

**REGISTERED COMPANY NUMBER: 3371038 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1063952**

The Japan Society

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 December 2015**



The Japan Society

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for the Year Ended 31 December 2015

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# The Japan Society

## Reference and Administrative Details for the Year Ended 31 December 2015

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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 Minoru Shinohara 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 26 April 2016)	Sir David Warren KCMG, Chairman Graham Holman, Vice Chairman Motohiko Kato, Vice Chairman Jenny White, Vice Chairman Alison Scott, Hon Editor Nigel Wellings, Hon Solicitor Satoru Yoshida, Hon Treasurer Hideki Asari Tom Burn Anna Dingley Lydia Gomersall Tetsuro Hama Janet Hunter Masahiro Imai Jason James Shinichiro Masunaga Mami Mizutori Akihiro Tsuchiya Eiji Wakiwaka
<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

### Report of the Trustees For the Year Ended 31 December 2015

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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 2015.

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	(Resigned 24 June 2015)
Graham Holman - Vice Chairman	
Motohiko Kato - Vice Chairman	(Appointed 23 April 2015)
Jenny White - Vice Chairman	
Satoru Yoshida- Hon Treasurer	
Nigel Wellings - Hon Solicitor	
Alison Scott - Hon Editor	
Hideki Asari	
Tom Burn	(Elected 24 June 2015)
Martin Day	(Resigned 24 June 2015)
Anna Dingley	
Lydia Gomersall	
Tetsuro Hama	
Janet Hunter	(Elected 24 June 2015)
Masahiro Imai	
Jason James	(Elected 24 June 2015)
Shinichiro Masunaga	
Stephen McEnally	(Resigned 24 June 2015)
Mami Mizutori	(Elected 24 June 2015)
Michael Spencer	(Resigned 24 June 2015)
Akihiro Tsuchiya	
Eiji Wakiwaka	(Elected 24 June 2015)

#### Appointment of Trustees

As set out in the Articles of Association, the Board of the Japan Society consists of a Chairman, up to two Vice-Chairmen, up to four appointed officers (Solicitor, Treasurer, Editor and Librarian), two ex officio trustees (one additional Vice-Chairman, the deputy head of mission at the Japanese Embassy, and one ordinary trustee, a member of the Japanese Embassy) and up to 14 ordinary trustees.

Vice Chairmen are elected annually by the board from their number. It is also the board which appoints the four officers: solicitor, treasurer, editor and librarian. There is no maximum term to these four appointments, but any appointments should be re-confirmed every three years. The board has the right but no obligation to appoint Vice-Chairmen, solicitor, treasurer, editor and librarian.

All other members of the board (with the exception of the two ex officio trustees from the Embassy) are elected for a term of three years. At the end of the first term, trustees may stand for re-election for a second three year term. No one may serve as an ordinary trustee for more than six consecutive years.

At the annual general meeting in June 2016, two trustees, Masahiro Imai and Shinichiro Masunaga are resigning following their departures from the UK. Two other trustees: Lydia Gomersall and Tetsuro Hama will be standing down at the end of a three year term; both are eligible for reelection.

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

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## Report of the Trustees For the Year Ended 31 December 2015

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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 sub-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.

A nominations committee (comprising David Warren, Tom Burn, Motohiko Kato 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 following skills / interests have been identified as particularly relevant to the Japan Society and are represented on the current board: the arts; the Japan-related business community; education; fundraising; the general Japanese community. 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. 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.

### Pay Policy

The pay of staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels in other similar organisations.

All trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 11 and 19 to the accounts.

### 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.

The vision that drives the Society's annual 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.

In developing objectives for the year and planning and evaluating activities, the trustees have considered the Charity Commission's guidance on public benefit. The board regularly reviews the Society's activity to ensure that its key objectives are being met as well as to confirm their continuing relevance.

The Society encourages any who have an interest in Japan and the broad UK-Japan relationship to become members and participate in activities. Reduced membership fees for students and those under 25 years of age are set in order to make membership accessible to the next generation, who will take the relationship forward in the coming years. Our policy on charging and participation by non-members is outlined below.

### Achievements and performance

The main areas of activity of the Society are: 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

## The Japan Society

### Report of the Trustees For the Year Ended 31 December 2015

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significant number of low cost or free events to make the programme accessible both to members and non-members. Where charges are levied, these are set at a level to cover direct costs to the Society, excluding overheads. A significant proportion of events, including the monthly lecture programme, is also open to non-members. The majority of the Society's schools education services are provided free of charge; membership of the Society is not a prerequisite to using these services. 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.

#### Events

The Society in 2015 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 2015 general events programme included:

- 4 chairman's lunches / dinners
- 14 Business related events
- 13 Conversation group events
- 21 Events aimed at younger members or families
- 13 Lectures
- 10 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 2015 included finance and economics (Peter Tasker, Japan-based financial expert, and commentator, Sir Jon Cunliffe, Deputy Governor, Bank of England), and security and defence (Sir Kim Darroch, National Security Advisor, and the Rt Hon Michael Fallon MP, Secretary of State for Defence).

Larger business lectures and seminars were again generously hosted by corporate members of the Society. These included a seminar on Cybersecurity at BT; an assessment of global threats by Richard Fenning, CEO of Control Risks; a view on Energy and Climate Change pre COP21 by Takashi Hattori, Head of the Environment & Climate Change Unit, International Energy Agency; a discussion on the UK's relationship with the European Union, with author and journalist, Bill Emmott, and Mami Mizutori; an overview of the world grains market by Etsuo Kitahara, Executive Director of the International Grains Council; corporate governance by Michael Woodford, former President & CEO of Olympus; and a vision for Tokyo's future development by Yoichi Masuzoe, Governor of Tokyo.

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: Philip Stephens, Associate Editor, Financial Times and Robin Niblett, Director, Chatham House. A special lunch was organized with members of the UK-Japan 21st Century Group on the occasion of its 32nd Annual Meeting.

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, and the Japan Security Dealers' Association 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, anthologies and contemporary fiction.

## The Japan Society

### Report of the Trustees For the Year Ended 31 December 2015

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Other events included gallery talks and museum visits, cultural workshops, music and theatre, food and drink tastings, golf tournaments, and social events. On the 150th anniversary of the arrival of the Satsuma students in the UK, we welcomed their 21st century counterparts who were recreating the historic journey. A pub quiz provided an informal opportunity to meet and get to know each other, while members also offered the students an opportunity to experience family life with a short homestay.

The Society partnered with Kew Gardens and the Embassy of Japan in organising a tanabata festival celebration, appropriately held in Kew's bamboo garden over two days in August.

The seventh Japan Matsuri, which was held in Trafalgar Square and took place on 19 September, coincided with Japan's match against South Africa in the Rugby World Cup. Despite a lull in the afternoon, when some people left in search of a television screen, Japan Matsuri was again well attended, with a number of performers from Kagoshima participating as part of the Satsuma 150 celebrations. 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 2015 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 held 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 2015 included: the story of the Satsuma students (as part of Satsuma 150); demographics and employment; Bakumatsu Kabuki heroes; Esperanto in Japan; the political role of former Prime Ministers; and the influence of the Second World War on novelists. The sixth 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 Dr John Breen speaking on the history and role of the Ise Shrines in postwar Japan. A special debate was organized with the International Friendship and Reconciliation Trust to commemorate the 70th anniversary of the end of the Asia Pacific War, and brought together experts Barak Kushner, Rana Mitter and Francis Pike for a wide-ranging discussion under the chairmanship of Alessio Patalano.

#### 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 2015, 42 grants were made averaging £575 with funding totalling £24,150 being awarded in support of 42 grassroots projects in the UK. In line with the objectives of the grants scheme, most of the activities supported had an educational element, fostered exchange between the UK and Japan, or provided opportunities to bring Japanese culture to a wide group of people.

12 primary schools and 10 secondary schools and youth groups were involved in extended projects, ranging from whole school Japan days to interdisciplinary learning days and enrichment weeks. Japan Society support for these events allows schools to bring in experts to run specialist workshops to complement and enrich curriculum-based studies. A visit by students from a Japanese partner school gave one secondary school the opportunity to run language learning activities with neighbouring primary schools, while a group of teachers spent time preparing together in advance of a series of global education workshops with Japanese counterparts in Fukushima, Tokyo and Kyoto.

Support for 2015's Satsuma 150 celebrations allowed Izaku Taiko Odori and Satsuma Kenshi Hayato to visit primary schools in London and Oxford for special performances and workshops. A project being developed for 2016 will engage primary school children in a series of visual and performance skill workshops inspired by Japanese prints in the collection of Blackburn Museum and Art Gallery.

Other arts related projects include community and adult education workshops with visiting Bizen potter, Kazuya Ishida, including a workshop, demonstration and lecture about the Bizen tradition and the potter's experience. Master woodblock carver Motoharu Asaka spent 10 days in the UK, conducting workshops and giving demonstrations and lectures at eight locations including university art departments, printmaking studios and an art and design sixth form college.

Distinct Impressions: Prism 5 brought together 32 emerging printmakers for a shared exhibition including 14 from Japan and 10 from the UK. This was the fifth in a series of events which provide a forum for artistic exchange and education. Muscicity's Reflections of Sumida along London's Southbank presented a new way to experience Japan, allowing people to listen to recordings of Basho poems in English and Japanese set against a soundscape of Tokyo's Sumida river.

Koto workshops and lectures by musicians from Tokyo University of the Arts, provided inspiration for students of

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### Report of the Trustees For the Year Ended 31 December 2015

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performance and composition at the Royal Academy of Music, while Stirling University's Japan Week included language classes, lectures, receptions as well as cultural events and performances. Japan Society small grants also supported Japan festivals in Cambridge, Edinburgh, Glasgow and Kent.

#### **Japan Society Awards**

Japan Society Awards were not presented in 2015, pending a review of the scheme.

#### **Library**

During 2015 work continued on cataloguing and documenting ephemera and loose correspondence held in the library. A small number of researchers visited, primarily to use the historical archive and copies of the Transactions and Proceedings of the Society.

#### **Publications**

At the end of 2014, the board re-established a publications committee (comprising Sir 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. A general invitation for proposals was issued in early 2015 and fifteen received, which were then reviewed by the committee. It was decided to proceed with publication of an illustrated book for children and to follow up several other proposals, for which additional information was needed, with a view to possible publication. Two publications were already in progress: Japan and Britain, Biographical Portraits Vol X and a history of Japanese Studies in the UK, and were due to be issued in 2016.

Work began on creating an e-library to be launched in 2016, and which would over time give greater access to selected publications and the Society's archive.

#### **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*

150 sixth form students of Japanese and their teachers attended a one-day conference on 5 November which aimed to provide insights into life in Japan, less familiar aspects of Japanese culture. The event included a keynote speech by Susumu Takiyama, Managing Director and Editor-in-Chief of Nikkei Europe. A talk by 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. Representatives of British and Japanese universities attended and gave participants advice and information on future courses of study.

##### *Japan in Your Classroom visits*

During the year visits were made by volunteers in Greater London, Brighton, Derby, Manchester and South Wales to over 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 Izaku Taiko Odori performers from Kagoshima, who visited schools in London and Oxford to give a performance and run workshops as part of the Satsuma 150 celebrations.

Volunteers also ran a range of workshops and activities as part of South West London Scouts summer camp, coinciding with the Scout Jamboree being held in Yamaguchi Prefecture, and giving a taste of Japan to Scouts within the UK.

##### *School links*

Support for school links has continued to be an important element of the Society's work. During 2015, new partnerships were established and existing links strengthened through exchange trips. Kobe University Fuzoku Junior High School again visited the UK, this time taking students to participate in exchanges with three partner schools, Cirencester Deer Park School, Alleyn's School in London and Thomas Hardy School in Dorchester. Cropwell Primary School in Nottingham had another successful visit from their partner, Komaki Elementary School in Nagano, this year with the support of Heymann Primary

## **The Japan Society**

### **Report of the Trustees For the Year Ended 31 December 2015**

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School who are starting to develop their own exchange with Wakatsuki Elementary School. In the virtual world, some 60 school partnerships are now using Japan UK LIVE! and related services to develop their links. Takamatsu Daiichi Senior High School again visited County Upper School in Bury St Edmunds, for an exchange focused on science activities.

From June 2015, Saki Kuroda has been working in Japan to provide additional support to schools engaged in linking activities. Over the next five years, we have the opportunity to build on increased interest in international activities leading up to the 2019 Rugby World Cup and 2020 Olympic and Paralympic Games, in order to recruit additional schools to participate in school linking activities. Having a staff member in Japan, to support this activity by running workshops and visiting schools will facilitate this process. In the long term, we intend to rent desk space in a small office.

#### *Teacher in-service training*

The Japan Conference for Schools organised with the Japan Foundation at the Embassy of Japan involved over 50 teachers taking part in a series of practical workshops alongside discussion groups on topics including school linking; introducing Japanese to the curriculum; sharing teaching resources; and teaching Japanese to dyslexic students. In this year's key note speech Lorraine Cooper, Deputy Head of Maryland Primary School in Newham, reported on her trip to Osaka in 2014 to research methods of teaching critical thinking skills.

#### **Communication and marketing**

The website and regular email notices 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 2015 the Society showed a deficit of (£15,859), which reflected the decision to draw down some reserves in order to employ someone in Japan, to further develop the education programme with schools in that country.

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.

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## Report of the Trustees For the Year Ended 31 December 2015

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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)

### Companies

#### President's Circle (£25,000)

JTI  
Mitsubishi Corporation International (Europe) Plc  
Mitsui & Co Europe Plc  
Nomura International Plc

#### Platinum Circle (£17,500)

Itochu Europe Plc  
Sumitomo Corporation Europe Ltd

#### Chairman's Circle (£10,000)

\*¶Chugai Pharma Europe Ltd  
Mitsubishi UFJ Financial Group

#### Corporate Patron (£7,500)

\*¶Astellas Pharma Inc  
\*¶Canon Europe Ltd  
\*¶Central Japan Railway Company  
\*¶Eisai Europe Ltd  
Ernst & Young LLP  
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 Ltd  
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  
\*Greenback Alan LLP  
Holman Fenwick Willan LLP  
Japan Airlines 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 Ltd  
¶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

#### Principal Benefactor (£1,000)

Martin & Noriko Barrow  
Bill Emmott  
Martin L. O'Neil and Miko Nakajima  
Akihiro & Noriko Tsuchiya

#### Benefactor (£500)

Christopher & Phillida Purvis

#### Principal Donor (£250)

Paul & Carolyn Dimond  
Penelope Elias  
Michael Faber  
Robert Guy  
Ruth Martin  
James Noble  
Heidi Potter

#### Donor (£100)

Mark Allsup  
Clive & Vivien Bradley  
Stephen Codrington  
Angelo Corbetta  
Robin Fox  
Thomas French  
Lydia Gomersall  
Stephen Grayston  
Keiko Itoh  
Junko Kawai  
Kathleen Kimura  
Ella Marquis  
David Myton  
Noriko Ogawa  
Pernille Rudlin  
Andrew Smithers  
Yuri Ueno  
William Waggott

#### Individual Supporter (£58)

D G R Bentliff  
Reg Clark  
Gerard Dempsey  
Suzanne Hudson  
Yasko Kurahachi  
Marilyn Malin  
Rosemary Morgan

# The Japan Society

## Report of the Trustees For the Year Ended 31 December 2015

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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 noted above, this has entailed drawing down some £15,000 of reserves during the year. As at 31 December 2015 fund balances excluding the value of the library and other designated funds amounted to £275,136. The cash reserves are held on deposit.

### Plans for the future

In 2016, 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. Providing support in Japan for our schools education programme remains a priority. 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 second call for proposals to academics, publishing houses and others in order to identify further potential partnership projects which will not only further academic understanding of Japan, but build popular awareness. The e-library portal will provide an opportunity to make accessible material from the Society's archives.

The trustees have been kept informed of developments regarding the establishment of "Japan House" in London under the auspices of the Japanese Government, which is due to open in the spring of 2017. The Society looks forward to working closely with this new organisation as appropriate, in order to provide increased opportunities for the public to engage with Japan. The Japan Society Chairman sits on the steering committee of Japan House.

Although in a strong financial position at the start of 2016, 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, but 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 for the Year Ended 31 December 2015**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **Report of the Independent Auditor to the Trustees of The Japan Society**

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I have audited the financial statements of The Japan Society for the year ended 31 December 2015 on pages six to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and regulations made under Section 154 of that Act. My audit work has been undertaken so that I might state to the charitable company's trustees those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for my audit work, for this report, or for the opinions I have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees Responsibilities set out on page three, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly I have been appointed as auditor under Section 145 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

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

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 financial statements. In addition, I read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

### **Opinion on financial statements**

In my opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Report of the Independent Auditor to the Trustees of The Japan Society**

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### **Matters on which I am required to report by exception**

I have nothing to report in respect of the following matters where the Charities Act 2011 requires me to report to you if, in my opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

### **Richard Place Dobson Services Limited**

#### **Statutory auditors**

Chartered Accountants

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

1-7 Station Road

Crawley

West Sussex

RH10 1HT

Date: .....

**The Japan Society**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 December 2015**

	Notes	Unrestricted fund £	Designated Fund £	Restricted fund £	<b>31.12.15</b> <b>Total funds</b> £	31.12.14 Total funds (as restated) £
<b>INCOME FROM</b>						
Donations and legacies	2	373,484	30,000	62,955	<b>466,439</b>	463,286
Charitable activities	3	27,030	-	3,303	<b>30,333</b>	24,530
Investment income	4	441	-	-	<b>441</b>	949
Other income	5	<u>20,183</u>	-	24	<u><b>20,207</b></u>	40,814
<b>Total</b>		<b>421,138</b>	<b>30,000</b>	<b>66,282</b>	<b>517,420</b>	529,579
<b>EXPENDITURE ON</b>						
Cost of raising funds	6	11,677	-	-	<b>11,677</b>	9,871
<b>Charitable activities</b>						
Membership and publications		170,008	11,736	-	<b>181,744</b>	151,064
Events		134,048	1,245	-	<b>135,293</b>	144,347
Schools education		102,513	24,861	44,963	<b>172,337</b>	148,665
Tohoku Earthquake		-	-	-	-	145,481
Small grants		<u>10,763</u>	<u>170</u>	<u>21,295</u>	<u><b>32,228</b></u>	<u>29,857</u>
<b>Total</b>		<b>429,009</b>	<b>38,012</b>	<b>66,258</b>	<b>533,279</b>	629,285
<b>NET (EXPENDITURE) / INCOME</b>						
		(7,871)	(8,012)	24	<b>(15,859)</b>	(99,706)
<b>Transfers between funds</b>	18	(5,661)	5,661	-	-	-
<b>Net movement in funds</b>		<b>(13,532)</b>	<b>(2,351)</b>	<b>24</b>	<b>(15,859)</b>	(99,706)
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		288,669	639,735	125	<b>928,529</b>	1,028,235
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>275,137</b></u>	<u><b>637,384</b></u>	<u><b>149</b></u>	<u><b>912,670</b></u>	<u>928,529</u>

**The Japan Society**

**Balance Sheet**  
**At 31 December 2015**

	Notes	Unrestricted fund £	Designated Fund £	Restricted fund £	<b>31.12.15</b> <b>Total funds</b> £	<b>31.12.14</b> <b>Total funds</b> £
<b>FIXED ASSETS</b>						
Tangible assets	14	21,443	481,735	-	<b>503,178</b>	506,946
<b>CURRENT ASSETS</b>						
Debtors	15	65,793	-	-	<b>65,793</b>	49,069
Cash at bank		<u>241,762</u>	<u>155,650</u>	<u>149</u>	<u><b>397,561</b></u>	<u>428,641</u>
		307,555	155,650	149	<b>463,354</b>	477,710
<b>CREDITORS</b>						
Amounts falling due within one year	16	(53,862)	-	-	<b>(53,862)</b>	(56,127)
		<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<b>NET CURRENT ASSETS</b>		<u>253,693</u>	<u>155,650</u>	<u>149</u>	<u><b>409,492</b></u>	<u>421,583</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		275,136	637,385	149	<b>912,670</b>	928,529
		<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
<b>NET ASSETS</b>		<u><b>275,136</b></u>	<u><b>637,385</b></u>	<u><b>149</b></u>	<u><b>912,670</b></u>	<u>928,529</u>
<b>FUNDS</b>	18					
Unrestricted funds:						
General fund					<b>275,137</b>	288,669
Designated Fund					<u><b>637,384</b></u>	<u>639,735</u>
					<u><b>912,521</b></u>	<u>928,404</u>
Restricted funds					<u><b>149</b></u>	<u>125</u>
<b>TOTAL FUNDS</b>					<u><b>912,670</b></u>	<u>928,529</u>

## **The Japan Society**

### **Balance Sheet - continued**

**At 31 December 2015**

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The charitable company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary charitable companies for the year ended 31 December 2015.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on ..... and were signed on its behalf by:

.....

Sir D Warren -Trustee

.....

S Yoshida -Trustee

# The Japan Society

## Notes to the Financial Statements for the Year Ended 31 December 2015

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### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015), the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

#### **Income**

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.

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

Other trading income 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 includes 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.

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company/charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Costs of raising funds comprise the costs associated with attracting voluntary income and costs of fund raising.

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### **Allocation and apportionment of costs**

Support costs, which include admin salaries, establishment and office costs, have been allocated against the charitable activities based on direct staff time spent on each activity.

# The Japan Society

## Notes to the Financial Statements - continued for the Year Ended 31 December 2015

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### 1. ACCOUNTING POLICIES - continued

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

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.

#### Taxation

The charity is exempt from corporation tax on its charitable activities.

#### Fund accounting

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

#### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

### 2. DONATIONS AND LEGACIES

	Unrestricted funds £	Designated funds £	Restricted funds £	Total <b>2015</b> £	Total 2014 £
Corporate membership subscriptions	90,404	-	-	<b>90,404</b>	91,091
Corporate donations	227,900	30,000	62,955	<b>320,855</b>	314,627
Corporate sponsorship	24,007	-	-	<b>24,007</b>	10,985
Individual membership subscriptions	24,432	-	-	<b>24,432</b>	27,063
Individual donations	6,741	-	-	<b>6,741</b>	15,328
Project funding	-	-	-	-	4,192
	<b>373,484</b>	<b>30,000</b>	<b>62,955</b>	<b>466,439</b>	<b>463,286</b>

# The Japan Society

## Notes to the Financial Statements - continued for the Year Ended 31 December 2015

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### 3. CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total <b>2015</b> £	Total 2014 £
Event income	27,030	-	<b>27,030</b>	19,939
Education income and direct projects	-	3,303	<b>3,303</b>	4,591
	<b>27,030</b>	<b>3,303</b>	<b>30,333</b>	<b>24,530</b>

### 4. INVESTMENT INCOME

	<b>31.12.15</b> £	31.12.14 £
Deposit account interest	<b>441</b>	<b>949</b>

### 5. OTHER INCOME

	Unrestricted fund £	Restricted fund £	Total <b>2015</b> £	Total 2014 £
Publications and sale of books	4,633	24	<b>4,657</b>	30,014
Rental income	10,800	-	<b>10,800</b>	10,800
Secretariat income	4,750	-	<b>4,750</b>	-
	<b>20,183</b>	<b>24</b>	<b>20,207</b>	<b>40,814</b>

### 6. RAISING FUNDS

#### Raising donations and legacies

	<b>31.12.15</b> £	31.12.14 £
Fund raising activities	<b>3,675</b>	6,023
Marketing, website & database	<b>8,002</b>	3,848
	<b>11,677</b>	<b>9,871</b>

# The Japan Society

## Notes to the Financial Statements - continued for the Year Ended 31 December 2015

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### 7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 8)	Support costs (See note 9)	Totals
	£	£	£	£
Membership and publications	134,554	-	47,190	181,744
Events	106,454	-	28,839	135,293
Schools education	121,213	-	51,124	172,337
Small grants	7,002	21,295	3,931	32,228
	<b><u>369,223</u></b>	<b><u>21,295</u></b>	<b><u>131,084</u></b>	<b><u>521,602</u></b>

### 8. GRANTS PAYABLE

	<b>31.12.15</b>	31.12.14
Small grants	<b><u>21,295</u></b>	<b><u>19,030</u></b>

Material grants paid to institutions during the year:

	<b>31.12.15</b>	31.12.14
	£	£
Japan Association in the UK	1,000	
University of Stirling	1,000	
Musicity Limited	1,000	
University for the Creative Arts	1,000	
Satsuma 150	1,000	
Greenthorpe CE Primary School	1,000	
Foundation for Art & Creative Culture	1,000	
Other small grants paid to 27 institutions (2014:15)	<b>12,095</b>	8,580
Keys of Change		1,000
Clifton Scientific Trust		1,000
The Folkestone Academy		1,000
A Thousand Cranes		1,000
University of Plymouth		1,000
Switch Radio		1,000
Tate St Ives		1,000
Southwark Playhouse Theatre		1,000
	<b><u>19,095</u></b>	<b><u>16,580</u></b>

### 9. SUPPORT COSTS

	Staff costs	Other	Governance	Totals
	£	£	£	£
Membership and publications	7,451	36,799	2,940	47,190
Events	4,553	22,488	1,798	28,839
Schools education	8,072	39,864	3,188	51,124
Small grants	621	3,067	243	3,931
	<b><u>20,697</u></b>	<b><u>102,218</u></b>	<b><u>8,169</u></b>	<b><u>131,084</u></b>

Support costs, included in the above, are as follows:

# The Japan Society

## Notes to the Financial Statements - continued for the Year Ended 31 December 2015

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### 9. SUPPORT COSTS - continued

	Membership and publications £	Events £	Schools education £
Wages	3,467	2,119	3,756
Social security	416	254	451
Pensions	3,568	2,180	3,865
Establishment expenses	24,204	14,792	26,222
Depreciation of tangible and heritage assets	3,779	2,309	4,093
Office expenses	5,594	3,418	6,059
General expenses	2,444	1,494	2,648
Consultancy	778	475	842
Auditors' remuneration	2,501	1,529	2,711
Bank charges	439	269	477
	<u>47,190</u>	<u>28,839</u>	<u>51,124</u>

	Small grants £	31.12.15 Total activities £	31.12.14 Total activities £
Wages	288	<b>9,630</b>	9,914
Social security	35	<b>1,156</b>	1,190
Pensions	298	<b>9,911</b>	9,309
Establishment expenses	2,017	<b>67,235</b>	58,893
Depreciation of tangible and heritage assets	315	<b>10,496</b>	9,151
Office expenses	466	<b>15,537</b>	24,779
General expenses	204	<b>6,790</b>	6,767
Consultancy	65	<b>2,160</b>	-
Auditors' remuneration	209	<b>6,950</b>	8,700
Bank charges	34	<b>1,219</b>	1,231
	<u>3,931</u>	<u><b>131,084</b></u>	<u>129,934</u>

### 10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.15 £	31.12.14 £
Auditors' remuneration	6,950	8,700
Depreciation - owned assets	<u>10,496</u>	<u>9,151</u>

# The Japan Society

## Notes to the Financial Statements - continued for the Year Ended 31 December 2015

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### 11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2015 nor for the year ended 31 December 2014.

#### Trustees' expenses

During the year one member of the board was reimbursed for expenses:

Sir David Warren - £254 (2014: £2,924) in relation to miscellaneous expenses

The charity carried indemnity insurance for its trustees, for which a premium of £1,085 (2014: £1,085) was paid.

### 12. STAFF COSTS

	<b>31.12.15</b>	31.12.14
	£	£
Wages and salaries	<b>200,749</b>	200,655
Social security costs	<b>19,046</b>	16,312
Other pension costs	<b>9,911</b>	9,309
	<b><u>229,706</u></b>	<u>226,276</u>

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

	<b>31.12.15</b>	31.12.14
	=	=
Employees	<b>= 9</b>	= 9

No employees received emoluments in excess of £60,000.

### 13. 2014 STATEMENT OF FINANCIAL ACTIVITIES (Restated)

	Unrestricted fund £	Designated Fund £	Restricted fund £	<b>Total funds</b> <b>£</b>
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	398,117	-	65,169	<b>463,286</b>
Other trading activities	19,939	-	4,591	<b>24,530</b>
Investment income	949	-	-	<b>949</b>
Other income	<u>34,814</u>	<u>-</u>	<u>6,000</u>	<u><b>40,814</b></u>
<b>Total</b>	<b>453,819</b>	-	75,760	<b>529,579</b>
<b>EXPENDITURE ON</b>				
Raising funds	9,871	-	-	<b>9,871</b>
<b>Charitable activities</b>				
Membership and publications	123,746	-	27,318	<b>151,064</b>
Events	138,347	-	6,000	<b>144,347</b>
Schools education	129,327	-	19,338	<b>148,665</b>
Tohoku Earthquake	-	-	145,481	<b>145,481</b>
Small grants	<u>10,827</u>	<u>-</u>	<u>19,030</u>	<u><b>29,857</b></u>
<b>Total</b>	<b>412,118</b>	-	217,167	<b>629,285</b>

**The Japan Society**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2015**

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued**

	Unrestricted fund £	Designated Fund £	Restricted fund £	Total funds £
<b>NET INCOME/(EXPENDITURE)</b>	41,701	-	(141,407)	<b>(99,706)</b>
<b>Transfers between funds</b>	<u>(158,000)</u>	<u>158,000</u>	-	-
<b>Net movement in funds</b>	(116,299)	158,000	(141,407)	<b>(99,706)</b>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	404,968	481,735	141,532	<b>1,028,235</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>288,669</u>	<u>639,735</u>	<u>125</u>	<u><b>928,529</b></u>

**14. TANGIBLE FIXED ASSETS**

	Library £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2015	481,735	38,489	<b>520,224</b>
Additions	-	6,002	<b>6,002</b>
At 31 December 2015	<u>481,735</u>	<u>44,491</u>	<u><b>526,226</b></u>
<b>DEPRECIATION</b>			
At 1 January 2015	-	13,278	<b>13,278</b>
Charge for year	-	9,770	<b>9,770</b>
At 31 December 2015	-	23,048	<b>23,048</b>
<b>NET BOOK VALUE</b>			
At 31 December 2015	<u>481,735</u>	<u>21,443</u>	<u><b>503,178</b></u>
At 31 December 2014	<u>481,735</u>	<u>25,211</u>	<u><b>506,946</b></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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective 1 January 2015) paragraph 10.34 the charity trustees are required to ensure that valuations are carried out by an experience valuer, although the Charities SORP permits this to be carried out by a trustee or member of staff who has the relevant experience and knowledge.

# The Japan Society

## Notes to the Financial Statements - continued for the Year Ended 31 December 2015

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### 15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>31.12.15</b>	31.12.14
	£	£
Other debtors	<b>42,667</b>	9,905
Prepayments and accrued income	<b>23,126</b>	<u>39,164</u>
	<b><u>65,793</u></b>	<u>49,069</u>

### 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>31.12.15</b>	31.12.14
	£	£
Trade creditors	<b>60</b>	8,088
Social security and other taxes	<b>5,146</b>	4,906
VAT	<b>5,110</b>	4,293
Other creditors	<b>12,880</b>	11,464
Accruals and deferred income	<b><u>30,666</u></b>	<u>27,376</u>
	<b><u>53,862</u></b>	<u>56,127</u>

### 17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	<b>31.12.15</b>	31.12.14
	£	£
Expiring:		
Between one and five years	<b><u>30,800</u></b>	<u>30,800</u>

### 18. MOVEMENT IN FUNDS

Restricted funds:

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

	Balance at 01.01.15 £	Incoming resources £	Resources expended £	Balance at 31.12.15 £
Tohoku Earthquake Fund	125	24	-	<b>149</b>
Education Fund	<u>-</u>	<u>66,258</u>	<u>66,258</u>	<u>-</u>
	<b><u>125</u></b>	<b><u>66,282</u></b>	<b><u>66,258</u></b>	<b><u>149</u></b>

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 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 Japan Society

### Notes to the Financial Statements - continued for the Year Ended 31 December 2015

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#### 18. MOVEMENT IN FUNDS - continued

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 01.01.2015 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.2015 £
Library	481,735	-	-	-	481,735
Japan office fund	150,000	-	22,653	-	127,347
Maintenance fund	8,000	-	5,661	5,661	8,000
Digitisation of books fund	-	30,000	9,698	-	20,302
	<b>639,735</b>	<b>30,000</b>	<b>38,012</b>	<b>5,661</b>	<b>637,384</b>

The library fund represents the funds of the charity tied up in the library.

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

The 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.

J Paul Getty donated £30,000 to the Society during the year, which was restriction free, but they indicated they would like the donation to assist with the costs of digitising the library books.

#### 19. RELATED PARTY DISCLOSURES

The Japan Society is a corporate director of Japan Matsuri. The Japan Society gave a contribution of £2,500 (2014: £2,500) during the year.

#### 20. FIRST YEAR ADOPTION OF FRSSE CHARITIES SORP

On adoption of the Charities SORP FRSSE (effective 1.1.15), we have changed the SOFA so that expenditure is now categorised by charitable activities and has an allocation of support costs charged against the activity based on direct staff time spent on the activity. The trustees have identified four main charitable activities. The 2014 SOFA has been restated to show the comparatives on a similar basis to 2015. This change is purely presentational and has not amended the deficit made or the overall net assets of the Charity.