended 31 December 2023**

3. STAFF COSTS

	31.12.23	31.12.22
	£	£
Wages and salaries	199,713	191,505
Social security costs	14,148	13,791
Employer pension costs	4,456	4,883
Other	-	-
	<u>218,317</u>	<u>210,179</u>

The average monthly number of employees during the year was as follows:

	31.12.23	31.12.22
	<u>7</u>	<u>7</u>

No employees received emoluments above £60,000

Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £46,274 (2022: £42,524), including pension costs.

4. TANGIBLE FIXED ASSETS

	Office equipment
COST	
At 1 January 2023	8,825
Additions	1,012
Disposals	<u>(1,600)</u>
At 31 December 2022	<u>8,237</u>
DEPRECIATION	
At 1 January 2022	(1,939)
Charge for year	(2,255)
Eliminated on disposal	<u>417</u>
At 31 December 2022	<u>(3,777)</u>
NET BOOK VALUE	
At 31 December 2022	<u>6,886</u>
At 31 December 2023	<u>4,460</u>

**Notes to the Financial Statements for the
Year Ended 31 December 2023**

5. ANALYSIS OF SUPPORT AND DIRECT COSTS

Support Costs

	Fundraising	Research, Advocacy & Education	31.12.23 Total	31.12.22 Total
	£	£	£	£
Management				
Insurance	680	7,815	8,495	6,495
Postage & Stationery	231	2,281	2,512	2,204
Advertising	5,864	7,412	13,276	20,833
Staff training	-	1,533	1,533	396
Sundries	-	279	279	246
Depreciation	128	2,119	2,247	1,550
Computer Software, Telephone & Consumables	<u>383</u>	<u>4,497</u>	<u>4,880</u>	<u>2,398</u>
	7,286	25,936	33,222	34,123
Finance				
Bank & Transaction Charges	6,188	607	6,795	9,678
Foreign exchange Gains /Loss	755	2,956	3,711	516
Accountancy, Legal & Professional fees	<u>772</u>	<u>8,878</u>	<u>9,650</u>	<u>13,230</u>
	7,715	12,441	20,156	23,425
Governance				
Independent Examination Fees	115	1,325	1,440	1,440
Human Resources				
Wages & Salaries	<u>2,234</u>	<u>41,429</u>	<u>43,663</u>	<u>42,034</u>
Total Support Costs	<u>17,350</u>	<u>81,131</u>	<u>98,481</u>	<u>101,021</u>
Direct Costs				
Event Costs	-	6,319	6,319	21,403
Purchases	-	6,000	6,000	13,077
Other Research Costs	-	10,101	10,101	7,842
Travel Costs	5	39,483	39,488	27,553
Wages & Salaries	8,937	165,717	174,654	168,145
Consultancy	<u>-</u>	<u>83,790</u>	<u>83,790</u>	<u>47,959</u>
Total Direct Costs	<u>8,942</u>	<u>311,410</u>	<u>320,352</u>	<u>285,979</u>
Total Resources Expended	<u>26,292</u>	<u>392,541</u>	<u>418,833</u>	<u>387,000</u>

**Notes to the Financial Statements for the
Year Ended 31 December 2023**

6. MOVEMENT IN FUNDS

	At 1.1.23 £	Income £	Expenditure £	At 31.12.23 £
Unrestricted funds				
General fund	1,296,580	222,868	(253,961)	1,265,487
Restricted funds				
Evenstar	-	6,000	(6,000)	-
Groundwork London	-	20,000	(20,000)	-
Democracy Fund	-	107,760	(107,760)	-
Unbound Philanthropy	(4,311)	29,087	(24,776)	-
Taiwan Foundation for Democracy	-	6,336	(6,336)	-
Total Restricted Funds	<u>(4,311)</u>	<u>169,183</u>	<u>(164,872)</u>	<u>-</u>
TOTAL FUNDS	<u>1,292,269</u>	<u>392,051</u>	<u>(418,833)</u>	<u>1,265,487</u>

Comparatives for movement in funds

	At 1.1.22 £	Income £	Expenditure £	At 31.12.22 £
Unrestricted funds				
General fund	1,071,612	454,065	(229,097)	1,296,580
Restricted funds				
Evenstar	-	13,000	(13,000)	-
Groundwork London	-	10,000	(10,000)	-
Democracy Fund	3,118	90,565	(93,683)	-
Unbound Philanthropy	3,714	26,641	(34,666)	(4,311)
Taiwan Foundation for Democracy	-	6,554	(6,554)	-
Total Restricted Funds	<u>6,832</u>	<u>146,760</u>	<u>(157,904)</u>	<u>(4,311)</u>
TOTAL FUNDS	<u>1,078,444</u>	<u>566,719</u>	<u>(272,149)</u>	<u>1,292,269</u>

Fund Note

Evenstar

Research project on human rights, rule of law and business in Hong Kong.

Democracy Funds

A project to research and advocate collaboration on international policy between legislators.

Notes to the Financial Statements for the Year Ended 31 December 2023

Fund Note (continued)

Unbound Philanthropy

A project to promote the rights and integration of refugees and the British National (Overseas) Status Holders in the UK.

Taiwan Foundation for Democracy

TFD generously funded a new research report on religious freedom in Hong Kong, plus report launch events.

Groundwork London

Civic engagement project for newly arrived Hong Kongers.

7. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure in relation to defined contribution plans was £4,456 (2022: £4,883).

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions of £640 (2022: £Nil) were payable to the fund as at the balance sheet date.

8. FINANCIAL INSTRUMENTS

	31.12.23	31.12.22
	£	£
Financial assets measured at fair value through income and expenditure	1,262,278	1,307,513
Financial assets measured at amortised cost	<u>33,716</u>	<u>23,802</u>
	<u>1,331,315</u>	<u>1,331,315</u>
Financial liabilities measured at amortised cost	<u>(34,354)</u>	<u>(45,932)</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Trade creditors	1,555	2,868
Other creditors	5,940	4,528
Accruals and deferred income	<u>27,472</u>	<u>38,536</u>
	<u>34,967</u>	<u>45,932</u>

10. POST BALANCE SHEET EVENTS

There have been no post balance sheet events.

HONG KONG WATCH

England & Wales - Charity number 1180013

Accounts

REGISTERED CHARITY NUMBER: 1180013

Report of the Trustees and Financial Statements for
the
Year Ended 31 December 2022

Hong Kong Watch
(A Charitable Incorporated Organisation)



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Year Ended 31 December 2022**

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**Company Information for the
Year Ended 31 December 2022**

**Report of the Trustees
for the Period 1 January 2022 to 31 December 2022**

The trustees present their report with the financial statements of the charity for the period 1 January 2021 to 31 December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number: 1180013

Principal address

Office 7
35-37 Ludgate Hill
London
EC4M 7JN

Trustees

Gray Sergeant (Chairman)
Dr Malte Kaeding
Aileen Yi Wan Lam

UK Patrons

Alistair Carmichael MP
Lord Alton of Liverpool
Catherine West MP
Fiona Bruce MP
Sir Geoffrey Nice QC
Sir Malcolm Rifkind QC
Lord Patten of Barnes
Sarah Champion MP

International Patrons

Hon. David Kilgour JD (Canada) (Until April 2022 when he passed away)
Garnett Genuis MP (Canada)
Jung-Hoon Lee (South Korea)
Ambassador Derek Mitchell (US)
Ambassador Sam Brownback (US)
Hon. Irwin Cotler (Canada)
Senator Jim Munson (Canada)
Senator Leo Housakos (Canada)
James Bezan MP (Canada)
Melissa Lantsman (Canada)

Independent examiner

Samuel Troy FCA, Connected Accounting Limited
2 Victoria Square, St Albans, AL1 3TF

**Trustees' Report for the
Year Ended 31 December 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was formed on 20 September 2018 as a Charitable Incorporated Organisation, controlled by its governing document and which constitutes an incorporated charity. The charity registration number is 1180013.

Trustee Selection and Training

Hong Kong Watch is governed by a board of Trustees whose members are elected as the need arises. The Trustees who have served during the year are set out above. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. The charity trustees will make available to each new charity trustee, on or before his or her first appointment: a) a copy of the current version of this constitution; and b) a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

Organisational Structure

The Board of Trustees administers the charity and meets regularly. Responsibility for day-to-day management of the charity has been delegated to the Chief Executive appointed by the Trustees.

Hong Kong Watch has grown significantly during the reporting period; we recruited four new staff members during the reporting period.

Our team have been working from home mainly through the reporting period due to the COVID pandemic. We have made the most of opportunities to expand our global contact base and increase international collaboration through web-platforms. As the COVID situation eased, we resumed in-person meetings with politicians and key stakeholders wherever possible.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Hong Kong Watch's charitable objects are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) in Hong Kong by all or any of the following means:

- Monitoring abuses of human rights;
- Raising worldwide awareness of human rights issues in Hong Kong;
- Promoting respect for human rights among individuals and corporations;
- Publishing authoritative research reports which provide an in-depth examination of potential violations of human rights;
- Providing technical advice to the British government and governments worldwide on human rights issues in Hong Kong;
- Commenting on proposed human rights legislation affecting Hong Kong;

**Trustees' Report for the
Year Ended 31 December 2022**

- Commenting on the causes of human rights abuses in Hong Kong, including violations of judicial independence and freedom of speech in academia;
- Carrying out international advocacy of human rights, making recommendations to the British government and the wider international community when violations of human rights in Hong Kong take place;
- Facilitating discussion and engagement with human rights in Hong Kong among key stakeholders in government, parliament, media, academia and Hong Kong civil society.

The Board of Trustees review the aims, objectives and activities of the organisation each year. This report looks at what the organisation has achieved and the outcomes of its work in the reporting period. The Board of Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Board of Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The Board of Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Board of Trustees consider how planned activities will contribute to the aims and objectives that have been set.

PUBLIC BENEFIT

In carrying out its work Hong Kong Watch pays due regard to Charity Commission guidance concerning public benefit. The trustees are satisfied that all Hong Kong Watch's activities for the financial year that ended 31 December 2021 were of public benefit and that the organisation's funds were spent so as to achieve public benefit.

ACHIEVEMENTS AND PERFORMANCE

2022 saw the ongoing crackdown on Hong Kong's civil society reaching deeper into areas of media, education and internet censorship under the threat of the National Security Law. Key trends during the reporting year included:

- Ongoing arrests of pro-democracy figures, protesters and journalists and conviction of activists under the National Security Law.
- Declining press freedom and disbanding of independent media outlets: Hong Kong drops 68 places to 148th in the global press freedom rankings; investigative news outlets set to disband.
- Disbanding of civil society organisations.
- Internet censorship: In February 2022, Hong Kong Watch received reports of our website being blocked by a number of internet providers in Hong Kong. This was followed by a formal warning from the Hong Kong Police Force's National Security Department regarding our website possibly breaching the National Security Law.
- Crackdown on civil society and education: Six Hong Kong teachers were disqualified over complaints linked to 2019 protests; Foreign English-language teachers working in Hong Kong government schools were forced to swear allegiance to the city; Universities rolled out compulsory national security law classes.

**Trustees' Report for the
Year Ended 31 December 2022**

- Career policeman and former Secretary for Security, John Lee, won an uncontested election and became the new Chief Executive in July 2022.

In response to the significant deterioration in Hong Kong's human rights and basic freedoms, Hong Kong Watch worked closely with Parliamentarians, international organisations, civil society groups and the media to focus the spotlight on the plights of Hong Kong's political prisoners. We also focused on driving forward the accessibility of international lifeboat schemes through regular parliamentary engagement and original research. Through our community outreach initiatives in the United Kingdom and North America, we worked to forge connections between diasporic Hong Kong communities and promote engagement with civic and democratic processes.

1. Human Rights Campaign

Political prisoners campaign

Throughout the reporting year, we continued to monitor and update our political prisoners database. We also published 'Hong Kong Court Weekly Review' to record the number of court cases related to rioting, unlawful assembly and National Security Law charges. On 28 February 2022, Hong Kong Watch gathered prominent Hong Kong pro-democracy activists overseas to issue a joint statement calling for their immediate release. We also regularly raised the cases of Hong Kong's political prisoners during meetings with our international partners.

On 3 February 2022, Hong Kong Watch launched a global Press Freedom Campaign as part of our Free Prisoners project. This campaign aimed to support local journalists in Hong Kong and call on lawmakers and likeminded governments to respond to the ongoing crackdown on press freedom in Hong Kong. Throughout March 2022, we published a series of social media posts to highlight and document the profile and case developments of journalists. We also published an original research report in April 2022 titled 'In the Firing Line: The Crackdown on Media Freedom in Hong Kong'. This report investigated the dire situation faced by Hong Kong journalists and made recommendations for international governments to speak out on freedom of press in Hong Kong. In July 2022, Hong Kong Watch co-hosted a forum on Hong Kong's press freedom in London to discuss the causes of the rapid breakdown of press freedom in Hong Kong.

International Lifeboat Campaign

In order to inform policymakers of the latest human rights developments in Hong Kong and iron out gaps in existing international lifeboat schemes, we strengthened our parliamentary engagement through regular contact with government officials and representatives in the United Kingdom, European Union, United Nations, United States and Canada.

UK

We maintain regular contact with policy-makers to inform and advise on Hong Kong's latest developments in freedom, rule of law, and autonomy. According to statistics from the Home Office, since the introduction of the BNO visa scheme in 2021 up until the end of the reporting year, a total of 160,700 applications have been received.

Trustees' Report for the Year Ended 31 December 2022

In November 2022, the UK Government announced the expansion of the BNO Visa Scheme to include Hong Kongers born on or after the handover with at least one BNO parent. Following the publication of our policy briefing titled 'The left behind: Almost 2M Hong Kongers still do not have a route out of the city' in July 2022, we briefed officials on our findings and called on the UK government to reintroduce the Leave Outside the Rules (LOTR) arrangement, which allows eligible BNO visa applicants to stay, study and work in the UK for six months before the BNO visa becomes valid.

We are committed to developing cross-party engagement with UK Parliamentarians. In September 2022, we hosted a seminar in Liverpool as part of the Labour Party Conference events. We discussed the ongoing human rights crisis in Hong Kong and its implications on the UK's policies. In October 2022, we held another seminar at the Conservative Party Conference 2022, where we discussed the dismantling of freedoms in Hong Kong and the challenges it poses to the international rule-based order.

EU and the United Nations

Throughout the reporting year, we worked to strengthen our network in the European Union and our contact with the United Nations. In March 2022, Hong Kong Watch conducted a visit to Brussels and met with officials from seven EU member states. We raised the cases of Hong Kong's political prisoners, the National Security Law, extradition treaties, and Hong Kong's autonomous status. During our second visit to Brussels in October 2022, we met with EU representatives to discuss updates on political prisoner trials and share findings from our research reports. Our final trip to Brussels in the year took place in November 2022, where we conducted meetings with diplomatic representatives in the EU.

In September 2022, Hong Kong Watch visited Berlin to meet with German Members of Parliament and discussed how the international community should respond to the human rights crisis in Hong Kong. In November 2022, we conducted further meetings focusing on Hong Kong's deteriorating human rights situation. Hong Kong Watch also hired an employee based in Berlin and formally began cooperation with a Hong Kong focused NGO based in Germany.

We also actively participated in human rights summits and the United Nations mechanisms to keep the international community informed about Hong Kong's situation. In April 2022, Hong Kong Watch spoke at the Geneva Summit for Human Rights and Democracy and brought attention to the trial of the 47 pro-democracy activists. We returned to Geneva in November 2022, where we conducted 13 meetings to discuss follow-up actions for the ICCPR report and to ensure Hong Kong issues will be raised in China's Universal Periodic Review in 2024.

United States

We also worked to broaden our network in North America. In the US, Hong Kong Watch spoke at a Senate press conference in January 2022, detailing the crackdown on dissidents and its profound impact on civil society. In February 2022, we were invited to speak at a roundtable event to highlight the human rights crisis faced by Hongkongers, Uyghurs and Tibetans. In March 2022, we were invited to testify on "The Assault on Freedom of Expression in Asia". Using examples from Hong Kong, as well as Thailand and Myanmar, we highlighted the escalating assault on freedom of expression in the region.

Trustees' Report for the Year Ended 31 December 2022

In February 2022, Hong Kong Watch met with a number of officials to update them on Hong Kong's recent developments and explored international lifeboat policies. During our meetings, we highlighted the encroachments on academic and religious freedom in Hong Kong under the National Security Law. We also spoke with a number of diaspora Hong Kong communities, and explored ways to strengthen the diasporic network and empower Hong Kongers in exile. In November to December 2022, Hong Kong Watch made a final visit to Washington DC and conducted 16 meetings with policy experts, human rights activists, NGO representatives and journalists.

Canada

Since the announcement of the Canadian lifeboat scheme in February 2022, Hong Kong Watch worked to identify gaps within the proposed framework to ensure it remains accessible to more Hong Kongers in need. In May 2022, Hong Kong Watch began the campaign to extend and expand the Open Work Permit and Stream B Pathway for Hong Kongers. On 23 August 2022, we welcomed a joint letter signed by a cross-party group of 19 Parliamentarians which cited our research and recommendations. During a visit to Ottawa in October 2022, Hong Kong Watch conducted a series of meetings to discuss the Open Work Permit scheme and give updates on Hong Kong's political prisoners. In particular, we testified to call for the expansion and extension of the Open Work Permit lifeboat scheme and raised questions on the PRC police stations in Canada. We also met with a number of parliamentarians to further discuss the Canadian lifeboat schemes, which was followed by the publication of our research paper detailing case studies of Hong Kongers struggling to access the Open Work Permit and qualify for the Stream B Pathway. In November 2022, Hong Kong Watch Patron Lord Patten of Barnes wrote a letter calling for the extension and expansion of the Open Work Permit and Stream B Pathway. Throughout November and December 2022, we met with a number of officials to discuss the Open Work Permit and Stream B Pathway, the Youth Initiative programme, and give updates on the human rights situation in Hong Kong.

Apart from our international lifeboat campaign, we are also committed to strengthening our presence in Canada and deepening our connections with Canadian policymakers. In December 2022, Hong Kong Watch announced the appointment of two new Patrons in Canada. They will serve alongside our other international Patrons in the UK and the US. Our Patrons are drawn from across the political spectrum, reflecting our cross-party and bipartisan approach.

2. Research and Policy Briefing

Monthly human rights development briefing

Through our in-depth research report and policy briefings, we aim to provide comprehensive and independent analysis on the human rights situation in Hong Kong, support the development of our international campaigns, and inform policymakers around the globe of policy gaps and ways to enhance support for the diasporic Hong Kong community in their countries. Our human rights development briefings are published monthly to document the rapid deterioration of human rights in Hong Kong as they happen since the implementation of the National Security Law in Hong Kong in July 2020.

Trustees' Report for the Year Ended 31 December 2022

Research on press freedom campaign

Hong Kong Watch also conducted original research to support our work. Alongside the launch of our global Press Freedom campaign in February 2022, we published a research report titled 'In the Firing Line: The Crackdown on Media Freedom in Hong Kong' on 26 April 2022. The report found that press freedom in Hong Kong is 'dire' and presented a range of recommendations for international governments. This research report was launched at an event in the House of Commons hosted by a Patron of Hong Kong Watch, where Hong Kong Watch staff discussed the findings.

Research on international lifeboat campaign

We also published a series of policy briefings as part of our international lifeboat campaign to inform policymakers of the gaps in international lifeboat schemes and the need of Hong Kongers at risk. In the briefing titled 'The left behind: Almost 2M Hong Kongers still do not have a route out of the city', we presented a number of case studies and identified loopholes in the current international lifeboat scheme. In November 2022, Hong Kong Watch released a policy briefing titled 'Case studies: Hongkongers struggling to access the Open Work Permit scheme' with a focus on identifying barriers in Canada's lifeboat scheme.

ESG reports

Throughout the reporting year, Hong Kong Watch published two in-depth ESG reports which looked at links between pension funds in the UK, US and Canada and Chinese companies with involvements in Uyghur forced labour programmes and internment camps. The research titled 'Passively Supporting Oppression' investigated investments from the US and Canada in Chinese firms with troubling human rights records and made recommendations to the respective governments. This report was launched in the Canadian House of Commons on 8 June 2022, and at the Reagan Events Centre in Washington DC on 15 June 2022.

On 21 November 2022, Hong Kong Watch released the second ESG report titled 'Passively Funding Crimes Against Humanity'. The report analysed UK, USA, and Canadian pension funds' passive investments in Chinese companies with known links to Uyghur forced labour in Xinjiang. Its launch was held at Westminster on 22 November 2022. Our findings were reported extensively by media outlets, including Financial Times, The Guardian, and The Star. In the same month, Hong Kong Watch gave evidence to a Special Committee in Canada, where we presented our research findings and policy recommendations.

Other research papers and policy briefings

In April 2022, our report titled "'Patriots Only": Hong Kong Officials and Lawmakers' Property Overseas' investigated overseas properties held by Hong Kong officials who pledged allegiance to Beijing and publicly supported the National Security Law. The research found that 9 Hong Kong officials and 12 members of Hong Kong's "patriots only" legislature and their families have property overseas. The report also urged like-minded governments to consider introducing audit powers to audit the assets of Hong Kong and Chinese officials in their respective countries.

Trustees' Report for the Year Ended 31 December 2022

On 13 October 2022, Hong Kong Watch published a policy paper titled 'PRC Embassies in Disguise: Hong Kong Economic and Trade Offices are Another Overseas Arm of the CCP'. The paper argued that Hong Kong Economic and Trade Offices (HKETOs) are used today to exert PRC influence abroad through managing Hong Kong SAR's image, publicly supporting the National Security Law and promoting exchanges in ways that befits Beijing's narratives. It called for host countries to review the status and rebrand HKETOs.

Following the 20th National Congress of the Chinese Communist Party, Hong Kong Watch released a briefing examining the outcomes of the Party Congress, Hong Kong Chief Executive John Lee's first policy address and risks they pose for Canada.

3. Education and Community Outreach

Youth Initiative and internship programme

In recognition of the desire of many newly arrived Hong Kongers to participate in civic and political life in the UK, Hong Kong Watch hosted a one-day workshop in October 2022. The workshop saw sharings and discussions on engaging the UK Parliament, media and communications, and the role of the international community.

To promote integration into the Canadian civic society and strengthen representation of Hong Kong Canadians in Canada, Hong Kong Watch introduced the Youth Initiative programme in a Toronto community centre in July 2022. Later in August 2022, Hong Kong Watch Canada hosted both in-person and online briefing sessions joined by over 20 young HongKongers from across Canada. The programme included eight training sessions and workshops. The Youth Initiative programme was officially launched at a community centre in Toronto in November 2022 and was attended by over 100 guests. On 26 November 2022, Hong Kong Watch returned to Toronto and participated in a community centre event and hosted a roundtable discussion on Canada's Open Work Permit scheme for Hong Kongers.

Civic and political engagement series

In 2022, Hong Kong Watch began a series of civic and political engagement events, which aims to help the Hong Kong BNO community better understand the UK's political and social structures and the ways they can engage with civic and democratic processes. In April 2022, we hosted an event where representatives from the different political parties explained the role of local government ahead of the local elections. A post-election discussion was later held in May 2022, where panellists discussed how the local election results would impact UK politics. A seminar held in August 2022 discussed the Conservative Party leadership race, where expert panellists analysed the contenders for Prime Minister. To educate BNO Hong Kongers about the workings of the British parliamentary system and increase their awareness of how democracy works in practice, Hong Kong Watch organised a tour of the Houses of Parliament which welcomed 50 participants, and a one-hour Q&A session with MPs in Parliament joined by an MP and 40 participants.

Trustees' Report for the Year Ended 31 December 2022

We also focused on educating the public on social support and resources in the UK, and strengthening connections within the BNO community. In July 2022, Hong Kong Watch co-hosted an event in Manchester to discuss support for BNOs in the region, such as access to local representatives and the asylum system, which welcomed around 70 people. In September 2022, we organised a lecture on modern British social history to an audience of around 60 attendees. A seminar held in November 2022 welcomed a panel of speakers from healthcare, education and accounting sector to deliver presentations and answer questions from an audience of 40 attendees. In the same month, we also organised a community gathering which included a one-hour seminar, book stalls, a mini exhibition on Hong Kong history, and a Hong Kong style milk tea stall. This event attracted 60 attendees.

Film screening

With the support of local partners, Hong Kong Watch co-hosted two international screenings of 'Black Bauhinia'. The Brussels screening, held on 22 March 2022, was followed by a panel discussion. A second screening and Q&A was held in Calgary and Edmonton on 24 and 25 September 2022 respectively. On 10 October 2022, we co-organised a screening and panel discussion on the documentary 'The Hong Konger' in London.

North America activities

On 29 March 2022, Hong Kong Watch co-organised a panel discussion on Hong Kong National Security Law in Washington DC. The panel discussed how the National Security Law was used to crack down on Hong Kong's freedoms and democracy. In July 2022, we organised a visit to the US Congress and welcomed over 20 participants. On October 1, Hong Kong Watch co-hosted a meet and greet session in Toronto with a discussion on international advocacy work and development of the Hong Kong diaspora community. The event was attended by 50 participants. Later on 7 October 2022, a meet and greet dinner held in Calgary was joined by 50 Hong Kongers.

Other Activities

On 1 July 2022, Hong Kong Watch hosted an event to mark the 25th anniversary of Hong Kong's handover, with a keynote speech by Lord Patten of Barnes, the last Governor of Hong Kong and Patron of Hong Kong Watch. This event welcomed over 400 attendees.

4. Media and Social Media

Engagement via media and our social media channels is an essential tool for Hong Kong Watch to raise public awareness of Hong Kong's human rights issues and to disseminate educational information with regards to human rights standards to a wide audience.

Hong Kong Watch has broadened its extensive network in international and Hong Kong media, both print and online. During the reporting period, a total of 49 op-eds written by our Patrons and staff members were published in leading media outlets across the world, including The Telegraph, City A.M., The Wall Street Journal, The Spectator, Foreign Policy, The Diplomat, The Tablet, Benefits Canada, and National Post.

Trustees' Report for the Year Ended 31 December 2022

We continued to build on our reputation of expertise on Hong Kong by giving interviews and commenting on TV and radio channels. During the reporting period, we secured extensive media coverage, including in top media outlets such as BBC, CNBC, Bloomberg, Financial Times, The Guardian, Reuters, The Telegraph, The Times, Wall Street Journal, Washington Post, The Globe and Mail, and National Post.

Hong Kong Watch makes an impact through online presence as well, on social media platforms and our website by:

- raising awareness and reaching new audiences
- publicising our research and views
- offering ways for our supporters and Hong Kong people to communicate with us
- allowing us opportunities to establish relationships with civil society actors, policymakers and media globally
- promoting our fundraising campaigns

On YouTube, our interview series 'In Conversation with Benedict Rogers' remained popular throughout the reporting year. Our other social media platforms, Facebook, Instagram and Twitter, all saw a rise in impact in the reporting year. This increased online presence was also reflected on our website, where all activity updates, research reports, events, campaigns, and media coverage of the organisation were posted.

FINANCIAL REVIEW

Hong Kong Watch concluded 2022 with a surplus of £272,940 and a reserve of three years' worth of current HR expenditure (£1,019,329). The surplus is necessary for cash flow and to maintain a balanced budget in 2023 and beyond, as most funding sources are secured on an annual basis and have not yet been confirmed for future years. However, the charity remains in a strong position to sustain and expand its activities in the future.

Fundraising efforts in 2022 focused on a crowdfunding campaign during the summer, which raised £85,774. With these funds, the organisation was able to expand its operations, including the hiring of new staff members. This brings the total number of employees and regular contractors to nine by the end of 2022.

Principal funding sources

The principal source of funding for Hong Kong Watch during the reporting period was private donations from individuals. Even though total income decreased by 18% compared to the previous period, the charity has managed to further increase reserves, maintain impactful activities and recruit more staff members.

We would like to express our gratitude for the generous contributions made by the individuals who have funded our work, as well as the grant makers and foundations that have supported us with donations during 2022.

Trustees' Report for the Year Ended 31 December 2022

Hong Kong Watch has not employed any professional fundraisers or commercial participators to carry out fundraising activities directly with the public. The organisation also did not have any fundraising carried out by third parties and therefore did not subscribe to any fundraising schemes or codes.

Policy on reserves

The Board maintains its position that the organisation should keep unrestricted reserves adequate for 3 years of the current level of HR expenditure. The objective is to ensure that the charity will be in a position to sustain its activities in the long term. The Director and Finance & Operations Manager will continue to work with the Board of Trustees to monitor reserves and manage annual budgets and current activities to align with this policy whilst the profile and reach of the charity grows.

PLANS FOR FUTURE PERIODS

As the assault on the human rights situation in Hong Kong continues in full force since the implementation of the National Security Law in 2020, Hong Kong Watch will continue to focus the international spotlight on the city and speak up for the rights and freedoms of Hong Kongers. Priority areas going forward include: continuing to keep a spotlight on the human rights situation in Hong Kong; advocate for lifeboat assistance for Hong Kongers; speaking up for political prisoners in Hong Kong; campaigning for the release of frozen MPF savings in Hong Kong; ensuring that perpetrators of human rights violations in Hong Kong, the undermining of the rule of law, and breaches to the Sino-British Joint Declaration are held to account; conducting research on business, human rights and ethical investments, the impact of the National Security Law, academic freedom and freedom of religion or belief; providing civic and political education for the Hong Konger diaspora through our Civic and Political Engagement series, Youth Initiative programmes and community events, and continuing to educate policy-makers, the media and the public about the situation in Hong Kong.

Responsibilities of trustees

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' Statement of Recommended Practice (SORP);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the

**Trustees' Report for the
Year Ended 31 December 2022**

assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

Each of the persons who is a Trustee at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant information of which the charitable company's independent examiner is unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's independent examiner in connection with preparing their report and to establish that the charitable company's independent examiner are aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the Trustees on 24 October 2023 and signed on their behalf by:

GRAY SERGEANT

.....

Gray Sergeant
Chair, Hong Kong Watch

**Report of the Independent Examiner to the Trustees of
Hong Kong Watch**

I report on the accounts for the Year Ended 31 December 2022, which are set out on pages fifteen to twenty one.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

SAMUEL TROY

.....

Samuel Troy FCA

Connected Accounting Limited

Date: 30 October 2023

Statement of Financial Activities for the
Year Ended 31 December 2022

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Notes				
INCOMING RESOURCES				
Incoming resources from generated funds				
Donation and legacies	452,718	13,560	466,278	566,701
Grants	-	133,200	133,200	-
Investment income	1,347	-	1,347	18
	454,065	146,760	600,825	566,719
TOTAL INCOMING RESOURCES				
 RESOURCES EXPENDED				
Costs of generating funds				
Fundraising	32,933	-	32,933	30,309
 Charitable activities				
Research, advocacy and education	196,164	157,903	354,067	241,840
	229,097	157,903	387,000	272,149
TOTAL RESOURCES EXPENDED				
Net Incoming/(Outgoing) resources	224,968	(11,143)	213,825	294,570
Transfers between funds	-	-	-	-
	224,968	(11,143)	213,825	294,570
Net movement in funds	224,968	(11,143)	213,825	294,570
Total funds brought forward	1,071,612	6,832	1,078,444	783,874
	1,071,612	6,832	1,078,444	783,874
TOTAL FUNDS CARRIED FORWARD	1,296,580	(4,311)	1,292,269	1,078,444

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

The notes form part of these financial statements.

Balance Sheet
At 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	4	4,691	2,195	6,886	3,288
CURRENT ASSETS					
Cash in hand		1,278,610	27,412	1,306,022	993,679
Prepayments		5,786	-	5,786	-
Other Debtors		<u>19,507</u>	<u>-</u>	<u>19,507</u>	<u>100,396</u>
		1,303,903	27,412	1,331,315	1,094,075
CREDITORS					
Amounts falling due within one year	9	(12,014)	(33,918)	(45,932)	(18,919)
		<u>1,291,889</u>	<u>(6,506)</u>	<u>1,285,383</u>	<u>1,075,156</u>
NET CURRENT ASSETS					
		<u>1,296,580</u>	<u>(4,311)</u>	<u>1,292,269</u>	<u>1,078,444</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,296,580</u>	<u>(4,311)</u>	<u>1,292,269</u>	<u>1,078,444</u>
NET ASSETS					
		<u>1,296,580</u>	<u>(4,311)</u>	<u>1,292,269</u>	<u>1,078,444</u>
FUNDS					
Unrestricted funds	6			1,296,580	1,071,612
Restricted funds				<u>(4,311)</u>	<u>6,832</u>
TOTAL FUNDS				<u>1,292,269</u>	<u>1,078,444</u>

These financial statements have been prepared in accordance with the provisions applicable to the small companies' regime. The financial statements were approved by the Board of Trustees on 24 October 2023 and were signed on its behalf by:

GRAY SERGEANT

.....
Gray Sergeant, Chair

The notes form part of these financial statements.

Cash Flow Statement for the
Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
Net cash inflow from operating activities	1	317,491	223,802
Returns on investments and servicing of finance			
Proceeds from the disposal of equipment		-	799
Purchases of equipment		(5,148)	(3,027)
Cash and cash equivalents at the beginning of the reporting period		993,679	772,105
		_____	_____
Cash and Cash equivalents at the end of the reporting period		1,306,022	993,679
		=====	=====

1. RECONCILIATION OF NET (OUTGOING)\INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.12.22 £	31.12.21 £
Net (outgoing)\incoming resources	213,825	294,570
Depreciation charges	1,550	285
Decrease/(increase) in debtors	75,104	(87,545)
Increase/(decrease) in creditors	27,012	16,492
	_____	_____
Net cash inflow from operating activities	317,491	223,802
	=====	=====

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.01.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash in hand	993,679	312,343	1,306,022
Liquid resources			
Current asset investments	-	-	-
	_____	_____	_____
Total	993,679	312,343	1,306,022
	=====	=====	=====

The notes form part of these financial statements

**Notes to the Financial Statement for the
Year Ended 31 December 2022**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Hong Kong Watch meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 December 2022.

Trustees' expenses

Expenses reimbursed to trustees' for the period ended 31 December 2022 were £4,509 (2021: £Nil).

Notes to the Financial Statement for the
Year Ended 31 December 2022

3. STAFF COSTS

	31.12.22	31.12.21
	£	£
Wages and salaries	191,505	175,690
Social security costs	13,791	12,600
Employer pension costs	4,883	4,123
Other	-	-
	<u>210,179</u>	<u>192,413</u>

The average monthly number of employees during the year was as follows:

	31.12.22	31.12.21
	<u>7</u>	<u>7</u>

No employees received emoluments above £60,000

Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £42,524 (2021: £41,013), including pension costs.

4. TANGIBLE FIXED ASSETS

	Office equipment
COST	
At 1 January 2022	3,677
Additions	5148
Disposals	<u>-</u>
At 31 December 2022	<u>8,825</u>
DEPRECIATION	
At 1 January 2022	(389)
Charge for year	<u>(1,550)</u>
At 31 December 2022	<u>(1,939)</u>
NET BOOK VALUE	
At 31 December 2021	<u>3,288</u>
At 31 December 2022	<u>6,886</u>

Notes to the Financial Statement for the
Year Ended 31 December 2022

5. ANALYSIS OF SUPPORT AND DIRECT COSTS

Support Costs	Fundraising	Research, Advocacy & Education	31.12.22 Total	31.12.21 Total
	£	£	£	£
Management				
Insurance	585	5,910	6,495	2,042
Postage & Stationery	96	2,109	2,204	593
Advertising	2,200	18,633	20,833	13,819
Staff training	396	-	396	-
Sundries	32	214	246	801
Depreciation	112	1,438	1,550	285
Computer Software, Telephone & Consumables	<u>151</u>	<u>2,247</u>	<u>2,398</u>	<u>1,020</u>
	3,572	30,551	34,123	18,560
Finance				
Bank & Transaction Charges	9,009	669	9,678	11,301
Foreign exchange Gains /Loss	(6,183)	6,700	516	1,424
Accountancy, Legal & Professional fees	<u>597</u>	<u>12,633</u>	<u>13,230</u>	<u>6,024</u>
	3,424	20,001	23,425	18,749
Governance				
Independent Examination Fees	130	1,310	1,440	1,440
Human Resources				
Wages & Salaries	<u>2,997</u>	<u>39,037</u>	<u>42,034</u>	<u>38,577</u>
Total Support Costs	<u>10,122</u>	<u>90,899</u>	<u>101,021</u>	<u>77,326</u>
Direct Costs				
Event Costs	10,516	10,887	21,403	5,149
Purchases	-	13,077	13,077	-
Other Research Costs	-	7,842	7,842	1,960
Travel Costs	264	27,289	27,553	2,909
Wages & Salaries	11,993	156,152	168,145	154,314
Consultancy	<u>38</u>	<u>47,921</u>	<u>47,959</u>	<u>30,551</u>
Total Direct Costs	<u>22,811</u>	<u>263,168</u>	<u>285,979</u>	<u>194,883</u>
Total Resources Expended	<u>32,933</u>	<u>354,067</u>	<u>387,000</u>	<u>272,149</u>

Notes to the Financial Statement for the
Year Ended 31 December 2022

6. MOVEMENT IN FUNDS

	At 1.1.22	Income	Expenditure	At 31.12.22
	£	£	£	£
Unrestricted funds				
General fund	1,071,612	454,065	(229,097)	1,296,580
Restricted funds				
Evenstar	-	13,000	(13,000)	-
Groundwork London	-	10,000	(10,000)	-
Democracy Fund	3,118	90,565	(93,683)	-
Unbound Philanthropy	3,714	26,641	(34,666)	(4,311)
Taiwan Foundation for Democracy	-	6,554	(6,554)	-
Total Restricted Funds	<u>6,832</u>	<u>146,760</u>	<u>(157,904)</u>	<u>(4,311)</u>
TOTAL FUNDS	<u>1,078,444</u>	<u>566,719</u>	<u>(272,149)</u>	<u>1,292,268</u>

Comparatives for movement in funds

	At 1.1.21	Income	Expenditure	At 31.12.21
	£	£	£	£
Unrestricted funds				
General fund	779,767	437,549	(145,704)	1,071,612
Restricted funds				
Democracy Fund 1	989	23,083	(24,072)	-
Democracy Fund 2	3,118	83,576	(83,576)	3,118
Unbound Philanthropy	-	17,333	(13,619)	3,714
Taiwan Foundation for Democracy	-	5,178	(5,178)	-
Total Restricted Funds	<u>4,107</u>	<u>129,170</u>	<u>(126,445)</u>	<u>6,832</u>
TOTAL FUNDS	<u>783,874</u>	<u>566,719</u>	<u>(272,149)</u>	<u>1,078,444</u>

Fund Note

Evenstar

Research project on human rights, rule of law and business in Hong Kong.

Democracy Funds

A project to research and advocate collaboration on international policy between legislators.

Notes to the Financial Statement for the
Year Ended 31 December 2022

Fund Note (continued)

Unbound Philanthropy

Unbound Philanthropy has approved a generous grant of £50,000 over 24 months to promote the rights and integration of refugees and the British National (Overseas) Status Holders in the UK.

Taiwan Foundation for Democracy

TFD generously funded the rollout of an influential new 80+ page report on the relationship between China, Human Rights, and ESG / Ethical investment. They funded the report design and printing, as well as two packed launch events at the Conservative and Labour Party conferences.

Groundwork London

Civic engagement project for newly arrived Hong Kongers

7. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure in relation to defined contribution plans was £4,883 (2021: £4,123).

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions of £Nil (2021: £809) were payable to the fund as at the balance sheet date.

8. FINANCIAL INSTRUMENTS

	31.12.22	31.12.21
	£	£
Financial assets measured at fair value through income and expenditure	1,307,513	994,405
Financial assets measured at amortised cost	<u>23,802</u>	<u>99,671</u>
	<u>1,331,315</u>	<u>1,094,076</u>
Financial liabilities measured at amortised cost	<u>(45,932)</u>	<u>(18,110)</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade creditors	2,868	871
Other creditors	4,528	7,934
Accruals and deferred income	<u>38,536</u>	<u>10,114</u>
	<u>45,932</u>	<u>18,919</u>

**Notes to the Financial Statement for the
Year Ended 31 December 2022**

10. POST BALANCE SHEET EVENTS

There have been no post balance sheet events.

HONG KONG WATCH

England & Wales - Charity number 1180013

Accounts

REGISTERED CHARITY NUMBER: 1180013

Report of the Trustees and Financial Statements for the
Year Ended 31 December 2021

Hong Kong Watch
(A Charitable Incorporated Organisation)



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Year Ended 31 December 2021**

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**Company Information for the
Year Ended 31 December 2021**

**Report of the Trustees
for the Period 1 January 2021 to 31 December 2021**

The trustees present their report with the financial statements of the charity for the period 1 January 2021 to 31 December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number: 1180013

Principal address

Office 7
35-37 Ludgate Hill
London
EC4M 7JN

Trustees

Gray Sergeant (Chairman)
Dr Malte Kaeding
Aileen Yi Wan Lam

UK Patrons

Alistair Carmichael MP
Lord Alton of Liverpool
Catherine West MP
Fiona Bruce MP
Sir Geoffrey Nice QC
Sir Malcolm Rifkind QC
Lord Patten of Barnes
Sarah Champion MP

International Patrons

Hon. David Kilgour JD (Canada) (Until April 2022 when he passed away)
Garnett Genuis MP (Canada)
Jung-Hoon Lee (South Korea)
Ambassador Derek Mitchell (US)
Ambassador Sam Brownback (US)
Hon. Irwin Cotler (Canada)
Senator Jim Munson (Canada)
Senator Leo Housakos (Canada)
James Bezan MP (Canada)

Independent examiner

Samuel Troy ACA
Connected Accounting Limited,
2 Victoria Square, St Albans, AL1 3TF

**Trustees' Report for the
Year Ended 31 December 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was formed on 20 September 2018 as a Charitable Incorporated Organisation, controlled by its governing document and which constitutes an incorporated charity. The charity registration number is 1180013.

Trustee Selection and Training

Hong Kong Watch is governed by a board of Trustees whose members are elected as the need arises. The Trustees who have served during the year are set out above. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. The charity trustees will make available to each new charity trustee, on or before his or her first appointment: a) a copy of the current version of this constitution; and b) a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

Organisational Structure

The Board of Trustees administers the charity and meets regularly. Responsibility for day-to-day management of the charity has been delegated to the Chief Executive appointed by the Trustees.

Hong Kong Watch has grown significantly during the reporting period; we recruited four new staff members during the reporting period.

Our team have been working from home mainly through the reporting period due to the COVID pandemic. We have made the most of opportunities to expand our global contact base and increase international collaboration through web-platforms. As the COVID situation eased, we resumed in-person meetings with politicians and key stakeholders wherever possible.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Hong Kong Watch's charitable objects are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) in Hong Kong by all or any of the following means:

- Monitoring abuses of human rights;
- Raising worldwide awareness of human rights issues in Hong Kong;
- Promoting respect for human rights among individuals and corporations;
- Publishing authoritative research reports which provide an in-depth examination of potential violations of human rights;
- Providing technical advice to the British government and governments worldwide on human rights issues in Hong Kong;
- Commenting on proposed human rights legislation affecting Hong Kong;

**Trustees' Report for the
Year Ended 31 December 2021**

- Commenting on the causes of human rights abuses in Hong Kong, including violations of judicial independence and freedom of speech in academia;
- Carrying out international advocacy of human rights, making recommendations to the British government and the wider international community when violations of human rights in Hong Kong take place;
- Facilitating discussion and engagement with human rights in Hong Kong among key stakeholders in government, parliament, media, academia and Hong Kong civil society.

The Board of Trustees review the aims, objectives and activities of the organisation each year. This report looks at what the organisation has achieved and the outcomes of its work in the reporting period. The Board of Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Board of Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The Board of Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Board of Trustees consider how planned activities will contribute to the aims and objectives that have been set.

PUBLIC BENEFIT

In carrying out its work Hong Kong Watch pays due regard to Charity Commission guidance concerning public benefit. The trustees are satisfied that all Hong Kong Watch's activities for the financial year that ended 31 December 2021 were of public benefit and that the organisation's funds were spent so as to achieve public benefit.

ACHIEVEMENTS AND PERFORMANCE

Throughout the year 2021, we were able to strengthen and expand our work in the UK as well as internationally to continue engaging with politicians from around the world and driving tangible policy changes that benefited Hong Kongers in need. In the prereporting year, the Hong Kong authorities intensified their crackdown on Hong Kong's freedoms, most notably with the ongoing implementation of the Hong Kong National Security Law. Key trends during the reporting year included:

- An ongoing crackdown on pro-democracy activists through arrests and imprisonment;
- Conviction of activists under the National Security Law, most notably in the cases of Tong Ying-kit who was sentenced to nine years in prison for "incitement to secession" and "committing acts of terror" in July 2021, Ma Chun-man who was sentenced to five years and nine months in prison for "inciting succession", and Tony Chung who was sentenced to three years and seven months in jail for "secession" and "money-laundering" and became the youngest person to be jailed under the National Security Law at the age of just twenty years old;

**Trustees' Report for the
Year Ended 31 December 2021**

- Press freedom has been further dismantled as more journalists were arrested and more independent media outlets were forced to close, most notably Apple Daily, the most influential Chinese pro-democracy newspaper in Hong Kong following the arrest of its founder and senior executives under the National Security Law in June 2021, and Stand News, a pro-democracy Chinese news media following the arrests of its editorial team members and board members;
- The deconstruction of Hong Kong's political system as evidenced by the disqualification of pro-democracy lawmakers and district councillors as well as the "patriots-only" Legislative Council elections in December 2021;
- Beijing expanding its presence in Hong Kong with new departments for national security and propaganda;
- The banning of peaceful assemblies, including the annual June 4 vigil marking the Tiananmen Square Massacre and the July 1 annual march marking the handover;
- The disbanding of more civil society organizations, including the Civil Human Rights Front, one of the largest civil society groups in Hong Kong responsible for organising some of the city's largest pro-democracy protests in 2019, the Professional Teachers' Union, Hong Kong's biggest teaching union, and the 612 Humanitarian Relief Fund, which is a fund that was set up to provide legal fees and financial assistance to protesters arrested during the 2019 pro-democracy demonstrations;
- Further assault on academic freedoms, as evidenced by the removal of a statue commemorating protesters killed in China's 1989 Tiananmen Square crackdown, the introduction of mandatory national security courses, and the disbanding of student unions at universities;
- The overhaul of Hong Kong's education sector, with 'patriotic education' at the heart.

The National Security Law has been used by authorities to further crack down on Hong Kong's freedoms, leading to the most significant deterioration in the human rights situation in Hong Kong. As such, during the reporting year, we focused on driving policy changes among Western governments to offer a lifeline to Hong Kongers in need. We also worked closely with politicians, Parliamentarians, and the media to shed the international spotlight on the human rights situation in Hong Kong. We also undertook cutting-edge research on ESG reporting and ethical investments to highlight the problematic aspects of Western investments in Chinese companies. With our ongoing engagement with civil society groups and Hong Kong activists as well as media outreach work, we remain the most influential international NGO on human rights issues in Hong Kong.

Campaigns

Briefings with Parliamentarians, foreign offices, government departments, embassies, and UN Missions

In 2021, Hong Kong Watch briefed 198 parliamentarians around the world and 45 foreign offices, embassies, government departments, and UN missions. These calls focused on updating them about the situation in Hong Kong and providing recommendations on the full range of our campaigns. In follow-up we secured signatories to a range of joint letters and other actions promoting human rights in Hong Kong.

We also spoke with and regularly briefed over 10 foreign ministries from a range of countries.

**Trustees' Report for the
Year Ended 31 December 2021**

International Lifeboat Campaign

Following the launch of the BNO visa scheme in January 2021, we closely monitored the implementation of the scheme and engaged with the UK Home Office on an ongoing basis to propose measures to fill out the gaps in the BNO policy. According to the UK Home Office, as of the end of 2021, there were a total of 103,900 applications for the BNO visa scheme. Our research revealed that 93% of defendants who had faced charges related to the anti-extradition law protests (as of 31 July 2021) were born in or after 1997. However, the original BNO policy did not allow Hong Kongers under 25 years old to apply directly for the scheme, meaning that youngsters who were most in need of a lifeline out of the city could not access the scheme. As such, we had been working with Parliamentarians and politicians to advocate for the expansion of the scheme. In December 2021, we drafted an amendment to the scheme and Damian Green MP tabled that amendment, supported by leading Conservatives and cross-party MPs, which would be a stand-alone clause that would require the Secretary of State for the Home Department to make provision to allow Hong Kongers with one parent who has BNO status to register for the BNO Visa Scheme, and allow 18-25s to access the scheme. The amendment was subsequently adopted in February 2022.

As the number of Hong Kongers arriving in the UK increased, we focused on ensuring that the British government put aside resources to facilitate integration. We convened a letter from 11 civil society groups to call for integration to be prioritised, which was covered in international media. Partly as a result of our advocacy, the government appointed a co-ordinating minister responsible for the 'welcome and integration' plan, Lord Greenhalgh, and we met with him together with other relevant civil society organisations. We also helped catalyse and spearhead the establishment of a "Welcoming Committee", a coalition of civil society organisations involved in assisting with integration for Hong Kongers upon arrival in the UK. In early April 2021, the UK government announced major funding (£43 million) would be put aside for welcome and integration.

In Canada, the Young Talent Scheme was launched in February, through which eligible Hong Kong graduates and their dependents could apply for a three-year work visa in Canada, providing them a pathway to citizenship. As of the end of 2021, there were 10,143 applications for Canada's Young Talent Scheme.

Sanctions Campaign

Throughout the reporting year, we called for international sanctions on the officials responsible for the deterioration in Hong Kong. Such calls were routinely raised in the UK Parliament, Canadian Parliament, and European Parliament as a direct result of our briefings and advocacy. In the UK, in 2021, we secured 100 Parliamentary signatories to a letter led by Lord Patten calling for sanctions on Hong Kong officials. In the EU, in January 2021, we sent out Magnitsky list to 10 EU Permanent Representatives who forwarded them to their foreign ministries. In July 2021, the European Parliament passed a Joint-Resolution in July 2021, which included our recommendations on ensuring that Hong Kong Watch's list of Hong Kong officials who should be sanctioned for their involvement in the dismantling of the city's autonomy, calls for lifeboat schemes for frontline defenders, journalists, and religious leaders, and calls for the review of Hong Kong's autonomous status.

**Trustees' Report for the
Year Ended 31 December 2021**

Political Prisoners Campaign

As of January 2022, there were 721 political prisoners in Hong Kong, 555 of them given custodial sentences and 166 were detained pending trial. Throughout the reporting year, we kept our political prisoners database up to date with the latest news on the key court dates, arrests and sentencing of pro-democracy activists, and updates related to prominent political prisoners. Using the data from our political prisoners database, we campaigned for freeing political prisoners during our advocacy tours and on our social media platforms. In December 2021, we worked non-stop for 3 days to help free Denise Ho, activist and former board member of Stand News who was arrested for conspiracy to produce seditious publications.

Strengthening our advocacy work in North America, Australia, and the EU

Throughout the reporting year, we strengthened our community outreach and advocacy work in Canada and the US.

In Canada, we testified to the Standing Committee on Citizenship and Immigration in February 2021 and urged the Canadian Government to improve the Young Talent Scheme to assist at-risk youths from Hong Kong. We also testified to the House of Commons Standing Committee Foreign Affairs and International Development Subcommittee on International Human Rights in May 2021 and further urged the Canadian Government to adopt measures in response to the worsening human rights situation in Hong Kong. We spoke at a panel discussion hosted by Garnett Genius MP to discuss how Canada can improve its lifeboat scheme for Hong Kongers and supported the launch of a parliamentary petition led by Garnett Genius MP to encourage the Government to remove the requirement for Hong Kongers to get a police background certificate to apply for Canada's lifeboat scheme.

In autumn 2021, as the COVID situation eased, we visited several cities in Canada and reached out to Hong Kong communities, met with prominent Hong Kongers groups, activists, and former district councillors. We collaborated with the Hong Konger Station to host a seminar in Toronto and supported the formation of the "Yellow" economy - pro-democracy businesses circle - in Canada. We connected with diaspora groups from Toronto, Vancouver, Edmonton, Calgary and Ottawa and built a volunteering group in Canada. Six parliamentarians and former Ministers became our patrons and prepared for the launch of Hong Kong Watch Canada.

In the US, we built strong relationships with Hong Kong diaspora groups in Washington D.C., New York City, Boston, Los Angeles, San Francisco, San Diego, Las Vegas, Seattle, Chicago and Houston. Town hall events were held to brief the groups on various issues including on our congressional advocacy efforts, the Hong Kong Safe Harbor Act, our #ReleaseMyCandidate campaign and our ESG report. To help the Hong Kong communities grow and to amplify their voices, we made connections between the groups with INGOs and other human rights organizations.

To strengthen the community's bonding, we have also supported the organizing of a large gathering hosted by HKSAM Boston in October 2021, which more than 90 Hong Kongers from nearby areas attended. In November 2021, we assisted another one held in the Washington D.C. area where more than 100 Hong Kongers attended.

**Trustees' Report for the
Year Ended 31 December 2021**

In Australia, we engaged with Australian government officials about ways they might strengthen their policies and to assist Hong Kongers. In November 2021, Australia adopted a student visa scheme which offers a 5-year pathway to citizenship for Hong Kong students. In a subsequent meeting, a senior figure at the Australian High Commission mentioned that our briefing had directly shaped the scheme.

In the EU, we worked closely with other human rights NGOs to draft a joint-appeal calling for any EU-China Investment Partnership to include strong human rights provisions and a specific timetable for China to ratify the core ILO conventions on forced labour. The appeal was launched in January 2021, signed by 49 civil society organizations, and received substantial coverage in European press. We also drafted a letter signed by over 100 China experts on the dangers of CAI and convened a group of Hong Kong activists to raise reservations about the CAI.

Advocacy work at the United Nations

Throughout the reporting year, we engaged regularly with the Office of the High Commissioner for Human Rights and with Special Procedures to keep the international community informed about the human rights situation in Hong Kong. In February 2021 we held a webinar on options for the international community's response, with the former UN Special Rapporteur on human rights in Myanmar Yanghee Lee together with the former UK Foreign Secretary Lord Owen, the former European Parliament's Special Rapporteur for Hong Kong John Cushman and the Director of the International Bar Association's Human Rights Institute Baroness Helena Kennedy.

Research and briefings

One of Hong Kong Watch's main objectives is to provide independent, comprehensive analysis and thought leadership on freedom and human rights in Hong Kong. We regularly monitor developments in Hong Kong legislation related to human rights, compliance of the Hong Kong government with domestic and international human rights standards, violations or abuse of human rights and insufficiency of protections or inconsistency under existing legal frameworks with international standards.

Since April 2021, we have published a monthly human rights briefing on the latest human rights developments in Hong Kong and disseminated the briefing to politicians, parliamentarians, and other key stakeholders to keep them informed on the latest updates in Hong Kong. Throughout the reporting year, we published 5 in-depth research reports and briefings on Chinese investments in Hong Kong, Western investments in Chinese companies, the USA's Strategic Competition Act, and UK's lifeboat and integration policies. All research reports and briefings were available to the public for free via our website. The reports were also shared widely with policymakers around the world, academia and media to maximise the educational effects of these reports and raise worldwide awareness on Hong Kong's human rights situation.

**Trustees' Report for the
Year Ended 31 December 2021**

In February 2021, we published a major research report entitled: 'Red Capital in Hong Kong: The Invisible Hand transforming the city's politics', highlighting the role of the Chinese Communist Party in the city's economy, arguing that Hong Kong was a canary in the coalmine for the rest of the world. The report was launched with a high-level panel discussion online, and subsequently the report was referenced by Parliamentarians and featured by leading media outlets. The findings provided the basis for the promotion of a parliamentary amendment on ethical investment and genocide. This received the backing of more than 40 members of parliament and will provide the basis for a future campaign on China and ethical investments. We have also started to have conversations with senior figures in the business sector about these issues.

In September 2021, we published another major report entitled "ESG, China and Human Rights", revealing that despite lip-service to the importance of responsible investing and ESG priorities, major international pension funds are heavily invested in Chinese companies with problematic human rights records. We hosted two packed fringe events at the Labour Party Conference and Conservative Party Conference, which were standing room only. The launch of our report and the two fringe events were widely covered in major international news outlets around the world. Following the launch of our report, 135 UK Parliamentarians called for the Parliamentary Pension Fund to divest from problematic Chinese companies. The New Zealand Foreign Affairs Committee summoned the state pension fund's directors to quiz them on their China holdings. Australian MPs also called out their Super Funds.

Public awareness and education – Media and social media

Advocacy via media and our social media channels is an essential tool for Hong Kong Watch to raise public awareness of Hong Kong's human rights issues and to disseminate educational information with regards to human rights standards to a wide audience.

Hong Kong Watch has broadened its extensive network in international and Hong Kong media, both print and online. During the reporting period, a total of 53 op-eds written by our Patrons and staff members were published in leading media outlets across the world, including The Telegraph, City AM, Wall Street Journal, Benefits Canada, The Tablet, The Spectator, and The Diplomat.

We continued to build on our reputation of expertise on Hong Kong by giving interviews and commenting on TV and radio channels. During the reporting period, we secured extensive media coverage, including in top media outlets such as BBC, The Guardian, Bloomberg, The Telegraph, Washington Post, CBC News, Al Jazeera, and Financial Times. Hong Kong Watch was mentioned 205 times in various English-language and Chinese-language outlets, including:

- 133 times in English-language media outlets in the UK, Hong Kong, Taiwan, Japan, Canada, and the US;
- 72 times in Chinese-language media outlets in Hong Kong, the US, France, Taiwan, and Germany.

Hong Kong Watch makes an impact through online presence as well, on social media platforms and our website by:

- raising awareness and reaching new audiences

**Trustees' Report for the
Year Ended 31 December 2021**

- publicising our research and views
- offering ways for our supporters and Hong Kong people to communicate with us
- allowing us opportunities to establish relationships with civil society actors, policymakers and media globally
- promoting our fundraising campaigns

On YouTube, our interview series 'In Conversation with Benedict Rogers' attracted 14,722 views during the reporting year. In addition, the YouTube clip of Lord Patten's message to Hong Kongers had been watched almost 17,000 times.

Our other main social media platforms are Facebook and Twitter. Both have grown significantly over the reporting period. Our impact data shows that on Facebook:

- We achieved an increase in the engagement rate of almost 400% compared to last reporting year, with the total number of engagement of 1,349,130;
- With the increase in the frequency of posts and more strategic social media efforts in 2021, our number of page likes increased by almost 12% to 60,139;
- Our page reached significantly more people than just those who have liked our page. We achieved a page reach (the number of people who had any content from or about the HKW page on their screen) of 1,345,668, which was more than 22 times as much as our page likes.

Our Twitter account shows a similar steep increase in impact:

- The number of engagements (retweets, likes, replies, link clicks within tweets) rose substantially to over 1.35 M in the reporting period;
- Engagements were higher in Q2 and Q3 (433.6K and 452.8K respectively) compared to Q1 and Q4 (around 225K);
- The average engagement rate of our Twitter in 2021 was 3.4%.

This increased online presence was also reflected on our website, where all activity updates, research reports, events, campaigns, and media coverage of the organisation were posted.

- There were 192k visits to our website with 353k pageviews by 141k unique visitors during the reporting year;
- The majority of our website visitors were based in Hong Kong. Audiences from across the world also visited our website, including those based in the UK, US, Canada, Australia, Japan, Germany, the Netherlands, and France;
- Some of the most popular pages on our website included our explainer on Canada's lifeboat scheme, explainer on UK's BNO policy, and BNO Community and News, indicating that we played a key role in providing information on lifeboat schemes and building the BNO community.

**Trustees' Report for the
Year Ended 31 December 2021**

Public awareness and education – Events

In February 2021 we held a webinar on options for the international community's response, with the former UN Special Rapporteur on human rights in Myanmar Yanghee Lee together with the former UK Foreign Secretary Lord Owen, the former European Parliament's Special Rapporteur for Hong Kong John Cushman and the Director of the International Bar Association's Human Rights Institute Baroness Helena Kennedy, KC.

In September 2021, we published a research report titled 'ESG, China and Human Rights: Why the time has come for investors to act', which reveals that despite lip-service to the importance of responsible investing and ESG priorities, major international pension funds are heavily invested in Chinese companies with problematic human rights records. We hosted two packed launch events at the Labour Party Conference (28 September 2021) and the Conservative Party Conference (3 October 2021) to roll out our report. Participants, including Members of the Parliament and financial industry experts discussed the report findings and the UK Government's approach to human rights, China and ethical investments.

FINANCIAL REVIEW

Hong Kong Watch ended its third financial year with accumulated surplus reserves of £1,078,444 which is an increase of £294,570 compared to the start of 2021. This is the result of successful fundraising and the prudent management of expenditure. To sustain the charity in the long term, it is a key financial objective to uphold necessary reserves to sustain the charity in the long term. Further progress has been made in respect of this objective and the charity remains in a strong position to both expand and sustain its activity in 2022 and beyond.

Fundraising was concentrated on the crowdfunding campaign during the summer of 2021. With the funds raised, we were able to expand our operations, including hiring an additional 4 members of staff during the year, bringing the total number of employees to 7 at the end of 2021.

Principal funding sources

The principal source of funding for Hong Kong Watch during the reporting period was private donations from individuals. Even though total income decreased by 25% compared to the previous period, the organisation has managed to increase reserves, employ more staff and maintain impactful activities. We would like to express our gratitude for the generous contributions made by the individuals who have funded our work, as well as the grant makers and foundations that have also supported us with donations during 2021.

Hong Kong Watch has not employed any professional fundraisers or commercial participators to carry out fundraising activities directly with the public. The organisation also did not have any fundraising carried out by third parties and therefore did not subscribe to any fundraising schemes or codes.

**Trustees' Report for the
Year Ended 31 December 2021**

Policy on reserves

The Board of Trustees has reviewed the charity's requirements for reserves in light of the main risks to the organisation, and the objective to ensure that the charity will be in a position to sustain its activities in the long term. The Board maintains its position that the organisation should keep unrestricted reserves adequate for 3 years of the current level of HR expenditure. The Director and Finance & Operations Manager will continue to work with the Board of Trustees to monitor reserves and manage annual budgets and current activities to align with this policy whilst the profile and reach of the charity grows.

PLANS FOR FUTURE PERIODS

As the human rights situation in Hong Kong continues to deteriorate on all fronts, especially since the implementation of the National Security Law, Hong Kong Watch will continue speaking up for Hong Kongers and shedding the international spotlight on the city. Priority areas going forward include: ironing out gaps in the current international lifeboat schemes; pushing for the UK and other likeminded countries to audit the assets of Hong Kong officials in the West and sanction Hong Kong officials for their complicity in gross human rights violations; exploring the best ways for us to support new arrivals from Hong Kong in the UK and other countries; speaking up for the political prisoners in Hong Kong; campaigning for the release of political prisoners in Hong Kong; researching on business, human rights and ethical investment in Hong Kong and China; researching the role Hong Kong Economic and Trade offices play abroad in championing the National Security Law; and building solidarity among activists in exile and civil society groups across the world.

Responsibilities of trustees

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' Statement of Recommended Practice (SORP);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

Each of the persons who is a Trustee at the time when this Trustees' report is approved has

**Trustees' Report for the
Year Ended 31 December 2021**

confirmed that:

- so far as that Trustee is aware, there is no relevant information of which the charitable company's independent examiner is unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's independent examiner in connection with preparing their report and to establish that the charitable company's independent examiner are aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the Trustees on 27 October and signed on their behalf by:

GREY SERGEANT

.....

Grey Sergeant
Chair, Hong Kong Watch

**Report of the Independent Examiner to the Trustees of
Hong Kong Watch**

I report on the accounts for the Year Ended 31 December 2021, which are set out on pages fifteen to twenty one.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

SAMUEL TROY

.....

Samuel Troy FCA

Connected Accounting Limited

Date: 28 OCTOBER 2022

Statement of Financial Activities for the
Year Ended 31 December 2021

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
INCOMING RESOURCES				
Incoming resources from generated funds				
Donation and legacies	437,531	129,170	566,701	756,584
Investment income	<u>18</u>	<u>-</u>	<u>18</u>	<u>-</u>
Total incoming resources	437,549	129,170	566,719	756,584
RESOURCES EXPENDED				
Costs of generating funds				
Fundraising	30,309	-	30,309	20,332
Charitable activities				
Research and Advocacy	115,395	126,445	241,840	99,390
General	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,385</u>
Total resources expended	145,704	126,445	272,149	136,107
NET INCOMING/(OUTGOING) RESOURCES	291,845	2,725	294,570	620,477
Total funds brought forward	<u>779,767</u>	<u>4,107</u>	<u>783,874</u>	<u>163,397</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,076,832</u></u>	<u><u>6,832</u></u>	<u><u>1,078,444</u></u>	<u><u>783,874</u></u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.
The statement of financial activities includes all gains and losses recognised in the year.

The notes form part of these financial statements.

Balance Sheet
At 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	4	3,288	-	3,288	1,345
CURRENT ASSETS					
Cash in hand		993,679	-	993,679	772,105
Other Debtors		<u>85,897</u>	<u>14,499</u>	<u>100,396</u>	<u>12,851</u>
		1,079,576	14,499	1,094,075	784,956
CREDITORS					
Amounts falling due within one year	9	(11,252)	(7,667)	(18,919)	(2,427)
NET CURRENT ASSETS					
		<u>1,068,324</u>	<u>6,832</u>	<u>1,075,156</u>	<u>783,874</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,071,612</u>	<u>6,832</u>	<u>1,078,444</u>	<u>783,874</u>
NET ASSETS					
		<u>1,071,612</u>	<u>6,832</u>	<u>1,078,444</u>	<u>783,874</u>
FUNDS					
Unrestricted funds	6			1,071,612	779,767
Restricted funds				<u>6,832</u>	<u>4,107</u>
TOTAL FUNDS					
				<u>1,078,444</u>	<u>783,874</u>

These financial statements have been prepared in accordance with the provisions applicable to the small companies' regime. The financial statements were approved by the Board of Trustees on 27 October and were signed on its behalf by:

GREY SERGEANT

.....
Gray Sergeant, Chair

The notes form part of these financial statements.

Cash Flow Statement for the
Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
Net cash inflow from operating activities	1	223,802	608,416
Returns on investments and servicing of finance			
Proceeds from the disposal of equipment		799	-
Purchases of equipment		(3,027)	(1,449)
Cash and cash equivalents at the beginning of the reporting period		772,105	165,138
		_____	_____
Cash and Cash equivalents at the end of the reporting period		993,679	772,105
		=====	=====

1. RECONCILIATION OF NET (OUTGOING)\INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.12.21 £	31.12.20 £
Net (outgoing)\incoming resources	294,570	620,477
Depreciation charges	285	104
Decrease/(increase) in debtors	(87,545)	(12,851)
Decrease in creditors	<u>16,492</u>	<u>686</u>
Net cash inflow from operating activities	<u>223,802</u>	<u>608,416</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.01.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash in hand	772,105	221,574	993,679
Liquid resources			
Current asset investments	-	-	-
	_____	_____	_____
Total	<u>772,105</u>	<u>221,574</u>	<u>993,679</u>

The notes form part of these financial statements

**Notes to the Financial Statement for the
Year Ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Hong Kong Watch meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 December 2021.

Trustees' expenses

Expenses reimbursed to trustees' for the period ended 31 December 2021 were £Nil (2020: £75).

Notes to the Financial Statement for the
Year Ended 31 December 2021

3. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	175,690	95,213
Social security costs	12,600	3,494
Employer pension costs	4,123	2,172
Other	<u>-</u>	<u>-</u>
	<u>192,413</u>	<u>100,879</u>

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
	<u>7</u>	<u>4</u>

No employees received emoluments above £60,000

Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £41,013 (2020: £11,785), including pension costs.

4. TANGIBLE FIXED ASSETS

	Office equipment
COST	
At 1 January 2021	1,449
Additions	3,027
Disposals	<u>(799)</u>
At 31 December 2021	<u>3,677</u>
DEPRECIATION	
At 1 January 2021	(104)
Charge for year	<u>(285)</u>
At 31 December 2021	<u>(389)</u>
NET BOOK VALUE	
At 31 December 2020	<u>1,345</u>
At 31 December 2021	<u>3,288</u>

Notes to the Financial Statement for the
Year Ended 31 December 2021

5. ANALYSIS OF SUPPORT AND DIRECT COSTS

Support Costs	Fundraising	Research & Advocacy	31.12.21 Total	31.12.20 Total
	£	£	£	£
Management				
Insurance	225	1,817	2,042	-
Postage & Stationery	42	551	593	418
Advertising	2,109	11,710	13,819	845
Sundries	88	713	801	225
Depreciation	36	249	285	104
Computer Software, Telephone & Consumables	<u>96</u>	<u>923</u>	<u>1,020</u>	<u>874</u>
	<u>2,597</u>	<u>15,963</u>	<u>18,560</u>	<u>2,467</u>
Finance				
Bank & Transaction Charges	11,050	251	11,301	15,165
Foreign exchange Gains /Loss	1,424	(60)	1,424	2,434
Accountancy, Legal & Professional fees	<u>267</u>	<u>5,757</u>	<u>6,024</u>	<u>-</u>
	<u>12,741</u>	<u>5,948</u>	<u>18,749</u>	<u>17,600</u>
Governance				
Independent Examination Fees	158	1,282	1,440	1,440
Human Resources				
Wages & Salaries	<u>2,922</u>	<u>35,655</u>	<u>38,577</u>	<u>20,174</u>
Total Support Costs	<u>18,418</u>	<u>58,848</u>	<u>77,326</u>	<u>41,680</u>
Direct Costs				
Event Costs	26	5,122	5,149	2,412
Other Research Costs	32	1,928	1,960	3,304
Travel Costs	140	2,769	2,909	1,788
Wages & Salaries	11,692	142,622	154,314	80,705
Consultancy	<u>-</u>	<u>30,551</u>	<u>30,551</u>	<u>6,217</u>
Total Direct Costs	<u>11,890</u>	<u>182,992</u>	<u>194,883</u>	<u>94,427</u>
Total Resources Expended	<u>30,309</u>	<u>241,840</u>	<u>272,149</u>	<u>136,107</u>

Notes to the Financial Statement for the
Year Ended 31 December 2021

6. MOVEMENT IN FUNDS

	At 1.1.21 £	Income £	Expenditure £	At 31.12.21 £
Unrestricted funds				
General fund	779,767	437,549	(145,704)	1,071,612
Restricted funds				
Democracy Fund 1	989	23,083	(24,072)	-
Democracy Fund 2	3,118	83,576	(83,576)	3,118
Unbound Philanthropy	-	17,333	(13,619)	3,714
Taiwan Foundation for Democracy	-	5,178	(5,178)	-
Total Restricted Funds	<u>4,107</u>	<u>129,170</u>	<u>(126,445)</u>	<u>6,832</u>
TOTAL FUNDS	<u>783,874</u>	<u>566,719</u>	<u>(272,149)</u>	<u>1,078,444</u>

Comparatives for movement in funds

	At 1.1.20 £	Income £	Expenditure £	At 31.12.20 £
Unrestricted funds				
General fund	160,794	710,117	(91,144)	779,767
Restricted funds				
Democracy Fund 1	-	10,000	(9,011)	989
Democracy Fund 2	2,603	36,467	(35,952)	3,118
Total Restricted Funds	<u>2,603</u>	<u>46,467</u>	<u>(44,963)</u>	<u>4,107</u>
TOTAL FUNDS	<u>163,397</u>	<u>756,584</u>	<u>(136,107)</u>	<u>783,874</u>

Fund Note

Democracy Fund 1

A research project to serve as a basis for Human rights advocacy with International Governments.

Democracy Fund 2

A project to research and advocate collaboration on international policy between legislators.

Unbound Philanthropy

Unbound Philanthropy has approved a generous grant of £50,000 over 24 months to promote the rights and integration of refugees and the British National (Overseas) Status Holders in the UK.

Notes to the Financial Statement for the
Year Ended 31 December 2021

Fund Note (continued)

Taiwan Foundation for Democracy

TFD generously funded the rollout of an influential new 80+ page report on the relationship between China, Human Rights, and ESG / Ethical investment. They funded the report design and printing, as well as two packed launch events at the Conservative and Labour Party conferences.

7. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure in relation to defined contribution plans was £4,123 (2020: £2,172).

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions of £809 (2020: £1,593) were payable to the fund as at the balance sheet date.

8. FINANCIAL INSTRUMENTS

	31.12.21	31.12.20
	£	£
Financial assets measured at fair value through income and expenditure	994,405	769,105
Financial assets measured at amortised cost	<u>99,671</u>	<u>15,851</u>
	<u>1,094,076</u>	<u>784,956</u>
Financial liabilities measured at amortised cost	<u>(18,110)</u>	<u>(1,625)</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade creditors	871	185
Other creditors	7,934	802
Accruals and deferred income	<u>10,114</u>	<u>1,440</u>
	<u>18,919</u>	<u>2,427</u>

10. POST BALANCE SHEET EVENTS

There have been no post balance sheet events.

HONG KONG WATCH

England & Wales - Charity number 1180013

Accounts

REGISTERED CHARITY NUMBER: 1180013

Report of the Trustees and Financial Statements for the
Year Ended 31 December 2020

Hong Kong Watch
(A Charitable Incorporated Organisation)



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Year Ended 31 December 2020**

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**Company Information for the
Year Ended 31 December 2020**

**Report of the Trustees
for the Period 1 January 2020 to 31 December 2020**

The trustees present their report with the financial statements of the charity for the period 1 January 2020 to 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number: 1180013

Principal address

Office 7
35-37 Ludgate Hill
London
EC4M 7JN

Trustees

Gray Sergeant (Chairman)
Dr Malte Kaeding
Aileen Yi Wan Lam

UK Patrons

Alistair Carmichael MP
Lord Alton of Liverpool
Catherine West MP
Fiona Bruce MP
Sir Geoffrey Nice QC
Sir Malcolm Rifkind QC
Lord Patten of Barnes
Sarah Champion MP

International Patrons

Hon. David Kilgour JD (Canada)
Garnett Genuis MP (Canada)
Jung-Hoon Lee (South Korea)
Ambassador Derek Mitchell (US)
Ambassador Sam Brownback (US)
Hon. Irwin Cotler (Canada)
Senator Jim Munson (Canada)
Senator Leo Housakos (Canada)
James Bezan MP (Canada)

Independent examiner

Samuel Troy ACA
Connected Accounting Limited,
2 Victoria Square, St Albans, AL1 3TF

**Trustees' Report for the
Year Ended 31 December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was formed on 20 September 2018 as a Charitable Incorporated Organisation, controlled by its governing document and which constitutes an incorporated charity. The charity registration number is 1180013.

Trustee Selection and Training

Hong Kong Watch is governed by a board of Trustees whose members are elected as the need arises. The Trustees who have served during the year are set out above. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. The charity trustees will make available to each new charity trustee, on or before his or her first appointment: a) a copy of the current version of this constitution; and b) a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

Organisational Structure

The Board of Trustees administers the charity and meets regularly. Responsibility for day-to-day management of the charity has been delegated to the Chief Executive appointed by the Trustees.

Hong Kong Watch has grown significantly during the reporting period; we recruited four new staff members during the reporting period. Notably, in February 2020, we appointed Sam Goodman as our Senior Policy Advisor, in September 2020, our co-founder Benedict Rogers joined the staff team as Chief Executive, and in October 2020, our team were joined by Hong Kong student activist Joey Siu on a freelance basis.

Our team have been working from home since March 2020 as a result of the pandemic, and we have made the most of opportunities to expand our global contact base and increase international collaboration through web-platforms.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Hong Kong Watch's charitable objects are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) in Hong Kong by all or any of the following means:

- Monitoring abuses of human rights;
- Raising worldwide awareness of human rights issues in Hong Kong;
- Promoting respect for human rights among individuals and corporations;
- Publishing authoritative research reports which provide an in-depth examination of potential violations of human rights;

**Trustees' Report for the
Year Ended 31 December 2020**

- Providing technical advice to the British government and governments worldwide on human rights issues in Hong Kong;
- Commenting on proposed human rights legislation affecting Hong Kong;
- Commenting on the causes of human rights abuses in Hong Kong, including violations of judicial independence and freedom of speech in academia;
- Carrying out international advocacy of human rights, making recommendations to the British government and the wider international community when violations of human rights in Hong Kong take place;
- Facilitating discussion and engagement with human rights in Hong Kong among key stakeholders in government, parliament, media, academia and Hong Kong civil society.

The Board of Trustees review the aims, objectives and activities of the organisation each year. This report looks at what the organisation has achieved and the outcomes of its work in the reporting period. The Board of Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Board of Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The Board of Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Board of Trustees consider how planned activities will contribute to the aims and objectives that have been set.

PUBLIC BENEFIT

In carrying out its work Hong Kong Watch pays due regard to Charity Commission guidance concerning public benefit. The trustees are satisfied that all Hong Kong Watch's activities for the financial year that ended 31 December 2020 were of public benefit and that the organisation's funds were spent so as to achieve public benefit.

ACHIEVEMENTS AND PERFORMANCE

The year 2020 has been Hong Kong Watch's most impactful year to date. We have engaged with more parliamentarians than ever before and shaped the debate in new and tangible ways.

All these actions were a necessary response to the grim trajectory of Hong Kong politics, with the year seeing an unprecedented assault on Hong Kong's freedoms. In the reporting period, we saw the Hong Kong National Security Law being passed and implemented. The law has proven to be a watershed for the city, and we are witnessing a discernible decline in the city's safeguards for fundamental rights and freedoms. There has been:

- an unprecedented crackdown on pro-democracy activists through arrests;
- a dismantling of democracy through the mass disqualification of pro-democracy Legislative Councillors;
- an assault on Hong Kong's free press, most notably through the targeting of Jimmy Lai;
- the complicity of big tech and the banking sector in enforcing the new law;
- the overhaul of Hong Kong's education sector, with 'patriotic education' at the heart;
- judges under pressure.

**Trustees' Report for the
Year Ended 31 December 2020**

The National Security Law has proven to be a double-edged sword. It has led to the most significant deterioration in the human rights situation in Hong Kong in a generation, but also has provided significant opportunities for us to have a sustained impact on the policy of Western governments towards Hong Kong. Our work on lifeboat campaign and sanctions have been particularly impactful, as we have helped drive policy change in multiple capitals around the world.

This period has seen a number of positive breakthroughs for our work. In particular, the Lifeboat campaign has been highly successful, with Hong Kong Watch achieving policy change in Canada and the UK, as well as testifying before a Congressional hearing in the United States. Although there has been great appetite among international parliamentarians for Magnitsky sanctions to be applied, governments have been more reticent to enact this recommendation. Our engagement with civil society groups and Hong Kong activists remains a core strength, as does our media reach.

Campaigns

Response to the National Security Law

One of our focuses in 2020 was responding to the imposition of the National Security Law.

At the global level, Hong Kong Watch was successful in rallying support for Hong Kong and denouncing the National Security Law. We coordinated a letter from 900 international parliamentarians from more than 40 countries which denounced the law. In addition, we were influential in encouraging more than 50 UN Special Rapporteurs to condemn the legislation in late June 2020. We facilitated a letter signed by seven former UK Foreign Secretaries called on the British government to raise the issue at the G7.

We also spoke with over 10 foreign ministries, and regularly briefed foreign offices from a range of European Union member states.

We had over 150 meetings with parliamentarians and staff from nine countries. These calls focused on updating them about the situation in Hong Kong and providing recommendations on the full range of our campaigns. In follow-up we secured signatories to a range of joint letters and other actions promoting human rights in Hong Kong.

British National (Overseas) (BNO)

We have been at the forefront in speaking to stakeholders in the UK with regards to extension of rights to the BNO. The British government announced its intention to offer British Nationals (Overseas) a pathway to citizenship in May.

On 1 July 2020, the British government introduced a policy which allows Hong Kongers who hold British National (Overseas) passports to access a pathway to citizenship in the United Kingdom, offering a lifeline to those who were facing political persecution. We were one of the leading groups in the UK to advocate for this from soon after our establishment in 2017.

Hong Kong Watch has been in regular contact with the UK Home Office. As a result of our advocacy, the UK Home Secretary agreed to lay out an exemption to ensure that protestors with a protest-related criminal conviction are not denied access to the British National Overseas (BNO) passport scheme.

**Trustees' Report for the
Year Ended 31 December 2020**

Throughout the year, we worked to iron out the gaps in the BNO policy. Following our advocacy, the British government decided to offer the opportunity for dependents of BNOs under 23 to travel with their parents. This was a significant concession, given that the original plan was to only allow dependents under the age of 18 to travel.

We are in touch with many Hong Kong activists who have arrived in the UK and this is now shaping the work we are conducting in the United Kingdom. We are working with other local groups to ensure that there is a strong civil society response to the arrival of Hong Kongers, advocating for refugee NGOs, church groups, local authorities and the government to make Hong Kongers' integration and settlement a priority.

The pandemic has increased the challenge for Hong Kongers seeking refuge abroad, as travel restrictions make it more difficult to leave the city and seek asylum elsewhere. This makes our BNO campaign even more relevant and important.

International Lifeboat

Our work on refugee policies around the world has taken multiple tracks. We have been encouraging a range of international governments to adopt student visa schemes or similar. In Australia, a student visa scheme we helped to shape was adopted, offering a five-year pathway to citizenship for Hong Kong students. In November, Canada adopted our recommendation for a graduate visa pathway for Hong Kongers.

Hong Kong Watch also directly briefed a number of governments on options their governments could take to adopt similar lifeboat schemes. Joey Siu, Hong Kong Watch's new Associate, testified at a hearing on Safe Harbor in the United States Senate.

Save 12 Hong Kong Youths

In August 2020, 12 young people from Hong Kong were detained in Shenzhen. We were at the forefront of the international effort to call for their release. This campaign has been spearheaded by Joey Siu, our new Associate, as well as the wider team.

The organisation drafted four joint letters from parliamentarians and secured signatories. The international statement included 155 parliamentarians from around the world. We also drafted major letters to the respective foreign offices pushing for action from parliamentarians in Canada, the UK and the EU. Finally, we initiated a social media campaign on the topic. This generated support around the world, including from international politicians and activists, notably Greta Thunberg endorsed the campaign.

Magnitsky sanctions

The call for international sanctions for gross human rights abuses on the officials responsible for the deterioration in Hong Kong has been a core recommendation in our briefings throughout the year. The topic was routinely raised in the UK Parliament, Canadian Parliament, and European Parliament as a direct result of our briefings and advocacy.

We were involved in the development of the Hong Kong Autonomy Act in the US and were pleased to see the Hong Kong Chief Executive among those listed on the sanctions list.

**Trustees' Report for the
Year Ended 31 December 2020**

In the UK, we pushed hard for the inclusion of Chinese Communist Party officials in the new Magnitsky register. This was a key demand in every parliamentary debate, and we have ensured that it is now frontbench policy of all the major opposition parties through briefings of key figures.

Similarly, this was a core ask of the European parliamentarians who we work with in their various resolutions on Hong Kong. It was adopted as a recommendation in the European Parliament's resolution on Hong Kong.

In Canada, we coordinated a number of big pushes for the enactment of Magnitsky sanctions by various leading parliamentarians, including a joint-letter in both the Senate and the House of Commons to the Canadian Prime Minister.

Free All Political Prisoners

Since the 2019 protests, more than more than 10,000 people have been arrested in protest-related cases, and over 2,300 charged. Many of them have been detained and are facing prosecution under the National Security Law and illegal-assembly rules.

Hong Kong Watch has started a campaign to ensure that those facing political prosecution are not forgotten. We have put together a comprehensive political prisoner timeline, a database which details key upcoming court cases, and profiles of leading imprisoned activists. Our social media team has used Twitter, Facebook and Instagram to share these profiles with the wider public.

Extradition

We have moved our campaign on to focus on European extradition treaties with China, recognizing that the overseas nature of the National Security Law and the precedence of the 12 Hong Kong Youths means that Hong Kongers and other dissidents could be extradited to the mainland to stand trial. Our campaign alongside the Inter-Parliamentary Alliance on China saw Ireland, the Netherlands, UK, USA, Canada, Australia, New Zealand, Germany, Finland and Czech Republic suspend their extradition treaties with Hong Kong.

The demand for the suspension of extradition treaties with China was included in the European Parliament's motion on the Uyghurs in December as a result of our advocacy campaigning and we briefed Member States directly of the European Foreign Ministers discussion on Hong Kong in December on the need to suspend extradition treaties.

Engagement between Hong Kong civil society actors and policymakers

Drawing on our strengths in establishing relationships with Hong Kong civil society actors and activists and with policymakers in the UK and around the world, Hong Kong Watch has acted as a bridge connecting the Hong Kongers to engage with policymakers to highlight the human rights issues in Hong Kong and to make a case for global support to Hong Kong to defend its rule of law and freedoms.

We provided a platform throughout the year for prominent democracy activists in Hong Kong and those in exile, regularly introducing them to parliamentarians, inviting them to speak at webinars and relaying their priorities in our advocacy. We are not divulging further details here because of the potential sensitivities tied to the National Security Law.

**Trustees' Report for the
Year Ended 31 December 2020**

Hong Kong Watch has also been actively engaging with diasporic Hong Kong communities across the globe to coordinate joint efforts in pushing for policy changes. Our Community Outreach Initiative was launched in October 2020 and held the first online meeting in November with more than 15 groups based in the various countries. We co-hosted an online music rally with musician Joe Tay in December 2020 featuring messages from politicians and activists in exile, including Lord Patten, Senator Rubio, Leader Erin O'Toole, Ted Hui, Nathan Law, Ray Wong and more. The event reached 250K views online and was widely covered by press.

Research reports and briefings

One of Hong Kong Watch's main objectives is to provide independent, comprehensive analysis and thought leadership on freedom and human rights in Hong Kong. We regularly monitor developments in Hong Kong legislation related to human rights, compliance of the Hong Kong government with domestic and international human rights standards, violations or abuse of human rights and insufficiency of protections or inconsistency under existing legal frameworks with international standards.

During the reporting period, we have published five in-depth research reports and briefings assessing and commenting on how existing and proposed legislation in Hong Kong affect its human rights and freedoms. All research reports and briefings were available to the public for free via our website. The reports were also shared widely with policymakers around the world, academia and media to maximise the educational effects of these reports and raise worldwide awareness on Hong Kong's human rights situation.

In February 2020, we launched a major report called *Why Hong Kong Matters* after a month of planning the launch event and drawing together a media strategy including op-eds Press Releases. The report launch took place in the UK Parliament. It was attended by five Members of Parliament and speakers included Sir Malcolm Rifkind, the former Foreign Secretary and Gideon Rachman, the Chief Foreign Columnist for the *Financial Times*. At the event, Johnny Patterson presented the key report findings. Mr Rachman and Sir Malcolm both remarked on the innovative and interesting nature of the report. The report's launch was covered by multiple Cantonese media outlets.

The research achieved widespread reach as a result of our multi-pronged advocacy strategy, and the decision by the team to incorporate the key insights – particularly the cost for China of cracking down on Hong Kong's freedoms – into our advocacy strategy following the announcement of first the extradition law and then the National Security Law crisis.

The report received exposure in more than 20 influential media outlets as a result of the press engagement of Lord Patten, Sir Malcolm Rifkind, Benedict Rogers and Johnny Patterson. We have educated parliamentarians and government officials in the findings of the research from US, UK, EU, Germany, Canada and Hong Kong. This shaped government policy, messaging, and played a role in the passage of the Hong Kong Autonomy Act in the US.

Public awareness and education – Media and social media

Advocacy via media and our social media channels is an essential tool for Hong Kong Watch to raise public awareness of Hong Kong's human rights issues and to disseminate educational information with regards to human rights standards to a wide audience.

**Trustees' Report for the
Year Ended 31 December 2020**

Hong Kong Watch has broadened its extensive network in international and Hong Kong media, both print and online. During the reporting period, a total of 28 op-eds written by our Trustees, Patrons and staff were published in newspapers in the UK, Hong Kong, Canada and the US. Some top media outlets that mentioned us were *Financial Times*, *The Spectator*, *The Wall Street Journal*, *Al Jazeera*, *The Guardian*, *The Diplomat*, *BBC* and others.

We continued to build on our reputation of expertise on Hong Kong by giving interviews and commenting on TV and radio channels. Our media coverage more than doubled compared to 2019, with Hong Kong Watch being mentioned over 320 times in various foreign-language and Chinese-language outlets:

- 180 times in 84 foreign-language media outlets in Hong Kong, Taiwan, Japan, Australia, Canada, the US, the UK, Germany, France, the Netherlands, Switzerland.
- 75 times in 27 Chinese-language media outlets in Hong Kong, Taiwan, Malaysia, Canada, Germany, France, and the US.
- 68 times in 45 foreign-language and Chinese-language outlets about our Save12HKYouths campaign in Hong Kong, Taiwan, Thailand, Vietnam, Portugal, France, Spain, the UK, the US, Australia.

Hong Kong Watch makes an impact through online presence as well, on social media platforms and our website by:

- raising awareness and reaching new audiences
- publicising our research and views
- offering ways for our supporters and Hong Kong people to communicate with us
- allowing us opportunities to establish relationships with civil society actors, policymakers and media globally
- promoting our fundraising campaigns

On YouTube, we launched a new interview series called *In Conversation with Benedict Rogers* in May 2020. Three of the interviews held in 2020 have been watched over 1,000 times. In addition, the YouTube clip of the Paddy Ashdown Memorial Lecture has been watched almost 2,000 times.

Our other main social media platforms are Facebook and Twitter. Both have grown significantly over the reporting period. Our impact data shows that on Facebook:

- We achieved an average engagement rate of over 7%, while the industry benchmark in 2020¹ for engagement rate in politics (0.9%) and non-profits (0.16%) is much lower.
- With the increase in the frequency of posts and more strategic social media efforts in 2020, our number of page likes have increased by almost 70% to 48,804.
- Our page has reached significantly more people than just those who have liked our page. We achieved a page reach (the number of people who had any content from or about the HKW page on their screen) of 2.2 million, which is more than 45 times as much as our page likes.

Our Twitter account shows a similar steep increase in impact:

- The number of engagements (retweets, likes, replies, link clicks within tweets) rose substantially to over 133 million in the reporting period.

¹ <https://www.socialinsider.io/blog/social-media-industry-benchmarks/>

**Trustees' Report for the
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- Engagements were higher in Q2 and Q3 (433.6K and 452.8K respectively) compared to Q1 and Q4 (around 225K).
- Our engagement rate increased from 4.7% at the end of 2019 to an average of 5.45% in 2020. This is consistently above the industry average² of 0.47% for politics and 0.06% for non-profits in 2020.

This increased online presence is also reflected on our website, which contains all activity updates, research reports, events, campaigns and media coverage of the organisation. The number of unique visitors, number of visits and total page views in Q2 and Q3 in 2020 are significantly larger compared to both 2019 and Q1 and Q4 2020, which reflects the trend on our Twitter account. This is likely to be due to the turn of events in Hong Kong, most notably the passing of the National Security Law in July, and the international response to the situation of Hong Kong freedoms.

The majority of visitors are from Hong Kong. They are our target audience and many of our donors are from Hong Kong or Hong Kongers who live outside of Hong Kong. However, traffic figures indicate our content has consistently reached a wide audience across different countries, i.e., the US, the UK, Australia, Canada, Japan, Taiwan, New Zealand and various countries in Europe.

Visitors to our website are mainly driven by three types of traffic. They are: direct, search and social media. There was a significant increase in direct traffic in Q3, which could be due to Hong Kongers planning to flee the country and visiting our website to learn about our lifeboat campaign. Traffic from social media remained high, accounting for almost 40% of the total. This indicates that our activities on the social media platforms remained successful in raising awareness among our audiences and rallying a certain level of interest and support from them.

Compared to industry benchmarks³, our performance has been strong:

- Direct traffic: industry benchmark is 21.5%, HKW achieved an average of 26.8%.
- Social traffic: industry benchmark is 6.3%, HKW achieved an average of 37.2%.

Public awareness and education – Events

Another important avenue for Hong Kong Watch to raise awareness about the human rights situation in Hong Kong and to deliver educational benefits to the public was through organising events. Most of our events were open to the general public and were free to attend. As a result of the pandemic, many of these were webinars.

During the reporting period, Hong Kong Watch organised 10 seminars or webinars.

The inaugural Paddy Ashdown Memorial Lecture in February was delivered in Westminster Central Hall by Lord Patten of Barnes, the last British governor of Hong Kong and a Patron of the organisation. The lecture was one of Lord Patten's most substantial speeches on Hong Kong in recent years, proposing that an independent inquiry, reform of public order legislation and political reforms should all form part of a road map towards the reconciliation of Hong Kong's society.

² <https://www.socialinsider.io/blog/social-media-industry-benchmarks/>

³ 'Digital Comms in 2020-21 Report' published on charitycomms.org.uk

**Trustees' Report for the
Year Ended 31 December 2020**

In February, we also launched our report *Why Hong Kong Matters*, which is detailed in the section on research reports and briefings (p.8).

Hong Kong Watch was also involved in organizing a range of roundtables with parliamentarians and other key stakeholders. In April we hosted a dialogue between Hong Kong activists, US and UK policy makers. In May, one of our Canadian patrons, Garnett Genuis, hosted a parliamentary webinar on our *Why Hong Kong Matters* report.

June was a busy month. On 3 June, we hosted a webinar to mark the anniversary of the Hong Kong pro-democracy movement with victims of communism, and leading speakers including parliamentarians from Europe, the US and UK. On 10 June, we worked with a German MP to host activists in a dialogue. On 12 June, our Canadian patron, David Kilgour, chaired a webinar with Canadian Senators and Hong Kong student leaders.

In late July, we collaborated with the UK Bar Human Rights Committee to host a virtual roundtable with senior legal figures in the UK, US and Hong Kong.

In September, we collaborated with the Canada-based MacDonald Laurier Institute to host a webinar which drew together Lord Patten; Nathan Law, the exiled Hong Kong activist; Dr. Miles Yu, the China Policy Advisor to the US Secretary of State Mike Pompeo and Garnett Genuis MP, Canada's Shadow Minister for International Development and Human Rights and our co-founder and Chief Executive Benedict Rogers on the panel. This was a major webinar viewed by thousands of people around the world, which helps keep the situation in Hong Kong on the international community's agenda.

We subsequently hosted an event on Magnitsky sanctions with Bill Browder, a number of international MPs and Nathan Law in November. In December, we convened a discussion on what the BNO policy means for Hong Kongers.

FINANCIAL REVIEW

Hong Kong Watch ended its second financial year with accumulated surplus reserves of £783,874, an increase from £163,397 at the start of the period. This is the result of successful fundraising and the prudent management of expenditure. A key financial objective at the start of the year was to establish the necessary reserves to sustain the charity in the long term. Significant progress has been made in respect of this objective and the charity is now in a strong position to both expand and sustain its activity in 2021 and beyond.

Fundraising was concentrated on the campaign during the summer of 2020 and directly resulted in the expansion of activity, included the hiring of an additional four members of staff during the year, bringing the total number of employees to six.

The strong financial position has enabled the charity to continue to expand its activities and staff base in 2021. As of September 2021, the charity has seven employees and had expanded the remit of its activities from the foundation achieved during 2020.

**Trustees' Report for the
Year Ended 31 December 2020**

Principal funding sources

The principal source of funding for Hong Kong Watch during the reporting period was private donations from individuals, making up 94% of the total income. Total income increased by 350% compared to the previous period due to the support of the many individual donors and the increased profile of the charity as it has become established. We would like to express our gratitude for the generous contributions made by the individuals who have funded our work, as well as the grant makers and foundations that have also supported us with donations during 2020.

Hong Kong Watch has not employed any professional fundraisers or commercial participators to carry out fundraising activities directly with the public. The organisation also did not have any fundraising carried out by third parties and therefore did not subscribe to any fundraising schemes or codes.

Policy on reserves

The Board of Trustees has reviewed the charity's requirements for reserves in light of the main risks to the organisation, and the objective to ensure that the charity will be in a position to sustain its activities in the long term. It has been duly determined that the organisation should maintain unrestricted reserves adequate for 3 years of the current level of activity and expenditure.

The Director and Finance & Operations Manager will continue to work with the Board of Trustees to monitor reserves and manage annual budgets and current activities to align with this policy whilst the profile and reach of the charity grows.

PLANS FOR FUTURE PERIODS

With the crackdown on freedoms in Hong Kong in full force, there has never been a more important time for organisations like Hong Kong Watch to step up. The National Security Law is a watershed moment which means that our work is more important than ever.

Priority areas going forwards including supporting the rights and freedoms of Hong Kong political prisoners by speaking up for them and ensuring they are not forgotten; considering the best ways for us to support new arrivals from Hong Kong in the United Kingdom as they establish themselves in Britain; researching the intersection between business, human rights and ethical investment in Hong Kong and China; and furthering solidarity among Hong Kong civil society actors in exile.

Responsibilities of trustees

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' Statement of Recommended Practice (SORP);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate

**Trustees' Report for the
Year Ended 31 December 2020**

to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

Each of the persons who is a Trustee at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant information of which the charitable company's independent examiner is unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's independent examiner in connection with preparing their report and to establish that the charitable company's independent examiner are aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the Trustees on 28 OCTOBER 2021 and signed on their behalf by:

GREY SERGEANT

.....

Grey Sergeant
Chair, Hong Kong Watch

**Report of the Independent Examiner to the Trustees of
Hong Kong Watch**

I report on the accounts for the Year Ended 31 December 2020, which are set out on pages fifteen to twenty one.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

SAMUEL TROY

.....

Samuel Troy FCA

Connected Accounting Limited

Date: 29 OCTOBER 2021

Statement of Financial Activities for the
Year Ended 31 December 2020

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Notes				
INCOMING RESOURCES				
Incoming resources from generated funds				
Donation and legacies	710,117	46,467	756,584	215,763
Investment income	-	-	-	-
Total incoming resources	<u>710,117</u>	<u>46,467</u>	<u>756,584</u>	<u>215,763</u>
RESOURCES EXPENDED				
Costs of generating funds				
Fundraising	20,332	-	-	-
Charitable activities				
Research and Advocacy	54,427	44,963	99,390	34,195
General	<u>16,385</u>	<u>-</u>	<u>16,385</u>	<u>18,171</u>
Total resources expended	<u>91,144</u>	<u>44,963</u>	<u>136,107</u>	<u>52,366</u>
NET INCOMING/(OUTGOING) RESOURCES	<u>618,973</u>	<u>1,504</u>	<u>620,477</u>	<u>163,397</u>
Total funds brought forward	<u>160,794</u>	<u>2,603</u>	<u>163,397</u>	<u>-</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>779,767</u></u>	<u><u>4,107</u></u>	<u><u>783,874</u></u>	<u><u>163,397</u></u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.
The statement of financial activities includes all gains and losses recognised in the year.

The notes form part of these financial statements.

Balance Sheet
At 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	4	596	749	1,345	-
CURRENT ASSETS					
Cash in hand		768,747	3,358	772,105	165,138
Other Debtors		<u>12,851</u>	<u>-</u>	<u>12,851</u>	<u>-</u>
		781,598	3,358	784,956	165,138
CREDITORS					
Amounts falling due within one year	9	(2,427)	-	(2,427)	(1,741)
		<u>779,767</u>	<u>4,107</u>	<u>783,874</u>	<u>163,397</u>
NET CURRENT ASSETS					
		<u>779,767</u>	<u>4,107</u>	<u>783,874</u>	<u>163,397</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>779,767</u>	<u>4,107</u>	<u>783,874</u>	<u>163,397</u>
NET ASSETS					
		<u>779,767</u>	<u>4,107</u>	<u>783,874</u>	<u>163,397</u>
FUNDS					
Unrestricted funds	6			779,767	160,794
Restricted funds				<u>4,107</u>	<u>2,603</u>
TOTAL FUNDS					
				<u>783,874</u>	<u>163,397</u>

These financial statements have been prepared in accordance with the provisions applicable to the small companies' regime. The financial statements were approved by the Board of Trustees on 28 OCTOBER 2021 and were signed on its behalf by:

GREY SERGEANT

.....
Gray Sergeant, Chair

The notes form part of these financial statements.

Notes to the Cash Flow Statement for the
Year Ended 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Net cash inflow from operating activities	1	606,967	165,138
Returns on investments and servicing of finance		-	-
Cash and cash equivalents at the beginning of the reporting period		165,138	-
		<hr/>	<hr/>
Cash and Cash equivalents at the end of the reporting period		<u>772,105</u>	<u>163,138</u>

1. RECONCILIATION OF NET (OUTGOING)\INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.12.20 £	31.12.19 £
Net (outgoing)\incoming resources	606,863	165,138
Depreciation charges	104	-
Decrease/(increase) in debtors	-	-
Decrease in creditors	-	-
	<hr/>	<hr/>
Net cash inflow from operating activities	<u>606,967</u>	<u>163,397</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.01.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash in hand	165,138	606,967	772,105
Liquid resources			
Current asset investments	-	-	-
	<hr/>	<hr/>	<hr/>
Total	<u>165,138</u>	<u>620,581</u>	<u>772,105</u>

The notes form part of these financial statements

**Notes to the Financial Statement for the
Year Ended 31 December 2020**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Hong Kong Watch meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 December 2020.

Trustees' expenses

Expenses reimbursed to trustees' for the period ended 31 December 2020 were £75 (2019: £6,213), paid to 1 trustee for travel and meeting costs.

Notes to the Financial Statement for the
Year Ended 31 December 2020

3. STAFF COSTS

	31.12.20	31.12.19
	£	£
Wages and salaries	95,213	29,500
Social security costs	3,494	227
Employer pension costs	2,172	496
Other	<u>-</u>	<u>1,000</u>
	<u>100,879</u>	<u>31,223</u>

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
	<u>4</u>	<u>2</u>

No employees received emoluments above £60,000

Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £11,785 (2019: Nil), including pension costs.

4. TANGIBLE FIXED ASSETS

	Office equipment
COST	
At 01 January 2020	-
Additions	<u>1,449</u>
At 31 December 2020	<u>1,449</u>
DEPRECIATION	
At 1 January 2020	-
Charge for year	<u>(104)</u>
At 31 December 2020	<u>(104)</u>
NET BOOK VALUE	
At 31 December 2019	<u>-</u>
At 31 December 2020	<u>1,345</u>

Notes to the Financial Statement for the
Year Ended 31 December 2020

5. ANALYSIS OF SUPPORT AND DIRECT COSTS

Support Costs	Fundraising	Research & Advocacy	General	31.12.20 Total	31.12.19 Total
	£	£	£	£	£
Management					
Insurance	-	-	-	-	480
Postage & Stationery	26	372	21	418	614
Advertising	52	766	27	845	90
Sundries	225	-	-	225	201
Depreciation	8	89	7	104	-
Computer Software, Telephone & Consumables	<u>109</u>	<u>678</u>	<u>87</u>	<u>874</u>	<u>1,449</u>
	420	1,905	142	2,467	2,834
Finance					
Bank & Transaction Charges	15,104	56	6	15,165	3,302
Foreign exchange Gains /Loss	1,802	1,385	(33)	2,434	760
Accountancy, Legal & Professional fees	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>540</u>
	16,186	1,441	(27)	17,600	4,602
Governance					
Independent Examination Fees	216	1,051	173	1,440	1,440
Human Resources					
Wages & Salaries	<u>688</u>	<u>16,277</u>	<u>3,209</u>	<u>20,174</u>	<u>31,223</u>
Total Support Costs	<u>17,510</u>	<u>20,674</u>	<u>3,496</u>	<u>41,680</u>	<u>40,099</u>
Direct Costs					
Event Costs	-	2,412	-	2,412	4,497
Other Research Costs	-	3,304	-	3,304	284
Travel Costs	66	1,670	52	1,788	7,486
Wages & Salaries	2,757	65,112	12,836	80,705	-
Consultancy	<u>-</u>	<u>6,217</u>	<u>-</u>	<u>6,217</u>	<u>-</u>
Total Direct Costs	<u>2,823</u>	<u>78,716</u>	<u>12,888</u>	<u>94,427</u>	<u>12,267</u>
Total Resources Expended	<u>20,332</u>	<u>99,391</u>	<u>16,385</u>	<u>136,107</u>	<u>52,366</u>

Notes to the Financial Statement for the
Year Ended 31 December 2020

6. MOVEMENT IN FUNDS

	At 1.1.20 £	Income £	Expenditure £	At 31.12.20 £
Unrestricted funds				
General fund	160,794	710,117	(91,144)	618,973
Restricted funds				
Democracy Fund 1	-	10,000	(9,011)	989
Democracy Fund 2	2,603	36,467	(35,952)	3,118
Total Restricted Funds	<u>2,603</u>	<u>46,467</u>	<u>(44,963)</u>	<u>4,107</u>
TOTAL FUNDS	<u>163,397</u>	<u>756,584</u>	<u>(136,107)</u>	<u>783,874</u>

Comparatives for movement in funds

	At 20.9.18 £	Income £	Expenditure £	At 31.12.19 £
Restricted funds				
Democracy Fund 1	-	<u>9,151</u>	<u>(6,548)</u>	<u>2,603</u>
TOTAL FUNDS	<u>-</u>	<u>9,151</u>	<u>(6,548)</u>	<u>2,603</u>

Fund Note

Democracy Fund 1

A research project to serve as a basis for Human rights advocacy with International Governments

Democracy Fund 2

A project to research and advocate collaboration on international policy between legislators

7. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure in relation to defined contribution plans was £2,172 (2019: £496).

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions of £1,593 (2019: £173) were payable to the fund as at the balance sheet date.

Notes to the Financial Statement for the
Year Ended 31 December 2020

8. FINANCIAL INSTRUMENTS

	31.12.20	31.12.19
	£	£
Financial assets measured at fair value through income and expenditure	769,105	154,292
Financial assets measured at amortised cost	<u>15,851</u>	<u>10,846</u>
	<u>784,956</u>	<u>165,138</u>
Financial liabilities measured at amortised cost	<u>(1,625)</u>	<u>(1,440)</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade creditors	185	-
Other creditors	802	301
Accruals and deferred income	<u>1,440</u>	<u>1,440</u>
	<u>2,427</u>	<u>1,741</u>

10. POST BALANCE SHEET EVENTS

Since 31 August 2020, the spread of COVID-19 continued to have a severe impact on many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The charity has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to make reliable estimate of the duration and severity of these consequences, nor of their impact on the financial position and results of the charity for future periods.