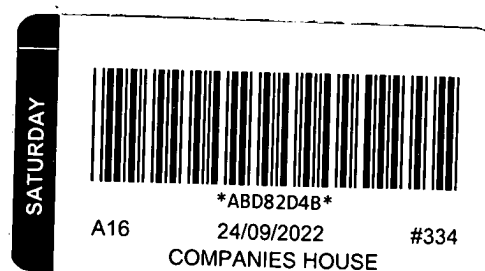


Charity Registration No. 1063952

Company Registration No. 03371038 (England and Wales)

THE JAPAN SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



The Japan Society

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for the Year Ended 31 December 2021

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THE JAPAN SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	HRH The Duke of Gloucester, KG, GCVO
President	HE The Japanese Ambassador
Vice Presidents	Dean Gilfillan Hirohiko Miyata Daisuke Mototani Akihiko Takada
Honorary Vice-Presidents	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
Officers and Trustees (as at 8 April 2021)	Bill Emmott, Chairman Martin Hatfull, Deputy Chairman Hiroshi Matsuura, Vice Chairman Nigel Wellings, Hon Solicitor Satoru Yoshida, Hon Treasurer Stephen Barber Yoko Dochi Tim Harding Emma Hickinbotham Sue Hudson Tadaharu Iizuka Takeshi Ito Helen Macnaughtan Yuuichiro Nakajima Neil Riley Julie Rogers Pernille Rudlin Clare Weaver Rie Yoshitake
Chief Executive and Company Secretary	Heidi Potter
Charity number	1063952
Company number	3371038
Principal address	13/14 Cornwall Terrace London NW1 4 QP
Auditors	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 2021 (CONTD)

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 2021. 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	
Satoru Yoshida- Hon Treasurer	
Nigel Wellings - Hon Solicitor	
Stephen Barber	(Elected 29 September 2021)
Yoko Döchi	(Elected 29 September 2021)
Tim Harding	
Emma Hickinbotham	(Elected 29 September 2021)
Sue Hudson	
Janet Hunter	(Resigned 29 September 2021)
Tadaharu Iizuka	
Takeshi Ito	
Jason James	(Resigned 29 September 2021)
Helen Macnaughtan	(Elected 29 September 2021)
Yuuichiro Nakajima	
Neil Riley	
Julie Rogers	
Pernille Rudlin	
Eiji Wakiwaka	(Resigned 29 September 2021)
Clare Weaver	
Rie Yoshitake	

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.

At the Annual General Meeting in 2022, Tadaharu Iizuka, Neil Riley and Pernille Rudlin will be standing down each having completed a three-year term on the board; 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 2021, with meetings continuing to be held 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 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. In normal years, teams of *Japan in Your Classroom* volunteers enable us to run the Society's popular school visit programme; volunteers also provide support in delivering public-facing outreach events; both school visits and other volunteer-supported activities have been suspended since March 2020.

THE JAPAN SOCIETY TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTD)

A nominations committee 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; academia, school education and outreach; 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 management committee (comprising in 2021 Bill Emmott, Satoru Yoshida and Heidi Potter) considers the accounts and the performance of the auditors before review by the board.

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 20 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 an audience 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 2021 (CONTD)

Events

The Society's events programme in 2021 was again affected greatly by the Covid-19 pandemic, with almost all taking place virtually. Although some people, who would in a normal year have attended in person events organized by the Society, were unable to take advantage of online events, we continued to see 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 opportunity to hear from opinion leaders on important issues in Japan-UK relations at a time when travel restrictions meant that it was still 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 has enabled the Society to achieve its educational objectives in a very clear way. 21 such webinars took place over the year:

Annual Lecture by the former British Ambassador to Japan, Paul Madden CMG on his return to the UK

The Path to Net Carbon Zero in the UK and Japan, with Naoko Ishii and Adair Turner

The Japan Affair: 40 Years of Engagement in UK - Japan Relations, in Conversation with David Howell

The Brexit Agreement, One Month On, with David Henig and Pernille Rudlin

The Business of Pop Culture in Japan, with Matt Alt

3/11 and Fukushima Dai-ichi 10 years on, with Yoichi Funabashi and David Warren

US – China Relations and the Implications for Japan, with Yuka Koshino and Clyde Prestowitz

The Independence Debate: What are the Future Prospects for Scotland? With John Curtice, Iain Martin and Andrew Wilson

The Current State of US – Japan Relations, with Kunihiko Miyake and James P Zumwalt

UK Japan Collaboration in Medical Research: Regenerative Medicine, with Georg Hollander, Paul Riley and Shin'ichi Takada

The Prospects for Green Finance in the UK and Japan, with Roger Gifford and Mari Yoshitaka

The 'Revolving Doors' of Government in the UK and Japan, with Koichi Nakano and Alex Thomas

Authority, Confidence and Gender in the Post-Pandemic World, with Ian Robertson and Mary Ann Sieghart

Is the West Back?: The G7 Summit and beyond, with Hiroyuki Akita and Gideon Rachman

Britain, Japan and the World in between – A Conversation with Richard Needham and Philip Stephens

After Tokyo 2020: Discussing Post-Games Japan, with Robert Whiting

And Now What? The Countdown to Japan's General Election, with Keiko Iizuka and Seiji Inada *

Delivering on Climate Targets in Japan and the UK, with Kimiko Hirata and Chris Huhne

The AUKUS Security Pact and its Implications, with Kiichi Fujiwara and Alessio Patalano

Keeping Ourselves Safe in Cyberspace with Mihoko Matsubara and Marcus Willett

The UK-Japan Relationship amid a Troubled World – A Conversation with Ambassador Hajime Hayashi

*in partnership with the British Chamber of Commerce in Japan

Smaller, off the record meetings were held for senior members of the Society. These events provided opportunities 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. During 2021 these featured: Julia Longbottom CMG, who met members prior to taking up her post as British Ambassador to Japan; John Glen, Economic Secretary to the Treasury and City Minister; and two former Central Bank governors, Lord (Mervyn) King and Masaaki Shirakawa.

The monthly **book club** and **film club** discussions and **Bilingual Public Speaking Club** continued to meet online during 2021 and were attended by a core of regular participants, with others joining on an ad hoc basis. For much of the year people remained at home with little opportunity to meet others, and these groups allowed them to discuss issues beyond the pandemic and learn together about Japan, its language, creative arts and culture.

Following their popularity in 2020, we again offered members workshops in boro repair work and katagome stencil dyeing. In addition in 2021 we were able to include sessions on food and drink, with tutored sake tastings and cookery workshops and an interactive talk about a family senbei company, Domoto Seika. We were grateful to the talented artists, tutors and lecturers who continued to find ways to share their enthusiasm and skills with a virtual audience.

Lockdown restrictions again made it impossible to hold large scale public-facing events including the annual **Japan Matsuri**. However, under the umbrella of the Japan Matsuri company, the **Sakura Cherry Tree project** continued over the 2021-22 planting season from November of the year. As well as donations to additional parks and gardens, some 400 trees were planted in schools across the country. Although a few plantings have been delayed to 2022-23 due to the pandemic, the majority of trees will have been delivered by spring 2022.

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. Since March 2020, all lectures have been held online. Subjects in the 2021 academic lecture series included:

British Engagement with Japan, 1854-1922 – Antony Best

How did Elizabeth Anderson learn Japanese in 1943? Wartime language courses & the race against time – Peter Komicki

THE JAPAN SOCIETY TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTD)

Japanese Disaster Narratives: Conservatism and Revisionism – Christopher Hood
The Japanese Maps Collection of the University of Manchester Library: Digitalising a Mapped Society – Sonia Favi
How British experience in Japan influenced Parkes' approach to extraterritoriality in Korea – Christopher Roberts
In Search of Herbert Ponting in Japan – Anne Strathie
Postwar Japanese Calligraphy and the Challenge of Abstract Painting - Eugenia Bogdanova-Kummer
Craft Culture in Early Modern Japan: Materials, Makers, Mastery – Christine Guth
The Comic Storytelling of Western Japan – M W Shores
Murakami Haruki and Our Years of Pilgrimage - Gitte Marianne Hansen and Michael Tsang

Other highlights included talks by film maker Toko Shiiki on life in Fukushima after 3/11; discussions about the film *The Witches of the Orient* with director Julien Faraut and about the musical *Tokyo Rose* with producer Tanya Agarwal and writer Maryhee Yoon; a photographic journey along the Shikoku pilgrimage route with John Lander; and an auditory journey through Japan with soundscape artists Mat Eric Hart and Nick Luscombe.

Japan Society Small Grants

In 2021, some £16,000 was awarded in grants to support 22 projects and events related to Japan. Despite the ongoing pandemic, we were pleased that this year saw a wide variety of projects, including installations and exhibitions, film screenings and panel discussions, workshops and cultural activities taking place.

The Queer East Film Festival showcased a selection of rarely seen films from Japan celebrating the lives of the LGBTQ+ community; and at the Reading Biscuit Factory Cinema, cultural workshops were held in tandem with a special programme of Japanese film screenings.

The British Museum's exhibition Hokusai: The Great Picture Book of Everything opened in September, and a small grant helped to support a programme of public events which aimed to engage with local communities. A grant also supported activities at the House of the Setting Sun exhibition at Lakeland Arts in Cumbria.

Teachers at schools across the UK planned engaging projects for students: children in rural Gloucestershire enjoyed traditional story-telling and learnt about the significance of the origami crane in a week of activities; while pupils at schools in Lincolnshire and Glasgow immersed themselves in Japanese culture, learning across subjects from geography to music to art and design. In Oxfordshire, pupils designed and created their own Japanese garden; and in West Sussex, students took part in an inventive 'mock flight' to Japan as part of their project, which also included food tasting, language learning, arts and crafts. Meanwhile, pupils in East London celebrated their passion for manga in a competition to create manga-themed decorations for their classroom door.

The Tokyo Olympic Games were celebrated in Northern Ireland at the Naughton Gallery's 'VAMOS NIPPON!' exhibition; and at the Queens Park Arena in Glasgow, Japan-themed family workshops and sports demonstrations took place to coincide with the Games.

Library

During 2021 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 2021 (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 most in person activity being suspended. However, we continued to provide support to teachers and parents with our new online resources and activity packs. Additional materials were added to the online resources portal each month and ranged from seasonal activities based on Japanese festivals to topic themed resources in subject areas such as geography, maths and English.

Resources linked to the Tokyo 2020 Olympic and Paralympic Games were launched in July together with a Yuru-chara competition to design mascots to support Team GB athletes.

Digital content was made available in November for an online **Sixth Form Japan Day** experience, with plans for an in person 'taster' event in spring 2022 as a bridge to a return to a full scale in person event in November.

To support teachers working with students on entries for the 17th JAL Foundation World Children's Haiku Contest, run in the UK by the Japan Society and launched in October, an online workshop 'How to Teach Haiku' was held in December,

Communication and marketing

The website and regular email notices continued to be important tools for communicating information about the Society and its activities. 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 2021 the Society showed a surplus of £541.

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 2021 (CONTD)

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
Clifford Chance LLP
*Eisai Europe Ltd
Ernst & Young LLP
Marubeni Europe plc
*Mitsubishi Electric Europe BV
Mizuho Financial Group
NSK Europe Ltd
PricewaterhouseCoopers LLP
SMBC Bank International plc
Sumitomo Corporation Europe Ltd

Corporate Benefactor (£5,000)

Dai-ichi Life International Europe
Daiwa Capital Markets Europe Ltd
Deloitte LLP
*Hitachi Europe Ltd
Honda Motor Europe Ltd
Nikko Asset Management Europe Ltd
*NYK Group Europe Ltd
SoftBank Group International
Takeda UK Ltd
Toyota (GB) Plc

Corporate Donor (£2,000)

Aberdeen Standard Investments
Allen & Overy LLP
BDO LLP
*Central Japan Railway Company
*Greenback Alan LLP
Japan Airlines Co Ltd
*"K" Line (Europe) Ltd
Linklaters LLP
Mitsubishi Heavy Industries Europe
Ltd
MSIG Holdings (Europe) Ltd
*NEC (Europe) Ltd
NTT Data UK
Out-Sourcing Incorporated UK
Ricoh (Europe) plc
Sompo Japan Insurance Inc
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 +)

The Philip and Irene Toll Gage
Foundation
Martin & Noriko Barrow
Akihiro Tsuchiya

Principal Donor (£250)

Michael Faber
James Noble
Taeko Oliver
Heidi Potter
David Powers
Christopher and Phillida Purvis
Adrian Thorpe

Donor (£100)

Mark Allsup
Clive Bradley
Stephen Codrington
Joe Earle
Robin Fox
Lydia Gomersall
Keiko Itoh
Kathleen Kimura
Janusz Mondry
Geoffrey Paull
Pernille Rudlin
Atsushi Saito
Larry Stone
Mark Tate

Individual Supporter (£58)

Graham & Pauline Bowyer
Hiroko Gayton
Thaisa Hopkins
Suzanne Hudson
Rosemary Morgan
Ian Walker

THE JAPAN SOCIETY TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (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 exceed the current annual expenditure, which has been reduced by changes to the programme of activities during the pandemic. It is anticipated that, as restrictions are lifted and we are able to resume in person events, expenditure will return to pre-pandemic levels of £450 - £500,000. While the long term financial impact of the pandemic and of the war in Ukraine remains uncertain, the board is content to carry a higher level of reserves. 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 2021, the value of unrestricted reserves less tangible fixed assets was £468,677. The cash reserves are held on deposit.

Plans for the future

In 2022, the Japan Society will continue to hold selected events online, while returning to in person events as the Covid-19 situation allows. We anticipate that for some types of event, a hybrid format will be important, 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. An exciting new initiative is a pilot Youth Collective programme for young people aged 16 – 19, from August 2022.

Further to the decision in 2018 by the Trustees to offer the Japan Society library for sale, plans are in train for an auction of the historic collection by Sotheby's during 2022. All funds realised will be used for the furtherance of the Society's objectives, with the principal aim of enabling new projects to be established.

Although in a strong financial position at the start of 2022, 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.

Satoru Yoshida (Sep 22, 2022 12:49 GMT+1)

On behalf of the Board

Satoru Yoshida - Hon. Treasurer

Dated: Sep 22, 2022

THE JAPAN SOCIETY

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021 which comprise the statement of financial activities, the balance sheet and 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 Financial Reporting Standard 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 2021 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

THE JAPAN SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE JAPAN SOCIETY

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Companies Act 2006, employment and tax law and regulations and data protection regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from internal management. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

Revenue recognition was also identified as a significant risk which could lead to a material mis-statement due to fraud or error. Audit procedures performed included but were not limited to performing walk through tests to identify the control procedures in place and once an understanding of the sales process was gained, a substantive test was carried out using a sample basis to ensure all sales existed and were complete in the accounts. Cut off testing was also performed to ensure sales were recorded in the correct period.

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.

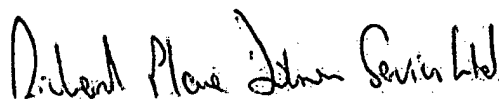
THE JAPAN SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE JAPAN SOCIETY

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.

Dated: 23 September 2022

THE JAPAN SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds Designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes					
<u>Income and endowments from:</u>						
Subscriptions and donations	3	303,158	-	47,543	350,701	399,230
Events	4	6,010	-	507	6,517	3,408
Investments	5	189	-	-	189	175
Other incoming resources	6	23,989	-	-	23,989	24,978
Total income		333,346	-	48,050	381,396	427,791
<u>Expenditure on:</u>						
Raising funds	7	4,059	-	-	4,059	6,893
<u>Charitable activities</u>						
Membership and publications	8	103,112	6,922	-	110,034	87,416
Events	8	111,667	-	-	111,667	109,196
School education	8	101,941	-	31,980	133,921	135,069
Small grants	8	5,104	-	16,070	21,174	15,246
Total charitable expenditure		321,824	6,922	48,050	376,796	346,927
Total resources expended		325,883	6,922	48,050	380,855	353,820

THE JAPAN SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Unrestricted funds general 2021 £	Unrestricted funds Designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Net incoming resources before transfers	7,463	(6,922)	-	541	73,971
Gross transfers between funds	(6,922)	6,922	-	-	-
Net incoming resources	541	-	-	541	73,971
Other recognised gains and losses					
Revaluation of tangible fixed assets	-	-	-	-	(131,735)
Net movement in funds	541	-	-	541	(57,764)
Fund balances at 1 January 2021	468,136	382,984	6,809	857,929	915,693
Fund balances at 31 December 2021	468,677	382,984	6,809	858,470	857,929

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 2021

Prior financial year		Unrestricted funds general 2020 £	Unrestricted funds Designated 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes				
<u>Income and endowments from:</u>					
Subscriptions and donations	3	349,160	-	50,070	399,230
Events	4	3,408	-	-	3,408
Investments	5	175	-	-	175
Other incoming resources	6	24,595	-	383	24,978
Total income		377,338	-	50,453	427,791
<u>Expenditure on:</u>					
Raising funds	7	6,893	-	-	6,893
<u>Charitable activities</u>					
Membership and publications	8	85,629	1,787	-	87,416
Events	8	109,196	-	-	109,196
School education	8	99,862	-	35,207	135,069
Small grants	8	-	-	15,246	15,246
Total charitable expenditure		294,687	1,787	50,453	346,927
Total resources expended		301,580	1,787	50,453	353,820
Net incoming resources before transfers		75,758	(1,787)	-	73,971
Gross transfers between funds		(1,787)	1,787	-	-
Net incoming resources		73,971	-	-	73,971
<u>Other recognised gains and losses</u>					
Revaluation of tangible fixed assets		-	(131,735)	-	(131,735)
Net movement in funds		73,971	(131,735)	-	(57,764)
Fund balances at 1 January 2020		394,165	514,719	6,809	915,693
Fund balances at 31 December 2020		468,136	382,984	6,809	857,929

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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		353,168		354,270
Current assets					
Debtors	14	84,634		64,609	
Cash at bank and in hand		479,940		474,428	
		564,574		539,037	
Creditors: amounts falling due within one year	15	(59,272)		(35,378)	
Net current assets			505,302		503,659
Total assets less current liabilities			858,470		857,929
Income funds					
Restricted funds	16		6,809		6,809
<u>Unrestricted funds</u>					
Designated funds	17	382,984		382,984	
General unrestricted funds		468,677		468,136	
			851,661		851,120
			858,470		857,929

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 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

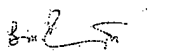
The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 20 September 2022.....


Satoru Yoshida (Sep 22, 2022 17:49 GMT+1)

S Yoshida
Trustee


B Emmott
Trustee

Company Registration No. 03371038

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

1 Accounting policies

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).

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

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 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.

1.14 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 results 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.

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 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.

Key sources of estimation uncertainty

Valuation of Library

The last professional valuation of the library was undertaken by Maggs and Sons in 2005. During 2020 the board of trustees reviewed this valuation and, whilst they believed the valuation was still reasonable on an individual book basis, having consulted with relevant professionals they considered that as a collection a valuation of £350,000 was more appropriate. They therefore revised the value in these accounts to £350,000 pending the future sale of the library.

3 Subscriptions and donations

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	218,149	47,543	265,692	252,361	50,070	302,431
Membership fees	85,009	-	85,009	96,799	-	96,799
	<u>303,158</u>	<u>47,543</u>	<u>350,701</u>	<u>349,160</u>	<u>50,070</u>	<u>399,230</u>

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Events

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £
Events income	6,010	507	6,517	3,408

5 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	189	175

6 Other incoming resources

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Other income	-	-	383	383
Publication and sale of books	2,042	1,905	-	1,905
Office services income	14,446	15,190	-	15,190
Secretariat income	7,500	7,500	-	7,500
	23,989	24,595	383	24,978

7 Raising funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Fundraising and publicity</u>		
Advertising	4,059	6,893

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

	Membership and	Events	School education	Small grants	Total 2021	Total 2020
	2021 £	2021 £	2021 £	2021 £	£	£
Staff costs	65,485	62,208	76,761	3,187	207,641	200,880
Other costs	5,175	12,055	11,006	-	28,236	23,619
	<u>70,660</u>	<u>74,263</u>	<u>87,767</u>	<u>3,187</u>	<u>235,877</u>	<u>224,499</u>
Grant funding of activities (see note 9)	-	-	-	16,070	16,070	15,246
Share of support costs (see note 10)	36,684	34,849	43,001	1,786	116,320	98,269
Share of governance costs (see note 10)	2,690	2,555	3,153	131	8,529	8,913
	<u>110,034</u>	<u>111,667</u>	<u>133,921</u>	<u>21,174</u>	<u>376,796</u>	<u>346,927</u>
Analysis by fund						
Unrestricted funds - general	103,112	111,667	101,941	5,104	321,824	294,687
Unrestricted funds - Designated	6,922	-	-	-	6,922	1,787
Restricted funds	-	-	31,980	16,070	48,050	50,453
	<u>110,034</u>	<u>111,667</u>	<u>133,921</u>	<u>21,174</u>	<u>376,796</u>	<u>346,927</u>

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

For the year ended 31 December 2020

	Membership and	Events	School Small grants education		Total 2020
	£	£	£	£	£
Staff costs	55,300	65,238	80,342	-	200,880
Other costs	5,506	10,718	7,395	-	23,619
	60,806	75,956	87,737	-	224,499
Grant funding of activities (see note 9)	-	-	-	15,246	15,246
Share of support costs (see note 10)	24,397	30,476	43,396	-	98,269
Share of governance costs (see note 10)	2,213	2,764	3,936	-	8,913
	87,416	109,196	135,069	15,246	346,927
Analysis by fund					
Unrestricted funds - general	85,629	109,196	99,862	-	294,687
Unrestricted funds - Designated	1,787	-	-	-	1,787
Restricted funds	-	-	35,207	15,246	50,453
	87,416	109,196	135,069	15,246	346,927

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Grants payable

	Small grants 2021 £	Small grants 2020 £
Grants to institutions:		
Aya Nakamura	-	1,000
Clare Farrow Studio	1,000	-
Blueprint Film Foundation	1,000	-
Japanese Avant-garde and Experimental Film Festival	-	1,000
Japan Society North West	-	1,000
Litro Magazine	-	1,000
National trust for Scotland	-	1,000
Inhouse Events CIC	1,000	-
Queer East Film Festival	1,000	-
The British Museum	1,000	-
The Between the Stones	-	1,000
New Earth Theatre Limited	1,000	-
Other small grants paid to 11 (15) institutions	10,070	9,246
	<u>16,070</u>	<u>15,246</u>

10 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	35,604	-	35,604	22,572	-	22,572
Depreciation	1,102	-	1,102	1,282	-	1,282
Establishment Expenses	68,029	-	68,029	52,152	-	52,152
Office Expenses	8,413	-	8,413	17,361	-	17,361
General Expenses	2,580	-	2,580	75	-	75
Consultancy	-	-	-	2,160	-	2,160
Irrecoverable VAT	-	-	-	2,024	-	2,024
Library Maintenance Expenses	592	-	592	578	-	578
Entertainment Expenses	-	-	-	65	-	65
Audit fees	-	7,550	7,550	-	7,300	7,300
Bank Charges	-	979	979	-	1,613	1,613
	<u>116,320</u>	<u>8,529</u>	<u>124,849</u>	<u>98,269</u>	<u>8,913</u>	<u>107,182</u>
Analysed between Charitable activities	<u>116,320</u>	<u>8,529</u>	<u>124,849</u>	<u>98,269</u>	<u>8,913</u>	<u>107,182</u>

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 £3,394 (2020: £2,828) was paid.

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	9	8
	<u> </u>	<u> </u>
Employment costs	2021	2020
	£	£
Wages and salaries	216,745	199,319
Social security costs	15,945	14,301
Other pension costs	10,555	9,832
	<u>243,245</u>	<u>223,452</u>

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 £94,195 (2020:£138,169)

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

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Tangible fixed assets

	Library Fixtures, fittings & equipment		Total
	£	£	£
Cost			
At 1 January 2021	350,000	50,509	400,509
Disposals	-	(4,870)	(4,870)
At 31 December 2021	350,000	45,639	395,639
Depreciation and impairment			
At 1 January 2021	-	46,239	46,239
Depreciation charged in the year	-	1,102	1,102
Eliminated in respect of disposals	-	(4,870)	(4,870)
At 31 December 2021	-	42,471	42,471
Carrying amount			
At 31 December 2021	350,000	3,168	353,168
At 31 December 2020	350,000	4,270	354,270

The last professional valuation of the library was undertaken by Maggs and Sons in 2005. During 2020 the board of trustees reviewed this valuation and, whilst they believed the valuation was still reasonable on an individual book basis, having consulted with relevant professionals they considered that as a collection a valuation of £350,000 was more appropriate. They therefore revised the value in these accounts to £350,000 pending the future sale of the library.

14 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	55,487	42,274
Prepayments and accrued income	29,147	22,335
	84,634	64,609

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	483	3,002
Trade creditors	1,362	1,348
Other creditors	19,987	-
Accruals and deferred income	37,440	31,028
	59,272	35,378

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
Education Fund	-	50,453	(50,453)	-	48,050	(48,050)	-
Hammersmith Garden Fund	6,809	-	-	6,809	-	-	6,809
	<u>6,809</u>	<u>50,453</u>	<u>(50,453)</u>	<u>6,809</u>	<u>48,050</u>	<u>(48,050)</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 2021

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 2020	Resources expended	Transfers	Revaluation gains/losses	Balance at 31 December 2020
	£	£	£	£	£
Library	481,735	-	-	(131,735)	350,000
Maintenance fund	13,000	(1,787)	1,787	-	13,000
Digitalisation of books fund	19,984	-	-	-	19,984
	<u>514,719</u>	<u>(1,787)</u>	<u>1,787</u>	<u>(131,735)</u>	<u>382,984</u>

	Balance at 1 January 2021	Resources expended	Transfers	Revaluation gains/losses	Balance at 31 December 2021
	£	£	£	£	£
Library	350,000	-	-	-	350,000
Maintenance fund	13,000	(6,922)	6,922	-	13,000
Digitalisation of books fund	19,984	-	-	-	19,984
	<u>382,984</u>	<u>(6,922)</u>	<u>6,922</u>	<u>-</u>	<u>382,984</u>

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

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 2021

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2021 are represented by:				
Tangible assets	3,168	350,000	-	353,168
Current assets/(liabilities)	444,535	32,984	27,783	505,302
	<u>447,703</u>	<u>382,984</u>	<u>27,783</u>	<u>858,470</u>
	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
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>

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	273	-
Between two and five years	1,094	-
In over five years	273	-
	<u>1,640</u>	<u>-</u>

20 Related party transactions

The Japan Society is a corporate director of Japan Matsuri. The Japan Society gave a contribution of £0 (2020: £nil) 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).

Jason James, a Trustee until September 2021, is Director General of the Daiwa Anglo-Japanese Foundation, the Japan Society's landlord. Rent paid by the Society to the Foundation was £52,560.

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 External Factors

At the reporting date Covid-19 caused widespread lockdown measures to be imposed in the UK and worldwide. 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 2021 and consider that all COVID 19 related costs and effects have been reflected in the accounts.

The effects of the conflict in Ukraine has also resulted in a reduction in both supply and demand in the economy. Again, 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.