

# **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 Anechau* 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 10<sup>th</sup> 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.

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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.

<b>Elizabeth Davies</b>	<b>Chair of the board of Trustees</b>
<b>Jason Maher</b>	<b>Trustee</b>
<b>Rahul David Sethi</b>	<b>Trustee</b>
<b>Louise Shazzeela Beer</b>	<b>Trustee</b>

#### **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](mailto:info@kotatsufestival.com) Web address [www.kotatsufestival.com](http://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 £
<b>Net income</b>	3,209
<hr/>	
Unrestricted Revenue Funds available for the general purposes of the charity	3,210
<hr/>	
<b>Total Funds</b>	3,210
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#### 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 £
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	5,188	-	-	<b>5,188</b>
Charitable activities	A2	-	-	-	-
Other trading activities	A3	832	-	-	<b>832</b>
COVID-19 Grant Income	A5	11,589	-	-	<b>11,589</b>
<b>Total income</b>	<b>A</b>	<b>17,609</b>	<b>-</b>	<b>-</b>	<b>17,609</b>
<b>Expenditure on:</b>					
Raising funds	B1	1,012	-	-	<b>1,012</b>
Charitable activities	B2	13,388	-	-	<b>13,388</b>
<b>Total expenditure</b>	<b>B</b>	<b>14,400</b>	<b>-</b>	<b>-</b>	<b>14,400</b>
<b>Net income for the year</b>		<b>3,209</b>	<b>-</b>	<b>-</b>	<b>3,209</b>
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>3,209</b>	<b>-</b>	<b>-</b>	<b>3,209</b>
<b>Net movement in funds</b>		<b>3,209</b>	<b>-</b>	<b>-</b>	<b>3,209</b>
<b>Reconciliation of funds:-</b>	<b>E</b>				
<b>Total funds carried forward</b>		<b>3,209</b>	<b>-</b>	<b>-</b>	<b>3,209</b>

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	-
<b>Net resources available to fund charitable activities</b>	<b><u>3,209</u></b>

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>
<b>Closing revenue funds</b>	<u><b>3,209</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>3,209</b></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 £
<b><i>Income</i></b>	
Income from operations	6,020
Investment income	
Other operating income	11,589
<b>Gross income in the period before exceptional items</b>	<b>17,609</b>
<b>Gross income in the period including exceptional items</b>	<b>17,609</b>
<b><i>Expenditure</i></b>	
Charitable expenditure, excluding depreciation and amortisation	13,240
Fundraising costs	1,012
Realised losses on disposals of social investments which are programme related	-
<b>Total expenditure in the period</b>	<b>14,400</b>
<b>Net income before tax in the financial year</b>	<b>3,209</b>
Tax on surplus on ordinary activities	-
<b>Net income after tax in the financial year</b>	<b>3,209</b>
<b>Retained surplus for the financial year</b>	<b>3,209</b>

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**

		<b>SORP</b>		<b>2020</b>
		<b>Note Ref</b>		<b>£</b>
<b>Fixed assets</b>		<b>A</b>		
Tangible assets	11	A2		445
<b>Current assets</b>		<b>B</b>		
Cash at bank and in hand		B4	4,599	
<b>Creditors: amounts falling due within one year</b>	14	C1	<u>(2,698)</u>	
<b>Net current assets</b>				3,361
<b>The total net assets of the charity</b>				<u><b>3,806</b></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**

<b>Total charity funds</b>				<u><b>3,209</b></u>
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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

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

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

<b><i>The estimated full time equivalent number of all staff employed as above</i></b>	<b>1</b>
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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	-
	<hr/> 1 <hr/>

*The pension details of such higher paid staff were :-*

	£
Contributions for the provision of money purchase pension	<hr/> - <hr/>

*Numbers of such staff to whom benefits are accruing :-*

	No
Under money purchase pension schemes	-
Under defined benefits pension schemes	-
	<hr/> - <hr/>

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
	<hr/>
<b>Total remuneration package included in total salaries above</b>	<b>3</b> <hr/>

## 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
	£	£	£	£
<b>Cost</b>				
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At 30 November 2020</b>	<b>-</b>	<b>445</b>	<b>-</b>	<b>445</b>
<b>Depreciation</b>				
<b>At 30 November 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>				
<b>At 30 November 2020</b>	<b>-</b>	<b>445</b>	<b>-</b>	<b>445</b>

<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
	<b>2,698</b>

#### 19 Financial commitments under operating leases

	2020 £
<b>At the year end the charity had annual commitments under non-cancellable operating leases as set out below:</b>	
Operating leases which expire:	
within one year	1
within two to five years	1
in over five years	1
	<b>3</b>



## 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)
	<b>3,806</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,806</b>

At 10 January 2020

	Unrestricted funds £	Designated funds £	Endowment funds £	Restricted funds £	Total Funds £
	<b>593</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>593</b>

#### 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 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	-	3,209	-	3,209
<b>Total unrestricted and designated funds</b>	<b>-</b>	<b>3,209</b>	<b>-</b>	<b>3,209</b>
<b>Total charity funds</b>	<b>-</b>	<b>3,209</b>	<b>-</b>	<b>3,209</b>

## 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
	£	£	£	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	17,609	(14,400)	-	3,209
<b>Endowment funds:-</b>				
	<b>17,609</b>	<b>(14,400)</b>	<b>-</b>	<b>3,209</b>

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.