

Charity Registration No. 1063952

**THE JAPAN SOCIETY**

**TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**



# THE JAPAN SOCIETY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Patron</b>	HRH The Duke of Gloucester, KG, GCVO
<b>President</b>	HE The Japanese Ambassador
<b>Vice Presidents</b>	Haruki Hayashi Hironobu Ishikawa Yasuo Kashiwagi Daniel Torras
<b>Honorary Vice-Presidents</b>	Sir Hugh Cortazzi, GCMG Shin Ebihara Hiroaki Fujii Haruko Fukuda OBE Sadayuki Hayashi Hiroshi Kitamura Prof. Ian Nish, CBE Yoshiji Nogami Masaki Orita Christopher Purvis CBE Viscount Trenchard Ben Thorne, CMG, MBE
<b>Officers and Trustees</b> (as at 23 April 2015)	Sir David Warren KCMG, Chairman David Cairns, Vice Chairman Motohiko Kato, Vice Chairman Alison Scott, Hon Editor Nigel Wellings, Hon Solicitor Satoru Yoshida, Hon Treasurer Hideki Asari Martin Day Anna Dingley Lady Gomersall Tetsuro Hama Graham Holman Masahiro Imai Shinichiro Masunaga Stephen McEnally Michael Spencer Akihiro Tsuchiya Jenny White
<b>Chief Executive and Company Secretary</b>	Heidi Potter
<b>Charity number</b>	1063952
<b>Company number</b>	3371038
<b>Principal address</b>	13/14 Cornwall Terrace London NW1 4 QP
<b>Auditors</b>	Richard Place Dobson Services Limited 1-7 Station Road Crawley West Sussex RH10 1HT

# THE JAPAN SOCIETY

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# THE JAPAN SOCIETY

## CHAIRMAN'S STATEMENT

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### Chairman's Statement

2014 was a good year for the Japan Society. We have had a varied programme of London events, while also supporting Japan related projects further afield, including Devon & Cornwall, Manchester, Northumberland and Wales, thus extending the reach of our activity. The business programme responded to the needs and interests of our member companies to provide a relevant forum for discussion on a wide range of topical issues. The cultural programme included lectures and visits for members in tandem with large-scale events which brought Japan to a wider audience who would not usually be involved with the Society. At the heart of all that we do, whether labelled business, academic, cultural or social is the Society's education mission: it is our aim that our activities should enhance understanding of Japan and contribute to the development of the British-Japanese relationship.

Details of the activities of the Japan Society and results in 2014 may be found in the trustees' report. I am pleased to report that the Society showed a surplus of £41,701 on its unrestricted funds for the year. Thanks to the continued support of our donors, we are in a position to expand our activities responsibly and have now set aside funds to employ a member of staff in Japan. Government education policies in tandem with forthcoming international events, including the Tokyo 2020 Games, provide an exciting opportunity to build on our existing school linking programme. A Japan-based representative will enable us to engage and support partners in Japan more effectively. We are delighted that Saki Kuroda, who has worked with the Society in London for the past two years, will be taking up this role. With her knowledge of the Society and previous experience as a teacher in Japan and South-East Asia, she is well placed to help us achieve these goals.

During 2014, six trustees left the board: Andrew Cahn, Pauline Chakmakjian, Masaaki Goto, Hiroshi Hattori, Akio Miyajima and George Olcott; I should like to thank them all for their contributions to the Society. We welcomed to the board Anna Dingley, Masahiro Imai, Shinichiro Masunaga and Jenny White, who were elected at the AGM. Since the year end, we have welcomed Motohiko Kato from the Japanese Embassy, who joined the board as Vice Chairman. It is important for the Japan Society that the board reflects its membership in representing the diversity of the UK-Japan community, including Japanese and non-Japanese trustees, those who are long-term residents in the UK, and those who volunteer their services during shorter postings in this country.

At the Annual General Meeting in June, I and Graham Holman will both have reached the end of our first three year term on the board and will therefore be retiring by rotation. We are both standing for re-appointment. Three further trustees will be standing down, having served six years on the board: Martin Day, Stephen McEnally, Michael Spencer. David Cairns has been posted overseas so will also leave the board in June; as Vice Chairman, he also served as Acting Chairman for six months before my return from Japan, for which I owe him personal thanks. All have made valuable contributions to the Society, and I thank them for their enthusiastic support.

There are seven candidates standing for election or re-appointment as Ordinary Trustees. Your board is recommending Tom Burn, Graham Holman, Janet Hunter, Jason James, Mami Mizutori and Eiji Wakiwaka. All share a strong wish to encourage the development of stronger UK-Japan relations and will bring a variety of skills to the board. It is important that the Japan Society's board includes a good balance of Japanese and non-Japanese members who can contribute to its mission to enhance the relationship between our countries through education. Further details of the candidates, the voting procedure and the arrangements for the meeting will be circulated to members.

Finally, I should like to express my thanks to our President, Ambassador Hayashi, for the great support he has continued to give the Society over the past year. He and his colleagues at the Embassy of Japan have as always been enormously generous with their time and support.

The annual general meeting will be held this year at 6.00pm on Wednesday 24 June 2015 at the Embassy of Japan, 101-104 Piccadilly. The formal business will be followed by an informal reception. I look forward to seeing as many members as possible on that occasion.

**David Warren**

# THE JAPAN SOCIETY TRUSTEES' REPORT

## FOR THE YEAR ENDED 31 DECEMBER 2014

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The members of the board, who are directors for the purposes of company law and trustees for the purposes of charity law, present their report and accounts for the year ended 31 December 2014.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

### Structure, governance and management

The Japan Society is a company limited by guarantee and as such is governed by its Memorandum and Articles of Association. It is a registered charity.

The members of board who served during the year were:

Sir David Warren, KCMG - Chairman

David Cairns - Vice Chairman

Akio Miyajima - Vice Chairman (Resigned 14 July 2014)

Dr George Olcott - Vice Chairman (Resigned 18 June 2014)

Satoru Yoshida- Hon Treasurer

Nigel Wellings - Hon Solicitor

Alison Scott - Hon Editor

Hideki Asari

Sir Andrew Cahn (Resigned 18 June 2014)

Pauline Chakmakjian (Resigned 18 June 2014)

Martin Day

Anna Dingley (Elected 18 June 2014)

Lady Gomersall

Masaaki Goto (Resigned 31 March 2014)

Tetsuro Hama

Hiroshi Hattori (Resigned 31 March 2014)

Graham Holman

Masahiro Imai (Elected 18 June 2014)

Shinichiro Masunaga (Elected 18 June 2014)

Stephen McEnally

Michael Spencer

Akihiro Tsuchiya

Jenny White (Elected 18 June 2014)

At the annual general meeting in June 2015, three trustees, Martin Day, Stephen McEnally and Michael Spencer, will be standing down having served for six years on the board. Two other trustees: the Chairman, David Warren, and Graham Holman will be standing down at the end of their first three year term; both are eligible for reelection. David Cairns is resigning on being posted overseas.

The board meets at regular intervals in order to provide strategic direction and to monitor and review the activities of the Society. During the year the board met four times, one being an extended meeting at which the board and executive considered together issues facing the Society in the medium to long term. The day-to-day running of the Society is carried out by the permanent staff under the leadership of Heidi Potter, who regularly reports to the chairman and the board. She is supported by Hiroko Kimura, head of education, and a team of paid staff and occasional interns. The activities of the Society are organised by the office, with support also provided by activity group committees (particularly awards, business, conversation, publications and small grants), which meet on an ad hoc basis and whose members are volunteers. Teams of *Japan in Your Classroom* volunteers are essential to the running of the Society's popular school visit programme.

The majority of the board is elected. As at 31 December 2014 there was one vice chairman, David Cairns who had been elected as a trustee and appointed as vice chairman by the board. The ex-officio position of the deputy head of mission at the Japanese Embassy was vacant, but Mr Motohiko Kato took up this role in April 2015. There were three officers who were appointed by the board: Satoru Yoshida, treasurer; Nigel Wellings, solicitor and Alison Scott, Editor. Hideki Asari was an ex officio board member as a member of the Japanese Embassy. The elected members serve for an initial maximum term of three years and may serve for a further three years after re-election.

# THE JAPAN SOCIETY TRUSTEES' REPORT

## *FOR THE YEAR ENDED 31 DECEMBER 2014 (CONTD)*

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A nominations committee (comprising David Warren, Hideki Asari and Heidi Potter) reviews the skills that are required on the board from time to time and the succession policy, making recommendations to the board on possible future appointments. The board in turn makes proposals to the members of the Society in advance of the annual general meeting. The recommendations for election at the forthcoming annual general meeting are detailed in the chairman's letter at the start of this report as well as in the papers for the annual general meeting. The role of the board and the organisation's expectations of its board members are discussed with new trustees prior to their election and on election they receive an induction pack which includes copies of the Society's Memorandum and Articles of Association, accounts and board papers.

The audit committee (comprising Heidi Potter, David Warren and Satoru Yoshida) considers the accounts and the performance of the auditors; the risk committee (comprising Stephen McEnally, Heidi Potter and Satoru Yoshida) considers all aspects of risk; both committees make recommendations to the board. The fundraising committee (Paul Dimond, Robert Guy, Heidi Potter, and David Warren) is responsible for raising higher level donations and sponsorship. A membership committee (comprising Graham Holman, Martin Barrow, Anna Dingley, Jon Fisher, Robert Guy, Yutaka Harada, Peter Lawley, Kazuo Okamoto, Steve Owen, Heidi Potter, Sandy Sano) focuses on membership issues and recruitment.

### **Risk Management**

Members of the board review the major risks to which the Society is exposed and the systems established to mitigate this risk. A Risk Management Register is maintained and formally reviewed annually by the board.

### **Mission**

The Society's objects are:

- a) to promote learning and advance education in the subject of and with regard to Japan;
- b) to promote the study of Japan and its people in all their aspects, traditional and modern, and to make the results of such study more accessible to the general public;
- c) to promote the study of Britain and its culture by Japanese people and to further educational exchanges between Britain and Japan.

Thus the central aim of the Society's activity is the enhancement of understanding of Japanese life and culture and of links between the two countries. This informs all areas of the programme, whether direct school-focused education initiatives, lectures and seminars for the general public and business leaders, events introducing aspects of the culture of both countries, opportunities for people to meet in more informal settings, the provision of research facilities through our library, or the programme of small grants made in support of Japan-related projects that are organised by others.

The board regularly reviews the Society's activity to ensure that these objectives are being met as well as to confirm their continuing relevance. The board refers to the guidance provided by the Charity Commission on the public benefit in reviewing its aims and objectives and in planning future activities and development of programmes.

### **Achievements and performance**

The main activities of the Society comprise awards, events, the library, publications, schools education and small grants. The Society is grateful to the companies and individuals who share its belief in the importance of promoting a good mutual understanding between the UK and Japan, and who provide essential financial support. This enables the Society to include a significant number of low cost or free events to make the programme accessible both to members and non-members. The majority of the Society's schools education services are provided free of charge. In addition up to £30,000 has been set aside each year for disbursement through the small grants programme in support of events organised by others which are in furtherance of the Society's objectives and which will provide opportunities to new audiences across the UK.

### **Great East Japan Earthquake**

The Great East Japan Earthquake of 11 March 2011 had made a significant impact on the activities of the Society in that year. The Tohoku Earthquake Relief Fund was established in order to support local not-for-profit organisations (NPOs) in their activities directed towards long term recovery, after the immediate disaster relief effort had finished. A number of donations continued to be received for this cause in 2014, which once interest had been added totalled £4,192 for the year.

A committee of the board comprising Stephen McEnally, Heidi Potter and Phillida Purvis continued to supervise the distribution of these funds and work with the Society's partner, the Sanaburi Foundation, to ensure that donations are disbursed to local NPOs in all three prefectures to meet clearly defined need. Grants are made to Sanaburi which in turn carries out due diligence on applicant organisations, and, on receipt of final approval from the Society's earthquake committee, makes onward grants to those selected NPOs.

# THE JAPAN SOCIETY TRUSTEES' REPORT

## FOR THE YEAR ENDED 31 DECEMBER 2014 (CONTD)

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A fifth and final tranche of grants was made in July 2014, at which point all remaining funds held in the Tohoku Earthquake Relief Fund were transferred to Sanaburi to be disbursed to seven recipient organisations in support of projects running to summer 2015. The board therefore made the decision to close the Fund at the end of 2014, though the Society would continue to report on projects supported and progress in the recovery of the devastated region.

### Events

The Society in 2014 arranged over 90 different events spanning a wide range of subject and format, both independently and in partnership with other organisations. In keeping with its objective to promote the study and understanding of Japan, the Society's programme strikes a balance between those activities tailored to particular interests and those designed to provide new opportunities for participation by the general public. The board is convinced of the need to ensure that the programme is widely accessible, and events during the year included those open to both members and non-members, as well as a significant number which were free or low cost.

The 2014 general events programme included:

- 6 chairman's lunches / dinners
- 10 Business related events
- 13 Conversation group events
- 22 Events aimed at younger members or families
- 13 Lectures
- 9 Art & culture events

The chairman held a series of small lunches in which key figures based in both the UK and Japan were invited to meet senior members of the Society. These provided opportunities for decision makers to share ideas and information, and ensured that those involved in business and government were well informed on topical issues relating to the Japan-UK relationship in a global context. Subjects in 2014 included finance and economics (Akira Amari, Minister of State of Economic & Fiscal Policy; Haruhiko Kuroda, Governor of the Bank of Japan; Andrew Smithers, Chairman, Smithers & Co Ltd), areas of UK-Japan cooperation including Africa (The Rt Hon Andrew Mitchell MP) and the Olympics (Yoichi Masuzoe, Governor of Tokyo), as well as contemporary Japan (Tomomi Inada, Minister of State for Regulatory Reform).

Larger business lectures and seminars were again generously hosted by JETRO and corporate members of the Society. These included a discussion on Abenomics by David Pilling, Asia Editor for the Financial Times; insights from the London 2012 Games by Lord Deighton, former CEO of LOCOG; an overview of European Energy Policy by Philip Lowe, former Director-General for Energy at the European Commission; and a report on the Macroeconomic Policy and Initiatives of the Bank of Japan by Takehiro Sato, Policy Board Member at the Bank. Seminars on Maritime Security and Investment in Africa were organised in response to suggestions from members and were very well attended.

The Society continued to arrange joint lunches in conjunction with the Japanese Chamber of Commerce and Industry in the UK, which provided opportunities for Japanese and non Japanese to meet and to hear from guest speakers, who were during the year: Takafumi Sato, President, Tokyo Stock Exchange Regulation; The Rt Hon Danny Alexander MP, Chief Secretary to the Treasury; and Sir William Patey, former Ambassador to Afghanistan, Saudi Arabia, Iraq and Sudan.

The Japan Society values its partnerships with other organisations with similar aims and interests in developing a programme which is of interest and benefit to the membership. In the current economic climate, the sharing of up to date information and best practice is particularly important and the Society cooperated with UKTI, JETRO, Chatham House, the Japan Security Dealers' Association and Asia-Pacific Technology Network to provide opportunities for members to build networks and hear from experts.

The conversation group continues to play an important role in the Society, providing a valuable opportunity for members to maintain and develop their language skills. It allows Japanese and non-Japanese, members and non-members, to talk in a friendly and informal setting. In addition to the regular monthly meetings, the conversation group organises occasional special events, such as the annual *hanami* picnic, as well as participating jointly in Society events, such as the annual dinner.

The Society continued to offer a broad general programme of formal and informal events to appeal to people with a wide range of interests and ages. The monthly book club met regularly at Daiwa Foundation Japan House, where regular and occasional participants engaged in lively discussions on a wide range of books including literary classics, historical manga, anthologies and contemporary fiction. Special events were organised with translators when Damian Flanagan and Stephen Dodd spoke about their work. In partnership with the Dalkey Archive Press, the Society organised an essay contest which highlighted the importance of the translator's work in making Japanese culture more accessible. It was won by Leda Roodbaraky, with Alice French the runner-up.

## THE JAPAN SOCIETY TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2014 (CONTD)

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Other events included gallery talks and museum visits, cultural workshops, food and drink tastings, golf tournaments, and social events. A performance of rakugo by Katsura Sunshine at Clifford Chance, proved the hit of the summer, with the year rounded off on a contemporary note with a trip to see SIRO-A's blend of dance and music.

The Society partnered with Southbank Centre and the Embassy of Japan in organising a tanabata festival celebrations, which brought a taste of Japan to this major cultural centre throughout the summer. Giant tanabata streamers were created and hung outside the Royal Festival Hall from July to September, and a family day of music, workshops, dance, and storytelling was held as part of Southbank Centre's *Festival of Love* providing opportunities for people of all ages to participate.

The sixth Japan Matsuri, and third in Trafalgar Square, took place on 27 September. The Japan Society has a formal role as corporate director of the Japan Matsuri company, with Heidi Potter its nominated representative on the board. The Society also played an active part in planning and programming the 2014 event. Staging Matsuri in Trafalgar Square requires the engagement of a specialist production team which increases the cost of the event, but has reduced the administrative burden on the four partner organisations: the Japanese Chamber of Commerce and Industry in the UK, the Japan Association, the Nippon Club and the Japan Society. Thanks to support from across the Japanese community in London, the event once again broke even.

The lectures programme as usual covered a wide range of subject matter. The monthly academic lecture, held every third Monday, formed the core of this aspect of our public programming. These lectures are now settled at Swedenborg Hall, a convenient, central London venue, easily accessible to students; this is an audience we are particularly keen to encourage and build. Subjects in 2014 included: cross cultural architectural links; commercial printing in pre-modern Japan; the ceramics of North-East Japan; Japanese surrealism; Japan's postwar defence policy; Canadians of Japanese descent and the Siege of Tsingtao. A special lecture on Noh theatre was given by Living National Treasure, Tsumura Reijiro. The fifth annual lecture in memory of Dr Carmen Blacker took place in London and Norwich, organised jointly with the Sainsbury Institute for the Study of Japanese Arts and Cultures, with Professor Peter Kornicki speaking on the history and culture of the island of Tsushima in the context of Japanese history. The Society also partnered with the Japan Foundation and Japan Room on other lecture events.

#### **Japan Society Small Grants**

An annual sum of up to £30,000 is set aside for grants in support of small-scale projects and events related to Japan. These grants provide opportunities for people throughout the UK to participate in education and exchange relating to Japan and thus contribute to raising awareness and understanding of the country and its culture in places where the Japan Society has no regular contact. Priority is given to applications for grassroots projects and for activities involving schools and other educational establishments. In 2014, 27 grants were made averaging some £700 each. Of these 16 were organised in schools or provided opportunities for school students to participate in Japan-related activities. These ranged from Japan Days to complement ongoing study of Japan or Japanese language to primary school workshops exploring sound and music. Japan Society support also helped exchange activities between Fukushima Youth Sinfonietta and youth organisations in London including Kids Company and Keys of Change. Grants were also awarded to organisations wishing to extend the reach of exhibitions and performance projects, including Rugby Art Gallery & Museum, Rochester Guildhall Museum, A Thousand Cranes, Southwark Playhouse, Tate St Ives, Llandudno Museum and University of the Creative Arts. Support was also given to community Japan Days in London, Manchester and Plymouth.

#### **Japan Society Awards**

Japan Society Awards for 2014 were presented at the annual dinner on 22 January 2015 to Wendy Arnold and Takumasa Ono. For eight years, Wendy Arnold has chaired the Japan Society Southern Counties, developing it into one of the most active Japan Societies outside London, with a regular monthly lecture, outreach into schools and special events to introduce aspects of Japan to the wider community. She never misses an opportunity to bring an experience of Japan to people in the area, young and old. Since 1999, Takumasa Ono has worked to create an artistic bridge between the UK and Japan, through his activities with the National Trust. Exhibitions of his prints of UK National Trust properties have been held in Japan, while he has conducted sumi-e workshops for schools and general visitors at venues in the UK for the past fifteen years. He has also, with patience and inspirational enthusiasm, led workshops for teachers who are keen to incorporate elements of Japanese art into the school curriculum.

#### **Library**

During 2014 work has continued on cataloguing and documenting ephemera and loose correspondence held in the library. Four regular volunteers during the year have undertaken work to review the collection and its cataloguing, in order to make it more accessible to academic researchers and other visitors.



# THE JAPAN SOCIETY TRUSTEES' REPORT

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### Publications

It was a busy year for publications. In the early part of the year, the Society was involved in the promotion and distribution of *The Art lover's guide to Japanese museums*. Comprising a personal selection of art museums by Sophie Richard, this work has proved popular, garnering press coverage including Wall Street Journal, Monocle, South China Morning Post and Time Out Tokyo. As well as good sales in the UK and Japan, there was interest from mainland Europe and the United States. At the end of 2014, work was under way on UK and Japanese reprints, and an agreement reached which would allow wider distribution in the United States in 2015.

Two other major publications were produced with Renaissance Books: *The Growing Power of Japan 1967-1972: analysis and assessments from John Pilcher and the British Embassy, Tokyo and Britain & Japan; Biographical Portraits Vol. IX*. Both provide access to otherwise unavailable material of interest to researchers and those involved in the study of UK-Japan relations.

At the end of 2014, the board re-established a publications committee (comprising Hugh Cortazzi, Sean Curtin, Janet Hunter, Stephen McEnally, Heidi Potter, Alison Scott (Chair), Jenny White) with a brief to review the Society's work in publishing and identify material for future consideration. As a first step, it was decided to issue a general invitation for proposals in early 2015.

### Schools Education

The schools education programme has been developed out of a belief in the value to young people in the UK of growing up with an awareness and understanding of Japan and its culture. In addition to historical and business reasons for learning about a key international partner, there are more general benefits of broadening horizons and raising aspirations. Through its activities for schools, the Society supports teachers who may have limited experience of Japan themselves in providing these opportunities for their students.

Throughout the year, the Society's education team provides advice and resources to schools engaged in teaching and learning activities relating to Japan. As well as working in partnership with local authorities, it offers materials directly to schools throughout the country, including loan resources supplied to approximately 70 schools each year.

Other targeted activities include:

#### *Sixth form study day*

120 sixth form students of Japanese and their teachers attended a one-day conference on 6 November which aimed to provide insights into life in Japan, less familiar aspects of Japanese culture. Lecturers included, Tom Burn, Deputy Head of the East Asia Pacific Dept, FCO, Dr Angus Lockyer, Lecturer in Japanese History, SOAS. Representatives of British and Japanese universities and a former British student, who had spent time at university in Japan, provided information on opportunities to continue the study of Japan and Japanese after leaving school.

#### *Japan in Your Classroom visits*

During the year visits were made by volunteers in Greater London, Brighton, Derby, Manchester and South Wales to some 50 schools. For most students a Japan in Your Classroom visit is their first opportunity to meet a Japanese person and to hear about Japan first-hand; the visits have a lasting impact. A special visit was arranged for three NHK Radio Taiso presenters, who spent a morning running sessions with children in Years 3 to 6 at Westbourne Primary School, before working with elderly users and local primary school children at the Third Age Centre.

#### *School links*

Support for school links has continued to be an important element of the Society's work. During 2014, new partnerships were established and existing links strengthened through exchange trips. Kobe University Fuzoku Junior High School brought 150 students to visit their new partner school, Cirencester Deer Park School, and Cropwell Primary School in Nottingham had another successful visit from their partner, Komaki Elementary School in Nagano. In the virtual world, some 60 school partnerships are now using Japan UK LIVE! and related services to develop their links.

#### *Teacher in-service training*

A Discover Japan course was held in Great Malvern in Worcestershire, incorporating cultural workshops for KS2 pupils alongside training for teachers in the local authority. The Japan Conference for Schools organised with the Japan Foundation at the Embassy of Japan involved over 50 schools. The day encompassed a series of primary and secondary language and school linking and cultural workshops, along with a key note speech by Crispin Chambers of Tavistock College, Teacher of the Year in 2013.

In October the Society facilitated a trip by the Head and Deputy Head of Maryland Primary School in Newham, to research methods of teaching critical thinking skills, through visits to schools in Osaka. This is a topic of interest in both countries so, in addition to feeding back to colleagues in London, the teachers will continue to meet and discuss with researchers from Japan.

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### **Communication and marketing**

The website and email continued to be important and efficient tools for communicating information about the Society and its activities. At the same time, monthly event calendars distributed by post on request provided a back-up for those without regular access to the internet. Facebook and Twitter are for many the first contact with the Society, with steady growth in following on these media.

### **Financial Review**

In 2014 the Society showed a deficit of (£99,706), which reflected the fact that the residue of donations to the Japan Society Tohoku Earthquake Relief Fund was disbursed during the year. Against income received in donations to the Fund of £4,192, payment from restricted funds was made of £145,599. Income and expenditure for continuing activities amounted to £525,386 and £483,685 respectively, resulting in a net surplus for the year of £41,701 as outlined in note 17 to the accounts..

During the year individual and corporate members continued to provide invaluable support through the higher-level giving scheme both for the general mission and for the schools education programme.

The following companies and individuals have given support at a level above that of regular membership (minimum amounts for each level are given in brackets):

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**FOR THE YEAR ENDED 31 DECEMBER 2014 (CONTD)**

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**Companies**

**President's Circle (£25,000)**

JTI  
Mitsubishi Corporation International  
(Europe) Plc  
Mitsui & Co Europe Plc  
Nomura International Plc  
The Swire Charitable Trust

**Platinum Circle (£17,500)**

Sumitomo Corporation Europe Ltd

**Chairman's Circle (£10,000)**

Ernts & Young LLP  
Itochu Europe Plc  
Mitsubishi UFJ Financial Group

**Corporate Patron (£7,500)**

\*¶Astellas Pharma Inc  
\*¶Canon Europe Ltd  
\*¶Central Japan Railway Company  
\*¶Chugai Pharma Europe Ltd  
\*¶Eisai Europe Ltd  
Marubeni Europe plc  
Mizuho Financial Group  
Nikko Asset Management Europe Ltd  
¶NSK Europe Ltd  
\*¶NYK Group Europe Ltd  
\*¶PricewaterhouseCoopers LLP  
SMBC Europe Ltd

**Corporate Benefactor (£5,000)**

Clifford Chance LLP  
Dai-ichi Life International Europe  
\*¶Daiichi Sankyo Co Ltd  
Daiwa Capital Markets Europe Ltd  
¶Hitachi Europe Ltd  
Honda Motor Europe  
HSBC Holdings International  
The Japan Centre Group Ltd  
KPMG LLP  
\*¶Mitsubishi Electric Europe BV  
¶Olympus KeyMed  
Sompo Japan Nipponkoa Insurance Co  
of Europe  
Toyota (GB) Plc  
UBS Investment Bank

**Corporate Donor (£2,000)**

Aberdeen Asset Management PLC  
Allen & Overy LLP  
All Nippon Airways Co Ltd  
BDO LLP  
BG Group plc  
DAKS Simpson Group plc  
Five Cool Consulting Ltd  
\*Greenback Alan LLP  
Holman Fenwick Willan LLP  
Japan Airlines International Co Ltd  
Japan England Insurance Brokers Ltd  
Japan Post Bank Co Ltd  
JRPass Ltd  
\*"K" Line (Europe) Ltd  
King & Wood Mallesons LLP  
¶Linklaters LLP  
Mitsubishi Heavy Industries Europe  
Ltd  
Mitsui Sumitomo Insurance Group  
\*NEC (Europe) Ltd  
Ricoh (Europe) plc  
Tokio Marine Kiln Insurance Ltd  
Toshiba of Europe  
¶Winton Capital Management

*All or part of the donation from  
companies marked with an  
asterisk (\*) has been designated in  
support of the schools education  
and small grants programmes.  
Those with a pilcrow sign (¶) have  
given their support through a five  
year agreement.*

**Individuals**

**Patrons (£2,500)**

Koichi Nezu  
Julia Bonas  
Sir Hugh and Lady Cortazzi

**Principal Benefactor (£1,000)**

Martin and Noriko Barrow  
Bill Emmott  
Christopher & Phillida Purvis

**Benefactor (£500)**

Midoriko Nakajima

**Principal Donor (£250)**

Miranda Curtis  
Paul and Carolyn Dimond  
Penelope Elias  
Michael Faber  
Robert Guy  
Heidi Potter

**Donor (£100)**

Mark Allsup  
Clive and Vivien Bradley  
Daniel Carter  
Stephen Codrington  
Angelo Corbetta  
Robin Fox  
Lydia Gomersall  
Stephen Grayston  
Keiko Itoh  
Keiko Kato-Warburg  
Junko Kawai  
Kathleen Kimura  
Ella Marquis  
Ruth Martin  
David Mytton  
Noriko Ogawa  
Stephen O'Neill  
Pernille Rudlin  
Andrew Smithers  
Yuri Ueno  
William Waggott

**Individual Supporter (£58)**

D G R Bentliff  
Gerard Dempsey  
Suzanne Hudson  
Yasko Kurahachi  
Marilyn Malin  
Rosemary Morgan  
James Noble  
Suzanne Perrin

# THE JAPAN SOCIETY TRUSTEES' REPORT

*FOR THE YEAR ENDED 31 DECEMBER 2014 (CONTD)*

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## **Reserves**

It is the policy of the board to maintain reserves of at least 50 per cent of total annual expenditure. Current reserves of approximately 100 per cent of annual expenditure have been built up as a result of prudence at a time of general economic downturn when prospects for fundraising were uncertain. This guards against risks to the Society's core activity should it fail to meet projected income targets and provides some financial security to a charity which currently relies for almost all its funding on annual donations. Funds have been designated in respect of known maintenance costs and for the employment of a member of staff in Japan as outlined in note 14. As at 31 December 2014 fund balances excluding the value of the library and other designated funds amounted to £288,669. The cash reserves are held on deposit.

## **Plans for the future**

In 2015, The Japan Society will continue to develop its programme of events, particularly those of interest to the youth audience, while also maintaining and developing its business and academic programmes. A priority for the coming year is the establishment of a base in Japan, which will provide Japan-end support for our schools education programme, liaise with the Japanese offices (HQs) of our member companies, as well as providing some administrative assistance for the London office remotely. The schools work will be the main focus. A designated fund, comprising costs for three to four years has been established in order to ensure that this is a viable extension to the Society's activity..

The need to educate the next generation to look beyond national boundaries and equip them for work in a global economy, means that support for school partnerships and work to develop resources for teachers remain extremely relevant.

The Publications Committee has issued a call for proposals to academics, publishing houses and others in order to identify potential partnership projects in the coming years.

Although the Tohoku Earthquake Relief Fund has been closed, the Japan Society will maintain close contact with the Sanaburi Foundation and supported projects. A final report will be prepared after the last phase of projects have been completed in summer 2015.

The Trustees have noted plans for the establishment of "Japan House" in London under the auspices of the Japanese Government, due to open in the spring of 2017. While it is not yet clear what impact this might have on the Japan Society, its activities and its fundraising ability, the Society looks forward to working with this new organization as appropriate, so as to create positive synergy between the two. The Japan Society Chairman will sit on the steering committee of Japan House.

Although in a strong financial position at the start of 2015, the Society continues to be faced with a need to raise significant funds each year in order to maintain and develop the level of services for members and the wider community. This task will not be easy against a background of continued economic uncertainty, it is anticipated that the Society's record in doing important educational work will continue to be persuasive and that support from higher-level donors will be sustained.

On behalf of the Board

**Satoru Yoshida - Hon. Treasurer**

Dated: .....

# THE JAPAN SOCIETY

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The trustees, who are also the directors of The Japan Society for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **THE JAPAN SOCIETY**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE TRUSTEES OF THE JAPAN SOCIETY**

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We have audited the accounts of The Japan Society for the year ended 31 December 2014 set out on pages 13 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of The Japan Society for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

# **THE JAPAN SOCIETY**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE TRUSTEES OF THE JAPAN SOCIETY**

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- the charitable company has not kept adequate accounting records; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements of the trustees' report in accordance with the small companies regime.

**Darren Harding ACA FCCA DChA  
(Senior Statutory Auditor)**

for and on behalf of  
Richard Place Dobson Services Limited  
1 - 7 Station Road  
Crawley  
West Sussex  
RH10 1HT

Dated: .....

Richard Place Dobson Services Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# THE JAPAN SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2014 £	Total 2013 £
<b>Incoming resources from generated funds</b>						
Subscriptions and donations	2	398,116	-	65,169	463,285	448,704
Investment income	3	949	-	-	949	1,815
		<u>399,065</u>	<u>-</u>	<u>65,169</u>	<u>464,234</u>	<u>450,519</u>
Activities in furtherance of the charity's objects	4	19,939	-	4,591	24,530	32,285
Other incoming resources	5	34,814	-	6,000	40,814	10,726
		<u>453,818</u>	<u>-</u>	<u>75,760</u>	<u>529,578</u>	<u>493,530</u>
<b>Total incoming resources</b>						
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Fundraising and publicity	6	9,871	-	-	9,871	6,363
		<u>9,871</u>	<u>-</u>	<u>-</u>	<u>9,871</u>	<u>6,363</u>
<b>Net incoming resources available</b>						
		<u>443,947</u>	<u>-</u>	<u>75,760</u>	<u>519,707</u>	<u>487,167</u>
<b>Charitable activities</b>						
Events		62,771	-	6,000	68,771	73,816
Tohoku earthquake		-	-	145,481	145,481	120,134
Schools education		-	-	19,338	19,338	30,075
Office and establishment expenses		329,664	-	27,200	356,864	316,054
Small grants		-	-	19,030	19,030	18,809
		<u>392,435</u>	<u>-</u>	<u>217,049</u>	<u>609,484</u>	<u>558,888</u>
<b>Total charitable expenditure</b>						
Governance costs		9,811	-	118	9,929	12,321
		<u>412,117</u>	<u>-</u>	<u>217,167</u>	<u>629,284</u>	<u>577,572</u>
<b>Total resources expended</b>						
<b>Net incoming/(outgoing) resources before transfers</b>						
		<u>41,701</u>	<u>-</u>	<u>(141,407)</u>	<u>(99,706)</u>	<u>(84,042)</u>
<b>Gross transfers between funds</b>						
		<u>(158,000)</u>	<u>158,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>						
		<u>(116,299)</u>	<u>158,000</u>	<u>(141,407)</u>	<u>(99,706)</u>	<u>(84,042)</u>
<b>Fund balances at 1 January 2014</b>						
		<u>404,968</u>	<u>481,735</u>	<u>141,532</u>	<u>1,028,235</u>	<u>1,112,277</u>
<b>Fund balances at 31 December 2014</b>						
		<u>288,669</u>	<u>639,735</u>	<u>125</u>	<u>928,529</u>	<u>1,028,235</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# THE JAPAN SOCIETY

## BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	9		506,946		516,097
<b>Current assets</b>					
Debtors	10	49,069		67,569	
Cash at bank and in hand		428,641		629,936	
		<u>477,710</u>		<u>697,505</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(56,127)</u>		<u>(185,367)</u>	
<b>Net current assets</b>			<u>421,583</u>		<u>512,138</u>
<b>Total assets less current liabilities</b>			<u>928,529</u>		<u>1,028,235</u>
<b>Income funds</b>					
Restricted funds	13		125		141,532
Unrestricted funds:					
Designated funds	14		639,735		481,735
Other charitable funds			<u>288,669</u>		<u>404,968</u>
			<u>928,529</u>		<u>1,028,235</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2014, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on .....

**Council**

**Company Registration No. 03371038**

# THE JAPAN SOCIETY

## NOTE TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2014

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#### 1 Accounting policies

##### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the inclusion of the library at market value and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice, issued in March 2005 and the Charities Act 2011.

##### 1.2 Incoming resources

Grants - where entitlement is not conditional on the delivery of a specific performance by the charity, grants are recognised when the charity becomes unconditionally entitled to the income.

Subscriptions are credited to the Statement of Financial Activities in respect of the year to which they relate.

Donations and similar incoming resources are included in the year in which they are receivable which is when the charity becomes entitled to the resource. Subscriptions are credited to the Statement of Financial Activities in respect of the year to which they relate.

Investment income includes interest receivable and is included in the accounts when the charity becomes entitled to the income.

Activities in furtherance of the charity's objects includes event income and income for courses and resources. This income is included in the year in which it is receivable, which is when the charity becomes entitled to the resource.

Other incoming resources include the sale of books and royalties. This income is included when the risks and rewards of ownership are passed from the charity to the buyer.

##### 1.3 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred.

Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of fundraising.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than the library are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	20% Straight Line
IT Equipment	33% Straight Line

The library is not depreciated as a policy of revaluation has been adopted due to the fact the library contains rare books which tend to increase in value over time.

All assets costing more than £500 are capitalised.

# THE JAPAN SOCIETY

## NOTE TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

### 1 Accounting policies

#### 1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### 1.6 Pensions

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

#### 1.7 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

#### 1.8 Taxation

HMRC have agreed that the society is considered to be established for charitable purposes and that it is entitled to relief from tax.

#### 1.9 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes and relate to the value of the library. The designated fund includes a revaluation reserve relating to the restatement of rare books to market value.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

### 2 Subscriptions and donations

	Unrestricted funds	Restricted funds	Total 2014	Total 2013
	£	£	£	£
Corporate membership subscriptions	91,090	-	91,090	86,863
Corporate donations	253,650	60,977	314,627	309,688
Corporate sponsorship	10,985	-	10,985	23,558
Individual membership subscriptions	27,063	-	27,063	15,297
Individual donations	15,328	-	15,328	5,242
Project funding	-	4,192	4,192	8,056
	<u>398,116</u>	<u>65,169</u>	<u>463,285</u>	<u>448,704</u>

# THE JAPAN SOCIETY

## NOTE TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

### 3 Investment income

	2014 £	2013 £
Interest receivable	<u>949</u>	<u>1,815</u>

### 4 Activities in furtherance of the charity's objects

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Event income	19,939	-	19,939	29,995
Education income and direct projects	<u>-</u>	<u>4,591</u>	<u>4,591</u>	<u>2,290</u>
	<u>19,939</u>	<u>4,591</u>	<u>24,530</u>	<u>32,285</u>

### 5 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Publication and sale of books	24,014	6,000	30,014	8,026
Rental income	<u>10,800</u>	<u>-</u>	<u>10,800</u>	<u>2,700</u>
	<u>34,814</u>	<u>6,000</u>	<u>40,814</u>	<u>10,726</u>

# THE JAPAN SOCIETY

## NOTE TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

6 Total resources expended	Staff costs £	Depreciation £	Other costs £	Total 2014 £	Total 2013 £
<b>Costs of generating funds</b>					
Fundraising and publicity	-	-	9,871	9,871	6,363
<b>Charitable activities</b>					
<u>Events</u>					
Activities undertaken directly	-	-	68,771	68,771	73,816
<u>Tohoku earthquake</u>					
Activities undertaken directly	-	-	145,481	145,481	120,134
<u>Schools education</u>					
Activities undertaken directly	-	-	19,338	19,338	30,075
<u>Office and establishment expenses</u>					
Activities undertaken directly	226,276	9,151	121,437	356,864	316,054
<u>Small grants</u>					
Activities undertaken directly	-	-	19,030	19,030	18,809
	<u>226,276</u>	<u>9,151</u>	<u>374,057</u>	<u>609,484</u>	<u>565,251</u>
<b>Governance costs</b>	-	-	9,929	9,929	12,321
	<u>226,276</u>	<u>9,151</u>	<u>393,857</u>	<u>629,284</u>	<u>577,572</u>

Governance costs includes payments to the auditors of £6,750 (2013 - £6,750) for audit fees and £1,950 (2013 - £4,300) for consultancy services.

## 7 Trustees

None of the members of the board received any remuneration during the year. The charity carried indemnity insurance for its trustees, for which a premium of £1,085 (2013 - £1,085) was paid. Two members of the board were reimbursed for expenses: David Warren - £2,924 in relation to travelling expenses and Pauline Chakmakjian - £305 in relation to Society members' attendance at a lecture event.

# THE JAPAN SOCIETY

## NOTE TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

#### 8 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2014 Number	2013 Number
Employees	9	8

##### Employment costs

	2014 £	2013 £
Wages and salaries	200,655	158,423
Social security costs	16,312	15,214
Other pension costs	9,309	8,458
	<u>226,276</u>	<u>182,095</u>

There were no employees whose annual remuneration was £60,000 or more.

#### 9 Tangible fixed assets

	Library £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 January 2014 and at 31 December 2014	<u>481,735</u>	<u>38,489</u>	<u>520,224</u>
<b>Depreciation</b>			
At 1 January 2014	-	4,127	4,127
Charge for the year	-	9,151	9,151
At 31 December 2014	<u>-</u>	<u>13,278</u>	<u>13,278</u>
<b>Net book value</b>			
At 31 December 2014	<u>481,735</u>	<u>25,211</u>	<u>506,946</u>
At 31 December 2013	<u>481,735</u>	<u>34,362</u>	<u>516,097</u>

The last professional valuation of the library was undertaken by Maggs and Sons in 2005. After due consideration and consultation with relevant professionals, a collective decision was taken by the board of trustees not to alter the value of the library. Under SORP 2005, paragraph 265, independent formal professional valuations are not mandatory for a charity, which instead may obtain a valuation from a suitably qualified person who may be a trustee or employee. The trustees have performed a review of the value of the library and consider the value carried in the accounts to be reasonable.

# THE JAPAN SOCIETY

## NOTE TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

<b>10 Debtors</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other debtors	9,905	42,420
VAT	-	574
Prepayments and accrued income	39,164	24,575
	<u>49,069</u>	<u>67,569</u>
<b>11 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	8,089	18,911
Taxes and social security costs	9,199	4,855
Other creditors	11,463	120,134
Accruals	27,376	41,467
	<u>56,127</u>	<u>185,367</u>
<b>12 Pension and other post-retirement benefit commitments</b>		
<b>Defined contribution</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	9,309	8,458
	<u>9,309</u>	<u>8,458</u>
<b>13 Restricted funds</b>		

The funds of the Society include restricted funds. The following are the unexpended balances of such funds:

	Balance at 1 January 2014	Movement in funds		Balance at 31 December 2014
		Incoming Resources	Resources Expended	
	£	£	£	£
Tohoku Earthquake Fund	141,532	4,192	(145,599)	125
Book project	-	6,000	(6,000)	-
Education Fund	-	65,568	(65,568)	-
	<u>141,532</u>	<u>75,760</u>	<u>(217,167)</u>	<u>125</u>

# THE JAPAN SOCIETY

## NOTE TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

#### 13 Restricted funds

Certain funds are restricted to expenditure relating to schools education and small grants.

Tohoku Earthquake Fund represents the donations made specifically for the Japan Society Tohoku Earthquake Relief Fund by members and the general public. During 2011, the Society entered into an agreement with the Sanaburi Foundation in Sendai to provide a framework for the disbursement of these funds in Tohoku.

The Book project fund represents income and expenditure relating to the production of specific Society publications.

#### 14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2014	Movement in funds		Transfers	Balance at 31 December 2014
	£	Incoming resources £	Resources expended £	£	£
Library	481,735	-	-	-	481,735
Japan Staff fund	-	-	-	150,000	150,000
Maintenance fund	-	-	-	8,000	8,000
	<u>481,735</u>	<u>-</u>	<u>-</u>	<u>158,000</u>	<u>639,735</u>

The designated library fund represents the funds the charity has tied up in the library.

The designated Japan Staff fund represents funds the charity has set aside to cover the cost of a Japan-based member of staff over a three to four year period. This is a new position, with particular responsibility for working on education projects. Designating funding ensures that this is a sustainable development in the Society's activity.

The designated maintenance fund is an amount set aside to cover the Japan Society's share (20%) of the building maintenance work at 13/14 Cornwall Terrace. This work is stipulated by Crown Estates and carried out on a five year cycle.

#### 15 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 December 2014 are represented by:				
Tangible fixed assets	25,211	481,735	-	506,946
Current assets	319,585	158,000	125	477,710
Creditors: amounts falling due within one year	(56,127)	-	-	(56,127)
	<u>288,669</u>	<u>639,735</u>	<u>125</u>	<u>928,529</u>



# THE JAPAN SOCIETY

## NOTE TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2014

#### 16 Commitments under operating leases

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within one year	-	-	-	8,427
Between two and five years	30,800	30,800	-	-
	<u>30,800</u>	<u>30,800</u>	<u>-</u>	<u>8,427</u>

#### 17 Net income for the year

	Continuing activities	Tohoku Earthquake	Total
	£	£	£
Total incoming resources	525,386	4,192	529,578
Total resources expended	(483,685)	(145,599)	(629,284)
Net income	<u>41,701</u>	<u>(141,407)</u>	<u>(99,706)</u>

#### 18 Related parties

The Japan Society is a corporate director of Japan Matsuri. The Japan Society gave a contribution of £2,500 to Japan Matsuri during 2014 (a contribution of £2,500 in 2013).

**THE JAPAN SOCIETY**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES, AND  
DETAILED STATEMENT OF FINANCIAL ACTIVITIES - RESTRICTED FUND  
SPLIT**

***FOR THE YEAR ENDED***

**31 DECEMBER 2014**

# THE JAPAN SOCIETY

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES - RESTRICTED FUND SPLIT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2014 £	Total 2013 £
<b>INCOMING RESOURCES</b>					
Subscriptions and donations					
Corporate membership subscriptions	91,090	-	-	91,090	86,863
Corporate donations	253,650	-	60,977	314,627	309,688
Corporate sponsorship	10,985	-	-	10,985	23,558
Individual membership subscriptions	27,063	-	-	27,063	15,297
Individual donations	15,328	-	-	15,328	5,242
Project funding - Tohoku Earthquake	-	-	4,192	4,192	8,056
	<b>398,116</b>	<b>-</b>	<b>65,169</b>	<b>463,285</b>	<b>448,704</b>
Investment income					
Bank interest receivable	949	-	-	949	1,815
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Activities in furtherance of the charity's objects					
Education income and direct projects	-	-	4,591	4,591	2,290
Event income	19,939	-	-	19,939	29,995
	<b>19,939</b>	<b>-</b>	<b>4,591</b>	<b>24,530</b>	<b>32,285</b>
Other incoming resources					
Publication and sale of books	24,014	-	6,000	30,014	8,026
Rental income	10,800	-	-	10,800	2,700
	<b>34,814</b>	<b>-</b>	<b>6,000</b>	<b>40,814</b>	<b>10,726</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total incoming resources</b>	<b>453,818</b>	<b>-</b>	<b>75,760</b>	<b>529,578</b>	<b>493,530</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds					
Fundraising and publicity	9,871	-	-	9,871	6,763
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Event expenses					
Events	36,813	-	-	36,813	40,785
Publications	25,958	-	6,000	31,958	20,437
Lectures	-	-	-	-	4,994
	<b>62,771</b>	<b>-</b>	<b>6,000</b>	<b>68,771</b>	<b>73,816</b>
Tohoku earthquake					
Donations to Japan	-	-	145,481	145,481	120,134
	<b>-</b>	<b>-</b>	<b>145,481</b>	<b>145,481</b>	<b>120,134</b>
Schools education					
School teaching and other costs	-	-	19,338	19,338	30,075
	<b>-</b>	<b>-</b>	<b>19,338</b>	<b>19,338</b>	<b>30,075</b>
Office and establishment expenses					
Staff costs	199,076	-	27,200	226,276	182,095
Depreciation	9,151	-	-	9,151	3,638
Consultancy fees	29,725	-	-	29,725	29,001
Computer costs	4,542	-	-	4,542	6,248
Insurance	7,702	-	-	7,702	7,510
Rates	-	-	-	-	5,330
Rent	47,287	-	-	47,287	24,804
Entertainment	234	-	-	234	16
Relocation costs	-	-	-	-	16,938
General expenses	3,382	-	-	3,382	2,345
Travelling expenses	882	-	-	882	885
Telephone, fax and e-mail	3,613	-	-	3,613	3,110
Irrecoverable VAT	3,909	-	-	3,909	10,974
Printing, postage and stationery	20,161	-	-	20,161	23,160
	<b>329,664</b>	<b>-</b>	<b>27,200</b>	<b>356,864</b>	<b>316,054</b>
Small grants					
Small educational grants made	-	-	19,030	19,030	18,809
	<b>-</b>	<b>-</b>	<b>19,030</b>	<b>19,030</b>	<b>18,809</b>
Governance costs					
Audit and accountancy costs	8,700	-	-	8,700	6,750
Advisory fees	-	-	-	-	4,315
Bank charges	1,111	-	118	1,229	1,256
	<b>9,811</b>	<b>-</b>	<b>118</b>	<b>9,929</b>	<b>12,321</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total resources expended</b>	<b>412,117</b>	<b>-</b>	<b>217,167</b>	<b>629,284</b>	<b>577,572</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income / (expenditure) for the year</b>	<b>41,701</b>	<b>-</b>	<b>(141,407)</b>	<b>(99,706)</b>	<b>(84,042)</b>

# THE JAPAN SOCIETY

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES - RESTRICTED FUND SPLIT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Restricted Education	Restricted Tohoku EQ	Restricted Book	Total Restricted Funds 2014	Total Restricted Funds 2013
	fund £	fund £	fund £	£	£
<b><u>INCOMING RESOURCES</u></b>					
<b>Subscriptions and donations</b>					
Corporate education donations	60,977	-	-	60,977	72,550
Project funding - Tohoku Earthquake	-	4,192	-	4,192	8,056
	<b>60,977</b>	<b>4,192</b>	<b>-</b>	<b>65,169</b>	<b>80,606</b>
<b>Investment income</b>					
Bank interest receivable	-	-	-	-	1,121
<b>Activities in furtherance of the charity's objects</b>					
Education income and direct projects	4,591	-	-	4,591	2,290
<b>Other incoming resources</b>					
Publication and sale of books	-	-	6,000	6,000	6,500
	<b>65,568</b>	<b>4,192</b>	<b>6,000</b>	<b>75,760</b>	<b>90,517</b>
<b><u>RESOURCES EXPENDED</u></b>					
<b>Event expenses</b>					
Publications	-	-	6,000	6,000	12,548
<b>Tohoku earthquake</b>					
Donations to Japan	-	145,481	-	145,481	120,134
<b>Schools education</b>					
School teaching and other costs	19,338	-	-	19,338	30,075
<b>Office and establishment expenses</b>					
Staff costs	27,200	-	-	27,200	25,956
<b>Small grants</b>					
Small educational grants made	19,030	-	-	19,030	18,809
<b>Governance costs</b>					
Bank charges	-	118	-	118	104
	<b>65,568</b>	<b>145,599</b>	<b>6,000</b>	<b>217,167</b>	<b>207,626</b>
<b>Net income / (expenditure) for the year</b>	<b>-</b>	<b>(141,407)</b>	<b>-</b>	<b>(141,407)</b>	<b>(117,109)</b>