

**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 2019**



**THE JAPAN SOCIETY**

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for the Year Ended 31 December 2019**

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# THE JAPAN SOCIETY

## REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2019

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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>	Takeo Aoki Yasuyuki Fujitani Dean Gilfillan Isao Kano
<b>Honorary Vice-Presidents</b>	Shin Ebihara Hiroaki Fujii Haruko Fukuda OBE Sadayuki Hayashi Hiroshi Kitamura Prof. Ian Nish, CBE Yoshiji Nogami Masaki Orita Christopher Purvis CBE Viscount Trenchard Koji Tsuruoka David Warren KCMG
<b>Officers and Trustees</b> (as at 8 April 2019)	Bill Emmott, Chairman Martin Hatfull, Deputy Chairman Takashi Okada, Vice Chairman Jenny White, Vice Chairman Nigel Wellings, Hon Solicitor Satoru Yoshida, Hon Treasurer Tim Harding Sue Hudson Janet Hunter Tadaharu Iizuka Takeshi Ito Jason James Yuko Kawai Yuuichiro Nakajima Neil Riley Julie Rogers Permille Rudlin Yoji Saito 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 2019

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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 2019. 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 2015.)

#### 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	
Takashi Okada – Vice Chairman	
Jenny White - Vice Chairman	
Satoru Yoshida- Hon Treasurer	
Nigel Wellings - Hon Solicitor	
Tetsuro Hama	(Resigned 19 June 2019)
Tim Harding	
Sue Hudson	
Janet Hunter	
Shinichi Iida	(Resigned 31 July 2019)
Tadaharu Iizuka	(Elected 19 June 2019)
Takeshi Ito	(Appointed 7 October 2019)
Jason James	
Yuko Kawai	(Appointed 22 July 2019)
Yuuichiro Nakajima	
Sarah Parsons	(Resigned 19 June 2019)
Neil Riley	(Elected 19 June 2019)
Julie Rogers	
Pernille Rudlin	(Elected 19 June 2019)
Yoji Saito	
Eiji Wakiwaka	

#### 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 on completing his posting in the UK and returning to Japan. At the Annual General Meeting in 2020, Jenny White will be standing down having served on the board for six years. Two trustees, Sue Hudson and Yuuichiro Nakajima, will be standing down at the end of a three-year term, both are eligible for re-election.

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## THE JAPAN SOCIETY

### REPORT OF THE TRUSTEES - CONTINUED for the Year Ended 31 December 2019

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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 of these being an extended meeting at which the board and executive considered together issues facing the Society in the medium to long term. The day-to-day running of the Society is carried out by the permanent staff under the leadership of Heidi Potter, who regularly reports to the Chairman and the board. She is supported by a team of paid staff and occasional interns. 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, while other volunteers provide support in delivering public Japan Day events.

A nominations committee (in 2019 comprising Bill Emmott, Tetsuro Hama, Martin Hatfull, Sue Hudson, Shinichi Iida 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 2019, Bill Emmott, Satoru Yoshida and Heidi Potter) considers the accounts and the performance of the auditors. The membership committee (chaired by Graham Holman, with Martin Barrow, Jon Fisher, Michael Jefferson, Junko Kohama, Midoriko Nakajima, Heidi Potter, Julie Rogers, Niraja Singh) focuses on membership issues and recruitment. In 2019, two new committees were established: a corporate membership working group was established, chaired by Martin Hatfull, with Tim Harding, Heidi Potter, Neil Riley, Julie Rogers, Pernille Rudlin, Yoji Saito and Niraja Singh; and an investment committee, comprising Bill Emmott, Jason James, Yuuichiro Nakajima and Satoru Yoshida.

#### **Pay Policy**

The pay of staff is reviewed annually 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 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 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.

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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. In the aftermath of the UK's decision to leave the EU, and with increasing global tendencies for nations to look inward, the Society's role in creating bridges and fostering professional and personal networks retains its importance. The Trustees are mindful of the Charity Commission guidance on public benefit and consider this when planning and evaluating our activities and in ensuring that a significant proportion is accessible to the wider community beyond the Society's 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.

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. In recent years we have noticed a tendency for people to sign up to receive newsletters, or to follow the Society on social media, without becoming members. This offers opportunities to fulfil the Society's mission by introducing aspects of Japanese culture to a wider audience, while at the same time we must give thought to specific member benefits. Our policy on charging and participation by non-members is outlined below.

### **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. Where charges are levied, these are set at a level to cover direct costs to the Society, excluding overheads. A significant number of events, including the monthly lecture programme, are 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 £20,000 was set aside in the year 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.

### **Events**

The Society in 2019 arranged some 70 different events spanning a wide range of subject and format, both independently and in partnership with other organizations. The programme is designed to be accessible and strikes a balance between those activities tailored to particular interests and those designed to provide new opportunities for participation by the general public to learn about Japan.

The 2019 general events programme included:

- 11 business-related events
- 13 conversation group events
- 4 events aimed at younger members or families
- 14 lectures
- 12 art & culture events

In anticipation of the autumn's Rugby World Cup, the Society welcomed Eddie Jones, head coach of the England national team, as its guest for the annual dinner, held in June 2019. The event took place at Twickenham Stadium, the home of English Rugby, where members had a private view of an exhibition of the history of rugby, and enjoyed a candid analysis of the standing of participating teams, and how they would approach the tournament.

## THE JAPAN SOCIETY

### REPORT OF THE TRUSTEES – CONTINUED for the Year Ended 31 December 2019

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The **business events** programme in 2019 continued to reflect the current political situation, with many focusing on the implications of the UK leaving the European Union. The Chairman held a series of lunches hosted by corporate members, in which key figures were invited to meet senior members of the Society. These events 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. The four guests of honour in 2019 provided insights and analysis on issues around Brexit, and on the wider global and Japanese financial and policy outlook: Zanny Minton-Beddoes, Editor-in-Chief, *The Economist*; Lord Adonis, former Advisor and Head of the No 10 Policy Unit under PM Tony Blair; Yutaka Harada, Policy Board Member, Bank of Japan, and Glen S Fukushima, Senior Fellow, Center for American Progress.

Other business lectures and seminars were also generously hosted by corporate members of the Society, or organized in partnership with others. During the year, these included a seminar by Lt General (Retd) Sir Tom Beckett on the Threats and Opportunities in the Middle East, a review of the European elections, their outcome and implications, by Professor Anand Menon, and an analysis of the Abe administration's policy in Russia, by Dr James D Brown. The popular annual lecture by the British Ambassador to Japan, in which Paul Madden reviewed the past year at the Embassy in Tokyo was held at Nomura International in February.

The Society organized two joint lunches in conjunction with the Japanese Chamber of Commerce and Industry in the UK, the first with guest speaker, Sir Simon Fraser, Former Head of the UK Foreign Office and Diplomatic Service. Later in the year, a lunch with members of the UK-Japan 21<sup>st</sup> Century Group on the occasion of its 36<sup>th</sup> annual meeting, provided members with the opportunity to discuss matters of topical concern with delegates from Japan and the UK.

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. Its monthly meetings allow Japanese and non-Japanese, members and non-members, to get together in a friendly and informal setting, with language-based activities devised by a dedicated committee who also organize occasional special events, such as the annual *hanami* picnic. A new venture in 2019 was the establishment of a Bilingual Public Speaking Practice Group, in which the focus was on developing presentation skills in both languages, particularly popular with those who wished to use their language skills in their work.

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 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.

Other events included gallery talks and museum visits, cultural workshops, food and drink tastings, golf tournaments, and social events. The Japan Society collaborated with the Japanese Embassy in organizing a second 'Japanese garden party' in Hammersmith Park and a summer *Tanabata Festival* at Kew Gardens. Both events were popular with families and young people, who enjoyed the relaxed atmosphere and informal setting. On 29 September, the annual Japan Matsuri, coinciding with the Rugby World Cup in Japan, also marked the formal start of the Japan Season of Culture in the UK, which will continue through to the end of the Tokyo 2020 Olympic and Paralympic Games. The Japan Society has a formal role as Corporate Director of the Japan Matsuri company, with Heidi Potter its nominated board representative.

Also under the umbrella of the Japan Matsuri company, the Society has supported the Sakura Cherry Tree committee on the launch planting ceremony in Regent's Park in November, with the Japanese Ambassador and HRH The Duke of Gloucester.

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. Subjects in 2019 included: a comparison of prehistoric Japan and Britain; a case study on the translator's art, focusing on Mishima's *The Frolic of the Beasts*; Tenrikyo's cultural approach in Britain and France; the politics of language in Okinawan literature, Manga in a global society; the care system for children and young people in contemporary Japan, and the life of Colin McVean, an engineer in Meiji Japan. The tenth annual lecture in memory of Dr Carmen Blacker took place in London and Norwich, organized jointly with the Sainsbury Institute for the Study of Japanese Arts and Cultures, with Professor Simon Kaner speaking on Archaeology and religion in Japan. On the occasion of the enthronement of Emperor Naruhito, William Horsley spoke on the Emperor System in Japan, and the symbolism of a new Imperial era.

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**Japan Society Small Grants**

In 2019, £20,000 was given in grants to support 33 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.

Eighteen of the grants awarded were for projects taking place in schools or for activity involving young people. This included a Japanese tea bowl making workshop at the Skip Garden where local children from schools in Islington and Camden were invited to create their own tea bowl and learn about the tradition of the tea ceremony. Tibberton Community Primary School in Gloucestershire held their own celebration of Children's Day and Royal Harbour Academy's Japan and Art Day introduced students to a wide range of Japan related activities like manga drawing, martial arts and sushi tasting. The 14th Andover Scout Group enjoyed a Japan themed summer camp, crafting their own samurai armour out of cardboard and trying their hand at taiko drumming in the open air, and Newport Girls' High School invited a class of Year 5 students for a 'Taste of High School' session with the school's own Japanese Society, who taught the students some Japanese and provided a little insight into Japanese life, as well as allowing them to try their hand at sushi making and origami workshops.

Once again the Society supported Ohisama Ahaha Brighton's Japanese Cultural Festival which saw local people come together to enjoy Japanese food, music and crafts in a warm, family friendly setting. In August, Tara Arts presented *Ainu Othello*, a stage adaptation of the Shakespearean tragedy *Othello*, set in Hokkaido in 1860. Support from the Japan Society allowed the project to broaden its reach by including subtitles during the performances, giving the audience a greater insight into the story and the diversity of both modern and historical Japanese culture.

Charlotte Linton and craftspeople from the Kanai Kougei workshop of Amami Oshima gave a lecture and mud-dyeing workshop at South London's Horniman Museum. Following the lecture a select few participants were given the rare opportunity to try first hand dyeing a cloth using mud brought over to the UK especially from the island. In Glasgow, the exhibition 'The Kimono: A Portrait of a Japanese Family' presented a personal collection of kimono dating back from the 1950s to more recent pieces, including day-wear as well as traditional ceremonial wear. The exhibition shared a particular social history of one Japanese family, in the setting of Charles Rennie Mackintosh's House for An Art Lover.

**Library**

During 2019 work continued on 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**

Two publications were released in 2019. To commemorate the enthronement of Emperor Naruhito, the Society issued a reprint of *The Thames and I*, a translation of the Emperor's memoir of his time studying at Oxford. *British Royal and Japanese Imperial Relations 1868-2018: 150 years of association, engagement and celebration* was launched at the Society's Annual General Meeting in June, with presentations by co-editors Peter Kornicki and Antony Best, in tribute to Sir Hugh Cortazzi, who had initiated this work.

**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. In 2019, work with Japanese experts and teacher consultants continued in order to develop new resources.



## THE JAPAN SOCIETY

### REPORT OF THE TRUSTEES - CONTINUED for the Year Ended 31 December 2019

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#### *Japan in Your Classroom visits*

During 2019, over 40 visits were made to primary and secondary schools by volunteers in Greater London, Brighton, Derby, Manchester and South Wales. 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.

The Japan Society supported clusters of schools in Coventry and Leicester on the development of programmes of activities taking place in the run up to the Tokyo 2020 Olympic and Paralympic Games, and celebrating the links between sport and culture.

#### *School links*

Support for school links has continued to be an important element of the Society's work. During 2019, Takamatsu Daiichi Senior High School again carried out a science-based exchange with County Upper School, Bury St Edmunds, and Newstead Wood School, London. Annual exchange visits took place from Komaki Elementary School, Nagano, to schools in Nottingham and between staff at Reepham Primary School, Norfolk and Sakado Azuma Kindergarten in Saitama. A new link with Teikyo Kani Schools in Gifu involved a short term visit and longer student exchange stays at their partner school, Woodhouse Grove.

#### *Sixth form study day*

This was held in London in November attended by over 100 students and staff, who participated in a day of lectures and workshops on Japanese themes. Representatives from universities throughout the UK attended to provide information on opportunities for further study.

#### *Cherry Trees for Schools*

As part of the wider Sakura Cherry Tree Project, the Japan Society managed the initiative to offer schools in the UK cherry trees to celebrate the friendship between Japan and the UK.

### **Communication and marketing**

The website and regular email notices continued to be important tools for communicating information about the Society and its activities. In 2019, work was undertaken in preparation for the relaunch of the Society's website, effected in April 2020. 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 2019 the Society showed a deficit of (£8,000) for the year, reflecting the loss of a Platinum Circle donor.

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

### REPORT OF THE TRUSTEES – CONTINUED for the Year Ended 31 December 2019

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#### 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

##### 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  
Toyota (GB) Plc

##### Corporate Donor (£2,000)

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

*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  
Midoriko Nakajima and Martin L O'Neill

##### Benefactor (£500)

Peter Job

##### Principal Donor (£250)

Michael Faber  
James Noble  
Yoshio Noguchi  
Heidi Potter  
David Powers  
Adrian Thorpe

##### Donor (£100)

Mark Allsup  
Clive Bradley  
Stephen Codrington  
Joe Earle  
Robin Fox  
Lydia Gomersall  
Keiko Itoh  
Kathleen Kimura  
David Mytton  
Stephen O'Neill  
Pernille Rudlin  
M.R. Smith  
Yuko Takano  
Mark Tate

##### Individual Supporter (£58)

D G R Bentliff  
Reg Clark  
Thaisa Hopkins  
Suzanne Hudson  
Marilyn Malin  
Janusz Mondry  
Rosemary Morgan  
Suzanne Perrin  
Ian Walker

**Reserves**

In the current uncertain political and 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 when prospects for fund-raising 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 as outlined in note 17. As at 31 December 2019, the value of unrestricted reserves less tangible fixed assets was £427,149. The cash reserves are held on deposit.

**Plans for the future**

In 2020, 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. Our schools education programme remains a priority, and we are beginning to roll out a new suite of teaching resources via the newly relaunched website. The Japan Society is playing an active part in the 2019-2020 Japan Season of Culture in the UK, and particularly in the Sakura Cherry Tree project, where we are coordinating the Cherry Trees for Schools initiative.

Although in a strong financial position at the start of 2020, 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, despite competing claims on donors’ generosity.

As at March 2020, the Society has had to cease 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 engaged in identifying 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 2019

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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 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.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE JAPAN SOCIETY**

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### **Opinion**

We have audited the financial statements of The Japan Society (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 where the Charities Act 2011 requires us to report to you if, in our 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
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
THE JAPAN SOCIETY**

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**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, 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, 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 charitable company'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.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company'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  
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 2019**

	Notes	Unrestricted fund £	Designated Fund £	Restricted fund £	31.12.19 Total funds £	31.12.18 Total funds £
<b>INCOME FROM</b>						
Donations and legacies	2	318,746	-	61,900	380,646	429,966
Fundraising activities	3	30,978	-	1,585	32,563	100,736
Investment income	4	656	-	-	656	437
Other income	5	25,309	-	-	25,309	26,561
<b>Total</b>		<b>375,689</b>	<b>-</b>	<b>63,485</b>	<b>439,174</b>	<b>557,700</b>
<b>EXPENDITURE ON</b>						
Raising funds	6	15,361	-	-	15,361	22,723
<b>Charitable activities</b>	7					
Membership and publications		118,581	-	-	118,581	136,660
Events		159,299	-	-	159,299	156,097
Schools education		105,366	-	26,989	132,355	128,718
Small grants		-	-	17,496	17,496	17,766
Hammersmith Garden project		-	-	4,285	4,285	65,706
<b>Total</b>		<b>398,607</b>	<b>-</b>	<b>48,770</b>	<b>447,377</b>	<b>527,670</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(22,918)</b>	<b>-</b>	<b>14,715</b>	<b>(8,203)</b>	<b>30,030</b>
<b>Transfers between funds</b>	17	<b>123,245</b>	<b>(105,245)</b>	<b>(18,000)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>100,327</b>	<b>(105,245)</b>	<b>(3,285)</b>	<b>(8,203)</b>	<b>30,030</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>293,838</b>	<b>619,964</b>	<b>10,094</b>	<b>923,896</b>	<b>893,866</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>394,165</b>	<b>514,719</b>	<b>6,809</b>	<b>915,693</b>	<b>923,896</b>

The notes form part of these financial statements

**THE JAPAN SOCIETY**

**BALANCE SHEET**  
At 31 December 2019

	Notes	Unrestricted fund £	Designated Fund £	Restricted fund £	31.12.19 Total funds £	31.12.18 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	14	6,071	481,735	-	487,806	483,118
<b>CURRENT ASSETS</b>						
Debtors	15	61,293	-	-	61,293	89,464
Cash at bank		<u>358,758</u>	<u>32,984</u>	<u>6,809</u>	<u>398,551</u>	<u>390,788</u>
		420,051	32,984	6,809	459,844	480,252
<b>CREDITORS</b>						
Amounts falling due within one year	16	<u>(31,957)</u>	-	-	<u>(31,957)</u>	<u>(39,474)</u>
<b>NET CURRENT ASSETS</b>		<u>388,094</u>	<u>32,984</u>	<u>6,809</u>	<u>427,887</u>	<u>440,778</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>394,165</u>	<u>514,719</u>	<u>6,809</u>	<u>915,693</u>	<u>923,896</u>
<b>NET ASSETS</b>		<u>394,165</u>	<u>514,719</u>	<u>6,809</u>	<u>915,693</u>	<u>923,896</u>
<b>FUNDS</b>						
Unrestricted funds:	17					
General fund					394,165	293,838
Designated Fund					<u>514,719</u>	<u>619,964</u>
					908,884	913,802
Restricted funds					<u>6,809</u>	<u>10,094</u>
<b>TOTAL FUNDS</b>					<u>915,693</u>	<u>923,896</u>

The notes form part of these financial statements



**THE JAPAN SOCIETY**

**BALANCE SHEET - CONTINUED**

**At 31 December 2019**

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The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

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 144 of the Charities Act 2011.

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

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

.....  
B Emmott -Trustee

.....  
S Yoshida -Trustee

The notes form part of these financial statements

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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 (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The registered office is located at 13/14 Cornwall Terrace, London. The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the charitable company'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 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 the Library**

The valuation of the books which are included within fixed assets is a material figure in the accounts is primarily based on the historical cost value that the society paid a number of years ago. Given that many of these items are not available to be purchased on the open market, it has been estimated that their value has not fluctuated since the original cost incurred by the society.

**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

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.

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. ACCOUNTING POLICIES - continued**

**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.

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

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 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.

**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.

**1. ACCOUNTING POLICIES - continued**

**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.

**1. ACCOUNTING POLICIES - continued**

**Basic financial instruments**

The charitable company 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 balance sheet when the charitable company 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.

**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.

**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 costs 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**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.

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2019

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
Corporate Membership Subscriptions	68,467	-	68,467	75,996
Corporate Donations	204,074	61,900	265,974	304,050
Corporate Sponsorship	15,000	-	15,000	14,167
Individual Membership Subscriptions	24,973	-	24,973	25,160
Individual Donations	<u>6,232</u>	<u>-</u>	<u>6,232</u>	<u>10,593</u>
	<u>318,746</u>	<u>61,900</u>	<u>380,646</u>	<u>429,966</u>

3. FUNDRAISING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
Hammersmith Garden Project	-	1,000	1,000	75,523
Events income	30,978	-	30,978	24,442
Education income and direct projects	<u>-</u>	<u>585</u>	<u>585</u>	<u>771</u>
	<u>30,978</u>	<u>1,585</u>	<u>32,563</u>	<u>100,736</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
Deposit account interest	<u>656</u>	<u>-</u>	<u>656</u>	<u>437</u>

5. OTHER INCOME

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
Publication and sale of books	3,908	-	3,908	5,635
Office services income	13,901	-	13,901	14,099
Secretariat income	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>6,827</u>
	<u>25,309</u>	<u>-</u>	<u>25,309</u>	<u>26,561</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2019

6. RAISING FUNDS

Raising donations and legacies

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
Fund raising activities	39	-	39	18,374
Marketing, website & database	<u>7,822</u>	<u>-</u>	<u>7,822</u>	<u>4,349</u>
	<u>7,861</u>	<u>-</u>	<u>7,861</u>	<u>22,723</u>

Other trading activities

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
Bad debts	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>-</u>
Aggregate amounts	<u>15,361</u>	<u>-</u>	<u>15,361</u>	<u>22,723</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (See note 8) £	Support costs (See note 9) £	Totals £
Membership and publications	76,203	-	42,378	118,581
Events	117,452	-	41,847	159,299
Schools education	91,370	-	40,985	132,355
Hammersmith Garden project	4,285	-	-	4,285
Small grants	<u>-</u>	<u>17,496</u>	<u>-</u>	<u>17,496</u>
	<u>289,310</u>	<u>17,496</u>	<u>125,210</u>	<u>432,016</u>

8. GRANTS PAYABLE

	31.12.19 £	31.12.18 £
Small grants	<u>17,496</u>	<u>17,766</u>

**THE JAPAN SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2019**

**8. GRANTS PAYABLE - continued**

Material grants paid to institutions during the year:

	<b>31.12.19</b>	31.12.18
	£	£
AME	-	1,000
Blueprint: Film Foundation	-	1,500
CCC Howes Primary School LMS	-	2,000
Chisato Minamimura	-	1,000
Fleckney C of E Primary School	<b>1,000</b>	-
House for an Art Lover	<b>1,000</b>	-
Japan Society North West	-	1,000
Japanese Avant-garde and Experimental Film Festival	<b>1,000</b>	1,000
Judith Adams	-	1,000
Keys of Change CIO	-	1,000
Modern Culture/M J Colthorpe	-	1,000
NWGW Fundraising account	<b>1,000</b>	-
Obon on the Foyle	<b>1,000</b>	-
RBWM - The Queen Anne Royal Free CE First School	<b>1,000</b>	-
The Pagoda Noh Theatre Project	<b>1,000</b>	-
West Yorkshire Print Workshop	-	1,000
Whiteley Academy	-	1,000
Other small grants paid to 22 (10) institutions	<b>10,496</b>	5,266
	<b><u>17,496</u></b>	<b><u>17,776</u></b>

**9. SUPPORT COSTS**

	<b>Management</b>	<b>Other</b>	<b>Governance</b>	<b>Totals</b>
	£	£	costs £	£
Membership and publications	<b>29,398</b>	<b>9,873</b>	<b>3,107</b>	<b>42,378</b>
Events	<b>28,534</b>	<b>10,297</b>	<b>3,016</b>	<b>41,847</b>
Schools education	<b>28,534</b>	<b>9,435</b>	<b>3,016</b>	<b>40,985</b>
	<b><u>86,466</u></b>	<b><u>29,605</u></b>	<b><u>9,139</u></b>	<b><u>125,210</u></b>

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



NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2019

9. SUPPORT COSTS - continued

				31.12.19	31.12.18
	Membership and publications	Events	Schools education	Total activities	Total activities
	£	£	£	£	£
Wages	7,945	7,712	7,712	23,369	21,934
Social security	513	498	498	1,509	503
Pensions	390	379	379	1,148	288
Establishment expenses	20,121	19,529	19,529	59,179	58,171
Depreciation of tangible and heritage assets	429	416	416	1,261	5,931
Office expenses	7,492	7,272	7,272	22,036	23,095
General expenses	578	561	561	1,700	903
Consultancy	1,803	2,464	1,602	5,869	34,144
Auditors' remuneration	2,465	2,393	2,393	7,251	7,150
Bank charges	642	623	623	1,888	2,001
	<u>42,378</u>	<u>41,847</u>	<u>40,985</u>	<u>125,210</u>	<u>154,120</u>

10. NET INCOME/(EXPENDITURE)

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

	31.12.19	31.12.18
	£	£
Auditors' remuneration	7,251	7,150
Depreciation - owned assets	1,261	5,931
Other operating leases	<u>22,036</u>	<u>23,095</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

**Trustees' expenses**

During the year no members of the board were reimbursed for expenses:

The charity carried indemnity insurance for its trustees, for which a premium of £2,722 (2018: £2,722) was paid.

**THE JAPAN SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2019**

**12. STAFF COSTS**

	<b>31.12.19</b>	31.12.18
	<b>£</b>	<b>£</b>
Wages and salaries	<b>199,703</b>	180,490
Social security costs	<b>15,436</b>	13,413
Other pension costs	<b>9,361</b>	7,686
	<b><u>224,500</u></b>	<b><u>201,589</u></b>

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

	<b>31.12.19</b>	31.12.18
Employees	<b><u>8</u></b>	<b><u>7</u></b>

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

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 £131,311 (2018: £124,165)

**13. 2018 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Designated Fund £	Restricted fund £	Total funds £
<b>INCOME FROM</b>				
Donations and legacies	<b>362,466</b>	-	<b>67,500</b>	429,966
Fundraising activities	<b>24,442</b>	-	<b>76,294</b>	100,736
Investment income	<b>437</b>	-	-	437
Other income	<b>26,561</b>	-	-	26,561
<b>Total</b>	<b>413,906</b>	-	<b>143,794</b>	557,700
<b>EXPENDITURE ON</b>				
Raising funds	<b>22,723</b>	-	-	22,723
<b>Charitable activities</b>				
Membership and publications	<b>136,660</b>	-	-	136,660
Events	<b>156,097</b>	-	-	156,097
Schools education	<b>78,213</b>	-	<b>50,505</b>	128,718
Small grants	<b>-</b>	-	<b>17,766</b>	17,766
Hammersmith Garden project	<b>277</b>	-	<b>65,429</b>	65,706
<b>Total</b>	<b>393,970</b>	-	<b>133,700</b>	527,670
<b>NET INCOME/(EXPENDITURE)</b>	<b>19,936</b>	-	<b>10,094</b>	30,030

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2019

13. 2018 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Designated Fund £	Restricted fund £	Total funds £
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	273,902	619,964	-	893,866
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>293,838</u>	<u>619,964</u>	<u>10,094</u>	<u>923,896</u>

14. TANGIBLE FIXED ASSETS

	Library £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2019	481,735	45,080	526,815
Additions	-	5,949	5,949
At 31 December 2019	<u>481,735</u>	<u>51,029</u>	<u>532,764</u>
<b>DEPRECIATION</b>			
At 1 January 2019	-	43,697	43,697
Charge for year	-	1,261	1,261
At 31 December 2019	-	<u>44,958</u>	<u>44,958</u>
<b>NET BOOK VALUE</b>			
At 31 December 2019	<u>481,735</u>	<u>6,071</u>	<u>487,806</u>
At 31 December 2018	<u>481,735</u>	<u>1,383</u>	<u>483,118</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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2019

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19	31.12.18
	£	£
Other debtors	38,023	66,047
Prepayments and accrued income	<u>23,270</u>	<u>23,417</u>
	<u><u>61,293</u></u>	<u><u>89,464</u></u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19	31.12.18
	£	£
Trade creditors	3,875	1,369
VAT	-	5,964
Other creditors	2,860	134
Accruals and deferred income	<u>25,222</u>	<u>32,007</u>
	<u><u>31,957</u></u>	<u><u>39,474</u></u>

17. MOVEMENT IN FUNDS

Restricted funds:

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

	Balance at 01.01.19	Incoming Resources	Resources Expended	Balance at 31.12.19
	£	£	£	£
Education Fund	-	62,485	(62,485)	-
Hammersmith Garden Fund	<u>10,094</u>	<u>1,000</u>	<u>(4,285)</u>	<u>6,809</u>
	<u><u>10,094</u></u>	<u><u>62,485</u></u>	<u><u>(66,770)</u></u>	<u><u>6,809</u></u>

	Balance at 01.01.18	Incoming resources	Resources expended	Balance at 31.12.18
	£	£	£	£
Education Fund	-	68,271	(68,271)	-
Hammersmith Garden Fund	<u>-</u>	<u>75,523</u>	<u>(65,429)</u>	<u>10,094</u>
	<u><u>-</u></u>	<u><u>143,794</u></u>	<u><u>(133,700)</u></u>	<u><u>10,094</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2019

17. MOVEMENT IN FUNDS - continued

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.

**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 01.01.2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.2019 £
Library	481,735	-	-	-	481,735
Japan office fund	105,245	-	-	(105,245)	-
Maintenance fund	13,000	-	-	-	13,000
Digitisation of books fund	19,984	-	-	-	19,984
	<u>619,964</u>	<u>-</u>	<u>-</u>	<u>(105,245)</u>	<u>514,719</u>

	Balance at 01.01.2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.2018 £
Library	481,735	-	-	-	481,735
Japan office fund	105,245	-	-	-	105,245
Maintenance fund	13,000	-	-	-	13,000
Digitisation of books fund	19,984	-	-	-	19,984
	<u>614,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>619,964</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.

**18. RELATED PARTY DISCLOSURES**

The Japan Society is a corporate director of Japan Matsuri. The Japan Society gave a contribution of £2,500 (2018: £2,579) 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, 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 £32,340. In addition, the Society paid £21,280 as its share of utility bills and building maintenance costs, as well as meeting room hire.

**19. POST BALANCE SHEET EVENTS**

As a direct consequence of the Coronavirus (COVID 19) pandemic, and in accordance with UK government guidelines The Japan Society ceased all in person events on 13 March 2020 for an indeterminate period. Subsequently, it has continued to offer a varied and regular programme of online events, as well as adapting its education resources to increase accessibility for home learners.

At the date of approval of the accounts it has not been to quantify or ascertain with any certainty the financial impact of COVID-19. No adjustments have been made to any figures in the accounts as a result of the pandemic.

**THE JAPAN SOCIETY**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
for the Year Ended 31 December 2019**

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
<b>INCOME</b>				
<b>Donations and legacies</b>				
Corporate Membership Subscriptions	68,467	-	68,467	75,996
Corporate Donations	204,074	61,900	265,974	304,050
Corporate Sponsorship	15,000	-	15,000	14,167
Individual Membership Subscriptions	24,973	-	24,973	25,160
Individual Donations	<u>6,232</u>	<u>-</u>	<u>6,232</u>	<u>10,593</u>
	<b>318,746</b>	<b>61,900</b>	<b>380,646</b>	429,966
<b>Fundraising activities</b>				
Hammersmith Garden Project	-	1,000	1,000	75,523
Events income	30,978	-	30,978	24,442
Education income and direct projects	<u>-</u>	<u>585</u>	<u>585</u>	<u>771</u>
	<b>30,978</b>	<b>1,585</b>	<b>32,563</b>	100,736
<b>Investment income</b>				
Deposit account interest	656	-	656	437
<b>Other income</b>				
Publication and sale of books	3,908	-	3,908	5,635
Office services income	13,901	-	13,901	14,099
Secretariat income	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>6,827</u>
	<u>25,309</u>	<u>-</u>	<u>25,309</u>	<u>26,561</u>
<b>Total incoming resources</b>	<b>375,689</b>	<b>63,485</b>	<b>439,174</b>	557,700
<b>EXPENDITURE</b>				
<b>Raising donations and legacies</b>				
Fund raising activities	39	-	39	18,374
Marketing, website & database	<u>7,822</u>	<u>-</u>	<u>7,822</u>	<u>4,349</u>
	<b>7,861</b>	<b>-</b>	<b>7,861</b>	22,723

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THE JAPAN SOCIETY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
for the Year Ended 31 December 2019

	Unrestricted funds £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
<b>Other trading activities</b>				
Bad debts	7,500	-	7,500	-
<b>Charitable activities</b>				
Wages	172,955	3,379	176,334	158,556
Social security	13,927	-	13,927	12,910
Pensions	8,213	-	8,213	7,398
Events and Publications	62,941	-	62,941	69,390
Education	-	23,610	23,610	19,101
Projects	-	4,285	4,285	65,706
Grants to institutions	-	17,496	17,496	17,766
	<u>258,036</u>	<u>48,770</u>	<u>306,806</u>	<u>350,827</u>
<b>Support costs</b>				
<b>Management</b>				
Wages	23,369	-	23,369	21,934
Social security	1,509	-	1,509	503
Pensions	1,148	-	1,148	288
Establishment expenses	59,179	-	59,179	58,171
Fixtures and fittings	1,261	-	1,261	5,931
	<u>86,466</u>	<u>-</u>	<u>86,466</u>	<u>86,827</u>
<b>Other</b>				
Office expenses	22,036	-	22,036	23,095
General expenses	1,700	-	1,700	903
Consultancy costs	2,160	-	2,160	30,595
Irrecoverable VAT	2,912	-	2,912	2,353
Library Maintenance Expenses	565	-	565	552
Entertainment	249	-	249	701
Exchange rate loss/gain	(17)	-	(17)	(57)
	<u>29,605</u>	<u>-</u>	<u>29,605</u>	<u>58,142</u>
<b>Governance costs</b>				
Auditors' remuneration	7,251	-	7,251	7,150
Bank charges	1,888	-	1,888	2,001
	<u>9,139</u>	<u>-</u>	<u>9,139</u>	<u>9,151</u>
<b>Total resources expended</b>	<u>398,607</u>	<u>48,770</u>	<u>447,377</u>	<u>527,670</u>
<b>Net (expenditure)/income</b>	<u>(22,918)</u>	<u>14,715</u>	<u>(8,203)</u>	<u>30,030</u>

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