

KOTATSU JAPANESE ANIMATION FESTIVAL

England & Wales · Charity number 1187288

Details

Status Registered

Legal form CIO

Registered 2020-01-10

Register [View on the Charity Commission register](#)

Contact

Address 21 Coronation Street
Trethomas
Caerphilly
CF83 8DL

Phone 07597929989

Email info@kotatsufestival.com

Website <http://www.kotatsufestival.com/>

Activities

Objects: TO PROMOTE THE ART AND CULTURE OF JAPAN BY HOLDING A FESTIVAL OF JAPANESE ANIMATED FILMS FOR THE BENEFIT OF THE PUBLIC.

Activities: Kotatsu Japanese Animation Festival, founded in 2010 is an annual festival presenting and celebrating the best of Japan's distinctive anime independent short films and mainstream feature films as well as educational workshops for children and people of all ages. Activities are normally held at two of Wales' leading arts venues, in Cardiff and Aberystwyth, while some may be hosted online.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Cardiff
- Ceredigion

Finances

Period end	Income	Expenditure	Assets	Employees
2024-11-30	£15,122	£4,138	-	-
2023-11-30	£6,426	£14,769	-	-
2022-11-30	£12,425	£17,625	-	-
2021-11-30	£21,453	£15,180	-	-
2020-11-30	£17,609	£14,400	-	-

Trustees

Name	Role	Appointed
Alexandra Mary Johanna Owen-Burns		2024-11-11
Benjamin Hugh Rive		2024-12-13
Robin Lyons		2022-03-21

Accounts

The Charity Registration Number is :- 1187288

Kotatsu Japanese Animation Festival
Report and Accounts
30 November 2024



Kotatsu Japanese Animation Festival

Report and accounts for the year ended 30 November 2024

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Kotatsu Japanese Animation Festival Trustees' Annual Report for the year ended 30 November 2024

The Trustees present their Report and Accounts for the year ended 30 November 2024.

Reference and administrative details

The charity name.

The legal name of the charity is:- Kotatsu Japanese Animation Festival.

The charity's areas of operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1187288.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

21 Coronation Street
Trethomas, CAERPHILLY
Gwent, CF83 8DL
Telephone 7597929989
Email Address info@kotatsufestival.com Web address www.kotatsufestival.com

The Trustees in office on the date the report was approved were:-

Robin Lyons - Chair of the Board of Trustees
Alexandra Owen-Burns - Trustee
Benjamin Rive - Trustee

The following persons served as Trustees during the year ended 30 November 2024:-

Robin Lyons
Elizabeth Davies
Rahul David Sethi (Deceased)

All trustees are also members of the charity. They delegate the day-to-day running of the festival to the Director, Eiko Meredith. The Trustees, in consultation with the Director, make decisions on policy and strategy. None of the trustees receives any remuneration or other benefit from their work with the charity.

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

Kotatsu Japanese Animation was established in 2010. It is uniquely the only festival in Wales to screen the real diversity of Japanese animated films and to host anime-related master classes and Japan/animation workshops, mainly free of charge (dependent upon funding). It became a CIO in 2020.

The objects of the charity, as denoted in its constitution, are to promote the art and culture of Japan by holding a festival of Japanese animated films for the benefit of the public.

The festival screens the best in Japanese animation and culture to diverse and inclusive audiences, including families and children, young people, adults of all ages and individuals with disabilities and other distinct groups.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

The main activities undertaken in relation to those purposes during the year.

Kotatsu Festival was held in two of our partner venues this year: namely, the Chapter Arts Centre in Cardiff, and Aberystwyth Arts Centre, both Arts Council of Wales Revenue Funded Organisations. They are also accessible and inclusive venues whose values align with our own. We would like to extend our thanks to these venues for continuing to support and host us.

While we were interested in holding the festival at Pontio, Bangor again this year, they have made the decision to stop hosting Kotatsu. Securing another physical venue is one of our key aims of 2025, with some promising progress already in the pipeline.

We feel that Kotatsu's core strength is in the diversity of its film programme, and this year was no exception. From Satoshi Kon's classic, *Millennium Actress*, to the Welsh premiere of *Komada - A Whiskey Family*, we were able to screen a wide range of films to an audience who might never get the chance to experience them otherwise. We also teamed up with the New Chitose Airport International Animation Festival to showcase a selection of short films, which are often overlooked in mainstream cinema. To our Cardiff venue, we welcomed back JERO11, a guitarist and shamisen player whose music combines progressive metal and traditional Japanese instruments, and calligrapher Yukiko Ayres to showcase the art to our audience. As always, we had our free reading area with a selection of comics and manga. In this way, we have developed and continue to focus on our commitment to sharing Japanese culture beyond our film screenings.

On 29th November, we hosted an online event by director Iku Ogawa, who spoke about his work on the Netflix stop-motion series, *Pokémon Concierge*. This event was a collaboration with The Japan Foundation, and it saw 176 worldwide attendees, more than the 137 who attended our previous year's online talk. Of significance was our ability to present the talk with a BSL interpreter, funded by Film Hub Wales, a first for Kotatsu and a big leap forward in our goal to be more inclusive. We received mostly positive feedback for this event, with many attendees highlighting that they appreciated the insight into the animation process, specifically stop animation. We feel that the event managed to foster a renewed appreciation for animation within those who attended, allowing them a look behind-the-scenes rather than presenting a film as a finished product as with our usual festival programme.

The main activities undertaken during the year were to further the charity's purpose for the public benefit.

The Trustees have complied with the duty in Section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. Given that the charity promotes the advancement of the arts through the festival and its outreach programme of activities, the trustees are satisfied that the charity meets the requirements of being for the public benefit. The main beneficiaries are people of all ages who live primarily but not exclusively in Wales. With the continuation of the delivery of online activities, as highlighted in this report, the festival provides wider benefits to extended audiences, including those unable or reluctant to attend in person.

The Trustees have complied with the duty in Section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in managing the activities of the charity.

The contribution of volunteers during the year.

As a small charity with only one part-time Festival Director, we depend on the contribution of volunteers to deliver the festival, in the run-up and during the screenings and events. The festival has a loyal following. In the university town of Aberystwyth, with a renowned film department, and in Cardiff, where there are many animation students, we have always benefited from the services of student volunteers to undertake a range of roles on screening days at the venues. Trustees wish to extend their thanks and appreciation to all volunteers whose support is invaluable to the festival.

The Challenges

The loss of one of our venues this year was disheartening, and although we are in talks for a new host, it has yet to be confirmed. This year, Kotatsu mourned the loss of trustee, Rahul David Sethi, who served the festival for several years. While we have been joined by two new trustees, the challenge comes in their becoming familiar with the festival, what it stands for, and how it is run.

This year, it has become apparent that long lead times for film acquisitions are a potential roadblock when it comes to selecting the best films we can. In addition, while streaming sites continue to pose competition, anime in itself is becoming a more popular medium. Therefore, we can expect to see more competition in the form of mainstream cinemas, despite the fact that an increased awareness of Japanese animation is one of our goals.

As always, grant funding is difficult to come by, though the company is endlessly appreciative of the organisations that have supported it financially throughout this year.

Financial review

The charity's financial position at the end of the year ended 30 November 2023

The financial position of the charity on 30 November 2023 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2024	2023
	£	£
Net income	15,225	(6,134)
Unrestricted Revenue Funds available for the general purposes of the charity	(8,523)	(9,867)
Restricted Revenue Funds	8,115	-
Endowment Revenue Funds	-	(4,241)
Total Endowment funds	-	(4,241)
Total Funds	(408)	(14,108)

Financial review of the position at the reporting date, 30 November 2024.

The trustees consider the financial performance by the charity during the year to have been satisfactory.

Specific changes in fixed assets are detailed in the notes to the accounts.

Policies on reserves.

Trustees have examined the charity's requirements for reserves, considering the main risks to the organisation. A policy has been established to build free reserves to cover temporary shortfalls in income. The free reserves of the funds available to spend as of 30 November 2024 are £16,695.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Details of The Independent Examiner

Marklan Jackson BSc AATQB
Member of AAT Certified Accountant
32 Tridwr Road
Abertidwr
CAERPHILLY
Gwent
CF83 4DN

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP),.

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements, the Trustees are required to:-

- to prepare the accounts under United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- Select suitable accounting policies and apply them consistently.
- make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on **August 4, 2025**.



Alexandra Owen-Burns

Trustee
Date: August 4, 2025

Kotatsu Japanese Animation Festival

Report of the Independent Examiner to the Trustees of the charity on the accounts for the year ended 30 November 2024

I report to the Trustees on my examination of the financial statements of the charity on pages 13 to 30 for the year ended 30 November 2022 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on page 21.

Respective responsibilities of the Trustees and the Independent Examiner, and the basis of the report

As described on page 9, you, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable laws and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination. Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a. Examine the financial statements of the charity under Section 145 of the Act.
- b. Follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity, and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit go beyond the limited assurance that an independent examination can provide.

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved, and before finalising the report, I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination and can confirm that:-

This is a report in respect of an examination carried out under 145 of the Act and by Directions given by the Charity Commission under section 145(5)(b) of the Act, which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

Accounting records were not kept in respect of the charity as required by Section 130 of The Charities Act 2011;

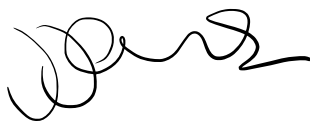
The financial statements do not accord with those records; or

The financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008, other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared under the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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

Signed:-



Marklan Jackson - Independent Examiner BSc AATQB
AAT Certified Accountant
32 Tridwr Road
Abertidwr
CAERPHILLY
Gwent
CF83 4DN

This report was signed on 2 August 2025

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended 30 November 2024

Statement of Financial Activities for the year ended 30 November 2024

	SORP Ref	Current year Unrestricted Funds.	Current year Restricted Funds.	Current year Endowment Funds.	Current year Total Funds	Prior Year Total Funds
		2024 £	2024 £	2024 £	2024 £	2023 £
Income & Endowments from:						
Donations & Legacies	A1	1,000	8,115	-	9,115	3,422
Charitable activities	A2	5,931	-	-	5,931	2,889
Other	A5	76	-	-	76	115
Total income	A	7,007	8,115	-	15,122	6,426
Expenditure on:						
Raising funds	B1	3,377	-	-	3,377	2,124
Charitable activities	B2	761	-	-	761	10,436
Total expenditure	B	4,138	-	-	4,138	12,560
Net income for the year		2,869	8,115	-	10,984	(6,134)
Net income after transfers.	A-B-C	2,869	8,115	4,241	15,225	(6,134)
Net movement in funds		2,869	8,115	4,241	15,225	(6,134)
Reconciliation of funds:-	E					
Total funds brought forward		(9,867)	-	(4,241)	(14,108)	(4,241)
Total funds carried forward		(6,998)	8,115	-	1,117	(10,375)

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A Statement of Total Recognised Gains and Losses is included as a primary statement in these accounts.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations.

The notes attached on pages 14 to 23 form an integral part of these accounts.

Statement of Total Recognised Gains and Losses for the year ended 30 November 2024

	2024 £	2023 £
Surplus for the year:-		
Net excess of income over expenditure from operations before tax	9,459	(9,002)
Realised gains on disposals of social investments which are programme-related	-	-
<i>Income from operations before tax in the Statement of Financial Activities</i>	9,459	(9,002)
<i>Add/(deduct) non-income and expenditure items:-</i>		
Grants for the acquisition of fixed assets		2,868
Net Movement in funds before taxation	9,459	(6,134)
Funds generated in the year as shown on Statement of Financial Activities	9,459	(6,134)

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Resources applied in the year ended 30 November 2024 towards fixed assets for Charity use:-

	2024	2023
	£	£
Funds generated in the year as detailed in the SOFA	15,225	(6,134)
Resources applied on functional fixed assets	-	-
Other applications of funds	-	-
Net resources available to fund charitable activities	15,225	(6,134)

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

Movements in revenue and capital funds for the year ended 30 November 2024

Revenue accumulated funds

	Unrestricted	Restricted	Endowment	Total	Last year
	Funds	Funds	Funds	Funds	Total
	2024	2024	2024	2024	Funds
	£	£	£	£	2023
	£	£	£	£	£
Accumulated funds brought forward	(9,867)	-	(4,241)	(14,108)	(4,241)
Recognised gains and losses before transfers	2,869	8,115	-	10,984	(6,134)
	(6,998)	8,115	(4,241)	(3,124)	(10,375)
(From)/To unrestricted revenue funds	-	-	4,241	4,241	-
Closing revenue funds	(6,998)	8,115	-	1,117	(10,375)

Summary of funds

	Unrestricted	Restricted	Endowment	Total	Last Year
	and	Funds	Funds	Funds	Total
	Designated				Funds
	funds				
	2024	2024	2024	2024	2023
	£	£	£	£	£
Revenue accumulated funds	(6,998)	8,115	-	1,117	(10,375)

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival**Income and Expenditure Account for the year ended 30 November 2024 as required by the Companies Act 2006**

	2024	2023
	£	£
<i>Income</i>		
Income from operations	15,046	3,443
Investment income		
Other operating income	76	115
Gross income in the year before exceptional items	15,122	3,558
Gross income in the year	15,122	3,558
<i>Expenditure</i>		
Charitable expenditure, excluding depreciation and amortisation	2,134	10,284
Depreciation and amortisation	152	152
Fundraising costs	3,377	2,124
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	5,663	12,560
Net income before tax in the financial year	9,459	(9,002)
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	9,459	(9,002)
Retained surplus for the financial year	9,459	(9,002)

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Balance Sheet as at 30 November 2024

	Notes	SORP Ref		2024 £	2023 £
Fixed assets		A			
Tangible assets	7	A2		-	152
Current assets		B			
Debtors	8	B2	-	-	
Cash at bank and in hand		B4	16,695	7,074	
Total current assets			16,695	7,074	
Creditors: amounts falling due within one year	9	C1	(764)	(3,531)	
Net current assets				15,931	3,453
				15,931	3,695
Net assets					
Creditors: amounts falling due after more than one year	10	C2		(7,018)	(4241)
The total net assets of the charity				8,913	(546)
The total net assets of the charity are funded by the funds of the charity, as follows:-					
Endowment funds					
Endowment Revenue Funds	13	D1	-	(4,241)	(4,241)
Restricted funds					
Restricted Revenue Funds	13	D2	8,115	-	-
Unrestricted Funds				8,115	-
Unrestricted Revenue Funds	13	D3	(6,998)	(9,867)	(9,867)
Designated Funds				(6,998)	(9,867)
Total charity funds				1,117	(14,108)

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The notes attached on pages 14 to 23 form an integral part of these accounts.

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 12.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.



Alexandra Owen-Burns

Trustee

Approved by the board of trustees on **August 4, 2025**

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2024

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 30 November 2022, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Risks and future assumptions

The charity is a public benefit entity.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Dividends are accrued when the shareholder's right to receive payment is established.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

Donated goods, facilities and services

Donated fixed assets are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in *'legacies and donations'*. Goods donated for resale are included in *'Income from other trading activities'*

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

Donated services and facilities (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

Staffing - on the basis of time spent in connection with any particular activity.

Staffing - on a per capita basis, based on the number of people employed within any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non-specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

Estimation techniques used in apportioning costs - give details

Policies relating to assets, liabilities and provisions and other matters.

Fixed Asset Investments

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period. Investment properties are not depreciated.

Fixed asset investments in unlisted equities are shown at the balance sheet date at the best estimate of their market value, where practicable. Where valuation techniques are considered unreliable or where, in the opinion of the trustees, the costs outweigh the benefits to the users of the accounts, the investment is included at cost, and a review is undertaken at each year end as to whether the asset should be written down.

All gains on fixed asset investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	0	% straight line
Leasehold premises	2	% straight line
Plant and machinery	20	% straight line
Motor vehicles	25	% straight line

A regular annual review of the likelihood of asset impairment is undertaken.

Accounting for capital grants and fixed asset funds.

Gifts of tangible fixed assets or grants of a capital nature, given for the purposes of acquiring specific assets to be fully utilised in the furtherance of the objects of the charity, are credited to fixed asset funds after the donated asset has been received or sums have been properly expended on the restricted purpose.

Where the terms of the gift require the charity to hold the asset on an ongoing basis for a specific purpose, then the fixed asset fund so created is categorised as a restricted fixed asset fund, and the relevant restrictions are noted in the fixed asset note 7.

Where the terms of the gift are met once the asset is acquired, so allowing the charity to use the asset on an unrestricted basis, including the right to receive the proceeds of any future sale of the asset on an unrestricted basis, then the fixed asset fund so created is categorised as a designated fixed asset fund.

When assets are acquired for the furtherance of the charity's objects, utilising the charity's own unrestricted funds, a transfer is made from unrestricted funds to a designated fixed asset fund.

Whether acquired with unrestricted or restricted funds, the asset acquired is initially shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

As the related assets are depreciated, in accordance with the depreciation policy, in order to reflect the diminution in the asset, a transfer is made from the relevant fixed asset funds to either unrestricted or restricted revenue funds, as appropriate to the terms of the original gift, if any.

The effect of this policy is that the aggregate of all fixed asset funds shall equate to the net book value of fixed assets.

In the first year that this policy was adopted, a transfer to fixed asset funds was made equivalent to the net book value of the assets.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), such departure is justified on the basis that it is in order to comply with the SORP.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Creditors are measured at their payable amounts at the balance sheet date.

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

All financial assets and liabilities are measured at fair value, the basis for determining fair value is based on taking the retail value of the same from three sources.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

Endowment funds are funds donated to the charity, where the funds shall be invested and the charity shall enjoy the benefit of the income from the capital fund, but where restrictions are placed on the use of the capital.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Net surplus before tax in the financial year

	2024	2023
	£	£
The net surplus before tax in the financial year is stated after charging:-	-	-
Depreciation of owned fixed assets	152	152

5 Staff costs and emoluments

Salary costs

	2024	2023
	£	£
Gross Salaries excluding trustees and key management personnel	-	2,500
Total salaries, wages and related costs	-	2,500

The average number of full time staff employed in the year was	1	1
--	---	---

The estimated full time equivalent number of all staff employed in the year was	1	1
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The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	1	1
Engaged on publicity activities	1	1
Engaged on fundraising activities	1	1
Engaged on management and administration	1	1

The estimated full time equivalent number of all staff employed as above

1	1
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Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

Highest paid employee (Eiko Meredith)

The remuneration in the year was

	1	1
Total remuneration package included in total salaries above	1	1

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

7 Tangible fixed assets

Current Year	Land and Buildings	Plant & Machinery	Motor Vehicles	Total	Total
	£	£	£	£	£
Cost					
Additions	-	-	-	-	-
At 30 November 2024	-	609	-	609	609
Depreciation					
Charge for the year	-	152	-	152	152
At 30 November 2024	-	609	-	609	609
Net book value					
At 30 November 2024	-	-	-	-	-

Prior Year	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£

8 Debtors

	2024	2023
	£	£
Trade debtors	-	-
Prepayments and accrued income	-	-
	-	-

9 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	-	-
Accruals	700	764
Other creditors	64	2,767
	764	3,531

10 Creditors: amounts falling due after one year

	2024	2023
	£	£
Other creditors	7,018	4,241

11	Income and Expenditure account summary	2024	2023
		£	£
	At 1 December 2023	(13,243)	(4,241)
	Transfers in for the year	4,241	-
	At 1 December 2023	(9,002)	(4,241)
	Surplus after tax for the year	9,459	(9,002)
	At 30 November 2024	457	(13,243)

12 Particulars of how particular funds are represented by assets and liabilities

At 30 November 2024	Unrestricted	Designated	Endowment	Restricted	Total	Total
	funds	funds	funds	funds	Funds	Funds
	£	£	£	£	£	£
Tangible Fixed Assets	-	-	-	-	-	-
Current Assets	8,580	-	-	8,115	16,695	16,695
Current Liabilities	(764)	-	-	-	(764)	(764)
Long Term Liabilities	(7018)	-	-	-	(7,018)	(7,018)
	798	-	-	8,115	8,913	8,913

At 1 December 2023	Unrestricted	Designated	Endowment	Restricted	Total	Total
	funds	funds	funds	funds	Funds	Funds
	£	£	£	£	£	£
Current Assets	11,315	-	(4,241)	-	7,074	7,074
Current Liabilities	(3,531)	-	-	-	(3,531)	(3,531)
	3,695	-	(4,241)	-	(546)	(546)

13 Change in total funds over the year, analysed by individual funds

	Funds brought forward from 2023	Movement in funds in 2024	Transfers between funds in 2024	Funds carried forward to 2025	Funds carried forward to 2025
	£	See Note £	See Note £	£	£
Unrestricted and designated funds:-					
Unrestricted Revenue Funds	(9,867)	2,869	-	(6,998)	(6,998)
Total unrestricted and designated funds	(9,867)	2,869	-	(6,998)	(6,998)

Restricted funds:-

	-	8,115	-	8,115	8,115
Grant funding for staff wages	-	-	-	-	-
Total restricted funds	-	8,115	-	8,115	8,115

Endowment funds:-

Initial funds from Eiko Meredith	4,241	-	-	4,241	4,241
Total endowment funds	-	-	4,241	4,241	4,241
Total charity funds	(9,867)	(10,984)	4,241	5,398	5,398

14 Analysis of movements in funds over the year

	Income	Expenditure	Other Gains & Losses	Movement in funds	Movement in funds
	2024 £	2024 £	2024 £	2024 £	2024 £
Unrestricted and designated funds:-					
Unrestricted Revenue Funds	7,007	(4,138)	-	2,869	2,869
Restricted funds:-	8,115	-	-	8,115	8,115
Endowment funds:-					
	15,122	(4,138)	-	10,984	10,984

15 The purposes for which the funds as detailed in note 13 are held by the charity are:-**Unrestricted and designated funds:-**

Unrestricted Revenue Funds	These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.
Unrestricted Revaluation Reserve	This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.
Designated Revenue Funds	These funds are held for the carryout a specific charity activity, and any surplus will create a reserve for future activities.
Designated Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Restricted funds:-

Restricted Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
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Restricted Revaluation Reserve	This fund represents the restricted surplus arising on the revaluation of the charity's assets.
Grant funding for staff wages	Funding was provided by the Welsh Government and HM Revenue and Customs (CJRS) to maintain staff wages.

Endowment funds:-

Endowment Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
Endowment Revaluation Reserve	This fund represents the restricted surplus relating to endowment funds arising on the revaluation of the charity's assets. These funds represent the monies that were generated by Eiko Meredith T/A Kotatsu Japanese animation festival prior to Kotatsu Japanese Animation Festival being registered as a charity and have been transferred in for use for the charity's activities.

16 Ultimate controlling party

The charity is under the control of its Trustees.

Accounts

The Charity Registration Number is :- 1187288

Kotatsu Japanese Animation Festival
Report and Accounts
30 November 2023



Kotatsu Japanese Animation Festival

Report and accounts for the year ended 30 November 2023

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Kotatsu Japanese Animation Festival Trustees' Annual Report for the year ended 30 November 2022

The Trustees present their Report and Accounts for the year ended 30 November 2022.

Reference and administrative details

The charity name.

The legal name of the charity is:- Kotatsu Japanese Animation Festival.

The charity's areas of operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1187288.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

21 Coronation Street
Trethomas, CAERPHILLY
Gwent, CF83 8DL
Telephone 7597929989
Email Address info@kotatsufestival.com Web address www.kotatsufestival.com

The Trustees in office on the date the report was approved were:-

Elizabeth Davies	Chair of the Board of Trustees
Rahul David Sethi	Trustee
Louise Shazzeela Beer	Trustee
Robin Lyons	Trustee

The following persons served as Trustees during the year ended 30 November 2023:-

Elizabeth Davies
Louise Shazzeela Beer
Rahul David Sethi
Robin Lyons

All trustees are also members of the charity. They delegate the day-to-day running of the festival to the Director, Eiko Meredith. The Trustees, in consultation with the Director, make decisions on policy and strategy. None of the trustees receive any remuneration or other benefit from their work with the charity.

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

Kotatsu Japanese Animation was established in 2010. It is uniquely the only festival in Wales to screen the real diversity of Japanese animated films and to host anime-related master classes and Japan/animation workshops mainly free of charge (dependent upon funding). It became a CIO in 2020.

The objects of the charity, as denoted in its constitution, are to promote the art and culture of Japan by holding a festival of Japanese animated films for the benefit of the public.

The festival screens the best in Japanese animation and culture to diverse and inclusive audiences, including families and children, young people, adults of all ages and individuals with disabilities and other distinct groups.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

The main activities undertaken in relation to those purposes during the year.

The Kotatsu Festival 2023 was successfully held again as a live physical event in November at its three established partner venues, in South, Mid and North Wales, namely Chapter in Cardiff, Aberystwyth Arts Centre and Pontio in Bangor. The three are nationally recognised arts centres, which are Arts Council of Wales Revenue Funded Organisations. Trustees are indebted to these venues and their staff for their continued support of our Festival.

In March 2023, thanks to our partner Cardiff Animation Festival, we screened the superb stop-motion animation and cult favourite *'Junk Head'* at Chapter as a part of the Mini Cardiff Animation Festival.

This year's festival screened nine feature films and one short film. These ranged from classic films to the latest releases such as *'The First Slam Dunk'* and included the stop-motion film *'Chieri and Cherry'* made ten years ago.

As a festival, we are always keen to show films by male and female directors to promote gender balance. This year we screened the short film *'Nico/Agony'* directed by Yuji Umoto. The Director himself is male, however, this film received grant funding from the Agency for Cultural Affairs in Japan to employ and train young talents including female animators. We pride ourselves in screening diverse films which otherwise may not be available to our audiences in the cinema.

We held a free reading area with free access to comics and manga at Chapter and Aberystwyth Arts Centres to encourage sustainability and create a welcoming atmosphere for the audience. Reading materials are donated by members of the public including our trustee, to prolong their shelf life and avoid them going to landfill.

On 10th November, we also held a free online event in partnership with Japan Foundation, London. This event was held on Zoom to be accessible, so people from all over the world could attend. The lecturer was Fujitsu Ryota, Japan's leading animation critic. FUJITSU serves as an adjunct lecturer at Tokyo Polytechnic University and holds the position of programming advisor for the anime section of the Tokyo International Film Festival.

In his special online talk, he explained about the very popular Japanese animation genre, Mecha (Robot Animation) from Japan. He explained how story and style combined in this genre and talked about the social environment from which it evolved. There are many Japanese animated film screenings in the UK, more than before, but still, there are not many talks/events explaining the background of the story and the production process. So this online talk was very significant and well received, with 137 people attending this online talk. Of the 48 people who filled in a survey of the event, 47 gave positive feedback.

As we did last year, individual screenings of anime films were shown at the Chapter Arts Centre in Cardiff to increase awareness of Japanese animation and build an audience for the festival.

The main activities undertaken during the year to further the charity's purpose for the public benefit.

The Trustees have complied with the duty in Section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. Given the charity promotes the advancement of

the arts through the festival and its outreach programme of activities the trustees are satisfied that the charity meets the requirements of being for the public benefit. The main beneficiaries are people of all ages who live primarily but not exclusively in Wales. With the continuation of the delivery of online activities, as highlighted in this report, the festival provides wider benefits to extended audiences, including those unable or reluctant to attend in person.

The Trustees have complied with the duty in Section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in managing the activities of the charity.

The contribution of volunteers during the year.

As a small charity with only one part-time Festival Director, we depend on the contribution of volunteers to deliver the festival, in the run-up and during the screenings and events. The festival has a loyal following. In the university town of Aberystwyth, with a renowned film department, and in Cardiff where there are many animation students, we have always benefitted from the services of student volunteers to undertake a range of roles on screening days at the venues. Trustees wish to extend their thanks and appreciation to all volunteers whose support is invaluable to the festival.

The Challenges

Funding is still a major challenge and grants are hard to come by. We rely mainly on volunteers and find it difficult to attract trustees who have the time to make a decent contribution. We need to increase our marketing and promotional efforts.

Also, as anime becomes more mainstream, more Japanese films are available on streaming sites like Netflix. This will not make the festival redundant but there is a debate about whether the festival should become more niche. We want to introduce an audience in the UK to films they cannot see elsewhere but still remain popular and entertaining. We are competing with these streaming sites for the best anime films and this may have an impact on costs.

Financial review

The charity's financial position at the end of the year ended 30 November 2023

The financial position of the charity on 30 November 2023 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2023	2022
	£	£
Net income	(5,628)	263
Unrestricted Revenue Funds available for the general purposes of the charity	(15,067)	(5,200)
Restricted Revenue Funds	-	-
Endowment Revenue Funds	-	(4,241)
Total Endowment funds	-	(4,241)
Total Funds	(15,067)	(9,441)

Financial review of the position at the reporting date, 30 November 2023.

The trustees consider the financial performance by the charity during the year to have been satisfactory.

Specific changes in fixed assets are detailed in the notes to the accounts.

Policies on reserves.

Trustees have examined the charity's requirements for reserves considering the main risks to the organisation. A policy has been established to build free reserves to cover temporary shortfalls in income. The free reserves of the funds that are available to spend as at 30 November 2023 are £7,074.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Details of The Independent Examiner

Marklan Jackson BSc AATQB
Member of AAT Certified Accountant
32 Tridwr Road
Abertidwr
CAERPHILLY
Gwent
CF83 4DN

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on May 16, 2024.

Robin Lyons - Chair

Trustee

Date: May 16, 2024

Kotatsu Japanese Animation Festival

Report of the Independent Examiner to the Trustees of the charity on the accounts for the year ended 30 November 2023

I report to the Trustees on my examination of the financial statements of the charity on pages 13 to 30 for the year ended 30 November 2022 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , and under the historical cost convention and the accounting policies set out on page 21.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described on page 9, you, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable laws and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination. Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a. examine the financial statements of the charity under Section 145 of the Act;
- b. follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide.

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by with Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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

Signed:-

Marklan Jackson - Independent Examiner BSc AATQB
AAT Certified Accountant
32 Tridwr Road
Abertidwr
CAERPHILLY
Gwent
CF83 4DN

This report was signed on 22 March 2024

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended 30 November 2023

Statement of Financial Activities for the year ended 30 November 2023

	SORP Ref	Current year Unrestricted Funds.	Current year Restricted Funds.	Current year Endowment Funds.	Current year Total Funds	Prior Year Total Funds
		2023 £	2023 £	2023 £	2023 £	2022 £
Income & Endowments from:						
Donations & Legacies	A1	3,422	-	-	3,422	9,578
Charitable activities	A2	2,889	-	-	2,889	2,824
Other	A5	115	-	-	115	23
Total income	A	6,426	-	-	6,426	12,425
Expenditure on:						
Raising funds	B1	2,124	-	-	2,124	1,867
Charitable activities	B2	12,645	-	-	12,645	12,023
Total expenditure	B	14,769	-	-	14,769	13,890
Net income for the year		(8,343)	-	-	(8,343)	(1,465)
Net income after transfers.	A-B-C	(8,343)	-	4,241	(4,102)	(1,465)
Net movement in funds		(8,343)	-	4,241	(4,102)	(1,465)
Reconciliation of funds:-	E					
Total funds brought forward		(5,200)	-	(4,241)	9,441	(4,241)
Total funds carried forward		(13,543)	-	-	(13,343)	(5,706)

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A Statement of Total Recognised Gains and Losses is included as a primary statement in these accounts.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations.

The notes attached on pages 14 to 23 form an integral part of these accounts.

Statement of Total Recognised Gains and Losses for the year ended 30 November 2023

	2023 £	2022 £
Surplus for the year:-		
Net excess of income over expenditure from operations before tax	(12,736)	(10,523)
Realised gains on disposals of social investments which are programme-related	-	-
<i>Income from operations before tax in the Statement of Financial Activities</i>	(12,736)	(10,523)
<i>Add/(deduct) non-income and expenditure items:-</i>		
Grants for the acquisition of fixed assets	2,868	9,058
Net Movement in funds before taxation	(9,868)	(1,465)
Funds generated in the year as shown on Statement of Financial Activities	(9,868)	(1,465)

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Resources applied in the year ended 30 November 2023 towards fixed assets for Charity use:-

	2023 £	2022 £
Funds generated in the year as detailed in the SOFA	(4,102)	(1,465)
Resources applied on functional fixed assets	-	-
Other applications of funds	-	-
Net resources available to fund charitable activities	<u>(4,102)</u>	<u>(1,465)</u>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

Movements in revenue and capital funds for the year ended 30 November 2023

Revenue accumulated funds

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Endowment Funds 2023 £	Total Funds 2023 £	Last year Total Funds 2022 £
Accumulated funds brought forward	(5,200)	-	(4,241)	(9,441)	(4,241)
Recognised gains and losses before transfers	<u>(8,343)</u>	<u>-</u>	<u>-</u>	<u>(8,343)</u>	<u>263</u>
	(13,543)	-	(4,241)	(17,784)	(5,706)
(From)/To unrestricted revenue funds	-	-	4,241	4,241	-
Closing revenue funds	<u>(13,543)</u>	<u>-</u>	<u>-</u>	<u>(13,543)</u>	<u>(5,706)</u>

Summary of funds

	Unrestricted and Designated funds 2023 £	Restricted Funds 2023 £	Endowment Funds 2023 £	Total Funds 2023 £	Last Year Total Funds 2022 £
Revenue accumulated funds	(13,543)	-	-	(13,543)	(5,706)

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival

Income and Expenditure Account for the year ended 30 November 2023 as required by the Companies Act 2006

	2023 £	2022 £
Income		
Income from operations	3,443	3,344
Investment income		
Other operating income	115	23
Gross income in the year before exceptional items	3,558	3,367
Gross income in the year	3,558	3,367
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	14,018	11,871
Depreciation and amortisation	152	152
Fundraising costs	2,124	1,867
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	16,924	13,890
Net income before tax in the financial year	(12,736)	(10,523)
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	(12,736)	(10,523)
Retained surplus for the financial year	(12,736)	(10,523)

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Balance Sheet as at 30 November 2023

	Notes	SORP Ref	2023 £	2022 £
Fixed assets		A		
Tangible assets	7	A2	152	305
Current assets		B		
Debtors	8	B2	-	-
Cash at bank and in hand		B4	7,074	19,759
Total current assets			<u>7,074</u>	<u>19,759</u>
Creditors: amounts falling due within one year	9	C1	<u>(3,531)</u>	<u>(899)</u>
Net current assets			3,453	18,860
			<u>3,695</u>	<u>19,165</u>
Net assets				
Creditors: amounts falling due after more than one year	10	C2	(4,241)	(1,955)
The total net assets of the charity			<u>(546)</u>	<u>17,210</u>
The total net assets of the charity are funded by the funds of the charity, as follows:-				
Endowment funds				
Endowment Revenue Funds	13	D1	-	(4,241)
			-	(4,241)
Restricted funds				
Restricted Revenue Funds	13	D2	-	-
			-	-
Unrestricted Funds				
Unrestricted Revenue Funds	13	D3	(13,543)	(5,200)
			(13,543)	(5,200)
Designated Funds				
Total charity funds			<u>(13,543)</u>	<u>(9,441)</u>

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The notes attached on pages 14 to 23 form an integral part of these accounts.

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 12.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.

Robin Lyons

Chair of the board of Trustees

Approved by the board of trustees on May 16, 2024

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2023

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 30 November 2022, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Risks and future assumptions

The charity is a public benefit entity.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Dividends are accrued when the shareholder's right to receive payment is established.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

Donated goods, facilities and services

Donated fixed assets are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in *'legacies and donations'*. Goods donated for resale are included in *'Income from other trading activities'*

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

Donated services and facilities (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

Staffing - on the basis of time spent in connection with any particular activity.

Staffing - on a per capita basis, based on the number of people employed within any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non-specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

Estimation techniques used in apportioning costs - give details

Policies relating to assets, liabilities and provisions and other matters.

Fixed Asset Investments

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period. Investment properties are not depreciated.

Fixed asset investments in unlisted equities are shown at the balance sheet date at the best estimate of their market value, where practicable. Where valuation techniques are considered unreliable or where, in the opinion of the trustees, the costs outweigh the benefits to the users of the accounts, the investment is included at cost, and a review is undertaken at each year end as to whether the asset should be written down.

All gains on fixed asset investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	0	% straight line
Leasehold premises	2	% straight line
Plant and machinery	20	% straight line
Motor vehicles	25	% straight line

A regular annual review of the likelihood of asset impairment is undertaken.

Accounting for capital grants and fixed asset funds.

Gifts of tangible fixed assets or grants of a capital nature, given for the purposes of acquiring specific assets to be fully utilised in the furtherance of the objects of the charity, are credited to fixed asset funds after the donated asset has been received or sums have been properly expended on the restricted purpose.

Where the terms of the gift require the charity to hold the asset on an ongoing basis for a specific purpose, then the fixed asset fund so created is categorised as a restricted fixed asset fund, and the relevant restrictions are noted in the fixed asset note 7.

Where the terms of the gift are met once the asset is acquired, so allowing the charity to use the asset on an unrestricted basis, including the right to receive the proceeds of any future sale of the asset on an unrestricted basis, then the fixed asset fund so created is categorised as a designated fixed asset fund.

When assets are acquired for the furtherance of the charity's objects, utilising the charity's own unrestricted funds, a transfer is made from unrestricted funds to a designated fixed asset fund.

Whether acquired with unrestricted or restricted funds, the asset acquired is initially shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

As the related assets are depreciated, in accordance with the depreciation policy, in order to reflect the diminution in the asset, a transfer is made from the relevant fixed asset funds to either unrestricted or restricted revenue funds, as appropriate to the terms of the original gift, if any.

The effect of this policy is that the aggregate of all fixed asset funds shall equate to the net book value of fixed assets.

In the first year that this policy was adopted, a transfer to fixed asset funds was made equivalent to the net book value of the assets.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), such departure is justified on the basis that it is in order to comply with the SORP.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Creditors are measured at their payable amounts at the balance sheet date.

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

All financial assets and liabilities are measured at fair value, the basis for determining fair value is based on taking the retail value of the same from three sources.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

Endowment funds are funds donated to the charity, where the funds shall be invested and the charity shall enjoy the benefit of the income from the capital fund, but where restrictions are placed on the use of the capital.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Net surplus before tax in the financial year

	2023	2022
	£	£
The net surplus before tax in the financial year is stated after charging:-	-	-
Depreciation of owned fixed assets	152	152

5 Staff costs and emoluments

Salary costs

	2023	2022
	£	£
Gross Salaries excluding trustees and key management personnel	2,500	11,190
Total salaries, wages and related costs	2,500	11,190

The average number of full time staff employed in the year was	1	1
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The estimated full time equivalent number of all staff employed in the year was	1	1
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The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	1	1
Engaged on publicity activities	1	1
Engaged on fundraising activities	1	1
Engaged on management and administration	1	1

The estimated full time equivalent number of all staff employed as above

1	1
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Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

Highest paid employee (Eiko Meredith)

The remuneration in the year was

	1	1
Total remuneration package included in total salaries above	1	1

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

7 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total	Total
	£	£	£	£	£
Cost					
Additions	-	-	-	-	-
At 30 November 2022	-	609	-	609	609
Depreciation					
Charge for the year	-	152	-	152	152
At 30 November 2022	-	457	-	457	457
Net book value					
At 30 November 2022	-	152	-	152	152

<i>Prior Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£

8 Debtors

	2023	2022
	£	£
Trade debtors	-	-
Prepayments and accrued income	-	-
	-	-

9 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	-	-
Accruals	764	778
Other creditors	2,767	121
	3,531	899

10 Creditors: amounts falling due after one year

	2023	2022
	£	£
Other creditors	4,241	1,955

11 Income and Expenditure account summary	2023	2022
	£	£
At 1 December 2022	(14,764)	(4,241)
Transfers in for the year	4,241	-
At 1 December 2022	(10,523)	(4,241)
Surplus after tax for the year	(12,376)	(10,523)
At 30 November 2023	(23,259)	(14,764)

12 Particulars of how particular funds are represented by assets and liabilities

At 30 November 2023	Unrestricted funds	Designated funds	Endowment funds	Restricted funds	Total Funds	Total Funds
	£	£	£	£	£	£
Tangible Fixed Assets	152	-	-	-	152	152
Current Assets	7,074	-	-	-	7,074	7,074
Current Liabilities	(3,531)	-	-	-	(3,531)	(3,531)
Long Term Liabilities	(4,241)	-	-	-	(4,241)	(4,241)
	(546)	-	-	-	(546)	(546)
At 1 December 2022	Unrestricted funds	Designated funds	Endowment funds	Restricted funds	Total Funds	Total Funds
	£	£	£	£	£	£
Current Assets	24,000	-	(4,241)	-	19,759	19,759
Current Liabilities	(899)	-	-	-	(899)	(899)
	21,450	-	(4,241)	-	17,209	17,209

13 Change in total funds over the year, analysed by individual funds

	Funds brought forward from 2022	Movement in funds in 2023	Transfers between funds in 2023	Funds carried forward to 2024	Funds carried forward to 2024
	£	See Note £	See Note £	£	£
Unrestricted and designated funds:-					
Unrestricted Revenue Funds	(5,200)	(8,343)	-	(13,543)	(13,543)
Total unrestricted and designated funds	(5,200)	(8,343)	-	(13,543)	(13,543)

Restricted funds:-

	(4,890)	-	-	(4,890)	(4,890)
Grant funding for staff wages	4,890	-	-	4,890	4,890
Total restricted funds	-	-	-	-	-

Endowment funds:-

Initial funds from Eiko Meredith	4,241	-	-	4,241	4,241
Total endowment funds	-	-	4241	4,241	4,241

Total charity funds	(5,200)	(8,343)	-	(9,302)	(9,302)
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14 Analysis of movements in funds over the year

	Income	Expenditure	Other Gains & Losses	Movement in funds	Movement in funds
	2023 £	2023 £	2023 £	2023 £	2023 £
Unrestricted and designated funds:-					
Unrestricted Revenue Funds	6,426	(14,769)	-	(8,343)	(8,343)
Restricted funds:-	-	-	-	-	-
Endowment funds:-					
	6,426	(14,769)	-	(8,343)	(8,343)

15 The purposes for which the funds as detailed in note 13 are held by the charity are:-

Unrestricted and designated funds:-

Unrestricted Revenue Funds	These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.
Unrestricted Revaluation Reserve	This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.
Designated Revenue Funds	These funds are held for the carryout a specific charity activity, and any surplus will create a reserve for future activities.
Designated Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Restricted funds:-

Restricted Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
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Restricted Revaluation Reserve	This fund represents the restricted surplus arising on the revaluation of the charity's assets.
Grant funding for staff wages	Funding was provided by the Welsh Government and HM Revenue and Customs (CJRS) to maintain staff wages.

Endowment funds:-

Endowment Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
Endowment Revaluation Reserve	This fund represents the restricted surplus relating to endowment funds arising on the revaluation of the charity's assets. These funds represent the monies that were generated by Eiko Meredith T/A Kotatsu Japanese animation festival prior to Kotatsu Japanese Animation Festival being registered as a charity and have been - transferred in for use for the charity's activities.

16 Ultimate controlling party

The charity is under the control of its Trustees.

Accounts

The Charity Registration Number is :- 1187288

Kotatsu Japanese Animation Festival
Report and Accounts
30 November 2022



Kotatsu Japanese Animation Festival

Report and accounts for the year ended 30 November 2022

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Kotatsu Japanese Animation Festival Trustees' Annual Report for the year ended 30 November 2022

The Trustees present their Report and Accounts for the year ended 30 November 2022.

Reference and administrative details

The charity name.

The legal name of the charity is:- Kotatsu Japanese Animation Festival.

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1187288.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

21 Coronation Street
Trethomas, CAERPHILLY
Gwent, CF83 8DL
Telephone 7597929989
Email Address info@kotatsufestival.com Web address www.kotatsufestival.com

The Trustees in office on the date the report was approved were:-

Elizabeth Davies	Chair of the board of Trustees
Jason Maher	Trustee
Rahul David Sethi	Trustee
Louise Shazzeela Beer	Trustee
Robin Lyons	Trustee

The following persons served as Trustees during the year ended 30 November 2022 :-

Elizabeth Davies	
Louise Shazzeela Beer	
Nathan Lee Elward	Resigned February 27, 2022
Robin Lyons	Appointed March 2, 2022
Jason Maher	
Rahul David Sethi	

All trustees are also members of the charity. They delegate the day-to-day running of the festival to the Director, Eiko Meredith. The Trustees, in consultation with the Director, make decisions on policy and strategy. None of the trustees receive any remuneration or other benefit from their work with the charity.

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

Kotatsu Japanese Animation was established in 2010. It is uniquely the only festival in Wales to screen the real diversity of Japanese animated films and to host anime related master classes and Japan / animation workshops mainly free of charge (dependent upon funding). It became a CIO in 2020.

The objects of the charity, as denoted in its constitution, are to promote the art and culture of Japan by holding a festival of Japanese animated films for the benefit of the public.

The festival screens the best in Japanese animation and culture to diverse and inclusive audiences, including families and children, young people, adults of all ages and individuals with disabilities and other distinct groups.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

The main activities undertaken in relation to those purposes during the year.

The 2022 Festival was successfully held again as a live physical event at its three established partner venues, in South, Mid and North Wales, namely Chapter in Cardiff, Aberystwyth Arts Centre and Pontio in Bangor. The three are nationally recognized arts centres, which are Arts Council of Wales Revenue Funded Organisations. Trustees are indebted to these venues and their staff for their continued support for our Festival.

It was held over a 16-day period during October to November 1, 2022. A total of 21 screenings were held at the three venues, with six of them F rated. (F rating is awarded to films, which are directed and/or written by women. It is designed to champion women and NBs and to redress the imbalance in the film industry). 14 feature films were screened and one short. These were the highest numbers since 2010. The Critics Awards and Audience Awards proved extremely popular again with attendees, and we hope we can retain these features in future Festivals.

After the decline in general attendances at Chapter due to the Pandemic, and the inevitable reduced capacity in their cinemas in 2021, due to social distancing regulations, Chapter suggested we start more regular screenings throughout the year to rebuild our audiences. We started by screening *Tokyo Godfathers* as our first Kotatsu Anime club event at Chapter in December 2022 to increase awareness of the Festival.

From November 2021 to March 2022 in partnership with Cardiff Library Services, we hosted a number of Educational Workshops as part of our educational outreach programme. This attracted participants aged 7 –64. The project comprised hosting an online anime Education workshop presented by one of Japan's most respected and lauded Japanese anime critics, Ryota Fujitsu, and a face to face animation workshop presented by Cardiff based Mwnci Animation Studio, held at Cardiff Central Library. Through the Anime Education Workshops participants gained a greater insight into the screenplay, the underlying themes of morality and humanity, as well as the production values of *Spirited Away*, one of the most influential and universally acclaimed animation films from Japan, directed by the master Miyazaki of Studio Ghibli. This was a major achievement for the festival as it's very rare occurrence to see such an event in the UK presented by someone of his calibre and stature in the industry.

Cardiff Metropolitan University School of Art and Design, a new partner, facilitated a 5-day physical animation workshop, which was very well received by all attendees. It also gave a platform for Mwnci Animation Studio, whose team members are all young university graduates, to promote the animation sector to potential new recruits wishing to pursue a career in the sector. It also gave Mwnci inspiration to expand their own services through providing educational workshops of this nature.

The festival had always held the ambition to host such workshops, and it was only lack of funds that delayed realising that ambition. Thanks to support from Ffilm Cymru Wales, we were able to host these workshops this year, generating so much positive feedback. We have already received requests from attendees as well as people who were unable to attend this time to host more workshops online and face to face in the foreseeable future.

A series of accessible online Japanese cultural workshops were also held as part of the Festival's free outreach

and audience participation programme, extending the horizons and knowledge of their participants, and introducing people to an art form and culture new to them. These workshops have particular appeal amongst unrepresented groups, people who have mobility or other health issues, are in socially deprived areas, living in places with limited public transport, and are unable to attend face-to-face workshops, for example. Featured in this series:

- An Introduction and Demonstration of Kimono and Yukata Dressing Technique with Yumiko Jones.
- Learning basic Anime words and phrases in Japanese, with Kaori Onoda - -- - An Introductory Workshop of Japanese Calligraphy for Beginners with Yukiko Ayres. (This workshop alone has since been viewed 5,800 times to date on YouTube.)
- An introductory workshop to Japanese Manga, for beginners, hosted by Shangomola Edunjobi

During the year our Festival also collaborated with Cardiff Animation Festival at Chapter in April 2022. This collaboration involved two film screenings. The first was *Ongaku*, which won last year's Kotatsu Festival Audience Award 2021. The second film was *Summer Ghost*, only released in Japan in November 2021 and premiered in Wales 5 months later. Directed by Loundraw, this was also his directorial debut. Previously he was in charge of concept design for *Josse*, *The Tiger and the Fish* and undertook the illustration for *I Want to Eat Your Pancreas*.

The main activities undertaken during the year to further the charity's purpose for the public benefit.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. Given the charity promotes the advancement of the arts through the festival and its outreach programme of activities the trustees are satisfied that the charity meets the requirements of being for the public benefit. The main beneficiaries are people of all ages who live primarily but not exclusively in Wales. With the continuation of delivery of online activities, as highlighted in this report, the festival provides wider benefits to extended audiences, including those unable or reluctant to attend in person.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in managing the activities of the charity.

The contribution of volunteers during the year.

As a small charity with only one part time Festival Director we depend on the contribution of volunteers to deliver the festival, in the run-up and during the screenings and events. The festival has a loyal following. In the university town of Aberystwyth, with a renowned film department, and in Cardiff where there are many animation students, we have always benefitted from the services of student volunteers to undertake a range of roles on screening days at the venues. Trustees wish to extend their thanks and appreciation to all volunteers whose support is invaluable to the festival.

The Challenges

The year covered by this report, December 1, 2021 to 30 November 2022, still felt the impact of the Covid19 pandemic, particularly at arts and cultural venues. Though the lifting of severe Lockdown restrictions meant venues could re-open in mid 2021, this was not without its challenges into 2022. Against the backdrop of reduced audiences in 2021, due to reduced capacity as a result of social distancing regulations, 2022 still saw fewer numbers of attendances than pre pandemic in Wales. A reluctance to attend still prevailed compounded by cost of living rises, especially rising food and energy prices, in 2022. This demonstrates some of the challenges we faced in planning for the 2022 Festival.

Arts Council Wales' Cultural Recovery Fund grant was invaluable to the survival of the Kotatsu Japanese Animation Festival during the Covid19 pandemic. The Festival, during this financial year, still faced financial challenges with a reduction in the availability of grants and reduction in ticket income. In tandem with these challenges the festival has also been impacted by inflation and the cost of living crisis, and increases in rental fees for some films. The charity relies on successful applications for grants from a variety of funders who operate schemes of support in the arts/film and community sectors. Going forward a concerted effort must be sustained to secure more sources of funding. Small-scale sponsorship was secured again from the following: Cloth Cat

Animation, Tetsu's Armature and Satory Design.

Financial review

The charity's financial position at the end of the year ended 30 November 2022

The financial position of the charity at 30 November 2022 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2022	2021
	£	£
Net income	(5,200)	16,624
Unrestricted Revenue Funds available for the general purposes of the charity	5,961	11,161
Restricted Revenue Funds	-	-
Endowment Revenue Funds	(4,241)	(4,241)
Total Endowment funds	(4,241)	(4,241)
Total Funds	1,720	6,920

Financial review of the position at the reporting date, 30 November 2022.

The trustees consider the financial performance by the charity during the year to have been satisfactory.

Specific changes in fixed assets are detailed in the notes to the accounts.

Policies on reserves.

Though the charity has only been operating for 1 year, trustees have examined the charity's requirements for reserves considering the main risks to the organisation. A policy has been established to build free reserves to cover temporary shortfalls in income. The free reserves of the funds that are available to spend as at 30 November 2022, are £15,000.00.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Details of The Independent Examiner

Marklan Jackson BSc AATQB
Member of AAT Certified Accountant
32 Tridwr Road
Abertidwr
CAERPHILLY
Gwent
CF83 4DN

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit

requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

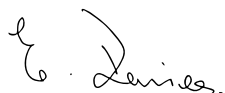
- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on April 29, 2023.



Elizabeth Davies - Chair

Trustee
Date: April 29, 2023

Kotatsu Japanese Animation Festival

Report of the Independent Examiner to the Trustees of the charity on the accounts for the year ended 30 November 2022

I report to the Trustees on my examination of the financial statements of the charity on pages 13 to 30 for the year ended 30 November 2022 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on page 21.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described on page 9, you, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination. Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a. examine the financial statements of the charity under Section 145 of the Act;
- b. follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide.

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by with Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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

Signed:-



Marklan Jackson - Independent Examiner BSc AATQB
AAT Certified Accountant
32 Tridwr Road
Abertidwr
CAERPHILLY
Gwent
CF83 4DN

This report was signed on 30 June 2023

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended 30 November 2022

Statement of Financial Activities for the year ended 30 November 2022

	SORP Ref	Current year Unrestricted Funds.	Current year Restricted Funds.	Current year Endowment Funds.	Current year Total Funds	Prior Year Total Funds
		2022 £	2022 £	2022 £	2022 £	2021 £
Income & Endowments from:						
Donations & Legacies	A1	9,578	-	-	9,578	29,767
Charitable activities	A2	2,824	-	-	2,824	3,604
Other	A5	23	-	-	23	2
Total income	A	12,425	-	-	12,425	33,373
Expenditure on:						
Raising funds	B1	1,867	-	-	1,867	1,155
Charitable activities	B2	15,758	-	-	15,758	15,594
Total expenditure	B	17,625	-	-	17,625	16,749
Net income for the year		(5,200)	-	-	(5,200)	16,624
Net income after transfers.	A-B-C	(5,200)	-	-	(5,200)	16,624
Net movement in funds		(5,200)	-	-	(5,200)	16,624
Reconciliation of funds:-	E					
Total funds brought forward		11,161	-	(4,241)	6,920	(4,241)
Total funds carried forward		5,961	-	(4,241)	1,720	12,383

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A Statement of Total Recognised Gains and Losses is included as a primary statement in these accounts.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations.

The notes attached on pages 14 to 23 form an integral part of these accounts.

Statement of Total Recognised Gains and Losses for the year ended 30 November 2022

	2022	2021
	£	£
Surplus for the year :-		
Net excess of income over expenditure from operations before tax	(14,257)	(13,127)
Realised gains on disposals of social investments which are programme related	-	-
<i>Income from operations before tax in the Statement of Financial Activities</i>	(14,257)	(13,127)
<i>Add/(deduct) non income and expenditure items:-</i>		
Grants for the acquisition of fixed assets	9,058	29,751
Net Movement in funds before taxation	(5,199)	16,624
Funds generated in the year as shown on Statement of Financial Activities	(5,199)	16,624

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Resources applied in the year ended 30 November 2022 towards fixed assets for Charity use:-

	2022 £	2021 £
Funds generated in the year as detailed in the SOFA	(5,200)	16,624
Resources applied on functional fixed assets	-	-
Other applications of funds	-	-
Net resources available to fund charitable activities	(5,200)	16,624

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

Movements in revenue and capital funds for the year ended 30 November 2022

Revenue accumulated funds

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total Funds 2022 £	Last year Total Funds 2021 £
Accumulated funds brought forward	11,161	-	(4,241)	6,920	(4,241)
Recognised gains and losses before transfers	(5,200)	-	-	(5,200)	16,624
	5,961	-	(4,241)	1,720	12,383
(From)/To unrestricted revenue funds	-	-	-	-	-
Closing revenue funds	5,961	-	(4,241)	1,720	12,383

Summary of funds

	Unrestricted and Designated funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total Funds 2022 £	Last Year Total Funds 2021 £
Revenue accumulated funds	5,961	-	(4,241)	1,720	12,383

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival

Income and Expenditure Account for the year ended 30 November 2022 as required by the Companies Act 2006

	2022 £	2021 £
Income		
Income from operations	3,344	3,620
Investment income		
Other operating income	23	2
Gross income in the year before exceptional items	3,367	3,622
Gross income in the year i	3,367	3,622
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	15,605	15,442
Depreciation and amortisation		152
Fundraising costs	1,867	1,155
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	17,624	16,749
Net income before tax in the financial year	(14,257)	(13,127)
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	(14,257)	(13,127)
Retained surplus for the financial year	(14,257)	(13,127)

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Balance Sheet as at 30 November 2022

	Notes	SORP Ref	2022 £	2021 £
Fixed assets		A		
Tangible assets	7	A2	305	457
Current assets		B		
Debtors	8	B2	-	1,400
Cash at bank and in hand		B4	16,130	19,759
Total current assets			16,130	21,159
Creditors: amounts falling due within one year	9	C1	(1,023)	(899)
Net current assets			15,107	20,260
			15,412	20,717
Net assets				
Creditors: amounts falling due after more than one year	10	C2	(1,849)	(1,955)
The total net assets of the charity			13,563	18,762

The total net assets of the charity are funded by the funds of the charity, as follows:-

Endowment funds				
Endowment Revenue Funds	13	D1	(4,241)	(4,241)
			(4,241)	(4,241)
Restricted funds				
Restricted Revenue Funds	13	D2	-	-
			-	-
Unrestricted Funds				
Unrestricted Revenue Funds	13	D3	5,961	11,161
			5,961	11,161
Designated Funds				
Total charity funds			1,720	6,920

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The notes attached on pages 14 to 23 form an integral part of these accounts.

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 12.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.

Elizabeth Davies

Chair of the board of Trustees

Approved by the board of trustees on April 29, 2023

The notes attached on pages 14 to 23 form an integral part of these accounts.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2022

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 30 November 2022, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Risks and future assumptions

The charity is a public benefit entity.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Dividends are accrued when the shareholder's right to receive payment is established.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

Donated goods, facilities and services

Donated fixed assets are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in *'legacies and donations'*. Goods donated for resale are included in *'Income from other trading activities'*

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

Donated services and facilities (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

Staffing - on the basis of time spent in connection with any particular activity.

Staffing - on a per capita basis, based on the number of people employed within any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non-specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

Estimation techniques used in apportioning costs - give details

Policies relating to assets, liabilities and provisions and other matters.

Fixed Asset Investments

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period. Investment properties are not depreciated.

Fixed asset investments in unlisted equities are shown at the balance sheet date at the best estimate of their market value, where practicable. Where valuation techniques are considered unreliable or where, in the opinion of the trustees, the costs outweigh the benefits to the users of the accounts, the investment is included at cost, and a review is undertaken at each year end as to whether the asset should be written down.

All gains on fixed asset investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	0	% straight line
Leasehold premises	2	% straight line
Plant and machinery	20	% straight line
Motor vehicles	25	% straight line

A regular annual review of the likelihood of asset impairment is undertaken.

Accounting for capital grants and fixed asset funds.

Gifts of tangible fixed assets or grants of a capital nature, given for the purposes of acquiring specific assets to be fully utilised in the furtherance of the objects of the charity, are credited to fixed asset funds after the donated asset has been received or sums have been properly expended on the restricted purpose.

Where the terms of the gift require the charity to hold the asset on an ongoing basis for a specific purpose, then the fixed asset fund so created is categorised as a restricted fixed asset fund, and the relevant restrictions are noted in the fixed asset note 7.

Where the terms of the gift are met once the asset is acquired, so allowing the charity to use the asset on an unrestricted basis, including the right to receive the proceeds of any future sale of the asset on an unrestricted basis, then the fixed asset fund so created is categorised as a designated fixed asset fund.

When assets are acquired for the furtherance of the charity's objects, utilising the charity's own unrestricted funds, a transfer is made from unrestricted funds to a designated fixed asset fund.

Whether acquired with unrestricted or restricted funds, the asset acquired is initially shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

As the related assets are depreciated, in accordance with the depreciation policy, in order to reflect the diminution in the asset, a transfer is made from the relevant fixed asset funds to either unrestricted or restricted revenue funds, as appropriate to the terms of the original gift, if any.

The effect of this policy is that the aggregate of all fixed asset funds shall equate to the net book value of fixed assets.

In the first year that this policy was adopted, a transfer to fixed asset funds was made equivalent to the net book value of the assets.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), such departure is justified on the basis that it is in order to comply with the SORP.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Creditors are measured at their payable amounts at the balance sheet date.

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

All financial assets and liabilities are measured at fair value, the basis for determining fair value is based on taking the retail value of the same from three sources.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

Endowment funds are funds donated to the charity, where the funds shall be invested and the charity shall enjoy the benefit of the income from the capital fund, but where restrictions are placed on the use of the capital.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Net surplus before tax in the financial year

	2022	2021
	£	£
The net surplus before tax in the financial year is stated after charging:-	0	-
Depreciation of owned fixed assets	152	152

5 Staff costs and emoluments

Salary costs

	2022	2021
	£	£
Gross Salaries excluding trustees and key management personnel	11,190	7,110
Total salaries, wages and related costs	11,478	7,110

The average number of full time staff employed in the year was	1	1
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The estimated full time equivalent number of all staff employed in the year was	1	1
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The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	1	1
Engaged on publicity activities	1	1
Engaged on fundraising activities	1	1
Engaged on management and administration	1	1

The estimated full time equivalent number of all staff employed as above

1	1
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Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

Highest paid employee (Eiko Meredith)

The remuneration in the year was

	1	1
Total remuneration package included in total salaries above	1	1

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

7 Tangible fixed assets

Current Year	Land and Buildings	Plant & Machinery	Motor Vehicles	Total	Total
	£	£	£	£	£
Cost					
Additions	-	-	-	-	-
At 30 November 2022	-	609	-	609	609
Depreciation					
Charge for the year	-	152	-	152	152
At 30 November 2022	-	304	-	304	304
Net book value					
At 30 November 2022	-	305	-	305	305

Prior Year	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£

8 Debtors

	2022	2021
	£	£
Trade debtors	-	600
Prepayments and accrued income	-	800
	-	1,400

9 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	-	-
Accruals	660	778
Other creditors	363	121
	1,023	899

10 Creditors: amounts falling due after one year

	2022	2021
	£	£
Other creditors	1,849	1,955

11 Income and Expenditure account summary	2022	2021
	£	£
At 1 December 2021	(17,368)	(4,241)
Transfers in for the year	-	-
At 1 December 2021	(17,368)	(4,241)
Surplus after tax for the year	(14,257)	(13,127)
At 30 November 2022	(31,625)	(17,368)

12 Particulars of how particular funds are represented by assets and liabilities

At 30 November 2022	Unrestricted	Designated	Endowment	Restricted	Total	Total
	funds	funds	funds	funds	Funds	Funds
	£	£	£	£	£	£
Tangible Fixed Assets	305	-	-	-	305	305
Current Assets	20,371	-	(4,241)	-	16,130	16,130
Current Liabilities	(1,023)	-	-	-	(1,023)	(1,023)
Long Term Liabilities	(1,849)	-	-	-	(1,849)	(1,849)
	17,804	-	(4,241)	-	13,563	13,563
At 1 December 2021	Unrestricted	Designated	Endowment	Restricted	Total	Total
	funds	funds	funds	funds	Funds	Funds
	£	£	£	£	£	£
Current Assets	25,400	-	(4,241)	-	21,159	21,159
Current Liabilities	(899)	-	-	-	(899)	(899)
	23,003	-	(4,241)	-	18,762	18,762

13 Change in total funds over the year, analysed by individual funds

	Funds brought forward from 2021	Movement in funds in 2022	Transfers between funds in 2022	Funds carried forward to 2023	Funds carried forward to 2023
	£	See Note £	See Note £	£	£
Unrestricted and designated funds:-					
Unrestricted Revenue Funds	11,161	(5,200)	-	5,961	5,961
Total unrestricted and designated funds	11,161	(5,200)	-	5,961	5,961
Restricted funds:-					

	(4,890)	-	-	(4,890)	(4,890)
Grant funding for staff wages	4,890	-	-	4,890	4,890
Total restricted funds	-	-	-	-	-
Endowment funds:-					
Initial funds from Eiko Meredith	4,241	-	-	4,241	4,241
Total endowment funds	(4,241)	-	-	(4,241)	(4,241)
Total charity funds	6,920	(5,200)	-	1,720	1,720

14 Analysis of movements in funds over the year

	Income	Expenditure	Other Gains & Losses	Movement in funds	Movement in funds
	2022 £	2022 £	2022 £	2022 £	2022 £
Unrestricted and designated funds:-					
Unrestricted Revenue Funds	12,425	(17,625)	-	(5,200)	(5,200)
Restricted funds:-					
	-	-	-	-	-
Endowment funds:-					
	12,425	(17,625)	-	(5,200)	(5,200)

15 The purposes for which the funds as detailed in note 13 are held by the charity are:-

Unrestricted and designated funds:-

Unrestricted Revenue Funds	These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.
Unrestricted Revaluation Reserve	This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.
Designated Revenue Funds	These funds are held for the carryout a specific charity activity, and any surplus will create a reserve for future activities.
Designated Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Restricted funds:-

Restricted Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
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Restricted Revaluation Reserve	This fund represents the restricted surplus arising on the revaluation of the charity's assets.
Grant funding for staff wages	Funding was provided by the Welsh Government and HM Revenue and Customs (CJRS) to maintain staff wages.

Endowment funds:-

Endowment Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
Endowment Revaluation Reserve	This fund represents the restricted surplus relating to endowment funds arising on the revaluation of the charity's assets. These funds represent the monies that were generated by Eiko Meredith T/A Kotatsu Japanese animation festival prior to Kotatsu Japanese Animation Festival being registered as a charity and have been - transferred in for use for the charity's activities.

16 Ultimate controlling party

The charity is under the control of its Trustees.

Accounts

The Charity Registration Number is :- 1187288

Kotatsu Japanese Animation Festival

Report and Accounts

30 November 2021



Kotatsu Japanese Animation Festival

Report and accounts for the year ended 30 November 2021

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Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

The Trustees present their Report and Accounts for the year ended 30 November 2021.

Reference and administrative details

The charity name.

The legal name of the charity is:- Kotatsu Japanese Animation Festival.

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1187288.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as a Charitable Incorporated Organisation (CIO) in England & Wales. The governing document of the charity is the constitution of the CIO as approved by the Charity Commission in England & Wales (CCEW) .

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

The principal operating address, telephone number, email and web addresses of the charity are:-

21 Coronation Street

Trethomas, CAERPHILLY

Gwent, CF83 8DL

Telephone 7597929989

Email Address info@kotatsufestival.com Web address www.kotatsufestival.com

The Trustees in office on the date the report was approved were:-

Elizabeth Davies	Chair of the board of Trustees
Jason Maher	Trustee
Rahul David Sethi	Trustee
Louise Shazzeela Beer	Trustee
Nathan Lee Elward	Trustee

The following persons served as Trustees during the year ended 30 November 2021 :-

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

All the trustees are also members of the charity.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

The purposes of the charity as set out in its governing document.

The objects of the charity, as denoted in its constitution, are to promote the art and culture of Japan by holding a festival of Japanese animated films for the benefit of the public.

The festival screens the best in Japanese animation and culture to diverse and inclusive audiences, including families and children, young people, adults of all ages and individuals with disabilities.

After the continued uncertainties resulting from the Covid-19 pandemic in 2021 and the impact of Government's restrictions regarding the opening of arts venues and cinemas to the public the 2021 festival successfully went ahead live at its partner arts venues namely Chapter Arts Centre in Cardiff and Aberystwyth Arts Centre on Aberystwyth University's campus in mid Wales. A third venue was also secured for 2021, Pontio Arts and Innovation Centre at Bangor University, in North Wales. The charity was extremely pleased to secure this third venue, increasing its presence in North Wales, thereby realizing its continued ambition to be a pan Wales festival. All have been extremely supportive of the festival in what have been challenging times for the arts in the UK. the Trustees wish to record their appreciation and thanks to all staff at the three venues for their support in 2021.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

The main activities undertaken in relation to those purposes during the year.

The 2021 festival was again held at its established partner venues, two nationally recognised arts centres in Wales, with a reputation for their promotion of Japanese arts, namely Chapter Arts Centre in Cardiff and Aberystwyth Arts Centre on Aberystwyth University's campus in mid Wales.

These venues have previously hosted the festival and seen it grow in its impact and popularity. Both have been extremely supportive of the festival and the Trustees wish to record their appreciation and thanks to both venues and their staff for their continued support over the years.

As part of the charity's ambition to increase its footprint across Wales, and benefit more people across the nation, it also secured a new partner venue for 2021 at Pontio, an arts and innovation centre in Bangor, North Wales, which is linked to the University. Following the success of the screenings and associated activity there the charity is very keen to develop this relationship for the future.

Following our inability to hold a physical festival in 2020 due to the National Lockdown, and with restrictions still in place in Wales in the first half of 2021, there was still some uncertainty around arts and cinema venues' capability to open fully. Cinemas and arts centres have faced extreme challenges, through loss of revenues and fears for their future viability.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

Forward planning and fundraising was therefore quite challenging for the 2021 Kotatsu Japanese Animation Festival. Chapter Arts Centre re-opened its cinemas in May 2021 and Aberystwyth Arts Centre announced their re-opening in June 2021. To meet with Welsh Government's regulations for venues capacity at both partner venues was reduced significantly, which inevitably impacted on ticket income for the festival.

Other restrictions also prevailed. In line with Welsh Government legislation, cinemagoers over 18 had to have an up-to-date NHS COVID Pass or proof of a recent negative test, which were essential for all cinemas and other indoor venues in Wales.

We therefore screened all the films at the three partner venues in North, Mid and South Wales this year. In view of the social distancing regulations imposed on cinemas and arts venues, because of the Covid19 pandemic, seating capacity had to be reduced at each venue. However, venues were all pleased with the outcome and Chapter reported that it had received its best cinema audience since reopening after Lockdown as a direct result of our Festival.

Because of the continued uncertainties around international travel restrictions during 2021 we were unable to invite special guest speakers from Japan, as we would normally have done, and were unable to receive any grant to support the cost of that due to those uncertainties. As this is always a highlight of the festival, Zoom events were arranged online with the support of our loyal partner The Japan Foundation.

The main activities undertaken during the year to further the charity's purpose for the public benefit.

All the festival's activities were delivered in keeping with its objects of promoting the arts and culture of Japan for the benefit of the public through holding the 2021 Kotatsu Japanese Animation Festival at three arts venues in Wales, as well as presenting certain activities online in 2021 due to the continued impact of the Covid19 in Wales. The main beneficiaries were people of all ages and backgrounds who live primarily in Wales, although the online activity did attract a wider international audience.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit in managing the activities of the charity.

The contribution of volunteers during the year.

As a small charity with only one part time Festival Director we depend on the contribution of volunteers to deliver the festival, in the run-up and during the screenings and events. The festival has a loyal following, and in the university town of Aberystwyth, with a film department, and in Cardiff where there are many animation students, and as a result has always benefitted from student volunteers to undertake a range of roles on screening days at the venues. Trustees wish to extend their thanks and appreciation to all volunteers whose support is invaluable to the festival.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

The main achievements and performance of the charity during the year.

- Chapter had its best audience figures since reopening after lockdown, from our Festival. The audience at Aberystwyth Arts Centre was so pleased to see the return of the Kotatsu festival, and it generated very positive audience responses in feedback reports.
- We toured to Pontio in Bangor for the first time and from the feedback received from the venue they are very keen to continue a partnership with us in the future, which meets with our ambitions to become a pan Wales festival.
- This year we were able to screen a real diversity of films. One feature film dealt with the theme of disability, while one short film dealt with an LGBT theme. All the films we screened were of an extraordinary high quality, and this was strongly reaffirmed by our audience members.
- We strongly believe that our Kotatsu Japanese Animation Festival is the only festival in Wales, perhaps even in the UK, to screen the real diversity of Japanese animated films and host a diverse masterclass and Japan and animation related workshops free of charge. Our festival was very well received again this year.
- In 2021 we partnered with more organisations, such as Cardiff Library, which resulted in them hosting a Japanese Language Workshop for Beginners and a Japanese Kimono Workshop as part of the festival.
- A new addition in 2021 was the introduction of The Kotatsu Film Critics' Award to bring professional expertise to our festival and increase our visibility within the sector. We were delighted with the calibre of critics we secured, from the UK, US/Europe and Japan and the added value they brought to our festival too, all of which augurs well for the future.
- Another major achievement was securing the distinguished animator and educator Koji Yamamura to host this year's masterclass. This was a unique insight into one of Japan's most respected and internationally renowned masters of animation. He is a Member of the Academy of Motion Picture Arts and Sciences, sub-chairman of the Japan Animation Association (JAA) and Member of the Board of the Japanese branch of ASIFA - Association Internationale du Film d'Animation. He is also newly appointed director of the Hiroshima Festival Media Arts Division, from 2021. The fact that he agreed to host a masterclass for the 2021 Kotatsu Japanese Animation Festival is a reflection of the integrity and uniqueness of our festival here in Wales giving our beneficiaries a unique insight which they could never have experienced had it not been for our festival. 485 people booked for this masterclass

The trustees wish to acknowledge the support of all its partners, the venues, staff and volunteers, funders, distributors, speakers and workshop leaders, and all who have contributed to the success of the 2021 Kotatsu Japanese Animation Festival. It has been another challenging year for film and the wider arts sector in Wales. By working together much was achieved within a short timescale due to the uncertainties emanating from the Covid19 global pandemic.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

Fundraising activities during the year.

The charity relies on successful applications for grants from a variety of funders who operate schemes of support in the arts/film and community sectors. In this financial year the charity received grants totalling £29,730 from the following:

Ffilm Cymru Wales

Ffilm Hub Wales

The Japan Foundation London

The National Lottery Community Fund

Welsh Government - Arts Resilience Fund (due to impact of Covid19 pandemic).

Small-scale sponsorship was secured from the following: Cloth Cat Animation, Tetsu's Armature and Satory Design. Trustees wish to express their gratitude to all funders and sponsors who have each contributed towards this year's festival's success.

The charity also wishes to note that it is registered with the Funding Regulator.

The difference the charity's performance during the year has made to the beneficiaries of the charity.

It was an immense achievement to plan and mount the 2021 festival in three physical venues, when there was so much uncertainty due to continued restrictions regarding indoor performance and art spaces. Audience members really appreciated being able to see Japanese animation in a live cinema once again, after the festival was forced to go online due to the Covid19 Pandemic Lockdown in 2020. This was reflected in the feedback from attendees as well as at venues.

The charity's success in securing a third venue for the festival at Pontio arts and innovation centre in Bangor, benefitted young people in particular, giving them access for the first time to never before seen Japanese Animation films in North Wales. This was both educational and enjoyable for the young people.

Through its partnership with Cardiff Library in 2021 the festival was also able to target young people from economically deprived areas of Cardiff to participate in online workshops free of charge and learn about a new culture they might never before have been able to access.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

The degree to which the achievements and performance during the year have benefited wider society.

This year's festival has again introduced people to an art form and culture new to them. As is our policy, we strive to showcase the breadth of diverse themed films for our audiences. We hosted the majority of workshops and the masterclass online and they were free to join, and our event was very accessible to all. Also, some of the events that the guest speaker agreed have been uploaded to our YouTube channel, enabling a wider representation of society globally to watch and learn in their own time free of charge. This also increases awareness of our festival for the future as well as promoting Japanese art and culture to a wider breadth of society. Similarly the selection of films included themes on protected characteristics in terms of equality, such as LGBT and disability. Film is an accessible way of educating and expanding an audience's knowledge, as well as being representative of minority groups. Therefore we believe our film festival benefits not only our direct beneficiaries, i.e. our audiences and participants, but also wider society giving a voice to unrepresented groups in society.

One of the films we screened was a disability themed feature film, Josse, the Tiger and the Fish, whose main character was disabled. It was important to highlight disability, especially as the 2021 Paralympic Games were held in Tokyo, following the Tokyo Olympics and it was an opportunity to celebrate diversity as part of the BF1's Japan Season 2021. Inclusion was a theme of the Japan UK Season of Culture in 2021 and we were proud to be able to reflect this in our 2021 Festival.

Financial review

The charity's financial position at the end of the year ended 30 November 2021

The financial position of the charity at 30 November 2021 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2021	2020
	£	£
Net income	11,163	8,820
Unrestricted Revenue Funds available for the general purposes of the charity	9,631	3,358
Restricted Revenue Funds	4,890	-
Endowment Revenue Funds	4,241	4,241
Total Endowment funds	4,241	4,241
Total Funds	18,762	7,599

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

Financial review of the position at the reporting date, 30 November 2021 .

The trustees consider the financial performance by the charity during the year to have been satisfactory.

Specific changes in fixed assets are detailed in the notes to the accounts.

Policies on reserves.

Though the charity has only been operating for 1 year, trustees have examined the charity's requirements for reserves considering the main risks to the organisation. A policy has been established to build free reserves to cover temporary shortfalls in income. The free reserves of the funds that are available to spend as at 30 November 2021, are £15,000.00.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Plans For the Future

Summary of plans for the future and the trustees' perspective of the future direction of the charity.

In 2021 Festival Director Eiko Meredith attended the Independent Cinema's Office course to learn new skills and also made very useful contacts with people in different parts of the UK, who shared ideas, which could be useful to the Kotatsu Japanese Animation Festival in the future, as it grows. As a small charity, we are continually seeking opportunities to partner with other appropriate organisations to maximise our budget.

Currently we are in discussion with another animation festival to explore how we can collaborate for mutual benefit in 2022 and beyond. Current scientific evidence with regards to the Covid 19 pandemic suggests that things could get better in 2022, which means we can plan for the next festival with more confidence and optimism. Our aim is to secure more funding from trusts and foundations, as well as from grant making organisations in the film sector specifically. The charity has a good working relationship with organisations such as Film Hub Wales, Ffilm Cymru and the British Film Institute (BFI), and we aim to further develop these as part of our future plans. The Japan Foundation is very keen to continue to support and help this unique festival to develop and grow, as are other partners in Wales. The trustees therefore remain optimistic for the future and keen to see it grow incrementally year on to secure long-term viability. The festival only employs a part-time artistic director, thereby keeping its costs to a minimum. One aim is to grow the charity's reserves and to seek ways of securing sustainable sources of funding. The charity is supported every year by sponsorship from businesses and animation studios, such as Cloth Cat Animation, Tetsu's Armature and Satory Design, and this has proved invaluable. It hopes to increase the number of sponsors for the longer term too, as the festival's brand and reputation grows. The charity is registered with the Fundraising Regulator and aims to diversify its income through fundraising activities in the future.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

Details of The Independent Examiner

Marklan Jackson

Member of AAT Certified Accountant

32 Tridwr Road

Abertidwr

CAERPHILLY

Gwent

CF83 4DN

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

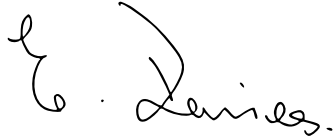
The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the year ended 30 November 2021

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 7 February 2022.

A handwritten signature in black ink, appearing to read 'Elizabeth Davies'.

Elizabeth Davies
Trustee

Kotatsu Japanese Animation Festival

Report of the Independent Examiner to the Trustees of the charity on the accounts for the year ended 30 November 2021

I report to the Trustees on my examination of the financial statements of the charity on pages 13 to 30 for the year ended 30 November 2021 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , and under the historical cost convention and the accounting policies set out on page 21.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described on page 9, you, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Kotatsu Japanese Animation Festival

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by with Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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

Signed:-



Marklan Jackson - Independent Examiner

AAT Certified Accountant

32 Tridwr Road

Abertidwr

CAERPHILLY

Gwent

CF83 4DN

This report was signed on 17 January 2022

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended 30 November 2021

Statement of Financial Activities for the year ended 30 November 2021

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Endowment Funds	Current year Total Funds	Prior Year Total Funds
		2021 £	2021 £	2021 £	2021 £	2020 £
Income & Endowments from:						
Donations & Legacies	A1	17,847	11,920	-	29,767	16,774
Charitable activities	A2	3,604	-	-	3,604	833
Other	A5	2	-	-	2	3
Total income	A	21,453	11,920	-	33,373	17,610
Expenditure on:						
Raising funds	B1	1,155	-	-	1,155	92
Charitable activities	B2	14,025	7,030	-	21,055	8,698
Total expenditure	B	15,180	7,030	-	22,210	8,790
Net income for the year		6,273	4,890	-	11,163	8,820
Net income after transfers	A-B-C	6,273	4,890	-	11,163	8,820
Net movement in funds		6,273	4,890	-	11,163	8,820
Reconciliation of funds:-						
	E					
Total funds brought forward		3,358	-	4,241	7,599	-
Total funds carried forward		9,631	4,890	4,241	18,762	8,820

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A Statement of Total Recognised Gains and Losses is included as a primary statement in these accounts.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

The notes attached on pages 21 to 30 form an integral part of these accounts.

**Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended
30 November 2021**

All activities derive from continuing operations

The notes attached on pages 21 to 30 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended 30 November 2021

Statement of Total Recognised Gains and Losses for the year ended 30 November 2021

	2021	2020
	£	£
Surplus for the year :-		
Net excess of income over expenditure from operations before tax	(18,587)	(7,954)
Realised gains on disposals of social investments which are programme related	-	-
<i>Income from operations before tax in the Statement of Financial Activities</i>	(18,587)	(7,954)
<i>Add/(deduct) non income and expenditure items:-</i>		
Grants for the acquisition of fixed assets	29,751	16,774
Net Movement in funds before taxation	11,164	8,820
Funds generated in the year as shown on Statement of Financial Activities	11,164	8,820

The notes attached on pages 21 to 30 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended 30 November 2021

Kotatsu Japanese Animation Festival - Resources applied in the year ended 30 November 2021 towards fixed assets for Charity use:-

	2021 £	2020 £
Funds generated in the year as detailed in the SOFA	11,163	8,820
Resources applied on functional fixed assets	(609)	-
Other applications of funds	-	-
Net resources available to fund charitable activities	<u>10,554</u>	<u>8,820</u>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 21 to 30 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended 30 November 2021

Movements in revenue and capital funds for the year ended 30 November 2021

Revenue accumulated funds

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £	Last year Total Funds 2020 £
Accumulated funds brought forward	3,358	-	4,241	7,599	-
Recognised gains and losses before transfers	6,273	4,890	-	11,163	8,820
	9,631	4,890	4,241	18,762	8,820
(From)/To unrestricted revenue funds	-	-	-	-	4,241
Closing revenue funds	9,631	4,890	4,241	18,762	13,061

Summary of funds

	Unrestricted and Designated funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £	Last Year Total Funds 2020 £
Revenue accumulated funds	9,631	4,890	4,241	18,762	13,061

The notes attached on pages 21 to 30 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the year ended 30 November 2021

**Kotatsu Japanese Animation Festival
Income and Expenditure Account for the year ended 30 November 2021 as required by the Companies Act 2006**

	2021 £	2020 £
<i>Income</i>		
Income from operations	3,620	833
Investment income		
Other operating income	2	3
Gross income in the year before exceptional items	3,622	836
Gross income in the year including exceptional items	3,622	836
<i>Expenditure</i>		
Charitable expenditure, excluding depreciation and amortisation	20,902	8,698
Depreciation and amortisation	152	-
Fundraising costs	1,155	92
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	22,209	8,790
Net income before tax in the financial year	(18,587)	(7,954)
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	(18,587)	(7,954)
Retained surplus for the financial year	(18,587)	(7,954)
All activities derive from continuing operations		

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 21 to 30 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Balance Sheet as at 30 November 2021

		SORP		2021	2020
		Note Ref		£	£
Fixed assets		A			
Tangible assets	7	A2		457	-
Current assets		B			
Debtors	8	B2	1,400	1,460	
Cash at bank and in hand		B4	19,759	8,704	
Total current assets			21,159	10,164	
Creditors: amounts falling due within one year	9	C1	(899)	(2,565)	
Net current assets				20,260	7,599
				20,717	7,599
Net assets					
Creditors: amounts falling due after more than one year	10	C2	(1,955)	-	
The total net assets of the charity				18,762	7,599
The total net assets of the charity are funded by the funds of the charity, as follows:-					
Endowment funds					
Endowment Revenue Funds	13	D1	4,241	4,241	
				4,241	4,241
Restricted funds					
Restricted Revenue Funds	13	D2	4,890	-	
				4,890	-
Unrestricted Funds					
Unrestricted Revenue Funds	13	D3	9,631	3,358	
				9,631	3,358
Designated Funds					
Total charity funds				18,762	7,599

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

Kotatsu Japanese Animation Festival - Balance Sheet as at 30 November 2021

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 12.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

Elizabeth Davies

Chair of the board of Trustees

Approved by the board of trustees on 7 February 2022

The notes attached on pages 21 to 30 form an integral part of these accounts.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 30 November 2021, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Risks and future assumptions

The charity is a public benefit entity.

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Dividends are accrued when the shareholder's right to receive payment is established.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

Donated goods, facilities and services

Donated fixed assets are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in '*legacies and donations*'. Goods donated for resale are included in '*Income from other trading activities*'

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

Donated services and facilities (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

Staffing - on the basis of time spent in connection with any particular activity.

Staffing - on a per capita basis, based on the number of people employed within any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

Estimation techniques used in apportioning costs - give details

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

Policies relating to assets, liabilities and provisions and other matters.

Fixed Asset Investments

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period. Investment properties are not depreciated.

Fixed asset investments in unlisted equities are shown at the balance sheet date at the best estimate of their market value, where practicable. Where valuation techniques are considered unreliable or where, in the opinion of the trustees, the costs outweigh the benefits to the users of the accounts, the investment is included at cost, and a review is undertaken at each year end as to whether the asset should be written down.

All gains on fixed asset investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	0 % straight line
Leasehold premises	2 % straight line
Plant and machinery	20 % straight line
Motor vehicles	25 % straight line

A regular annual review of the likelihood of asset impairment is undertaken.

Accounting for capital grants and fixed asset funds.

Gifts of tangible fixed assets or grants of a capital nature, given for the purposes of acquiring specific assets to be fully utilised in the furtherance of the objects of the charity, are credited to fixed asset funds after the donated asset has been received or sums have been properly expended on the restricted purpose.

Where the terms of the gift require the charity to hold the asset on an ongoing basis for a specific purpose, then the fixed asset fund so created is categorised as a restricted fixed asset fund, and the relevant restrictions are noted in the fixed asset note 7.

Where the terms of the gift are met once the asset is acquired, so allowing the charity to use the asset on an unrestricted basis, including the right to receive the proceeds of any future sale of the asset on an unrestricted basis, then the fixed asset fund so created is categorised as a designated fixed asset fund.

When assets are acquired for the furtherance of the charity's objects, utilising the charity's own unrestricted funds, a transfer is made from unrestricted funds to a designated fixed asset fund.

Whether acquired with unrestricted or restricted funds, the asset acquired is initially shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

As the related assets are depreciated, in accordance with the depreciation policy, in order to reflect the diminution in the asset, a transfer is made from the relevant fixed asset funds to either unrestricted or restricted revenue funds, as appropriate to the terms of the original gift, if any.

The effect of this policy is that the aggregate of all fixed asset funds shall equate to the net book value of fixed assets.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

In the first year that this policy was adopted, a transfer to fixed asset funds was made equivalent to the net book value of the assets.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), such departure is justified on the basis that it is in order to comply with the SORP.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Creditors are measured at their payable amounts at the balance sheet date.

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

All financial assets and liabilities are measured at fair value, the basis for determining fair value is based on taking the retail value of the same from three sources.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

Endowment funds are funds donated to the charity, where the funds shall be invested and the charity shall enjoy the benefit of the income from the capital fund, but where restrictions are placed on the use of the capital.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Net surplus before tax in the financial year

	2021 £	2020 £
The net surplus before tax in the financial year is stated after charging:-	0	-
Depreciation of owned fixed assets	152	-

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

5 Staff costs and emoluments

<i>Salary costs</i>	2021	2020
	£	£
Gross Salaries excluding trustees and key management personnel	7,110	4,400
Total salaries, wages and related costs	7,110	4,400

The average number of full time staff employed in the year was	1	1
The estimated full time equivalent number of all staff employed in the year was	1	1

The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	1	1
Engaged on publicity activities	1	1
Engaged on fundraising activities	1	1
Engaged on management and administration	1	1
The estimated full time equivalent number of all staff employed as above	1	1

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

Highest paid employee (Eiko Meredith)

The remuneration in the year was	1	1
Total remuneration package included in total salaries above	1	1

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

7 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
Additions	-	609	-	609
At 30 November 2021	-	609	-	609
Depreciation				
Charge for the year	-	152	-	152

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

At 30 November 2021	-	152	-	152
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Net book value

At 30 November 2021	-	457	-	457
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<i>Prior Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£

8 Debtors

	2021 £	2020 £
Trade debtors	600	1,460
Prepayments and accrued income	800	-
	1,400	1,460

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	64
Accruals	778	600
Other creditors	121	1,901
	899	2,565

10 Creditors: amounts falling due after one year

	2021 £	2020 £
Other creditors	1,955	-

11 Income and Expenditure account summary

	2021 £	2020 £
At 1 December 2020	(3,713)	-
Transfers in for the year	-	4,241
At 1 December 2020	(3,713)	4,241
Surplus after tax for the year	(18,587)	(7,954)
At 30 November 2021	(22,300)	(3,713)

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

12 Particulars of how particular funds are represented by assets and liabilities

At 30 November 2021	Unrestricted funds £	Designated funds £	Endowment funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	457	-	-	-	457
Current Assets	12,028	-	4,241	4,890	21,159
Current Liabilities	(899)	-	-	-	(899)
Long Term Liabilities	(1,955)	-	-	-	(1,955)
	9,631	-	4,241	4,890	18,762

At 1 December 2020	Unrestricted funds £	Designated funds £	Endowment funds £	Restricted funds £	Total Funds £
Current Assets	5,923	-	4,241	-	10,164
Current Liabilities	(2,565)	-	-	-	(2,565)
	3,358	-	4,241	-	7,599

13 Change in total funds over the year, analysed by individual funds

	Funds brought forward from 2020 £	Movement in funds in 2021 See Note 14 £	Transfers between funds in 2021 See Note 0 £	Funds carried forward to 2022 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	3,358	6,273	-	9,631
Total unrestricted and designated funds	3,358	6,273	-	9,631
Restricted funds:-				
	(4,890)	4,890	-	-
Grant funding for staff wages	4,890	-	-	4,890
Total restricted funds	-	4,890	-	4,890

Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

Endowment funds:-

Initial funds from Eiko Meredith	4,241	-	-	4,241
Total endowment funds	4,241	-	-	4,241
Total charity funds	7,599	11,163	-	18,762

14 Analysis of movements in funds over the year

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2021	2021	2021	2021
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	21,453	(15,180)	-	6,273
Restricted funds:-				
	11,920	(7,030)	-	4,890
Endowment funds:-				
	33,373	(22,210)	-	11,163

Gains and losses are detailed in notes 0,0, 0, 0 and 0

15 The purposes for which the funds

Unrestricted and designated funds:-

Unrestricted Revenue Funds	These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.
Unrestricted Revaluation Reserve	This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.
Designated Revenue Funds	These funds are held for the carryout a specific charity activity, and any surplus will create a reserve for future activites.
Designated Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Restricted funds:-

Restricted Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
Restricted Revaluation Reserve	This fund represents the restricted surplus arising on the revaluation of the charity's assets.
Grant funding for staff wages	Funding was provided by the Welsh Government and HM Revenue and Customs (CJRS) to maintain staff wages.

Endowment funds:-

Endowment Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
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Kotatsu Japanese Animation Festival

Notes to the Accounts for the year ended 30 November 2021

Endowment Revaluation Reserve

This fund represents the restricted surplus relating to endowment funds arising on the revaluation of the charity's assets.

These funds represent the monies that were generated by eiko Meredith T/A Kotatsu Japanese animation festival prior to Kotatsu Japanese Animation

- Festival being resigtered as a charity and have been transferred in for use for the charity's activities.

16 Ultimate controlling party

The charity is under the control of its Trustees.

Accounts

KOTATSU JAPANESE ANIMATION FESTIVAL

TRUSTEES' REPORT

1. OBJECTIVES AND ACTIVITIES

Kotatsu Japanese Animation Festival marked its 10th anniversary in 2020 and its first year as a registered charity.

The objects of the charity, as denoted in its constitution, are to promote the art and culture of Japan by holding a festival of Japanese animated films for the benefit of the public.

The festival screens the best in Japanese animation and culture to diverse and inclusive audiences, including families and children, young people, adults of all ages and individuals with disabilities.

The 2020 festival was scheduled to be held at two nationally recognised arts centres in Wales, with a reputation for their promotion of Japanese arts, namely Chapter Arts Centre in Cardiff and Aberystwyth Arts Centre on Aberystwyth University's campus in mid Wales. These venues have previously hosted the festival and seen it grow in its impact and popularity. Both have been extremely supportive of the festival and the Trustees wish to record their appreciation and thanks to both venues and their staff for their continued support over the years.

2. PUBLIC BENEFIT

The Trustees have complied with the duty in section 2 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The main beneficiaries are people of all ages who live in Wales. With the escalation of delivery of activities via the Internet in the last year, as highlighted in this report, the festival also provides wider worldwide benefits to online audiences.

3. IMPACT OF THE COVID-19 PANDEMIC ON THE 2020 FESTIVAL

Dates were fixed for the festival at these venues in September and October 2020. Due to the international nature of the festival, programming plans for the festival and its associated activities were also well underway by the spring of 2020. In the light of the severity of the rapid spread of Covid-19 across the United Kingdom, and the National Lockdown introduced on March 24, 2020, presentation of the 2020 festival became extremely doubtful, especially with the immediate closure of its partner venues. Cinemas

and arts centres had to close across the UK and all have had to face extreme challenges, through loss of revenues and fears for their future viability..

After detailed discussions with both partner venues it became clear that it would be impossible to deliver a physical festival safely indoors in the autumn of 2020 due to the risks to the health of both staff and the general public from the spread of Covid-19, and restrictions imposed by government. Trustees considered the impact of this on the future viability of the festival, with loss of ticket revenue and also loss of grants, audiences and momentum.

As a result, the Kotatsu team of trustees and part-time director explored various options and, with great optimism, decided that rather than cancel everything for 2020, they should look to the use of technology in order to present an alternative virtual online festival instead. With the loss of its usual income from the proposed physical festival because of the pandemic the charity successfully secured relief funding in the form of a £10,000 grant from Welsh Government and Arts Council of Wales' £53m Cultural Recovery Fund. The charity was also helped by continued sponsorship from businesses and animation studios in these unprecedented times.

This support enabled the charity to proceed with the alternative approach. It also allowed for training and purchase of new software to ensure the technology provided audiences with a quality, reliable experience from their own devices, viewing from the safety of their own homes. All screenings were free of charge, thereby providing increased accessibility and even greater public benefit, especially to families and individuals hit financially by the impact of the Covid-19 pandemic. Escapism into film at home also proved a positive benefit to the well-being of audiences, as indicated by feedback, after nearly four months in lockdown.

4. ACHIEVEMENTS AND PERFORMANCE

4.1 The first online Kotatsu Japanese Animation Festival

On July 25th, 2020 the first Kotatsu online festival was held with streaming of a variety of Japanese short films on the festival's You Tube Channel. The focus was on Japanese women film makers while also showing different styles of animation. Despite positive trends, women still remain underrepresented in the animation industry worldwide. The Kotatsu Animation Festival's online summer event was therefore an opportunity to celebrate Japanese women's contribution to this globally renowned sector and to present role models for future animators. This event was made possible thanks to a grant from BFI FAN Covid-19 Resilience Funding and Film Feels Connected. Also our private sponsors such as Cloth Cat Animation, Tetsu's Armature and Satory Design.

To champion women in film the Kotatsu Japanese Animation Festival also committed during the period of this report to the promotion of F-Rated films. F-Rating is awarded to

films either directed/made by a woman and/or written by a woman. Kotatsu Japanese Animation Festival is now one of over 80 film festivals who use the F-rating, designed to support and promote women and redress the imbalance in the film industry. The rating also allows audiences to “vote with your seat” and proactively choose to see F-Rated films.)

Japanese women directed 75% of the films chosen for screening and many of them took part in the screenings and post-show Q & A sessions to connect with audiences, something we could not have done at this scale in a physical festival.

July’s festival opened with an interview with one of Japan’s leading women animators, Fusako Yusaki. Yusaki is an award-winning claymation pioneer who emerged in the 1960s after moving to Milan and establishing her own independent studio, Studio Yusaki. Her works consist of commercials, films, and children’s television programmes made for public broadcasters such as RAI and NHK. Yusaki’s most famous works include clay animation for the popular TV character Peo, the blue dog. Three of her works, *Uog*, *Polis* and *La Rosa Dei Venti*, were screened during the July festival. Last year Fusako Yusaki was invited to become a member of the Academy of Motion Picture Arts and Sciences, making her participation in the 2020 festival something of a coup.

The work of other leading women animators programmed for this festival included *The King of Amedchau* by Miho Yata, *Blessing*, *0-5*, *Chorus and Birth –The Dance of Life*, by Arisa Wakami, and Mone Kurita’s *Brassiere Cat* and *The day when I became Asparagus Man*, selected for the Tokyo Anime Festival. Mone Kurita represents the next generation of animation talent in Japan, and combines hand-drawn images with computer manipulation in her work.

The film streams were viewed by many people from around the world, not our predominantly Wales’ based audiences, which was an added bonus generating greater awareness of the festival. Another positive was the high level of interaction during the streamings between viewers and the festival and very positive feedback.

The trustees wish to acknowledge the contribution of all the animators who participated in the first online alternative Kotatsu Japanese Animation Festival and all distributors who responded so positively at short notice to ensure the festival’s success in what has been a challenging year for film and the wider arts sector globally.

4.2 Kotatsu Japanese Animation 10th Anniversary Festival 2020

Building on the success of the July online showcase the second edition of the online festival, celebrating Kotatsu’s 10th Anniversary, was hosted on its You Tube Channel over two consecutive days, October 24/25.

Over the course of the two days, 38 films, including 28 works by Japan's emerging talent, students studying animation at five different universities, such as Kyoto Seika and Tama Arts University, Tokyo, were programmed.

Kotatsu Japanese Animation Festival's mission is to make diverse films accessible to audiences in Wales. Many such films are rarely screened in the cinema, and especially in Wales.

Normally the festival has to include feature films in its programme to secure box office income. In 2020, however, as the festival was a free event, it was decided to screen more short films, not always possible in venues. Trustees and the festival director also was concluded that the online festival provided opportunities to not only focus on women's talent but also to promote young talent from Japan to help showcase their works outside the home country. Every year many audience requests are received for more short films, and not just the big names, and the 2020 online festival was able to meet its audience's needs. As a policy, the Festival always listens to its audience's views and endeavours to respond to suggestions and new ideas, trying hard, within budget, to screen audience choices.

The other films screened in the 10th Anniversary festival were the work of award-winning animators, including Koji Yamamura. A total of 48 screenings were shown, attracting audiences of just under 2,500. Zoom live sessions were also a feature of the 10th Anniversary festival, with interactive Q & A sessions, with renowned women animators, Fusako Yusaki and Miho Yata, an animator known for her style of using knitted materials in her work. Trustees are indebted to the Japan Foundation for enabling these unique and wonderful Zoom events happen through their partnership and generous grant support.

Learning from the masters of their craft through talks and masterclasses has become a most welcome and much applauded feature of the annual Kotatsu Japanese Animation Festival. With much appreciated support from the Japan Foundation and Ffilm Cymru Wales the second edition of the 2020 festival did not disappoint, despite the fact that it was an online presence this particular year. The Oscar nominated and multi award-winning Koji Yamamura, recognised as one of the world's top animators, was a key highlight of the two day 10th Anniversary festival and some of his most recent works were screened.

Again in collaboration with The Japan Foundation the festival also hosted an Animation Participative Workshop online on October 25, 2020 for ages 13+ with renowned animator, illustrator and flip book guru, Chie Arai. She, coincidentally, is the creator of the Kotatsu mascot and the festival's opening animation. Participants in the event were invited to test their artistic skill on paper to create a Halloween-themed character. Other

workshops held over the two days also appealed to school aged children and young families.

4.3 Partnership with the first Three Film Festival

During the year the Kotatsu Japanese Animation Festival also partnered with the first Three Film Festival, presented online between Friday 31 July and Sunday 2 August 2020. The festival was organised by the Wales Youth Festival Network and featured contributions from a number of film festivals in Wales, including Kotatsu Japanese Animation Festival. The aim is to develop this partnership through the newly developed Welsh film festival network initiative by Film Hub Wales, Wicked Wales and key festivals, with the aim of increasing British independent and international film programmes available for and made by young audiences.

A key aim of the charity is to expand its reach, making Japanese animation widely accessible to teenage audiences. "*Kinemacolor*", directed by Yutaro Sasaki, one of the films we provided, generated the highest live viewing numbers in the first Three Film Festival. This demonstrates there is a huge appetite for Japanese Animation amongst the young Welsh audiences. Working with like-minded partners in this way will be extremely beneficial in realising our ambition.

4.4 Other constraints on the year's activity due to Covid-19

The trustees were delighted that the 2020 festival was to be featured as part of The "Japan-UK Season of Culture" in the UK, led by the Japanese government, to celebrate Japan's hosting of the Olympic and Paralympic Games last year. The programme had been selected to reflect the themes of 2020, which included inclusion and diversity. By building on various areas of grassroots exchange and local community activities that already exist, the Japanese government's aim was to use the momentum of the Japan Season of Culture to create a legacy that would endure after 2020. Due to the postponement of the 2020 Tokyo Olympics and Paralympics, the "Japan-UK Season of Culture" in the UK has been extended to 2021. This will be reviewed again in the light of the continued spread of Covid-19 in 2021.

Kotatsu Japanese Animation Festival was also selected to be part of the British Film Institute's (BFI) six month long special season of Japanese film screenings: BFI JAPAN 2020: Over 100 Years of Japanese Cinema, which launched in May 2020. Due to the closure of cinemas and arts centres in the big 2020 Lockdown, physical screenings were all cancelled.

While the pandemic presented many challenges for the festival, just as for most other festivals and arts events, Trustees have been delighted to be able to report on the success of the two alternative festivals presented online, through the efforts of Eiko Meredith, founder of the festival, together with a very small but totally committed cohort

of volunteers and suppliers. The trustees again wish to record their sincerest appreciation of this sterling work in 'keeping the show' on the road as it were, by being flexible, responsive and resilient in an ever changing environment.

Trustees can verify that the alternative online presentations of the 2020 Kotatsu Japanese Animation Festival fulfilled the public benefit duty of the charity. As shown in this report the alternative festivals brought their own unique positive outcomes, new partnerships as well as knowledge and technological skills which will be invaluable going forward.

5. FUTURE PLANS

Planning for 2021 obviously presents further challenges, as there is still no indication as to when partner venues might re-open, at publication of this report, or when travel restrictions might be completely lifted. Applying for grants for a physical festival not yet contracted with its venues is not feasible at the moment. The charity, however, will be maintaining regular contact with funders and partners, in order to respond swiftly if and when things change, in the light of the easing of restrictions and the success of the roll out of the Covid-19 vaccine. Welsh Government is committed to its programme whereby all adults in Wales will be vaccinated by the autumn. However, decisions will need to be made on the format of the 2021 festival by the end of March 2021. The Japan Foundation is very keen to support and help this unique festival to develop and grow, as are other partners in Wales. The trustees therefore remain optimistic for the future. Even if matters beyond their control will mean a physical festival cannot be arranged for 2021 with the expertise, knowledge and experience gained in 2020, there is still the scope to present another equally successful alternative online version. Other arts organisations in Wales, such as the National Eisteddfod, are currently planning on the same basis for 2021 in this unprecedented period in our history.

The Charity Registration Number is :- 1187288

Kotatsu Japanese Animation Festival

Report and Accounts

30 November 2020

Kotatsu Japanese Animation Festival

Report and accounts for the period ended 30 November 2020

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Kotatsu Japanese Animation Festival

Trustees' Annual Report for the period from 10 January 2020 to 30 November 2020

The Trustees present their Report and Accounts for the period ended 30 November 2020.

Kotatsu Japanese Animation Festival became a charity registered in England & Wales with the Commission in England & Wales (CCEW) on 10 January 2020.

Its charity number 1187288

The legal name of the charity is:- Kotatsu Japanese Animation Festival.

The charity is also known by its operating name, Kotatsu Festival.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as a Charitable Incorporated Organisation (CIO) in England & Wales since 10 January 2020. The governing document of the charity is the constitution of the CIO as approved by the Charity Commission in England and Wales.

The governing document is dated 8 December 2019.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

Elizabeth Davies	Chair of the board of Trustees
Jason Maher	Trustee
Rahul David Sethi	Trustee
Louise Shazzeela Beer	Trustee

The principal operating address, telephone number, email and web addresses of the charity are:-

21 Coronation Street
Trethomas, CAERPHILLY
Gwent, CF83 8DL
Telephone 07597 929989

Email Address info@kotatsufestival.com Web address www.kotatsufestival.com

The Trustees in office on the date the accounts were approved as above. They all served as Trustees during the year ending 30 November 2020.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the period from 10 January 2020 to 30 November 2020

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

The promotion of Japanese animated films that depict Japanese Culture and social issues through the medium of a festival to audiences from Cardiff, aberystwyth and surrounding areas, and any other suitable venues that arise and anything incidental or conducive to any of the charity's objects.

The main activities undertaken in relation to those purposes during the period.

Ensure that international directors attend the festival and participate in the discussions about their work. Seek to attract visitors from other parts of the UK. Encourage diversity of people to engage in the animation film-making process. Offer Japan themed workshops.

The main activities undertaken during the period to further the charity's purpose for the public benefit.

The festival provided sustainable tourism in the areas where it was held. The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity

The main achievements and performance of the charity during the period.

The main achievement of the charity during the period was to organise, promote and run successful festival via a digital platform, as a result of the coronavirus restrictions.

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the period from 10 January 2020 to 30 November 2020

Financial review

The charity's financial position at the end of the period ended 30 November 2020

The financial position of the charity at 30 November 2020 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2020 £
Net income	3,209
Unrestricted Revenue Funds available for the general purposes of the charity	3,210
Total Funds	3,210

Details of The Independent Examiner

Marklan Jackson
Member of Association of Accounting Technicians, Certified Accountants
32 Tridwr Road
Abertridwr
CAERPHILLY
Gwent
CF83 4DN

Kotatsu Japanese Animation Festival

Trustees' Annual Report for the period from 10 January 2020 to 30 November 2020

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 14 January 2021.

ELIZABETH DAVIES
Trustee

Kotatsu Japanese Animation Festival

Report of the Independent Accountant to the Trustees of the charity on the accounts for the period ended 30 November 2020

We report on the financial statements of Kotatsu Japanese Animation Festival for the period ended 30 November 2020, as set out on pages 12 to 21, which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet and the related notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements of the charity are prepared, in all material respects, in accordance with charity law applicable within the jurisdiction of England & Wales and the accounts have been prepared in accordance with FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016, under the historical cost convention, and in accordance with the accounting policies set out on page 9, which framework constitutes the applicable United Kingdom Generally Accepted Accounting Practice.

Respective responsibilities of the directors and the accountant

The charity's Trustees are responsible for the preparation of the accounts.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. The Trustees also consider the charity to be exempt from the requirement to be subject to Independent Examination.

Our responsibility is to prepare accounts upon the basis of the information supplied to us, without conducting any formal scrutiny.

No statement of opinion

We have not carried out any audit procedures and have relied upon information supplied to us by the Trustees, and the information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently we do not express an audit or other assurance opinion on the view given by the accounts.

Signed:-



Marklan Jackson - Independent Accountant

Association of Accounting Technicians, Certified Accountants

32 Tridwr Road
Abertridwr
Gwent
Gwent
CF83 4DN

This report was signed on 4 January 2021

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the period ended 30 November 2020

Statement of Financial Activities for the period ended 30 November 2020

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Endowment Funds	Current year Total Funds
		2020 £	2020 £	2020 £	2020 £
Income & Endowments from:					
Donations & Legacies	A1	5,188	-	-	5,188
Charitable activities	A2	-	-	-	-
Other trading activities	A3	832	-	-	832
COVID-19 Grant Income	A5	11,589	-	-	11,589
Total income	A	17,609	-	-	17,609
Expenditure on:					
Raising funds	B1	1,012	-	-	1,012
Charitable activities	B2	13,388	-	-	13,388
Total expenditure	B	14,400	-	-	14,400
Net income for the year		3,209	-	-	3,209
Net income after transfers	A-B-C	3,209	-	-	3,209
Net movement in funds		3,209	-	-	3,209
Reconciliation of funds:-	E				
Total funds carried forward		3,209	-	-	3,209

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

The notes attached on pages 11 to 18 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the period ended 30 November 2020

Kotatsu Japanese Animation Festival - Resources applied in the period ended 30 November 2020 towards fixed assets for Charity use:-

	2020 £
Funds generated in the year as detailed in the SOFA	3,209
Resources applied on functional fixed assets	-
Other applications of funds	-
Net resources available to fund charitable activities	<u>3,209</u>

Tangible fixed assests are included at costs less depreciation and impairment. Depreciation has been provided at 25% straight-line method in order to write off the assets over their estimated useful lives.

The notes attached on pages 11 to 18 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the period ended 30 November 2020

Movements in revenue and capital funds for the period from 10 January 2020 to 30 November 2020

Revenue accumulated funds

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total Funds 2020 £
Recognised gains and losses before transfers	3,209	-	-	3,209
	<u>3,209</u>	<u>-</u>	<u>-</u>	<u>3,209</u>
Closing revenue funds	<u>3,209</u>	<u>-</u>	<u>-</u>	<u>3,209</u>

Summary of funds

	Unrestricted and Designated funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total Funds 2020 £
Revenue accumulated funds	3,209	-	-	3,209

The notes attached on pages 11 to 18 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Statement of Financial Activities for the period ended 30 November 2020

Income and Expenditure Account for the period from 10 January 2020 to 30 November 2020 as required by the Companies Act 2006

	2020 £
<i>Income</i>	
Income from operations	6,020
Investment income	
Other operating income	11,589
Gross income in the period before exceptional items	17,609
Gross income in the period including exceptional items	17,609
<i>Expenditure</i>	
Charitable expenditure, excluding depreciation and amortisation	13,240
Fundraising costs	1,012
Realised losses on disposals of social investments which are programme related	-
Total expenditure in the period	14,400
Net income before tax in the financial year	3,209
Tax on surplus on ordinary activities	-
Net income after tax in the financial year	3,209
Retained surplus for the financial year	3,209

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 11 to 18 form an integral part of these accounts.

Kotatsu Japanese Animation Festival - Balance Sheet as at 30 November 2020

		SORP		2020
		Note Ref		£
Fixed assets		A		
Tangible assets	11	A2		445
Current assets		B		
Cash at bank and in hand		B4	4,599	
Creditors: amounts falling due within one year	14	C1	<u>(2,698)</u>	
Net current assets				3,361
The total net assets of the charity				<u>3,806</u>
The total net assets of the charity are funded by the funds of the charity, as follows:-				
Endowment funds				-
Restricted funds				-
Unrestricted Funds				
Unrestricted Revenue Funds	26	D3	3,209	
				3,209
Designated Funds				
Total charity funds				<u>3,209</u>

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

ELIZABETH DAVIES

Chair of the board of Trustees

Approved by the board of trustees on 14 January 2021

The notes attached on pages 11 to 18 form an integral part of these accounts.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the period from 10 January 2020 to 30 November 2020

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

Under 3.38 and to comply with 3.14, if there are no uncertainties about going concern this MUST be stated. Under 3.39, if there are uncertainties details must be given. Enter text here to comply

Suggested normal text (which may require modification to meet the circumstances):-

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to **30 November 2020**, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Risks and future assumptions

The charity is a public benefit entity.

Policies relating to categories of income and income recognition.

Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the period from 10 January 2020 to 30 November 2020

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

Donated goods, facilities and services

Donated fixed assets are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in '*legacies and donations*'. Goods donated for resale are included in '*Income from other trading activities*'

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

Donated services and facilities (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the period from 10 January 2020 to 30 November 2020

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Policies relating to expenditure on goods and services provided to the charity.

Policies relating to assets, liabilities and provisions and other matters.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition. Item below £150.00 are not capitalised.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	0 % straight line
Leasehold premises	2 % straight line
Plant and machinery	25 % straight line
Motor vehicles	25 % straight line

A regular annual review of the likelihood of asset impairment is undertaken.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

Endowment funds are funds donated to the charity, where the funds shall be invested and the charity shall enjoy the benefit of the income from the capital fund, but where restrictions are placed on the use of the

Kotatsu Japanese Animation Festival

Notes to the Accounts for the period from 10 January 2020 to 30 November 2020

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Significance of financial instruments to the charity's position

As required by 11.35, as amended by SORP Bulletin 2, in relation to information about the significance of financial instruments to the charity's financial position or performance, and the related risks, for example the terms and conditions of loans, or the use of hedging to manage financial risk. There are no significant implications of such matters.

5 The contribution of volunteers

The charity depends on the support of its volunteers, which is much appreciated. The charity had 112 Volunteers who donated 1,847 hours of their time stewarding events. Other volunteers undertook 40 hours of mailings and distributions and two specialist volunteers with DBS checks, spent 475 hours a year supporting the weekly children's and young people's writing groups. It is estimated that without the help of volunteers, the Festival would need to find the equivalent of over £20,000 to obtain similar services. The arrangements with volunteers are difficult to value precisely in monetary terms and have not been recognised in the Statement of Financial Activities. The volunteers and the charity accept and agree that no contract of employment is created by these arrangements.

6 Staff costs and emoluments

Salary costs	2020
	£
Gross Salaries excluding trustees and key management personnel	4,400
Total salaries, wages and related costs	4,400

The average number of part time staff employed in the period was	1
The average number of full time staff employed in the period was	1
The estimated full time equivalent number of all staff employed in the period was	1

The estimated equivalent number of full time staff deployed in different activities in the period was:-

Engaged on charitable activities	1
Engaged on publicity activities	1
Engaged on fundraising activities	1
Engaged on management and administration	1

<i>The estimated full time equivalent number of all staff employed as above</i>	1
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Kotatsu Japanese Animation Festival

Notes to the Accounts for the period from 10 January 2020 to 30 November 2020

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior period.

The number of employees whose emoluments including taxable benefits but excluding employer's pension contributions fall into the following bands were :-

	2020 £
£1,000 to £10,000	1
£10,001 to £20,000	-
£20,001 to £40,000	-
£40,001 to £100,000	-
	1

The pension details of such higher paid staff were :-

	£
Contributions for the provision of money purchase pension	-

Numbers of such staff to whom benefits are accruing :-

	No
Under money purchase pension schemes	-
Under defined benefits pension schemes	-
	-

Highest paid employee

The remuneration in the period year was	1
Pension contributions paid by the employer	-
Other benefits paid	1
Compensation/Termination payments	1
Total remuneration package included in total salaries above	3

9 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

Kotatsu Japanese Animation Festival

Notes to the Accounts for the period from 10 January 2020 to 30 November 2020

11 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
Additions	-	-	-	-
Disposals	-	-	-	-
At 30 November 2020	-	445	-	445
Depreciation				
At 30 November 2020	-	-	-	-
Net book value				
At 30 November 2020	-	445	-	445

<i>Prior Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
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14 Creditors: amounts falling due within one year

	2020
	£
Accruals	600
Other creditors	1,898
	2,698

19 Financial commitments under operating leases

	2020
	£
At the year end the charity had annual commitments under non-cancellable operating leases as set out below:	
Operating leases which expire:	
within one year	1
within two to five years	1
in over five years	1
	3

Kotatsu Japanese Animation Festival

Notes to the Accounts for the period from 10 January 2020 to 30 November 2020

21 Contractual capital commitments

2020

£

At the financial year end, the charity had entered into contractual commitments to acquire tangible fixed assets for the amounts shown. The amounts have not been provided in the accounts.

1

1

22 Income and Expenditure account summary

2020

£

At 10 January 2020

-

Surplus after tax for the year

3,209

At 30 November 2020

3,209

25 Particulars of how particular funds are represented by assets and liabilities

At 30 November 2020

	Unrestricted funds £	Designated funds £	Endowment funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	445	-	-	-	445
Current Assets	6,059	-	-	-	6,059
Current Liabilities	(2,698)	-	-	-	(2,698)
	3,806	-	-	-	3,806

At 10 January 2020

	Unrestricted funds £	Designated funds £	Endowment funds £	Restricted funds £	Total Funds £
	593	-	-	-	593

26 Change in total funds over the period as shown in Note 25 , analysed by individual funds

	Funds brought forward from 2020 £	Movement in funds in 2020 See Note 27 £	Transfers between funds in 2020 See Note 0 £	Funds carried forward to 2021 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	-	3,209	-	3,209
Total unrestricted and designated funds	-	3,209	-	3,209
Total charity funds	-	3,209	-	3,209

Kotatsu Japanese Animation Festival

Notes to the Accounts for the period from 10 January 2020 to 30 November 2020

27 Analysis of movements in funds over the period as shown in Note 26

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2020	2020	2020	2020
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	17,609	(14,400)	-	3,209
Endowment funds:-				
	17,609	(14,400)	-	3,209

Gains and losses are detailed in notes 0,0, 0, 0 and 0

28 The purposes for which the funds

Unrestricted and designated funds:-

Unrestricted Revenue Funds These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

Unrestricted Revaluation Reserve This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.

Designated Revenue Funds These funds are held for the planned use and the purpose designated.

Designated Fixed Asset Funds The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Restricted funds:-

Restricted Fixed Asset Funds The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Restricted Revaluation Reserve This fund represents the restricted surplus arising on the revaluation of the charity's assets.

Endowment funds:-

Endowment Fixed Asset Funds The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Endowment Revaluation Reserve This fund represents the restricted surplus relating to endowment funds arising on the revaluation of the charity's

29 Ultimate controlling party

The charity is under the control of its legal members.