

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
WALES JAPAN CLUB**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
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WALES JAPAN CLUB

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	Page
Report of the Governors	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 10

WALES JAPAN CLUB

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 MARCH 2021

The Governors present their report with the financial statements of the charity for the year ended 31 March 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objects are:

1. to manage the Japanese School in Wales (Wales Nihon Jin Kai).
2. to promote international exchange between Japan and the United Kingdom and to contribute to mutual understanding and goodwill within the local community.
3. to cultivate mutual friendship between members.

The aims of the school are to support the Japanese children who live in Wales through supplemental education such as Japanese language, cultural study between the United Kingdom and Japan. This education contributes to the promotion of a friendship between both countries.

Public benefit

The organisation's governors can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission, as demonstrated by the above objectives and the activities below.

Significant activities

The Wales Japan Club has a large membership whose contributions are used to provide friendship meetings and entertainment for the WJ21 Club, a networking club for younger Japanese and Sui Oh Kai, a club for expatriate Japanese and Welsh enthusiasts for Japan. The majority of funds are used to support the Japanese School in Wales, which was established in 1981 by Ms Midori Matsui and now has around 60 students to primarily provide tuition in the Japanese language to the children of Japanese staff working in Wales.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year the Club continued its activities in line with the above stated objectives.

FINANCIAL REVIEW

Reserves policy

Incoming resources for the financial year totalled £92,868. The main sources of income were as follows:

1. Embassy of Japan funding £30,332
2. Welsh Government support £20,000
3. Club annual subscriptions £13,340
4. School fees £27,980

Expenditure totalled £96,031, resulting in a deficit of £3,163.

RESERVES POLICY

At 31 March 2021, total unrestricted funds were £264,376. These funds are being held to ensure the Wales Japan Club can continue to run existing activities should, for example, government funding cease or unforeseen costs arise.

The Governors operate a separate designed fund for the Japanese School in Wales. During the year an amount of £27,000 was distributed to this fund from the Club's general fund.

WALES JAPAN CLUB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Going concern

The outbreak of coronavirus (Covid-19) was confirmed to be a global pandemic by the World Health Organisation on 11 March 2020. This resulted in several measures being taken globally by governments to protect the wellbeing of the population. The charity continues to follow government guidance to safeguard our people. Our continued focus is to deliver our charitable objectives and ensure the wellbeing and safety of staff and clients.

The Board have considered the charity's ability to continue as a going concern taking into account the impact of Covid-19. Several factors have been considered by the Board when forming their conclusions as to whether the use of the going concern basis is appropriate when preparing these statements including liquidity, cash resources, liabilities, future funding and support available from various government initiatives.

The trustees have concluded that the charity has a reasonable expectation that there will be adequate resources to continue to operate for at least 12 months from the date of signing these financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity adopted a constitution dated 24 March 1999 which was amended 18 March 2006. The Trust is registered with the Charity Commission, registration number 1095976.

Membership of the charity is open to any individual over the age of eighteen, or organisation which is interested in furthering the work of the charity. The Board of Governors review the joining fee and annual subscriptions due from members each year.

The Board of Governors consists of members nominated from each member company. There may be between 3 and 27 members elected at the annual general meeting, who hold office from the conclusion of that meeting and retire from office one year later. Matters are determined by a majority of votes of the Board of Governors, the chairman having a second or casting vote.

The Management Committee manages the day to day activities of the Charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1095976

Principal address

C/o Watts Gregory LLP Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

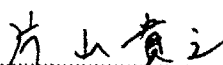
Current Board of Governors

Yasushi Morimoto	Chairman
Manabu Hara	Chief Secretary
Takayuki Katayama	Treasurer

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
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Approved by order of the Board of Governors on 19/01/2022 and signed on its behalf by:


Takayuki Katayama - Treasurer

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WALES JAPAN CLUB

Independent examiner's report to the trustees of Wales Japan Club

I report to the charity Governors on my examination of the accounts of Wales Japan Club (the Trust) for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity Governors of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

29 January 2022

WALES JAPAN CLUB

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	50,696	-	50,696	50,134
Charitable activities					
Advancement of the education of Japanese	5	41,677	-	41,677	61,748
Other trading activities	4	<u>495</u>	<u>-</u>	<u>495</u>	<u>797</u>
Total		92,868	-	92,868	112,679
EXPENDITURE ON					
Charitable activities					
Advancement of the education of Japanese		<u>96,031</u>	<u>-</u>	<u>96,031</u>	<u>106,505</u>
NET INCOME/(EXPENDITURE)		(3,163)	-	(3,163)	6,174
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>267,539</u>	<u>-</u>	<u>267,539</u>	<u>261,365</u>
TOTAL FUNDS CARRIED FORWARD		<u>264,376</u>	<u>-</u>	<u>264,376</u>	<u>267,539</u>

The notes form part of these financial statements

WALES JAPAN CLUB

**BALANCE SHEET
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
CURRENT ASSETS					
Debtors	10	30,332	-	30,332	25,060
Cash at bank		<u>242,903</u>	-	<u>242,903</u>	<u>252,725</u>
		273,235	-	273,235	277,785
CREDITORS					
Amounts falling due within one year	11	(8,859)	-	(8,859)	(10,246)
		<u>264,376</u>	-	<u>264,376</u>	<u>267,539</u>
NET CURRENT ASSETS					
		<u>264,376</u>	-	<u>264,376</u>	<u>267,539</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>264,376</u>	-	<u>264,376</u>	<u>267,539</u>
NET ASSETS					
		<u>264,376</u>	-	<u>264,376</u>	<u>267,539</u>
FUNDS	12				
Unrestricted funds				<u>264,376</u>	<u>267,539</u>
TOTAL FUNDS				<u>264,376</u>	<u>267,539</u>

The financial statements were approved by the Board of Governors and authorised for issue on 18/01/2022 and were signed on its behalf by:


Takayuki Katayama - Treasurer

The notes form part of these financial statements

1. STATUTORY INFORMATION

Wales Japan Club is a registered charity, registered in England and Wales under charity number 1095976. The governing document of the charity is its Constitution and it is an unincorporated association. The principal address and nature of the charity's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charity's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent to provide a 'true and fair' view. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Wales Japan Club meets the definition of a public benefit entity as demonstrated within the Report of the Trustees.

There have been no material departures from Financial Reporting Standard 102.

These financial statements have been prepared in compliance with SORP (FRS 102).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. It is not the policy of the charity to show incoming resources net of expenditure.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

2. ACCOUNTING POLICIES - continued

Income

Other trading activities income

Income from other trading activities is recognised on a receivable basis.

Investment income

Investment income is recognised on a receivable basis.

Expenditure

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

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund structure

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

The Governors operate a separate designated fund for the Japanese School in Wales. The funding amount for the forthcoming year is decided at the annual board meeting held in March.

Debtors

Trade debtors and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

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 trade discounts due.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	364	768
Embassy of Japan funding	30,332	29,366
Welsh Government funding	<u>20,000</u>	<u>20,000</u>
	<u>50,696</u>	<u>50,134</u>

WALES JAPAN CLUB**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****4. OTHER TRADING ACTIVITIES**

	2021	2020
	£	£
Website	495	720
Sale of books	-	77
	<u>495</u>	<u>797</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Club - Annual subscriptions	13,340	15,490
School fees	27,980	44,911
School - other activities	357	1,347
	<u>41,677</u>	<u>61,748</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

The Governors received no remuneration during the year (2020 - £Nil).

Trustees' expenses

Governors' expenses in relation to the annual board meeting amounted to £Nil (2020 - £Nil)

7. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	<u>73,242</u>	<u>80,908</u>
	<u>73,242</u>	<u>80,908</u>

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

	2021	2020
Average number of employees	<u>14</u>	<u>14</u>

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

8. EXPENDITURE

Included within expenditure is an amount of £1,500 (2020 - £1,500) in respect of Independent Examination fees.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income and expenditure in the year ended 31 March 2020 was unrestricted.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accrued income	<u>30,332</u>	<u>25,060</u>

WALES JAPAN CLUB

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Taxation and social security	1,420	3,486
Other creditors	<u>7,439</u>	<u>6,760</u>
	<u>8,859</u>	<u>10,246</u>

12. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
Wales Japan Club	121,494	24,982	(27,000)	119,476
Designated fund - Japanese School in Wales	<u>146,045</u>	<u>(28,145)</u>	<u>27,000</u>	<u>144,900</u>
	<u>267,539</u>	<u>(3,163)</u>	-	<u>264,376</u>
TOTAL FUNDS	<u>267,539</u>	<u>(3,163)</u>	-	<u>264,376</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Wales Japan Club	30,001	(5,019)	24,982
Designated fund - Japanese School in Wales	<u>62,867</u>	<u>(91,012)</u>	<u>(28,145)</u>
	<u>92,868</u>	<u>(96,031)</u>	<u>(3,163)</u>
TOTAL FUNDS	<u>92,868</u>	<u>(96,031)</u>	<u>(3,163)</u>

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
Unrestricted funds				
Wales Japan Club	114,599	31,565	(24,670)	121,494
Designated fund - Japanese School in Wales	<u>146,766</u>	<u>(25,391)</u>	<u>24,670</u>	<u>146,045</u>
	<u>261,365</u>	<u>6,174</u>	-	<u>267,539</u>
TOTAL FUNDS	<u>261,365</u>	<u>6,174</u>	-	<u>267,539</u>

WALES JAPAN CLUB**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****12. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Wales Japan Club	36,321	(4,756)	31,565
Designated fund - Japanese School in Wales	<u>76,358</u>	<u>(101,749)</u>	<u>(25,391)</u>
	<u>112,679</u>	<u>(106,505)</u>	<u>6,174</u>
TOTAL FUNDS	<u>112,679</u>	<u>(106,505)</u>	<u>6,174</u>

Transfers between funds

At the annual board meeting, the Board of Governors resolved to distribute £27,000 (2020 - £30,000) from Wales Japan Club funds to the Japanese School in Wales. This transfer is to cover running costs.

During the year, £2,300 was transferred from the Wales Japan Club to the Japanese School in Wales to cover fees in relation to website costs.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021 (2020: £Nil) which required disclosure.