

Company registered number: 05114516  
Charity registered number: 1104491

# **SOKA GAKKAI INTERNATIONAL - UK**

## **TRUSTEES REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR 31 DECEMBER 2022**

**SOKA GAKKAI INTERNATIONAL - UK**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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# **SOKA GAKKAI INTERNATIONAL - UK**

## **REPORT AND FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The trustees present their report and the financial statements of Soka Gakkai International - UK (referred to as “SGI-UK”) for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity’s governing document, the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS102).

### **OBJECTIVES AND ACTIVITIES**

#### **Charitable Objectives**

The charitable objectives for which SGI-UK is established are stated in the current governing document as follows:

To promote in the United Kingdom and elsewhere in the World the study and practice of Nichiren Buddhism as taught by Soka Gakkai International by such means as the trustees think fit including, but not limited to:

- (A) The promotion of peace and understanding between peoples of different cultures and races;
- (B) The education of the public in arts of cultural and educational value (including the arts of music, song, dance, drama, literature, painting, drawing and sculpture);
- (C) The education of the public about conservation, protection and improvement of the environment;
- (D) The education of the public about human rights and their maintenance and observation;
- (E) The relief of poverty, sickness, infirmity and old age; and
- (F) The education of the public about peaceful means of conflict resolution.

#### **Charitable Activities**

In pursuance of its charitable objectives, and in order to achieve the overall aims of its mission, the principal charitable activity of SGI-UK is the “advancement of religion” as it relates to the Buddhism of Nichiren Daishonin.

Each year, this overall single charitable activity is undertaken in a number of ways by SGI-UK:

- Providing and maintaining centres for the study and practice of Nichiren Buddhism and other activities directed towards the furtherance of the charity’s mission;
- Commissioning, printing, publishing, displaying and circulating newspapers, pamphlets, books, circulars, magazines, recordings, tapes, films, electronic information, and any other educational materials;
- Organising or supporting lectures, seminars, courses, classes, workshops, conferences and meetings;
- Promoting and staging artistic, musical, cultural and dramatic performances, shows, exhibitions, concerts and other events; and
- Co-operating with and supporting other voluntary, non-governmental and statutory bodies and organisations including the United Nations whose purposes are compatible with the objectives of the charity.

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**Indicators, Milestones & Benchmarks**

The trustees monitor a range of measures to determine the success of the charity in meeting its objectives. These measures include:

- Level of membership of SGI-UK and the trend over time.
- Changes in the number of districts and other organisational units.
- Attendance at courses, meetings and events to study and share the teachings of Nichiren.
- Circulation and readership of publications.
- Feedback from delegates and the public more generally.
- The extent of, and feedback from, other entities with whom SGI-UK co-operates or to whom SGI-UK provides support.
- Numbers of weddings and funerals.
- Academic research on SGI-UK.
- Study exam statistics.

**Public Benefit**

The trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance publication "The Advancement of Religion for the Public Benefit") into consideration in preparing their statements on public benefit contained within this trustees' annual report.

*Benefits & Beneficiaries*

In accordance with its charitable objectives, SGI-UK strives to advance religion as it relates to the Buddhism of Nichiren Daishonin. The charity's principal beneficiaries are therefore:

- The members of SGI-UK;
- People exploring whether they wish to become members of SGI-UK; and
- Members of the public who come to any SGI-UK activity or look at any of our resources in order to find out about Buddhism in the Nichiren tradition.

In addition beneficiaries include people who visit Taplow Court Open Days and attend cultural activities that we hold whether in person or online, both being ways of opening ourselves to society and making friends, as well as communicating our attitude to life, without explicitly teaching about Buddhism, and school children who visit Taplow Court as an educational resource also benefit. Finally, those groups in the local community whom we allow to use Taplow Court without charge in order to hold charitable or educational activities also benefit.

The benefits provided to beneficiaries by SGI-UK are:

- The practice of Buddhism is a benefit in itself, being a practice and philosophy that enables the individual to strengthen their lives, overcome weakness and achieve goals. This growth in the individual affects their families, communities and places of work. [Indeed in the words of the President of SGI "A great human revolution in the life of one person can change the destiny of humankind and our entire planet" Daisaku Ikeda];
- The organisation of monthly discussion meetings throughout the UK open to all at no charge, where Buddhism in the Nichiren tradition is communicated through short presentations, experiences and open discussion;
- The organisation of monthly study meetings throughout the UK where the writings of Nichiren are studied also open to all at no charge;
- The provision of seminars, other study opportunities and courses, as expanded elsewhere in this report;
- Explanations about Buddhism to school children and students at Taplow Court and in schools and other institutions countrywide, where local members speak by invitation as Buddhist practitioners during RE lessons and at other times;
- Introductory talks about Buddhism held at our London centres and at various places country wide;
- Conduct of religious ceremonies – weddings and funerals; and

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- A leadership network which exists to provide continuous support to people in their practice of Buddhism.

#### *Trustees' Assessment of Public Benefit*

In relation to their assessment of the delivery by the charity of public benefit, the trustees take into consideration the following sources of evidence:

- Members' experiences of practice shared at meetings and published in our monthly magazine;
- Numbers of members and guests attending discussion meetings, study meetings and taking part in the annual study course and attending Buddhist courses;
- Number of school and student visits to Taplow Court and the positive responses elicited by these; and
- Number of weddings and funerals conducted.

We appreciate that the benefit cannot best be conveyed through numbers, and that the best gauge of benefit is the first one above, members' experiences.

#### **Grant Making Policy**

The charity does not currently give grants in any formal structured manner as a means by which it fulfils its charitable objectives, and therefore, the trustees have not set a grant making policy.

However, from time to time, SGI-UK will provide funding by way of donations to certain other voluntary, non-governmental and statutory bodies and organisations where the trustees are satisfied that such support will help to promote the Buddhism of Nichiren Daishonin through peace, culture and education.

#### **Relationships with Related Parties**

SGI-UK is a member of the Network of Buddhist Organisations in the United Kingdom and a corporate member of UNICEF and the Commonwealth Human Ecology Council. SGI-UK is an active member of Religions for Peace UK. In 2021 SGI-UK was accredited as an Observer Organisation for the United Nations Framework Convention on Climate Change (UNFCCC) and representatives have attended COP26 in Glasgow and COP27 in Sharm El-Sheikh; this status will be ongoing for future conferences. As a member of the Soka Gakkai International ("SGI") community worldwide, SGI-UK is implicitly related to all similar SGI entities and in particular works closely with the founding Soka Gakkai entity based in Tokyo, Japan.

#### **Representation on Other Bodies**

SGI-UK does not currently pursue its charitable objectives through representation on any other external bodies.

#### **New Soka Gakkai Charter**

In 2021, the updated Soka Gakkai Charter replaced the SGI Charter to further articulate the organization's purposes, the ideals motivating its activities and its guiding principles in the realm of social engagement as a global organization promoting peace and culture. The text of the Charter is set out below, and where appropriate the relevance of each principle to our activities will be highlighted elsewhere in this Report.

#### *Preamble*

We, the Soka Gakkai organizations and members throughout the world, share the aim and mission of promoting peace, culture and education based on the Buddhist teaching of respect for the dignity of life.

In the face of multiple, interlocking crises, it is clear that humanity's survival and flourishing must be a shared, cooperative undertaking founded in an awareness of our intimate connections with all forms of life. Everyone's contribution is needed, and no one must be left behind.

We believe that the teachings of Nichiren Buddhism offer a means for each of us to manifest within the realities of daily life the unlimited capacity for wisdom, courage and compassion we all possess. We therefore seek to foster individuals who are empowered to take on the daunting challenges we face and are committed to building a more just and sustainable world for future generations.

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We, the respective organizations of the Soka Gakkai, raising high the banner of global citizenship, the spirit of active tolerance and respect for human dignity, and determined to confront the threats facing humankind based on an unwavering commitment to nonviolence and the culture of peace, hereby adopt this charter, affirming the following purposes and principles.

##### *Purposes and Principles*

1. The Soka Gakkai will contribute to peace, culture and education based on the Buddhist teaching of respect for the dignity of all life.
2. The Soka Gakkai will promote an understanding of Nichiren Buddhism through grassroots dialogue and exchange, thereby contributing to the realization of human happiness and well-being.
3. The Soka Gakkai will respect and promote freedom of thought, conscience and religion.
4. The Soka Gakkai will, based on the Buddhist spirit of tolerance, respect other religious and philosophical traditions, engaging in dialogue and working together with them toward the resolution of the fundamental challenges confronting humankind.
5. The Soka Gakkai will respect local cultures and customs, and the autonomy of each organization. Each organization will develop its activities in accordance with the laws and conditions prevailing in that country or territory and will encourage its members to contribute to society as responsible citizens.
6. The Soka Gakkai will work for peace and a world free from nuclear weapons and will promote just and sustainable development.
7. The Soka Gakkai will safeguard and promote human rights. It will not discriminate against any individual and will oppose all forms of discrimination. It will contribute to the achievement of gender equality and promote the empowerment of women.
8. The Soka Gakkai will respect cultural diversity and promote intercultural exchange, thereby contributing to mutual understanding and cooperation among the world's peoples.
9. The Soka Gakkai is committed to building a sustainable world for future generations, addressing the climate crisis, and protecting and caring for the ecosystems of Earth.
10. The Soka Gakkai will promote education, learning and scholarship, to enable all people to cultivate their individual character and enjoy contributive, fulfilling and happy lives.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Activities & Events**

Once it became possible to start meeting in person again after the lockdown caused by the Covid-19 Coronavirus situation, we gradually reintroduced opportunities for our members to attend activities. Starting with the opportunity to visit our national Headquarters at Taplow Court, and enjoy the house and gardens, we introduced a series of Open Days starting from Easter 2022, giving every one of our Areas the opportunity to organise a visit. Starting in May 2022 we encouraged every local district to discuss the best way to start meeting locally again, in the way that suited the membership of that district. Some activities continued to take advantage of video-mediated communication, such as Zoom, and this was seen to be a useful way both to keep in contact and also limit carbon emissions from many members travelling sometimes long distances to the meeting venues. We reintroduced activities which had been suspended since March 2020, such as membership ceremonies, study exams and other opportunities to meet in person. Where necessary, these were held in a hybrid way so as to leave no one behind.

Our shop at Taplow Court selling Buddhist books and items was able to open once again, and our online shop and mail order continued to provide a service.

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##### ***Core activities to promote the study and practice of Nichiren Buddhism as taught by SGI***

Our basic method of introducing people to SGI-UK and Nichiren Buddhism is through inviting them to the monthly discussion meetings held by our 627 districts around the country. These meetings are usually held in members' own homes, but became virtual meetings online during the pandemic. From May 2022, districts started to discuss how they would hold meetings again, and what the best format was for the participants in the local area. Study lectures, introductory talks and public lectures also moved back to being in person after around two years online. The London Ikeda Peace Centre at 7 Wakefield Street, London WC1, the South London National Centre in Brixton and the West London Centre in Acton were closed except for staff use and maintenance. We were able to do some important work to the fabric of our centres while they were closed.

Our monthly magazine, the Art of Living ("AOL"), has over 4,035 subscriptions and the print run continued at 5,200, (because the shops in our centres were not open to sell individual copies).

Districts as referred to above are organised into chapters, usually consisting of 2 to 4 districts. Study of Nichiren Daishonin's writings are organised monthly, usually on a chapter level. There are 171 Chapters. Preparation for lectures is held some months before each lecture, support material being sent electronically to all lecturers. Introductory lectures continued online.

There were no residential courses held at Taplow Court or in rented venues in 2022.

Online summer courses were held throughout the country between June and September 2022. Most were organised on Area level, some for just one of the 4 divisions, but many were held with either all divisions together or with men and young men or women and young women together.

Meetings to inspire and support Leaders were held online were organised nationally and locally. In November all leaders were invited to an inspiration meeting and more than 3,000 attended.

Our study courses continued with online meetings, and gradually introduced face to face opportunities. Study courses give a structured study syllabus for all members to take advantage of. The Grade 1 and 2 exams postponed from 2020, were held for the first time again in May 2022.

The SGI-UK Study Department has split into four subgroups, which will focus on particular areas of study. These are: study courses and exams, study lecturers' training, study materials and publications, and study admin.

##### **SGI-UK Outreach activities in 2022**

*[Note: In light of the COVID-19 pandemic, all scheduled SGI-UK meetings were held online for the first few months of 2022 until May when online activities were encouraged in their place.]*

The SGI theme for 2022 was 'Year of Youth and Dynamic Progress' and here are some examples of the activities and initiatives organised by SGI-UK members during the year. In light of the Soka Gakkai Charter mentioned above, the activities are listed to illustrate the various Charter principles.

#### **1 The Soka Gakkai will contribute to peace, culture and education based on the Buddhist teaching of respect for the dignity of all life.**

##### **1.1 Peace**

###### **2022 peace proposal**

On 26 January 2022, marking the founding of the SGI, President Ikeda's 40th annual peace proposal was released, entitled: 'Transforming Human History: The Light of Peace and Dignity'. In brief, he calls for *further global cooperation to address the key issues of our time: the COVID-19 pandemic, the climate crisis and the need to rid the world of nuclear weapons. These issues are not constrained by national borders and cannot be solved by any one government or organisation alone.*

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The full text of the peace proposal is available at: <https://www.daisakuikedas.org/main/peacebuild/peace-proposals/pp2022.html>. General Director Robert Harrap did a number of online talks on the Proposal for members and the public.

#### **2. The Soka Gakkai will promote an understanding of Nichiren Buddhism through grassroots dialogue and exchange, thereby contributing to the realization of human happiness and well-being.**

##### **May 2022 - Rose planting at Taplow Court**

Fifty roses (*Rosa rugosa Alba*) have been planted at Taplow Court to commemorate the fiftieth anniversary of the start of the Toynebee-Ikeda dialogue. The plants are alongside the pergola which President Ikeda named as 'Toynebee Walk' and will provide a beautiful and scented welcome for future visitors to Taplow Court.

##### **May 2022 - Hearts of hope at the Otley Show**

West Yorkshire's Otley Show on May 21 was a truly magnificent day for sharing warm and meaningful dialogues about Nichiren Buddhism and the SGI. Wharfe Valley Sunrise District's colourful stand attracted dozens of youngsters who took time out to paint hearts of hope for its peace tree. An endless stream of enquirers were given specially designed bookmarks, cards and SGI magazines to learn more about our practice and several visitors expressed an interest in attending a discussion meeting or finding out more.

##### **September 2022 - Glorious Life Chorus sing at Open Day**

Thirty-four members of the SGI-UK Glorious Life Chorus worked in great rhythm on Sunday 11 September at the Taplow Court Heritage Open Day. Every song during each of the two performances was an opportunity for the chorus to deepen our conviction and experience Buddhahood in the act of singing. Audience members were deeply moved and spontaneously expressed their appreciation. The Chorus started to recruit new members.

#### **3. The Soka Gakkai will respect and promote freedom of thought, conscience and religion.**

##### **January 2022 - Interfaith meeting in East Surrey and Mid Sussex Headquarters**

On 26 January, we were invited to speak at the Crawley Interfaith Meeting for young people held online. We chanted before the meeting to communicate the essence of Nichiren Buddhism succinctly and to connect with the heart of all the participants. The topic for the meeting was: 'What does my faith mean to me?', and the aim was to encourage young people to share their experiences. There were young people from Hindu, Muslim, Ba'hai and Seventh Day Adventist backgrounds. We were inspired by the spirit of the other young people and we were all unified by the common desire for peace.



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**4. The Soka Gakkai will, based on the Buddhist spirit of tolerance, respect other religious and philosophical traditions, engaging in dialogue and working together with them toward the resolution of the fundamental challenges confronting humankind.**

##### July 2022 - Thai Embassy visit to Taplow Court

This year is the 125th anniversary of the visit of King Rama V, the King of Siam (now Thailand) to the UK in 1897. For around ten weeks he rented Taplow Court from the Grenfell family and used it as his base as he researched ideas for the modernisation of his own country. On 27 May, the Thai ambassador in London, His Excellency Pisanu Suvanajata celebrated the anniversary by visiting Taplow Court with a group of staff from the embassy and their families to deepen the connection with SGI-UK. President Ikeda had a warm friendship with the late King Bhumibol whose photographs were shown some years ago at Taplow Court.

To coincide with this event, SGI-UK asked if we could borrow 'the King of Siam's Cup', a trophy given to the Taplow Athletic Club in 1897 and held by St Nicolas' School in the village. Rebecca Holmes, the school's headteacher, said that the school would like to present it as a gift to SGI-UK. Rebecca said: 'We have been thinking about the connections that have developed between SGI and St Nicolas' over the past few years and especially your extraordinary support for us when we were flooded a few years ago. As a token of our lasting friendship and a belated but heartfelt thank you, we would like to make a gift of the King of Siam's cup to SGI-UK. We know you will look after it very well.'

##### November 2022 - Supporting Remembrance Sunday in Southampton

Aditi Vanvari and David Vane attended the Remembrance Event in Southampton on 12 November at the Cenotaph. The service remembered those who lost their lives in battle and, in particular, the fortieth anniversary of the end of the war in the Falklands. Southampton had an important role in transporting soldiers and supplies to the South Atlantic. The seven faith representatives from the Southampton Council of Faiths each spoke some lines in the programme and Aditi (a young women's division member in Portswood District) recited the words for SGI-UK and the Buddhist community in the city. David, as Chair of Southampton Council of Faiths and SGI member of Shirley District, laid a wreath on behalf of SGI-UK and the Buddhist community.

The event was well attended with many groups from the armed forces and local organisations and the final march past in front of the Lord Mayor was enhanced by the presence of the current veterans.

##### November 2022 - WAMCF Reception at Taplow Court

Windsor & Maidenhead Community Forum (WAMCF) is the Interfaith Group of the Royal Borough. It has been strengthening trust and friendship with other faiths and the wider community for over forty years. Karnail Pannu MBE, the Chair has strong ties with SGI-UK and he was proud to receive the Taplow Court Culture Award from President Harada when he visited in April 2018.

On Thursday 10 November, WAMCF held a reception at Taplow Court inviting over seventy including local dignitaries, council staff, leaders from local community groups and charities and representatives from the world's faiths.

**5. The Soka Gakkai will respect local cultures and customs, and the autonomy of each organization. Each organization will develop its activities in accordance with the laws and conditions prevailing in that country or territory and will encourage its members to contribute to society as responsible citizens.**

##### SGI-UK representatives on BBC Radio 2's 'Pause for Thought'

Youth representative Gabrielle Westhead delivered a number of 'Pause for Thought' contributions on BBC Radio 2.

##### President Ikeda sent a message of condolence to the King

President Ikeda sent a message addressed to the King on behalf of Soka Gakkai members in the United Kingdom and throughout the world, expressing his heartfelt condolences upon hearing the news of the death of HM The Queen. President Ikeda met with HRH Prince Charles when the Prince of Wales at Highgrove, near Gloucester in June 1994.

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##### April to September - Open Days begin

Following a period when Taplow Court opened to SGI-UK members around the country, the estate was open to the public for the first time in over two years from Sunday 3 July. Over two hundred people came to enjoy the beauty of the grounds, to take in the history of the house, and to relax with cream teas in the garden. Local residents in particular welcomed the re-opening of Taplow Court, many arriving on foot from the village. Open Days also took place on Sunday 7 August, Sunday 4 September and Sunday 11 September (National Heritage Day), from 2 to 5pm.

##### July 2022 - St Nicolas Playgroup temporarily move to Taplow Court

A local playgroup in Taplow village recently used the canteen at Taplow Court and they posted this message of thanks on social media:

Our usual home... had a plumbing issue and no running water. The Playgroup was faced with closing for the last 2.5 weeks of term. Thankfully SGI-UK came to the rescue and allowed us to host the playgroup in one of their buildings in the beautiful Taplow Court.

We are so grateful that they enabled us to continue providing the quality childcare that our fifty local families rely on.

And even more grateful that they allowed us to host the graduation ceremony today to say goodbye to our children making the transition from playgroup to school. Thank you SGI-UK! We are so lucky to have such supportive neighbours in the lovely village of Taplow!

##### October 2022 - Taplow Court reception

Guests from the local community including the Mayor of the Royal Borough of Windsor and Maidenhead and the Chair of Buckinghamshire council were delighted to return to Taplow Court after a long absence for a truly warm and wonderful evening at SGI-UK's annual reception on Thursday 29 September. Delicious refreshments, a sincere welcome and beautifully performed piano and violin music combined to treasure our friends in the community. Savouring the seasoned hospitality of Taplow Court, many expressed how much they appreciated reconnecting in person with SGI-UK and learning more about us. A roaring fireside and the hubbub of conversation made for a relaxed but buzzing atmosphere, and as they left – somewhat reluctantly – our guests were smiling; every one.

#### **6. The Soka Gakkai will work for peace and a world free from nuclear weapons and will promote just and sustainable development.**

##### January 2022 - tree project in Winchester

Members in Winchester facilitated a ceremony celebrating a joint project between the Mayoralty of Winchester, the University of Winchester and SGI-UK. The ceremony, attended by the Mayor, saw the planting of seeds sent by the Mayor of Hiroshima from Ginkgo trees that survived the atomic bomb. Once the seeds grow into saplings they will become part of a local schools' project around peace-building, environmentalism and anti-bullying. Sam Jones, Assistant Vice Chancellor of the University said: 'In the future, the trees will be a source of inspiration to pupils as we strive to live as part of a peaceful global community.'

##### May 2022 - 'Immoral Code' film premier in London

On 18 May, SGI-UK members were invited to the launch of Immoral Code, a documentary short made by the film collective Stop Killer Robots and supported by a variety of organisations, including SGI.

The film highlights potential and real risks of Artificial Intelligence (AI) in weaponry, surveillance, policing and other areas of civil and military life. Moral, ethical, legal and philosophical quandrums are put to the viewer as human involvement decreases while the development of technological systems towards operational autonomy continues – many of which are already integrated into our daily lives.

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As the UN is being encouraged to create legislation to regulate AI, Immoral Code officially launches online ([immoralcode.io](http://immoralcode.io)) on 24 May, together with a global petition, in order to raise awareness, encouraging individual action on a local level. This thrillingly and urgently told short film deeply encouraged me to take personal responsibility towards contributing to a peaceful global society.

#### September 2022 - Mayors for Peace Nagasaki Day in Winchester

The Mayor of Winchester hosted Winchester's fourth Mayors for Peace event on 9 August – to commemorate the seventy-seventh anniversary of the atomic bombing of Nagasaki.

The event was organised by local SGI-UK members and over forty guests were present.

Former PeaceJam UK Director Sally Milne spoke of her work with Sir Joseph Rotblat. She recalled working on his dialogue A Quest for Global Peace with President Ikeda and she asked to be remembered to the SGI president.

The event concluded with a determination among everyone present to work more closely together to ensure that the second atomic bombing of Nagasaki, will be the last experienced by humanity.

**7. The Soka Gakkai will safeguard and promote human rights. It will not discriminate against any individual and will oppose all forms of discrimination. It will contribute to the achievement of gender equality and promote the empowerment of women.**

#### March 2022 - Soka Gakkai supports Ukrainian refugees

On 10 March, the Soka Gakkai donated 30 million yen (around £187,000.00) to the United Nations High Commissioner for Refugees (UNHCR). UNHCR Japan Representative Karen Farkas received the cheque from Soka Gakkai President Minoru Harada. She expressed her gratitude for the donation, stating that there is a pressing need for many forms of assistance for Ukrainian refugees, including blankets, food and psychological support.

#### April 2022 - Soka Gakkai continues their support of Ukrainian refugees

On 24 March, the Soka Gakkai in Japan made a donation of five million yen (approx. £31,056) to the World Food Programme (WFP), and on 28 March, they donated five million yen (approx. £31,056) and two million yen (around £12,422) to the Japan Committee for UNICEF and the NGO Japan Platform respectively. On 30 March, one million yen (approx. £6,211) was donated to the NGO Association for Aid and Relief, Japan. These organisations were chosen as they are directly engaged in providing assistance on the ground.

**8. The Soka Gakkai will respect cultural diversity and promote intercultural exchange, thereby contributing to mutual understanding and cooperation among the world's peoples.**

#### May 2022 - Central London members organise commemorative event

Central London Area, where President Ikeda's historic dialogue with British historian Arnold J Toynbee took place fifty years ago, commemorated this special anniversary through a living dialogue forming part of a deeply inspiring webinar in the morning of 7 May.

We had 350 participants joining an illuminating talk on 'Dialogue and Democracy' by Professor Maria Guajardo (vice-president and lecturer at Soka University, Tokyo). She explored how, through holding dialogue with the intention to listen, assuming inner responsibility based on respect and fully employing the power of our voice, we can create (in Toynbee's words) 'a revolutionary change of the heart'.

In the subsequent open-hearted roundtable, six young people from SGI-UK honestly explored with Prof. Guajardo the role and challenges of dialogue, and its potential for affecting change within our lives and in society. Many participants later commented how they found this authentic and humane exchange to be deeply transformational.

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#### **9. The Soka Gakkai is committed to building a sustainable world for future generations, addressing the climate crisis, and protecting and caring for the ecosystems of Earth.**

##### February 2022 - Webinar on 'Human Rights and Climate Justice'

An important outcome of COP26 was a growing awareness that the climate crisis cannot be averted without also addressing social justice and protecting human rights. On Thursday 24 February at 7pm, this webinar will brought together members of faith-based organisations and experts in human rights to share ideas on how religious teachings and practitioners can contribute to this growing movement for climate justice and human rights.

They explored such questions as: What is loss and damage? How can we reverse the growing inequalities at the heart of our societies? What tools do we have to support those most affected by the climate crisis? And what can faith-based organisations do to support and protect human rights and climate justice?

##### February 2022 - Sustainable Development Goals in action

Five York Ouse West District members joined forces with St Nick's Environmental Group on 23 January to plant aconite, garlic and bluebells, helping to facilitate wildlife corridors in Fulford, North Yorkshire.

Initial contact and arrangement of the activity with St Nick's was made by Tom (Teddy) Binns of York Ouse West. It enabled us to contribute to SGI-UK's vision for the Sustainable Development Goals.

##### March 2022 - Online event hosted by Birkbeck College on Environmental Finance

Title - Environmental finance for the common good – perspectives from industry, academia and faith communities

Date: Thursday 31 March

SGI-UK General Director Robert Harrap took part in a dialogue between practitioners, academics and faith communities, looking at what financial and environmental decisions can and are being made as a response to the climate crisis.

##### June 2022 – Taplow Court designated as Local Wildlife Site

Thanks to the vision and efforts of head gardener, Phil Rollinson, and the combined gardening and canteen team, the Taplow Court estate has been designated as a 'Local Wildlife Site' by Buckinghamshire Council.

This is a national scheme to recognise sites of special nature conservation interest. This means that Taplow Court has been recognised as including important and rare habitats and species. There are five plant species that are rare or scarce in Bucks: Slender Parsley-piert, Knotted Clover, Little Mouse-ear Chickweed, Red Sand-spurrey and Slender Trefoil, and in total the panel recorded 169 species across the estate. Their report particularly praises the management of the chalk meadow for its diversity and the flowering species that have been able to flourish. The grassland is an excellent carbon store which supports high invertebrate density, alleviates flooding and is a good feeding area for bats, owls and birds of prey. It is also a wonderful habitat for ground-nesting birds like skylarks and small mammals. They also noted the rich supply of fungi with at least forty-seven species found, and praised the variety of trees in our woodland.

##### June 2022 - Climate crisis webinar series

SGI-UK/CFAB Webinar series continues with a webinar entitled 'The Climate Crisis and Migration'.

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##### July 2022 - Climate Webinar – ‘Transforming Human History’

Thursday 28 July at 7.00pm

In President Ikeda's 2022 Peace Proposal 'Transforming Human History: The Light of Peace and Dignity' he suggests ways to reweave the social fabric, create a global consciousness of solidarity and establish an economy that offers hope and dignity. One key proposal is for meaningful youth participation in resolving the climate crisis. This webinar looked at the key points of the proposal and how youth in the SGI are contributing to global efforts to address the crisis.

##### November 2022 - SGI events at COP27 in Egypt

SGI arranged two side events at COP27, which could be watched online via the UNFCCC YouTube channel.

1. Global Interfaith Youth Action on Climate Change: Gather, Discuss, Empower, and Act - Tuesday, 15 November 2022.

The event raised awareness of the important role faith plays in inspiring young people from diverse faith traditions towards climate action.

2. The Potential of REDD+ as a Cooperative Approach and the Need for Capacity Building - Tuesday, 15 November.

Recognising the potential of REDD+ and how each party will reduce emissions through deforestation towards their Nationally Determined Contributions, this included a project sponsored by SGI empowering women in Togo to work in the lumber industry.

**10 The Soka Gakkai will promote education, learning and scholarship, to enable all people to cultivate their individual character and enjoy contributive, fulfilling and happy lives.**

##### September 2022 - Academics in the UK discuss Soka Education

On 7 September, at the 2022 British Education Research Association (BERA) Annual Conference, from 6 to 8 September at the University of Liverpool, a panel on Global Citizenship as a Pedagogy of Hope was held. The symposium was chaired by SGI-USA member Dr Namrata Sharma of the State University of New York at Oswego. Director of the Soka Education Research Centre on Global Citizenship at the University of Guelph-Humber in Toronto, Canada, Dr Paul Sherman, Alexis Stones and Dr Aamna Pasha of University College London (UCL), and Director of the UCL Development Education Research Centre Prof. Douglas Bourn gave presentations on comparative and international education.

#### ***Impact of Activities & Events***

##### *Level of membership of SGI-UK and the trend over time (increasing or decreasing)*

We started to hold Membership and Gohonzon Bestowal Ceremonies once again with national ceremonies in August and November. 207 new members joined SGI-UK at in person ceremonies at our national HQ Taplow Court and at other regional ceremonies.

##### *Changes in the number of districts and other organisational units*

The number of districts at the end of 2022 was 627 (At the end of 2021: 629).

##### *Attendance at courses, meetings and events to study and share the teachings of Nichiren*

The monthly average discussion meeting attendance by members and their children in 2022 was 3,914 (2021: 4,238). And the average number of guests attending discussion meetings each month was 1,219 (2021: 701).

Because Taplow Court was closed for activities, there were no residential courses during the year.

##### *Circulation and readership of publications*

In December 2022, 4,305 subscribers purchased 4,385 copies (in December 2020: 4,357 subscribers purchased 4,729 copies) of our monthly publication, 'The Art of Living'. The print run continued at the reduced level of 5,200 (because our SGI-UK shops were not open to sell issues not sold by subscription or mail order).

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*Numbers of weddings and funerals*

SGI-UK conducted 6 weddings (2021: 6) and 132 funerals (2021: 15). None of these ceremonies took place at Taplow Court.

*Study exam statistics*

We reintroduced study courses and exams. 257 members took Grade 1 (243 passed), 173 took Grade 2 (159 passed) and 140 took Grade 3 (82 passed).

**FINANCIAL REVIEW**

***Financial Results of Activities & Events***

SGI-UK generated total income of £2,623,137 (2021: £2,403,996) including total income on endowment funds of £80,566 (2021: £40,563).

Total expenditure amounted to £3,381,100 (2021: £3,316,843) the vast majority of which was incurred furthering the principal activity of the charity that being the advancement of religion.

***Grant Making***

The charity does not currently give grants as a means by which it fulfils its charitable objectives.

***Reserves Policy***

SGI-UK relies upon the support of its members to continue its work in the United Kingdom. Because of this recurring need for annual voluntary income, which by its nature is inevitably unpredictable, it is the current policy of the trustees to endeavour to build up a reserve of unrestricted funds equal to three to six months operating costs and which are not designated for any other specific purpose. The trustees consider reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's activities while consideration is given to ways in which additional funds may be raised.

At the balance sheet date, SGI-UK had "free reserves" of £1,087,145 (2021: £984,531) which represents 4.6 months of operating costs less depreciation. The operating costs for Shop, Publications and Courses have differing income streams. With regards to covering the income received specifically from Donations and Legacies (£2,164,338) free reserves represents 6.0 months' income. Free reserves are therefore considered to be adequate but not excessive.

The trustees have agreed to designate £200,000 of reserves for major maintenance projects at Taplow Court, and £500,000 to finance local centres in the future. Area leaders around the UK are able to bid for funding when a suitable building has been found. In 2022 £107,436 of the Designated Local Centres Fund was spent on improvements to The South London National Centre and The London Ikeda Peace Centre. In 2022 £15,756 of the Designated Taplow Court Fund was spent on facilities in line with SGI-UK's Environmental & Sustainability Policy and preparation work for installation of a platform lift to improve accessibility.

With the current high level of free reserves, since the year-end the trustees have agreed to allocate £100,000 for improvements to the three London centres and use part of the Taplow Court maintenance reserve to improve accessibility by installing a disabled lift at Taplow Court and improve facilities in line with SGI-UK's Environmental & Sustainability Policy.

In addition to "free reserves", at the balance sheet date, the trustees were holding £16,589,096 (2021: £17,010,185) of unrestricted funds in a designated fund known as the Designated Fixed Assets Fund representing the resources required to finance the net book value of all functional fixed assets, and also £30,628,236 (2021: £35,521,116) in an expendable endowment fund known as the Commemorative Expendable Endowment Fund.

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##### ***Investments Policy***

The trustees have wide ranging powers to invest the funds of SGI-UK as they see fit, and in practice, they use a range of banking facilities to ensure that funds generate appropriate levels of return, whilst minimising risk.

For the year ended 31 December 2022, the charity's cash deposits generated investment income of £80,566 (2021: £40,598) which represents an average income return of 1.3% (2021: 0.5%). The Trustees target for the Charity's investments is to achieve steady growth.

#### **PLANS FOR FUTURE PERIODS**

##### **Future Strategy**

The trustees envisage a steady increase in the size of SGI-UK in the next 10 years. As indicated earlier, as local areas reach about 500 active members, it will become appropriate to open community centres in localities around the UK in the same way as the three centres in London. The trustees monitor the regional growth in membership and in consultation with local areas, will look for and open community centres as they become required. The trustees also envisage improving the residential facilities for courses at Taplow Court within this time frame. In 2018 SGI-UK invited local Areas to make proposals when they feel they are ready to support a Centre in their Area. The change in approach to activities because of the pandemic has paused discussions on regional Centres, but this is expected to be revisited in 2023.

##### **Future Activities & Events**

General Director Robert Harrap will continue to promote SGI-UK in society, continuing to lecture on SGI President Daisaku Ikeda's Peace Proposal, give talks such as his contributions to BBC Radio 2 'Pause for Thought' as they are requested, and engaging in other ways as well.

SGI-UK and the Centre for Applied Buddhism are planning to participate in the COP28 Climate Change conference in Dubai in November 2023 in discussion with SGI.

We will continue to further develop and promote opportunities for schools to visit Taplow Court.

Grade 1 and 2 study courses will continue to be held in 2023 with exams scheduled to be held in May 2023.

##### **Impact of Activities & Events**

Success of SGI-UK will be measured in terms of the increase in membership and the quality and extent of support given to our existing membership.

Discussion meeting attendance is a good measure of the degree of member activity. In 2022 with meetings online at the start of the year, there was a similar average attendance to the previous year at discussion meetings, with a reduction in the number of guests. This increased somewhat when face to face meetings resume again. In 2023 there will be an effort to consolidate this central SGI activity.

Another indication of our development is the extent of collaboration, cooperation and support with other organisations and movements, and also the quality of feedback from them. We will continue to develop our cooperation with academic bodies and we will continue to hold collaborative events and in particular we will be developing the use of Taplow Court as a resource for local schools.

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**REFERENCE AND ADMINISTRATIVE DETAILS**

The trustees of the charity, who are also the directors of the company, have held office since 1 January 2022, as follows:

S J Ball  
K Fujii  
R P Harrap  
F J Harrow  
G Holman  
C R Loewe (appointed 1 March 2023)  
A Oakley (appointed 22 February 2023)  
J Y E Peters-Smith  
R A Samuels  
S Wilson

The principal address of the charity and the registered office of the company is the offices of SGI-UK at Taplow Court, Berry Hill, Taplow, Near Maidenhead, Berkshire SL6 0ER.

The charity is registered under the charity number 1104491, and the company is incorporated with the company registration number 05114516. Toni-Ann Hirayama is the company secretary.

The trustees have made the following professional appointments:

Solicitor:	Womble, Bond, Dickinson, 4, More, London Riverside, SE1 2AU Horsey Lightly Solicitors, Devon House, 12/15 Dartmouth Street, Queen Anne's Gate, London SW1H 9BL
Auditor:	Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG
Bankers:	Triodos Bank, Deanery Road, Bristol, BS1 5AS  Investec Bank plc, 2 Gresham Street, London EC2V 7QP  Lloyds Bank plc, SME Banking, High Wycombe and Amersham  Barclays Bank plc, Slough - East Berkshire Group, Leicester, Leicestershire LE87 2BB  The Charity Bank Limited, Fosse House, 182 High Street, Tonbridge, TN9 1BE
Investment Managers:	BMO F & C Responsible Investment Fund Royal London Ethical Bond Fund Steward Investors Asia Pacific Sustainability B Fund Montanaro Better World Fund Generation

The following additional key members of staff assist the trustees with the day-to-day management of the charity:

S McWilliam	<b>General Manager</b>
J Fagence	<b>Senior Manager</b>
M Mehta	<b>Senior Manager</b>
Toni-Ann Hirayama	<b>Senior Manager</b>



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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

***Status & History***

Soka Gakkai International (“SGI”) is a Buddhist association with more than 12 million members in 192 countries and territories worldwide. For SGI members, Buddhism is a practical philosophy of individual empowerment and inner transformation that enables people to develop themselves and take responsibility for their lives. As lay believers and “engaged Buddhists,” SGI members strive in their everyday lives to develop the ability to live with confidence, to create value in any circumstances and to contribute to the well-being of friends, family and community. The promotion of peace, culture and education is central to SGI’s activities.

“Soka” is a Japanese word meaning “value creation”, and “Gakkai” means “society”.

Although the first members of SGI in the UK appeared in 1961, SGI-UK was originally set up in the United Kingdom under a declaration of trust dated 2 January 1975 and became an unincorporated registered charity in England and Wales on 28 January 1975. Having updated its declaration of trust on 17 June 1993, SGI-UK was then incorporated on 28 April 2004 and was re-registered as an incorporated charity on 22 June 2004.

In its current legal form, SGI-UK is a registered charity, and a company limited by guarantee, not having share capital. Every member of the company is also a trustee and director, and undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter.

SGI-UK is governed by its rules and regulations, as set down in the company’s Memorandum and Articles of Association dated 28 April 2004.

***Organisational Structure***

The overall strategic direction of the charity is approved by the trustees, who have delegated to the National Committee to deliberate and propose the organisational activities. The trustees usually meet formally every two months, in the evening.

SGI-UK members are organised into local districts nationwide. These districts are further organised into chapters, headquarters, regions and areas, all with volunteer leaders in faith. The districts meet several times a month in members’ homes and hold a monthly discussion meeting open to members and guests.

The General Director and two Vice-General Directors have been appointed by the trustees to manage the day-to-day operations and to make decisions in this regard on behalf of the trustees. The General Director and the two Vice-General Directors are assisted by a management team for the following functions/departments:

- Conference services
- Courses and administration
- Facilities management
- General administration
- Membership
- Publications production and distribution
- External relations
- Shop
- Accounts
- Weddings and funerals
- Human resources
- Content management (publications and website)

***Subcommittees***

At the present time, there are two formal subcommittees of the board of trustees and directors. These are the National Committee and the Finance Committee.

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

##### ***National Committee***

###### ***Role:***

To make all the initial decisions about the activities and direction of SGI-UK within the strategic framework and budgetary constraints set by the trustees and directors.

###### ***Current membership:***

Robert Harrap, General Director  
Robert Samuels, General Men's Division Leader; Executive Advisor  
Kazuo Fujii, Vice General Director  
Sue Thornton, Vice General Director  
Suzanne Pritchard, Vice General Director  
Sanda McWilliam, General Women's Division Leader and Vice General Director  
Justine Marchant, Women's Division Leader  
Fiona Harrow, Women's Division Secretary General  
Yuki Davenne Vice Women's Division Leader  
Tobi Keryk, Vice Women's Division Leader  
David Woodger, Men's Division Leader  
Munish Mehta, Men's Division Secretary General  
Chris Nembhard, Vice Men's Division leader  
Koichi Samuels, Youth Division Leader  
Anna Hashimoto, Young Women's Division Leader  
Emma Howard, Vice-Young Women's Division Leader  
Apoorva Sharma-Virgo, Vice-Young Women's Division Leader  
Andy Huxley, Young Men's Division Leader  
Stefano Caddeo, Vice-Young Men's Division Leader  
Max Erle, Vice-Young Men's Division Leader

###### ***Responsibilities:***

To meet once a month to deliberate and determine national direction and activities.

##### ***Finance Committee***

###### ***Role:***

To deal with detailed financial matters on behalf of the trustees and directors.

###### ***Membership:***

The following trustees currently comprise the Finance Committee - S J Ball, K Fujii, R P Harrap, R A Samuels, S Thornton (until 31 August), P S Williams (until 30 September), S Wilson.

###### ***Responsibilities:***

- To review the finances of SGI-UK every two months;
- To make recommendations about investment decisions; and
- To approve unbudgeted expenditures up to £1,000.

##### **Key Management Personnel**

The key management personnel are the General Director, Robert Harrap and the four senior managers: S. McWilliam, J. Fagence, M. Mehta and T-A. Hirayama.

Pay of key management personnel is set by members of the Remuneration committee of the Trustees in consultation with the General Director. The General Director's pay is based on the pay of his predecessor.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Working with Volunteers**

SGI-UK relies upon the continuing assistance of a wide range of volunteers, the vast majority of whom are members. All local activities are organised and conducted by members who are volunteers. Planning and decision making committees are all held on a volunteer basis. Before lockdown, the three London centres were manned entirely by volunteers and at Taplow Court teams of 5 volunteers staff the reception 363 days of the year. Steps are being taken to return to this level of activity. Young men and young women in dedicated groups support all activities at a local and national level. Volunteers give their time and efforts with an open heartedness based on the Buddhist spirit of contribution. The trustees would like to express their gratitude and deep respect for these tireless efforts.

**Method of Recruitment, Appointment, Election, Induction & Training of Trustees**

*Recruitment*

At present, the trustees are members of SGI-UK who offer certain skills and attributes. As and when a need is identified by the trustees for additional skills and attributes to be included within the composition of the board, the trustees look to the membership of SGI-UK to recruit suitable candidates.

*Appointment & Election*

The trustees are empowered to appoint additional trustees under the terms of the governing document as and when the need arises. Trustees are appointed by way of a recommendation and a vote. A simple majority of the existing trustees is required to elect a new trustee.

*Induction & Training*

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, on the content of the current governing document, on the decision making processes utilised by the charity, and on the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will assist them to undertake and fulfil their role.

**Professional Indemnity Insurance**

The charity has taken out a trustees' indemnity insurance policy that provides professional indemnity cover amounting to £1 million in respect of any one claim for the trustees of the charity. The cost of this insurance policy to the charitable company for the year was £3,775 (2021: £2,616).

**Risk & Corporate Governance Matters**

SGI-UK's risk management strategy identifies and defines (through assessing uncertainty) whether SGI-UK will achieve its objectives; deciding upon the action to be taken to control them and monitoring the progress of the action taken. The risks that would qualify for the SGI-UK risk register and that the Trustees see as being critical to the effective running of the organisation include:

- Those risks that could seriously impact on the achievement of SGI-UK's key objectives and interests, including its reputation; and
- Those risks where action at National Committee and/or Trustee level in SGI-UK is needed.

A sub-group of SGI-UK Trustees has developed a structured approach to managing risk and has developed a 'living' risk register. Looking at different Risk Categories - areas where risks are found - the Trustee sub-group considered:

- External: risks not wholly within our control, but where action can be taken to mitigate the risk;
- Organisational: risks relating to our existing organisation and membership; and
- Assets and Facilities: risks relating to our finances, estate and IT.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Risk & Corporate Governance Matters (continued)**

SGI-UK's risk management process:

1. Identify risks

- Identify risks: what could stop the objectives from being achieved?
- Define risk descriptions: describe the risk, its cause and its possible effects.

2. Assess risks

- Identify current controls: what's already in place to control the risk?
- Assess current risk: score the risk according to its potential impact and likelihood of occurrence - specifying what will be done, by when and by whom.

3. Managing risk

- Identify and select further controls: what new measures are needed to control the risk?
- Assign target risk: what new score do we want these measures to achieve for the severity score of the risk, and by when? We worked on the following basis;
  - Impact: Catastrophic, Severe, Moderate, Minor, Low using the five point scale.
  - Probability: Very unlikely, Unlikely, Possible, Likely, Very likely.
- Identify and assign risk and control owners: who's responsible for what?

4. Monitor and report

At the monitoring and reporting stage:

- Complete the Risks Register – this was undertaken by a sub-group of the Trustees with experience in risk management.
- Report and escalate as appropriate – to the Trustees.
- Monitor and review – on a quarterly basis.

SGI-UK has a Risks Register which classifies all perceived risks under the following headings:

- |                          |                           |
|--------------------------|---------------------------|
| 1. Reputation            | 5. Financial issues       |
| 2. Commercial issues     | 6. Staffing issues        |
| 3. Organisational issues | 7. Members' experience    |
| 4. Information and IT    | 8. Estates and facilities |

**SGI-UK's principal risks and how they are mitigated:**

*Security risk of physical assets*

SGI-UK has a business continuity and disaster recovery plan in place in the event that our headquarters at Taplow Court becomes unavailable for the administration of the organisation. We continue to maintain and improve our centres so that they are safe and comfortable places for our members to conduct Buddhist activities.

*Cyber security*

SGI-UK's IT committee has put in place systems to ensure the IT infrastructure and data of SGI-UK are protected from cyber-attack. Members of the committee have had training since spring 2017 in the general Data Protection Regulations to ensure that SGI-UK complies with this change in the law, and protects our members' data.

*Safeguarding*

SGI-UK updates our Child Protection Policy in an annual basis, and carries out training for volunteers involved in activities with children. We have appointed supervisors of volunteers who have appropriate DBS checks and who have training in ensuring the well-being of children involved in our activities.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Fundraising Approach and Performance**

Contributions to the SGI-UK Kosen-rufu Fund, which supports our activities are only made by members of SGI and SGI Center.

We have an SGI-UK Kosen-rufu Fund Contributions and Donations Policy, based on the Charity Commission guidance CC20, which is posted on the members' website.

Contributions are freely given. The decision to make a contribution and how much to contribute is the choice of each member. Encouragement around contribution must not put any member under pressure to make a contribution.

The Trustees consider carefully the question of accepting contributions from non-SGI sources and any anonymous donations.

Donors of single donations of £5,000 or more will be contacted to confirm that the donation complies with all relevant regulations

SGI-UK will make sure that vulnerable people are protected. The Charity does not generally accept donations from members of the public, and as it says in the line above donors of £5,000+ are contacted to check the circumstances of them making the donation.

Expansion of these and other points are all contained in the policy document. No (2020: no) complaints were received during the year in relation to the Charity's fundraising practices.

Our overall fundraising performance was total contributions to the Kosen-rufu Fund £1,565,362 (2021: £1,613,303) with an additional £301,735 (2021: £310,518) received in the form of Gift Aid and Bequests £297,241 (2021: £44,424).

The trustees (who are also the directors of Soka Gakkai International - UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they 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 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 Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;

## SOKA GAKKAI INTERNATIONAL - UK

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

#### Trustees' & Directors' Responsibilities in the Preparation of Financial Statements

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with Companies Acts 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from the legislation in other jurisdictions.

#### Statement as to Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

#### SMALL COMPANY EXEMPTIONS

In preparing this report the directors have taken advantage of small company exemptions.

#### FUNDS HELD AS CUSTODIAN

Although SGI-UK maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, SGI-UK does not currently hold, and the trustees do not anticipate that it will in the future hold, any funds as custodian for any third party.

This report was approved by the trustees on 7th September 2023, and was signed for and on behalf of the board by

 ..... General Director  
R Harrap

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOKA GAKKAI INTERNATIONAL - UK

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### Opinion

We have audited the financial statements of Soka Gakkai International – UK for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOKA GAKKAI INTERNATIONAL - UK**

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and UK tax law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the recognition of income from legacies and grants. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOKA GAKKAI INTERNATIONAL - UK

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- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Lee Stokes (Senior Statutory Auditor)**  
**for and on behalf of Haysmacintyre LLP, Statutory Auditor**

**10 Queen Street Place**  
**London EC4R 1AG**

**Date:** 21/09/2023

**SOKA GAKKAI INTERNATIONAL - UK**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations, legacies and grants	3	2,164,338	-	2,164,338	2,000,527
<i>Charitable activities:</i>					
• Advancement of religion	4	363,596	-	363,596	348,471
Investments	5	14,637	80,566	95,203	54,998
<b>Total income</b>		<u>2,542,571</u>	<u>80,566</u>	<u>2,623,137</u>	<u>2,403,996</u>
<b>EXPENDITURE ON:</b>					
Charitable activities					
• Advancement of religion	6	3,381,046	54	3,381,100	3,316,843
<b>Total expenditure</b>		<u>3,381,046</u>	<u>54</u>	<u>3,381,100</u>	<u>3,316,843</u>
<b>NET (EXPENDITURE)/INCOME BEFORE GAINS/(LOSSES) ON INVESTMENTS</b>		(838,475)	80,512	(757,963)	(912,847)
Net gains/(losses) on investments	11	-	(4,453,392)	(4,453,392)	3,941,875
<b>NET (EXPENDITURE)/INCOME</b>		(838,475)	(4,372,880)	(5,211,355)	3,029,018
Transfers between funds		520,000	(520,000)	-	-
<b>NET MOVEMENT IN FUNDS</b>		(318,475)	(4,892,880)	(5,211,355)	3,029,018
<b>RECONCILIATION OF FUNDS</b>					
Fund balances brought forward					
At 1 January 2022		<u>18,694,716</u>	<u>35,521,116</u>	<u>54,215,832</u>	<u>51,186,804</u>
<b>Fund balance carried forward</b>					
At 31 December 2022	18	<u>18,376,241</u>	<u>30,628,236</u>	<u>49,004,477</u>	<u>54,215,832</u>

The notes on pages 28 to 42 part of these financial statements.

**SOKA GAKKAI INTERNATIONAL - UK**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**Comparative Statement of Financial Activities for the year ended 31 December 2021**

	Notes	Unrestricted Funds £	Endowment Funds £	Total 2021 £
<b>INCOME AND ENDOWMENTS FROM:</b>				
Donations, legacies and grants	3	2,000,527	-	2,000,527
<i>Charitable activities:</i>				
• Advancement of religion	4	348,471	-	348,471
Investments	5	14,435	40,563	54,998
<b>Total income</b>		<u>2,363,433</u>	<u>40,563</u>	<u>2,403,996</u>
<b>EXPENDITURE ON:</b>				
Charitable activities				
• Advancement of religion	6	3,316,704	139	3,316,843
<b>Total expenditure</b>		<u>3,316,704</u>	<u>139</u>	<u>3,316,843</u>
<b>NET (EXPENDITURE)/INCOME BEFORE GAINS/(LOSSES) ON INVESTMENTS</b>		(953,271)	40,424	(912,847)
Net gains/(losses) on investments	11	-	3,941,875	3,941,875
<b>NET (EXPENDITURE)/INCOME</b>		(953,271)	3,982,299	3,029,018
Transfers between funds		520,000	(520,000)	-
		(433,271)	3,462,299	3,029,018
<b>Other Recognised Gains and Losses</b>				
Gains/(losses) on revaluation of heritage assets	10	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		(433,271)	3,462,299	3,029,018
<b>RECONCILIATION OF FUNDS</b>				
Fund balances brought forward At 1 January 2021		19,127,987	32,058,817	51,186,804
<b>Fund balance carried forward</b>				
At 31 December 2021	18	<u>18,694,716</u>	<u>35,521,116</u>	<u>54,215,832</u>

**SOKA GAKKAI INTERNATIONAL - UK**

**BALANCE SHEET**

**AT 31 DECEMBER 2022**

Company Number: 05114516

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	9	15,331,956	15,753,045
Heritage assets	10	1,257,140	1,257,140
Investments	11	30,558,137	35,490,071
		<u>47,147,233</u>	<u>52,500,256</u>
<b>CURRENT ASSETS</b>			
Stocks	12	227,481	274,412
Debtors	13	276,672	340,301
Cash at bank and in hand		1,525,250	1,219,669
		<u>2,029,403</u>	<u>1,834,382</u>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	14	(172,159)	(118,806)
<b>NET CURRENT ASSETS</b>		<u>1,857,244</u>	<u>1,715,576</u>
<b>NET ASSETS</b>		<u><u>49,004,477</u></u>	<u><u>54,215,832</u></u>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Endowment funds</b>			
Commemorative Expendable Endowment Fund	17	30,628,236	35,521,116
<b>Unrestricted income funds</b>			
General Fund	17	1,087,145	984,531
Designated Taplow Court Fund	17	200,000	200,000
Designated Local Centres Fund	17	500,000	500,000
Designated Fixed Assets Fund	17	16,589,096	17,010,185
<b>TOTAL CHARITY FUNDS</b>		<u><u>49,004,477</u></u>	<u><u>54,215,832</u></u>

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

The financial statements on pages 28 to 42 were approved by the trustees and authorised for issued and are signed on their behalf by:

  
 R Harrap – General Director

Date: 7/1/2023

**SOKA GAKKAI INTERNATIONAL - UK**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	20	(128,639)	(583,809)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends, interest and rents from investments		95,203	54,998
Purchase of tangible assets		(139,525)	(18,098)
Purchase of listed investments		(3,528,824)	(500,000)
Proceeds from disposal of investments		3,528,825	-
Decrease/(increase) in fixed term deposits		478,541	96,937
		<hr/>	<hr/>
Net cash (used in)/provided by investing activities		434,220	(366,163)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b>		305,581	(949,972)
Cash and cash equivalents at the beginning of the reporting period		1,219,669	2,169,641
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		1,525,250	1,219,669
		<hr/>	<hr/>

All cash and cash equivalents were held as cash at bank or in hand during both the current and prior year.

**SOKA GAKKAI INTERNATIONAL - UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1. ACCOUNTING POLICIES**

**General information**

Soka Gakkai International – UK is a private charitable company limited by guarantee incorporated in England (company number 05114516, charity number 1104491). The registered office and principal place of business is at Taplow Court Berry Hill, Taplow, Near Maidenhead, Berkshire SL6 0ER.

The charitable company's principal activity is the "advancement of religion" as it relates to the Buddhism of Nichiren Daishonin.

**Basis of accounting**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention, except as modified for the annual revaluation of fixed asset investments. Within the definitions of FRS 102, the charitable company is a public benefit entity. The financial statements have been prepared in accordance with the accounting policies set out in more detail below, to comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association of the charitable company, and Accounting and Reporting by Charities: the Statement of Recommended Practice for Charities (SORP Second Edition, effective 1 January 2019). Figures are presented in sterling and rounded to the nearest pound.

**Going concern**

The Trustees have looked at the potential impact of the ongoing conflict in Ukraine and the increasing inflationary pressure caused by rising carbon-based fuel costs.

SGI-UK has free reserves of £1,087,145 as of 31 December 2022, plus the Designated Taplow Court Fund (£200,000) and the Designated Local Centres Fund (£500,000).

Whilst the Trustees consider the current level of reserves to be sufficient to allow for the continued operation of SGI-UK.

At the balance sheet date, the trustees were holding £16,589,096 of unrestricted funds in a designated fund known as the Designated Fixed Assets Fund representing the resources required to finance the net book value of all functional fixed assets, and also £30,628,236 of restricted funds in an expendable endowment fund known as the Commemorative Expendable Endowment Fund. Due to global economic factors the value of investments in the endowment has fallen sharply in the early months of 2022. However, markets have stabilised since and the investments were valued at £31,052,313 on 22 June 2023.

**Income**

General donations and other similar types of voluntary income are brought into account when receivable and donated income is included gross of any attributable tax recoverable, where relevant. Donations given for specific purposes are treated as restricted income.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator or executor of the estate has communicated in writing both the amount and settlement date of the legacy income. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition as income in the financial statements is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charitable company.

**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1. ACCOUNTING POLICIES (Continued)**

Income claimed under the Coronavirus Job Retention Scheme is recognised when the associated expenditure on staff costs is incurred.

Investment income is accounted on a receivable basis once the dividend has been declared or the interest has been earned. Credit is taken in the financial statements for the proportions of all other types of income which are receivable in the financial period.

**Expenditure**

Expenditure is allocated to the charitable company's principal activity as directed costs where the costs can be identified as being directly related to the activity. All costs that cannot be identified as relating directly to the charitable company's principal activity are categorised as either support costs or governance costs. Any costs that cannot be specifically categorised are allocated in proportions based upon a suitable ration applicable to the nature of the cost involved.

Governance costs are the costs associated with running the charitable company as a charitable company, and include a proportion of staff costs, costs of the trustees' meetings and audit fees.

Expenditure is recognised in the period in which the rights and obligations that relate to goods received by, or services performed for, the charitable company are materially fulfilled, with the relevant liability to pay the suppliers concerned being recognised as a liability.

**Tangible fixed assets**

All tangible assets purchased that have an expected useful economic life that exceeds one year and have a cost of £1,000 or more are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land. A full year of depreciation is charged in the year of purchase. The rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Freehold properties	at 2% on a straight line basis
Short leasehold properties	over the remaining life of the lease
Plant and machinery	at 15% or 20% on a reducing balances basis

**Heritage assets**

Heritage assets, consist of garden statuary, ornaments, and art collections, which were either identifiable items acquired with the purchase of Taplow Court or were purchased by or gifted to SGI-UK as an enhancement to Taplow Court. The garden statuary and substantial proportion of the ornaments and art works are on display at Taplow Court and may be viewed during open days, receptions and other events held in the house.

The heritage assets are included in the balance sheet at fair value. The gains or losses arising upon their annual revaluation are included in the statement of financial activities. They are not depreciated as they are considered to have indefinite lives.

Currently SGI-UK are not seeking to purchase or sell such assets. SGI-UK are currently reviewing their policy regarding the recording, valuation, and preservation of their heritage assets to ensure the accuracy and completeness of the Heritage asset register.

**Investments**

The charitable company's investments are included in the balance sheet at fair value (their market value). The gains or losses arising upon their annual revaluation are included in the statement of financial activities.

**Stocks**

Stocks are valued at the lower of the cost (using first in first out basis) and net realisable value.

## **SOKA GAKKAI INTERNATIONAL - UK**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **Leased assets and obligations**

Where assets are financed by leasing agreements that give rights approximating to ownership (“finance leases”), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payment are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases are “Operating leases” and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

##### **Financial instruments**

A financial instrument is a contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are therefore classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

##### **Financial assets and liabilities**

The charitable company’s debtors and creditors that meet the definition of either a financial asset or a financial liability are initially recognised at the transaction value and thereafter are stated at amortised cost using the effective interest method, less any impairments.

Cash is represented by cash in hand and deposits with financial institutions repayable without notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **Pension contributions**

The charitable company makes contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the year.

##### **Fund accounting**

The general fund comprises the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objective of the charitable company.

Designated funds are a particular form of unrestricted funds consisting of amounts which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet.

Expendable endowment funds allow the capital of the fund to be spent if the trustees so determine, subject to any specific requirements of the fund.



**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

In the opinion of the trustees, there were no specific judgements and assumptions that were critical to the preparation of these financial statements. The only estimate considered to be critical is estimating the useful economic life of tangible fixed assets.

**3. DONATIONS AND LEGACIES**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
General donations and other similar types of voluntary income	2,164,338	1,968,245
Amounts claimed under the Coronavirus Job Retention Scheme	-	32,282
	<u>2,164,338</u>	<u>2,000,527</u>

**4. ADVANCEMENT OF RELIGION**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Publications income	152,785	168,034
Shops income	188,576	175,273
Other income	22,235	5,164
	<u>363,596</u>	<u>348,471</u>

**SOKA GAKKAI INTERNATIONAL - UK**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5. INVESTMENTS**

	<b>Unrestricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Bank interest receivable on short term cash deposits	237	80,566	80,803	40,598
Rent receivable under operating leases	14,400	-	14,400	14,400
	<u>14,637</u>	<u>80,566</u>	<u>95,203</u>	<u>54,998</u>
	<u><u>14,637</u></u>	<u><u>80,566</u></u>	<u><u>95,203</u></u>	<u><u>54,998</u></u>
	<b>Unrestricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2021 £</b>	
Bank interest receivable on short term cash deposits	35	40,563	40,598	
Rent receivable under operating leases	14,400	-	14,400	
	<u>14,435</u>	<u>40,563</u>	<u>54,998</u>	
	<u><u>14,435</u></u>	<u><u>40,563</u></u>	<u><u>54,998</u></u>	

**SOKA GAKKAI INTERNATIONAL - UK**
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**
**FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>6. COSTS OF THE ADVANCEMENT OF RELIGION</b>	<b>Unrestricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Costs of events & courses, regional, divisional, national and group costs:				
Direct costs	63,512	-	63,512	18,431
Staff costs	1,385,101	-	1,385,101	1,403,725
Provision of facilities	1,424,724	-	1,424,724	1,423,833
Publications costs	131,809	-	131,809	91,059
Shop costs	136,362	-	136,362	94,127
Other direct costs	34,034	-	34,034	19,653
Costs of the Centre for Applied Buddhism (CfAB)	8,949	-	8,949	11,544
Expenditure on COP26	-	-	-	24,049
	<u>3,184,491</u>	<u>-</u>	<u>3,184,491</u>	<u>3,086,421</u>
Support costs (see note 7)	<u>196,555</u>	<u>54</u>	<u>196,609</u>	<u>230,422</u>
	<u>3,381,046</u>	<u>54</u>	<u>3,381,100</u>	<u>3,316,843</u>

Comparative figures:

<b>COSTS OF THE ADVANCEMENT OF RELIGION</b>	<b>Unrestricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2021 £</b>
Costs of events & courses, regional, divisional, national and group costs:			
Direct costs	18,431	-	18,431
Staff costs	1,403,725	-	1,403,725
Provision of facilities	1,423,833	-	1,423,833
Publications costs	91,059	-	91,059
Shop costs	94,127	-	94,127
Other direct costs	19,653	-	19,653
Costs of the Centre for Applied Buddhism (CfAB)	11,544	-	11,544
Expenditure on COP26	24,049	-	24,049
	<u>3,086,421</u>	<u>-</u>	<u>3,086,421</u>
Support costs (see note 7)	<u>230,283</u>	<u>139</u>	<u>230,422</u>
	<u>3,316,704</u>	<u>139</u>	<u>3,316,843</u>

**SOKA GAKKAI INTERNATIONAL - UK**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>7. SUPPORT &amp; GOVERNANCE COSTS</b>	<b>Support Costs £</b>	<b>Governance Costs £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Staff costs	134,583	-	134,583	164,174
Auditor's remuneration:				
Audit fees	-	20,745	20,745	15,450
Other fees	-	-	-	1,772
Legal and professional fees	31,940	-	31,940	36,709
Bank interest, bank charges and other finance costs	3,312	-	3,312	3,847
Other indirect costs	6,029	-	6,029	8,520
	<u>175,864</u>	<u>20,745</u>	<u>196,609</u>	<u>230,422</u>

Included within auditors' remuneration are amounts payable to Haysmacintyre LLP in respect of audit services of £17,500 (2021: £14,600).

Comparative figures:

<b>SUPPORT &amp; GOVERNANCE COSTS</b>	<b>Support Costs £</b>	<b>Governance Costs £</b>	<b>Total 2021 £</b>
Staff costs	164,174	-	164,174
Auditor's remuneration:			
Audit fees	-	15,450	15,450
Other fees	-	1,722	1,772
Legal and professional fees	36,709	-	36,709
Bank interest, bank charges and other finance costs	3,847	-	3,847
Other indirect costs	8,520	-	8,520
	<u>213,250</u>	<u>17,172</u>	<u>230,422</u>

**SOKA GAKKAI INTERNATIONAL - UK**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. STAFF COSTS**

	<b>2022 No.</b>	<b>2021 No.</b>
The average monthly number of persons employed by the charitable company (excluding non-executive trustees) during the year was as follows:		
Advancement of religion	38	41
	<b>2022 £</b>	<b>2021 £</b>
Staff costs for the above persons:		
Wages and salaries	1,258,773	1,285,115
Social security costs	129,079	124,940
Other pension costs	83,964	107,435
Staff training and health insurance	47,868	50,409
	<u>1,519,684</u>	<u>1,567,899</u>

Total emoluments and pension contributions were payable to the following trustees solely in relation to their roles as senior members of staff under the authority set down in the company's Memorandum and Articles of Association dated 28 April 2004:

**2022**

	<b>Remuneration £</b>	<b>Pension Contributions £</b>	<b>Other Benefits £</b>	<b>Total £</b>
R P Harrap – General Director	67,882	4,942	-	72,824
K Fujii – Vice General Director	40,974	2,965	3,122	47,061
	<u>108,856</u>	<u>7,907</u>	<u>3,122</u>	<u>119,885</u>

**2021**

	<b>Remuneration £</b>	<b>Pension Contributions £</b>	<b>Other Benefits £</b>	<b>Total £</b>
R P Harrap – General Director	66,523	4,804	-	71,327
K Fujii – Vice General Director	39,915	2,882	2,965	45,762
	<u>106,438</u>	<u>7,686</u>	<u>2,965</u>	<u>117,089</u>

No other trustee received remuneration from the charitable company during the current or previous year.

**SOKA GAKKAI INTERNATIONAL - UK****NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2022****8. STAFF COSTS (continued)**

Other than as disclosed above during the current and previous year, no employee received total emoluments in excess of £60,000.

However, including the amounts disclosed above, the aggregate remuneration and benefits for the key management personnel for their services to the charity amounted to £372,530 (2021: £357,815).

During the year no trustees (2021: Nil) were reimbursed for travel or other expenses incurred in their role as trustee on behalf of the charity.

The charity has taken out a trustees' indemnity insurance policy that provides professional indemnity cover amounting to £1 million in respect of any one claim for the trustees of the charitable company. The cost of this insurance policy to the charitable company for the year was £3,775 (2021: £2,616).

**Contribution of volunteers**

In addition to the trustees, the charitable company is also reliant upon the major contributions made by thousands of volunteers who contribute significant amounts of their time in the delivery of charitable activities.

The Trustees estimate that volunteers provide at least 85,000 man hours per year towards the work of the charitable company at its four centres and an incalculable amount of hours in support of its activities throughout the country, for which the trustees express their sincere thanks.

**9. TANGIBLE ASSETS**

	<b>Freehold properties £</b>	<b>Short Leasehold properties £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost:</b>				
1 January 2022	22,835,792	5,893	2,083,865	24,925,550
Additions	-	84,414	55,111	139,525
Disposals	-	-	(127,453)	(127,453)
	<u>22,835,792</u>	<u>90,307</u>	<u>2,011,523</u>	<u>24,937,622</u>
31 December 2022	<u>22,835,792</u>	<u>90,307</u>	<u>2,011,523</u>	<u>24,937,622</u>
<b>Depreciation:</b>				
1 January 2022	7,604,153	1,278	1,567,074	9,172,505
Charge for year	456,716	8,218	85,344	550,278
Disposals	-	-	(117,117)	(117,117)
	<u>8,060,869</u>	<u>9,496</u>	<u>1,535,301</u>	<u>9,605,666</u>
31 December 2022	<u>8,060,869</u>	<u>9,496</u>	<u>1,535,301</u>	<u>9,605,666</u>
<b>Net book value:</b>				
31 December 2022	<u>14,774,923</u>	<u>80,811</u>	<u>476,222</u>	<u>15,331,956</u>
31 December 2021	<u>15,231,639</u>	<u>4,615</u>	<u>516,791</u>	<u>15,753,045</u>

**SOKA GAKKAI INTERNATIONAL - UK****NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2022****9. TANGIBLE ASSETS (Continued)**

The cost of the charitable company's interest in freehold land has been assessed by the trustees to be so immaterial that it has been treated as £Nil for the purposes of calculating depreciation.

Certain elements of the charitable company's property assets are let, when surplus to requirements, to tenants in order to generate rental income under operating leases.

**10. HERITAGE ASSETS**

<b>Ornaments and art collection</b>	<b>2022 £</b>	<b>2021 £</b>
1 January	1,257,140	1,257,140
Revaluation	-	-
Fair value at 31 December 2022	<u>1,257,140</u>	<u>1,257,140</u>

The ornaments and art collection were valued by Gurr Johns, independent art advisors and valuers, at 31 October 2021. All items have been held for more than 5 years.

**11. INVESTMENTS**

	<b>2022 £</b>	<b>2021 £</b>
Listed investment portfolio	23,512,910	27,966,303
Fixed term deposits	<u>7,045,227</u>	<u>7,523,768</u>
Total investments	<u>30,558,137</u>	<u>35,490,071</u>
Investment listed on a recognised stock exchange, held primarily to provide an investment return, at market value:		
1 January 2022	27,966,303	23,524,428
Additions at cost	3,528,824	3,500,000
Disposal proceeds	(3,528,825)	(3,000,000)
Realised (losses)/gains	-	16,983
Unrealised (losses)/gains	<u>(4,453,392)</u>	<u>3,924,892</u>
	23,512,910	27,966,303
Cash held by investment managers	<u>-</u>	<u>-</u>
Fair value at the end of the year	<u>23,512,910</u>	<u>27,966,303</u>
Historical cost at the end of the year	<u>19,230,435</u>	<u>19,230,435</u>
At the balance sheet date, the market value of the charity's listed investment portfolio comprised:		
UK Investments	<u>23,512,910</u>	<u>27,966,303</u>

**SOKA GAKKAI INTERNATIONAL - UK**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**12. STOCKS**

	<b>2022</b>	<b>2021</b>
	£	£
Finished goods and goods for resale	227,481	274,412

**13. DEBTORS**

	<b>2022</b>	<b>2021</b>
	£	£
Amounts falling due within one year:		
Trade debtors	1,514	-
Other debtors	19,026	185,239
Prepayments and accrued income	256,132	155,062
	276,672	340,301

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	<b>2021</b>
	£	£
Trade creditors	75,660	29,943
Other taxation and social security costs	39,958	50,663
Accruals	56,541	38,200
	172,159	118,806

**15. PENSION COMMITMENTS**

The charitable company makes contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs (as shown in note 9) is the total contributions payable for the year. There is no amount payable at the balance sheet date to be included in creditors: amounts falling due within one year as this was paid before year end.



**SOKA GAKKAI INTERNATIONAL - UK****NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2022**

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**16. FINANCIAL COMMITMENTS**

At 31 December 2022, the charitable company was committed to make the following total future minimum payments under non-cancellable operating leases:

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
In respect of land and building leases:		
Within one year	85,000	85,000
Between one and five years	340,000	340,000
After five years	410,833	495,833
	<u>835,833</u>	<u>920,833</u>

The current land and buildings lease was renegotiated and finalised in 2021.

In respect of plant and machinery leases:		
Within one year	8,659	11,006
Between one and five years	-	8,659
	<u>8,659</u>	<u>19,665</u>

# SOKA GAKKAI INTERNATIONAL - UK

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 17. THE FUNDS OF THE CHARITY

	1 January 2022 £	Income £	Expenditure £	Gains/losses fixed assets & Investments £	Transfers Between Funds £	31 December 2022 £
<b>Endowment funds:</b>						
Commemorative Expendable Endowment Fund	35,521,116	80,566	(54)	(4,453,392)	(520,000)	30,628,236
<b>Unrestricted income Funds:</b>						
General Fund	984,531	2,542,571	(3,257,854)	-	817,897	1,087,145
Designated Taplow Court Fund	200,000	-	(15,756)	-	15,756	200,000
Designated local Centres Fund	500,000	-	(107,436)	-	107,436	500,000
Designated Fixed Assets Fund	17,010,185	-	-	-	(421,089)	16,589,096
<b>Total unrestricted funds</b>	<u>18,694,716</u>	<u>2,542,571</u>	<u>(3,381,046)</u>	<u>-</u>	<u>520,000</u>	<u>18,376,241</u>
<b>Total funds</b>	<u>54,215,832</u>	<u>2,623,137</u>	<u>(3,381,100)</u>	<u>(4,453,392)</u>	<u>-</u>	<u>49,004,477</u>

The commemorative Expendable Endowment fund was set up in 2006 upon receipt of an initial donation from Soka Gakkai international Centre in Japan to mark the 75<sup>th</sup> anniversary of the foundation of Soka Gakkai. The investment income generated, as well as the principal amount of the endowment, is available to be spent at any time by the trustees in promoting the charitable purposes of Soka Gakkai International – UK after consultation with the representatives of the donor. Funds are transferred into the General Fund once agreement has been reached to do so. At the balance sheet date, net unrealised losses of £511,517 (31 December 2021: Unrealised gains £3,941,875) arising upon the revaluation of investments were included within the Commemorative Expendable Endowment fund balance.

The Designated Taplow Court Fund was re-established in 2022 by way of a transfer of £200,000 funding from the General Fund which will be used for major maintenance projects at Taplow Court. As this fund will be utilised in the event of unforeseen major maintenance, there is no set time frame for its use.

The Designated local centres fund was re-established in 2022 by way of a transfer of £500,000 in funding from the General Fund which will be used to finance local centres in the future. As this fund will be utilised in the event that charity decides to purchase a new centre, there is no set time frame for its use.

The Designated Fixed Assets Fund has been set up to clearly identify the funds of the charity that are being held as tangible and heritage assets used to promote the charitable purposes of Soka Gakkai International – UK. Accordingly, transfers are made to or from the Designated Fixed Assets Fund at each balance sheet date to reflect additions and disposals of tangible assets, depreciation charged thereon and any impairment.

**SOKA GAKKAI INTERNATIONAL - UK**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**17. THE FUNDS OF THE CHARITY – comparative figures**

	1 January 2021 £	Income £	Expenditure £	Gains/losses fixed assets & Investments £	Transfers Between Funds £	31 December 2021 £
<b>Endowment funds:</b>						
Commemorative Expendable Endowment Fund	32,058,817	40,563	(139)	3,941,875	(520,000)	35,521,116
<b>Unrestricted income Funds:</b>						
General Fund	877,264	2,363,433	(3,316,704)	-	1,060,538	984,531
Designated Taplow Court Fund	200,000	-	-	-	-	200,000
Designated local Centres Fund	500,000	-	-	-	-	500,000
Designated Fixed Assets Fund	17,550,723	-	-	-	(540,538)	17,010,185
<b>Total unrestricted funds</b>	<u>19,127,987</u>	<u>2,363,433</u>	<u>(3,316,704)</u>	<u>-</u>	<u>-</u>	<u>18,694,716</u>
<b>Total funds</b>	<u><u>51,186,804</u></u>	<u><u>2,403,996</u></u>	<u><u>(3,316,843)</u></u>	<u><u>3,941,875</u></u>	<u><u>-</u></u>	<u><u>54,215,832</u></u>

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible Fixed Assets £	Investments £	Current Assets £	Current Liabilities £	TOTAL 2022 £
<b>Endowment funds:</b>					
Commemorative Expendable Endowment Fund	-	30,558,137	70,099	-	30,628,236
<b>Unrestricted income funds:</b>					
General Fund	-	-	1,259,304	(172,159)	1,087,145
Designated Taplow Court Fund	-	-	200,000	-	200,000
Designated Local Centres Fund	-	-	500,000	-	500,000
Designated Fixed Assets Fund	16,589,096	-	-	-	16,589,096
<b>NET ASSETS</b>	<u><u>16,589,096</u></u>	<u><u>30,558,137</u></u>	<u><u>2,029,403</u></u>	<u><u>(172,159)</u></u>	<u><u>49,004,477</u></u>

**SOKA GAKKAI INTERNATIONAL - UK**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS – comparative figures**

	<b>Tangible Fixed Assets £</b>	<b>Investments £</b>	<b>Current Assets £</b>	<b>Current Liabilities £</b>	<b>TOTAL 2021 £</b>
<b>Endowment funds:</b>					
Commemorative Expendable Endowment Fund	-	35,490,071	31,045	-	35,521,116
<b>Unrestricted income funds:</b>					
General Fund	-	-	1,103,337	(118,806)	984,531
Designated Taplow Court Fund	-	-	200,000	-	200,000
Designated Local Centres Fund	-	-	500,000	-	500,000
Designated Fixed Assets Fund	17,010,185	-	-	-	17,010,185
<b>NET ASSETS</b>	<u>17,010,185</u>	<u>35,490,071</u>	<u>1,834,382</u>	<u>(118,806)</u>	<u>54,215,832</u>

**19. RELATED PARTY TRANSACTIONS**

SGI-UK is a member of the Network of Buddhist Organisations in the United Kingdom and a corporate member of UNICEF and the Commonwealth Human Ecology Council. As a member of the Soka Gakkai International (“SGI”) community worldwide SGI-UK is implicitly related to all similar SGI entities and particular works closely with the founder SGI entity based in Tokyo, Japan.

During the year trustees donated a total of £13,160 (2021: £21,640) to the charity.

**20. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES**

	<b>2022 £</b>	<b>2021 £</b>
<b>NET MOVEMENT IN FUNDS FOR THE REPORTING PERIOD</b>	(5,211,355)	3,029,028
<b>Adjustments for:</b>		
Dividends, interest and rents from investments	(95,203)	(54,998)
(Gains)/losses on listed investments	4,453,392	(3,941,875)
Depreciation charges	550,278	548,660
Loss on disposal of fixed assets	10,336	9,976
Decrease/(increase) in stocks	46,931	(51,844)
Decrease/(increase) in debtors	63,629	(98,071)
Increase/(decrease) in creditors	53,353	(24,685)
<b>NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>	<u>(128,639)</u>	<u>(583,809)</u>