

Charity registration number 1063952

Company registration number 03371038 (England and Wales)

THE JAPAN SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



THE JAPAN SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	HRH The Duke of Gloucester, KG, GCVO, GCSU, SSI, FRIBA
President	HE The Japanese Ambassador
Vice Presidents	Daisuke Mototani Yukinobu Nakano Tom Osborne Akihiko Takada
Honorary Vice-Presidents	Shin Ebihara Hiroaki Fujii Haruko Fukuda OBE Keiichi Hayashi Sadayuki Hayashi Hiroshi Kitamura Yasumasa Nagamine Yoshiji Nogami Christopher Purvis CBE Viscount Trenchard Koji Tsuruoka David Warren KCMG
Officers and Trustees (as at 8 April 2023)	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 Helen Macnaughtan Yuuichiro Nakajima Yasuyuki Okazaki Neil Riley Julie Rogers Pernille Rudlin Clare Weaver Rie Yoshitake
Chief Executive and Company Secretary	Heidi Potter (until 18 June 2023) Dr Michael Rivera King (from 18 June 2023)
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

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022. 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
Yoko Dochi
Tim Harding
Emma Hickinbotham
Sue Hudson
Tadaharu Iizuka
Takeshi Ito (Resigned 20 September 2022)
Helen Macnaughtan
Yuuichiro Nakajima
Yasuyuki Okazaki (Appointed 20 September 2022)
Neil Riley
Julie Rogers
Pernille Rudlin
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 2023, Sue Hudson and Yuuichiro Nakajima will be standing down having served on the board for six years. Two trustees, Clare Weaver, and Rie Yoshitake will be standing down at the end of a three-year term, both 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 four times in 2022, with in-person meetings resuming with provision for trustees to join remotely if necessary. The day-to-day running of the Society was carried out by the permanent staff under the leadership of Heidi Potter, who reports to the Chairman and the board. She was 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 resumed following suspension during Covid.

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

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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 2022 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 physical 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 was set aside in 2022 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.

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Events

Following the disruption caused by the Covid pandemic, The Japan Society's events programme in 2022 began to resume its in person activities, while continuing to offer opportunities for a wider geographic audience to participate in online events. Despite lingering fears over Covid, it was clear that members greatly valued the chance to meet again for face-to-face discussions and exchanges of opinion. At the same time, we were able to maintain contact with many of those across the UK and in other parts of the world, including Japan, whom we had reached through our virtual programming. Recordings of many events continued to be made available on YouTube for a wider audience.

We began the year with a special vegan lunch at Sachi Restaurant at Pantechnicon, with guest chef Tim Anderson. Although postponed because of a resurgence of Covid infections, it was an important step on the return to in-person events and was well attended by members, delighted once again to reconnect with each other.

In person events continued with the **annual lecture by HE Julia Longbottom CMG, British Ambassador to Japan**, kindly hosted by Nomura. This briefing on developments in the UK Japan relationship and bilateral activities is valued highly by members and was well-attended despite continued concerns over the coronavirus. The lecture and following Q&A were live streamed for those who could not join in person.

To mark the resumption of in person meetings, the 2022 **annual dinner** was held in the wonderful surroundings of the Chelsea Physic Garden, where members were able to wander through the grounds, as well as view the *Tsunagu / Connect* exhibition, telling the stories of Japanese women who had travelled to make their lives in the UK since the 1950s; a timely reminder of the value of meetings and personal encounters. The year concluded with a **Christmas party** held at the Embassy of Japan, by courtesy of Ambassador Hayashi.

Smaller, off the record meetings were held for senior members of the Society. These events provided opportunities for those involved in business and government to share ideas and information. During 2022 these featured: Julia Longbottom CMG, who joined members for a dinner following her lecture; Tony Danker, Director General of the Confederation of British Industry (hosted by PwC); and James Murray, Shadow Financial Secretary to the Treasury (hosted by Deloitte)

For younger members, we partnered with London Business School on two **careers networking events**, focusing respectively on careers in the City and in the Gaming industry, which provided opportunities to hear life experience from professionals in these fields. In November, the Society again partnered with LBS, this time on a half-day Japan Summit, with panels of Japanese business and industry experts in Innovation and Sustainability.

The series of **current affairs webinars** which began during the pandemic continued, 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. 10 such webinars took place over the year:

Prospects for Japan and Asia in 2022 and Beyond - with Jesper Koll and Jim McCafferty
Issues at Home and Abroad. Japan's Agenda for 2022 - A Conversation with Noriyuki Shikata
Looking Ahead: Japan and the World in 2022 - in association with the British Chamber of Commerce in Japan and the International Institute for Strategic Studies
International Women's Day 2022 #BreakTheBias - in association with the British Chamber of Commerce in Japan
The War in Ukraine: Where Next in the Military and Economic Battle with Russia? - with Sir Laurie Bristow and Tadashi Maeda
Taiwan tensions, implications for China, the US, Japan and Europe - with Yasuhiro Matsuda and Meia Nouwens
The Future of Corporate Alliances between Japan and Europe - with Jean Barthélemy and Philippe Riès
A new quarterly webinar in association with the Asia Society, Japan has brought together Bill Emmott, chair of the Japan Society with economist and business observer, Jesper Koll, to host a regular discussion on latest developments in Japan, together with special guests who in 2022 were Yumiko Murakami and Tatsuya Terazawa.

The monthly **book club** and **film club** discussions and **Bilingual Public Speaking Club** continued to meet during 2022 and were attended by a core of regular participants, with others joining on an ad hoc basis. The book club settled into a new pattern of alternate in-person and virtual meetings, to cater for those unable to travel to London regularly for meetings, while the film club, started during the pandemic, continued online. Presentation and speaking skills can be practiced more effectively face to face, so these resumed in person, hosted during the year variously by Nomura, EY and Deloitte.

As venues began to re-open, members enjoyed tours and private views to places of interest, including the Dojima Sake Brewery, near Ely; the Minoru Nomata exhibition at the De La Warr pavilion in Bexhill-on-sea, as well as the Yobitsugi exhibition at White Conduit Projects and Kimono exhibition at the Japanese Gallery.

Although continued uncertainties at the start of 2022 meant it was not possible to schedule the annual autumn **Japan Matsuri**, some 2,000 visitors joined the Japan Society, Embassy of Japan, and Friends of the Japanese Garden in Hammersmith Park for a summer garden party, featuring activities for families and children. Under the umbrella of the Japan Matsuri company, the **Sakura Cherry Tree project** continued its activities, with some 7,000 trees having been planted to

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date in public parks and gardens, as well as schools and universities.

The lectures programme as usual covered a wide range of subject matter 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. In 2022, lectures resumed in person where possible, though some were online only, and some made available also to a virtual audience. The 2022 programme included:

Gender and Voting Preferences in Japan and Britain - Gill Steel (*online*)

British Collecting of Tea Ceramics from Meiji Japan - Ai Fukunaga (*online*)

Courts & Culture: The British Royal Family and the Japan Society, 1902–1923 - Rachel Peat (*in person*)

Fukushima Narratives. Textile and Papermaking Practice, Past, Present and Future - Eleanor Burkett (*in person*)

Touching the Unreachable: Writing and Skinship in Modern Japanese Literature - Fusako Innami (*online*)

Physical Disability and the Politics of Inclusion in Contemporary Japan - Mark Bookman (*online*)

Lord Sempill and Japan: Traitor or Spy-Myth? - Alex Hardie (*in person*)

'Abandon all hope, you who enter' - Sir Rutherford Alcock and Japan (1859–1865) - Robert Morton (*in person*)

Tuning the Singing Bowl: Tradition and Innovation in Toyama Prefecture

Tradition and Modernity in Kaga Yuzen Dyeing*

Making tradition relatable: Kutani Ware in the Modern Era*

The History of Medicine in Japan**

* co-organised with the Japan Foundation and IndigoRose Project

** organised by the Japan Room and held at The Freemasons' Hall

Other highlights included two shochu masterclasses held in association with the Japan Sake and Shochu Makers' Association, with a pairing menu from ROKA Shochu Lounge; a talk by Yuichiro Fujii, director of the Japanese Rugby national team, in association with SOAS, and a *nengajo* (New Year card) workshop with Aya Burbanks.

Japan Society Small Grants

In 2022, £10,310 was awarded in grants to support 23 projects and events related to Japan. The number of applications was still fewer than in a normal year, but we were glad to support organisers of such a variety of projects in reaching wider audiences, including exhibitions, school projects, workshops and cultural activities.

At the historic De La Warr Pavilion in Bexhill on the South Coast of England, a small grant supported workshops for children, families and young people accompanying an exhibition by artist, Minoru Nomata. Meanwhile, in Camden, London, funding from the Society went towards a kimono themed exhibition and talks, showcasing kimono and its place in fashion both traditional and contemporary. Modern Culture organised a residency which took photographer Tomiyasu Hayahisa to Norwich, Oxford and London to run workshops and give talks, particularly engaging with university students.

High School students in Birmingham explored Japanese art in a multi-media visual arts project; In Broadstairs, a day of Japanese Culture took place in celebration of the 10th anniversary of Japanese at the school; and young students taking part in 'Japanese Club' in Aylesbury learnt to write Japanese characters through the art of Japanese calligraphy. A grant enabled The School Library Association to work with experienced professionals to run an online *Manga Immersion Day* with talks and workshop sessions attended by over 70 schools.

The Greater Good Project in Rossendale planned a series of Japan-themed workshops to help introduce the local community to Japanese culture and the arts, while a special matsuri took place at Tatton Park in Liverpool, inviting members of the public to experience different aspects of Japanese culture first hand, including calligraphy, martial arts and music.

A small grant to the Royal Shakespeare Company supported the development of a teacher's pack to accompany the award-winning production of *My Neighbour Totoro*. This was released on the RSC website, as well as being distributed to its 250-strong Associate School Network, with over 97 downloading the pack and using the activities, reaching over 7,000 young people nationally.

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

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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 had been heavily disrupted due to the pandemic, with most in person activity being suspended. During 2022 *Japan in Your Classroom* school visits resumed, though remained less frequent than in previous years. Sixth Form Japan Taster sessions were held in the spring term, for those who had missed out on our regular Japan Day in 2021 due to pandemic restrictions. Students took part in soroban, kokeshi and hanko workshops and listened to guest speaker Aileen Conant, a Japanese-American theatre director. The full Sixth Form Japan Day was held in November, in collaboration with Ritsumeikan University at Birkbeck University of London. Guest speakers for the event included Ryan Keeble, News Producer at Fujisankei Communications as well as student panellists from SOAS, UEA, and University of Cambridge. Attendees took part in a range of cultural workshops, including new offerings: shogi and origami.

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 including a new series of *kamishibai* stories based on Japanese festivals, as well as resources about shrines and temples, rural Japan, and origami and mathematics.

Other in person activities included soroban workshops, for student teachers and children at Reading University and in London; free family haiku workshops for children with poet Paul Conneally.

The Japan Society managed, in the UK, the 17th JAL Foundation World Children's Haiku Contest, on the theme of Towns with a record number of entries from individual participants.

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 2022 the Society showed a deficit of (£265,698). This represented a loss on the sale of the library, against the previous book value, and an operating loss of (£46,581). After a decision taken by the board to dispose of the library, the antiquarian collection was sold at auction in the autumn, realising the net sum of £130,883 against a book value of £350,000. This was based on a 2005 valuation by Maggs and Son.

During the year individual and corporate members continued to provide invaluable support through the higher-level giving scheme both for the general mission and for the schools education programme. The following companies and individuals have given support at a level above that of regular membership (minimum amounts for each level are given in brackets):

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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
Services Ltd
SMBC Bank International plc
Sumitomo Corporation Europe Ltd

Corporate Benefactor (£5,000)

Daiwa Capital Markets Europe Ltd
Deloitte LLP
Honda Motor Europe Ltd
Nikko Asset Management Europe Ltd
*NYK Group Europe Ltd
SoftBank Group International
Takeda UK Ltd

Corporate Donor (£2,000)

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 pillar sign (¶) have
given their support through a five
year agreement.*

Individuals

Principal Benefactor (£1,000 +)

The Philip and Irene Toll Gage
Foundation
Stephen Barber
Akihiro Tsuchiya

Benefactor (£500)

Martin & Noriko Barrow

Principal Donor (£250)

James Noble
Heidi Potter
David Powers
Christopher and Phillida Purvis
Larry Stone
Adrian Thorpe

Donor (£100)

Mark Allsup
Clive Bradley
Stephen Codrington
Robin Fox
Lydia Gomersall
Keiko Itoh
Anne Kaneko
Kathleen Kimura
Janusz Mondry
David Mytton
Charles Pridgeon
Pernille Rudlin
Megumi Spivey
Mark Tate
John Walter

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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 2022, the value of unrestricted reserves less tangible fixed assets was £505,219. The cash reserves are held on deposit.

Plans for the future

In June 2023 The Japan Society appointed a new Chief Executive, Dr Michael Rivera King. Michael is working closely with trustees, donors, members, and staff to create a new three-year strategy to launch in January 2024. This aims to further increase the impact our The Japan Society's education work and introduce quarterly themes for events and activities. Other aims are to better serve members outside the large cities and engage with a younger audience. An exciting new initiative is the Japan Youth Collective for young people aged 16 – 19, who would otherwise have limited access to Japan. This launches in August 2023 (note this was delayed by one year), with support from Japan House London Trust and the Great Britain - Sasakawa Foundation. The sale of the library, through Sotheby's, will also be finalised. All funds realised will be invested for use for specific projects, to be agreed in consultation with members, in furtherance of the Society's objectives.

Although in a strong financial position at the start of 2023, the Society needs to raise significant funds each year in order to deliver its mission of promoting the UK-Japan relationship and deepening understanding. Against a background of continued economic uncertainty the role of members and donors has never been more important in supporting the Society's work. Nor has the work of the Society ever been more critical, with increased UK-Japan ties, including the Hiroshima Accord, central in the economies and societies of both nations.

On behalf of the Board

Satoru Yoshida - Hon. Treasurer



Dated: 8 September 2023

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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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 2022 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 2022 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.

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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.

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.

THE JAPAN SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE JAPAN SOCIETY

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 Ltd

15/9/23

Richard Place Dobson Services Limited
Chartered Accountants

1-7 Station Road
Crawley
West Sussex
RH10 1HT

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

THE JAPAN SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds Designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
<u>Income and endowments from:</u>						
Subscriptions and donations	3	296,861	-	42,431	339,292	350,701
Events	4	26,455	-	2,557	29,012	6,517
Investments	5	1,374	-	-	1,374	189
Other incoming resources	6	22,913	-	554	23,467	23,989
Total income		347,603	-	45,542	393,145	381,396
<u>Expenditure on:</u>						
Raising funds	7	6,385	-	-	6,385	4,059
<u>Charitable activities</u>						
Membership and publications	8	126,616	-	-	126,616	119,353
Events	8	159,472	-	4,904	164,376	107,589
School education	8	93,929	-	35,075	129,004	128,889
Small grants	8	5,435	-	7,910	13,345	20,965
Total charitable expenditure		385,452	-	47,889	433,341	376,796
Total resources expended		391,837	-	47,889	439,726	380,855
Net (outgoing)/incoming resources before transfers		(44,234)	-	(2,347)	(46,581)	541
Gross transfers between funds		130,883	(130,883)	-	-	-
Net incoming/(outgoing) resources		86,649	(130,883)	(2,347)	(46,581)	541
<u>Other recognised gains and losses</u>						
Valuation loss on library		-	(219,117)	-	(219,117)	-
Net movement in funds		86,649	(350,000)	(2,347)	(265,698)	541
Fund balances at 1 January 2022		468,677	382,984	6,809	858,470	857,929
Fund balances at 31 December 2022		555,326	32,984	4,462	592,772	858,470

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 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds Designated 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes				
<u>Income and endowments from:</u>					
Subscriptions and donations	3	303,158	-	47,543	350,701
Events	4	6,010	-	507	6,517
Investments	5	189	-	-	189
Other incoming resources	6	23,989	-	-	23,989
Total income		333,346	-	48,050	381,396
<u>Expenditure on:</u>					
Raising funds	7	4,059	-	-	4,059
<u>Charitable activities</u>					
Membership and publications	8	112,431	6,922	-	119,353
Events	8	107,589	-	-	107,589
School education	8	96,909	-	31,980	128,889
Small grants	8	4,895	-	16,070	20,965
Total charitable expenditure		321,824	6,922	48,050	376,796
Total resources expended		325,883	6,922	48,050	380,855
Net (outgoing)/incoming resources before transfers		7,463	(6,922)	-	541
Gross transfers between funds		(6,922)	6,922	-	-
Net incoming/(outgoing) resources		541	-	-	541
<u>Other recognised gains and losses</u>					
Net movement in funds		541	-	-	541
Fund balances at 1 January 2021		468,136	382,984	6,809	857,929
Fund balances at 31 December 2021		468,677	382,984	6,809	858,470

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14		11,447		353,168
Current assets					
Debtors	15	34,302		84,634	
Cash at bank and in hand		637,684		479,940	
		671,986		564,574	
Creditors: amounts falling due within one year	16	(90,661)		(59,272)	
Net current assets			581,325		505,302
Total assets less current liabilities			592,772		858,470
Income funds					
Restricted funds	17		4,462		6,809
<u>Unrestricted funds</u>					
Designated funds	18	32,984		382,984	
General unrestricted funds		555,326		468,677	
			588,310		851,661
			592,772		858,470

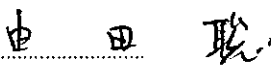
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

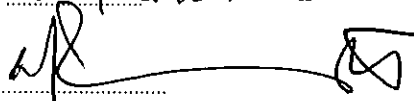
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 8 September 2023


S Yoshida
Trustee


B Emmott
Trustee

Company Registration No. 03371038

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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.

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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).

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.

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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 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.

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.

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Subscriptions and donations

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	268,741	42,431	311,172	218,149	47,543	265,692
Membership fees	28,120	-	28,120	85,009	-	85,009
	<u>296,861</u>	<u>42,431</u>	<u>339,292</u>	<u>303,158</u>	<u>47,543</u>	<u>350,701</u>

4 Events

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Events income	26,455	2,557	29,012	6,010	507	6,517
	<u>26,455</u>	<u>2,557</u>	<u>29,012</u>	<u>6,010</u>	<u>507</u>	<u>6,517</u>

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	1,374	189
	<u>1,374</u>	<u>189</u>

6 Other incoming resources

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £
Publication and sale of books	967	-	967	1,905
Office services income	14,446	554	15,000	14,446
Secretariat income	7,500	-	7,500	7,500
	<u>22,913</u>	<u>554</u>	<u>23,467</u>	<u>23,989</u>

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Raising funds

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
<u>Fundraising and publicity</u>		
Advertising	6,385	4,059

8 Charitable activities

	Membership and publications 2022 £	Events 2022 £	School education 2022 £	Small grants 2022 £	Total 2022 £	Total 2021 £
Staff costs	78,396	51,455	73,808	3,291	206,950	209,975
Other costs	140	66,346	21,677	-	88,163	28,236
	<u>78,536</u>	<u>117,801</u>	<u>95,485</u>	<u>3,291</u>	<u>295,113</u>	<u>238,211</u>
Grant funding of activities (see note 9)	-	-	-	7,910	7,910	16,070
Share of support costs (see note 10)	44,717	43,318	31,175	1,994	121,204	113,986
Share of governance costs (see note 10)	3,363	3,257	2,344	150	9,114	8,529
	<u>126,616</u>	<u>164,376</u>	<u>129,004</u>	<u>13,345</u>	<u>433,341</u>	<u>376,796</u>
Analysis by fund						
Unrestricted funds - general	126,616	159,472	93,929	5,435	385,452	321,824
Unrestricted funds - Designated	-	-	-	-	-	6,922
Restricted funds	-	4,904	35,075	7,910	47,889	48,050
	<u>126,616</u>	<u>164,376</u>	<u>129,004</u>	<u>13,345</u>	<u>433,341</u>	<u>376,796</u>

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Charitable activities

(Continued)

For the year ended 31 December 2021

	Membership and publications £	Events £	School Small grants education £	Total 2021 £
Staff costs	77,138	58,130	71,729	209,975
Other costs	5,175	12,055	11,006	28,236
	82,313	70,185	82,735	238,211
Grant funding of activities (see note 9)	-	-	-	16,070
Share of support costs (see note 10)	34,350	34,849	43,001	113,986
Share of governance costs (see note 10)	2,690	2,555	3,153	8,529
	119,353	107,589	128,889	376,796
Analysis by fund				
Unrestricted funds - general	112,431	107,589	96,909	321,824
Unrestricted funds - Designated	6,922	-	-	6,922
Restricted funds	-	-	31,980	48,050
	119,353	107,589	128,889	376,796

9 Grants payable

	Small grants 2022 £	Small grants 2021 £
Grants to institutions:		
De La Warr Pavilion Trust	1,000	-
Clare Farrow Studio	-	1,000
Blueprint Film Foundation	-	1,000
Central Region Schools Trust	1,000	-
83rd Fife Scout Cairneyhill Explorers	1,000	-
Royal Shakespeare Company	1,000	-
Modern Culture Ltd	1,000	-
Inhouse Events CIC	-	1,000
Queer East Film Festival	-	1,000
The British Museum	-	1,000
New Earth Theatre Limited	-	1,000
Other small grants paid to 11 (15) institutions	2,910	10,070
	7,910	16,070

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	39,888	-	39,888	33,270	33,270
Depreciation	1,353	-	1,353	1,102	1,102
Establishment Expenses	66,358	-	66,358	68,029	68,029
Office Expenses	7,734	-	7,734	8,413	8,413
General Expenses	5,264	-	5,264	2,580	2,580
Library Maintenance Expenses	607	-	607	592	592
Audit fees	-	8,150	8,150	-	7,550
Bank Charges	-	964	964	-	979
	<u>121,204</u>	<u>9,114</u>	<u>130,318</u>	<u>113,986</u>	<u>122,515</u>
Analysed between Charitable activities	<u>121,204</u>	<u>9,114</u>	<u>130,318</u>	<u>113,986</u>	<u>122,515</u>

11 Trustees

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

The charity carried indemnity insurance for its trustees, for which a premium of £3,733 (2021: £3,394) was paid.

12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>9</u>	<u>9</u>
Employment costs	2022 £	2021 £
Wages and salaries	235,821	232,690
Other pension costs	11,017	10,555
	<u>246,838</u>	<u>243,245</u>

The trustees of the Japan Society determined there to be 3 members of key management personnel.

The total employee remuneration of key management personnel of the charity was £88,974 (2021: £94,195)

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 2022

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Library fixtures, fittings & equipment		Total
	£	£	£
Cost			
At 1 January 2022	350,000	45,639	395,639
Additions	-	9,633	9,633
Disposals	(350,000)	-	(350,000)
At 31 December 2022	-	55,272	55,272
Depreciation and impairment			
At 1 January 2022	-	42,472	42,472
Depreciation charged in the year	-	1,353	1,353
At 31 December 2022	-	43,825	43,825
Carrying amount			
At 31 December 2022	-	11,447	11,447
At 31 December 2021	350,000	3,168	353,168

15 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	13,693	55,487
Prepayments and accrued income	20,609	29,147
	34,302	84,634

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	5,380	483
Trade creditors	5,083	1,362
Other creditors	51,171	19,987
Accruals and deferred income	29,027	37,440
	90,661	59,272

THE JAPAN SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 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 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
Education Fund	-	48,050	(48,050)	-	42,985	(42,985)	-
Hammersmith Garden Fund	6,809	-	-	6,809	2,557	(4,904)	4,462
	<u>6,809</u>	<u>48,050</u>	<u>(48,050)</u>	<u>6,809</u>	<u>45,542</u>	<u>(47,889)</u>	<u>4,462</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 2022

18 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 2021	Resources expended	Transfers	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>382,984</u>

	Balance at 1 January 2022	Resources expended	Transfers	Balance at 31 December 2022
	£	£	£	£
Library	350,000	(219,117)	(130,883)	-
Maintenance fund	13,000	-	-	13,000
Digitalisation of books fund	19,984	-	-	19,984
	<u>382,984</u>	<u>(219,117)</u>	<u>(130,883)</u>	<u>32,984</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 2022

19 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:				
Tangible assets	11,447	-	-	11,447
Current assets/(liabilities)	543,879	32,984	4,462	581,325
	<u>555,326</u>	<u>32,984</u>	<u>4,462</u>	<u>592,772</u>
	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>

20 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:

	2022 £	2021 £
Within one year	273	273
Between two and five years	1,094	1,094
In over five years	-	273
	<u>1,367</u>	<u>1,640</u>

21 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 £24,000 (membership subscription and donation).

Michael Rivera King, who joined as CEO in July 2023 is also a trustee of the Ashinaga Association in the UK. The Ashinaga Association pay both membership to The Japan Society and for use of office space amounting to £13,860 per year.