

IMPACTHK LIMITED  
同路舍有限公司  
(Limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024



陳黎彭會計師事務所

**CHAN, LAI, PANG & CO.**

Certified Public Accountants

## **IMPACTHK LIMITED**

同路舍有限公司

### **DIRECTORS' REPORT**

The directors present the annual report and the audited financial statements for the year ended 31<sup>st</sup> March, 2024.

### **PRINCIPAL ACTIVITY**

ImpactHK Limited ("ImpactHK") is a company incorporated and domiciled in Hong Kong and its registered office at G/F, Cherry Mansion, 29 Oak Street, Tai Kok Tsui, Kowloon. The principal activity of the Association is to help the underprivileged people for the benefit of the Hong Kong Community.

### **RESULTS**

The result of ImpactHK for the year ended 31<sup>st</sup> March, 2024 and the state of ImpactHK's affairs as at that date are set out in the financial statements on pages 13 to 23.

### **BUSINESS REVIEW**

#### **Key Highlights**

- During the year under review, ImpactHK continued to provide services and organize activities consistent with its mission of working for the benefit of the Hong Kong community, the relief of financial hardship among underprivileged people, by providing such persons with financial assistance, clothing, food, and/or daily necessities, which they could not otherwise afford due to lack of means.
- The total income and expenditure amounted to approximately HK\$27 million (2023: HK\$22.8m) and HK\$25.6 million (2023: HK\$23.4m) respectively, with the accumulated fund amounting to approximately HK\$18 million (2023: HK\$16.6m) at 31<sup>st</sup> March, 2024. These figures demonstrated the consistent application of ImpactHK's prudent fiscal policy in maintaining financial viability while effectively utilizing its resources.
- ImpactHK also completed restructuring its organization, primarily aimed at enhancing control and efficiency in various operations and activities. As a result, ImpactHK now comprises 3 departments:-
  - Operations
    - Responsible for finance and accounting, administration and corporate development activities
  - Programmes
    - Responsible for the provision of programmes, services and the operation of services units
  - Community Connections
    - Responsible for fundraising, publicity & branding, and education activities

A new position of Chief Operating Officer (COO) has been established. The Chief Executive Officer (CEO) is responsible for the Community Connection Department while the COO is responsible for the Operations Department. Both the CEO and COO supervise the Programme Department together.

**IMPACTHK LIMITED**

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**DIRECTORS' REPORT – cont'd****Key Performance Indicators and Financial Highlights**

During the year under review, the Accommodation Service supported 120 residents, while the Employment Service assisted 35 individuals. In terms of Core Services, the Health, Sports, and Rehabilitation Services served 230 people; the Community Outreach Service and Community Centre reached 626 individuals; the Kind Kitchen distributed 122,393 meal boxes to those in need; and the Casework Service delivered 158 sessions to individuals experiencing homelessness.

There were 24,495 transactions recorded at My Kinda Café and 263 at the Online shop, respectively.

535 people joined the public education activities of ImpactHK, and 10 Kindness Talks at Schools were delivered. In total, 4,592 participants were recorded across 797 Kindness walks.

Financially, the total income and expenditure amounted to approximately HK\$27 million (2023: HK\$22.8m) and HK\$25.6 million (2023: HK\$23.4m) respectively.

**Financial Highlights for the Fiscal Year**

	<u>2023-2024</u>	<u>2022-2023</u>
	HK\$	HK\$
<b><u>INCOME</u></b>		
Designated funds	12,594,520 (46.6% of all revenue)	9,478,694 (41.6% of all revenue)
General funds	12,747,578 (47.2% of all revenue)	10,914,744 (47.9% of all revenue)
Social enterprise income	1,630,287 (6.0% of all revenue)	1,520,721 (6.7% of all revenue)
Interest income	59,487 (0.2% of all revenue)	27,125 (0.1% of all revenue)
Others	- - -	868,000 (3.8% of all revenue)
<b>TOTAL INCOME</b>	<b>27,031,872</b>	<b>22,809,284</b>
<b><u>EXPENDITURE</u></b>		
Programme expenses:		
Accommodation services	4,467,403	4,484,191
Employment services	2,808,757	2,643,270
Core services	11,502,847	10,979,768
Social enterprise expenses	1,861,376	2,113,711
Fundraising expenses	2,749,089	52,335
Administrative expenses	2,182,124	3,164,978
<b>TOTAL EXPENDITURE</b>	<b>25,571,596</b>	<b>23,438,253</b>
<b>Surplus/ (Deficit)</b>	<b>1,460,276</b>	<b>(628,969)</b>
<b><u>ACCUMULATED FUND</u></b>		
At the beginning of the year	16.6 million	17.2 million
At the end of the year	18 million	16.6 million

## **IMPACTHK LIMITED**

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### **DIRECTORS' REPORT – cont'd**

#### **Business Overview**

ImpactHK was established as a registered charity in Hong Kong since March 2017. The journey started with a simple aim of doing one act of kindness per month for those experiencing homelessness. Since then, ImpactHK has grown significantly while many volunteers and staff members joined to support the less fortunate in a meaningful and measurable way. ImpactHK aims to earn trust and develop connections with individuals experiencing homelessness in Hong Kong by providing accommodation, employment training, health and rehabilitation services, casework, and food to improve their situations.

ImpactHK understands that providing homes and/or jobs is often not enough on its own. Some of the service users sign a formal contract, become our Full-Time Assistants (FTAs) and work for ImpactHK, serving and supporting other service users at ImpactHK premises, including at 29 Community Centre, the Kind Kitchen, Health Centre, Hostel, storage centre, and outside on the streets. Their job is to show love and kindness to individuals in need. This meaningful act further aids them on their path to recovery. While employed at ImpactHK, the service users participate in our holistic programmes: counselling, mentorship, nutrition, sport, education, and art therapy. The key ingredient of these services is the one-on-one friendships and community connections that are built. When the employed beneficiaries are healthy, happy and able to find independence, they graduate and are able to work for other entities. ImpactHK remains in their lives as a community and as a group of friends.

ImpactHK relies on generous donations from a variety of donors. It is supported by The Hong Kong Jockey Club Charities Trust, Fu Tak lam Foundation Limited, Sir Horace Kadoorie International Foundation, HKEX Foundation and various other funders. In 2024 ImpactHK organized an inaugural fundraising Gala Dinner, which helped to raise an additional HK\$4 million for its operations. In the future, ImpactHK will explore other fundraising events, for example across arts, entertainment and sports. ImpactHK is also extremely grateful to receive regular donations from the general public.

ImpactHK is registered in Hong Kong under the Companies Ordinance as a company limited by guarantee for charitable purposes.

ImpactHK is also a tax-exempt charity under section 88 of the Inland Revenue Ordinance.

ImpactHK is a member of the Hong Kong Council of Social Service.

**DIRECTORS' REPORT – cont'd**

**Operational Highlights**

- **Accommodation Service**

Accommodation in a safe place is a critical part of helping people on their journey to independence. ImpactHK has a range of different interventions, which range from short-term shelter to longer-term co-living:

- i. **Emergency shelter**

The purpose of the Emergency Shelter Service is to heal and stabilize – to provide people with the urgent care they need in a crisis. It is usually for up to six weeks and service users must play their part in their journey by committing to stay in close contact with their ImpactHK case worker in this time.

- ii. **Transitional housing**

The Transitional Housing Service aims to equip and develop clients with skills for their life transformation journey. It is usually for 1-2 years and service users will be working on their long-term housing plan with their case worker during this time.

- iii. **Co-living**

This pioneering programme is designed to help people consolidate and graduate, into independent living. It is for an average of 2 years and appropriate individuals are invited to apply and are then matched with other ImpactHK clients. These residents share a 3–5-bedroom apartment with a living room and kitchen and are responsible for paying their own rent and maintaining their home.

- **Employment Service**

ImpactHK focuses on what is strong within individuals, rather than what is 'wrong'. The organization fosters continuous learning and provides opportunities to help people discover their purpose and build their self-esteem. This gives people the tools to make a living in a meaningful job and to construct hopes and dreams for themselves.

- i. **Community Helper Training Project**

This is a work readiness programme that emphasises learning and serving the community, to help members learn to bear the responsibility of their choices and facilitate their transition to a more self-reliant life stage. Each cohort will learn from one another and develop their interpersonal skills – through social gatherings, volunteering in ImpactHK centres, attending training workshops and other activities.

- ii. **Full-Time Assistants Project**

This programme is suited to those who want to acquire skills by working for ImpactHK. The organization provides stable employment and a housing allowance, with on-the-job training in order to unlock potential in our clients. The project allows them to strengthen transferable work and social skills and play an important role as ambassadors in the community.

- iii. **Employment Support Service**

This service is for those who need support seeking work in the mainstream job market. It provides individual career counselling, seminars, networking and helps to inform users of what is out there, as well as helping them to discover their aspirations and build self-esteem.

## DIRECTORS' REPORT – cont'd

### Operational Highlights – cont'd

- Core Services: Health, Sports, and Rehabilitation Services

Through our Health, Sports, and Rehabilitation Services, ImpactHK guides individuals experiencing homelessness by addressing the underlying factors contributing to their addiction or mental health challenges. By doing so, the organization helps them to regain their self-esteem, recognize their value, and reintegrate into society. The service emphasizes holistic personal development as a fundamental element of homeless support. The organization cultivates a comprehensive environment that nurtures the physical, mental, social, and spiritual well-being of those we serve, enabling them to enhance their physical health, strengthen their mental resilience, and re-establish their social connections.

- i. Jockey Club ImpactHK Sports & Health Programme

Thanks to a generous donation from the Hong Kong Jockey Club Charities Trust, the Sports and Wellness Programme was introduced in 2021, featuring a Sports and Wellness Centre dedicated to promoting active and healthy lifestyles among individuals experiencing homelessness and the broader community. The programme includes a comprehensive range of activities including daily exercise classes, personalized training, sports team sessions, field trips and camping experiences, amongst other activities.

- ii. Medical Services

Free medical services, physiotherapy, and dental care are arranged for individuals experiencing homelessness. Additionally, through collaborating with Médecins Sans Frontières, ImpactHK provides a comprehensive health checkup service. This initiative empowers service users to gain a deeper understanding of their physical and mental health, enabling them to progress toward a holistic and healthy lifestyle.

- Core Services: Community Outreach

Community Outreach efforts of ImpactHK aim to connect with the homeless community, providing vital support to individuals who may be facing physical and mental vulnerability due to their circumstances. By prioritizing empathy, compassion, and community support, ImpactHK strives to establish a foundation of trust with those in need. ImpactHK's outreach efforts are divided into three main components:

- i. Social Worker Outreach Program

This is an essential outreach service led by social workers. It provides basic support on the streets and guides individuals to the 29 Community Centre for further assistance.

- ii. Kindness Walk

There are multiple routes in Kowloon and Hong Kong Island where volunteers, led by walk leaders, distribute simple goods such as water, fruits, eggs, and personal hygiene items to individuals experiencing homelessness.

## **DIRECTORS' REPORT – cont'd**

### **Operational Highlights – cont'd**

- Core Services: Community Outreach – cont'd

- iii. 29 and The Kind Kitchen

29 Community Centre is a year-round safe space for individuals experiencing homelessness, located at 29 Oak Street, Tai Kok Tsui. It offers daily assistance such as meals, clothing, phone charging, haircuts, free internet access and more. The centre also hosts various community events every week, such as health talks, personal growth workshops, birthday parties, karaoke nights, and so on. These events help the community build friendships and mutual support networks with others in similar situations.

Through The Kind Kitchen and other food aid programmes, ImpactHK provides at least 9,000 meals every month to individuals experiencing homelessness and low-income people in the neighbourhood. Providing stable and secure food assistance to service users not only meets their basic survival needs but also helps them connect with ImpactHK

- Core Services: Casework Service

Casework encompasses a range of support services, such as counselling, community resource referrals, and service integration. Caseworkers initially focus on comprehensively understanding the current challenges of individuals experiencing homelessness, spanning interpersonal relationships, medical issues, emotional and psychological well-being, and social engagement (e.g. employment or further education). This assessment also empowers caseworkers to understand the individuals' situations, values, thoughts, beliefs, and personal strengths. Through collaborative efforts, a plan is then developed to support service users on their path to recovery.

- Social Enterprise

ImpactHK fully owns a social enterprise, My Kinda Café, which offers high-quality coffee and food to UBS staff inside their offices at IFC. This cafe offers employment opportunities to individuals experiencing homelessness and all profits go towards helping more people in need. The Kindness Matters Online Shop offers popular #KindnessMatters merchandise, including the organization's freshly roasted coffee packs, caps, T-shirts, mugs, and special gifts from like-minded partners.

- Community Education

The stigma surrounding homelessness creates significant barriers for those experiencing it to regain stability. It is essential for society to gain a deeper understanding of this issue in order to provide meaningful help. Sharing the stories of individuals affected by homelessness can shed light on the immense challenges they face. ImpactHK's education programme aims to cultivate empathy among students through Kindness Walks and interactive discussions.

### **New Services Development**

- In the future, 29 Community Centre will enhance its services related to the "health of the elderly", such as regular check-ups, nutrition education and retirement planning. This will help elderly individuals experiencing homelessness to further consider their physical and mental well-being.

## **DIRECTORS' REPORT – cont'd**

### **New Services Development – cont'd**

- The Kind Kitchen will focus more on nutrition and job skills training in the future. ImpactHK hopes that besides providing food for basic survival needs, it can also further educate service users on nutrition and the importance of food in managing health. At the same time, ImpactHK will also organize food-related job skills training for service users who are interested in joining the catering industry.

### **Relation with Stakeholders**

ImpactHK has always been committed to the development of its employees and the strengthening of relationships with service users.

All staff members are encouraged to attend training and acquire further professional qualifications. During the year under review, the Policy on Employee Training and Development Activities was in place. ImpactHK will provide study leave and training subsidies for staff members to encourage professional development. Regular retreats were also arranged to boost the team spirit of different departments and to plan for future working targets.

On the side of service users and programme participants, ImpactHK has been listening to their opinions and requirements, while planning for further developments and devising new services and activities. Regular evaluations were arranged by different teams.

### **Environmental Awareness**

As an NGO, ImpactHK aims to make its operations environmentally friendly. Encouragement of usage of recycling materials such as paper, stationery and other materials was emphasized in all aspects from office utilization to programme implementation.

### **Future Development, Principal Risks and Uncertainties**

Considering the financial situation of ImpactHK, a surplus at the magnitude of nearly HK\$1.5 million was recorded in the year under review. However, uncertainties in the global economy persist. As an NGO, the operation of ImpactHK is dependent on donations from the public and specific funders as well as incomes generated from running social enterprises. These resources are particularly vulnerable during economic downturns, which may add uncertainty to the financial scenarios faced by ImpactHK.

The worst-case scenario forecasts an increase in homelessness, as many people may experience more poverty and more demands for services will arise. As long as ImpactHK can capture these newly increased service needs, develop more new initiatives and serve the community more, ImpactHK's work will be expected to advance further.

Given the demands of the charity sector, specifically in working with those experiencing homelessness, staff turnover has been relatively higher. This poses an ongoing risk that needs to be monitored and managed. To address this issue, additional channels for recruiting staff members have been established. Policies aimed at improving staff retention, such as the introduction of birthday leave, work-from-home policy, and a training subsidy policy, are also in place.

ImpactHK will continue to enhance its services to ensure that individuals experiencing homelessness have a safe place to rest and restore their well-being while building their self-esteem and discovering their purpose.



**DIRECTORS' REPORT – cont'd**

**DIRECTORS**

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

Appel, Terri Crystal-Gibbs	(resigned on 6 <sup>th</sup> May, 2024)
Doshi, Sachin	(appointed on 18 <sup>th</sup> September, 2023 and resigned on 31 <sup>st</sup> October, 2024)
Ghazavi-Gill Vida	(appointed on 16 <sup>th</sup> January, 2024)
Goenka, Geet	(resigned on 19 <sup>th</sup> June, 2024)
Grenham, Nicholas	(resigned on 15 <sup>th</sup> December, 2023)
Sekhri, Ranjna	(appointed on 5 <sup>th</sup> December, 2024)
Seymour-Jones, Elizabeth Ann	
Sujanani, Sunil N.	(resigned on 31 <sup>st</sup> December, 2023)
Syngkon, Clifton Andrew Jones	(resigned on 31 <sup>st</sup> March, 2024)
To Nga Yan, Yvonne	(appointed on 16 <sup>th</sup> January, 2024)
Tim, Wannenmacher	(appointed on 2 <sup>nd</sup> May, 2024)
Wallace, Paul Robert	(appointed on 18 <sup>th</sup> September, 2023)
Wong, Peter Wai Heng	(resigned on 31 <sup>st</sup> December, 2023)

The existing directors, who retired in accordance with Article 15 of the Association's Article of Association, being eligible and offering themselves for re-election.

**MANAGEMENT CONTRACTS**

ImpactHK did not enter into any contract, other than the contracts of service with the directors or any person engaged in the full-time employment of ImpactHK, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any operation of ImpactHK.

**PERMITTED INDEMNITY PROVISIONS**

A permitted indemnity provision (as defined in Section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of ImpactHK is currently in force and was in force throughout this year.

**DIRECTORS' INTERESTS AND CONTRACTS OF SIGNIFICANCE**

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

**IMPACTHK LIMITED**  
同路舍有限公司

**DIRECTORS' REPORT – cont'd**

**AUDITORS**

Chan, Lai, Pang & Co., Certified Public Accountants retire and, being eligible, offer themselves for re-appointment.

By order of the board

A handwritten signature in black ink, appearing to be 'P. Wallace', written over a horizontal line.

Wallace, Paul Robert  
Director

Hong Kong **31 DEC 2024**



陳黎彭會計師事務所

**CHAN, LAI, PANG & CO.**

Certified Public Accountants

香港銅鑼灣謝斐道四八二號兆安廣場十八樓  
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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

### IMPACTHK LIMITED

同路舍有限公司

(Incorporated in Hong Kong and limited by guarantee)

### Opinion

We have audited the financial statements of ImpactHK Limited (the "Association") set out on pages 13 to 23, which comprise the statement of financial position as at 31<sup>st</sup> March, 2024, and the statement of income and expenditure and accumulated fund and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at 31<sup>st</sup> March, 2024, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the director's report but does not include the financial statements and our auditor's report thereon.

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

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



陳黎彭會計師事務所

**CHAN, LAI, PANG & CO.**

Certified Public Accountants

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

### IMPACTHK LIMITED

同路舍有限公司

(Incorporated in Hong Kong and limited by guarantee)

- cont'd -

### Responsibilities of Directors and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, the directors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance and for no other purposes. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



陳黎彭會計師事務所

**CHAN, LAI, PANG & CO.**

Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

**IMPACTHK LIMITED**

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- cont'd -

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Chan, Lai, Pang & Co.

Certified Public Accountants

Hong Kong 31 DEC 2024

IMPACTHK LIMITED

同路舍有限公司

STATEMENT OF INCOME AND EXPENDITURE AND ACCUMULATED FUND

FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

		2024	2023
	Note	HK\$	HK\$
INCOME			
Designated funds	4	12,594,520	9,478,694
General funds		12,747,578	10,914,744
Social enterprise income		1,630,287	1,520,721
		<u>26,972,385</u>	<u>21,914,159</u>
Interest income		59,487	27,125
Subsidy of anti-epidemic fund		---	868,000
		<u>27,031,872</u>	<u>22,809,284</u>
LESS : EXPENDITURE		<u>-----</u>	<u>-----</u>
<u>Program expenses:-</u>			
Accommodation			
Staff costs		1,403,146	847,078
Other expenses		3,064,257	3,637,113
Employment			
Staff costs		2,476,516	2,568,794
Other expenses		332,241	74,476
Core services:			
Staff costs		7,072,520	7,278,083
Other expenses		3,996,636	3,243,630
Depreciation		433,691	458,055
<u>Social enterprise expenses:-</u>			
Staff costs		1,234,639	1,403,038
Other expenses		609,856	693,789
Depreciation		16,881	16,884
<u>Fundraising expenses:-</u>			
Staff costs		1,753,734	---
Other expenses		995,355	52,335
<u>Administrative expenses:-</u>			
Staff costs		1,140,681	1,795,721
Other expenses		947,085	1,164,207
Audit fee		85,000	85,000
Depreciation		9,358	120,050
SURPLUS/ (DEFICIT) FOR THE YEAR		<u>1,460,276</u>	<u>(628,969 )</u>
ACCUMULATED FUND AT THE BEGINNING OF THE YEAR		<u>16,578,647</u>	<u>17,207,616</u>
ACCUMULATED FUND AT THE END OF THE YEAR		<u>18,038,923</u>	<u>16,578,647</u>

The notes on pages 16 to 23 form part of these financial statements.


**IMPACTHK LIMITED**


同路舍有限公司

**STATEMENT OF FINANCIAL POSITION****AS AT 31<sup>st</sup> MARCH, 2024**

		2024	2023
	Note	HK\$	HK\$
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	80,825	496,287
<b>CURRENT ASSETS</b>			
Inventories	8	101,868	114,581
Deposits, prepayments and other receivables		1,348,972	922,548
Grant receivables		4,880,128	3,083,085
Cash and bank balances	9	14,041,620	14,334,661
		20,372,588	18,454,875
<b>CURRENT LIABILITIES</b>			
Accruals		(847,645 )	(224,663 )
Other creditors		(496 )	(3,120 )
Funds from Sir Horace Kadoorie Int'l Foundation	10	(290,429 )	- - -
Funds from The Robert H.N. Ho Family Foundation HK Ltd.	11	(345,397 )	(249,488 )
Funds from The HKEX Foundation Limited	12	(563,918 )	- - -
Funds from DBS Foundation Limited	13	(137,438 )	(1,646,855 )
Funds from Operation Santa Claus	14	- - -	(196,088 )
Funds from ACCA Charitable Foundation Limited	15	(229,167 )	- - -
Funds from other one-off projects		- - -	(52,301 )
		(2,414,490 )	(2,372,515 )
<b>NET CURRENT ASSETS</b>			
		17,958,098	16,082,360
<b>NET ASSETS</b>			
		18,038,923	16,578,647
<b>RESERVES</b>			
Accumulated fund		18,038,923	16,578,647

Approved by:-

  
 Wallace, Paul Robert  
 Director

  
 Ghazavi-Gill Vida  
 Director

The notes on pages 16 to 23 form part of these financial statements.

IMPACTHK LIMITED

同路舍有限公司

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

	Note	2024 HK\$	2023 HK\$
<b>Operating activities</b>			
Surplus/(Deficit) for the year		1,460,276	(628,969 )
Adjustments for:-			
Depreciation charges		459,930	594,989
Interest income		(59,487 )	(27,125 )
Changes in operating assets and liabilities:-			
Decrease in inventories		12,713	33,711
(Increase)/Decrease in deposits, prepayments and other receivables		(426,424 )	157,489
(Increase) in grant receivables		(1,797,043 )	(2,145,324 )
(Decrease) in other creditors		(2,624 )	(88,257 )
Increase/(Decrease) in accruals		622,982	(255,405 )
<b>Cash generated from/(used in) operating activities</b>		<b>270,323</b>	<b>(2,358,891 )</b>
Interest received		59,487	27,125
<b>Net cash generated from/(used in) operating activities</b>		<b>329,810</b>	<b>(2,331,766 )</b>
<b>Investing activities</b>			
Payment to acquire property, plant and equipment		(44,468 )	(14,780 )
Disposal of property, plant and equipment		- - -	27,277
<b>Net cash generated from investing activities</b>		<b>(44,468 )</b>	<b>12,497</b>
<b>Financing activities</b>			
Funds from/(used by) Sir Horace Kadoorie Int'l Foundation		290,429	(9,361 )
Funds (used by) The Swire Group Charitable Trust		- - -	(335,971 )
Funds (used by) The Hong Kong Jockey Club Charities Trust		- - -	(793,236 )
Funds (used by) LRC Charitable Foundation Limited		- - -	(60,000 )
Funds from HKEX Foundation Limited		563,918	- - -
Funds from The Robert H.N. Ho Family Foundation HK Ltd		95,909	249,488
Funds (used by)/from DBS Foundation Limited		(1,509,417 )	1,646,855
Funds (used by)/from Operation Santa Claus		(196,088 )	196,088
Funds (used by) United Way Worldwide		- - -	(36,404 )
Funds from ACCA Charitable Foundation Limited		229,167	- - -
Funds (used by) Dr. Martens Foundation		- - -	(204,584 )
Funds (used by) other one-off projects		(52,301 )	(321,496 )
<b>Net cash (used in)/generated from financing activities</b>		<b>(578,383 )</b>	<b>331,379</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(293,041 )</b>	<b>(1,987,890 )</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>14,334,661</b>	<b>16,322,551</b>
<b>Cash and cash equivalents at the end of the year</b>	9	<b>14,041,620</b>	<b>14,334,661</b>

The notes on pages 16 to 23 form part of these financial statements.



ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

**(1) REPORTING ENTITY**

ImpactHK Limited (the "Association") is a company incorporated and domiciled in Hong Kong and has its registered office at G/F, Cherry Mansion, 29 Oak Street, Tai Kok Tsui, Kowloon. The principal activity of the Association is to help the underprivileged people for the benefit of the Hong Kong Community.

The liability of the Association members is limited by guarantee and the amount to be contributed by each member in the event of winding up is limited to HK\$100.

**(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES**

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

**(a) Cash and cash equivalents**

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

**(b) Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of such items of property, plant and equipment comprises the following:

- the purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for them to be capable of operating in the manner intended by management;
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. Assets held under finance leases, for which there is no reasonable certainty that the Company will obtain ownership at the end of the lease term, are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the terms of the relevant lease. The following useful lives are used for the depreciation of property, plant and equipment:

Furniture, fixtures and equipment	- 5 years
Leasehold improvement	- over lease term

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES - cont'd

(b) Property, plant and equipment – cont'd

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(c) Impairment of assets

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

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

(d) Inventories

Inventories are stated at the lower of cost (using a first-in-first-out basis) and net realisable value. In arriving at net realisable value an allowance has been made for deterioration and obsolescence.

(e) Leases

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

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

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

(f) Revenue recognition

Revenue is recognised when it is probable that the economic benefits thereof will flow to the Association and when the revenue can be measured reliably. Donations are recognised as revenue upon receipt or when there is reasonable assurance that the Association will comply with the conditions attaching with it and that the donations will be received.

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES - cont'd

(g) Related parties

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

- (I) A person or a close member of that person's family is related to a reporting entity if that person:
  - (i) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity;
  - (ii) has control or joint control over the reporting entity; or
  - (iii) has significant influence over the reporting entity.
- (II) An entity is related to a reporting entity if any of the following conditions applies:
  - (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) both entities are joint ventures of the same third entity.
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) the entity is controlled or jointly controlled by a person identified in (I).
  - (vii) a entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
  - (viii) a person identified in (I)(ii) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(3) KEY SOURCES OF ESTIMATION UNCERTAINTY

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

There is no significant risk of key assumptions concerning the future and other key sources of estimation at the end of reporting period which will cause an adjustment to carrying amounts of assets and liabilities within the next financial year.

**IMPACTHK LIMITED**

同路舍有限公司

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024****(4) DESIGNATED FUNDS**

	2024	2023
	HK\$	HK\$
Sir Horace Kadoorie Int'l Foundation	610,597	207,141
The Swire Group Charitable Trust	893,880	927,137
The Hong Kong Jockey Club Charities Trust	2,428,818	2,414,986
LRC Charitable Foundation Limited	300,000	360,000
Charities Aid Foundation America	203,859	47,138
Fu Tak lam Foundation Limited	3,462,853	2,498,379
The Robert H.N. Ho Family Foundation HK Limited	675,091	367,312
DBS Foundation Limited	1,509,417	320,408
Operation Santa Claus	196,088	203,912
American Club Foundation	250,000	- - -
D.H. Chen Foundation	- - -	251,250
Dr. Martens Foundation	- - -	204,584
One-off projects with restricted funds	44,620	164,358
Unrestricted funds	2,019,297	1,512,089
	<u>12,594,520</u>	<u>9,478,694</u>

**(5) INCOME TAX EXPENSE**

The Association is exempt under Section 88 of the Inland Revenue Ordinance from any tax by reason of being a charitable institution.

**(6) DIRECTORS' REMUNERATION**

Directors' remuneration disclosed pursuant to section 383 of the Companies Ordinance (Cap. 622) and Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) for the year is HK\$ Nil (2023 – HK\$ Nil).

**IMPACTHK LIMITED**  
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**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

**(7) PROPERTY, PLANT AND EQUIPMENT**

	Furniture, fixtures and equipment	Leasehold improvement	Total
	HK\$	HK\$	HK\$
<b>Cost</b>			
At 1 <sup>st</sup> April, 2023	366,388	1,779,115	2,145,503
Additions	21,300	23,168	44,468
At 31 <sup>st</sup> March, 2024	387,688	1,802,283	2,189,971
<b>Accumulated depreciation</b>			
At 1 <sup>st</sup> April, 2023	(268,063 )	(1,381,153 )	(1,649,216 )
Charges for the year	(52,989 )	(406,941 )	(459,930 )
At 31 <sup>st</sup> March, 2024	(321,052 )	(1,788,094 )	(2,109,146 )
<b>Net carrying amount</b>			
At 31 <sup>st</sup> March, 2024	66,636	14,189	80,825
At 31 <sup>st</sup> March, 2023	98,325	397,962	496,287

**(8) INVENTORIES**

Inventories comprise of merchandise and souvenirs.

**(9) CASH AND CASH EQUIVALENTS**

	2024	2023
	HK\$	HK\$
Cash at bank and on hand	14,041,620	14,334,661
Cash and cash equivalents in the statement of financial position and statement of cash flows	14,041,620	14,334,661

**IMPACTHK LIMITED**  
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**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**

**(10) FUNDS FROM SIR HORACE KADOORIE INTERNATIONAL FOUNDATION**

	2024	2023
	HK\$	HK\$
Fund disbursed during the year	901,026	- - -
Less: Expenses incurred	(610,597 )	- - -
Balance carried forward	290,429	- - -

During the year, Sir Horace Kadoorie International Foundation ("the Foundation") entered into an agreement with the Association in respect of the "Female Homeless Intensive Care and Co-living" project ("the Project"). The entire sum of donation was used towards the direct costs of the Project.

**(11) FUNDS FROM THE ROBERT H.N. HO FAMILY FOUNDATION HK LIMITED**

	2024	2023
	HK\$	HK\$
Balance brought forward	249,488	- - -
Fund disbursed during the year	771,000	616,800
Less: Expenses incurred	(675,091 )	(367,312 )
Balance carried forward	345,397	249,488

In the prior year, The Robert H.N. Ho Family Foundation HK Limited ("the Company") entered into an agreement with the Association in respect of the "Full Time Assistant" Programme (the "Programme"). The entire sum of donation was used towards the direct costs of the Project.

**(12) FUNDS FROM HKEX FOUNDATION LIMITED**

	2024	2023
	HK\$	HK\$
Fund disbursed during the year	563,918	- - -
Less: Expenses incurred	- - -	- - -
Balance carried forward	563,918	- - -

During the year, HKEX Foundation Limited ("the Company") entered into an agreement with the Association in respect of the "Peaceful and Recovery Centre for People Experiencing Homelessness" project ("the Project"). The entire sum of donation was used towards the direct costs of the Project.

**IMPACTHK LIMITED**  
同路舍有限公司

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023**

**(13) FUNDS FROM DBS FOUNDATION LIMITED**

	2024	2023
	HK\$	HK\$
Balance brought forward	1,646,855	---
Fund disbursed during the year	- - -	1,967,263
Less: Expenses incurred	<u>(1,509,417 )</u>	<u>(320,408 )</u>
Balance carried forward	<u>137,438</u>	<u>1,646,855</u>

In the prior year, DBS Foundation Limited ("the Company") entered into an agreement with the Association in respect of the "Kind Kitchen" Project (the "Project"). The entire sum of donation was used towards the direct costs of the Project.

**(14) FUNDS FROM OPERATION SANTA CLAUS**

	2024	2023
	HK\$	HK\$
Balance brought forward	196,088	---
Fund disbursed during the year	- - -	400,000
Less: Expenses incurred	<u>(196,088 )</u>	<u>(203,912 )</u>
Balance carried forward	<u>- - -</u>	<u>196,088</u>

In the prior year, Operation Santa Claus ("the Grantee") entered into an agreement with the Association in respect of Project Dreamwork (the "Project"). The entire sum of donation was used towards the direct costs of the Project.

**(15) FUNDS FROM ACCA CHARITABLE FOUNDATION LIMITED**

	2024	2023
	HK\$	HK\$
Fund disbursed during the year	250,000	- - -
Less: Expenses incurred	<u>(20,833 )</u>	<u>- - -</u>
Balance carried forward	<u>229,167</u>	<u>- - -</u>

During the year, ACCA Charitable Foundation Limited ("the Company") entered into an agreement with the Association in respect of "ImpactHK Food Services" Programme (the "Programme"). The entire sum of donation was used towards the direct costs of the Project.

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

(16) COMMITMENT UNDER OPERATING LEASES

The Association had the following future minimum lease payments payable under non-cancellable operating leases:

	2024	2023
	HK\$	HK\$
Land and buildings		
- Not later than one year	2,142,516	2,052,820
- Later than one year and not later than five years	638,637	639,900
	<u>2,781,153</u>	<u>2,692,720</u>

(17) RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Association had the following material related party transactions during the year:-

	2024	2023
	HK\$	HK\$
Key management personnel's remuneration	1,469,969	971,784
	<u>1,469,969</u>	<u>971,784</u>

(18) APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Association's board of directors on **31 DEC 2024**



