

**Charity Registration No. 1063952**

**Company Registration No. 03371038 (England and Wales)**

**THE JAPAN SOCIETY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The Japan Society

Contents of the Financial Statements  
for the Year Ended 31 December 2020

	Page
Legal and Administrative Information	1
Report of the Trustees	2 - 8
Statement of Trustees Responsibilities	9
Report of the Independent Auditor	10 -11
Statement of Financial Activities	12 - 14
Balance Sheet	15 - 16
Notes to the Financial Statements	17 - 29

# THE JAPAN SOCIETY

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Patron</b>	HRH The Duke of Gloucester, KG, GCVO
<b>President</b>	HE The Japanese Ambassador
<b>Vice Presidents</b>	Takeo Aoki Dean Gilfillan Yoshinori Katayama Hirohiko Miyata Shin Ebihara Hiroaki Fujii Haruko Fukuda OBE Sadayuki Hayashi Hiroshi Kitamura Yasumasa Nagamine Prof. Ian Nish, CBE Yoshiji Nogami Masaki Orita Christopher Purvis CBE Viscount Trenchard Koji Tsuruoka David Warren KCMG
<b>Honorary Vice-Presidents</b>	
<b>Officers and Trustees</b> (as at 8 April 2021)	Bill Emmott, Chairman Martin Hatfull, Deputy Chairman Hiroshi Matsuura, Vice Chairman Nigel Wellings, Hon Solicitor Satoru Yoshida, Hon Treasurer Tim Harding Sue Hudson Janet Hunter Tadaharu Iizuka Takeshi Ito Jason James Yuuichiro Nakajima Neil Riley Julie Rogers Pernille Rudlin Eiji Wakiwaka Clare Weaver Rie Yoshitake
<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 TRUSTEES' REPORT

## *FOR THE YEAR ENDED 31 DECEMBER 2020*

---

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The Trustees have adopted the provisions of accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2020.)

### **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:

Bill Emmott – Chairman	
Martin Hatfull – Deputy Chairman	
Hiroshi Matsuura – Vice Chairman	(Appointed 24 February 2021)
Takashi Okada – Vice Chairman	(Resigned 14 September 2020)
Jenny White - Vice Chairman	(Resigned 28 July 2020)
Satoru Yoshida- Hon Treasurer	
Nigel Wellings - Hon Solicitor	
Tim Harding	
Sue Hudson	
Janet Hunter	
Tadaharu Iizuka	
Takeshi Ito	
Jason James	
Yuko Kawai	(Elected 28 July 2020; Resigned 25 September 2020)
Yuuichiro Nakajima	
Neil Riley	
Julie Rogers	
Pernille Rudlin	
Yoji Saito	(Resigned 5 April 2020)
Eiji Wakiwaka	
Clare Weaver	(Elected 28 July 2020)
Rie Yoshitake	(Elected 28 July 2020)

### **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) with up to 20 Trustees in total.

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.

Yoji Saito stood down from the board in April 2020 and Yuko Kawai in September 2020, on completing their respective postings in the UK and returning to Japan. At the Annual General Meeting in 2021, Janet Hunter, Jason James and Eiji Wakiwaka will be standing down having served on the board for six years. Four other trustees, Bill Emmott (chairman), Martin Hatfull (deputy chairman), Tim Harding and Julie Rogers will be standing down each having completed a three-year term; all are eligible for re-election.

The board meets at regular intervals in order to provide strategic direction and to monitor and review the activities of the Society. It met five times in 2020, with meetings since April 2020 taking place virtually because of the Covid-19 pandemic. 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 a team of paid staff. The activities of the Society are organized by the office, with support also provided by activity group sub-committees, 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 and in normal years volunteers also provide support in delivering public-facing outreach

# THE JAPAN SOCIETY TRUSTEES' REPORT

## *FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTD)*

---

events; both school visits and other volunteer-supported activities have been suspended since March 2020.

A nominations committee (in 2020 comprising Bill Emmott, Tim Harding, Martin Hatfull, Sue Hudson 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 papers for the Annual General Meeting. The role of the board and the organization's expectations of its board members are discussed with new Trustees prior to their election.

The audit committee (comprising in 2020 Bill Emmott, Satoru Yoshida and Heidi Potter) considers the accounts and the performance of the auditors.

### **Pay Policy**

The pay of staff is reviewed by a remuneration committee 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 organizations.

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 by the board.

## **OBJECTIVES AND ACTIVITIES**

### **Mission**

The Society's objects as stated in its Memorandum of Association 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.

### **Review of Activities**

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 Trustees are mindful of the Charity Commission guidance on public benefit and consider this when reviewing the Society's activities during the year and in planning future charitable activities.

The vision that drives the Society's annual activity is the enhancement of understanding of Japanese life and culture and of links between the UK and Japan. 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; research facilities in our library; or the provision of small grants in support of Japan-related projects that are organized by others.

In this context, the Society strives to ensure that a significant element of its activity is accessible to the wider community beyond its membership. Many events are open to non-members, while the schools education programme and the small grants scheme extend throughout the UK, beyond the Society's base in London. Reduced membership fees for students and those under 25 years of age are set in order to encourage participation by the next generation, who will take the UK-Japan relationship forward in the coming years.

## **ACHIEVEMENTS AND PERFORMANCE**

The main areas of activity of the Society are: events, schools education, publications, small grants, and the library. 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 provide opportunities to people from a variety of backgrounds regardless of ability to pay. This is an important factor in ensuring that the Society achieves its charitable objective to promote understanding and awareness of Japan. 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 £20,000 is set aside annually for disbursement through the small grants programme in support of events organized by others which are in furtherance of the Society's objectives and which provide opportunities for new audiences across the UK to gain understanding of Japan.

# THE JAPAN SOCIETY TRUSTEES' REPORT

## FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTD)

---

### Events

The Society's events programme in 2020 was affected greatly by the Covid-19 pandemic, with the last physical in person event taking place on 5 March. However, we made a quick transition to online events in order to continue to offer an engaging and relevant programme. Although some people, who would in a normal year have attended in person events organized by the Society, were unable to take advantage in online events, there was a significant participation by others across the UK and in other parts of the world, including Japan, for whom travel to London for events would have been impossible. Recordings of many events were made available on YouTube for a wider audience. Feedback from participants in our online programmes showed that they particularly valued the opportunities presented to engage on important issues in Japan-UK relations at a time when travel restrictions meant that it was not possible for visitors to travel between our two countries.

The cornerstone was a series of **current affairs webinars** bringing together speakers in different parts of the globe to discuss topical issues. The format of these online events allowed participants to hear both UK and Japanese perspectives on the issue under discussion, contributing to a greater understanding of opinions in each other's country. This positive outcome of the experience of the past year has enabled the Society to achieve its educational objectives in a very clear way. Over 25 such webinars took place over the year:

Governments, COVID-19 and the Public Response in the UK and Japan with Koji Tsuruoka and David Warren  
COVID-19: Policy, Financial Markets and Business with Yuko Kawai and Leo Lewis  
The Political Economy of the Pandemic with Robert Feldman and Robert Ward  
The Political Repercussions of the Pandemic with Tsutomu Ishiai and John Peet  
International Responsibilities and the Pandemic with Mark Malloch-Brown and Mami Mizutori  
What We Know Now: Medical Science and the Response to COVID-19 with Kiyoshi Kurokawa and Peter Piot  
The Effect of the Pandemic on Diplomatic and Commercial Relations with China with Kerry Brown & Akio Takahara  
The Pandemic and the Changing World of Work with Lynda Gratton  
The Energy Outlook in the Post-Pandemic World with Jun Arima and Nick Butler  
International Financial Capitals: the Future for London & Tokyo with Michael Mainelli and Hiroshi Nakaso  
The Future of Travel and Tourism in a Post COVID-19 World with David Atkinson, Timothy Jenkins & Martin Barrow  
Japan, UK and the US: Our Relationship with our Closest Allies with Kim Darroch and Kenichiro Sasae  
The View from the Korean Peninsula with Chung Min Lee and John Nilsson-Wright  
What the UK and Japan Mean to Each Other with Jeremy Hunt MP and Tomohiko Taniguchi  
The Future for the Arts and their Institutions with Mami Kataoka and Rebecca Salter  
The Pandemic and its Impact on Gender Equality in Japan and the UK with Yoriko Goto & Heather McGregor  
Shinzo Abe and his Legacy: a discussion with Tobias Harris and Keiko Iizuka  
The State of the Economy in Japan and the UK, with Noriko Hama and Gerard Lyons  
The Politics of Governmental Reform in Japan and the UK, with Bronwen Maddox and Koji Tsuruoka  
Reporting the world in Japan and the UK, with Aiko Doden and John Simpson  
Developing Professional Women's Football in Japan and the UK with Kikko Okajima Murray and Kelly Simmons  
Japan's Far More Female Future with Kathy Matsui and Bill Emmott  
The Future of Democracy in the USA with David Runciman and Hitoshi Tanaka  
The US Election: Implications for International Trade, with Glen S Fukushima, with Jim O'Neill & Toshihiro Nakayama  
Security and Geopolitical Consequences of the US Election, with Nobukatsu Kanehara and John Scarlett  
Business, Japan, and the World in Pink: a conversation with Lionel Barber  
The Future for Higher Education in Japan and the UK with David Richardson and Yuko Takahashi  
The Japan-UK Free Trade Agreement - what does it mean? with Hiroshi Matsuura and Minako Morita-Jaeger

From April 2020 the monthly **book club** discussion and **Bilingual Public Speaking Club** also made the transition to online meeting, and in June we began a monthly **film club**. Despite the challenges of conducting active discussions via an unfamiliar virtual platform, regular participants responded positively and where necessary the event format was adapted to overcome the challenges of working online. At a time when many people were at home with little opportunity to meet others, these discussion groups provided a welcome opportunity to discuss issues beyond the pandemic and learn together about Japan, its language, creative arts and culture.

Prior to the UK's national lockdown, we had held a joint lunch with the Japanese Chamber of Commerce and Industry with special guest Dame Carolyn Fairbairn, Director-General of the Confederation of British Industry. The Japan Society chairman held a lunch, hosted by Clifford Chance, with Nigel Higgins, Chairman of Barclays Bank, at which senior corporate members met for discussion about the financial services sector in the UK. Other **business events** included seminars on opportunities for collaboration in cybersecurity (at Mishcon de Reya) and on the future of financial technologies in global business (at Mitsubishi Corporation). The final in person event of 2020 was the annual lecture by the British Ambassador, Paul Madden, in which he reviewed the past year from the perspective of the Embassy in Tokyo, hosted by Nomura International. The year finished with a virtual **Annual Dinner**, where members were able to meet in small groups on breakout tables, as well as enjoying music, comedy, a special talk by the curator of Japanese collections at the British Museum and, from Japan, a live performance of calligraphy.

In the first two months of 2020, members participated in a private view of the Buddhism and Japan exhibition at the British Library, as well as taking part in popular **workshops** in saori weaving and wagashi sweet making. We were grateful to artists

## THE JAPAN SOCIETY TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTD)*

---

and makers who adapted their practice to be able to teach workshops online following the lockdown, offering members the chance to try various textile crafts such as boro repair work, embroidery techniques and katazome stencil dyeing. Particularly popular was a two-part manga workshop focused on animism as a feature of story-telling.

Lockdown restrictions made it impossible to hold large scale public-facing events in 2020. However, in partnership with the Japanese Chamber of Commerce & Industry, Japan Association and Japanese Embassy, the annual **Japan Matsuri** moved online over the weekend of 26 September under the *Japan Matsuri Presents...* banner. The change in title reflected that, while we were able to showcase Japanese performers and pre-recorded features on Japanese culture, the online event was unable to replicate the important community celebration aspect of a typical matsuri. While we had hoped that the event would provide a platform for local Japanese restaurants and other businesses to reach their target market, most were too busy trying to adjust to the new regulations to be able to take advantage of this opportunity. Nevertheless, over the 20 hours of live streaming there were some 20,000 viewers via Facebook with a further 10,000 via the Japan Matsuri website and the event achieved the objective of supporting artists and performers in the Japanese community affected by Covid-19 and providing an opportunity to watch a varied and inclusive programme.

Under the umbrella of the Japan Matsuri company, the **Sakura Cherry Tree project** entered the winter 2020-21 planting season in November. Due to restrictions resulting from the pandemic some plantings had to be delayed, and related celebratory events were postponed. Planting will continue through to 2022 and the trees will provide many opportunities to mark the UK's links with Japan over the coming years.

The **lectures programme** as usual covered a wide range of subject matter. The monthly lecture series formed the core of this aspect of our public programming and the Society is grateful to the academics who generously share their research. At the same time, we were delighted to hear from speakers in the creative arts. After March 2020, all lectures took place online. Subjects in the 2020 academic lecture series included: Burakumin and Human Rights in Japan; The Siberian Captivity of Japanese Soldiers; The Experience of Young Migrants in Japan; Art and Religious Practice at the Kofukuji Nan'endo; Harry Parkes, British Minister to Japan. A special lecture in January by Professor Gonokami, President of Tokyo University, discussed the University as a force for social change. Other highlights included talks by two photographers: Frederic Aranda on the influence of Japan on his career and Yukari Chikura, who spoke on the Zaido ceremony she had so successfully documented. In August, on the occasion of the publication of a special issue of the journal *Wasafiri*, we hosted a panel discussion on Japan: Literatures of Remembering.

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

In 2020, some £15,000 was awarded in grants to support projects and events related to Japan. Several had to be postponed due to the pandemic, which also meant that fewer applications were received than usual. 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.

Although some projects were postponed, other organizers were able to adapt their plans to create online content and virtual events. Theatre maker and puppeteer Aya Nakamura held online workshops and talks based around her recently filmed paper theatre piece *The Spider's Thread*; Bristol Museum and Art Gallery are creating online content and educational resources to enhance learning about their collection of netsuke; and Edinburgh City Art Centre's series of workshops and lectures to coincide with the exhibition on E A Hornel will be moved online.

In March students at King Edward VI Community College in Devon held a successful exhibition on contemporary Japanese art and culture, while the Kaetsu Educational & Cultural Centre staged its 18<sup>th</sup> Japan Day in Cambridge, with cultural activities and performances.

In Torfaen in Wales, Mamiko Markham began introducing students at local schools to Japanese silk painting on a project which engages them in kimono design and making in partnership with students in Japan. Work began on a Japanese Peace Garden in Coventry designed by primary school pupils as the final part of the long-term city-wide Coventry Young Ambassadors project.

#### **Library**

During most of 2020 the library was closed to visitors, though staff provided remote assistance to researchers seeking information from the Society's historical archive and Transactions and Proceedings.

#### **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

# THE JAPAN SOCIETY TRUSTEES' REPORT

## *FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTD)*

---

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.

This area of the Society's activity was heavily disrupted due to the pandemic, with all in person activity being suspended. Before the lockdown, *Japan in Your Classroom* school visit volunteers travelled to 12 schools and the education team organized workshops in soroban and noh mask making.

Taking advantage of the Japan Society's new website, efforts during the year concentrated on the development and dissemination of new online resources for schools and for home learning. These included the launch of our Radio Taiso exercise video and a new Radio Taiso scheme of work; Children's Day resources for parents and teachers; a public tanzaku wish gallery to mark July's Tanabata festival; Tanabata resources including a new original kamishibai, craft video and home activity pack; Sports Day resources and much more.

Our annual **Sixth Form Japan Day** also went online, this year taking place over the course of a week, offering a mix of live sessions and non-live content which was also made available on catch-up to registered participants throughout December. These allowed students from schools across the UK to access this important event, experiencing aspects of Japanese culture new to them and hearing about opportunities for Japan-related study and work.

### **Communication and marketing**

The website and regular email notices continued to be important tools for communicating information about the Society and its activities. The Japan Society's website was rebuilt and relaunched in April 2020 providing a platform for more efficient dissemination of information. It proved particularly timely as all activity moved online with content including recordings of lectures and webinars, school resources, and a popular Chairman's blog, all being easily accessible. Alongside Facebook and Twitter we continued to develop our social media presence with active accounts in Instagram and LinkedIn, as well as YouTube.

### **Financial Review**

In 2020 the Society showed a loss of (£57,700), which reflected a revision to the value of the library collection from £481,735 to £350,000 as detailed in notes 2 and 13 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):

# THE JAPAN SOCIETY TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTD)

---

## Companies

### President's Circle (£25,000)

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

### Platinum Circle (£17,500)

Itochu Europe Plc

### Chairman's Circle (£10,000)

\*Chugai Pharma Europe Ltd  
Mitsubishi UFJ Financial Group

### Corporate Patron (£7,500)

\*Canon Europe Ltd  
\*Central Japan Railway Company  
\*Eisai Europe Ltd  
Ernst & Young LLP  
Marubeni Europe plc  
\*Mitsubishi Electric Europe BV  
Mizuho Financial Group  
NSK Europe Ltd  
PricewaterhouseCoopers LLP  
SMBC Europe Ltd  
Sumitomo Corporation Europe Ltd

### Corporate Benefactor (£5,000)

Clifford Chance LLP  
Dai-ichi Life International Europe  
Daiwa Capital Markets Europe Ltd  
Deloitte LLP  
Hitachi Europe Ltd  
Honda Motor Europe Ltd  
HSBC Holdings International  
Nikko Asset Management Europe Ltd  
\*NYK Group Europe Ltd  
¶Olympus KeyMed  
SoftBank  
Toyota (GB) Plc

### Corporate Donor (£2,000)

Aberdeen Standard Investments  
Allen & Overy LLP  
All Nippon Airways Co Ltd  
BDO LLP  
\*Greenback Alan LLP  
Japan Airlines Co Ltd  
Japan Post Bank Co Ltd  
\*"K" Line (Europe) Ltd  
Linklaters LLP  
Mitsubishi Heavy Industries Europe  
Ltd  
MSIG Holdings (Europe) Ltd  
\*NEC (Europe) Ltd  
Out-Sourcing Incorporated UK  
Ricoh (Europe) plc  
Sompo Japan Nipponkoa Insurance Co  
of Europe Ltd  
Tokio Marine HCC

*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  
Midoriko Nakajima and Martin L  
O'Neill

### Principal Donor (£250)

Michael Faber  
Janet Hunter  
James Noble  
Yoshio Noguchi  
Taeko Oliver  
Heidi Potter  
David Powers  
Christopher and Phillida Purvis  
Simon Ranger  
Adrian Thorpe

### Donor (£100)

Mark Allsup  
Clive Bradley  
Stephen Codrington  
Joe Earle  
Robin Fox  
Lydia Gomersall  
Keiko Itoh  
Kathleen Kimura  
John MacMahon  
Charlotte Morgan  
David Mytton  
Geoffrey Paull  
Pernille Rudlin  
Atsushi Saito  
Larry Stone  
Sanae Tada  
Mark Tate  
Teruhiko Tsumura  
Kent Yamada

### Individual Supporter (£58)

Jeremy Bayfield  
D G R Bentliff  
Hiroko Gayton  
Thaisa Hopkins  
Suzanne Hudson  
Janusz Mondry  
Rosemary Morgan  
Suzanne Perrin  
Ian Walker  
Vivian Zhang

# THE JAPAN SOCIETY TRUSTEES' REPORT

## *FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTD)*

---

### **Reserves**

In the current uncertain economic climate, the board has reviewed its reserves policy and has decided that it should continue to maintain reserves sufficient for 9 – 12 months' expenditure. Current reserves of over 80 per cent of annual expenditure have been built up as a result of prudence at a time of general economic downturn; the need for such prudence continues while the long term financial impact of the pandemic remains 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 as outlined in note 17. As at 31 December 2020, the value of unrestricted reserves less tangible fixed assets was £496,850. The cash reserves are held on deposit.

### **Plans for the future**

In 2021, the Japan Society will continue to hold events online, while preparing to transition to hybrid as well as fully in person events as the Covid-19 situation develops. We anticipate that the hybrid event format will be an important feature of future programmes, in order to ensure that our offer is widely accessible. Our schools education programme remains a priority and the education team continues to concentrate on the development of teaching resources while it remains difficult to organise visits to schools. The Japan Society is playing an active part in the 2019-2020 Japan Season of Culture in the UK, which has now been extended to December 2021.

Although in a strong financial position at the start of 2021, the Society needs 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 and providing a forum for exchange of opinion on topics related to UK-Japan relations will continue to be persuasive and that support from higher-level donors will be sustained, despite competing claims on donors' generosity.

In March 2020, the Society had to stop its usual programme of events as a result of the nationwide UK 'lockdown' in response to the Covid-19 pandemic. It is unclear when we will be able to resume normal modes of operation, and staff and trustees are continue to seek opportunities to engage with members and a wider audience through new channels to bring together views from both Japan and the UK.

On behalf of the Board

**Satoru Yoshida - Hon. Treasurer**

Dated: .....

## THE JAPAN SOCIETY

### STATEMENT OF TRUSTEES RESPONSIBILITIES

*FOR THE YEAR ENDED 31 DECEMBER 2020*

---

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 auditors are 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 auditors are aware of that information.

# THE JAPAN SOCIETY

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE JAPAN SOCIETY

---

### Opinion

We have audited the financial statements of The Japan Society (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

## THE JAPAN SOCIETY

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE TRUSTEES OF THE JAPAN SOCIETY

---

##### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

##### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

##### **Richard Place Dobson Services Limited Chartered Accountants**

1-7 Station Road  
Crawley  
West Sussex  
RH10 1HT

Richard Place Dobson Services Limited are 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 2020*****Current financial year**

		<b>Unrestricted funds general 2020 £</b>	<b>Unrestricted funds Designated 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
	<b>Notes</b>					
<b><u>Income and endowments from:</u></b>						
Subscriptions and donations	<b>3</b>	349,160	-	50,070	399,230	380,646
Events	<b>4</b>	3,408	-	-	3,408	32,563
Investments	<b>5</b>	175	-	-	175	656
Other incoming resources	<b>6</b>	24,595	-	383	24,978	25,309
<b>Total income</b>		<b>377,338</b>	<b>-</b>	<b>50,453</b>	<b>427,791</b>	<b>439,174</b>
<b><u>Expenditure on:</u></b>						
Raising funds	<b>7</b>	6,893	-	-	6,893	15,361
<b><u>Charitable activities</u></b>						
Membership and publications	<b>8</b>	85,629	1,787	-	87,416	118,581
Events	<b>8</b>	109,196	-	-	109,196	159,299
School education	<b>8</b>	99,862	-	35,207	135,069	132,355
Small grants	<b>8</b>	-	-	15,246	15,246	17,496
Hammersmith Garden project	<b>8</b>	-	-	-	-	4,285
<b>Total charitable expenditure</b>		<b>294,687</b>	<b>1,787</b>	<b>50,453</b>	<b>346,927</b>	<b>432,016</b>
<b>Total resources expended</b>		<b>301,580</b>	<b>1,787</b>	<b>50,453</b>	<b>353,820</b>	<b>447,377</b>

**THE JAPAN SOCIETY****STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
INCLUDING INCOME AND EXPENDITURE ACCOUNT*****FOR THE YEAR ENDED 31 DECEMBER 2020***


---

<b>Net incoming/(outgoing) resources before transfers</b>	75,758	(1,787)	-	73,971	(8,203)
Gross transfers between funds	(1,787)	1,787	-	-	-
<b>Net incoming/(outgoing) resources</b>	<u>73,971</u>	<u>-</u>	<u>-</u>	<u>73,971</u>	<u>(8,203)</u>
<b>Other recognised gains and losses</b>					
Revaluation of tangible fixed assets	-	(131,735)	-	(131,735)	-
<b>Net movement in funds</b>	<u>73,971</u>	<u>(131,735)</u>	<u>-</u>	<u>(57,764)</u>	<u>(8,203)</u>
Fund balances at 1 January 2020	394,165	514,719	6,809	915,693	923,896
<b>Fund balances at 31 December 2020</b>	<u><u>468,136</u></u>	<u><u>382,984</u></u>	<u><u>6,809</u></u>	<u><u>857,929</u></u>	<u><u>915,693</u></u>

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

All income and expenditure derive from continuing activities.

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

**THE JAPAN SOCIETY****STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2020****Prior financial year**

		Unrestricted funds general 2019 £	Unrestricted funds Designated 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Subscriptions and donations	3	318,746	-	61,900	380,646
Events	4	30,978	-	1,585	32,563
Investments	5	656	-	-	656
Other incoming resources	6	25,309	-	-	25,309
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>		375,689	-	63,485	439,174
		<hr/>	<hr/>	<hr/>	<hr/>
<b><u>Expenditure on:</u></b>					
Raising funds	7	15,361	-	-	15,361
		<hr/>	<hr/>	<hr/>	<hr/>
<b><u>Charitable activities</u></b>					
Membership and publications	8	118,581	-	-	118,581
Events	8	159,299	-	-	159,299
School education	8	105,366	-	26,989	132,355
Small grants	8	-	-	17,496	17,496
Hammersmith Garden project	8	-	-	4,285	4,285
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total charitable expenditure</b>		383,246	-	48,770	432,016
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total resources expended</b>		398,607	-	48,770	447,377
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net incoming/(outgoing) resources before transfers</b>		(22,918)	-	14,715	(8,203)
		<hr/>	<hr/>	<hr/>	<hr/>
Gross transfers between funds		123,245	(105,245)	(18,000)	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net incoming/(outgoing) resources</b>		100,327	(105,245)	(3,285)	(8,203)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Other recognised gains and losses</b>					
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		100,327	(105,245)	(3,285)	(8,203)
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 1 January 2019		293,838	619,964	10,094	923,896
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances at 31 December 2019</b>		394,165	514,719	6,809	915,693
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

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 2020*

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		354,270		487,806
<b>Current assets</b>					
Debtors	14	64,609		61,293	
Cash at bank and in hand		474,428		398,551	
		<u>539,037</u>		<u>459,844</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(35,378)</u>		<u>(31,957)</u>	
Net current assets			503,659		427,887
<b>Total assets less current liabilities</b>			<u>857,929</u>		<u>915,693</u>
<b>Income funds</b>					
Restricted funds	16		6,809		6,809
Unrestricted funds					
Designated funds	17	382,984		514,719	
General unrestricted funds		599,871		394,165	
Revaluation reserve		<u>(131,735)</u>		<u>-</u>	
			851,120		908,884
			<u>857,929</u>		<u>915,693</u>

**THE JAPAN SOCIETY**

**BALANCE SHEET (CONTINUED)**

*AS AT 31 DECEMBER 2020*

---

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 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements 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 financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on .....

.....

S Yoshida

**Trustee**

.....

B Emmott

**Trustee**

**Company Registration No. 03371038**

# THE JAPAN SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1 Accounting policies

##### Charity information

The Japan Society is a private company limited by guarantee incorporated in England and Wales. The registered office is 13/14 Cornwall Terrace, London, NW1 4QP.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The trustees have considered a period of at least 12 months from the date of these accounts and are confident that The Japan Society is a going concern.

##### 1.3 Charitable funds

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.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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.

# THE JAPAN SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1 Accounting policies

(Continued)

Fundraising 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.

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

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.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company 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.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office and governance costs which support membership and publications, events, school education and small grant activities. These costs have been allocated and apportioned to the various charitable activities. A percentage basis has been used to apportion the support costs to the charitable activities.

Costs of raising 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.

#### 1.6 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.

Library	Not Depreciated
Fixtures, fittings & equipment	20% 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.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**1 Accounting policies**

**(Continued)**

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.9 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**1.10 Taxation**

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

**1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and as an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Retirement benefits**

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.

**1.13 Leases**

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

**1.14 Foreign exchange**

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.

**1.15 Debtors, Cash and Creditors**

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Valuation of Library**

The valuation of the books which are included within fixed assets is a material figure in the accounts primarily based on a valuation made in 2005 by antiquarian book specialists Maggs and Sons. During 2020 the board of trustees revisited this valuation. Whilst the trustees believe the valuation remains reasonable on an individual book basis, insofar as many items are not readily available on the open market, they have concluded that a valuation of £350,000 is more appropriate for the collection as a whole. They have therefore revised the value in these accounts to £350,000.

**Subscriptions and donations****3**

	<b>Unrestricted funds general 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	252,361	50,070	302,431	225,306	61,900	287,206
Membership fees	96,799	-	96,799	93,440	-	93,440
	<u>349,160</u>	<u>50,070</u>	<u>399,230</u>	<u>318,746</u>	<u>61,900</u>	<u>380,646</u>

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****4 Events**

	<b>Unrestricted funds general 2020 £</b>	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Events income	3,408	30,978	1,585	32,563
	<u>3,408</u>	<u>30,978</u>	<u>1,585</u>	<u>32,563</u>

**5 Investments**

	<b>Unrestricted funds general 2020 £</b>	Unrestricted funds general 2019 £
Interest receivable		656
		<u>175</u>

**6 Other incoming resources**

	<b>Unrestricted funds general 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>	Unrestricted funds general 2019 £
Other income	-	383	383	-
Publication and sale of books	1,905	-	1,905	3,908
Office services income	15,190	-	15,190	13,901
Secretariat income	7,500	-	7,500	7,500
	<u>24,595</u>	<u>383</u>	<u>24,978</u>	<u>25,309</u>

**7 Raising funds**

	<b>Unrestricted funds general 2020 £</b>	Unrestricted funds general 2019 £
<u>Fundraising and publicity</u>		
Advertising	6,893	7,822
Other fundraising costs	-	7,539
Fundraising and publicity	<u>6,893</u>	<u>15,361</u>

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****8 Charitable activities**

	<b>Membership and publications</b>	<b>Events</b>	<b>School education</b>	<b>Small grants</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	55,300	65,238	80,342	-	200,880	198,474
Other costs	5,506	10,718	7,395	-	23,619	86,551
Projects	-	-	-	-	-	4,285
	<u>60,806</u>	<u>75,956</u>	<u>87,737</u>	<u>-</u>	<u>224,499</u>	<u>289,310</u>
Grant funding of activities (see note 9)	-	-	-	15,246	15,246	17,496
Share of support costs (see note 10)	24,397	30,476	43,396	-	98,269	116,071
Share of governance costs (see note 10)	2,213	2,764	3,936	-	8,913	9,139
	<u>87,416</u>	<u>109,196</u>	<u>135,069</u>	<u>15,246</u>	<u>346,927</u>	<u>432,016</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	85,629	109,196	99,862	-	294,687	383,246
Unrestricted funds - Designated	1,787	-	-	-	1,787	-
Restricted funds	-	-	35,207	15,246	50,453	48,770
	<u>87,416</u>	<u>109,196</u>	<u>135,069</u>	<u>15,246</u>	<u>346,927</u>	<u>432,016</u>

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****8 Charitable activities****(Continued)**

For the year ended 31 December 2019

	Membership and publications £	Events £	School education £	Small grants £	Hammersmith Garden project £	Total 2019 £
Staff costs	66,333	64,381	67,760	-	-	198,474
Other costs	9,870	53,071	23,610	-	-	86,551
Projects	-	-	-	-	4,285	4,285
	<u>76,203</u>	<u>117,452</u>	<u>91,370</u>	<u>-</u>	<u>4,285</u>	<u>289,310</u>
Grant funding of activities (see note 9)	-	-	-	17,496	-	17,496
Share of support costs (see note 10)	39,271	38,831	37,969	-	-	116,071
Share of governance costs (see note 10)	3,107	3,016	3,016	-	-	9,139
	<u>118,581</u>	<u>159,299</u>	<u>132,355</u>	<u>17,496</u>	<u>4,285</u>	<u>432,016</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	118,581	159,299	105,366	-	-	383,246
Restricted funds	-	-	26,989	17,496	4,285	48,770
	<u>118,581</u>	<u>159,299</u>	<u>132,355</u>	<u>17,496</u>	<u>4,285</u>	<u>432,016</u>

**9 Grants payable**

	Small grants 2020 £	Small grants 2019 £
Grants to institutions (29 grants):		
Other	15,246	17,496
	<u>15,246</u>	<u>17,496</u>

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*****FOR THE YEAR ENDED 31 DECEMBER 2020*****9 Grants payable****(Continued)**

Material grants paid during the year:

	<b>31.12.20</b>	31.12.19
	<b>£</b>	£
Aya Nakamura	<b>1,000</b>	-
Fleckney C of E Primary School	-	1,000
House for an Art Lover	-	1,000
Japanese Avant-garde and Experimental Film Festival	<b>1,000</b>	1,000
Japan Society North West	<b>1,000</b>	-
Litro Magazine	<b>1,000</b>	-
National Trust for Scotland	<b>1,000</b>	-
NWGW Fundraising account	-	1,000
Obon on the Foyle	-	1,000
RBWM – The Queen Anne Royal Free CE First School	-	1,000
The Between the Stones	<b>1,000</b>	-
The Pagoda Noh Theatre Project	-	1,000
Other small grants paid to 15 (22) institutions	<b>9,246</b>	10,496
	<b>15,246</b>	17,496

-

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****10 Support costs**

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	22,572	-	22,572	26,026	-	26,026
Depreciation	1,282	-	1,282	1,261	-	1,261
Exchange Losses/(gains)	-	-	-	(17)	-	(17)
Establishment Expenses	52,152	-	52,152	59,179	-	59,179
Office Expenses	17,361	-	17,361	22,036	-	22,036
General Expenses	75	-	75	1,700	-	1,700
Consultancy	2,160	-	2,160	2,160	-	2,160
Irrecoverable VAT	2,024	-	2,024	2,912	-	2,912
Library Maintenance Expenses	578	-	578	565	-	565
Entertainment Expenses	65	-	65	249	-	249
Audit fees	-	7,300	7,300	-	7,251	7,251
Bank Charges	-	1,613	1,613	-	1,888	1,888
	<u>98,269</u>	<u>8,913</u>	<u>107,182</u>	<u>116,071</u>	<u>9,139</u>	<u>125,210</u>
Analysed between Charitable activities	<u>98,269</u>	<u>8,913</u>	<u>107,182</u>	<u>116,071</u>	<u>9,139</u>	<u>125,210</u>

**11 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

The charity carried indemnity insurance for its trustees, for which a premium of £2,828 (2019: £2,722) was paid.

**12 Employees**

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	8	8
	<u>8</u>	<u>8</u>
Employment costs	2020	2019
	£	£
Wages and salaries	199,319	199,703
Social security costs	14,301	15,436
Other pension costs	9,832	9,361
	<u>223,452</u>	<u>224,500</u>

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****12 Employees****(Continued)**

The trustees of the Japan Society determined there to be 5 members of key management personnel.

The total employee remuneration of key management personnel of the charity was £138,169 (2019: £131,311)

**13 Tangible fixed assets**

	Library Fixtures, fittings & equipment		Total
	£	£	£
<b>Cost</b>			
At 1 January 2020	481,735	50,509	532,244
Revaluation	(131,735)	-	(131,735)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	350,000	50,509	400,509
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>			
At 1 January 2020	-	44,957	44,957
Depreciation charged in the year	-	1,282	1,282
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	-	46,239	46,239
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 December 2020	350,000	4,270	354,270
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2019	481,735	6,071	487,806
	<u>          </u>	<u>          </u>	<u>          </u>

During 2020 the board of trustees revisited the library valuation provided by Maggs and Sons in 2005. Whilst the trustees believe the valuation is still reasonable on an individual book basis, having consulted with relevant professionals they consider that as a collection a valuation of £350,000 is more appropriate and have therefore revised the value in these accounts to £350,000.

**14 Debtors**

	2020	2019
Amounts falling due within one year:	£	£
Other debtors	42,274	38,023
Prepayments and accrued income	22,335	23,270
	<u>          </u>	<u>          </u>
	64,609	61,293
	<u>          </u>	<u>          </u>

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****15 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	3,002	-
Trade creditors	1,348	3,875
Other creditors	-	2,860
Accruals and deferred income	31,028	25,222
	<u>35,378</u>	<u>31,957</u>

**16 Restricted funds**

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

	<b>Movement in funds</b>			<b>Movement in funds</b>			
	<b>Balance at 1 January 2019</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Balance at 1 January 2020</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Balance at 31 December 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Education Fund	-	62,485	(62,485)	-	50,453	(50,453)	-
Hammersmith Garden Fund	10,094	1,000	(4,285)	6,809	-	-	6,809
	<u>10,094</u>	<u>63,485</u>	<u>(66,770)</u>	<u>6,809</u>	<u>50,453</u>	<u>(50,453)</u>	<u>6,809</u>

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

The Hammersmith Garden fund represents contributions made specifically for the installation of a new gate and avenue of stone lanterns at the Japanese garden in Hammersmith Park and for activities linked to this. Ongoing activities take the form of events in the Park to highlight the Japanese garden and engage with the local community.

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****17 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 2019	Transfers	Balance at 1 January 2020	Resources expended	Transfers	Revaluation gains/losses	Balance at 31 December 2020
	£	£	£	£	£	£	£
Library	481,735	-	481,735	-	-	(131,735)	350,000
Japan office fund	105,245	(105,245)	-	-	-	-	-
Maintenance fund	13,000	-	13,000	(1,787)	1,787	-	13,000
Digitalisation of books fund	19,984	-	19,984	-	-	-	19,984
	<u>619,964</u>	<u>(105,245)</u>	<u>514,719</u>	<u>(1,787)</u>	<u>1,787</u>	<u>(131,735)</u>	<u>382,984</u>

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 initiative was discontinued and funds allocated for the purpose have been returned to the general fund.

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.

The digitalisation of books fund represent the funds set aside for the long term project of scanning in the books so that they can be accessed digitally.

**THE JAPAN SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****18 Analysis of net assets between funds**

	<b>Unrestricted funds 2020 £</b>	<b>Designated funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>
Fund balances at 31 December 2020 are represented by:				
Tangible assets	4,270	350,000	-	354,270
Current assets/(liabilities)	463,866	32,984	6,809	503,659
	<u>468,136</u>	<u>382,984</u>	<u>6,809</u>	<u>857,929</u>
	<u><u>468,136</u></u>	<u><u>382,984</u></u>	<u><u>6,809</u></u>	<u><u>857,929</u></u>
	<b>Unrestricted funds 2019 £</b>	<b>Designated funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total 2019 £</b>
Fund balances at 31 December 2019 are represented by:				
Tangible assets	6,071	481,735	-	487,806
Current assets/(liabilities)	388,094	32,984	6,809	427,887
	<u>394,165</u>	<u>514,719</u>	<u>6,809</u>	<u>915,693</u>
	<u><u>394,165</u></u>	<u><u>514,719</u></u>	<u><u>6,809</u></u>	<u><u>915,693</u></u>

**19 Related party transactions**

The Japan Society is a corporate director of Japan Matsuri. The Japan Society gave a contribution of £0 (2019: £2,500) during the year.

Julie Rogers, a Trustee, is also a director of the Mitsubishi Corporation International (Europe) Plc which is a member of the President's Circle, making an annual contribution to the Japan Society of £25,000 (membership subscription and donation).

Yoji Saito, a Trustee until April 2020, is also a director of the Mitsubishi Electric Europe B.V, which is a Corporate Patron and made an annual contribution to the Japan Society of £7,500 (membership subscription and donation).

Jason James, a Trustee, is Director General of the Daiwa Anglo-Japanese Foundation, the Japan Society's landlord. Rent paid by the Society to the Foundation was £46,580. In addition, the Society paid £250 for meeting room hire.

**20 Covid-19**

At the reporting date Covid-19 caused widespread lockdown measures to be imposed in the UK and worldwide. This has resulted in a reduction in both supply and demand in the economy. It is not currently possible to estimate the impact this will have on the future financial results of the charity but management consider it to be a significant uncertainty. Management have assessed the impact of Covid-19 on the results reported for the financial year ended 31 December 2020 and consider that all COVID 19 related costs and effects have been reflected in the accounts.