

**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**



.....
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
Total incoming resources	260,513	170,618	431,131	392,051
 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
Total resources expended	266,384	170,618	437,002	418,833
 Net Incoming/(Outgoing) resources	(5,871)	-	(5,871)	(26,782)
 Transfers between funds	-	-	-	-
 Net movement in funds	(5,871)	-	(5,871)	(26,782)
 Total funds brought forward	1,265,487	-	1,265,487	1,292,269
 TOTAL FUNDS CARRIED FORWARD	<u>1,259,616</u>	<u>-</u>	<u>1,259,616</u>	<u>1,265,487</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 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		24,511	-	24,511	27,287
		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)
NET CURRENT ASSETS		1,257,124	(928)	1,256,196	1,261,027
TOTAL ASSETS LESS CURRENT LIABILITIES		1,259,616	-	1,259,616	1,265,487
NET ASSETS		1,259,616	-	1,259,616	1,265,487
FUNDS	6				
Unrestricted funds				1,259,616	1,265,487
Restricted funds				-	-
TOTAL FUNDS				1,259,616	1,265,487

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.