

THE GREAT BRITAIN SASAKAWA FOUNDATION

England & Wales · Charity number 290766

Details

Other names	THE GREAT BRITAIN - SASAKAWA FOUNDATION
Status	Registered
Legal form	Charitable company
Company number	01867362
Registered	1985-01-09
Register	View on the Charity Commission register

Contact

Address Lower Ground Floor
24 Bedford Row
London
WC1R 4TQ

Phone 02074369042

Website www.gbsf.org.uk

Activities

Objects: (A) TO ADVANCE THE EDUCATION OF THE CITIZENS OF THE UNITED KINGDOM AND THE CITIZENS OF JAPAN IN EACH OTHERS' INSTITUTIONS, PEOPLE, HISTORY, LANGUAGE, CULTURE AND SPORT, IN SCIENCE & TECHNOLOGY, MEDICINE & HEALTH AND ALSO IN EACH OTHERS' INTELLECTUAL, ARTISTIC AND ECONOMIC LIFE; (B) TO PROMOTE RESEARCH IN ANY OF THE ABOVE AND TO PUBLISH THE USEFUL RESULTS OF SUCH RESEARCH.

Activities: Awards grants upon application to organisations in the UK and Japan for UK-Japan related projects in the following fields:- youth & education, science, technology & environment, medicine & health, arts & culture, sport, the humanities, Japanese language and Japanese studies. Awards will only be made to individuals where they can demonstrate their planned activity has an organisation's backing.

Classification

- **How:** Makes Grants To Organisations
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** WORLDWIDE
- Japan
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,867,072	£1,846,955	£47,214,367	3
2023-12-31	£1,419,553	£1,512,101	£45,190,601	3
2022-12-31	£1,584,986	£1,096,114	£42,341,663	3
2021-12-31	£1,453,587	£884,122	£46,581,329	3
2020-12-31	£11,803,469	£1,181,193	£41,141,952	3

Trustees

Name	Role	Appointed
Paul Damian Madden CMG	Chair	2024-10-25
JOANNA PITMAN		2011-09-06
Jeremy Lloyd Scott		2018-09-18
Jumpei Sasakawa		2023-10-04
Koji Tsuruoka		2025-11-11
PROFESSOR JANET ELIZABETH HUNTER		2014-09-30
Professor Dame Louise Robinson		2025-05-22
Professor Izumi Kadono		2019-09-12
Professor Yuichi HOSOYA		2013-07-11
TATSUYA TANAMI		2008-04-01

THE GREAT BRITAIN SASAKAWA FOUNDATION

England & Wales - Charity number 290766

Accounts

Registered Charity No. 290766
Registered Company No. 1867362

THE GREAT BRITAIN SASAKAWA FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Registered Office:
24 Bedford Row
London WC1R 4TQ

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued (FRS 102) (second edition - October 2019).

1. Reference and Administrative Information

Reference and administrative information is set out on page 23 of this Report.

2. Structure, Governance and Management

2.1 Background and Constitution

The Great Britain Sasakawa Foundation was established in 1985 to develop and maintain good relations between the United Kingdom and Japan by advancing the education of the people of both nations in each other's culture, society and achievements.

It is registered as a charity with the Charity Commissioners for England and Wales (registration number 290766).

It was incorporated on 20 November 1984 in England and Wales under the Companies Act as a company limited by guarantee and not having a share capital (company number 1867362).

2.2 Initial Fund

The Foundation was financed by a donation of Yen 3 billion received upon its establishment in 1985 from the Japan Shipbuilding Industry Foundation (now The Nippon Foundation), under the Chairmanship of the late Mr. Ryoichi Sasakawa. This original donation may be applied to any of the objectives of the Foundation.

2.3 Trustees

Trustees listed below are, for the purposes of charity law, trustees of the Foundation and, for the purpose of company law, directors of the Foundation.

All Trustees, unless otherwise stated, served throughout the year and at the date of signing this report are:

The Earl of St Andrews (Chairman)
Joanna Pitman (Vice Chair)
Jeremy Scott FCA (Treasurer)
Professor David Cope
Ambassador Hiroaki Fujii
Professor Janet Hunter
Professor Yuichi Hosoya
Professor Izumi Kadono
Professor Yoriko Kawaguchi
Ambassador Paul Madden (appointed October 2024)
Tatsuya Tanami
Jumpei Sasakawa

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024
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2.4 Appointment and Re-appointment of Trustees

Trustees are elected by the Foundation at the Annual General Meeting and one third of them retire by rotation each year. Potential new trustees are identified by existing trustees and/or by recommendations. Candidates will be distinguished people who have personal or professional connections with UK-Japan relations and whose background and experience provide the balance of skills needed to guide and manage the affairs of the Foundation.

2.5 Induction and Training of Trustees

Induction for new trustees is organised by the Foundation's Chief Executive. In addition to knowledge gained through attendance at meetings, trustees are provided with initial briefing material on their legal obligations under charity and company law and on the content of the Articles of Association. They are also given guidance from the Foundation's advisors on the aims of the Foundation and on their statutory duties.

2.6 Organisation and Management Personnel

The Foundation operates through its main office in London and its liaison office in Tokyo. The day-to-day management of the Foundation is under the sole control of the Chief Executive (CEO), based in London. The CEO supervises the work of two administrative members of staff - one in London and one in Tokyo. Remuneration of all three staff is determined by the Trustees on advice from the Treasurer and CEO. The CEO carries out the Foundation's policies, as determined by trustees at Board meetings and at the Annual General Meeting, subject to the constraints of Standing Orders. Trustees meet at least three times a year, in addition to committee meetings, in order to review policy, to monitor investments and to determine the recipients of awards.

2.7 Grants

Applications for awards are received in both the UK and Japan for projects that meet the Foundation's objectives. Awards committees meet in each country two or three times each year. In assessing applications trustees take into account any unique or innovative aspects of the project and the extent to which they will have a wide or lasting impact and are consistent with the objectives of the Foundation.

An application form and further details of the application process are on the Foundation's website, www.gbsf.org.uk.

2.8 Risk Management

Trustees assess the risks facing the Foundation and review the effectiveness of the controls to monitor and to mitigate them. A Risk Management Register is maintained and reviewed annually at Board meetings.

The key controls used by the Foundation include:

- Formal agendas for all Board meetings
- Strategic planning, budgeting and management accounting
- Formal written policies, including Standing Orders
- Clear authorisation and approval levels

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The principal risk for the Foundation lies in maintaining and protecting the value in real terms of its endowed funds in order to generate, on a long-term basis, a consistently high overall return on its original endowment. This risk is mitigated by the appointment of experienced fund managers; by internal controls that allow close and regular monitoring of fund managers' performance against benchmarks; by the Foundation's requirement of its fund managers to re-tender on a competitive basis periodically for appointment, and by twice-yearly Finance and Investment meetings that formally review investment performance and policy and include one-to-one presentations by the fund managers.

3. **Statutory Objects**

The statutory objects of the Foundation, as defined in its Articles of Association, are 'to advance the education of the citizens of the United Kingdom and the citizens of Japan in each other's institutions, people, history, language, culture and sport, in science and technology, medicine and health and also in each other's intellectual, artistic and economic life'.

The main vehicle through which the Foundation aims to pursue these objects is by providing financial support in the form of grants towards a wide range of activities and projects that serve to enhance mutual understanding between the people of the United Kingdom and Japan. Typically, these activities include exhibitions, performances, exchanges, conferences, research, educational and cultural events, and publications in the following fields: -

- Arts and Culture
- Humanities and Social Issues (including Japanese Studies)
- Science, Technology and Environment
- Japanese Language
- Youth and Education
- Medicine and Health
- Sport

4. **Achievements and Impact**

The Foundation requires post-project reports from each of its grantees so that it can evaluate the overall impact of all projects that it funds and the extent to which they contribute to the Foundation's grant-making objectives. The objectives for the year under review are set out below in paras 4.1 to 4.9 with specific examples. *(please note that Japanese names are presented as given name, family name in that order).*

In 2024 the Foundation encouraged and supported projects that are:

4.1 Innovative and bring a new element to a relationship or activity

#6231– Song of Rona Island – a Scottish music and literature encounter with Noh

IMPACT: Kathleen Jamie's essay on the Island of Rona in Scotland, which warns against environmental destruction, inspired the stage play *Song of Rona Island*. This innovative collaboration brought together Scottish musicians and Japanese Noh artists, including fiddler Aidan O'Rourke and smallpipe player Brighde Chaimbeul, who blended Celtic music with Noh chants and movements. Five Noh performers participated: Shimizu Kanji (shite actor), Takao Nishimura (chorus), Kyosukei Tanabe (kotsuzumi drum), Mitsuhiro Kakihara (ōtsuzumi drum), and Hirokazu Matsuda (Nohkan flute). Through workshops, they developed a work-in-progress at the Tessen-kai Nohgaku Kenshujō theater.

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O'Rourke aimed to honour ancient traditions while highlighting humanity's connection to nature. In rehearsals, the artists discussed how the instruments symbolised Rona Island: the kotsuzumi represented sea waves, the nohkan flute the wind, the fiddle the seal's sound, and the pipes the land. This fusion of Scottish rhythms punctuated by Noh drums, beautifully conveyed the story of Rona's long-forgotten inhabitants weaving a compelling narrative of the bond between nature and humanity.

#6386 *Noh Reimagined* Noh Performance of "Sumidagawa"

IMPACT: An innovative interpretation of this traditional performance art was also the focus of *Noh Reimagined*, which aimed to renew the connection between Britten's *Curlew River* and the Noh production of *Sumidagawa*, with a new script by Xanthe Grasham-Knight. *A Tale of the Sumida River*, presented through movement, expression, and music, was performed without subtitles by composers Ben Nobuto and Hollie Harding. The commissioned compositions, based on Noh performances from both the UK and Japan, were praised by the Aldeburgh Festival where it was performed for the 60th anniversary of *Curlew River*, and the composers highlighted how the project energised their creative practices.

The innovative presentation was also appreciated by the media, leading to sell out performances in London. The producer of *Noh Reimagined*, Mu Arts plans to continue with three objectives: presenting classical Noh performances, enhancing workshop methodologies with Japanese performers, and expanding the *Noh Reimagined* new music project to deepen understanding of Noh and expand performances beyond London.

#6214 Fieldwork in Japan to investigate perceptions of issues of fairness, accessibility and explainability in robot deployments

IMPACT: Do robots have feelings and a sense of fairness? Dr Martim Brandão, a Lecturer in Robotics and Autonomous Systems from Kings College London led a research team to Japan to explore robots in restaurant settings, social interaction, worker conditions, changes to the restaurant experience, and technical issues with existing robots. The research also compared robot use in Japan and the UK, providing valuable insights to promote societal acceptance of robots. The research identified technical challenges for developers in improving intelligent robots and their social integration.

Collaborating with AI ethics experts from the University of Tokyo Professor Yuko Itatsu and Associate Professor Arisa Ema, Katie Seaborn at the Institute of Science Tokyo and attending seminars by Professor Toshie Takahashi at Waseda University on AI perceptions, the team gained deeper insights into the ethical implications. The project successfully met its objectives, paving the way for future collaborations with Japanese academics and contributing valuable data for publications on robot ethnography, risk anticipation, and new robotics applications in our society.

4.2 Reached a wide audience and had a broad impact

#J865 Japanese theatre company NODA-MAP's new production *Love in Action* performed at Sadler's Wells Theatre, London

IMPACT: NODA-MAP's four performances sell-out tour to London's Sadler's Wells concluded a long Japan-wide tour. The production *Love in Action*, the first new work in London for 2 years, raised the audiences' expectations and they were not disappointed.

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As the performance began, the audience was immersed in the magical world of the play, a contemporary interpretation of Dostoevsky's 'The Brothers Karamazov' brought to life by a rich and dynamically physical cast and high-quality English subtitles.

Love in Action achieved an appreciative response from the media often peppered with 5-stars ratings from numerous theatre reviews, such as the London Theatre and London Living Large. They also received positive reviews from London Pub Theatres, Fringe Reviews and many other critics of the London stage.

#6318 *Yoshida: Three Generations of Japanese Printmaking at the Dulwich Picture Gallery, London*

IMPACT: The discovery of Hiroshi Yoshida's signature in the Dulwich Picture Gallery's Visitors book from 1900, inspired an exhibition highlighting three generations of the Yoshida Printmaking family. It explored their journey from traditional woodblock prints to modern abstraction and global influences. Curated by Dr. Monika Hinkel and Helen Hillyard, the exhibition, in collaboration with the Fukuoka Art Museum, featured around 80 masterworks, including landscapes by Hiroshi and abstract flower-heads by his wife, Fujio Yoshida. It also showcased post-war works by their children, Toshi and Hodaka, and granddaughter Ayomi's cherry blossom installation made of miniature woodblock prints, emphasising her personal connection to the gallery.

Attracting nearly 60,000 visitors, the exhibition raised awareness of Japanese printmaking and the Yoshida family's techniques, featuring a film on Hiroshi's work, art workshops, and catalogue sales. It also fostered cultural exchange with Japanese studio assistants and museum staff. Dr. Hinkel was invited to research Yoshida works in private collections, and both the Dulwich Picture Gallery and Fukuoka Art Museum are exploring future collaborations. While recognised in Japan and the US, the Yoshida family's impact was largely unknown in the UK before this exhibition.

4.3 Worked in partnership and created new relationships

#6392 *The Village and The Road with Tom Pow and The Galloway Agreement: A collaboration with the Bird Theatre in Tottori.*

IMPACT: The challenges of rural depopulation common to both Scotland and Japan was the focus of this partnership developed over a number of years between Tom Pow and the Galloway Agreement, working with the Bird Theatre in Tottori. Themes of isolation, a deep connection with nature and the loss of village life were explored through a unique format of poetry music and performance creating new partnerships of solidarity and understanding. The audience response was overwhelmingly positive seeing something of their own situation in the production. A new Japanese scene was incorporated which resonated deeply with the audiences: *'I got so many feelings, reflections, thoughts and grief from the show and it is hard to write simple feedback, but I am very happy that they chose villages in Tottori as a theme. I hope the seeds of the soil told in the poem will grow in me and in everyone who saw the performance.'* The poetry book *Ghosts at Play – Poems from Rural Japan* was published, receiving excellent reviews and gifted to local libraries, and other activities included post show discussions, music concerts and Ceilidh dance workshops in Tottori and Shimane prefectures and the launch of the poetry book in Tokyo at the British Council. Future plans include performances in both Scotland and Japan celebrating the ongoing collaboration and raising awareness of the qualities and challenges of life in rural areas.

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#J888 Tangent ‘Craft and Tech’

IMPACT: Tangent is a design studio based in Tokyo and London, focused on blending traditional Japanese craft with contemporary technology. Their ‘Craft x Tech’ project explores the fusion of historical and modern techniques to create unique art pieces.

The first edition, Tokai Edition I (2024), featured collaborations between six Tohoku regions and six creators, resulting in art displayed in Tokyo, Miami, Basel, and London at the V&A during the London Design Festival. Following its success, Tokai Edition II launches this year, featuring six Tokai regions paired with six creators, including London-based designers Philippe Malouin and Bethan Laura Wood, who are known for their strong interest in Japanese crafts. The creators will immerse themselves in the local culture, visiting studios, shops, and key areas to learn about the materials and techniques of the region’s traditional crafts. They will then create collaborative art pieces to be exhibited both domestically and internationally in 2026.

#6300 UK-Japan High-speed electric machine collaboration workshop with the University of Tokyo

IMPACT: To meet the growing demand for electric transportation (EVs), it is essential to modernise high-speed electric machine (HSEM) practices, which currently rely on rare-earth permanent magnets (e.g., NdFeB) for their high performance and power density. However, their production harms the environment, and supply chain monopolies pose economic risks. The University of Bath and the University of Tokyo are collaborating to research alternative materials and designs to reduce this reliance on rare-earth magnets in HSEMs worldwide. Advances such as additive manufacturing, are enabling the creation of innovative designs with improved performance. The challenge for these researchers is to integrate these solutions into HSEM designs while maintaining or increasing power density, and ensuring sustainability, environmental friendliness, and cost-effectiveness.

4.4 Involved the younger generation and intergenerational activity

#6301 Trip to Japan for Explorer Scouts, from the 1st Biggar Tinto Scout Group with visits to Tokyo, Hiroshima, Nagoya, Kumamoto, Beppu and Kyoto

IMPACT: A local community fundraising effort supplemented by support from the Foundation, enabled sixteen Explorer Scouts (aged 14-18) to visit Japan for three weeks, exploring Tokyo, Hiroshima, Nakatsu Oita, Fukuoka, and Kyoto. They participated in meetups with scout groups in Fukuoka and Osaka, visited the Hiroshima Peace Museum and Mazda Museum, and experienced indigo-dyeing in Nakatsu and visited historical sites in Kyoto.

This was a unique opportunity for the young Scouts to connect one-to-one with their Japanese counterparts and immerse themselves in Japanese culture and history. The project, organised with the help of Japanese scout groups, successfully fostered friendships and cultural exchange.

The Scouts spent time engaging with their Japanese peers, exploring Japan’s cities, manufacturing (highlighted at Mazda City), and the kindness of the Japanese people. They were deeply moved by the devastation caused by the atomic bomb in Hiroshima.

The group will share their experiences with local organisations and schools, and plans are in place to host Japanese Scouts in Scotland in the future.

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(continued)

#6422 The Sanix World Youth Rugby Tournament 25 April - 7 May 2024, Fukuoka Japan

IMPACT: The rising popularity of the sport of rugby in Japan has attracted many new players and fans to the game, increasing cross cultural understanding through the sport. The Sanix World Youth Rugby Tournament hosted by the Japan Rugby Football Union (JRFU) and supported by the Kyushu RFU, the Sanix Sports Foundation and Munakata city in Kyushu, where the tournament was held attracts young male and female teams from across the world and this was the context for the first visit by a school from Truro in Cornwall to attend the Tournament in Fukuoka in 2024. Twenty-nine students all under 18 and 5 teachers all had the trip of a lifetime and met their opposing teams on and off the field increasing mutual understanding and enthusiasm not just for the sport but for each other's cultures and way of life, brought together through Rugby.

#6425 The Foundation of Light - Football Futures: A World of Opportunity from Sunderland to Japan

IMPACT: The power of sport to effect powerful social change is a recurring theme in UK-Japan partnerships. The Foundation of Light, the official charity of Sunderland AFC, aims to improve lives in Northeast England by using football as a connector. It has partnered with Vantec Europe Ltd., a part of the Japanese LOGISTEED Group, to support multi-generational unemployed individuals through a skills development programme eventually placing participants in work at Vantec.

In 2024, the Foundation offered a unique opportunity for participants to visit Vantec's Japan operations, supported by a grant from the Foundation. The group engaged in sports with Japan's Vantec employees, visited Nissan's Oppama Plant, and learnt about the UK-Japan automotive trade, including *lean*, *Kaizen*, and *wabi-sabi* principles. Participants also experienced Japanese culture and business practices, enriching their vocational knowledge. This trip has been a crucial opportunity for participants who may have never travelled internationally. It exposed them to global work cultures and hopes to inspire future generations in Sunderland. The visit aims to strengthen ties with Japanese companies like Nissan and Vantec, creating future employment and educational opportunities.

#6465 Tricky Hat's visit to Japan for the production 花火 Hanabi: Firework

IMPACT: 花火 Hanabi: Firework is a pioneering project that enhances artistic practices for individuals aged 50+ in Scotland and Japan, promoting international collaboration through in-person, online, and distance participation. Building on Tricky Hat's previous work in Japan, it unfolded in two stages. The first, featured a visit to Japan by the Tricky Hat team to collaborate with Play ART! Sendai, Hello Theatre in Kyoto, and Los Hocos and was valuable preparation for the 2025 event in Glasgow.

Since 2017, Tricky Hat has led creative work with older people in Japan, deepening international networks. The project included creative sessions with older participants in Sendai and Kyoto, setting the stage for future exchanges with their Scottish counterparts in 2025. Those unable to travel were able to participate digitally. The visit also sparked a collaboration with Los Hocos, who will co-create a performance with Flames, a Scottish company for people aged 50+.

Plans for future exchanges include bringing older Scottish participants to Japan in 2026-2027. The project has built strong partnerships with Japanese artistic organisations, combining Japanese Ikigai with Tricky Hat's methods. This cross-cultural exchange, involving 25 participants, 4 Japanese artists, and 6 producers, continues to shape inclusive artistic work for older people in Scotland and Japan

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#6478 Celebrating culture through experiences of young people in a compassionate community - Compassionate Communities UK (CCUK)

IMPACT: In the UK one in every 30 children experiences significant loss, leading to mental health issues, poor school attendance, self-harm and risky behaviour. Professor Hirobumi and a group from Compassionate Communities Japan from Matsuzaki, attended a conference with Visions, the Brereton and Ravenhill Youth Group, in Brereton near Rugeley in Staffordshire UK. They visited the National Memorial Arboretum in Staffordshire, and the UK group learnt of the importance of Japan's Youth Chapter, and how it has been essential in improving outcomes of young people impacted by loss. The conference focused on supporting people affected by death, loss and caregiving. Building international partnerships helps young people connect, share experiences and support each other. The Foundations support enabled a further fifteen people from Japan to join the conference online. CCUK aim to maintain the connections between Brereton's Youth Leaders and the students from Japan and explore an ongoing dialogue between Matsuzaki and other compassionate communities in Japan and UK

4.5 Took place outside the major cities and in regional locations

#6347 Screening of *Nikkei - Searching for Japan in Brazil* by the Llanelli Multicultural Network (LMCN)

IMPACT: The presence and shared history of Japanese in Brazil is not well known in the UK and the Llanelli Multicultural Network (LMCN) therefore wished to enhance their knowledge of this overlooked aspect of Japan in their series exploring different aspects of Japanese culture.

The project set out to share Japanese Culture and Heritage and in particular the story of the "Nikkei" who had travelled from Japan to Brazil and their story. It was an insight into the driving forces of migration. The facilitator of the screening was the daughter of such migrants and with her partner they had travelled to Brazil (where she was born) and back to Japan to where her family had come from to create the film "*Nikkei - Searching for Japan in Brazil*" The Mayor of Llanelli gave a speech at the well-attended screening which encouraged many questions about the issues in the film.

#6369 Boston Hakusan exchange

IMPACT: The Boston Hakusan Exchange, which began in 1994 as the Mikawa project, is a cultural exchange between Boston, Lincolnshire, UK, and Hakusan, Ishikawa, Japan. The programme offers students aged 12-14 from both countries the chance to engage in cultural activities. In 2024, six UK students and two chaperones visited Japan. During their stay, they lived with host families, toured Tokyo, and visited Kanazawa by Shinkansen. They also shared their experiences on Boston Endeavour FM Radio.

The exchange included school visits where the UK group presented gifts to 500 students, teachers, and host families. It was conducted in two phases: the Japanese group visited Boston in July 2023, and the UK group travelled to Japan in July 2024.

This initiative created lasting friendships, cultural exposure, and personal growth, particularly in public speaking. The exchange expanded its reach through social and fundraising events, supported by participants' families. Some families are already planning follow-up trips to Japan.

One student shared how the experience shaped them: "I made lifelong friends, lived and laughed in a new culture, and felt at home halfway across the world." The 2025-2026 exchange will continue with new participants and a greetings card exchange, promoting UK-Japan relations.

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(continued)

#6388 Developing an international network of sites with contemporary burial mound practices in Japan and the UK

IMPACT: The particular focus of this visit to Japan supported by the Foundation was to explore the relationship between Sutton Hoo, the medieval Anglo-Saxon burial ground owned and managed by the National Trust on the east coast of England, and its contemporary, Fujinoki, in Nara Japan with a view to a temporary exhibition at Sutton Hoo featuring replica material from Fujinoki. Comparatively little information is publicly available in the UK or in English about the Fujinoki tomb and Kofun culture more generally, as well as any detailed comparison between Fujinoki and Sutton Hoo. This new research network will provide a platform from which ideas can be shared and information made readily accessible both in Japan and the UK. The visit enabled new connections at the Kyoto National Museum, with Professor Simon Kaner and other colleagues from the Sainsbury's Institute and Kazuaki Yoshimura from the Kashihara Archaeological Institute who visited Sutton Hoo with colleagues during 2023. The visit gave valuable time to agree the next steps of the exhibition plan.

J874 Karyobinga Shomyo Kenkyu-kai

IMPACT: To mark the 25th anniversary of the Sainsbury Institute for the Study of Japanese Arts and Cultures (SISJAC), twelve Shingon Buddhist monks from Hase temple in Nara visited Norwich, to introduce Shomyo, a form of Buddhist ritual chanting music, during the Norfolk and Norwich Festival. A large Kannon painting scroll from Hase temple was displayed in the atrium of the Forum building in the heart of Norwich where it was accessible to the public.

Seven Shomyo performances attracted many audiences who absorbed the solemn and moving atmosphere. A workshop with the choir of the ancient St. Peter Mancroft Church was held and despite language barriers, the musicians from different religions were able to gain a deeper understanding of each other through music.

During their performances, the monks performing Shomyo often saw people with their hands joined in prayer and heads bowed, even though no one had instructed them to do so. The monks were deeply moved by this natural and noble display of reverence, transcending religious, cultural and language differences.

#6435 Cheltenham Literature Festival – showcasing Japanese authors and translators

IMPACT: Cheltenham was the centre of Japanese writing and translation for the summer festival of Literature supported by the Foundation, which attracted many fans of contemporary Japanese writing in translation. Japanese authors featured included Asako Yuzuki and her bestselling novel *Butter*, exploring misogyny, obsession, and romance, interviewed by Laura Hackett of *The Times*. Debut author Hanako Footman presented *Mongrel*, a story of identity and heritage, chaired by Helena Lee of *Harper's Bazaar*. Yoko Tawada spoke on her novella *Spontaneous Acts*, addressing toxic masculinity and capitalism, and her novel *Suggested in the Stars*, in conversation with journalist Rosie Goldsmith. Yoko also participated in an "Understanding Kafka" event.

The festival provided Japanese authors a platform to reach new audiences, promoting Japanese literature, culture, and the Japanese language with lively book signings, strong ticket sales and positive feedback. These events sparked interest in translated literature and encouraged further exploration of Japan's literary landscape. The festival intends to continue to feature Japanese writers in its 80th anniversary in 2025.

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(continued)

4.6 Promoted Contemporary Life and Culture in Both Countries

#J868 Sakai International Community Arts visit to Colchester

IMPACT: Sakai International Community Arts from the Osaka region, promotes inclusivity through art, bringing together diverse individuals across disabilities, age, and gender. Their focus is on inclusive performing arts, where people with disabilities collaborate with supporting artists.

In 2024, Sakai visited the Essex town of Colchester, and researched inclusive arts organisations, held workshops, and performed at the Colchester International Theatre Festival. They engaged with the Colchester Operatic Society and Level Best Enterprises, gaining insights into inclusive theatre management and connecting people with disabilities to the community through art.

Workshops at the Colchester Arts Centre involved local artists, residents, and individuals with disabilities and explored themes of gender gaps and coexistence, offering an immersive experience in Japanese culture. The group also performed their original song, *The Day the Mountains Move*, inspired by the Japanese poet Akiko Yosano. The highlight was their first overseas performance of *Flowers*, about a woman breaking free from societal expectations through the words of British suffragists and Japanese female writers. The performance received a standing ovation, a 5-star review, and awards for 'Artist's Pick' and 'Outstanding Show with Movement'. Sakai is now planning a Japan-UK joint project with Level Best Enterprise focusing on disability arts.

4.7 Addressed Topics of Common Interest and Priority to Both Countries.

#6068 Workshop to develop new play 'Tales from my Grandmother'

IMPACT: In November 2024, the Foundation supported Narrative Life's rehearsed reading of *Tales from My Grandmother*. The script written by Elizabeth Ingrams was based on a true story of a family of hibakusha (as survivors of Hiroshima and Nagasaki are known). Elizabeth interviewed over 30 hibakusha, gatekeepers and descendants including one hibakusha family in Hiroshima and abroad in 2012-2022 and wrote her PhD for The Open University based on this research. The audience for this international reading were moved by the message it conveyed,

"Thank you for inviting me to 'Tales from My Grandmother'. I thought the play was powerfully expressed and had a powerful message, namely the continuing risk of nuclear war and its consequences which seem to have been forgotten about"

Hibakusha (as represented by the Japanese Organisation Nihon Hidankyo) were awarded the Nobel Peace Prize on Friday 11 October 2024.

#6359 Development of a new standardised scale for UK-Japan comparison of mental health personal recovery

IMPACT: A study reflecting cultural similarities differences in mental health recovery was conducted in Japan and the UK by University of Nottingham researchers. Three studies were carried out: developing and validating the Global INSPIRE in English and Japanese and comparing recovery factors between the two countries. Based on the CHIME framework (Connection, Hope, Identity, Meaning, Empowerment), the Global INSPIRE scale with 20 items was created to assess the importance of each pathway. Around 500 participants from both

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countries completed the survey twice to check consistency. Initial results showed no need for scale amendments, but significant cultural differences emerged. Japan placed more importance on Identity, while the UK emphasised Hope, Meaning, and Empowerment. The study aims to contribute to a global mental health recovery survey.

#6368 Towards Safe and Ethical human-robot interaction

IMPACT: Human-robot interaction (HRI) is a key research topic in Japan and the UK. This collaboration, led by Dr. Julia Bowles at the University of St Andrews and Dr. Yueh-Hsuan Weng at Kyushu University, combines Bowles' expertise in formal methods and automated verification with Weng's knowledge in AI ethics. Their goal is to ensure that robots adapt safely to complex environments, especially in fields like healthcare and education.

The project began with discussions at the 5th Digital Health Symposium in Vienna (April 2023) and aims to create a protocol for ethical, safe HRI. This involves understanding non-verbal communication, such as gestures and facial expressions, and exploring the ethical implications of robot behaviour in light of emerging AI technologies.

The project grew to include experts in philosophy, AI, and cybersecurity, leading to the submission of a €10m ERC Synergy grant in November 2024, titled *Safe Imaginative Robots: How They Should Think and Act*. This project addresses the integration of ethics, law, logic, computer science, and AI for safe robot adoption in society.

Bowles participated in two key events in November 2024, contributing to discussions on regulating social robots and ethical design. The project's main outcome is the collaboration between Kyushu University and St Andrews, with plans for continued collaboration through symposiums and further funding opportunities.

4.8 In subject areas such as Science and Technology, Medicine and Health, Social Issues and the Environment

#6499 Embedding an international online collaborative learning (COIL) in nurse education to increase cultural safety

IMPACT: Cardiff University promotes community well-being through its Civic Mission and Engagement, exemplified by nurse educator Diana De. During her visit to the Institute of Sciences (IST) Tokyo, hosted by Dr. Akiko Kondo, Diana explored Japanese nursing practices and delivered lectures on cultural biases in healthcare and Trauma Informed Care, addressing topics like FGM, honour violence, and human trafficking, to feature in the International Health Newsletter Wales in 2025.

A student from IST Tokyo shared, "I was inspired by your perspective on supporting people from all backgrounds. I appreciated your kindness and the time you took to answer my question."

Diana is developing a Collaborative Online International Learning (COIL) project with Cardiff University, IST, and the University of Waikato, connecting nursing students through a virtual empathy museum to discuss cultural safety in clinical settings. The COIL study abstract was accepted for the 2024 NET/NEP Conference in Singapore.

In 2025, the project will explore avatar-based gaming for real-time student dialogue. Diana has also been invited to present on multicultural nursing at IST's global health module. Cardiff

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researchers are collaborating with Professor Kondo and Tetsuke Ying Zhexi on workforce discrimination faced by migrant workers, advancing global health education.

#6514 Leanne Proops Presentation at the 'International Symposium on Comparative Evolutionary Thanatology' at the University of Kyoto

IMPACT: How do animals understand death? Dr Leanne Proops, an Associate Professor at the University of Portsmouth is researching the answer to this and how we can learn from them. Her focus is on the socio-cognitive abilities of domestic equids (horses, donkeys and mules) and evolutionary thanatology - the study of animal responses to death. Dr Proops visited Kyoto University to present her findings at an international conference, exploring species from beetles to chimpanzees in disciplines of anthropology, biology and psychology. The visit, supported by the Foundation, allowed her to reconnect with Dr Shinya Yamamoto of Kyoto University, exploring the possibility of a collaborative project on feral horses. The symposium discussions on evolutionary thanatology will lead to an academic paper, which will cement new UK-Japan research collaborations and ensure academic dialogue continues. Dr Proops was also interviewed for a documentary film on animal grief and responses to death which will be broadcast internationally.

#6298 University of Swansea's Laura Galante research on lactation

IMPACT: The Foundation's regular grant programme often supports pilot projects that lead to further research. This was the case for Dr. Laura Galante from Swansea University, whose grant funded exploratory research with Toyama Prefectural University on **lactation (#6298)**. The goal was to develop a simple diagnostic tool to identify breastfeeding difficulties at the bedside. This led to the **Butterfield Award B162**, which focused on lactation physiology and maternal healthcare. Over three years, Dr. Galante and Toyama Prefectural University are developing novel diagnostic markers through joint research. Dr. Galante will visit Toyama to assist with setting up sample recruitment, a key aspect of her expertise. Year 3 will focus on preliminary analysis of the data from both locations, followed by dissemination of findings via seminars, conferences, and manuscripts. As part of the plan, Dr. Eriko Kobayashi, the Japanese PI, will visit Swansea University for a seminar and networking event. These mutual research visits will also provide an opportunity to plan for a larger study to introduce new tools in maternal healthcare in both the UK and Japan.

Our **Butterfield Awards in medicine and health** are awarded each year to support UK-Japan collaboration for up to three years, and so the full impact of the grant may not become clear within the year of its initial award. Activity was extended over several years during the Covid pandemic with ongoing successful results.

Butterfield Award B147, awarded in 2023, was given to Drs. O'Donnell and Schneider at the University of Edinburgh for **malaria research, focusing on circadian rhythms in rodent malaria parasites and promoting science understanding across all ages**. A visit to meet Professor Culleton at Ehime University, led to a joint publication on science education in Japan. The grant also supported reciprocal visits, with Prof. Culleton traveling to Edinburgh in May 2024 for continued malaria research and collaborative experiments with Dr. O'Donnell, Dr. Schneider, and Ms. Ousseini, a PhD student from Ehime University, on *Plasmodium vinckei*'s response to mosquito exposure. Ms. Ousseini also visited Edinburgh in November 2024, gaining experience in large-scale experiments and presenting her research.

The team visited Ysgol Gynradd Coedffranc, a primary school in Wales, engaging students in science activities about parasites and mosquitoes. The visit inspired students about careers in science and highlighted differences in science engagement between the UK and Japan.

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In November 2024, Dr. Kato, a science educator from Japan, visited Edinburgh, giving a talk and engaging with teachers in Aberdeen. The collaboration between the Edinburgh and Ehime labs continues, with future experiments and publications planned, supported by the Butterfield Award.

A Butterfield Award B153 supported a workshop in Japan on "**Vibration Exercise in Diabetes Management.**" Professor John Sinclair from the University of Central Lancashire collaborated with academics, clinicians, and type-2 diabetes patients at the University of Tsukuba to explore vibration exercise as a complementary treatment for diabetes. The workshop sparked discussions that shaped future studies, focusing on the feasibility and benefits of vibration training. A hands-on demonstration by Power Plate allowed participants to experience the equipment and provided valuable feedback, confirming strong interest in vibration exercise. Strategic discussions led to the creation of a research agenda, including plans for a randomised controlled trial at Tsukuba University Hospital. The project aimed to address the rising prevalence of non-communicable diseases like diabetes in Japan, where physical inactivity is a concern. Vibration exercise, a low-impact and non-invasive approach, showed promise in improving insulin sensitivity, glucose control, and muscle strength in diabetic patients. Its short duration and suitability for individuals with limited mobility make it an accessible treatment, potentially improving health outcomes, reducing healthcare costs, and enhancing patients' quality of life for other countries facing similar diabetes challenges.

4.9 Involved expanded activity in the areas of Japanese Studies and the Japanese Language.

#6411 JALACHAMP Japanese Language Championship for Young Learners UK

Now in its second year, 'Jalachamp' has gained popularity as a platform for primary and secondary students to showcase their Japanese skills through speeches and videos. In 2024, 141 students participated, preparing scripts or creating videos in Japanese. The Japan Foundation received positive feedback from parents and teachers, noting that students enjoyed the process, worked hard, and improved their Japanese. Many parents highlighted how the experience made learning fun and encouraged their children to keep improving. From the feedback, it's clear that students were motivated to continue learning Japanese. One speech category winner shared that watching last year's finals inspired her to apply this year. As all finalists agreed to upload their recordings to YouTube, the videos are now available online. The Japan Foundation's support of the Japanese Language Championship aims to inspire young learners of Japanese outside formal education, and they are succeeding in this at this important time to support Japanese language learning in the UK.

#6289 Aylesbury Grammar School Japanese Language on the Curriculum

Impact: After the Foundation funded the study of Japanese at the Aylesbury Grammar School for a number of years, Japanese language and culture has now become an invaluable part of the school's curriculum, enriching the diversity of foreign language learning at the school. The project designed as a three-year course, has encouraged highly motivated students who wish to increase their Japanese vocabulary and to speak more Japanese sentences. Government policy change to reinstate the former Language College school Funding will continue to offer the opportunity to learn Japanese to the broadest range of students at the school.

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Further Impact

Bridge building to save lives with support for research into Antimicrobial Resistance (AMR)

Antimicrobial resistance (AMR) is a global health crisis, caused by overuse of antibiotics and resulting in treatment resistance. It contributed to 1.27 million deaths in 2019. The existing economic model fails to incentivise antibiotic discovery, requiring new partnerships and policies to tackle AMR effectively.

The Foundation has partnered with the University of Warwick, the Institute of Development Studies, and Japan's National Center for Global Health and Medicine (NCGM) in a £1.5 million, five-year initiative¹ to combat AMR. The initiative, led by Professor Chris Dowson at Warwick, focuses on developing new antibiotics and, through fellowships between Japan and the UK in policy and drug discovery, building skilled human capital and training the next generation of research leaders.

In 2024, after an exploratory workshop in Tokyo in March, two experts were selected as Policy Fellows in this collaboration in July, honouring Dame Sally Davies, former Chief Medical Officer of England and UK Special Envoy on AMR, and Mr. Yasuhisa Shiozaki, former Japanese Minister of Health and Chair of the Global Leaders Group for their contributions to AMR. The Institute of Development Studies (IDS) and the National Graduate Institute for Policy Studies (GRIPS) in Japan are key partners in policy efforts. Dr. Alicia Demirjian, Clinical Lead for AMR at the UK Health Security Agency, and Dr. Nobuaki Matsunaga, Chief at the AMR Clinical Reference Centre, will work with the UK Health Security Agency and Japan's NCGM to promote mutual understanding and new ways that academics, scientists, governments, and industry, can work together to develop new solutions to this important global challenge.

Dr Alicia Demirjian said: "As a paediatric infectious diseases' physician, I am highly aware of the threat of antimicrobial resistance to modern healthcare, and the need for a multidisciplinary solution to address this challenge. My aim is to align government, academic, and industry objectives to facilitate the discovery and development of new antimicrobial agents. I look forward to discussions with colleagues working across diverse settings in Japan and in the UK, and sharing lessons learned."

Dr Nobuaki Matsunaga said: "Through the Fellowship, I will make specific policy recommendations on an ecosystem to accelerate the discovery and development of new antimicrobials and to deepen collaboration with the international research community, industry, academia, and government. To climb the big mountain, people should join hands more. Based on my clinical experience and public health background, I hope to become a bridge builder through this project."

JEST - A new generation of UK Japan friendship

The **Japan Experience Study Tour ('JEST')**, is an annual programme organised by the Foundation, inviting a group of 12 sixth formers and 3 teachers from a different UK school each year to participate in a unique immersive week-long visit to Japan.

In 2024, a group from Diss High School in Norfolk (#6427) visited Japan and met their home stay families and 'school buddies' at Sakuya Konohana High School, Osaka with whom they

¹ The Foundation has entered a 5-year commitment 2024-2028 with the University of Warwick for a total of £1.5 mill. The percentage spend by category on page 16 is based on actual in year spend of £300k for 2024.

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had been communicating online in the months leading up to the visit.

'Their English was very good. I am learning French, so it was interesting to experience a language lesson from a different point of view. Biology class was very cool and I liked making a skeleton Leaf and the robotics was fun!' – Diss High School Student

It was very interesting to learn about the differences between schools in the UK and Japan, the school buildings, and the atmosphere of the students. I became good friends with the students who came to stay with me, and it was a good memory. Next time, I would like to go to a school in the UK – Sakuya Konohana High School Student.

I was surprised that my child was able to converse in English better than I expected. I was also glad that the students were proactively trying different foods and customs to get in touch with Japanese culture. It was a very valuable time. Thank you very much. – Home stay host parent

As well as school activities, Diss High School visited temples in Kyoto, met an A-bomb survivor in Hiroshima, visited a sustainable farm and stayed in a traditional inn in Miyajima, and participated in culture workshops with local volunteers. The feedback from the group, as well as their hosts in Japan, has been hugely positive, with many students hoping to continue their connections with Japan in future.

Unsung heroes – the translators

A window into other worlds sparked the design of the **Sasakawa Translation prize**, in partnership with the Society of Authors. Each year publishers submit new publications by writers that have been translated into Japanese. In 2024, the prize ceremony announced the 2023 winner as Alison Watts, for her translation of *The Boy and the Dog* by Seishu Hase (Scribner, Simon and Schuster). The winner of the 2024 prize was Masaya Saito for a translation of *The Kobe Hotel: Memoirs* by Sanki Saito. The prize is now in its 2nd year, supporting young writers, independent publishers and the unsung heroes, the translators.

Support for PhD fieldwork

In 2024, our regular grants supported PhD students visiting the UK or Japan for fieldwork. The grants covered a wide range of subjects relevant to both countries, including law, religion, science, art, literature, psychology, LGBTQ+ tourism, Magic Realism, and ecocritical disaster narratives.

Katarzyna Rudzka, a PhD researcher at UCL's Institute of Cognitive Neuroscience, presented her research on wearable technology for early Alzheimer's diagnosis at the Japan Society's Annual Meeting in Fukuoka. Her work, using Optically Pumped Magnetoencephalography (OP-MEG), focuses on spatial navigation and movement, aiming to improve Alzheimer's diagnosis for the projected 150 million people affected by the disease by 2050.

Two PhD students from the University of Tokyo visited King's College London's Centre for Society and Mental Health. Daiki Nagaoka explored the mental distress of bullying victims in both the UK and Japan, collaborating on the Tokyo Teen Cohort Study. Yutaka Sawai's research compared childhood atopic disorders and psychological stress in adolescence between Japan and the UK, leading to discussions on gender inequality and future collaborative projects.

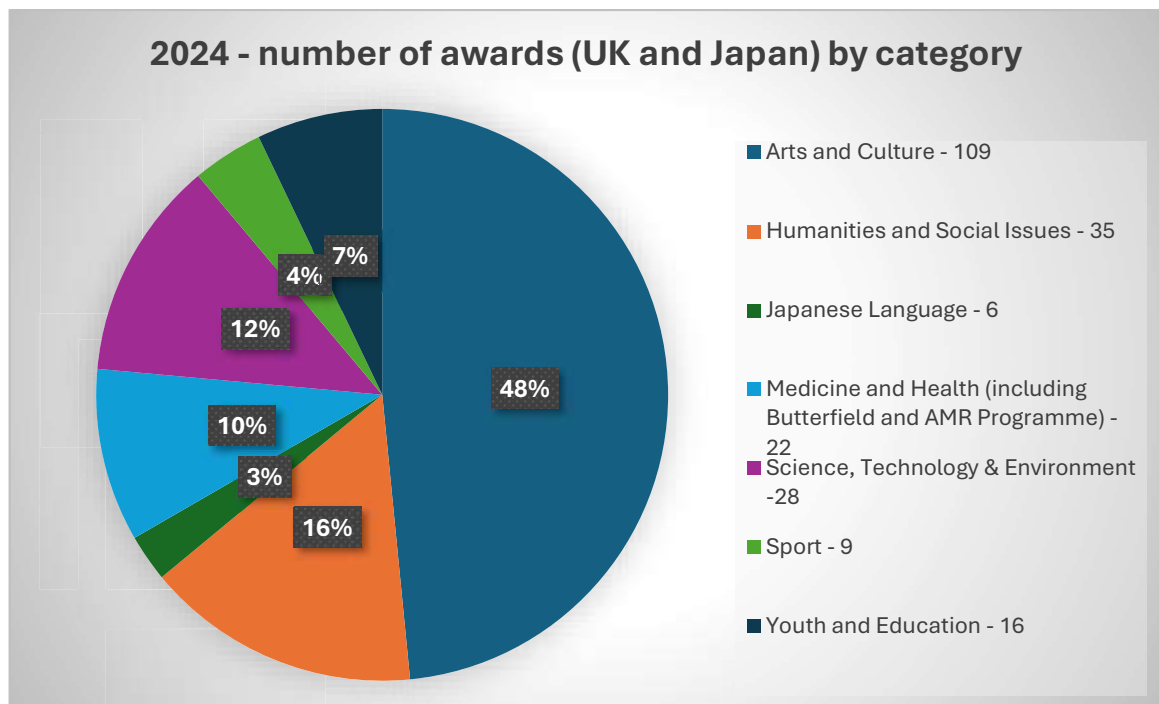
Cristina Garcia Miguel from UCL examined Magical Realism in contemporary Japanese literature and visual arts, while Alana Stone researched the significance of mask-like interfaces in Abe Kobo's postwar fiction. Emily Bush from Cardiff University analysed Japanese disaster

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narratives with an ecocritical lens, focusing on how these stories reshape ideas about disasters and the environment.

Ryoya Mizuno from LSE explored political thinking on nuclear weapons, focusing on Arnold J. Toynbee's anti-nuclear thought. Ayako Hatono from Oxford University examined Japan's legal response to harmful speech in the context of international law and global norms.

The range of activity during 2024 (number of projects by category in the piechart and percentage of total funds awarded per category in table with comparison to 2023) is as follows. The shift in support towards Medicine and Health is accounted for by the 2024 in-year spend of £300k of a 5 year commitment to the AMR programme (see page 9):



2024 - Percentage of Funds awarded by Category compared to 2023	2024	2023
Arts and Culture	30%	40%
Humanities and Social Issues	8%	12%
Japanese Language	1%	3%
Medicine and Health (including Butterfield and AMR Programme)	41%	23%
Science, Technology & Environment	8%	10%
Sport	3%	0%
Youth and Education	9%	12%

Percentages are rounded to the nearest whole number

In 2024, grant applicants were asked to map their projects against one or more of the seventeen Sustainable Development Goals (<https://sdgs.un/org/goals>) The results showed that the biggest percentage mapped against [SDG4 Quality Education] in both UK and Japan. In UK this was followed by SDG3 Health, SDG5 Gender, SDG10 Reducing inequality and SDG16 Peace and Justice. In Japan, the focus after Education was on SDG17 Partnerships, SDG16 Peace and Justice, SDG3 Health, and SDG11 Sustainable Cities and Communities. Grants mapped against all the goals except SDG2, Zero Hunger. We will continue to monitor grant activity mapping against the SDGs.

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The figures above exclude the activities in respect of the Sasakawa Japanese Studies Postgraduate Studentship Programme, see Section 5 below.

The strategies employed by the Foundation during the year to meet the objectives of the Foundation were to:

- maintain as far as possible a proactive approach in its grants policy
- target potential applicants in under-represented subject areas through visits, social media and the website
- heighten awareness of the Foundation's work by increased networking with specialist groups/organisations, with former grant recipients and with other Japan-related organisations; and by visiting institutions, particularly outside London
- monitor closely reports from grant recipients in order to follow up and encourage the potential for sustainability and for new activity.
- liaise closely with other funding bodies to ensure partnership funding of priority activity where appropriate

5. The Sasakawa Japanese Studies Postgraduate Studentship Programme

In 2013 the Board of Trustees approved plans for a five-year Japanese Studies Programme designed to build on The Nippon Foundation-funded Sasakawa Lectureship Programme (that had run between 2008 and 2012). One of the successful outcomes of this Programme had been the establishment by many UK universities of new postgraduate courses in Japanese, some run by the Sasakawa lecturers.

But following changes to university fee structures and trenchant cuts in their core funding, the crisis within UK universities had become even more acute than it had been five years previously. As a result, Japanese as a subject of study had once more become vulnerable, especially at postgraduate level. The objective of the Studentship Programme, therefore, is to encourage the study of Japan at UK universities at master's and at PhD level through the provision of studentships to help the brightest and most promising students - the future Japan specialists.

In order to do this, The Nippon Foundation agreed to award a grant to the Great Britain Sasakawa Foundation of up to £1,530,000 over the 5-year period (2014-2018) so that it might provide UK universities with up to 30 postgraduate studentships per year (each worth £10,000) on the study of Japan. In 2019 the Nippon Foundation confirmed its intention to renew the programme for a further five years. For the eleventh year (2024-2025) a grant of £468,000, an annual increase of £148,000 from the previous year was awarded to the Foundation by The Nippon Foundation for 30 postgraduate studentships (each worth £15,000).

Impact:

As part of the programme, the Foundation hosts gatherings for students, alumni and tantosha. This is highly valued.

Thank you very much for a very fruitful student and alumni day in November. I had a very good first experience of this event as a new tantosha, and the current students and alumni from Edinburgh plainly benefited from the day's programme too. It was particularly helpful to connect with others doing research in Japanese Studies at all levels, and to hear about the varied activities of the alumni who spoke in the afternoon session. – Professor Helen Parker, University of Edinburgh

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The Project's impact to date since its inception has been as follows: over 200 students have been supported by this grant who may not have been able to undertake these studies without our financial assistance. Students comprise just over half from UK and just under half from 29 different nationalities maintaining the UK's position as a global hub for Japanese Studies. The geographical spread of universities engaged with Japan teaching/research and nominating students has grown from 14 to 25 universities and there is a wide range of research areas within Japanese studies and other disciplines. Year 11 studentship payments (2024) were audited by request of the Nippon Foundation and a report provided to the Nippon Foundation.

6. Public Benefit

In so far as the statutory objects, aims and activities of the Great Britain Sasakawa Foundation (as a wholly grant-giving charity) are to advance the education of the people of both the United Kingdom and Japan, as set out in paragraph 3 above, the trustees are satisfied that they fully comply with the duty in section 17 of the Charities Act 2011, namely to have due regard to the public benefit guidance published by the Charities Commission. This includes the guidance "public benefit: running a charity (PB2)". This is regularly reviewed by the Board of Trustees.

The public benefit of the Foundation's grant making activities is clearly identifiable in the examples given in the Foundation's achievements for the year, as outlined in paragraphs 4, 5 & 6 of this Report. The Foundation therefore benefits the public, or a sector of it, without imposing any restrictions. Applications, whether from institutions or from individuals, are accepted only when demonstrably consistent with the charitable objectives of the Foundation.

The trustees work on a voluntary basis and receive no benefits from the Foundation. Expenses reclaimed from the Foundation are set out in note 7 to the Financial Statements. The Foundation's Public Benefit Policy Statement is reviewed annually by the Board of Trustees.

7. Plans for the Future

The Foundation's future policy is to continue to pursue its current objectives and priorities in both countries, as outlined in paragraphs 3 - 6 above. In particular, it is committed to the continued support of Japanese studies in the UK through its Sasakawa Japanese Studies Postgraduate Studentship Programme.

It will achieve this by continuing to work in close cooperation with its principal partners, e.g. with other Sasakawa Foundations in Japan in shared areas of activity; with the Embassy of Japan in matters of cultural and education policy; with the Japan Foundation in its support of the Japanese language, Japanese studies and the arts; with the Japan Society for the Promotion of Science in scientific research; with NGOs and community organisations in issues affecting civil society; and with the Japan Society and the British Council in encouraging the younger generation to become better informed about Japan and the United Kingdom.

It will continue its policy of awarding grants annually to approximately 2.75% of its total fund, as valued over an average rolling three-year period, and to encourage a consistently high overall return on its original endowment, maximising that generated by its fund managers whilst protecting, as far as possible, the value in real terms of the initial and subsequent endowments.

8. Financial Review

The results for the year are set out in the Statement of Financial Activities (SOFA) on page 28.

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8.1 Investment Powers and Reserves Policy

The Foundation's investment powers are drawn from the Articles of Association which permit investment as allowed by current law.

The Foundation has opted to divide its investment portfolio into two approximately equal halves and to appoint separate Investment Managers to handle each half. They are currently Cazenove Capital Management and CCLA. They handle the day-to-day management of the portfolio with discretionary powers within appropriate limits set by the Foundation. The Trustees meet with the investment managers on a regular basis to review their performance.

The Foundation maintains an Investment Policy Statement that documents its investment aims and the policies that guide its investment decision-making, following advice received from the Investment Managers. The Trustees review this document on an annual basis and approve changes, as needed.

To finance its activities the Foundation relies on the income and capital gains generated by its investments, and these are regarded as its long-term assets. Their purpose is to generate income and capital gains on a long-term basis that will maintain real value for funding the Foundation's charitable expenditure in perpetuity. Its investment portfolio is managed, therefore, on a long-term and on a total return basis. No annual income target is set for the Investment Managers. The Investment Managers are reviewed on a regular basis.

In 2020, The Foundation received an Additional Endowment of £11.12 million. This is invested between the two Investment Managers and the return earned is allocated to the Additional Endowment fund although it is available for the Foundations' grant programme.

During the 2021 year, the Trustees reviewed the performance of our Investment Managers, CCLA, and Cazenove in accordance with our practice, and in November 2021, £5,609,677.49 was transferred between funds at Cazenove from the MAIN to the RMAF (Responsibly Managed Asset Fund, and as of 2023, renamed as the Sustainably Managed Asset Fund, SMAF) in our move towards green investments. Overall, our investment managers have achieved an investment performance that met our targets over the medium term, preserving the real value of the endowments given to us and providing income to support our grant making activities.

As set out in the Investment Policy Statement, the Foundation's reserves policy is to preserve and enhance the purchasing power of its portfolio assets net of costs and approved withdrawals. Accordingly, the trustees have set its Investment Managers a net return target of CPI + 4% measured over rolling five-year periods. The trustees have therefore adopted a long-term spending rule whereby the expendable amount in any given fiscal year is limited to 4% of the average Unrestricted Fund value and 4% of the Endowment funds measured on a three-year rolling basis (end of 2024, the Unrestricted fund stood at £33 million), with the aim to spend approximately 2.75% on the grants programme. In view of the uncertain financial markets in recent times the Foundation has adopted, and is continuing to adopt, a flexible approach, when thought necessary.

8.2 Allocation of resources and grants

During the year, the Foundation provides financial assistance from its Unrestricted Fund for appropriate projects put forward by applicants. This year, 225 awards were made from the Unrestricted Fund totalling £1.18m. This included 30 awards totalling £106k made in Japan, £300k in year spend for the AMR Programme, and 8 new Butterfield Awards in science, medicine and health awards totalling £111k.

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The Foundation publishes and distributes an Annual Report, which gives details of all awards made in the year. It can be found on its website: www.gbsf.org.uk Hard copies are available from the Foundation's office upon request.

8.3 Investment Performance

The investment performance of the managers during the year (2024) was:

	<u>Total Return</u>
CCLA - COIF Fund (Charities Investment Fund)	+5.10% (12.36%)
CAZENOVE Capital Management	
– MAIN Fund	+11.90% (6.10%)
– SMAF Fund (Sustainably Managed Asset Fund)	+8.10% (7.00%)

This compares with the Foundation's target of CPI+4% that, over the same period, was 6.5%².

Over the five years to 31 December 2024 (2020-2024) the annualised total return achieved was:

	<u>Total Return</u>
CCLA - COIF Fund (Charities Investment Fund)	+9.21%
CAZENOVE Capital Management	
– MAIN Fund	+5.64%
– SMAF Fund (Sustainably Managed Asset Fund)	+6.06%

This compares with the Foundation's target of CPI+4% that, over the same period, was an annualised 8.78%³

Performance figures are shown net of investment management charges, which have been offset against capital. In 2024 we are showing the performance of our two funds with Cazenove separately, to reflect our move towards more sustainable investment in their Sustainably Managed Asset Fund (SMAF). Trustees are aware of the factors affecting overall performance in 2024 and are monitoring closely as we enter 2025.

9. Statement of Responsibilities of Trustees

The trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the preparation of financial statements for each financial year that give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources including the income and expenditure for that period. In preparing those financial statements, Trustees are required to: -

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent.

² ONS 2024 CPI 2.5% and Commons Library [Inflation in the UK: Economic indicators - House of Commons Library](#)

³ Cazenove Q4 Report CPI+4% = 8.5%

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- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

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

In so far as Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

10. Auditor

In 2024, we conducted a periodical review of Audit services. UHY Hacker Young was appointed to replace Moore Kingston Smith LLP and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

11. Small Company Exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

BY ORDER OF THE BOARD



The Earl of St Andrews (Chairman)
Trustee

Date: 22/05/2025

THE GREAT BRITAIN SASAKAWA FOUNDATION

REFERENCE INFORMATION

Charity Number	290766
Company Number	1867362
Chairman:	The Earl of St Andrews
Vice-Chairman:	Joanna Pitman
Treasurer:	J L Scott FCA
Chief Executive and Company Secretary:	Charles Bodsworth
Accountants:	UHY Hacker Young Quadrant House 4 Thomas More Square London, E1W 1YW
Auditor:	UHY Hacker Young Quadrant House 4 Thomas More Square London, E1W 1YW
Bankers:	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment Managers:	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET Cazenove Capital Management Limited 1 London Wall Place, London EC2Y 5AU
Solicitors:	Birkett Long LLP, 1 Amphora Place, Sheepen Road, Colchester, Essex, CO3 3WG.
Administration and Registered Office:	24 Bedford Row London WC1R 4TQ
Tokyo Liaison Office:	Sasakawa Peace Foundation Building 1-15-16 Toranomon Minato-ku Tokyo 105-0001 Japan

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION

Opinion

We have audited the financial statements of Great Britain Sasakawa Foundation (the 'Foundation') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION *(continued)***

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report;
or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the Foundation for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION *(continued)***

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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



UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (*continued*)**

Other matters

UHY Hacker Young were appointed as auditors this year and the as such the comparatives were audited by another firm of auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Harriet Hodgson-Grove (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

Date: 10/06/2025.....

Chartered Accounts
Statutory Auditor

UHY Hacker Young is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE GREAT BRITAIN SASAKAWA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

INCOME AND ENDOWMENTS FROM:	Notes	Unrestricted Funds	Restricted fund	Endowment Funds (Including unapplied total return)	2024 Total Funds	2023 Total Funds
		£	£	£	£	£
Investments	2	921,220	-	294,912	1,216,132	1,099,553
Charitable activities	13	-	451,766	-	451,766	320,582
Total		921,220	451,766	294,912	1,667,898	1,420,135
EXPENDITURE ON:						
<i>Raising funds</i>						
Investment management	5	71,049	-	22,745	93,794	87,016
<i>Charitable activities</i>						
Grant making	3	1,311,541	441,620	-	1,753,161	1,425,085
Total Expenditure		1,382,590	441,620	22,745	1,846,955	1,512,101
Loss before Investment Return		(461,370)	10,146	272,167	(179,057)	(91,966)
Net (income on investments)	9	1,665,875	-	533,300	2,199,175	2,945,174
Net income for the year		1,204,505	10,146	805,467	2,020,118	2,853,208
GAINS/LOSSES						
Foreign exchange gains/(losses)		3,648	-	-	3,648	(4,270)
						-
NET MOVEMENT IN FUNDS		1,208,153	10,146	805,467	2,023,766	2,848,938
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		31,753,947	7,846	13,428,808	45,190,601	42,341,663
TOTAL FUNDS CARRIED FORWARD	13&14	32,962,100	17,992	14,234,275	47,214,367	45,190,601

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account. There are no recognised gains or losses for the current financial year and the preceding financial year other than as stated in the income and expenditure account. All of the above incoming resources are derived from continuing activities.

The notes on pages 30 to 42 form part of these financial statements.

THE GREAT BRITAIN SASAKAWA FOUNDATION

BALANCE SHEET AS AT 31 DECEMBER 2024

	<u>Notes</u>	<u>2024</u>		<u>2023</u>	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		-		-
Investments	9		46,639,336		44,669,262
			<u>46,639,336</u>		<u>44,669,262</u>
CURRENT ASSETS					
Debtors	11	194,675		213,741	
Cash at bank and in hand		1,321,400		1,338,474	
			<u>1,516,075</u>		<u>1,552,215</u>
CREDITORS: amounts falling due within one year	12	(941,044)		(1,030,876)	
			<u>575,031</u>		<u>521,339</u>
NET CURRENT ASSETS					
			<u>575,031</u>		<u>521,339</u>
TOTAL NET ASSETS					
			<u>47,214,367</u>		<u>45,190,601</u>
RESERVES					
Restricted Funds	13 & 14		17,992		7,846
Endowment Funds	14		14,234,275		13,428,808
Unrestricted Funds	14		32,962,100		31,753,947
			<u>47,214,367</u>		<u>45,190,601</u>
TOTAL FUNDS					
			<u>47,214,367</u>		<u>45,190,601</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

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

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 related to small companies.

These financial statements were approved by the Board of Trustees on 22/05/2025.



The Earl of St Andrews (Chairman)
Trustee



Jeremy Scott (Treasurer)
Trustee

Registered Company No: 01867362 (England and Wales)

THE GREAT BRITAIN SASAKAWA FOUNDATION

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2024**

	2024	2023
	£	£
Cash flow/(outflow) from operating activities		
Net cash provided by/(used in) operating activities	(1,473,423)	(937,603)
Cash flows from investing activities		
Investment income and interest received	1,227,248	1,099,553
Proceeds from disposal of fixed asset investments	3,350,236	19,609,401
Acquisition of fixed asset investments	(3,235,065)	(19,840,266)
Other investments movements	113,931	-
	<u>1,456,350</u>	<u>868,688</u>
Net (decrease)/increase in cash and cash equivalents	(17,074)	(68,915)
Cash and cash equivalents at beginning of year	1,338,474	1,407,389
Cash and cash equivalents at end of year	<u>1,321,400</u>	<u>1,338,474</u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2024	2023
	£	£
Net income	2,023,766	2,848,938
Adjustments for:		
Net gains on investments	(2,199,175)	(2,945,174)
Investment income	(1,216,132)	(1,099,553)
Decrease in debtors	7,950	49,350
(Decrease) / increase in creditors	(89,832)	208,836
Net cash used in operating activities	<u>(1,473,423)</u>	<u>(937,603)</u>

1 Accounting policies

(a) Company information

The Great Britain Sasakawa Foundation is a private company limited by guarantee incorporated in England and Wales and registered with Charity Commission. The registered office is 24 Bedford Row London WC1R 4TQ.

(b) Scope of the financial statements

The financial statements present the Statement of Financial Activities (SOFA), the Balance Sheet and the Statement of Cash Flows.

(b) Accounting convention

The Foundation's financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

The Foundation is a public benefit entity for the purposes of FRS 102 and a registered charity. The Foundation has therefore also prepared its financial statements in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102) Second Edition 2019) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the investments, which are stated at middle market value, with movements in value reported within the Statement of Financial Activities (SOFA). The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

(c) Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the Foundation's forecasts and projections and have taken account of pressures on grants, donation and investment income. After making enquiries the trustees have concluded that there are no material uncertainties with respect to the Foundation's ability to continue as a going concern and there is a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

The total number of grants awarded in 2024 to 225 projects were made from the Unrestricted Fund totalling £1,176,665 (2023: £824,615). This included 30 awards totalling £106,840 (2023: £60,247) made in Japan and 8 new Butterfield Awards in science, medicine and health awards totalling £111,137 (2023: £107,000).

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

1. **Accounting policies (continued)**

Useful Economic Lives - The annual depreciation charge for office furniture, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

(d) **Tangible fixed assets**

All tangible fixed assets are capitalised at cost, which is their purchase cost together with any incidental expenses of acquisition and a minimum capitalisation level is £500.

Depreciation is calculated so as to write off the cost of tangible fixed assets on:

Office furniture, fittings, and equipment - 20% straight line.

(e) **Fixed asset investments**

Investments are stated in the accounts at market value.

(f) **Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

(g) **United Kingdom interest and investment income receivable**

All income is recognised once the Foundation has entitlement to the income, the economic benefit is probable, and the amount can be reliably measured.

Income from investments and interest, inclusive of any UK tax deducted, which is recoverable, is included in the statement of financial activities in the accounting period in which it is receivable.

(h) **Foreign interest and investment income**

Income from investments and interest is included in the statement of financial activities in the accounting period in which it is receivable in the United Kingdom. Where relevant this is net of any foreign withholding taxes, which are not recoverable.

(i) **Charitable activities income**

Income from grants that are unrestricted is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Income from grants that are restricted is recognised as the Foundation undertakes the restricted activities required by the grant.

(j) **Foreign currencies**

The functional and presentational currency of the Foundation is the pound sterling.

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

1. **Accounting policies (continued)**

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA and form part of the Unrestricted Fund.

(k) **Taxation**

No provision for taxation is made in the accounts, as the Foundation is a charity, as defined by section 519 of the Income Tax Act 2007.

(l) **Resources expended**

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. The costs in respect of investment management are those in relation to the Foundation's investment portfolios, whilst charitable support are those related to administering the award process and governance relate to compliance with constitutional and statutory requirements. Costs common to the three categories are apportioned in accordance with the estimated amount of staff time spent in each area.

Grants awarded that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

(m) **Fund Accounting**

The Unrestricted Fund represents all funds held by the Foundation, other than the Restricted Fund, which may be used at the discretion of the Board of Trustees in furtherance of the charitable objects of the Foundation.

During 2021, The Additional Endowment received in 2020 was added to the existing investment funds currently held, and a total return investment strategy applied from 1 January 2021. The Foundation can invest its endowments without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can either be retained for investment or released to income at the discretion of the Trustees.

The Restricted Funds relate to the Programme for the Support of Japanese Studies at UK Universities and can only be expended in furtherance of this project (including its management and administration). However, as agreed with the Nippon Foundation, income derived from these funds form part of the Unrestricted Fund.

(n) **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

1. **Accounting policies (continued)**

(o) **Financial instruments**

The Foundation has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation’s balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. **Investment income**

The contributions of the various activities of the Foundation to income are set out below: -

Year to 31 December 2024

	<u>Restricted</u> <u>Fund</u>	<u>Unrestricted</u> <u>Fund</u>	<u>Endowment</u> <u>Funds</u>	<u>2024</u>
	£	£	£	£
Interest on bank deposit accounts	-	35,640	11,409	47,049
Dividends from equities and other securities	-	885,580	283,503	1,169,083
	-	921,220	294,912	1,216,132

Year to 31 December 2023

	<u>Restricted</u> <u>Fund</u>	<u>Unrestricted</u> <u>Fund</u>	<u>Endowment</u> <u>Funds</u>	<u>2023</u>
	£	£	£	£
Interest on bank deposit accounts	-	17,946	5,747	23,693
Dividends from equities and other securities	-	810,065	259,395	1,069,460
Other Investment Income	-	4,848	1,552	6,400
	-	832,859	266,694	1,099,553

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

3. **Grant making**

This comprises the following: -

Year to 31 December 2024

	Unrestricted	Restricted	
	<u>Fund</u>	<u>Funds</u>	<u>2024</u>
	£	£	£
Awards payable (see note 4 below)	1,018,620	424,696	1,443,316
Support costs (see note 5 below)	292,921	16,924	309,845
	<hr/>	<hr/>	<hr/>
	1,311,541	441,620	1,753,161
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Year to 31 December 2023

	Unrestricted	Restricted	
	<u>Fund</u>	<u>Funds</u>	<u>2023</u>
	£	£	£
Awards payable (see note 4 below)	840,935	300,000	1,140,935
Support costs (see note 5 below)	268,637	15,513	284,150
	<hr/>	<hr/>	<hr/>
	1,109,572	315,513	1,425,085
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4. **Awards payable**

The awards payable were for charitable purposes in pursuance of the Foundation's objects. The awards payable for the year comprise: -

Year to 31 December 2024

	Unrestricted	Restricted	
	<u>Fund</u>	<u>Funds</u>	<u>2024</u>
	£	£	£
Awards granted during the year	1,142,901	434,115	1,577,016
Adjustments in respect of awards granted in prior years	(179,661)	(9,419)	(189,080)
Jest award	55,380	-	55,380
	<hr/>	<hr/>	<hr/>
Awards payable	1,018,620	424,696	1,443,316
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Year to 31 December 2023

	Unrestricted	Restricted	
	<u>Fund</u>	<u>Funds</u>	<u>2023</u>
	£	£	£
Awards granted during the year	830,542	300,000	1,130,542
Adjustments in respect of awards granted in prior years	(29,607)	-	(29,607)
Jest award	40,000	-	40,000
	<hr/>	<hr/>	<hr/>
Awards payable	840,935	300,000	1,140,935
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

5. **Analysis of charitable expenditure**

Other resources expended are made up as follows: -

Year to 31 December 2024	<u>Investment Management</u> £	Charitable Support		<u>Total 2024</u> £
		<u>Costs</u> £	<u>Governance</u> £	
Investment management fees	54,432	-	-	54,432
Staff costs (see note 6(b) below)	5,903	98,170	56,852	160,925
Legal and professional fees	2,757	11,150	17,557	31,464
Costs of Management Council Meetings	6,243	25,049	31,396	62,688
Other administrative expenses	892	32,140	5,630	38,662
Office rents and services	1,603	28,023	10,407	40,033
	<u>71,830</u>	<u>194,532</u>	<u>121,842</u>	<u>388,204</u>
Direct governance costs				
Auditors remuneration: Current year	-	-	15,435	15,435
Allocation of governance support	21,964	115,313	(137,277)	-
	<u>93,794</u>	<u>309,845</u>	<u>-</u>	<u>403,639</u>

Year to 31 December 2023	<u>Investment Management</u> £	Charitable Support		<u>Total 2023</u> £
		<u>Costs</u> £	<u>Governance</u> £	
Investment management fees	52,625	-	-	52,625
Staff costs (see note 6(b) below)	6,103	90,038	47,319	143,460
Legal and professional fees	2,216	6,976	14,197	23,389
Costs of Management Council Meetings	3,827	20,701	31,719	56,247
Other administrative expenses	838	15,542	5,823	22,203
Office rents and services	1,527	28,882	10,851	41,260
	<u>67,135</u>	<u>162,139</u>	<u>109,909</u>	<u>339,183</u>
Direct governance costs				
Auditors remuneration: Current year	-	-	16,470	16,470
	<u>67,135</u>	<u>162,139</u>	<u>126,379</u>	<u>355,653</u>
Allocation of governance support cost	19,881	106,498	(126,379)	-
	<u>87,016</u>	<u>268,637</u>	<u>-</u>	<u>355,653</u>

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

5. **Analysis of charitable expenditure (continued)**

As explained in Note 2 the Foundation has decided to move all its investments into Umbrella Funds managed by our two Investment Advisors. As a consequence, this reduces the explicit investment management charges levied on the Foundation as the investment charges are embedded within the unit price of the units in the Umbrella Funds. Where possible we have obtained details of the embedded investment charges and have included these in the Investment management fees line above, and added them to the Net gains/(losses) on investments (Note 9).

CCLA’s management fee is charged to the COIF Investment Fund, therefore technically these are not charged directly to individual unit holders but charged to the Fund. Therefore, paragraph 4.48 of the Charities SORP states that charities are not expected to prorate investment management fees charged to a collective investment scheme to identify the notional cost attributable to its own holding in the scheme.

The Annual Management Charge (AMC) of 0.6% and other expenses of 0.08% make the Fund Management Fee (FMF) 0.68%. To this figure add the cost of underlying investments of 0.22%, which makes the Ongoing Charges Figure (OCF) 0.90%. However, the manager applies a fee rebate of 0.15%, making the effective AMC 0.45% and the OCF 0.75%.

In addition to the Audit Fee referred to above, there is £17,088 included in Legal and Professional fees that relates to bookkeeping and accountancy work carried out by the audit firm (2023 - £14,640).

6. **Employee information**

(a) The average number of persons employed by the Foundation during the year was 3 (2023 – 3).

(b) Employment costs – all employees

	2024 £	2023 £
Aggregate gross wages and salaries paid to employees	119,574	119,511
Employer’s national insurance contributions, or foreign equivalents	21,561	21,084
Provision for retirement allowance for a member of staff	-	(1,772)
Staff pension	19,790	4,636
	<hr/>	<hr/>
	160,925	143,459
	<hr/> <hr/>	<hr/> <hr/>

(c) The emoluments of one member of staff, including benefits in kind, are within the range of £60,000 to £69,999 (2023 - £60,000 to £69,999).

(d) Pension contributions for the year amounted to £3,093 (2023 - £2,996) for the above employee.

(e) The Foundation considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £67,488 (2023 - £71,191).

(f) The Foundation began a workplace pension scheme in April 2017.

**NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)**

7. Council Members' Expenses

- (a) No remuneration was paid to any trustee (2023 - nil).
- (b) Expenses totalling £2,697 (2023 - £27,429) were reimbursed to 6 (2023 - 5) UK trustees in respect of travel and other expenses incurred by them.
- (c) During the year the charity incurred travel and subsistence costs of £37,777 (2023 - £45,651) in relation to the trustees in the performance of their duties.

8. Tangible fixed assets

Office Furniture, Fittings and Equipment

<u>Cost</u>	£
At 1 January 2024	5,780
Additions	-
At 31 December 2024	<u>5,780</u>
<u>Accumulated Depreciation</u>	
At 1 January 2024	5,780
Charge for year	-
At 31 December 2024	<u>5,780</u>
Net book value at 31 December 2024	<u>-</u>
Net book value at 31 December 2023	<u>-</u>

9. Fixed asset investments

	<u>2024</u>	<u>2023</u>
	£	£
(a) The movements during the year were as follows:-		
Middle market value at 1 January	44,669,262	41,493,223
Additions at cost	3,235,065	19,840,266
Disposals (Proceeds £3,350,235 - realised profit £133,352)	(3,216,883)	(19,593,032)
Reclassification of cash balance	(113,931)	
Unrealised gains on revaluation at 31 December	2,065,823	2,928,805
Middle market value at 31 December	<u>46,639,336</u>	<u>44,669,262</u>
Cost at 31 December (see note 9(d) below)	<u>41,541,870</u>	<u>41,481,597</u>

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

9. **Fixed asset investments (continued)**

(b) Analysis of listed investments

	<u>2024</u> £	<u>2023</u> £
Equities, Unit Trusts/OEICs	46,639,336	44,669,262
	-----	-----
	46,639,336	44,669,262
	=====	=====

(c) As at 31 December, the following investment represented more than 5% of the total investments as follows:-

Year to 31 December 2024	<u> Holding</u> <u> 2024</u>	<u> Market Value</u> <u> 2024</u> £
Unit Trusts/OEICs		
Cazenove Charity Responsible M-A Fund – 1	3,417,396	11,639,783
Cazenove Charity Responsible M-A Fund – 2	19,356,859	11,019,860
CCLA COIF Charity Funds	20,730,616	23,979,693

Year to 31 December 2023	<u> Holding</u> <u> 2023</u>	<u> Market Value</u> <u> 2023</u> £
Unit Trusts/OEICs		
Cazenove Charity Responsible M-A Fund - 1	5,329,403	10,756,299
Cazenove Charity Responsible M-A Fund - 2	19,356,859	10,590,138
CCLA COIF Charity Funds	898,026	23,252,098

(d) The cost shown above represents the original cost as adjusted to take account of subsequent investment transactions.

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

10. Statement of investment total return

The Trustees have adopted a duly authorised policy of total return accounting for the permanent endowment element of the investment returns with effect from 1 January 2021.

	Permanent Endowment		
	Trust for Investment £	Unapplied Total Return £	Total £
At the beginning of the year:			
Gift component of the permanent endowment	11,120,996	-	11,120,996
Unapplied total return	-	2,307,812	2,307,812
	<hr/>		
Total endowments	11,120,996	2,307,812	13,428,808
Movements in the reporting period:			
Investment return: Total investment income	-	294,912	294,912
Investment return: realised and unrealised gains and losses	-	533,300	533,300
Less: Investment management costs	-	(22,745)	(22,745)
	<hr/>		
Total	-	805,467	805,467
Unapplied total return allocated to Trust for Investment in the reporting period	-	-	-
	<hr/>		
Net movements in the reporting period	-	805,467	805,467
	<hr/>		
At end of the reporting period:			
Gift component of the permanent endowment	11,120,996	-	11,120,996
Unapplied total return	-	3,113,279	3,113,279
	<hr/>		
Total Endowments	11,120,996	3,113,279	14,234,275
	<hr/>		

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

11. Debtors	<u>2024</u> £	<u>2023</u> £
Dividends receivable	123,083	153,164
Prepayments	7,284	6,670
Other debtors	64,308	53,907
	-----	-----
	194,675	213,741
	=====	=====

In both 2024 and 2023, all debtors at the year-end were included in the unrestricted fund.

12. Creditors - amounts falling due within one year	<u>2024</u> £	<u>2023</u> £
Awards payable	298,733	438,865
Other creditors	28,979	88,551
Accruals	613,332	503,460
	-----	-----
	941,044	1,030,876
	=====	=====

At 31 December 2024 there was a taxation and social security creditor of £7,637 (2023 - £2,287) and a pension creditor of £973 (2023 - £400).

In both 2024 and 2023, all creditors at the year-end were included in the Unrestricted Fund, other than £472,000 (2023: £468,000) of deferred income from the Nippon Foundation and a liability to the Nippon foundation in respect of unspent grant fundings of £16,234 (2023: £nil)

13. Reserves

Restricted Funds

The Nippon Foundation awarded a restricted grant of £451,766 (2023: £320,582) for the Sasakawa Japanese Studies Postgraduate Studentship Programme Year 10.

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

13. **Reserves (continued)**

Year to 31 December 2024

	Balance 01.01.2024 £	Funds Received £	Funds Expended £	Transfers in/(out) £	Balance 31.12.2024 £
Programme	7,846	451,766	442,120	-	17,992
	<u>7,846</u>	<u>451,766</u>	<u>442,120</u>	<u>-</u>	<u>17,992</u>
	<u><u>7,846</u></u>	<u><u>451,766</u></u>	<u><u>442,120</u></u>	<u><u>-</u></u>	<u><u>17,992</u></u>

Year to 31 December 2023

	Balance 01.01.2023 £	Funds Received £	Funds Expended £	Transfers in/(out) £	Balance 31.12.2023 £
Programme	2,777	320,582	315,513	-	7,846
	<u>2,777</u>	<u>320,582</u>	<u>315,513</u>	<u>-</u>	<u>7,846</u>
	<u><u>2,777</u></u>	<u><u>320,582</u></u>	<u><u>315,513</u></u>	<u><u>-</u></u>	<u><u>7,846</u></u>

14. **Allocation of Net Assets between Funds**

Year to 31 December 2024	<u>Unrestricted Fund</u> £	<u>Endowment Fund</u> £	<u>Restricted Funds</u> £	<u>Total Funds</u> £
Fixed Assets				
Tangible assets	32,663,399	13,975,937	-	46,639,336
Current assets	745,852	258,338	511,885	1,516,075
Current liabilities	(447,151)	-	(493,893)	(941,044)
	<u>32,962,100</u>	<u>14,234,275</u>	<u>17,992</u>	<u>47,214,367</u>
	<u><u>32,962,100</u></u>	<u><u>14,234,275</u></u>	<u><u>17,992</u></u>	<u><u>47,214,367</u></u>

Included in the total Endowment Fund balance at 31 December 2024 is £3,113,279 that relates to unapplied total returns. See note 10 for further details.

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED
31 DECEMBER 2024 – (continued)

14. **Allocation of Net Assets between Funds (continued)**

Year to 31 December 2023	<u>Unrestricted Fund</u> £	<u>Endowment Fund</u> £	<u>Restricted Funds</u> £	<u>Total Funds</u> £
Fixed Assets				
Tangible assets	31,621,684	13,047,578	-	44,669,262
Current assets	863,139	381,230	307,846	1,552,215
Current liabilities	(730,876)	-	(300,000)	(1,030,876)
	<u>31,753,947</u>	<u>13,428,808</u>	<u>7,846</u>	<u>45,190,601</u>

Included in the total Endowment Fund balance at 31 December 2023 is £2,307,812 that relates to

15. **Members' Guarantee**

The guarantee given by the members of the Foundation is £1 per member in the event of there being a deficiency of assets should the Foundation be wound up, 2024 - 11 members (2023 - 11 members).

16. **Commitments under Operating Leases**

The Foundation has annual commitments of £16,500 per annum that expires in June 2025 in respect of an operating lease for premises, Details mentioned below:

Details	Amount
Amounts due within one year	8,250
Amounts between 1 year and 5 years.	-
Total	8,250

17. **Related Party Transactions**

The Foundation received a further £451,766 (2023 - £320,582) from The Nippon Foundation for the support of the 2024 Japanese Studies programmes, as a joint initiative with the Nippon Foundation.

One member of the Board of Trustees is a Special Advisor to, and one is a Trustee of The Nippon Foundation.

In 2024, the Foundation paid £525 (2023: £350) to The Japan Society in relation to an annual corporate membership. The previous CEO of the Foundation is a director of The Japan Society.

THE GREAT BRITAIN SASAKAWA FOUNDATION

England & Wales - Charity number 290766

Accounts

THE GREAT BRITAIN SASAKAWA FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 DECEMBER 2023

Registered Charity No. 290766

Registered Company No. 1867362

Registered Office:
24 Bedford Row
London WC1R 4TQ

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued (FRS 102) (second edition - October 2019).

1. Reference and Administrative Information

Reference and administrative information is set out on page 18 of this Report.

2. Structure, Governance and Management

2.1 Background and Constitution

The Great Britain Sasakawa Foundation was established in 1985 to develop and maintain good relations between the United Kingdom and Japan by advancing the education of the people of both nations in each other's culture, society and achievements.

It is registered as a charity with the Charity Commissioners for England and Wales (registration number 290766).

It was incorporated on 20 November 1984 in England and Wales under the Companies Act as a company limited by guarantee and not having a share capital (company number 1867362).

2.2 Initial Fund

The Foundation was financed by a donation of Yen 3 billion received upon its establishment in 1985 from the Japan Shipbuilding Industry Foundation (now The Nippon Foundation), under the Chairmanship of the late Mr. Ryoichi Sasakawa. This original donation may be applied to any of the objectives of the Foundation.

2.3 Trustees

Trustees listed below are, for the purposes of charity law, trustees of the Foundation and, for the purpose of company law, directors of the Foundation.

All Trustees, unless otherwise stated, served throughout the year and at the date of signing this report are:

The Earl of St Andrews (Chairman)
Joanna Pitman (Vice Chair)
Jeremy Scott FCA (Treasurer)
Professor David Cope
Ambassador Hiroaki Fujii
Professor Janet Hunter
Professor Yuichi Hosoya
Professor Izumi Kadono
Professor Yoriko Kawaguchi
Tatsuya Tanami
Professor Ryuichi Teshima (resigned March 2023)
Jumpei Sasakawa (appointed October 2023)

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)

2.4 Appointment and Re-appointment of Trustees

Trustees are elected by the Foundation at the Annual General Meeting and one third of them retire by rotation each year. Potential new trustees are identified by existing trustees and/or by recommendations. Candidates will be distinguished people who have personal or professional connections with UK-Japan relations and whose background and experience provide the balance of skills needed to guide and manage the affairs of the Foundation.

2.5 Induction and Training of Trustees

Induction for new trustees is organised by the Foundation's Chief Executive. In addition to knowledge gained through attendance at meetings, trustees are provided with initial briefing material on their legal obligations under charity and company law and on the content of the Articles of Association. They are also given guidance from the Foundation's advisors on the aims of the Foundation and on their statutory duties.

2.6 Organisation and Management Personnel

The Foundation operates through its main office in London and its liaison office in Tokyo. The day-to-day management of the Foundation is under the sole control of the Chief Executive (CEO), based in London. The CEO supervises the work of two administrative members of staff - one in London and one in Tokyo. Remuneration of all three staff is determined by the Trustees on advice from the Treasurer and CEO. The CEO carries out the Foundation's policies, as determined by trustees at Board meetings and at the Annual General Meeting, subject to the constraints of Standing Orders. Trustees meet at least three times a year, in addition to committee meetings, in order to review policy, to monitor investments and to determine the recipients of awards.

2.7 Grants

Applications for awards are received in both the UK and Japan for projects that meet the Foundation's objectives. Awards committees meet in each country two or three times each year. In assessing applications trustees take into account any unique or innovative aspects of the project and the extent to which they will have a wide or lasting impact and are consistent with the objectives of the Foundation.

An application form and further details of the application process are on the Foundation's website, www.gbsf.org.uk.

2.8 Risk Management

Trustees assess the risks facing the Foundation and review the effectiveness of the controls to monitor and to mitigate them. A Risk Management Register is maintained and reviewed annually at Board meetings.

The key controls used by the Foundation include:

- Formal agendas for all Board meetings
- Strategic planning, budgeting and management accounting
- Formal written policies, including Standing Orders
- Clear authorisation and approval levels

The principal risk for the Foundation lies in maintaining and protecting the value in real terms of

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)

its endowed funds in order to generate, on a long-term basis, a consistently high overall return on its original endowment. This risk is mitigated by the appointment of experienced fund managers; by internal controls that allow close and regular monitoring of fund managers' performance against benchmarks; by the Foundation's requirement of its fund managers to re-tender on a competitive basis periodically for appointment, and by twice-yearly Finance and Investment meetings that formally review investment performance and policy and include one-to-one presentations by the fund managers.

3. **Statutory Objects**

The statutory objects of the Foundation, as defined in its Articles of Association, are 'to advance the education of the citizens of the United Kingdom and the citizens of Japan in each other's institutions, people, history, language, culture and sport, in science and technology, medicine and health and also in each other's intellectual, artistic and economic life'.

The main vehicle through which the Foundation aims to pursue these objects is by providing financial support in the form of grants towards a wide range of activities and projects that serve to enhance mutual understanding between the people of the United Kingdom and Japan. Typically, these activities include exhibitions, performances, exchanges, conferences, research, educational and cultural events, and publications in the following fields: -

- Arts and Culture
- Humanities and Social Issues (including Japanese Studies)
- Science, Technology and Environment
- Japanese Language
- Youth and Education
- Medicine and Health
- Sport

4. **Achievements and Impact**

The Foundation requires post-project reports from each of its grantees so that it can evaluate the overall impact of all projects that it funds and the extent to which they contribute to the Foundation's grant-making objectives. The objectives for the year under review are set out below in paras 4.1 to 4.9 with specific examples.

In 2023 the Foundation encouraged and supported projects that:

4.1 Reached a wide audience and had a broad impact

#6261 *Time Machine*, an exhibition by Hiroshi Sugimoto

IMPACT: London's South Bank Hayward Gallery presented the first comprehensive survey in the UK of the work of leading Japanese photographer, Hiroshi Sugimoto from 11 October 2023 – 7 January 2024 reaching 50,000 people, before embarking upon an international tour to Sydney and Shanghai later in 2024. Spanning the long and fascinating career of this internationally renowned Japanese artist and presenting work produced over the past five decades, *Time Machine* included selections from his major photographic series and lesser-known works alike, to capture and illuminate his singular artistic approach. Through his expansive exploration of the possibilities of still images, Sugimoto has created some of the most alluringly enigmatic photographs of our time - pictures that are meticulously crafted and deeply thought-provoking, familiar yet tantalisingly ambiguous.

The legacy of the exhibition is guaranteed by special exhibition catalogue supported by the Foundation. The essays commissioned for the catalogue will serve as a reference point for all

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)

who wish to understand the thought behind Sugimoto's artistic practice, and why his work matters. The creative process for this comprehensively illustrated meticulously published book was guided by Sugimoto himself.

4.2 Worked in partnership and created new relationships

#6100 Research visit to Japan to gain deeper understanding of Kew's collection of Japanese paper and lacquer.

IMPACT: Royal Botanic Gardens, Kew has a world-renowned collection of Japanese paper and lacquer, both dating to the 1870s. An extensive research field trip to Japan was undertaken to understand manufacturing techniques, comparable collections in Japan and their current status. It was the first sustained study that reconnected their individual investigations to living traditional craftsmanship in Japan. The research trip also enabled Kew to acquire an extensive collection of Japanese crafts, which is only the second major acquisition of its kind to Kew since the 1910 Japan-British Exhibition. This includes some 200 sheets of paper, a set of lacquer tools and materials, and 50 dyes and plant-based objects. Through the trip, Kew has learnt of the concerns for the future of Japanese craftsmanship, whose situation is similar to that of the UK. The trip enhanced researchers' knowledge of Japan's plant-based crafts at Kew, which will be disseminated not only to members of staff at Kew, but also to wider audiences. A joint UK-Japan collaborative research project has been proposed to develop this research further in future.

J844 Theatre Group GUMBO 'Are you lovin' it?' UK Tour 2023

IMPACT: GUMBO, founded in 1994 in Osaka is a Japanese theatre group. In October 2023, GUMBO toured the UK to four venues in Portland, Dorset, Nottingham, London, and Colchester, for six performances of their flagship work *Are you lovin' it?* and to conduct three workshops and join two theatre festival related events. Outside London, they contributed to promoting traditional and contemporary Japanese performing arts as well as the Japanese language by carrying out a parade in their theatre costume and having workshops for local residents and students. Their performance in London was made possible by an invitation from the Clapham Fringe Festival. They were chosen as the opening of the Colchester Fringe Festival, where their three performances won three awards: 'Spirit of the Fringe,' 'Artist's Pick' and 'Volunteer's Pick.' This was the first time ever that a group won three of the five awards presented at the Colchester Fringe Festival. GUMBO has already been invited to perform at the Colchester Fringe Festival in 2024. While the primary aim in 2023 was to get UK audiences to see their own work, the 2024 tour will focus on co-productions with UK artists. The experience that GUMBO had in 2023 has revitalised them to participate in further international cultural exchange projects between the UK and Japan in the future.

4.3 Involved the younger generation

#6161 SuperCupNI - Travel for team from Funabashi Municipal High School to participate in a youth football tournament.

IMPACT: SuperCupNI is a youth football tournament that takes place every summer where young people (boys and girls) from six continents descend upon Northern Ireland to participate in a week-long football extravaganza. The grant from the Foundation was used to support a party of 21 people from Funabashi Municipal High School in Japan. Coinciding with its 40th anniversary, the Japanese high school players had opportunities to play against players from superpowers such as Manchester United, as well as teams from Northern Ireland, Ireland, and Glasgow Rangers FC. The tournament also provided opportunities for participants to meet

THE GREAT BRITAIN SASAKAWA FOUNDATION
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(continued)

people from all over the world and to learn each other's culture and tradition through football as a tremendous power, which allow young players to grow and flourish in the future. In the long term, the organiser is now exploring the feasibility of members of their management team to visit Japan to learn more about their football culture and sporting heritage and make new connections and networks.

#6051 Japan Society Youth collective

IMPACT: Japan youth collective is a pilot of a new education initiative for young people aged 16-19 years old to provide an alternative route into future engagement with Japan not limited to studying Japanese at Higher Education level and provides a support network of like-minded others who do not have the opportunity or means to formally explore their interest in Japan. The free programme aims to develop core critical thinking and communication skills, as well as a deepened knowledge of Japan and Japan related activities over a period of time – as there are fewer opportunities available to this age group.

It's been a really positive experience as the programme has brought me out of my comfort zones through improving my leadership and public speaking skills and its enabled me to make some new friends from JYC. - a Japan Society Youth collective participant.

Over the course of the programme, young people had the opportunity in a supportive environment to influence the direction of the Collective by identifying topics and areas of investigation to be explored in the regular sessions, to experience working with experts in different disciplines, and to engage with members of the Japan Society network, for advice on careers and future opportunities.

Following assessment of the pilot, the Japan Society plans to refine and continue the scheme to build a growing network of Collective alumni and keep in touch with them to assess future outcomes, including whether participants continue to pursue their interest in Japan, and in what manner, thus increasing the number of young people who are engaged with the Japan Society and who might be its future leaders.

#6303 and J849 Clifton Scientific Trust

The 2023 UK-Japan Young Scientist Workshop at Tohoku University

IMPACT: Clifton Scientific Trust has provided students aged 16 to 18 in the UK and Japan with collaborative science workshops for many years. In 2023, the UK-Japan Young Scientist Workshop was hosted by Tohoku University from 27 July - 6 August. A total of 50 students, half from the UK (10 male, 15 female) and half from Japan (11 male, 14 female) from 12 schools (5 in the UK, 7 in Japan) participated the workshop. Students were selected by their schools as those who would gain most from the experience. They worked in nine mixed project teams led by Tohoku University scientists and engineers. A wide range of subjects were offered in areas not covered in the school curriculum. Clifton Scientific Trust provided a pre workshop briefing weekend in July, hosted by the Rikkyo School in England, to make fullest use of the workshop experience from touch down in Japan. The Foundation's grant was used to enable 12 students to attend who would not otherwise be able to do so from school serving disadvantaged communities. Clifton Scientific Trust is planning to conduct the UK-Japan Young Scientist Workshop at Cambridge University in the summer of 2024.

J849 Fukushima Prefectural High School: Japan-UK Science Workshop 2023

IMPACT: In 2023, the group from UK also visited Fukushima High School which was designated as a Super Science High School by the Ministry of Education, Culture, Sports,

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023
(continued)

Science and Technology in 2007, focusing on science and mathematics education. After the Great East Japan Earthquake in 2011, the Clifton Science Trust in the UK approached schools from the affected prefectures and invited their students to the UK, where they participated in science workshop at the University of Cambridge. In 2023, in collaboration with Tohoku University, Fukushima High School organised a Japan-UK Science Workshop, where the UK and Japanese students attended. The main theme of the 2023 workshop was the Great East Japan Earthquake and the reconstruction. The students were given special permission to enter the Fukushima Daiichi Nuclear Power Plant. Based on the experience of the nuclear disaster, researchers and students discussed the theme of disaster, energy, and future global issues, and considered the future of the world. They also learnt about energy issues and battery mechanism by producing a sustainable, high-power, high-capacity metal-air battery. The workshop motivated the participants to set their future goals abroad and to be able to contribute globally.

4.4 Took place outside the major cities and in regional locations

#6147 and #6248 Nakanojo Biennale

Participation in artist residency programme to create works of art for Nakanojo Biennale

IMPACT: Nakanojo Biennale, established in 2007, is an international contemporary art festival that takes place in Nakanojo town, located in the mountainous region of northwestern Gunma Prefecture. In 2023, the Biennale saw the highest number of visitors, approximately 480,000 during the exhibition period. Two artists, Nao Matsunaga and Natsko Seki, both Japanese, based in the UK, participated in a 6-week artist residency, and presented their works of art at the Biennale from 9 September to 9 October 2023. The unique environment of Nakanojo offered the artists an incomparable experience of art making. While Matsunaga describes the process of making sculptures using local distinctive acidic water originating from hot springs as 'unprecedented,' Seki created a series of portraits of local residents, portraying their life stories, again featuring local typical but traditional occupations, such as silkworm farming and rice farming. The location of Nakanojo Biennale has revitalised not only the local community where depopulation is an issue, but also has been seen as a form of encouragement for other rural area in Japan and beyond.

#5789 Student cultural exchange visit to Mashiko to mark 100 years since the founding of the Leach Pottery

IMPACT: The Leach Pottery was established in St Ives in 1920 by Bernard Leach and Shoji Hamada. A yearlong celebration, *Leach 100*, had been planned for 2020 to celebrate the centenary of the founding of the Leach Pottery, including an international, national, and local programme of activities. A student cultural exchange programme, to visit Mashiko, originally scheduled in 2020, yet postponed due to Covid-19, had to wait until 2023 with ten Year nine students and two teachers from the St Ives School. The schoolchildren cultivated a positive attitude towards challenges through their visit without knowledge of Japanese language and it opened up the world in front of them. The visit has also engendered the hope of future exchanges which could deepen further the understanding of each other's culture and the long-standing friendship between St Ives and Mashiko, based on their shared legacy of the pottery tradition.

#5780 Oxford Botanic Garden & Arboretum (OBGA)

Visit to work with botanists in Japan and collect seeds and plants for the conservation collection.

IMPACT: The Oxford Botanic Garden and Arboretum, founded in 1621, is the oldest botanic garden in Great Britain and is also one of the oldest scientific gardens in the world. The project

THE GREAT BRITAIN SASAKAWA FOUNDATION
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(continued)

was formulated pre-Covid, however, it had to wait until April 2023 when partners in Japan were able to re-engage. While the main focus remains, travel to Okinawa was not viable, instead, their visit reconnected with project partners across several institutions and locations across Japan, such as Hokkaido, Toyama, Nagano, and Kochi prefecture. Japan is one of 36 global biodiversity hotspots; it has lost more than 70% of its natural habitat with 25% of its flora threatened with extinction. OBGA worked with partners in Japan, leading to plans for future collaborative fieldwork and research, specifically focused on conserving threatened plant species. The series of engagements and collaborations OBGA had in Japan have been highlighted in two television interviews, emphasising the strong collaboration between the UK and Japan. These efforts represent a significant stride in international cooperation in botanical research and plant conservation. OBGA's further plans are to conserve endangered and threatened plants in and ex-situ in Japan, collecting seeds on Rapid Botanic Surveys (RBS), documenting the Japanese flora, and supporting species recovery programmes; to strengthen research and conservation partnerships with Japanese institutions and botanists to promote species conservation; and to develop the OBGA Japanese collection for research, education, and public engagement.

**#J848 Nagawa-machi-Breckland International Exchange Programme Committee
Nagawa-machi Young Obsidian Ambassadors: Obsidian stone tool-making workshop**

IMPACT: A total of fourteen high school and university students from Nagawa-machi in Nagano, Japan, visited the Grimes Graves in Thetford, which has a 'sister heritage site' agreement with Hoshikusho Pass Obsidian Mine site in Nagawa-machi, Nagano Prefecture. They held a stone tool-making workshop with members of the Teenage History Club, which was joined by members of English Heritage. At the Ancient House Museum in Thetford, Young Obsidian Ambassadors presented the history and Jomon spirit of the obsidian in Nagawa-machi to local Breckland councillors and members of the Teenage History Club. They also visited the exhibition *Circle of Jomon* being held at the Stonehenge Visitor Centre during their visit in 2023, where they demonstrated stone tool-making and made presentations about the obsidian mines in their hometown. This workshop attracted a large audience of all ages especially because obsidian, a naturally occurring volcanic glass that was used for tool-making, is not found in the UK. The Young Obsidian Ambassadors visit was postponed for three years due to Covid-19, yet their mission was successfully completed, which gave the young ambassadors a great deal of confidence through their presentations and workshops, both given in English. In 2024, the committee is planning to get-together events for former Young Obsidian Ambassadors and former members of the Teenage History Club. The aim is to create a long-lasting relationship of the exchange programme over generations. A new discovery of old photographs of Nagawa-machi in the Cambridge University Library led the committee to seek a new perspective in the exchange programme through 'historical roads' as well as obsidian, in 2024.

4.5 Promoted Contemporary Life and Culture in Both Countries

**#6236 Cheltenham Literature Festival Japanese authors and translators join events for
The Times and Sunday Times Cheltenham Literature Festival**

IMPACT: Cheltenham Literature Festival, founded in 1949, is the world's longest running literature festival. Since 2021, Cheltenham Literature Festival has been spotlighting international literature, including Japanese literature, which is now a big part of Cheltenham Literature Festival. In 2023, they organised six Japanese literature events with all authors attending the festival in person, which brought a significant impart and appreciation of Japanese literature and culture among audiences to the festival with strong ticket sales and positive feedback. Books written by the Japanese authors who attended the events became bestsellers in the festival

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bookshop while publications by the others marked higher book sales than average. In 2024, the Cheltenham Literature Festival marks its 75th anniversary and the fifth year of their Read the World theme, which has been extended from three to five years due to its successful reception and incredible potential. The oldest literature festival in the world is now expanding its focus to include international literature as a core and fundamental part of the festival, through which Japanese young and emerging writers, alongside the renowned names, will be introduced as part of their commitment to developing new talent.

#6170 Clare Fallow Studio Installation 'Paper Sanctuary' by Shigeru Ban affiliated with London Design Biennale 2023

IMPACT: Shigeru Ban is a Japanese Pritzker-winning architect and humanitarian. The installation 'Paper Sanctuary: Pragmatism & Poetry for Ukrainian Refugees' by Shigeru Ban was created in collaboration with Ukrainian composer Valentin Silvestrov and Ukrainian-born writer and poetry translator Svetlana Lavochikina. Shigeru Ban was also the Forum's opening keynote speaker at London Design Biennale. Paper Sanctuary employs a paper partition system that Ban invented in 1990s, which is a module system of cardboard tubes with paper or fabric to create a physical shelter that provides refuge and safety from danger. Collaborating with Ukrainians, the exhibition had a clear aim; fundraising for future housing for the Ukrainian refugees. A QR code was attached to the exhibition to invite visitors to make donations to build the Styrofoam Housing System for refugees, providing privacy, dignity, and hope. The exhibition has raised a familiar yet unfamiliar shelter issue to the public and has also presented what can be done for a long-term, from a paper shelter to a temporary home.

4.6 Addressed Topics of Common Interest and Priority to Both Countries.

#6367 Evolution of catchment-estuary-coastal systems over decadal and centennial timescales: Coupling numerical models and field datasets of UK and Japan coastlines

IMPACT: Coastal erosion is as old as our planet, but rising sea levels caused by global climate change, as well as our habit of building near shorelines make it an increasingly urgent problem. A grant to enable joint venture academic-industrial research in Japan and the UK carried out by Dr Jayaratne, Reader of Engineering and Construction at the University of East London (UEL), and Dr Janaka Bamunawala, assistant professor at Tohoku University funded the construction of an enhanced model for predicting coastal evolution, with assistance from the ECOH Corporation, a Japanese engineering consultancy company. With a focus on the Dyfi inlet in Wales and the Abukuma river inlet in Tohoku, Japan, the projects outcomes are to better able to predict changes to coastlines in the UK and Japan.

Dr Jayaratne explained the impact of the project:

"The team will use their expertise to develop a new coastal model to tackle climate change issues on UK and Japanese coastal waters. This will improve current scientific information and enable more accurate long-term predictions for decision makers."

The proposed research is poised to have a significant impact on coastal engineering, both in Britain and in Japan. Understanding such changes is crucial to deciding how to mitigate erosion on our coasts and where it is safe to build structures like houses or industrial plants. The work will benefit the Environment Agency, DEFRA, and local councils as they deal with changes to the country's coasts. Similarly, the research will support Japanese prefectural governments grappling with severe shoreline changes, as well as research institutes such as PARI in Yokosuka, and consulting companies like ECOH.

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#5815 Burma Campaign Society: Visit to Japan to mark 75th anniversary of WWII and presentations on achievements in reconciliation.

IMPACT: In 1984, the process of reconciliation began when British Veterans visited Japan to meet with the Japan All Burma Association after the Burma Campaign Fellowship was established in the UK in 1983, which then became the Burma Campaign Society in 2002. A visit to Japan in October 2020 was planned to mark the 75th Anniversary of the WWII with presentations on the achievements of the Reconciliation between the UK, Japan, and India regarding the Imphal/Kohima Campaign. Due to Covid-19, the project was postponed until October 2023. However, during those three years, BCS successfully expanded the project; the project was joined by five additional foreign embassies, six foreign military delegates (UK, Australia, NZ, Canada, USA and Netherlands), British and NZ ambassadors to Japan, former Japanese ambassadors (to UK, India, Spain and Tanzania) and a representative of Japanese parliament along with many volunteers to help run the project. They visited several key venues in Tokyo, Yamagata, Kyoto, and Hiroshima. One of the significant moments during the visit was a British Kohima veteran, aged 97, and a Japanese veteran, aged 104, who fought at the same battle shook hands and promised to meet again next year. The British veteran also shook hands with a 100-year-old atomic bomb survivor in Hiroshima. The visit ended with a press conference at the Japan Press Club where over a hundred media reporters attended in the hall and online, demonstrating the global interest in what had been achieved. This success has led BCS to consider a new endeavour to establish a museum that presents reconciliation between the UK and Japan in Shonai Region in Yamagata, thus sharing the past with younger generations and beyond.

4.7 In subject areas such as Science and Technology, Medicine and Health, Social Issues and the Environment

#6296 A Collaboration with University of Cambridge, University of Sheffield, and Osaka University for a database of brainwave data for neurodegenerative disease

IMPACT: A joint research project to apply neuroimaging and behavioural tests for more accurate and early diagnosis of dementia which will be instrumental for the global effort in reducing the risk and burden of dementia. As a novel treatment for Alzheimer's disease was approved by Japan's medicine regulator this year, there will be a sharp increase of patients needing detailed radiological examination for eligibility of the new treatment. This collaboration is developing alternative methods that can be applied to non-specialist neurology and psychiatric centres to meet the urgent need for anti-amyloid treatment, and to detect patients with amyloid pathology, even at the milder and early stage of the disease.

Researchers in Japan will visit University of Cambridge and University of Sheffield in 2024 to obtain experience in advanced neuroimaging methodology that complement their existing skills and knowledge. This includes multivariate pattern analysis, machine learning and artificial intelligence-based approaches. Another area of future collaboration is wearable technology. Portable and bedside devices such as the wearable EEG system developed by the Engineering department in Osaka and wearable optical brain imaging that Professor Su and colleagues are pioneering in Cambridge can be worn by patients for several hours or days while remaining mobile. Such wearable technology allows low-cost screening of potential neurodegeneration in primary care and non-specialised clinical centres enabling real-time and continuous monitoring brain states in hospitals or care homes.

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4.8 Involved expanded activity in the areas of Japanese Studies and the Japanese Language.

The Sasakawa Japanese Studies Postgraduate Studentship Programme (tenth of a ten-year Programme). A special grant programme to support the study of Japan in the UK at postgraduate level.

IMPACT: See paragraph 5

#6209 JALACHAMP Japanese Language Championship for Young Learners UK

IMPACT: JaLaChamp, The Japanese Language Championship for Young Learners UK organised by the Japan Foundation, held for the first time this year, is a contest for primary and secondary school students for children with various levels of Japanese proficiency including those who have just started learning Japanese. In July, the finalists gave presentations in front of an audience of over a 100 of their families, teachers, and classmates at Japan House in London. The world-renowned theatre director and playwright, Mr Phillip Breen gave a talk about his career, creativity, and experience of learning Japanese. The two categories – speech, where students gave a speech on a theme of their choice, offered opportunities to post-GCSE level learners, and the video category, where students created an original video based on a theme provided using their Japanese, accepted 35 entries from 20 different schools from students including at primary level and those studying Japanese outside a school setting, and was designed to encourage students to express their thoughts, and ideas through a combination of the written word, visuals, and design. Creating videos also helped students to learn other important skills such as ICT skills, creativity, decision-making, and collaboration.

There was positive feedback from teachers of Japanese about the inclusiveness of JaLaChamp and how students became much more enthusiastic to learn Japanese and to attend Japanese lessons after they participated in the event. It is anticipated that the next JaLaChamp will be held in 2024 to further encourage Japanese language education at primary and secondary school levels.

#6294 Bristol Translates Summer School 2023

IMPACT: Bristol Translates is the UK's largest literary translation summer school. Events, discussions and 15 workshops were held across 9 languages. Polly Barton, the tutor for the Japanese workshops commented:

“my participants were so generous, open, and interested in one another that they made it feel really easy, and I came out feeling not only more confident in my teaching abilities but also more confident in the power of online teaching, which I have always been a little bit sceptical of before”

Participants commented on how the summer school gave a renewed sense of career direction and how translation far from being on the periphery, is central to opening new perspectives.

Further Impact

Due to the global pandemic and the resulting travel restrictions, many projects awarded grants in the past few years have had to adapt. The Foundation aimed to be as flexible as possible with postponements and changes to projects, but new ways of working allowed activity to continue when visits between the UK and Japan were not possible.

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A new generation of UK Japan friendship

The **Japan Experience Study Tour ('JEST')**, is an annual programme organised by the Foundation, inviting a group of 12 sixth formers and 3 teachers from a different UK school each year to participate in a unique immersive week-long visit to Japan.

In 2023, a group from Wellington College, Belfast (#6228) visited Japan and met their home stay families and 'school buddies' at Sakuya konohana High School, Osaka with whom they had been communicating online in the months leading up to the visit.

As well as the school activities, the Wellington College group visited temples in Kyoto, met an A-bomb survivor in Hiroshima, visited a police station in Osaka and stayed in a traditional inn in Miyajima, and participated in culture workshops with local volunteers. The feedback from the group, as well as their hosts in Japan, has been hugely positive, with many students hoping to continue their connections with Japan in future.

'We still talk about our Japan experience when we see each other. It has created a bond with that set of students that is amazing. Japan was a once in a lifetime experience that we all still can't believe we had...all in all, the Japan trip was brilliant for the students and their development' – teacher at Wellington College, Belfast

Our **Butterfield Awards in medicine and health** support UK-Japan collaboration for up to three years, and so the full impact of the grant may not become clear within the year of its initial award. Activity was extended over several years during the Covid pandemic with ongoing successful results.

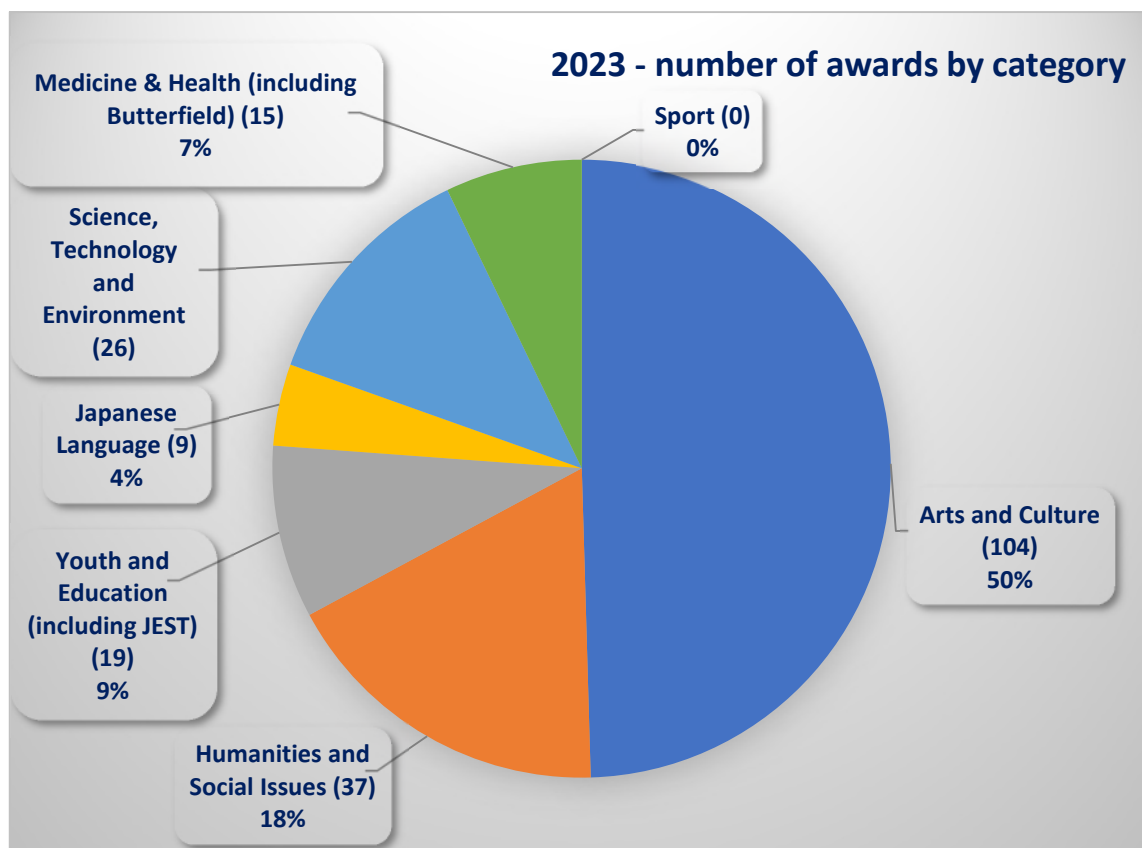
How new bone formation is generated and strengthened in patients with low bone density is the subject of a Butterfield Award for a research programme on Bone and Mineral Research (B117) which enabled Tristan Whitmarsh from University of Cambridge to attend the 41st Annual Meeting of the Japanese Society for Bone and Mineral Research (JSBMR) on July 27 in Sapporo, and the 41st International Conference on Machine Learning in Hawaii. His presentation focused on his 3D histology project with the Niigata Bone Research Group. The talk received significant attention and is likely to result in future collaborations. The visit allowed Tristan to connect with a previous collaboration from Osaka Hospital to discuss latest research on AI (Artificial Intelligence) in bone research. Tristan visited the Niigata Bone Science Institute and met Dr Hiroshige Sano at the Niigata Rehabilitation Hospital to acquire specialised microscope imaging prepared by Dr Taketoshi Shimakura, for collaborative research on 3D bone histology and study for the first time in 3D, the effects on bone biopsies of new treatments that enhance bone formation.

'This has been one of our most productive and enjoyable collaborations and is ongoing. Dr Whitmarsh and Dr Sano have made a super team, and we really enjoy sharing the ideas that Sasakawa Foundation helped us to develop between Japan and the UK'

The valuable data collected will lead to a high-impact publication, and the collaboration with the Niigata Bone Research Institute has been further strengthened. The Great Britain Sasakawa Foundation was acknowledged in the Journal of Bone and Mineral Research and an image from Whitmarsh and Sano's research was selected as the cover image of JBMR. This research was also fruitful in making new connections and will undoubtedly lead to further collaborations between the UK and Japan.

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The range of activity during 2023 (number of projects by category in the pie chart and percentage of total amount awarded per category in table with comparison to 2022) is as follows:



2023 - Funds awarded by category	2023	2022
Arts and Culture	40%	51%
Humanities and Social Issues	12%	13%
Youth and Education	12%	6%
Japanese Language	3%	4%
Science, Technology & Environment	10%	8%
Medicine and Health (including Butterfield)	23%	12%
Sport	0%	6%

The figures above exclude the activities in respect of the Sasakawa Japanese Studies Postgraduate Studentship Programme, see Section 5 below.

The strategies employed by the Foundation during the year to meet the objectives of the Foundation were to:

- maintain as far as possible a proactive approach in its grants policy
- target potential applicants in under-represented subject areas through visits, social media and the website
- heighten awareness of the Foundation's work by increased networking with specialist groups/organisations, with former grant recipients and with other Japan-related organisations; and by visiting institutions, particularly outside London
- monitor closely reports from grant recipients in order to follow-up and encourage the potential

THE GREAT BRITAIN SASAKAWA FOUNDATION
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for sustainability and for new activity

- liaise closely with other funding bodies to ensure partnership funding of priority activity where appropriate

5. **The Sasakawa Japanese Studies Postgraduate Studentship Programme**

In 2013 the Board of Trustees approved plans for a five-year Japanese Studies Programme designed to build on The Nippon Foundation-funded Sasakawa Lectureship Programme (that had run between 2008 and 2012). One of the successful outcomes of this Programme had been the establishment by many UK universities of new postgraduate courses in Japanese, some run by the Sasakawa lecturers.

But following changes to university fee structures and trenchant cuts in their core funding, the crisis within UK universities had become even more acute than it had been five years previously. As a result, Japanese as a subject of study had once more become vulnerable, especially at postgraduate level. The objective of the Studentship Programme, therefore, is to encourage the study of Japan at UK universities at masters and at PhD level through the provision of studentships to help the brightest and most promising students - the future Japan specialists.

In order to do this, The Nippon Foundation agreed to award a grant to the Great Britain Sasakawa Foundation of up to £1,530,000 over the 5-year period (2014-2018) so that it might provide UK universities with up to 30 postgraduate studentships per year (each worth £10,000) on the study of Japan. In 2019 the Nippon Foundation confirmed its intention to renew the programme for a further five years and for the tenth year (2023-2024) a grant of £320,000 was awarded to the Foundation by The Nippon Foundation in October 2022.

Impact:

As part of the programme, the Foundation hosts gatherings for students, alumni and tantosha. This is highly valued.

thank you for hosting the event! I found it incredibly useful, and it was wonderful to get together with colleagues from other institutions whom I had never met in person before – University of York.

The Project's impact to date since its inception has been as follows: nearly 200 students have been supported by this grant who may not have been able to undertake these studies without our financial assistance. Students comprise just over half from UK and just under half from 25 different nationalities maintaining the UK's position as a global hub for Japanese Studies. The geographical spread of universities engaged with Japan teaching/research and nominating students has grown from 14 to 25 universities and there is a wide range of research areas within Japanese studies and other disciplines. Year 10 studentship payments (2023) were audited by request of the Nippon Foundation and a report provided to the Nippon Foundation.

6. **Public Benefit**

In so far as the statutory objects, aims and activities of the Great Britain Sasakawa Foundation (as a wholly grant-giving charity) are to advance the education of the people of both the United Kingdom and Japan, as set out in paragraph 3 above, the trustees are satisfied that they fully comply with the duty in section 17 of the Charities Act 2011, namely to have due regard to the public benefit guidance published by the Charities Commission. This includes the guidance "public benefit: running a charity (PB2)". This is regularly reviewed by the Board of Trustees.

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The public benefit of the Foundation's grant making activities is clearly identifiable in the examples given in the Foundation's achievements for the year, as outlined in paragraphs 4, 5 & 6 of this Report. The Foundation therefore benefits the public, or a sector of it, without imposing any restrictions. Applications, whether from institutions or from individuals, are accepted only when demonstrably consistent with the charitable objectives of the Foundation.

The trustees work on a voluntary basis and receive no benefits from the Foundation. Expenses reclaimed from the Foundation are set out in note 7 to the Financial Statements. The Foundation's Public Benefit Policy Statement is reviewed annually by the Board of Trustees.

7. Plans for the Future

The Foundation's future policy is to continue to pursue its current objectives and priorities in both countries, as outlined in paragraphs 3 - 6 above. In particular, it is committed to the continued support of Japanese studies in the UK through its Sasakawa Japanese Studies Postgraduate Studentship Programme.

It will achieve this by continuing to work in close cooperation with its principal partners, e.g. with other Sasakawa Foundations in Japan in shared areas of activity; with the Embassy of Japan in matters of cultural and education policy; with the Japan Foundation in its support of the Japanese language, Japanese studies and the arts; with the Japan Society for the Promotion of Science in scientific research; with NGOs and community organisations in issues affecting civil society; and with the Japan Society and the British Council in encouraging the younger generation to become better informed about Japan and the United Kingdom.

It will continue its policy of awarding grants annually to approximately 2.5% of its total fund, as valued over an average rolling three-year period, and to encourage a consistently high overall return on its original endowment, maximising that generated by its fund managers whilst protecting, as far as possible, the value in real terms of the initial and subsequent endowments.

8. Financial Review

The results for the year are set out in the Statement of Financial Activities on page 24.

8.1 Investment Powers and Reserves Policy

The Foundation's investment powers are drawn from the Articles of Association which permit investment as allowed by current law.

The Foundation has opted to divide its investment portfolio into two approximately equal halves and to appoint separate Investment Managers to handle each half. They are currently Cazenove Capital Management and CCLA. They handle the day-to-day management of the portfolio with discretionary powers within appropriate limits set by the Foundation. The Trustees meet with the investment managers on a regular basis to review their performance.

The Foundation maintains an Investment Policy Statement that documents its investment aims and the policies that guide its investment decision-making, following advice received from the Investment Managers. The Trustees review this document on an annual basis and approve changes, as needed.

To finance its activities the Foundation relies on the income and capital gains generated by its investments, and these are regarded as its long-term assets. Their purpose is to generate income and capital gains on a long-term basis that will maintain real value for funding the Foundation's

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charitable expenditure in perpetuity. Its investment portfolio is managed, therefore, on a long-term and on a total return basis. No annual income target is set for the Investment Managers. The Investment Managers are reviewed on a 5-year basis and in 2020 it was decided to replace Heartwood with CCLA's COIF Charities investment Fund, a specialist charity investment manager, from 2021.

In 2020, The Foundation received an Additional Endowment of £11.12 million. This is invested between the two Investment Managers and is for the Unrestricted funds grant programme.

During the 2021 year, the Trustees reviewed the performance of our Investment Managers, CCLA, and Cazenove in accordance with our practice, and in November 2021, £5,609,677.49 was transferred between funds at Cazenove from the MAIN to the RMAF (Responsibly Managed Asset Fund, and as of 2023, renamed as the Sustainably Managed Asset Fund, SMAF) in our move towards green investments. Overall, our investment managers have achieved an investment performance that met our targets over the medium term, preserving the real value of the endowments given to us and providing income to support our grant making activities.

As set out in the Investment Policy Statement, the Foundation's reserves policy is to preserve and enhance the purchasing power of its portfolio assets net of costs and approved withdrawals. Accordingly, the trustees have set its Investment Managers a net return target of CPI + 4% measured over rolling five-year periods. The trustees have therefore adopted a long term spending rule whereby the expendable amount in any given fiscal year is limited to 4% of the average Unrestricted Fund value and 4% of the Endowment funds measured on a three-year rolling basis (end of 2023, the Unrestricted fund stood at £31.94 million), with the aim to spend approximately 2.75% on the grants programme. In view of the uncertain financial markets in recent times the Foundation has adopted, and is continuing to adopt, a flexible approach, when thought necessary.

8.2 Allocation of resources and grants

During the year, the Foundation provides financial assistance from its Unrestricted Fund for appropriate projects put forward by applicants. This year, 210 awards were made from the Unrestricted Fund totalling £824,639. This included 23 awards totalling £62,956 made in Japan and 6 new Butterfield Awards in science, medicine and health awards totalling £107,100.

The Foundation publishes and distributes an Annual Report, which gives details of all awards made in the year. It can be found on its website: www.gbsf.org.uk Hard copies are available from the Foundation's office upon request.

8.3 Investment Performance

The investment performance of the managers during the year (2023) was:

	<u>Total Return</u>
CCLA - COIF Fund (Charities Investment Fund)	12.36%
CAZENOVE Capital Management	
– MAIN Fund	6.1%
– SMAF Fund (Sustainably Managed Asset Fund)	7.0%

THE GREAT BRITAIN SASAKAWA FOUNDATION
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This compares with the Foundation's target of CPI+4% that, over the same period, was 7.8%¹.

Over the five years to 31 December 2023 (2019-2023) the annualised total return achieved was:

	<u>Total Return</u>
CCLA - COIF Fund (Charities Investment Fund)	+9.89%
CAZENOVE Capital Management	
– MAIN Fund	+5.92%
– SMAF Fund (Sustainably Managed Asset Fund)	+5.38%

This compares with the Foundation's target of CPI+4% that, over the same period, was an annualised 8.5%²

Performance figures are shown net of investment management charges, which have been offset against capital. In 2023 we are showing the performance of our two funds with Cazenove separately to reflect our move towards more sustainable investment in their Responsibly Managed Asset Fund (RMAF) that changed its name to Sustainably Managed Asset Fund (SMAF) in 2023. We joined RMAF midway in 2019, the aggregate is showing for 5 full years i.e. 2019-2023. Trustees are aware of the factors affecting overall performance in 2023 and are monitoring closely as we enter 2024.

9. **Statement of Responsibilities of Trustees**

The trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the preparation of financial statements for each financial year that give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources including the income and expenditure for that period. In preparing those financial statements, Trustees are required to: -

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

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

¹ Cazenove Q4 Report CPI+4% = 7.8%

² Cazenove Q4 Report CPI+4% = 8.5%

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In so far as Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

10. **Auditor**

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditor for the ensuing year.

11. **Small Company Exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

BY ORDER OF THE BOARD



EARL OF ST ANDREWS, Chairman

12 | 07 / 24

THE GREAT BRITAIN SASAKAWA FOUNDATION

REFERENCE INFORMATION

Charity Number	290766
Company Number	1867362
Chairman:	The Earl of St Andrews
Vice-Chairman:	Joanna Pitman
Treasurer:	J L Scott FCA
Chief Executive and Company Secretary:	Jenny L White
Accountants:	Moore Kingston Smith LLP 6 th Floor, 9 Appold Street London EC2A 2AP
Auditor:	Moore Kingston Smith LLP 6 th Floor, 9 Appold Street London EC2A 2AP
Bankers:	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment Managers:	CCLA One Angel Lane, London, EC4R 3AB Cazenove Capital Management Limited 1 London Wall Place, London EC2Y 5AU
Solicitors:	Birkett Long LLP, 1 Amphora Place, Sheepen Road, Colchester, Essex, CO3 3WG.
Administration and Registered Office:	24 Bedford Row London WC1R 4TQ
Japan Office:	Sasakawa Peace Foundation Building 1-15-16 Toranomom Minato-ku Tokyo 105-0001 Japan

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION

Opinion

We have audited the financial statements of The Great Britain Sasakawa Foundation ('the company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (*continued*)

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 16 and 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (*continued*)

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (*continued*)

risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION *(continued)*

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Luke Holt (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date: 17 July 2024

THE GREAT BRITAIN SASAKAWA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

INCOME AND ENDOWMENTS FROM:	Notes	Unrestricted Funds	Restricted fund	Endowment Funds (Including unapplied total return)	2023 Total Funds	2022 Total Funds
		£	£	£	£	£
Investments	2	832,859	-	266,694	1,099,553	1,264,986
Charitable activities	13	-	320,582	-	320,582	320,000
Total		832,859	320,582	266,694	1,420,135	1,584,986
EXPENDITURE ON:						
Raising funds						
Investment management	5	65,910	-	21,106	87,016	73,779
Charitable activities						
Grant making	3	1,109,572	315,513	-	1,425,085	1,022,335
Total (losses)/gains before investment		1,175,482	315,513	21,106	1,512,101	1,096,114
Net (loss)/income on investments	9	2,230,829	-	714,345	2,945,174	(4,732,020)
Net (loss)/income for the year		1,888,206	5,069	959,933	2,853,208	(4,243,148)
OTHER RECOGNISED LOSSES						
Foreign exchange losses		(4,270)	-	-	(4,270)	3,482
Transfer between Funds	13	-	-	-	-	-
NET MOVEMENT IN FUNDS		1,883,936	5,069	959,933	2,848,938	(4,239,666)
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		29,870,011	2,777	12,468,875	42,341,663	46,581,329
TOTAL FUNDS CARRIED FORWARD	13&14	31,753,947	7,846	13,428,808	45,190,601	42,341,663

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account. There are no recognised gains or losses for the current financial year and the preceding financial year other than as stated in the income and expenditure account. All of the above incoming resources are derived from continuing activities.

The Notes on Pages 27 to 39 form part of these financial statements.

THE GREAT BRITAIN SASAKAWA FOUNDATION

BALANCE SHEET AS AT 31 DECEMBER 2023

	<u>Notes</u>	<u>2023</u>		<u>2022</u>
		£	£	£
FIXED ASSETS				
Tangible assets	8		-	-
Investments	9		44,669,262	41,493,223
			<u>44,669,262</u>	<u>41,493,223</u>
CURRENT ASSETS				
Debtors	11	213,741		263,091
Cash at bank and in hand		1,338,474		1,407,389
			<u>1,552,215</u>	<u>1,670,480</u>
CREDITORS: amounts falling due within one year	12	(1,030,876)		(822,040)
				<u>(822,040)</u>
NET CURRENT ASSETS			521,339	848,440
			<u>521,339</u>	<u>848,440</u>
TOTAL NET ASSETS			45,190,601	42,341,663
			<u>45,190,601</u>	<u>42,341,663</u>
RESERVES				
Restricted Funds	13 & 14		7,846	2,777
Endowment Funds	14		13,428,808	12,468,875
Unrestricted Funds	14		31,753,947	29,870,011
			<u>31,753,947</u>	<u>29,870,011</u>
TOTAL FUNDS			45,190,601	42,341,663
			<u>45,190,601</u>	<u>42,341,663</u>

These financial statements were approved by the Board of Trustees on 12.7.24 (DATE)

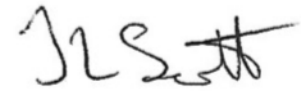
These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 related to small companies.

Signed on behalf of the Board of Trustees

EARL OF ST ANDREWS



J L Scott



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Trustees

The notes on pages 27 to 39 form part of these financial statements.
Registered Company No: 01867362

THE GREAT BRITAIN SASAKAWA FOUNDATION

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2023**

	2023	2022
	£	£
Cash flow/(outflow) from operating activities		
Net cash provided by/(used in) operating activities	(937,603)	(753,175)
	<u> </u>	<u> </u>
Cash flows from investing activities		
Investment income and interest received	1,099,553	1,193,853
Proceeds from disposal of fixed asset investments	19,609,401	3,310,744
Acquisition of fixed asset investments	(19,840,266)	(3,671,993)
	<u> </u>	<u> </u>
	868,688	832,604
	<u> </u>	<u> </u>
Net (decrease)/increase in cash and cash equivalents	(68,915)	79,429
Cash and cash equivalents at beginning of year	1,407,389	1,327,960
	<u> </u>	<u> </u>
Cash and cash equivalents at end of year	1,338,474	1,407,389
	<u> </u>	<u> </u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2023	2022
	£	£
Net income	2,848,938	(4,239,666)
Adjustments for:		
Depreciation charges	-	-
Net gains on investments	(2,945,174)	4,789,943
Investment income	(1,099,553)	(1,264,986)
(Increase)/Decrease in debtors	49,350	(32,145)
Increase in creditors	208,836	(6,321)
	<u> </u>	<u> </u>
Net cash provided by/(used in) operating activities	(937,603)	(753,175)
	<u> </u>	<u> </u>

1 Accounting policies

(a) **Scope of the financial statements**

The financial statements present the Statement of Financial Activities (SOFA), the Balance Sheet and the Statement of Cash Flows.

(b) **Accounting convention**

The Foundation's financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

The Foundation is a public benefit entity for the purposes of FRS 102 and a registered charity. The Foundation has therefore also prepared its financial statements in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102) Second Edition 2019).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the investments, which are stated at middle market value, with movements in value reported within the Statement of Financial Activities (SOFA). The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

(c) **Going concern**

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the Foundation's forecasts and projections and have taken account of pressures on grants, donation and investment income. After making enquiries the trustees have concluded that there are no material uncertainties with respect to the Foundation's ability to continue as a going concern and there is a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

The total number of grants awarded in 2023 to 210 projects were made from the Unrestricted Fund totalling £824,615 This included 23 awards totalling £60,247 made in Japan and 6 new Butterfield Awards in science, medicine and health awards totalling £107,000.

(d) **Accounting judgements and estimation uncertainty**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

Useful Economic Lives - The annual depreciation charge for office furniture, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

1. Accounting policies (continued)

(e) **Tangible fixed assets**

All tangible fixed assets are capitalised at cost, which is their purchase cost together with any incidental expenses of acquisition and a minimum capitalisation level is £500.

Depreciation is calculated so as to write off the cost of tangible fixed assets on:

Office furniture, fittings, and equipment - 20% straight line.

(f) **Fixed asset investments**

Investments are stated in the accounts at market value.

(g) **United Kingdom interest and investment income receivable**

All income is recognised once the Foundation has entitlement to the income, the economic benefit is probable, and the amount can be reliably measured.

Income from investments and interest, inclusive of any UK tax deducted, which is recoverable, is included in the statement of financial activities in the accounting period in which it is receivable.

(h) **Foreign interest and investment income**

Income from investments and interest is included in the statement of financial activities in the accounting period in which it is receivable in the United Kingdom. Where relevant this is net of any foreign withholding taxes, which are not recoverable.

(i) **Charitable activities income**

Income from grants is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

(j) **Foreign currencies**

The functional and presentational currency of the Foundation is the pound sterling.

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA and form part of the Unrestricted Fund.

(k) **Taxation**

No provision for taxation is made in the accounts, as the Foundation is a charity, as defined by section 519 of the Income Tax Act 2007.

(l) **Resources expended**

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. The costs in respect of investment management are those in relation to the Foundation's investment portfolios, whilst charitable support are those related to administering the award process and governance relate to compliance with constitutional and statutory requirements. Costs common to the three categories are apportioned in accordance with the estimated amount of staff time spent in each area.

Grants awarded that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

(m) **Fund Accounting**

The Unrestricted Fund represents all funds held by the Foundation, other than the Restricted Fund, which may be used at the discretion of the Board of Trustees in furtherance of the charitable objects of the Foundation.

During 2021, The Additional Endowment received in 2020 was added to the existing investment funds currently held, and a total return investment strategy applied from 1 January 2021. The Foundation can invest its endowments without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can either be retained for investment or released to income at the discretion of the Trustees.

The Restricted Funds relate to the Programme for the Support of Japanese Studies at UK Universities and previously to the Chatham House Conference Programme and can only be expended in furtherance of these two projects (including their management and administration). However, as agreed with the Nippon Foundation, income derived from these funds form part of the Unrestricted Fund.

(n) **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

(o) **Financial instruments**

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Investment income

The contributions of the various activities of the Foundation to income are set out below: -

Year to 31 December 2023

	<u>Restricted</u> <u>Fund</u> £	<u>Unrestricted</u> <u>Fund</u> £	<u>Endowment</u> <u>Funds</u> £	<u>2023</u> £
Interest on bank deposit accounts	-	17,946	5,747	23,693
Dividends from equities and other securities	-	810,065	259,395	1,069,460
Other Investment Income	-	4,848	1,552	6,400
	-	832,859	266,694	1,099,553

Year to 31 December 2022

	<u>Restricted</u> <u>Fund</u> £	<u>Unrestricted</u> <u>Fund</u> £	<u>Endowment</u> <u>Funds</u> £	<u>2022</u> £
Interest on bank deposit accounts	-	3,709	1,188	4,897
Dividends from equities and other securities	-	954,458	305,631	1,260,089
	-	958,167	306,819	1,264,986

3. Grant making

This comprises the following: -

Year to 31 December 2023

	<u>Unrestricted</u> <u>Fund</u> £	<u>Restricted</u> <u>Funds</u> £	<u>2023</u> £
Awards payable (see note 4 below)	840,935	300,000	1,140,935
Support costs (see note 5 below)	268,637	15,513	284,150
	1,109,572	315,513	1,425,085

Year to 31 December 2022

	<u>Unrestricted</u> <u>Fund</u> £	<u>Restricted</u> <u>Funds</u> £	<u>2022</u> £
Awards payable (see note 4 below)	474,971	300,000	774,971
Support costs (see note 5 below)	221,000	26,364	247,364
	695,971	326,364	1,022,335

4. Awards payable

The awards payable were for charitable purposes in pursuance of the Foundation's objects. The awards payable for the year comprise: -

Year to 31 December 2023	Unrestricted <u>Fund</u> £	Restricted <u>Funds</u> £	<u>2023</u> £
Awards granted during the year	830,542	300,000	1,130,542
Adjustments in respect of awards granted in prior years	(29,607)	-	(29,607)
Jest award	40,000	-	40,000
	<hr/>	<hr/>	<hr/>
Awards payable	840,935	300,000	1,140,935
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Year to 31 December 2022	Unrestricted <u>Fund</u> £	Restricted <u>Funds</u> £	<u>2022</u> £
Awards granted during the year	549,186	300,000	849,186
Adjustments in respect of awards granted in prior years	(74,215)	-	(74,215)
	<hr/>	<hr/>	<hr/>
Awards payable	474,971	300,000	774,971
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. Analysis of charitable expenditure

Other resources expended are made up as follows: -

Year to 31 December 2023	<u>Investment Management</u> £	<u>Charitable Support Costs</u> £	<u>Governance</u> £	<u>Total 2023</u> £
Investment management fees	52,625	-	-	52,625
Staff costs (see note 6(b) below)	6,103	90,038	47,319	143,460
Legal and professional fees	2,216	6,976	14,197	23,389
Costs of Management Council Meetings	3,827	20,701	31,719	56,247
Other administrative expenses	838	15,542	5,823	22,203
Office rents and services	1,527	28,882	10,851	41,260
	<hr/>	<hr/>	<hr/>	<hr/>
	67,135	162,139	109,909	339,183
Direct governance costs				
Auditors remuneration: Current year	-	-	16,470	16,470
	<hr/>	<hr/>	<hr/>	<hr/>
	67,135	162,139	126,379	355,653
Allocation of governance support cost	19,881	106,498	(126,379)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	87,016	268,637	-	355,653
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. Analysis of charitable expenditure (continued)

Year to 31 December 2022	<u>Investment Management</u>	<u>Charitable Support Costs</u>	<u>Governance</u>	<u>Total 2022</u>
	£	£	£	£
Investment management fees	51,628	-	-	51,628
Staff costs (see note 6(b) below)	6,085	93,629	51,033	150,747
Legal and professional fees	1,905	5,971	12,328	20,204
Costs of Management Council Meetings	87	481	746	1,314
Other administrative expenses	1,211	19,698	7,231	28,140
Office rents and services	1,074	22,992	8,780	32,846
	<u>61,990</u>	<u>142,771</u>	<u>80,118</u>	<u>284,879</u>
Direct governance costs				
Auditors remuneration: Current year	-	-	9,900	9,900
	<u>61,990</u>	<u>142,771</u>	<u>90,018</u>	<u>294,779</u>
Allocation of governance support cost	11,789	78,229	(90,018)	-
	<u>73,779</u>	<u>221,000</u>	<u>-</u>	<u>294,779</u>

As explained in Note 2 the Foundation has decided to move all its investments into Umbrella Funds managed by our two Investment Advisors. As a consequence, this reduces the explicit investment management charges levied on the Foundation as the investment charges are embedded within the unit price of the units in the Umbrella Funds. Where possible we have obtained details of the embedded investment charges and have included these in the Investment management fees line above, and added them to the Net gains/(losses) on investments (Note 9).

CCLA's management fee is charged to the COIF Investment Fund, therefore technically these are not charged directly to individual unit holders but charged to the Fund. Therefore, paragraph 4.48 of the Charities SORP states that charities are not expected to prorate investment management fees charged to a collective investment scheme to identify the notional cost attributable to its own holding in the scheme.

The Annual Management Charge (AMC) of 0.6% and other expenses of 0.08% make the Fund Management Fee (FMF) 0.68%. To this figure add the cost of underlying investments of 0.22%, which makes the Ongoing Charges Figure (OCF) 0.90%. However, the manager applies a fee rebate of 0.15%, making the effective AMC 0.45% and the OCF 0.75%.

In addition to the Audit Fee referred to above, there is £14,640 included in Legal and Professional fees that relates to bookkeeping and accountancy work carried out by the audit firm (2022 - £13,620).

6. Employee information

(a) The average number of persons employed by the Foundation during the year was 3 (2022 – 3).

(b) Employment costs - all employees

	<u>2023</u>	<u>2022</u>
	£	£
Aggregate gross wages and salaries paid to the Foundation's employees	119,511	126,140
Employer's national insurance contributions, or foreign equivalents	21,084	21,639
Provision for retirement allowance for a member of staff	(1,772)	(1,728)
Staff pension	4,636	4,696
	<hr/>	<hr/>
	143,459	150,747
	<hr/> <hr/>	<hr/> <hr/>

(a) The emoluments of one member of staff, including benefits in kind, are within the range of £60,000 to £69,999 (2022 - £60,000 to £69,999).

(b) Pension contributions for the year amounted to £2,996 (2022 - £2,932) for the above employee.

(c) The Foundation considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £71,191 (2022 - £69,064).

(e) The Foundation began a workplace pension scheme in April 2017.

7. Council Members' Expenses

(a) No remuneration was paid to any trustee (2022 - nil).

(b) Expenses totalling £27,429 (2022 - £870) were reimbursed to 5 (2022 - 2) UK trustees in respect of travel and other expenses incurred by them.

(c) Travel allowances totalling £402 (2022 - £420) were paid to 4 (2022 – 3) Japan trustee members in respect of their attendance at meetings

8. Tangible fixed assets Office Furniture, Fittings and Equipment

<u>Cost</u>	£
At 1 January 2023 and 31 December 2023	7,607
Disposal in the year	1,826
	5,780
	5,780
<u>Accumulated Depreciation</u>	
At 1 January 2023	7,607
Charge for year	-
Disposal	1,826
	5,780
At 31 December 2023	5,780
Net book value at 31 December 2023	-
Net book value at 31 December 2022	-

9. Fixed asset investments

	<u>2023</u>	<u>2022</u>
	£	£
(a) The movements during the year were as follows:-		
Middle market value at 1 January	41,493,223	45,850,784
Additions at cost	19,840,266	3,687,820
Disposals	(19,593,032)	(3,419,746)
(Proceeds £19,609,401 - realised profit £16,369)		
Unrealised gains on revaluation at 31 December	2,928,805	(4,625,635)
	44,669,262	41,493,223
Middle market value at 31 December	44,669,262	41,493,223
Cost at 31 December (see note 9(d) below)	41,481,597	41,105,665
(b) Analysis of listed investments		
	<u>2023</u>	<u>2022</u>
	£	£
Equities, Unit Trusts/OEICs	44,669,262	41,493,223
	44,669,262	41,493,223
	44,669,262	41,493,223

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2023 – (continued)

- (c) As at 31 December, the following investment represented more than 5% of the total investments as follows:-

Year to 31 December 2023	<u>Holding</u> <u>2023</u>	<u>Market Value</u> <u>2023</u> £
Unit Trusts/OEICs		
Cazenove Charity Responsible M-A Fund	19,356,859	10,590,138
CCLA COIF Charity Funds	898,026	23,252,098

Year to 31 December 2022	<u>Holding</u> <u>2022</u>	<u>Market Value</u> <u>2022</u> £
Unit Trusts/OEICs		
Cazenove Charity Responsible M-A Fund	19,356,859	10,311,399
CCLA COIF Charity Funds	1,155,197	20,995,582

- (d) The cost shown above represents the original cost as adjusted to take account of subsequent investment transactions.

10. Statement of investment total return

The Trustees have adopted a duly authorised policy of total return accounting for the permanent endowment element of the investment returns with effect from 1 January 2021.

	Permanent Endowment		
	Trust for Investment £	Unapplied Total Return £	Total £
At the beginning of the year:			
Gift component of the permanent endowment	11,120,996	-	11,120,996
Unapplied total return	-	1,347,879	1,347,879
Total endowments	11,120,996	1,347,879	12,468,875
Movements in the reporting period:			
Investment return: Total investment income	-	266,694	266,694
Investment return: realised and unrealised gains and losses	-	714,345	715,897
Less: Investment management costs	-	(21,106)	(21,106)
Total	-	959,933	959,933
Unapplied total return allocated to Trust for Investment in the reporting period	-	-	-
Net movements in the reporting period	-	959,933	959,933
At end of the reporting period:			
Gift component of the permanent endowment	11,120,996	-	11,120,996
Unapplied total return	-	2,307,812	2,307,812
Total Endowments	11,120,996	2,307,812	13,428,808

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2023 – (continued)

11. <u>Debtors</u>	<u>2023</u> £	<u>2022</u> £
Dividends receivable	153,164	177,329
Prepayments	6,670	7,008
Other debtors	53,907	78,754
	<hr/>	<hr/>
	213,741	263,091
	<hr/> <hr/>	<hr/> <hr/>

In both 2023 and 2022, all debtors at the year end were included in the unrestricted fund.

12. <u>Creditors - amounts falling due within one year</u>	<u>2023</u> £	<u>2022</u> £
Awards payable	438,865	400,243
Other creditors	88,551	68,277
Accruals	503,460	353,520
	<hr/>	<hr/>
	1,030,876	822,040
	<hr/> <hr/>	<hr/> <hr/>

At 31 December 2023 there was a taxation and social security creditor of £2,287 (2022 - £2,904) and a pension creditor of £400 (2022 - £604).

In both 2023 and 2022, all creditors at the year end were included in the Unrestricted Fund, other than £468,000 of deferred income from the Nippon Foundation.

13. Reserves

Restricted Funds

There have been two Restricted Fund Programmes from the Nippon Foundation.

The Nippon Foundation also awarded a restricted grant of £320,582 (2022: £320,000) for the Sasakawa Japanese Studies Postgraduate Studentship Programme Year 10. The Studentship programme is the only Restricted fund that is still active.

13. Reserves (continued)

Year to 31 December 2023	Balance 01.01 2023	Funds Received	Funds Expended	Transfers in/(out)	Balance 31.12 2023
	£	£	£	£	£
Sasakawa Japanese Studies Postgraduate Studentship Programme	2,777	320,582	315,513	-	7,846
	<u>2,777</u>	<u>320,582</u>	<u>315,513</u>	<u>-</u>	<u>7,846</u>

Year to 31 December 2022	Balance 01.01 2022	Funds Received	Funds Expended	Transfers in/(out)	Balance 31.12 2022
	£	£	£	£	£
Sasakawa Japanese Studies Postgraduate Studentship Programme	9,141	320,000	326,364	-	2,777
	<u>9,141</u>	<u>320,000</u>	<u>326,364</u>	<u>-</u>	<u>2,777</u>

14. Allocation of Net Assets between Funds

Year to 31 December 2023	Unrestricted Fund	Endowment Fund	Restricted Funds	Total Funds
	£	£	£	£
Fixed Assets				
Tangible assets	31,621,684	13,047,578	-	44,669,262
Current assets	863,139	381,230	307,846	1,552,215
Current liabilities	(730,876)	-	(300,000)	(1,030,876)
	<u>31,753,947</u>	<u>13,428,808</u>	<u>7,846</u>	<u>45,190,601</u>

Included in the total Endowment Fund balance at 31 December 2023 is £2,307,812 that relates to unapplied total returns. See note 10 for further details.

14. Allocation of Net Assets between Funds (continued)

Year to 31 December 2022	<u>Unrestricted Fund</u> £	<u>Endowment Fund</u> £	<u>Restricted Funds</u> £	<u>Total Funds</u> £
Fixed Assets				
Tangible assets	29,161,542	12,331,681	-	41,493,223
Current assets	1,210,509	137,194	322,777	1,670,480
Current liabilities	(502,040)	-	(320,000)	(822,040)
	<u>29,870,011</u>	<u>12,468,875</u>	<u>2,777</u>	<u>42,341,663</u>

15. Members' Guarantee

The guarantee given by the members of the Foundation is £1 per member in the event of there being a deficiency of assets should the Foundation be wound up, 2023 - 11 members (2022 - 11 members).

16. Commitments under Operating Leases

The Foundation has annual commitments of £16,500 per annum that expires in June 2025 in respect of an operating lease for premises, Details mentioned below:

Details	Amount
Amounts due within one year	16,500
Amounts between 1 year and 5 years.	24,750
Total	41,250

17. Related Party Transactions

	2023 £	2022 £
Received from The Nippon Foundation	320,582	320,000
Annual corporate membership paid to Japan Society	350	350
	<u>320,932</u>	<u>330,350</u>

The Foundation received a further £320,582 (2022 - £320,000) from The Nippon Foundation for the support of the 2023 Japanese Studies programmes, as a joint initiative with the Nippon Foundation. In addition, in 2020, the Foundation received £11,120,996 from the Nippon Foundation as an additional endowment. The endowment will continue to be used to generate returns to further the purposes of the Foundation.

In 2023, the Foundation paid £350 (2022: £350) to The Japan Society in relation to an annual corporate membership. One of the Trustees of the Foundation was a director of The Japan Society but has since retired. The CEO is now a Director of the Japan Society from 2023.

One member of the Board of Trustees is a Special Advisor to, and one is a Trustee of The Nippon Foundation.

THE GREAT BRITAIN SASAKAWA FOUNDATION

England & Wales - Charity number 290766

Accounts

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THE GREAT BRITAIN SASAKAWA FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 DECEMBER 2022

Registered Charity No. 290766
Registered Company No. 1867362

Registered Office:
24 Bedford Row
London WC1R 4TQ

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

1. Reference and Administrative Information

Reference and administrative information is set out on page 16 of this Report.

2. Structure, Governance and Management

2.1 Background and Constitution

The Great Britain Sasakawa Foundation was established in 1985 to develop and maintain good relations between the United Kingdom and Japan by advancing the education of the people of both nations in each other's culture, society and achievements.

It is registered as a charity with the Charity Commissioners for England and Wales (registration number 290766).

It was incorporated on 20 November 1984 in England and Wales under the Companies Act as a company limited by guarantee and not having a share capital (company number 1867362).

2.2 Initial Fund

The Foundation was financed by a donation of Yen 3 billion received upon its establishment in 1985 from the Japan Shipbuilding Industry Foundation (now The Nippon Foundation), under the Chairmanship of the late Mr. Ryoichi Sasakawa. This original donation may be applied to any of the objectives of the Foundation.

2.3 Trustees

Trustees listed below are, for the purposes of charity law, trustees of the Foundation and, for the purpose of company law, directors of the Foundation.

All Trustees, unless otherwise stated, served throughout the year and at the date of signing this report are:

The Earl of St Andrews (Chairman)
Joanna Pitman (Vice Chair)
Jeremy Scott FCA (Treasurer)
Professor David Cope
Ambassador Hiroaki Fujii
Professor Janet Hunter
Professor Yuichi Hosoya
Professor Izumi Kadono
Professor Yoriko Kawaguchi
Tatsuya Tanami
Professor Ryuichi Teshima (resigned March 2023)

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

2.4 Appointment and Re-appointment of Trustees

Trustees are elected by the Foundation at the Annual General Meeting and one third of them retire by rotation each year. Potential new trustees are identified by existing trustees and/or by recommendations. Candidates will be distinguished people who have personal or professional connections with UK-Japan relations and whose background and experience provide the balance of skills needed to guide and manage the affairs of the Foundation.

2.5 Induction and Training of Trustees

Induction for new trustees is organised by the Foundation's Chief Executive. In addition to knowledge gained through attendance at meetings, trustees are provided with initial briefing material on their legal obligations under charity and company law and on the content of the Articles of Association. They are also given guidance from the Foundation's advisors on the aims of the Foundation and on their statutory duties.

2.6 Organisation and Management Personnel

The Foundation operates through its main office in London and its liaison office in Tokyo. The day-to-day management of the Foundation is under the sole control of the Chief Executive (CEO), based in London. The CEO supervises the work of two administrative members of staff - one in London and one in Tokyo. Remuneration of all three staff is determined by the Trustees on advice from the Treasurer and CEO. The CEO carries out the Foundation's policies, as determined by trustees at Board meetings and at the Annual General Meeting, subject to the constraints of Standing Orders. Trustees meet at least three times a year, in addition to committee meetings, in order to review policy, to monitor investments and to determine the recipients of awards.

2.7 Grants

Applications for awards are received in both the UK and Japan for projects that meet the Foundation's objectives. Awards committees meet in each country two or three times each year. In assessing applications trustees take into account any unique or innovative aspects of the project and the extent to which they will have a wide or lasting impact and are consistent with the objectives of the Foundation.

An application form and further details of the application process are on the Foundation's website, www.gbsf.org.uk.

2.8 Risk Management

Trustees assess the risks facing the Foundation and review the effectiveness of the controls to monitor and to mitigate them. A Risk Management Register is maintained and reviewed annually at Board meetings.

The key controls used by the Foundation include:

- Formal agendas for all Board meetings
- Strategic planning, budgeting and management accounting
- Formal written policies, including Standing Orders
- Clear authorisation and approval levels

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

The principal risk for the Foundation lies in maintaining and protecting the value in real terms of its endowed funds in order to generate, on a long-term basis, a consistently high overall return on its original endowment. This risk is mitigated by the appointment of experienced fund managers; by internal controls that allow close and regular monitoring of fund managers' performance against benchmarks; by the Foundation's requirement of its fund managers to re-tender on a competitive basis periodically for appointment, and by twice-yearly Finance and Investment meetings that formally review investment performance and policy and include one-to-one presentations by the fund managers.

3. **Statutory Objects**

The statutory objects of the Foundation, as defined in its Articles of Association, are 'to advance the education of the citizens of the United Kingdom and the citizens of Japan in each other's institutions, people, history, language, culture and sport, in science and technology, medicine and health and also in each other's intellectual, artistic and economic life'.

The main vehicle through which the Foundation aims to pursue these objects is by providing financial support in the form of grants towards a wide range of activities and projects that serve to enhance mutual understanding between the people of the United Kingdom and Japan. Typically, these activities include exhibitions, performances, exchanges, conferences, research, educational and cultural events, and publications in the following fields: -

- Arts and Culture
- Humanities and Social Issues (including Japanese Studies)
- Science, Technology and Environment
- Japanese Language
- Youth and Education
- Medicine and Health
- Sport

4. **Achievements and Impact**

The Foundation requires post-project reports from each of its grantees so that it can evaluate the overall impact of all projects that it funds and the extent to which they contribute to the Foundation's grant-making objectives. The objectives for the year under review are set out below in paras 4.1 to 4.9 with specific examples.

In 2022 the Foundation encouraged and supported projects that:

4.1. **Reached a wide audience and had a broad impact**

#6060 Fat Out Productions: Residency, UK tour and performance at Fat Out Fest by Japanese band DMBQ

IMPACT: When Fat Out Productions' original plan to invite Japanese band DMBQ to perform in the UK in 2020 was halted by the pandemic, they collaborated on an online event instead. In 2022 a grant was awarded to support the band's UK tour, the first chance for UK audiences to see them perform live in-person. They played seven dates around the country, more than the four shows originally booked, due to interest from promoters. The tour allowed Fat Out Productions to try new initiatives, such as using an electric car on tour in consideration for the environment and including a mini artist residency at a farm in Anglesey to allow time and space to rest during the schedule and stimulate creativity. In total, they played to 1,320 attendees, with discussions to return to the residency farm to record an album, once the studio facilities have been completed.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

#6073 The Royal Shakespeare Company: Rehearsals for production of stage adaptation of Studio Ghibli's 'My Neighbour Totoro'

IMPACT: The global premiere of a stage adaptation of Studio Ghibli's classic animated film 'My Neighbour Totoro', created by the Royal Shakespeare Company in collaboration with the original film's composer Joe Hisaishi, Nippon TV and Improbable, broke the Barbican's box office record for ticket sales in one day, when public booking went on sale. The sold-out 15-week run saw five-star reviews from critics and overwhelmingly positive responses from audiences of all ages. Our funding supported rehearsal costs for this technically impressive and intricately choreographed production, incorporating complex elements of puppetry, shifting sets, and live music.

4.2 Worked in partnership and created new relationships

#6029 Schoeni Projects: Residency programme and exhibition with Kensuke Koike and Tanabe Chikuunsai IV

IMPACT: A grant was awarded to Schoeni Projects for their first public exhibition, taking place during Asia Art in London. The joint exhibition 'de/re CONSTRUCT' saw individual and collaborative works by Kensuke Koike and Tanabe Chikuunsai IV & Sawako Kajima displayed together over 3 weeks, with positive feedback from visitors. An artist talk gave audience members insight into their creative processes and linked traditional craftsmanship with contemporary art, with two publications allowing a more in-depth look into the exhibition. One of the works exhibited was shortlisted for the Apollo Award for an Outstanding East Asian Work of Art by Asian Art in London. The project also gave Schoeni Projects new connections with museums and galleries in the UK, with the potential for future collaborations and display of work by these artists being discussed.

#6066 Japan Center, Pacific Basin Arts Communication (PARC): Research at Edinburgh Festival Fringe to establish Yokohama International Performing Arts Meeting Fringe Society

IMPACT: A grant was awarded to support Yokohama International Performing Arts Meeting representatives to travel to Edinburgh to research the organisation of the YPAM Fringe Society, using the Edinburgh Festival Fringe Society as a model. The trip and research proved fruitful, as the team held meetings with staff, artists from around the world, and many festival supporters. Following their return, information sessions have been held to share the knowledge gained, with plans to establish a management organisation for the YPAM Fringe under way, which will help the team to support more artists and companies from overseas and promote their activities locally and internationally.

4.3 Involved the younger generation

#6107 Cairneyhill Explorer Scouts: Scout visit to the UK for group from Iwate to mark 100 years of Scouting in Japan

IMPACT: 2022 marked 100 years of Scouting in Japan, and Cairneyhill Explorer Scouts in Fife, Scotland, were successful in receiving a grant towards travel to a regional camp in Kamaishi with a group from Iwate who they have been exchanging with since 1990. However, with entry to Japan still difficult amid limited and expensive flight options, we

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

approved a change in the project and for the funds to support a party of 20 guests from Iwate Scout Council to travel to Scotland instead. They spent a day sight-seeing in Edinburgh before a 10-day camp at Blair Atholl with a chance to engage in scout activities together, cook meals over wooden fires, and intercultural exchange. A final sight-seeing day in London before departure ensured a busy but fulfilling schedule, with much time for the young participants to learn from each other, enjoy the experiences and challenges of the camping expedition, and form connections between the two countries.

#6111 Second Hand Dance: Dance performance for babies and toddlers 'We Touch, We Play, We Dance' at ricca*ricca festa in Okinawa and partner venues in Japan

IMPACT: A grant was awarded to Second Hand Dance for their production for 0-3 year olds 'We Touch, We Play, We Dance' to tour Japan. This included performances as part of ricca*ricca festa in Okinawa hosted by ACO Okinawa Association, followed by dates in Fukuoka, Kawasaki and Kyoto. In total, 267 adults and 156 children saw the production, with a positive response from audiences and local project partners noting that there was a strong request from each theatre for the show as Japan doesn't have many performances for this age. This was the first-time Second Hand Dance had visited Japan, and, following a debrief with ACO Okinawa Association, they established a desire to develop their partnership in future, with the hope that their new dance piece in development will be part of the 2024 festival line-up, along with an originally planned symposium cancelled due to Covid.

4.4 Took place outside the major cities and in regional locations

#6021 International Festival of Glass: Japanese glass artists provide masterclasses and work exhibited at 2022 Festival

IMPACT: Held in August 2022 with the theme of East Asian contemporary glass and culture, the International Festival of Glass included events, workshops and exhibitions across Stourbridge and Wolverhampton. A grant awarded by the Foundation supported three sold-out masterclass sessions by Japanese glass artists in different disciplines, with a further beadmaking workshop also full. Each artist also gave demonstrations and lectures ensuring a wider audience, and the supporting exhibition *Expanding Horizons* included work by 16 Japanese artists, including those offering the masterclasses, furthering the impact of their presence at the festival. The total festival audience reached their target of 9,000 visitors, with 30% having never attended the festival before, indicating they were attracted by the East Asian focus. A further grant has also supported the Festival Director to travel to Japan to expand links with glass art museums, schools, and studios with plans for including Japanese artists in their next festival in 2024.

#6024 Llanelli Multicultural Network: Ikebana and Japanese culture workshops

IMPACT: A small grant was awarded to Llanelli Multicultural Network in Southwest Wales to introduce Japanese culture to members through workshops and ikebana sessions. An initial consultation with their members and the wider community showed there was very little awareness of Japanese culture, however the interest in the opportunity to learn about Japan and enjoy the art of flower-arranging, led by an ikebana expert with 40 years of experience, was proven by the events being fully attended. The sessions were filmed with videos available on YouTube and the project was picked up local press, ensuring a wider awareness amongst the community. Llanelli Multicultural Network is now looking at delivering a project looking at nature and plans to build on these ikebana sessions by incorporating Japanese culture into this project and activities in future.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

4.5 Promoted contemporary life and culture in both countries

#6065 Ikon Gallery: Research trip and exhibition of work by Ainu artist Mayunkiki

IMPACT: A grant was awarded to Ikon Gallery in Birmingham for the first solo exhibition by Ainu artist and musician Mayunkiki. The exhibition '*Siknure – Let me live*' means 'to keep something alive' in the Ainu language, with the artist reflecting on her Indigenous identity through a new video work, exploring the relationship between her and her father. By displaying traditional Ainu artefacts with Mayunkiki's personal interpretations alongside her own works, it raised the profile of Ainu culture as well as commenting on the challenges faced by the community in the present day. The exhibition itself received almost 20,000 visitors over its two-month run, with a panel discussion transcription, catalogue and online educational resources ensuring a continued legacy for the project.

#6159 Durham University: International Conference 'Techniques of the Shichosha: Television, Perception, and Technoscience' at Kyoto University

IMPACT: A grant was awarded to Durham University to support an interdisciplinary international conference at Kyoto University as part of an ongoing UK-Japan research project on the historical epistemology of television. The conference intends to broaden the reach of a network of early career scholars in both countries across fields of history, sociology, and media studies, and beyond academia, including guests from the professional world of television. The conference aims to examine the legacy of the Japanese television industry's technical and scientific research, demonstrating the ways in which its work remains determinative to this day. The international and interdisciplinary scope of the conference is designed for maximum scholarly impact, with a bilingual volume expected, the network expanded and discussions underway for a formal research unit at Kyoto University.

4.6 Addressed topics of common interest and of priority to both countries

#6105 Northumbria University: Research and meetings in Japan with PhD student and Paralympic swimmer Takayuki Suzuki on understanding the needs and resources required for Paralympic athletes' dual careers

IMPACT: A grant was awarded to Northumbria University for a project which aimed to inspire young athletes to achieve their potential within sport and to pursue life-long academic and career goals. The project involved a Japanese Paralympic swimmer studying a PhD in Sport Management, with support for their fieldwork in Japan on the resources needed and the barriers faced by Paralympic athletes as a comparative study with the UK, while also involving his supervisor in meetings with athletes and senior representatives on ways both countries can maximise opportunities for dual career pathways for these athletes. Further opportunities for workshops and talks will inspire young athletes in both countries. The research will not only contribute to the academic community but inform future developments in dual career support for disabled athletes not only in Japan and the UK, but around the rest of the world, sharing good practice and lessons learned for dissemination to the relevant Olympic and Paralympic Committees, as well as the 2023 European Association of Sport Management Conference.

#6155 Manchester Camerata: Training for musicians and workshops in Japan on benefits of music for people living with dementia

IMPACT: A grant awarded to Manchester Camerata supported in-person training for musicians and workshops in Japan on the benefits of music for people living with dementia. A previous

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

visit to Japan to gain an understanding of Japan's approach to ageing society had shown that while the role of the arts within health and social care is understood by some Japanese organisations, this is not the case for most Japanese orchestras. Having developed an online training course and resource package for professional carers on how to use music therapy techniques to benefit their residents, the team were invited to Japan to carry out sessions with Tokyo Bunka Kaikan Orchestra and Japan Century Orchestra, including a relaxed music performance featuring innovative technology for an audience of over 450 people, comprised of disabled children and young adults, and people living with dementia and their primary carers. As a result, 21 new musicians were trained to use Music in Mind techniques to delivery their own community music making projects, with Manchester Camerata currently identifying future possible collaborative opportunities with the organisations they engaged with in Osaka and Tokyo.

4.7 In traditionally under-represented subject areas such as science & technology, medicine & health, social issues, and the environment

#6099 Royal Botanic Gardens, Kew: Research visit to herbarium in Fukuoka to examine collection and develop plan to make it accessible, and #6100 Royal Botanic Gardens, Kew: Research visit to Japan to gain deeper understanding of Kew's collection of Japanese paper and lacquerwork

IMPACT: The Foundation worked with Royal Botanic Gardens, Kew to determine areas for collaboration and exchange between the UK and Japan. A grant was awarded for a research visit to an herbarium in Fukuoka to examine their collection and develop a plan to make it more accessible to researchers. The visit will help to gain a better understanding of the collection, digitise a small sample as a test, and use this to develop a longer-term plan, with a further grant application expected. A separate grant was also awarded to a research trip to Japan to meet with papermakers, museums, and galleries in different prefectures to deepen their understanding of their Japanese paper and lacquer collections held at Kew. These meetings will enable the team to learn more about the technology and design history of these collections and build a cross-disciplinary UK-Japan network, with plans for a touring exhibition combining objects in Kew's collections with an artistic response to ensure the project reaches a wide audience in both countries.

#6101 University of Bath: PhD research with Tokyo City University on ventilation adequacy and airborne diseases transmission in temporary shelters in Japan

IMPACT: A grant awarded to a PhD student in the Department of Architecture and Civil Engineering at University of Bath supported a fieldwork trip to research ventilation adequacy and airborne diseases transmission in temporary houses in Japan. Airborne diseases are the leading cause of death in the context of humanitarian emergencies. Due to concerns about indoor air quality in temporary accommodation built in the aftermath of natural disasters, this study looked at the indoor concentration of carbon dioxide exhaled by occupants in six representative houses in Sagara. Although the data is still being analysed, preliminary results suggest that in most of the temporary houses the levels of indoor CO₂ surpassed the safe limit. The visit initiated a new connection between Tokyo City University and the University of Bath, with the collaborators aiming to develop airflow models for temporary houses to help provide a healthier environment for the displaced.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

4.8 Involved expanded activity in the areas of Japanese studies and the Japanese language

A special grant programme to support the study of Japan in the UK at postgraduate level – the Sasakawa Japanese Studies Postgraduate Studentship Programme (Year 9 of a ten-year Programme)

IMPACT: See paragraph 5

#6023 Lancaster University: PhD fieldwork to research playwright and director Yudai Kamisato in the context of contemporary Japanese theatre

IMPACT: A travel grant was awarded to a PhD student at Lancaster Institute for the Contemporary Arts to conduct a three-month fieldwork research visit in Japan to complete their thesis on playwright and director Yudai Kamisato. The fieldwork in Japan allowed for opportunities to engage with Kamisato himself, as well as scholars, collaborators, and contacts, through attending 32 different productions at theatres and festivals, rehearsals and performances of Kamisato's new production, and related interviews, conferences, and talks. The visit not only gave them the opportunities to observe and analyse Kamisato's work but observe the current state of theatre-making in Japan, helping them become more informed as a scholar and generating extra material for beyond their thesis. The data gathered and new connections made will improve their thesis, and has led to opportunities for presentations, papers, public events, and articles, ensuring a wider reach.

#6091 Oxford Brookes University: Analysis of beginner-level Japanese language learners' use of politeness in conversation with native Japanese speakers

IMPACT: A grant was awarded to Oxford Brookes University to analyse the use of polite forms of Japanese by beginner-level language learners in conversation with native Japanese speakers. By transcribing video recordings from a virtual language exchange programme and following up with interviews with the participants, the conversations can be analysed to reveal the context in which the polite forms were used, how they contrasted with the native speakers, and how this changed over the course of the seven-week exchange. The project will enhance the university's language learning, better prepare their students for their year abroad in Japan as part of their undergraduate degree and propose a new direction in Japanese language education and provide a solution to a long-standing problem of learners not knowing which style of speaking to use in new situations. The findings will be disseminated at the Japanese Language Education Symposium and through a journal publication, with the hope that it will inform Japanese language teaching methods in other universities.

4.9 Further Impact

Further Impact (pre-2022 awards which came to fruition in 2022)

Due to the global pandemic and the resulting travel restrictions, many projects awarded grants in the past few years have had to adapt their timings and shape of projects. The Foundation has aimed to be as flexible as possible with postponements and changes to projects, and new ways of working allowed activity to continue when visits between the UK and Japan were not possible.

One such example is the **Japan Experience Study Tour (JEST)**, an annual programme organised by the Foundation, inviting a group of 12 sixth formers and 3 teachers from a different UK school each year to participate in a unique immersive week-long visit to Japan. Originally selected to travel in 2020, Prudhoe Community High School (#5844) had to wait until October

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

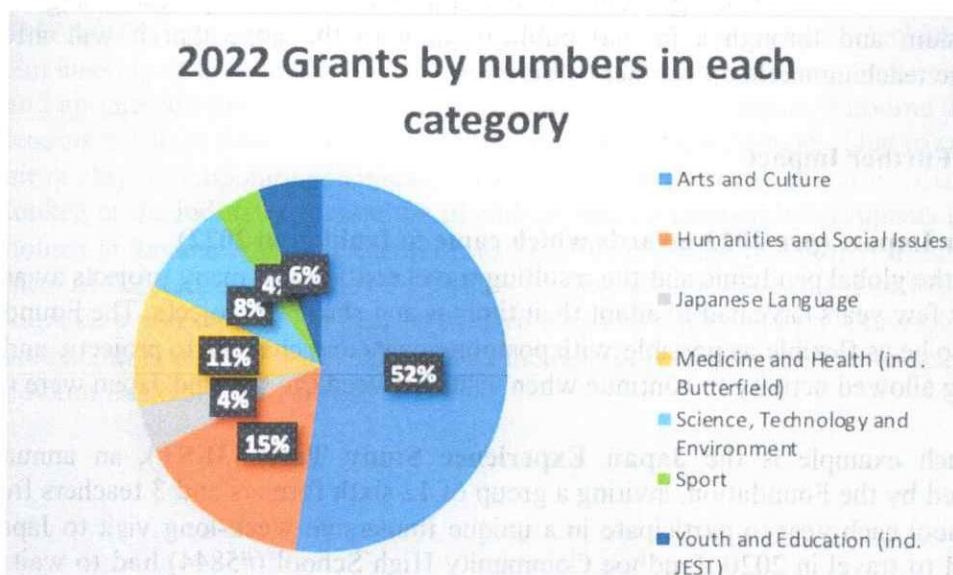
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2022 for their Study Tour to finally go ahead. Despite the challenges of the pandemic and the changing entry requirements, the longer lead-in time encouraged the group to establish a Japan club in their school, and a video call with their host school in Osaka gave them the chance to interact in advance of their arrival. The group made the most of every opportunity presented to them once in Japan, in a large part down to this earlier preparation, and although the homestays were not possible due to restrictions, most of the regular programme could still go ahead. As well as the school activities, the Prudhoe group visited the bamboo forest and temples of Kyoto, toured the ancient capital of Nara, met an A-bomb survivor in Hiroshima, stayed in a traditional inn in Miyajima, and participated in culture workshops with local volunteers. The feedback from the group, as well as their hosts in Japan, has been hugely positive, with many students hoping to continue their connections with Japan in future.

Our **Butterfield Awards** in medicine and health can support UK-Japan collaboration for up to three years, and so the full impact of the grant may not become clear within the year of its initial award. For example, from 2019 to 2022, the Institute of Ageing and Chronic Disease at the University of Liverpool, developed a novel international research team with Kanazawa University Graduate School's Department of Oral and Maxillofacial Surgery to address the pathogenesis of human temporomandibular joint (TMJ) disorder (B129). Following the lifting of travel restrictions, exchange visits could finally go ahead in late 2022, with plans in place to consolidate this link between the institutions and establish Kanazawa dental school as the leading TMJ research centre in Japan.

Ongoing Covid restrictions meant that a grant (J809) awarded to Kyoto Prefectural University of Medicine in 2019 could not take place until 2022. The Department of Applied Linguistics at The Graduate School of Medicine Science teamed up with researchers from Scotland to look at a comparative study of islands with extremely small populations and how Social Infrastructure is maintained and its Policy Making. Representatives from Scotland visited two remote islands in Okinawa both with populations less than 300 people, with a researcher from Japan visiting two islands in the Shetland Islands (one home to just over 1,000, the other with just 33 residents) to see the current conditions and situations of medical care and school education, and policy making and action planning. The study showed how they both face similar challenges in the future, and the two research teams from both countries will continue to conduct surveys together.

The range of activity during 2022 (number of projects by category in the pie chart and percentage of total amount awarded per category in table with comparison to 2021) is as follows:



THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

CATEGORY by percentage spend compared to 2021	2022	2021
Arts and Culture	51%	58%
Humanities and Social Issues	13%	10%
Japanese Language	4%	2.50%
Medicine and Health (including Butterfield)	12%	16.50%
Science, Technology & Environment	8%	2%
Sport	6%	0%
Youth and Education	6%	11%

The figures above exclude the activities in respect of the Sasakawa Japanese Studies Postgraduate Studentship Programme, see Section 5 below.

The strategies employed by the Foundation during the year to meet the objectives of the Foundation were to:

- maintain as far as possible a proactive approach in its grants policy
- target potential applicants in under-represented subject areas through visits, social media and the website
- heighten awareness of the Foundation's work by increased networking with specialist groups/organisations, with former grant recipients and with other Japan-related organisations; and by visiting institutions, particularly outside London
- monitor closely reports from grant recipients in order to follow-up and encourage the potential for sustainability and for new activity
- liaise closely with other funding bodies to ensure partnership funding of priority activity where appropriate

5. The Sasakawa Japanese Studies Postgraduate Studentship Programme

In 2013 the Board of Trustees approved plans for a five-year Japanese Studies Programme designed to build on The Nippon Foundation-funded Sasakawa Lectureship Programme (that had run between 2008 and 2012). One of the successful outcomes of this Programme had been the establishment by many UK universities of new postgraduate courses in Japanese, some run by the Sasakawa lecturers.

But following changes to university fee structures and trenchant cuts in their core funding, the crisis within UK universities had become even more acute than it had been five years previously. As a result, Japanese as a subject of study had once more become vulnerable, especially at postgraduate level. The objective of the Studentship Programme, therefore, is to encourage the study of Japan at UK universities at masters and at PhD level through the provision of studentships to help the brightest and most promising students - the future Japan specialists.

In order to do this, The Nippon Foundation agreed to award a grant to the Great Britain Sasakawa Foundation of up to £1,530,000 over the 5-year period (2014-2018) so that it might provide UK universities with up to 30 postgraduate studentships per year (each worth £10,000) on the study of Japan. In 2019 the Nippon Foundation confirmed its intention to renew the programme for a further five years and for the ninth year (2022-2023) a grant of £320,000 was awarded to the Foundation by The Nippon Foundation in October 2021.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

IMPACT

"The support gained from the GB Sasakawa Foundation has an immense impact on Cambridge's ability to attract top talent from around the world, particularly gifted students from Europe and East Asia who otherwise would not have sufficient financial stability to pay the steep tuition fees now required. The Sasakawa scholarships are particularly vital for masters and PhD students who might normally be put off applying" – University of Cambridge

The Project's impact to date since its inception has been as follows: over 170 students have been supported by this grant who may not have been able to undertake these studies without our financial assistance. Students comprise just over half from UK and just under half from 25 different nationalities maintaining the UK's position as a global hub for Japanese Studies. The geographical spread of universities engaged with Japan teaching/research and nominating students has grown from 14 to 25 universities and there is a wide range of research areas within Japanese studies and other disciplines. Year 9 studentship payments were audited by request of the Nippon Foundation at the end of 2022 and a report provided to the Nippon Foundation.

6. Impact of Covid 19 Pandemic

The Covid19 pandemic continued to impact significantly on the grant programme in 2022, with restrictions on travel, nonetheless of the total number of grants awarded in 2022 to 144 projects, including 12 grants made via our Japan office, and 4 Butterfield Awards, the majority of projects went ahead as planned.

7. Public Benefit

In so far as the statutory objects, aims and activities of the Great Britain Sasakawa Foundation (as a wholly grant-giving charity) are to advance the education of the people of both the United Kingdom and Japan, as set out in paragraph 3 above, the trustees are satisfied that they fully comply with the duty in section 17 of the Charities Act 2011, namely to have due regard to the public benefit guidance published by the Charities Commission. This includes the guidance "public benefit: running a charity (PB2)". This is regularly reviewed by the Board of Trustees.

The public benefit of the Foundation's grant making activities is clearly identifiable in the examples given in the Foundation's achievements for the year, as outlined in paragraphs 4, 5 & 6 of this Report. The Foundation therefore benefits the public, or a sector of it, without imposing any restrictions. Applications, whether from institutions or from individuals, are accepted only when demonstrably consistent with the charitable objectives of the Foundation.

The trustees work on a voluntary basis and receive no benefits from the Foundation. Expenses reclaimed from the Foundation are set out in note 7 to the Financial Statements. The Foundation's Public Benefit Policy Statement is reviewed annually by the Board of Trustees.

8. Plans for the Future

The Foundation's future policy is to continue to pursue its current objectives and priorities in both countries, as outlined in paragraphs 3 - 6 above. In particular, it is committed to the continued support of Japanese studies in the UK through its Sasakawa Japanese Studies Postgraduate Studentship Programme.

It will achieve this by continuing to work in close cooperation with its principal partners, e.g.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

with other Sasakawa Foundations in Japan in shared areas of activity; with the Embassy of Japan in matters of cultural and education policy; with the Japan Foundation in its support of the Japanese language, Japanese studies and the arts; with the Japan Society for the Promotion of Science in scientific research; with NGOs and community organisations in issues affecting civil society; and with the Japan Society and the British Council in encouraging the younger generation to become better informed about Japan and the United Kingdom.

It will continue its policy of awarding grants annually to approximately 2.5% of its total fund, as valued over an average rolling three-year period, and to encourage a consistently high overall return on its original endowment, maximising that generated by its fund managers whilst protecting, as far as possible, the value in real terms of the initial and subsequent endowments.

9. Financial Review

The results for the year are set out in the Statement of Financial Activities on page 21.

9.1 Investment Powers and Reserves Policy

The Foundation's investment powers are drawn from the Articles of Association which permit investment as allowed by current law.

The Foundation has opted to divide its investment portfolio into two approximately equal halves and to appoint separate Investment Managers to handle each half. They are currently Cazenove Capital Management and CCLA. They handle the day-to-day management of the portfolio with discretionary powers within appropriate limits set by the Foundation. The Trustees meet with the investment managers on a regular basis to review their performance.

The Foundation maintains an Investment Policy Statement that documents its investment aims and the policies that guide its investment decision-making, following advice received from the Investment Managers. The Trustees review this document on an annual basis and approve changes, as needed.

To finance its activities the Foundation relies on the income and capital gains generated by its investments, and these are regarded as its long-term assets. Their purpose is to generate income and capital gains on a long-term basis that will maintain real value for funding the Foundation's charitable expenditure in perpetuity. Its investment portfolio is managed, therefore, on a long-term and on a total return basis. No annual income target is set for the Investment Managers. The Investment Managers are reviewed on a 5-year basis and in 2020 it was decided to replace Heartwood with CCLA's COIF Charities investment Fund, a specialist charity investment manager, from 2021.

During the 2021 year, the Trustees reviewed the performance of our Investment Managers, CCLA, and Cazenove in accordance with our practice, and in November 2021, £5,609,677.49 was transferred between funds at Cazenove from the MAIN to the RMAF (Responsibly Managed Asset Fund) in our move towards green investments. Overall, our investment managers have achieved an investment performance that met our targets over the medium term, preserving the real value of the endowments given to us and providing income to support our grant making activities.

In 2020, The Foundation received an Additional Endowment of £11.12 million. This is invested between the two Investment Managers and is for the Unrestricted funds grant Programme.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

The Foundation's Reserves Policy, as set out in the Investment Policy Statement, is to preserve and if possible, enhance the purchasing power of its portfolio assets, net of costs and approved withdrawals, over rolling five-year periods. This goal is synonymous with the pursuit of a time-weighted net return on portfolio assets that equals and if possible, exceeds cost inflation, as measured by the UK Consumer Price Index, plus the Foundation's long-term spending rate which Trustees have set at a maximum of 4.0%. It, therefore, sets its Investment Managers a net return target of CPI + 4% as measured over rolling five-year periods.

In order to achieve both reasonable stability in budgeting and a sound balance between short-term and longer-term spending priorities, the Trustees have accordingly adopted a long-term spending rule: the expendable amount in any given fiscal year is limited to 4.0% of the average Unrestricted Fund value measured on a three-year rolling basis (at the end of 2022 the Unrestricted Fund stood at £29.87 million), and 4.0% of the Endowment funds on a rolling three-year basis with the aim to spend approximately 2.5% on the grants programme. In view of the uncertain financial markets in recent times the Foundation has adopted, and is continuing to adopt, a flexible approach, when thought necessary.

9.2 Allocation of resources and grants

During the year, from its Unrestricted Fund, the Foundation aims to provide some financial assistance for appropriate projects put forward by applicants. This year 2022, 144 awards were made from the Unrestricted Fund (plus three cancelled) totalling £549,186. This included 12 awards totalling £48,430 made in Japan and 4 new and ongoing Butterfield Awards in science, medicine and health awards totalling £31,300 and 2 payments for JEST study tour.

The Foundation publishes and distributes an Annual Report, which gives details of all awards made in the year. It can be found on its website: www.gbsf.org.uk Hard copies are available from the Foundation's office upon request.

9.3 Investment Performance

The investment performance of the managers during the year (2022) was:

	<u>Total Return</u>
CCLA - COIF Fund (Charities Investment Fund)	-9.00%
CAZENOVE Capital Management	
– MAIN Fund	-6.40%
– RMAF Fund (Responsibly Managed Asset Fund)	-6.20%

This compares with the Foundation's target of CPI+4% that, over the same period, was 14.51%.

Over the five years to 31 December 2022 the annualised total return achieved was:

	<u>Total Return</u>
CCLA - COIF Fund (Charities Investment Fund)	+7.48%
CAZENOVE Capital Management	
– MAIN Fund (5 years)	+3.20%
– RMAF Fund (Responsibly Managed Asset Fund) (3 years)	+4.80%

This compares with the Foundation's target of CPI+4% that, over the same period, was an annualised 7.93%.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

Performance figures are shown net of investment management charges, which have been offset against capital. In 2022 we are showing the performance of our two funds with Cazenove separately to reflect our move towards more sustainable investment in their Responsibly Managed Asset Fund (RMAF). As we joined RMAF midway in 2019, the aggregate is showing for 3 full years ie 2020-2022. Trustees are aware of the overall performance for 2022, and the factors affecting it and are monitoring closely. Early signs of recovery in 2023 give optimism that performance will be more positive in 2023.

10. Statement of Responsibilities of Trustees

The trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the preparation of financial statements for each financial year that give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources including the income and expenditure for that period. In preparing those financial statements, Trustees are required to: -

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

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

In so far as Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

11. Auditor

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditor for the ensuing year.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

12. **Small Company Exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

BY ORDER OF THE BOARD



25/05/23

EARL OF ST ANDREWS, Chairman

THE GREAT BRITAIN SASAKAWA FOUNDATION

REFERENCE INFORMATION

Charity Number	290766
Company Number	1867362
Chairman:	The Earl of St Andrews
Vice-Chairman:	Joanna Pitman
Treasurer:	J L Scott FCA
Chief Executive and Company Secretary:	Jenny L White
Accountants:	Moore Kingston Smith LLP 6 th Floor, 9 Appold Street London EC2A 2AP
Auditor:	Moore Kingston Smith LLP 6 th Floor, 9 Appold Street London EC2A 2AP
Bankers:	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment Managers:	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET Cazenove Capital Management Limited 1 London Wall Place, London EC2Y 5AU
Solicitors:	Farrer & Co 65-66 Lincoln Inn Fields, London WC2A 3LH
Administration and Registered Office:	24 Bedford Row London WC1R 4TQ
Tokyo Liaison Office:	Sasakawa Peace Foundation Building 1-15-16 Toranomon Minato-ku Tokyo 105-0001 Japan

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION

Opinion

We have audited the financial statements of The Great Britain Sasakawa Foundation ('the company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (continued)

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 13 and 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (continued)

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (continued)

risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Luke Holt (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date:

THE GREAT BRITAIN SASAKAWA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

INCOME AND ENDOWMENTS FROM:	Notes	Unrestricted Funds	Restricted fund	Endowment Funds (Including unapplied total return)	2022 Total Funds	2021 Total Funds
		£	£	£	£	£
Investments	2	958,167	-	306,819	1,264,986	1,123,587
Charitable activities	13	-	320,000	-	320,000	330,000
Total		958,167	320,000	306,819	1,584,986	1,453,587
EXPENDITURE ON:						
Raising funds						
Investment management	5	55,884	-	17,895	73,779	93,660
Charitable activities						
Grant making	3	695,971	326,364	-	1,022,335	790,462
Total (losses)/gains		751,855	326,364	17,895	1,096,114	884,122
Net (loss)/income on investments	9	(3,584,280)	-	(1,147,740)	(4,732,020)	4,879,809
Net (loss)/income for the year		(3,377,968)	(6,364)	(858,816)	(4,243,148)	5,449,274
OTHER RECOGNISED LOSSES						
Foreign exchange losses		3,482	-	-	3,482	(9,897)
Transfer between Funds	13	-	-	-	-	-
NET MOVEMENT IN FUNDS		(3,374,486)	(6,364)	(858,816)	(4,239,666)	5,439,377
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		33,244,497	9,141	13,327,691	46,581,329	41,141,952
TOTAL FUNDS CARRIED FORWARD	13&14	29,870,011	2,777	12,468,875	42,341,663	46,581,329

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account other than the capital receipt of £ 11,120,996 for the Endowment. There are no recognised gains or losses for the current financial year and the preceding financial year other than as stated in the income and expenditure account. All of the above incoming resources are derived from continuing activities.

The Notes on Pages 25 to 36 form part of these financial statements.

THE GREAT BRITAIN SASAKAWA FOUNDATION

BALANCE SHEET AS AT 31 DECEMBER 2022

	<u>Notes</u>	<u>2022</u>	<u>2021</u>
		£	£
FIXED ASSETS			
Tangible assets	8	-	-
Investments	9	41,493,223	45,850,784
		<u>41,493,223</u>	<u>45,850,784</u>
CURRENT ASSETS			
Debtors	11	263,091	230,946
Cash at bank and in hand		1,407,389	1,327,960
		<u>1,670,480</u>	<u>1,558,906</u>
CREDITORS: amounts falling due within one year	12	<u>(822,040)</u>	<u>(828,361)</u>
NET CURRENT ASSETS		<u>848,440</u>	<u>730,545</u>
TOTAL NET ASSETS		<u><u>42,341,663</u></u>	<u><u>46,581,329</u></u>
RESERVES			
Restricted Funds	13 & 14	2,777	9,141
Endowment Funds	14	12,468,875	13,327,691
Unrestricted Funds	14	29,870,011	33,244,497
TOTAL FUNDS		<u><u>42,341,663</u></u>	<u><u>46,581,329</u></u>

These financial statements were approved by the Board of Trustees on (DATE)

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 related to small companies.

Signed on behalf of the Board of Trustees

EARL OF ST ANDREWS  25/05/23

J L Scott  Trustees 25/05/23

The notes on pages 25 to 36 form part of these financial statements.

Registered Company No: 01867362

THE GREAT BRITAIN SASAKAWA FOUNDATION

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2022**

	2022	2021
	£	£
Cash flow/(outflow) from operating activities		
Net cash provided by/(used in) operating activities	(753,175)	(689,125)
Cash flows from investing activities		
Investment income and interest received	1,193,853	1,123,587
Proceeds from disposal of fixed asset investments	3,310,744	8,655,427
Acquisition of fixed asset investments	(3,671,993)	(19,847,005)
	<u>832,604</u>	<u>(10,067,991)</u>
Net (decrease)/increase in cash and cash equivalents	79,429	(10,757,116)
Cash and cash equivalents at beginning of year	1,327,960	12,085,076
Cash and cash equivalents at end of year	<u>1,407,389</u>	<u>1,327,960</u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2022	2021
	£	£
Net income	(4,239,666)	5,439,377
Adjustments for:		
Depreciation charges	-	-
Net gains on investments	4,789,943	(4,879,809)
Investment income	(1,264,986)	(1,123,587)
(Increase)/Decrease in debtors	(32,145)	(155,802)
Increase in creditors	(6,321)	30,696
Net cash provided by/(used in) operating activities	<u>(753,175)</u>	<u>(689,125)</u>

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(a) Scope of the financial statements

The financial statements present the Statement of Financial Activities (SOFA), the Balance Sheet and the Statement of Cash Flows.

(b) Accounting convention

The Foundation's financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

The Foundation is a public benefit entity for the purposes of FRS 102 and a registered charity. The Foundation has therefore also prepared its financial statements in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the investments, which are stated at middle market value, with movements in value reported within the Statement of Financial Activities (SOFA). The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

(c) Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the Foundation's forecasts and projections and have taken account of pressures on grants, donation and investment income. After making enquiries the trustees have concluded that there are no material uncertainties with respect to the Foundation's ability to continue as a going concern and there is a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

The total number of grants awarded in 2022 to 144 projects were made from the Unrestricted Fund (plus three cancelled) totalling £549,186 This included 12 awards totalling £48,430 made in Japan and 4 new and ongoing Butterfield Awards in science, medicine and health awards totalling £31,300.

(d) Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

Useful Economic Lives - The annual depreciation charge for office furniture, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

1. Accounting policies (continued)

(e) Tangible fixed assets

All tangible fixed assets are capitalised at cost, which is their purchase cost together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on:

Office furniture, fittings, and equipment - 20% straight line.

(f) Fixed asset investments

Investments are stated in the accounts at market value.

(g) United Kingdom interest and investment income receivable

All income is recognised once the Foundation has entitlement to the income, the economic benefit is probable, and the amount can be reliably measured.

Income from investments and interest, inclusive of any UK tax deducted, which is recoverable, is included in the statement of financial activities in the accounting period in which it is receivable.

(h) Foreign interest and investment income

Income from investments and interest is included in the statement of financial activities in the accounting period in which it is receivable in the United Kingdom. Where relevant this is net of any foreign withholding taxes, which are not recoverable.

(i) Charitable activities income

Income from grants is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

(j) Foreign currencies

The functional and presentational currency of the Foundation is the pound sterling.

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA and form part of the Unrestricted Fund.

(k) Taxation

No provision for taxation is made in the accounts, as the Foundation is a charity, as defined by section 519 of the Income Tax Act 2007.

(l) **Resources expended**

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. The costs in respect of investment management are those in relation to the Foundation's investment portfolios, whilst charitable support are those related to administering the award process and governance relate to compliance with constitutional and statutory requirements. Costs common to the three categories are apportioned in accordance with the estimated amount of staff time spent in each area.

Grants awarded that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

(m) **Fund Accounting**

The Unrestricted Fund represents all funds held by the Foundation, other than the Restricted Fund, which may be used at the discretion of the Board of Trustees in furtherance of the charitable objects of the Foundation.

During 2021, The Additional Endowment received in 2020 was added to the existing investment funds currently held, and a total return investment strategy applied from 1 January 2021. The Foundation can invest its endowments without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can either be retained for investment or released to income at the discretion of the Trustees.

The Restricted Funds relate to the Programme for the Support of Japanese Studies at UK Universities and previously to the Chatham House Conference Programme and can only be expended in furtherance of these two projects (including their management and administration). However, as agreed with the Nippon Foundation, income derived from these funds form part of the Unrestricted Fund.

(n) **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

(o) **Financial instruments**

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. **Investment income**

The contributions of the various activities of the Foundation to income are set out below: -

Year to 31 December 2022

	<u>Restricted</u> <u>Fund</u> £	<u>Unrestricted</u> <u>Fund</u> £	<u>Endowment</u> <u>Funds</u> £	<u>2022</u> £
Interest on bank deposit accounts	-	3,709	1,188	4,897
Dividends from equities and other securities	-	954,458	305,631	1,260,089
	<u>-</u>	<u>958,167</u>	<u>306,819</u>	<u>1,264,986</u>

Year to 31 December 2021

	<u>Restricted</u> <u>Fund</u> £	<u>Unrestricted</u> <u>Fund</u> £	<u>Endowment</u> <u>Funds</u> £	<u>2021</u> £
Interest on bank deposit accounts	-	941	560	1,501
Dividends from equities and other securities	-	703,099	418,987	1,122,086
	<u>-</u>	<u>704,040</u>	<u>419,547</u>	<u>1,123,587</u>

3. **Grant making**

This comprises the following: -

Year to 31 December 2022

	<u>Unrestricted</u> <u>Fund</u> £	<u>Restricted</u> <u>Funds</u> £	<u>2022</u> £
Awards payable (see note 4 below)	474,971	300,000	774,971
Support costs (see note 5 below)	221,000	26,364	247,364
	<u>695,971</u>	<u>326,364</u>	<u>1,022,335</u>

Year to 31 December 2021

	<u>Unrestricted</u> <u>Fund</u> £	<u>Restricted</u> <u>Funds</u> £	<u>2021</u> £
Awards payable (see note 4 below)	248,109	300,000	548,109
Support costs (see note 5 below)	214,651	27,702	242,353
	<u>462,760</u>	<u>327,702</u>	<u>790,462</u>

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2022 – (continued)

4. Awards payable

The awards payable were for charitable purposes in pursuance of the Foundation's objects. The awards payable for the year comprise: -

Year to 31 December 2022	Unrestricted Fund £	Restricted Funds £	2022 £
Awards granted during the year	549,186	300,000	849,186
Adjustments in respect of awards granted in prior years	(74,215)	-	(74,215)
	<hr/>	<hr/>	<hr/>
Awards payable	474,971	300,000	774,971
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Year to 31 December 2021	Unrestricted Fund £	Restricted Funds £	2021 £
Awards granted during the year	267,256	300,000	567,256
Adjustments in respect of awards granted in prior years	(19,147)	-	(19,147)
	<hr/>	<hr/>	<hr/>
Awards payable	248,109	300,000	548,109
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. Analysis of charitable expenditure

Other resources expended are made up as follows: -

Year to 31 December 2022	Investment Management £	Charitable Support Costs £	Governance £	Total 2022 £
Investment management fees	51,628	-	-	51,628
Staff costs (see note 6(b) below)	6,085	93,629	51,033	150,747
Legal and professional fees	1,905	5,971	12,328	20,204
Costs of Management Council Meetings	87	481	746	1,314
Other administrative expenses	1,211	19,698	7,231	28,140
Office rents and services	1,074	22,992	8,780	32,846
	<hr/>	<hr/>	<hr/>	<hr/>
	61,990	142,771	80,118	284,879
Direct governance costs				
Auditors remuneration: Current year	-	-	9,900	9,900
	<hr/>	<hr/>	<hr/>	<hr/>
	61,990	142,771	90,018	294,779
Allocation of governance support cost	11,789	78,229	(90,018)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	73,779	221,000	-	294,779
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. Analysis of charitable expenditure (continued)

Year to 31 December 2021	Charitable			Total 2021
	Investment Management	Support Costs	Governance	
	£	£	£	£
Investment management fees	69,531	-	-	69,531
Staff costs (see note 6(b) below)	5,699	88,845	48,949	143,493
Legal and professional fees	2,019	7,872	13,234	23,125
Costs of Management Council Meetings	241	982	1,249	2,472
Other administrative expenses	2,078	31,961	11,622	45,661
Office rents and services	1,443	28,789	10,895	41,127
	<u>81,011</u>	<u>158,449</u>	<u>85,949</u>	<u>325,409</u>
Direct governance costs				
-Auditors remuneration: Current year	-	-	10,604	10,604
	<u>81,011</u>	<u>158,449</u>	<u>96,553</u>	<u>336,013</u>
Allocation of governance support cost	12,649	83,904	(96,553)	-
	<u>93,660</u>	<u>242,353</u>	<u>-</u>	<u>336,013</u>

As explained in Note 2 the Foundation has decided to move all its investments into Umbrella Funds managed by our two Investment Advisors. As a consequence, this reduces the explicit investment management charges levied on the Foundation as the investment charges are embedded within the unit price of the units in the Umbrella Funds. Where possible we have obtained details of the embedded investment charges and have included these in the Investment management fees line above, and added them to the Net gains/(losses) on investments (Note 9).

CCLA's management fee is charged to the COIF Investment Fund, therefore technically these are not charged directly to individual unit holders but charged to the Fund. Therefore, paragraph 4.48 of the Charities SORP states that charities are not expected to prorate investment management fees charged to a collective investment scheme to identify the notional cost attributable to its own holding in the scheme.

The annual management charge (AMC) of 0.74% and the total cost of 1.0% (which includes the AMC, along with irrecoverable VAT, legal, audit, custody and other third-party costs) are deducted from capital, therefore, no invoice is issued. After adjusting a rebate of 0.15%, the annual management charge can be described as 0.59% and the total cost as 0.85%.

In addition to the Audit Fee referred to above, there is £13,620 included in Legal and Professional fees that relates to bookkeeping and accountancy work carried out by the audit firm (2021 - £13,860).

6. Employee information

- (a) The average number of persons employed by the Foundation during the year was 3 (2021 – 3).
 (b) Employment costs - all employees

	<u>2022</u>	<u>2021</u>
	£	£
Aggregate gross wages and salaries paid to the Foundation's employees	126,140	121,128
Employer's national insurance contributions, or foreign equivalents	21,639	19,851
Provision for retirement allowance for a member of staff	(1,728)	(2,045)
Staff pension	4,696	4,559
	-----	-----
	150,747	143,493
	=====	=====

- (b) The emoluments of one member of staff, including benefits in kind, are within the range of £60,000 to £69,999 (2021 - None).
 (c) Pension contributions for the year amounted to £2,932 (2021 - £2,655) for the above employee.
 (d) The Foundation considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £69,064 (2021 - £65,772).
 (e) The Foundation began a workplace pension scheme in April 2017.

7. Council Members' Expenses

- (a) No remuneration was paid to any trustee (2021 - nil).
 (b) Expenses totalling £870 (2021 - £1,955) were reimbursed to 2 (2021 - 4) UK trustees in respect of travel and other expenses incurred by them.
 (c) Travel allowances totalling £420 (2021 - £65) were paid to 3 (2021 – 1) Japan trustee members in respect of their attendance at meetings

8. Tangible fixed assets

Office Furniture, Fittings and Equipment

<u>Cost</u>	£
At 1 January 2022 and 31 December 2022	7,606
<u>Accumulated Depreciation</u>	
At 1 January 2022	7,606
Charge for year	-

At 31 December 2022	7,606
	=====
Net book value at 31 December 2022	-----
	=====
Net book value at 31 December 2021	-----
	=====

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2022 – (continued)

9. Fixed asset investments

	<u>2022</u> £	<u>2021</u> £
(a) The movements during the year were as follows:-		
Middle market value at 1 January	45,850,784	29,779,397
Additions at cost	3,687,820	19,847,005
Disposals at open market value (Proceeds £3,310,744 realised loss £109,002)	(3,419,746)	(8,248,717)
Unrealised gains on revaluation at 31 December	(4,625,635)	4,473,099
	<hr/>	<hr/>
Middle market value at 31 December	41,493,223	45,850,784
	<hr/> <hr/>	<hr/> <hr/>
Cost at 31 December (see note 9(d) below)	41,105,665	40,553,106
	<hr/> <hr/>	<hr/> <hr/>

(b) Analysis of listed investments

	<u>2022</u> £	<u>2021</u> £
Equities, Unit Trusts/OEICs	41,493,223	45,850,784
	<hr/>	<hr/>
	41,493,223	45,850,784
	<hr/> <hr/>	<hr/> <hr/>

(c) As at 31 December, the following investment represented more than 5% of the total investments as follows:-

Year to 31 December 2022	<u> Holding</u> <u> 2022</u>	<u> Market Value</u> <u> 2022</u> £
Unit Trusts/OEICs		
Cazenove Charity Responsible M-A Fund	19,356,859	10,311,399
CCLA COIF Charity Funds	1,155,197	20,995,582
Year to 31 December 2021	<u> Holding</u> <u> 2021</u>	<u> Market Value</u> <u> 2021</u> £
Unit Trusts/OEICs		
Cazenove Charity Responsible M-A Fund	N/A	3,130,333
CCLA COIF Charity Funds	1,153,429	23,721,890

(d) The cost shown above represents the original cost as adjusted to take account of subsequent investment transactions.

10. Statement of investment total return

The Trustees have adopted a duly authorised policy of total return accounting for the permanent endowment element of the investment returns with effect from 1 January 2021.

	Permanent Endowment		
	Trust for Investment £	Unapplied Total Return £	Total £
At the beginning of the year:			
Gift component of the permanent endowment	11,120,996	-	11,120,996
Unapplied total return	-	2,206,695	2,206,695
Total endowments	11,120,996	2,206,695	13,327,691
Movements in the reporting period:			
Investment return: Total investment income	-	306,819	306,819
Investment return: realised and unrealised gains and losses	-	(1,147,740)	(1,147,740)
Less: Investment management costs	-	(17,895)	(17,895)
Total	-	(858,816)	(858,816)
Unapplied total return allocated to income in the reporting period			
Net movements in the reporting period	-	(858,816)	(858,816)
At end of the reporting period:			
Gift component of the permanent endowment	11,120,996	-	11,120,996
Unapplied total return	-	1,347,879	1,347,879
Total Endowments	11,120,996	1,347,879	12,468,875

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2022 – (continued)

11. <u>Debtors</u>	<u>2022</u>	<u>2021</u>
	£	£
Dividends receivable	177,329	175,663
Prepayments	7,008	2,936
Other debtors	78,754	52,347
	<hr/>	<hr/>
	263,091	230,946
	<hr/> <hr/>	<hr/> <hr/>

In both 2022 and 2021, all debtors at the year end were included in the unrestricted fund.

12. <u>Creditors - amounts falling due within one year</u>	<u>2022</u>	<u>2021</u>
	£	£
Awards payable	400,243	405,477
Other creditors	68,277	69,066
Accruals	353,520	353,818
	<hr/>	<hr/>
	822,040	828,361
	<hr/> <hr/>	<hr/> <hr/>

At 31 December 2022 there was a taxation and social security creditor of £2,904 (2021 - £1,296) and a pension creditor of £604 (2021 - £604) and MKS fee payable £450 (2021: nil).

In both 2022 and 2021, all creditors at the year end were included in the Unrestricted Fund, other than £330,000 of deferred income from the Nippon Foundation.

13. Reserves

Restricted Funds

There have been two Restricted Fund Programmes from the Nippon Foundation. One for the Chatham House Conference, now closed, (2022: £Nil). The Chatham House Conference Surplus Funds of £134,707 were returned to The Nippon Foundation in June 2020. During the year 2021, the opening balance of £13,328 related to the Chatham House Conference Programme was transferred to unrestricted reserves as agreed with the Nippon Foundation, as income derived from these funds form part of the Unrestricted Fund.

The Nippon Foundation also awarded a restricted grant of £320,000 (2021: £330,000) for the Sasakawa Japanese Studies Postgraduate Studentship Programme Year 9. The Studentship programme is the only Restricted fund that is still active.

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2021 – (continued)

13. Reserves (continued)

Year to 31 December 2022	Balance 01.01 2022	Funds Received	Funds Expended	Transfers in/(out)	Balance 31.12 2022
	£	£	£	£	£
Sasakawa Japanese Studies Postgraduate Studentship Programme	9,141	320,000	326,364	-	2,777
	<u>9,141</u>	<u>320,000</u>	<u>326,364</u>	<u>-</u>	<u>2,777</u>

Year to 31 December 2021	Balance 01.01 2021	Funds Received	Funds Expended	Transfers in/(out)	Balance 31.12 2021
	£	£	£	£	£
Chatham House Conference Programme	13,328	-	-	(13,328)	-
Sasakawa Japanese Studies Postgraduate Studentship Programme	6,843	330,000	327,702	-	9,141
	<u>20,171</u>	<u>330,000</u>	<u>327,702</u>	<u>(13,328)</u>	<u>9,141</u>

14. Allocation of Net Assets between Funds

Year to 31 December 2022	Unrestricted Fund	Endowment Fund	Restricted Funds	Total Funds
	£	£	£	£
Fixed Assets				
Tangible assets	29,161,542	12,331,681	-	41,493,223
Current assets	1,210,509	137,194	322,777	1,670,480
Current liabilities	(502,040)	-	(320,000)	(822,040)
	<u>29,870,011</u>	<u>12,468,875</u>	<u>2,777</u>	<u>42,341,663</u>

Included in the total Endowment Fund balance at 31 December 2022 is £1,347,879 that relates to unapplied total returns. See note 10 for further details.

14. **Allocation of Net Assets between Funds (continued)**

Year to 31 December 2021	<u>Unrestricted Fund</u> £	<u>Endowment Fund</u> £	<u>Restricted Funds</u> £	<u>Total Funds</u> £
Fixed Assets				
Tangible assets	32,907,667	12,943,117	-	45,850,784
Current assets	865,191	384,574	309,141	1,558,906
Current liabilities	(528,361)	-	(300,000)	(828,361)
	<hr/>	<hr/>	<hr/>	<hr/>
	33,244,497	13,327,691	9,141	46,581,329
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

15. **Members' Guarantee**

The guarantee given by the members of the Foundation is £1 per member in the event of there being a deficiency of assets should the Foundation be wound up, 2022 - 11 members (2021 - 11 members).

16. **Commitments under Operating Leases**

The Foundation has annual commitments of £16,500 per annum that expires in June 2025 in respect of an operating lease for premises, Details mentioned below:

Details	Amount
Amounts due within one year	16,500
Amounts between 1 year and 5 years.	41,250
Total	57,750

17. **Related Party Transactions**

	2022 £	2021 £
Received from The Nippon Foundation	320,000	330,000
Annual corporate membership paid to Japan Society	350	350
	<hr/>	<hr/>
	320,350	330,350

In 2022 the Foundation received a further £320,000 (2021 - £330,000) from The Nippon Foundation for the support of the Japanese Studies and Chatham House Conference programmes, as joint initiative with the Nippon Foundation. In addition, in 2020, the Foundation received £11,120,996 from the Nippon Foundation as an additional endowment. The endowment will continue to be used to generate returns to further the purposes of the Foundation.

In 2022, the Foundation paid £350 (2021: £350) to The Japan Society in relation to an annual corporate membership. One of the Trustees of the Foundation was a director of The Japan Society but has since retired.

One member of the Board of Trustees is a Special Advisor to, and one is a Trustee of The Nippon Foundation.

THE GREAT BRITAIN SASAKAWA FOUNDATION

England & Wales - Charity number 290766

Accounts

THE GREAT BRITAIN SASAKAWA FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 DECEMBER 2021

Registered Charity No. 290766
Registered Company No. 1867362

Registered Office:
24 Bedford Row
London WC1R 4TQ

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

1. Reference and Administrative Information

Reference and administrative information is set out on page 15 of this Report.

2. Structure, Governance and Management

2.1 Background and Constitution

The Great Britain Sasakawa Foundation was established in 1985 to develop and maintain good relations between the United Kingdom and Japan by advancing the education of the people of both nations in each other's culture, society and achievements.

It is registered as a charity with the Charity Commissioners for England and Wales (registration number 290766).

It was incorporated on 20 November 1984 in England and Wales under the Companies Act as a company limited by guarantee and not having a share capital (company number 1867362).

2.2 Initial Fund

The Foundation was financed by a donation of Yen 3 billion received upon its establishment in 1985 from the Japan Shipbuilding Industry Foundation (now The Nippon Foundation), under the Chairmanship of the late Mr. Ryoichi Sasakawa. This original donation may be applied to any of the objectives of the Foundation.

2.3 Trustees

Trustees listed below are, for the purposes of charity law, trustees of the Foundation and, for the purpose of company law, directors of the Foundation.

All Trustees, unless otherwise stated, served throughout the year and at the date of signing this report are:

The Earl of St Andrews (Chairman)
Joanna Pitman (Vice Chair)
Jeremy Scott FCA (Treasurer)
Professor David Cope
Ambassador Hiroaki Fujii
Professor Janet Hunter
Professor Yuichi Hosoya
Professor Izumi Kadono
Professor Yoriko Kawaguchi
Tatsuya Tanami
Professor Ryuichi Teshima

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

2.4 Appointment and Re-appointment of Trustees

Trustees are elected by the Foundation at the Annual General Meeting and one third of them retire by rotation each year. Potential new trustees are identified by existing trustees and/or by recommendations. Candidates will be distinguished people who have personal or professional connections with UK-Japan relations and whose background and experience provide the balance of skills needed to guide and manage the affairs of the Foundation.

2.5 Induction and Training of Trustees

Induction for new trustees is organised by the Foundation's Chief Executive. In addition to knowledge gained through attendance at meetings, trustees are provided with initial briefing material on their legal obligations under charity and company law and on the content of the Articles of Association. They are also given guidance from the Foundation's advisors on the aims of the Foundation and on their statutory duties.

2.6 Organisation and Management Personnel

The Foundation operates through its main office in London and its liaison office in Tokyo. The day-to-day management of the Foundation is under the sole control of the Chief Executive (CEO), based in London. The CEO supervises the work of two administrative members of staff - one in London and one in Tokyo. Remuneration of all three staff is determined by the Trustees on advice from the Treasurer and CEO. The CEO carries out the Foundation's policies, as determined by trustees at Board meetings and at the Annual General Meeting, subject to the constraints of Standing Orders. Trustees meet at least three times a year, in addition to committee meetings, in order to review policy, to monitor investments and to determine the recipients of awards.

2.7 Grants

Applications for awards are received in both the UK and Japan for projects that meet the Foundation's objectives. Awards committees meet in each country two or three times each year. In assessing applications trustees take into account any unique or innovative aspects of the project and the extent to which they will have a wide or lasting impact and are consistent with the objectives of the Foundation.

An application form and further details of the application process are on the Foundation's website, www.gbsf.org.uk.

2.8 Risk Management

Trustees assess the risks facing the Foundation and review the effectiveness of the controls to monitor and to mitigate them. A Risk Management Register is maintained and reviewed annually at Board meetings.

The key controls used by the Foundation include:

- Formal agendas for all Board meetings
- Strategic planning, budgeting and management accounting
- Formal written policies, including Standing Orders
- Clear authorisation and approval levels

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

The principal risk for the Foundation lies in maintaining and protecting the value in real terms of its endowed funds in order to generate, on a long-term basis, a consistently high overall return on its original endowment. This risk is mitigated by the appointment of experienced fund managers; by internal controls that allow close and regular monitoring of fund managers' performance against benchmarks; by the Foundation's requirement of its fund managers to re-tender on a competitive basis periodically for appointment, and by twice-yearly Finance and Investment meetings that formally review investment performance and policy and include one-to-one presentations by the fund managers.

3. **Statutory Objects**

The statutory objects of the Foundation, as defined in its Articles of Association, are 'to advance the education of the citizens of the United Kingdom and the citizens of Japan in each other's institutions, people, history, language, culture and sport, in science and technology, medicine and health and also in each other's intellectual, artistic and economic life'.

The main vehicle through which the Foundation aims to pursue these objects is by providing financial support in the form of grants towards a wide range of activities and projects that serve to enhance mutual understanding between the people of the United Kingdom and Japan. Typically, these activities include exhibitions, performances, exchanges, conferences, research, educational and cultural events, and publications in the following fields: -

- Arts and Culture
- Humanities and Social Issues (including Japanese Studies)
- Science, Technology and Environment
- Japanese Language
- Youth and Education
- Medicine and Health
- Sport

4. **Achievements and Impact**

The Foundation requires post-project reports from each of its grantees so that it can evaluate the overall impact of all projects that it funds and the extent to which they contribute to the Foundation's grant-making objectives. The objectives for the year under review are set out below in paras 4.1 to 4.9 with specific examples.

In 2021 the Foundation encouraged and supported projects that:

4.1 **Reached a wide audience and had a broad impact**

#5953 the British Museum for publication of the catalogue for the exhibition 'Hokusai: The Great Picture Book of Everything'

IMPACT: On public display for the first time in the world, an exhibition of over 100 rare drawings by the artist Katsushika Hokusai received extensive press coverage and high numbers of attendance, with 70,000 visitors and tickets sold out to the end of its run. The drawings produced in the 1820s – 1840s were originally intended for an illustrated encyclopedia that was never made, and support from the Foundation allowed for an accompanying exhibition book to be produced, publishing these works for the first time. The interest in the works resulted in a second print run of the book to be made before the exhibition even opened and allowed for the beautiful drawings to be enjoyed by audiences beyond the exhibition itself.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

#5951 an exhibition of work by Japanese American artist Isamu Noguchi at the Barbican Centre

IMPACT: An extensive retrospective featured over 150 works by the artist covering a range of disciplines, including sculptures, furniture, and lighting, offering a full portrait of his career. A grant was awarded towards transportation of some of these pieces, so they could be appreciated by visitors in person and further demonstrated the broad reach of his work. While the exhibition itself garnered five-star reviews, an events programme and online short films ensured an even wider audience. The success of the exhibition saw its run extended by two weeks, allowing more people a chance to enjoy the artworks.

4.2 Worked in partnership and created new relationships

#5955 dance workshops hosted by Fabula Collective for early career Japanese dancers

IMPACT: Coinciding with the production of their dance show 'HUMAN.' at New National Theatre, Tokyo, co-produced with HiWood, a grant was awarded to Fabula Collective to develop a creative network of Japanese artists through dance workshops. They were introduced to 20 dancers in Japan they had not met before, allowing them to grow their creative ambitions and audiences and create links with artists for future UK-Japan projects whilst also developing the dancers' skills. The organisers hope to use this model going forward to expand their networks, including workshops with a venue in Kansai and collaborating again with HiWood for a new production involving UK and Japanese dancers with performances in both countries.

#6001 an international conference exploring cultural connections between the visual and material cultures of Scotland and Japan

IMPACT: The Scottish Society for Art History in partnership with the National Museum of Japanese History worked together to host a two-day conference, bringing together academics, researchers, curators and artists from Scotland and Japan. Building upon increasing interest in and awareness of Japanese collections in Scotland, a grant supporting this hybrid event allowed over 160 participants to join in-person at National Museums Scotland in Edinburgh or online, with topics covering the history of Japanese arts and craft practices, the influence of Japanese art and design on Scotland, and past and present collaborations and exchange between them both. A selection of papers will be published in the Journal of the Scottish Society for Art History, with a launch event in early 2023 an opportunity for contributors to come together again, share new research and engage in further discussion.

4.3 Involved the younger generation

#5948 Online architecture and design workshops between spudYOUTH and Daikanyama Teens, with support towards exchange visits and exhibitions

IMPACT: An online exchange programme between spudYOUTH based in Sway, New Forest, and Daikanyama Teens in Tokyo has engaged young people in both countries to develop new design skills, try out architectural model-making and learn more about each other's cultures. Over the past year, students have been given the freedom to redesign their own arts centres, explaining ideas and sharing plans, before completing scale models of each other's buildings, to then be exhibited in the UK and Japan. Support from the Foundation will be used to allow the UK students the opportunity to visit their counterparts in Japan to spend time with their online collaborators in person and reflect on their achievements.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

#5980 Clifton Scientific Trust for the 2021 UK-Japan Young Scientist Workshop, held online for the first time

IMPACT: The annual UK-Japan Young Scientist Workshop was cancelled in 2020 due to the pandemic, but in 2021, the workshop was held online, with 46 British and Japanese students participating. Despite the time zone difference, students were able to collaborate together over four days in July, working with scientists and facilitators from Cambridge, Kyoto and Tohoku Universities, Imperial College London and the Naked Scientist Team. Their projects covered a range of scientific areas, from climate change and nuclear energy, to emergency planning for future earthquakes and tsunamis. Although it is hoped that in-person workshops can resume in 2022, the online format, with breakout rooms, presentations and introductory sessions for both students and teachers, proved to be a success, breaking new ground and delivering beyond expectations.

#J824 Kanazawa Art Promotion and Development Foundation (21st Century Museum of Contemporary Art, Kanazawa): Project: "LOOK OUT / Kanazawa"

IMPACT: Artists from UK and 10 local children (4th to 6th grade, age 9 to 12 years) participated in a live performance, "RADIO Lookout". This project was held online due to the pandemic of COVID-19. The artists (Andy Field and Beckie Darlington) and the children worked together for two weeks through workshops, where they discussed social issues and created a 45 minute radio programme. (Workshops were held from 6 -16 December 2021)

10 children became a radio DJs and broadcasted a live streaming programme from a specially designed satellite radio station in the Museum for 2 days. (18 – 19 December 2021) This live performance through the radio enabled the children to think, discuss and work together to envisage the future of their city, and the society they live in, in 30 years, 60 years and 90 years' time. The project invited adult listeners to join an exchange conversation with the children to reflect on their relationship to the city. The show was broadcast 3 times a day, and 50 people participated as the audience for each show.

The children who took part in the programme are now looking forward to making an online-exchange with children all over the world including the UK, to discuss their future together. (The project LOOK OUT has been presented in more than 10 countries since 2015.)

4.4 Took place outside the major cities and in regional locations

#5926 Lakeland Arts for their exhibition 'The Lure of the Floating World' at Blackwell, The Arts and Crafts House

IMPACT: The exhibition explored connections between traditional Japanese design and the British arts and crafts movement, as part of a wider programme of activity entitled 'House of the Setting Sun'. Support from the Foundation focused on mounting and installation costs, including woodblock prints by the likes of Kuniyoshi and Hokusai, as well as its centrepiece, an exquisitely embroidered Edo period kimono and obi. Despite Covid restrictions, the exhibition welcomed 11,000 visitors, with a Yokai monster trail created for younger visitors, a weekly arts club for children, and a collaboration with Kendal College art students on work inspired by the kimono. As a result of the exhibition, Lakeland Arts' Japanese collection is now better researched, conserved, and catalogued than before, allowing for them to display the pieces more easily in future and make them available to researchers.

#5977 South Derbyshire District Council for forest bathing sessions and a Japanese Trail at Rosliston Forestry Centre

IMPACT: With the pandemic forcing the public to stay at home during lockdown, the benefits of engaging with nature and experiencing the outdoors has become increasingly recognised. A grant was awarded to support training and sessions in 'shinrin-yoku', the Japanese practice of forest bathing, at Rosliston Forestry Centre, which would work in

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021
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conjunction with guided walks of their Japanese trail. The sessions offered a chance for participants to learn more about local links with Toyota City, to engage with aspects of Japanese culture, and to improve their mental health and wellbeing. With the team now trained to deliver these sessions, the project is ongoing and the links with Japan can continue in the future.

4.5 Promoted contemporary life and culture in both countries

#5960 Queer East film festival with Japanese film screenings in London, and other UK cities

IMPACT: Cinema remains a key way for audiences to learn about and experience other countries, societies, and cultures. A grant was awarded to Queer East, an LGBTQ+ film festival, for their Focus Japan strand, featuring screenings of Japanese films which provided a reflection of the country's queer cinema. The broad range of films included a UK premiere, a documentary, anime, shorts, and modern classics, while filmmakers and experts joined panel discussions discussing women in film, queer film festivals and fighting for LGBTQ+ rights. Following the success of its London edition, highlights of the programme toured other UK venues, including Birmingham, Manchester, Reading, Edinburgh, and Sheffield, ensuring an even wider audience could enjoy these films.

#5989 FACT in Liverpool for presentation of the artwork 'Zoe' by Miku Aoki as part of exhibition 'Future Ages Will Wonder'

IMPACT: FACT in Liverpool held an international exhibition 'Future Ages Will Wonder', presenting artworks that use science and technology to question our past and offer new ways of understanding who we are and where we belong. A grant was awarded to include the installation 'Zoe' by Miku Aoki, using tapestry, embroidery, and sculpture to explore the world of John Hunter, an 18th Century scientist and pioneer of artificial insemination, and the wider narrative around Aoki's personal experience of discovering that she was conceived through IVF. Not only was this the first time her work has been featured in the UK, but its prominent display in the Foyer Gallery also ensured every visitor to the FACT building would engage with her work, and by extension contemporary Japanese art.

4.6 Addressed topics of common interest and of priority to both countries

#5943 University of East Anglia to support a collaboration with Osaka University on technology in dementia care research

IMPACT: With support from the Foundation, a team of researchers from University of East Anglia are collaborating with a group from Osaka University to share opportunities and lessons regarding technology in dementia care research. The area of research is significant to both the UK and Japan due to the numbers of people affected by dementia, including their family members, and the impact of dementia care issues on service providers and the wider community. The week of intensive collaboration marks the start of a series of collaborative visits and a project to collect standardised data in both Osaka and Norwich and includes an open event to the wider community for an additional 50 delegates in-person, as well as online attendees.

#5981 Collaborative Lesson Research, UK for a visit by Japanese teachers to showcase Japanese lesson study

IMPACT: There is much to be gained from sharing teaching practices between different education systems, but there are few opportunities for teachers to meet counterparts in other countries. A project initiated by Collaborative Lesson Research, UK, and supported by the Foundation, has invited teachers from Tsukuba University Primary School to meet with

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(continued)

educators in the UK to discuss their innovative lesson design and their role in professional development of Japanese primary teachers. As well as a workshop and discussion for UK teachers, the visit includes a mathematics research lesson in a UK school for UK students, allowing for Japanese lesson study to be observed in a UK context, and with participants invited from across a network of UK educators, the impact of the project will reach a range of schools and pupils.

J826 Japan Historic House Owners' Society:

Project: "**Japan-UK Exchange Project by Women Managing Historic Houses**"
IMPACT: An online seminar between Japan and the UK was held on 8 August 2021. The seminar was hosted by the Japan Historic Houses Owners' Society, with 4 guest speakers from Japan and UK, (the women owners of the historic houses in UK and Japan).

The seminar's topic was on the importance of women's roles in the preservation of the Historic Houses.

The essential role of women in heritage conservation tends to be ignored, especially in Japan, and the seminar discussion focused on how to upkeep and hand over family-owned historic houses from the women's perspective.

An audience of 50 participated the online seminar, and the seminar concluded with an exchange of opinions by the guest speakers and the audience.

4.7 In traditionally under-represented subject areas such as science & technology, medicine & health, social issues, and the environment

#5999 Newcastle University for workshops and interviews on environmental activism through graphic narrative creation at Kyoto Seika University

IMPACT: A visit to Kyoto Seika University by a researcher from Newcastle University, supported by the Foundation, will contribute to research into ecological graphic narratives using manga through student workshops and interviews regarding its impact on a younger generation seeking to address issues of climate change and global environmental uncertainty. Through an interdisciplinary approach taking in science, architecture and ecological theory, the hope is to create an Anglo-Japanese research network of artists, designers and scientists that collectively explores methods of environmental activism through graphic narrative creation. The workshops and interviews themselves will also further inform a book publication and a journal article, ensuring a wider audience for the project.

#J829 Tohoku University Graduate School of Medicine for a collaboration with University College London on young carers' mental health in the COVID-19 Pandemic

IMPACT: The aim of this research project is to investigate mental health consequences of young carers during the COVID-19 pandemic in the UK and Japan. With support from the Foundation, a visit by a researcher from Tohoku University Graduate School of Medicine to UCL will elucidate the long-term effect of the pandemic-related restrictions on mental health consequences of young carers in adolescence. They will visit researchers at Millennium Cohort Study (MCS) and other experts in research of family carers to study about their experiences, as well as working with the Tokyo Teen Cohort. While the project will further inform the ongoing discussion in both countries regarding mental health during the pandemic, the result of this UK-Japan cross-national comparison will also provide important implications for policy regarding reduction in inequalities in youth.

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4.8 Involved expanded activity in the areas of Japanese studies and the Japanese language

A special grant programme to assist the study of Japan in the UK at postgraduate level – the Sasakawa Japanese Studies Postgraduate Studentship Programme (Year 8 of a ten-year Programme)

IMPACT: See paragraph 5

#6013 The British Association for the Teaching of Japanese for the 17th Japanese Speech Contest for University Students

IMPACT: The only Japanese speech contest for university students in the UK, the 17th annual event is to be held online, as with the previous year's event, which saw 46 applications from 14 universities give speeches in front of 100 spectators. Support from the Foundation has helped with the costs in running the contest, which remains a highlight in the calendar for undergraduate students of Japanese, the fastest growing language in the UK. With students of Japanese unable to travel to Japan to continue their studies or years abroad due to ongoing travel restrictions caused by the pandemic, the chance to connect with fellow students interested in Japan and its language, as well as demonstrate their abilities, has proven to be more valuable now than ever, and offers a snapshot of the status of Japanese language learning in the UK.

#5975 Townley Grammar School to provide a Japanese language course for virtual exchanges with a Japanese school

IMPACT: Townley Grammar School started a partnership with Kita High School in Miyazaki, Japan, with virtual exchanges where secondary school students discussed a range of subject areas, from daily life in each other's countries to social issues. With support from the Foundation, the school was able to introduce a Japanese language course to enhance the experience of these exchanges and ensure that the interaction between students could take place in both English and Japanese, even at a basic level. As the exchanges and the language course served as an introduction to Japan and Japanese, Townley Grammar School hopes to introduce this as a permanent enrichment option or even part of the curriculum and expects the partnership with Kita High School to develop and grow.

4.9 Further Impact

Further Impact (pre-2021 awards which came to fruition in 2021)

Due to the global pandemic and the resulting travel restrictions, many projects awarded grants in the past few years have had to adapt. The Foundation aimed to be as flexible as possible with postponements and changes to projects, but new ways of working allowed activity to continue when visits between the UK and Japan were not possible.

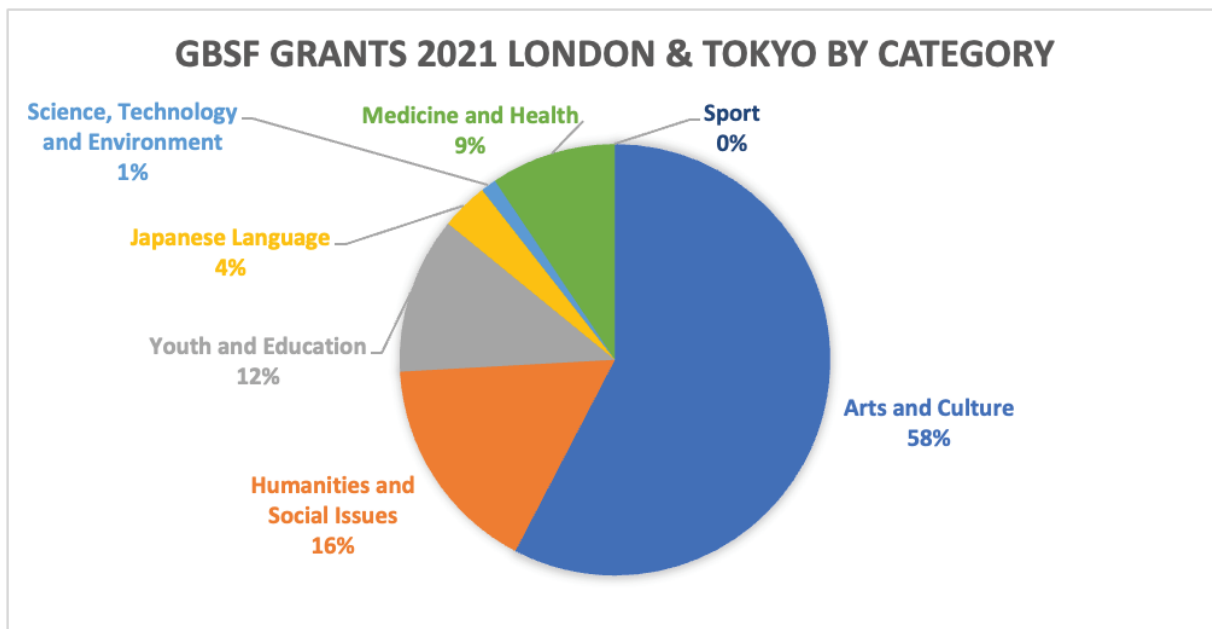
A grant was awarded in 2020 to the Egg Theatre to coordinate a UK delegation to attend the MIRAI Fest and ASSITEJ (the International Association of Theatre for Children and Young People) World Congress in Tokyo. With the event postponed to 2021 and forced to take place largely online, the Egg Theatre updated their plans to focus on engaging a wider delegation of UK artists to maximise their interaction with the whole event and the Japanese participants. Recognising the effect on international opportunities due to the pandemic, the success of the online engagement model will be part of their international artist development strategy over the next year, including the Japanese contacts established during MIRAI Fest.

Our Butterfield Awards in medicine and health can support UK-Japan collaboration for up to three years, and so the full impact of the grant may not become clear within the year of its initial

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award. One such collaboration funded in 2018 between the National Institute for Physiological Sciences in Japan and the University of Cambridge has significantly progressed the team's understanding of human germline, in particular the gene regulatory network during the development. The study is now being prepared for publication, with one paper published in Nature Communications also introduced in two Japanese newspapers and ranked highly across similar articles. Another project launched in 2018 with an award to UCL and Osaka University focused on issues associated with ageing and its implications on health and wellbeing when considered from a built environment perspective. Over three years, the project teams conducted field trips between both countries, presented research at conferences, submitted further joint research proposals and produced a booklet in both English and Japanese on this topic. With new links between the UK and Japan established, the project partners plan to continue their collaboration.

The range of activity during 2021 (projects by category in the pie chart and percentage of total amount awarded per category in table with comparison to 2020 and 2019) was as follows:



Grants by % of total amount awarded.	2021	2020	2019
Arts and Culture	58%	37%	36.50%
Humanities and Social Issues	10%	10.50%	14%
Youth and Education	11%	19%	14.50%
Japanese Language	2.50%	1.50%	5%
Medicine and Health	16.50%	22.50%	21%
Science, Technology & Environment	2%	7.50%	5%
Sport	0%	2%	4%

The figures above exclude the activities in respect of the Sasakawa Japanese Studies Postgraduate Studentship Programme, see Section 5 below.

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The strategies employed by the Foundation during the year to meet the objectives of the Foundation were to:

- maintain as far as possible a proactive approach in its grants policy
- target potential applicants in under-represented subject areas through visits, mail shots and the website
- heighten awareness of the Foundation's work by increased networking with specialist groups/organisations, with former grant recipients and with other Japan-related organisations; and by visiting institutions, particularly outside London
- monitor closely reports from grant recipients in order to follow-up and encourage the potential for sustainability and for new activity
- liaise closely with other funding bodies to ensure partnership funding of priority activity where appropriate

5. The Sasakawa Japanese Studies Postgraduate Studentship Programme

In 2013 the Board of Trustees approved plans for a five-year Japanese Studies Programme designed to build on The Nippon Foundation-funded Sasakawa Lectureship Programme (that had run between 2008 and 2012). One of the successful outcomes of this Programme had been the establishment by many UK universities of new postgraduate courses in Japanese, some run by the Sasakawa lecturers.

But following changes to university fee structures and trenchant cuts in their core funding, the crisis within UK universities had become even more acute than it had been five years previously. As a result, Japanese as a subject of study had once more become vulnerable, especially at postgraduate level. The objective of the Studentship Programme, therefore, is to encourage the study of Japan at UK universities at masters and at PhD level through the provision of studentships to help the brightest and most promising students - the future Japan specialists.

In order to do this, The Nippon Foundation agreed to award a grant to the Great Britain Sasakawa Foundation of up to £1,530,000 over the 5-year period (2014-2018) so that it might provide UK universities with up to 30 postgraduate studentships per year (each worth £10,000) on the study of Japan. In 2019 the Nippon Foundation confirmed its intention to renew the programme for a further five years and for the sixth year (2019) a grant of £310,000 was awarded to the Foundation by The Nippon Foundation in January 2019. A grant of £330,000 was awarded for Year 7 (2020) and £315,000 was awarded for Year 8 (2021).

IMPACT

The Project's impact to date has been as follows: a rigorous internal selection process undertaken by universities; geographical spread of universities engaged with Japan teaching/research and a good range of research areas within Japanese studies. Year 7 studentship payments were audited by request of the Nippon Foundation at the end of 2020 and a report provided to the Nippon Foundation.

6. Impact of Covid 19 Pandemic

The Covid19 pandemic continued to impact significantly on the grant programme in 2021, nonetheless of the total number of grants awarded in 2021 to 84 projects, including 6 grants

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021
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made via our Japan office, and 1 Butterfield Award, two thirds of projects are going ahead as planned and a relatively low amount, a further 2 awards, cancelled.

7. Public Benefit

In so far as the statutory objects, aims and activities of the Great Britain Sasakawa Foundation (as a wholly grant-giving charity) are to advance the education of the people of both the United Kingdom and Japan, as set out in paragraph 3 above, the trustees are satisfied that they fully comply with the duty in section 17 of the Charities Act 2011, namely to have due regard to the public benefit guidance published by the Charities Commission. This includes the guidance “public benefit: running a charity (PB2)”. This is regularly reviewed by the Board of Trustees.

The public benefit of the Foundation’s grant making activities is clearly identifiable in the examples given in the Foundation’s achievements for the year, as outlined in paragraphs 4, 5 & 6 of this Report. The Foundation therefore benefits the public, or a sector of it, without imposing any restrictions. Applications, whether from institutions or from individuals, are accepted only when demonstrably consistent with the charitable objectives of the Foundation.

The trustees work on a voluntary basis and receive no benefits from the Foundation. Expenses reclaimed from the Foundation are set out in note 7 to the Financial Statements. The Foundation's Public Benefit Policy Statement is reviewed annually by the Board of Trustees.

8. Plans for the Future

The Foundation’s future policy is to continue to pursue its current objectives and priorities in both countries, as outlined in paragraphs 3 - 6 above. In particular, it is committed to the continued support of Japanese studies in the UK through its Sasakawa Japanese Studies Postgraduate Studentship Programme.

It will achieve this by continuing to work in close cooperation with its principal partners, e.g. with other Sasakawa Foundations in Japan in shared areas of activity; with the Embassy of Japan in matters of cultural and education policy; with the Japan Foundation in its support of the Japanese language, Japanese studies and the arts; with the Japan Society for the Promotion of Science in scientific research; with NGOs and community organisations in issues affecting civil society; and with the Japan Society and the British Council in encouraging the younger generation to become better informed about Japan and the United Kingdom.

It will continue its policy of awarding grants annually to approximately 2.5% of its total fund, as valued over an average rolling three-year period, and to encourage a consistently high overall return on its original endowment, maximising that generated by its fund managers whilst protecting, as far as possible, the value in real terms of the initial endowment.

9. Financial Review

The results for the year are set out in the Statement of Financial Activities on page 21.

9.1 Investment Powers and Reserves Policy

The Foundation’s investment powers are drawn from the Articles of Association which permit investment as allowed by current law.

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The Foundation has opted to divide its investment portfolio into two approximately equal halves and to appoint separate Investment Managers to handle each half. They are currently Cazenove Capital Management and CCLA. They handle the day-to-day management of the portfolio with discretionary powers within appropriate limits set by the Foundation. The Trustees meet with the investment managers on a regular basis to review their performance.

To finance its activities the Foundation relies on the income and capital gains generated by its investments, and these are regarded as its long-term assets. Their purpose is to generate income and capital gains on a long-term basis that will maintain real value for funding the Foundation's charitable expenditure in perpetuity. Its investment portfolio is managed, therefore, on a long-term and on a total return basis. No annual income target is set for the Investment Managers. The Investment Managers are reviewed on a 5-year basis and in 2020 it was decided to replace Heartwood with CCLA from 2021.

The Foundation maintains an Investment Policy Statement that documents its investment aims and the policies that guide its investment decision-making, following advice received from the Investment Managers. The Trustees review this document on an annual basis and approve changes, as needed.

In 2020, The Foundation received an Additional Endowment of £11.12 million. This is invested between the two Investment Managers and is for the Unrestricted funds grant Programme.

The Foundation's Reserves Policy, as set out in the Investment Policy Statement, is to preserve and if possible, enhance the purchasing power of its portfolio assets, net of costs and approved withdrawals, over rolling five-year periods. This goal is synonymous with the pursuit of a time-weighted net return on portfolio assets that equals and if possible, exceeds cost inflation, as measured by the UK Consumer Price Index, plus the Foundation's long-term spending rate which Trustees have set at a maximum of 4.0%. It, therefore, sets its Investment Managers a net return target of CPI + 4% as measured over rolling five-year periods.

In order to achieve both reasonable stability in budgeting and a sound balance between short-term and longer-term spending priorities, the Trustees have accordingly adopted a long-term spending rule: the expendable amount in any given fiscal year is limited to 4.0% of the average Unrestricted Fund value measured on a three-year rolling basis (at the end of 2021 the Unrestricted Fund stood at £33.24 million) and aim to spend approximately 2.5% on the grants programme. In view of the uncertain financial markets in recent times the Foundation has adopted, and is continuing to adopt, a flexible approach, when thought necessary.

9.2 Allocation of resources and grants

During the year, from its Unrestricted Fund, the Foundation aims to provide some financial assistance for appropriate projects put forward by applicants. This year, 84 awards were made from the Unrestricted Fund totalling £267,257. This included 6 awards totalling £26,484 made in Japan and 1 Butterfield Award in medicine and health totalling £14,960.

The Foundation publishes and distributes an Annual Report, which gives details of all awards made in the year. It can be found on its website: www.gbsf.org.uk Hard copies are available from the Foundation's office upon request.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021
(continued)

9.3 Investment Performance

By End December 2020, we had conducted a review of our Investment Managers and as a result, moved our investment with Heartwood Wealth Management to CCLA.

The investment performance of the managers during the year (2021) was:

	<u>Total Return</u>
CCLA	18.00%
Cazenove Capital Management (up to end Q4 Dec 21)	11.44%

This compares with the Foundation's target of CPI+4% that, over the same period, was 5.7%.

Over the five years to 31 December 2021 the annualised total return achieved was:

	<u>Total Return</u>
CCLA	19.60%
Cazenove Capital Management	11.44%

This compares with the Foundation's target of CPI+4% that, over the same period, was an annualised 5.82%.

Performance figures are shown net of investment management charges, which have been offset against capital.

10. Statement of Responsibilities of Trustees

The trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the preparation of financial statements for each financial year that give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources including the income and expenditure for that period. In preparing those financial statements, Trustees are required to: -

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

Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

(continued)

In so far as Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

11. Auditor

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditor for the ensuing year.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'JA M...', with a long horizontal flourish extending to the right.

EARL OF ST ANDREWS, Chairman

26 August 2022

THE GREAT BRITAIN SASAKAWA FOUNDATION

REFERENCE INFORMATION

Charity Number	290766
Company Number	1867362
Chairman:	The Earl of St Andrews
Vice-Chairman:	Joanna Pitman
Treasurer:	J L Scott FCA
Chief Executive and Company Secretary:	Jenny L White
Accountants:	Moore Kingston Smith LLP 6 th Floor, 9 Appold Street London EC2A 2AP
Auditor:	Moore Kingston Smith LLP 6 th Floor, 9 Appold Street London EC2A 2AP
Bankers:	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment Managers:	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET Cazenove Capital Management Limited 1 London Wall Place, London EC2Y 5AU
Solicitors:	Farrer & Co 65-66 Lincoln Inn Fields, London WC2A 3LH
Administration and Registered Office:	24 Bedford Row London WC1R 4TQ
Tokyo Liaison Office:	Sasakawa Peace Foundation Building 1-15-16 Toranomom Minato-ku Tokyo 105-0001 Japan

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION

Opinion

We have audited the financial statements of The Great Britain Sasakawa Foundation ('the company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION *(continued)*

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 13 and 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION *(continued)*

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION *(continued)*

risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Moore Kingston Smith LLP". The signature is written in a cursive, slightly slanted style. The letters "LLP" are written in a larger, more prominent font than the rest of the name.

Luke Holt (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date: 4 October 2022

THE GREAT BRITAIN SASAKAWA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

INCOME AND ENDOWMENTS FROM:	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds (Including unapplied total return)	2021 Total Funds	2020 Total Funds
		£	£	£	£	£
Endowment received		-	-	-	-	11,120,996
Investments	2	704,040	-	419,547	1,123,587	312,121
Charitable activities	13	-	330,000	-	330,000	370,352
Total		704,040	330,000	419,547	1,453,587	11,803,469
EXPENDITURE ON:						
Raising funds						
Investment management	5	58,687	-	34,973	93,660	158,500
Charitable activities						
Grant making	3	462,760	327,702	-	790,462	1,022,693
Total		521,447	327,702	34,973	884,122	1,181,193
Net gains on investments	9	3,057,688	-	1,822,121	4,879,809	1,717,274
Net income for the year		3,240,281	2,298	2,206,695	5,449,274	12,339,550
OTHER RECOGNISED LOSSES						
Foreign exchange losses		(9,897)	-	-	(9,897)	(4,140)
Transfer between Funds	13	13,328	(13,328)	-	-	-
NET MOVEMENT IN FUNDS		3,243,712	(11,030)	2,206,695	5,439,377	12,335,410
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		30,000,785	20,171	11,120,996	41,141,952	28,806,542
TOTAL FUNDS CARRIED FORWARD	13 & 14	33,244,497	9,141	13,327,691	46,581,329	41,141,952

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account other than the capital receipt of £11,120,996 for the Endowment in the prior year. There are no recognised gains or losses for the current financial year and the preceding financial year other than as stated in the income and expenditure account. All of the above incoming resources are derived from continuing activities.

The Notes on Pages 25 to 36 form part of these financial statements.



THE GREAT BRITAIN SASAKAWA FOUNDATION

BALANCE SHEET AS AT 31 DECEMBER 2021

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
		£	£
FIXED ASSETS			
Tangible assets	8	-	-
Investments	9	45,850,784	29,779,397
		<u>45,850,784</u>	<u>29,779,397</u>
CURRENT ASSETS			
Debtors	11	230,946	75,144
Cash at bank and in hand		1,327,960	12,085,076
		<u>1,558,906</u>	<u>12,160,220</u>
CREDITORS: amounts falling due within one year	12	<u>(828,361)</u>	<u>(797,665)</u>
NET CURRENT ASSETS		<u>730,545</u>	<u>11,362,555</u>
TOTAL NET ASSETS		<u>46,581,329</u>	<u>41,141,952</u>
RESERVES			
Restricted Funds	13 & 14	9,141	20,171
Endowment Funds	14	13,327,691	11,120,996
Unrestricted Funds	14	33,244,497	30,000,785
TOTAL FUNDS		<u>46,581,329</u>	<u>41,141,952</u>

These financial statements were approved by the Board of Trustees on 26 August 2022

Signed on behalf of the Board of Trustees

EARL OF ST ANDREWS)
)
 Trustees)
 J L Scott )

The notes on pages 25 to 36 form part of these financial statements.

Registered Company No: 01867362

THE GREAT BRITAIN SASAKAWA FOUNDATION

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2021**

	2021	2020
	£	£
Cash flow/(outflow) from operating activities		
Net cash provided by/(used in) operating activities	(689,125)	10,447,399
	<u> </u>	<u> </u>
Cash flows from investing activities		
Investment income and interest received	1,123,587	312,121
Proceeds from disposal of fixed asset investments	8,655,427	22,404,119
Acquisition of fixed asset investments	(19,847,005)	(22,080,661)
	<u> </u>	<u> </u>
	<u>(10,067,991)</u>	<u>635,579</u>
Net (decrease)/increase in cash and cash equivalents	(10,757,116)	11,082,978
Cash and cash equivalents at beginning of year	12,085,076	1,002,098
	<u> </u>	<u> </u>
Cash and cash equivalents at end of year	<u>1,327,960</u>	<u>12,085,076</u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2021	2020
	£	£
Net income	5,439,377	12,335,410
Adjustments for:		
Depreciation charges	-	247
Net gains on investments	(4,879,809)	(1,717,274)
Investment income	(1,123,587)	(312,121)
(Increase)/Decrease in debtors	(155,802)	8,714
Increase in creditors	30,696	132,423
	<u> </u>	<u> </u>
Net cash provided by/(used in) operating activities	<u>(689,125)</u>	<u>10,447,399</u>

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(a) Scope of the financial statements

The financial statements present the Statement of Financial Activities (SOFA), the Balance Sheet and the Statement of Cash Flows.

(b) Accounting convention

The Foundation's financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

The Foundation is a public benefit entity for the purposes of FRS 102 and a registered charity. The Foundation has therefore also prepared its financial statements in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the investments, which are stated at middle market value, with movements in value reported within the Statement of Financial Activities (SOFA). The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

(c) Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the Foundation's forecasts and projections and have taken account of pressures on grants, donation and investment income. After making enquiries the trustees have concluded that there are no material uncertainties with respect to the Foundation's ability to continue as a going concern and there is a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

The Covid19 pandemic continued to impact significantly on the grant programme in 2021, nonetheless of the total number of grants awarded in 2021 to 84 projects, including 6 grants made via our Japan office, and 1 Butterfield Award, two thirds of projects are going ahead as planned and a relatively low amount, a further 2 awards, cancelled.

(d) Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

Useful Economic Lives - The annual depreciation charge for office furniture, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

1. Accounting policies (continued)

(e) Tangible fixed assets

All tangible fixed assets are capitalised at cost, which is their purchase cost together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on:

Office furniture, fittings, and equipment - 20% straight line.

(f) Fixed asset investments

Investments are stated in the accounts at market value.

(g) United Kingdom interest and investment income receivable

All income is recognised once the Foundation has entitlement to the income, the economic benefit is probable, and the amount can be reliably measured.

Income from investments and interest, inclusive of any UK tax deducted, which is recoverable, is included in the statement of financial activities in the accounting period in which it is receivable.

(h) Foreign interest and investment income

Income from investments and interest is included in the statement of financial activities in the accounting period in which it is receivable in the United Kingdom. Where relevant this is net of any foreign withholding taxes, which are not recoverable.

(i) Charitable activities income

Income from grants is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

(j) Foreign currencies

The functional and presentational currency of the Foundation is the pound sterling.

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA and form part of the Unrestricted Fund.

(k) Taxation

No provision for taxation is made in the accounts, as the Foundation is a charity, as defined by section 519 of the Income Tax Act 2007.

(l) **Resources expended**

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. The costs in respect of investment management are those in relation to the Foundation's investment portfolios, whilst charitable support are those related to administering the award process and governance relate to compliance with constitutional and statutory requirements. Costs common to the three categories are apportioned in accordance with the estimated amount of staff time spent in each area.

Grants awarded that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

(m) **Fund Accounting**

The Unrestricted Fund represents all funds held by the Foundation, other than the Restricted Fund, which may be used at the discretion of the Board of Trustees in furtherance of the charitable objects of the Foundation.

During 2021, The Additional Endowment received in 2020 was added to the existing investment funds currently held, and a total return investment strategy applied from 1 January 2021. The Foundation can invest its endowments without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can either be retained for investment or released to income at the discretion of the Trustees.

The Restricted Funds relate to the Programme for the Support of Japanese Studies at UK Universities and previously to the Chatham House Conference Programme and can only be expended in furtherance of these two projects (including their management and administration). However, as agreed with the Nippon Foundation, income derived from these funds form part of the Unrestricted Fund.

(n) **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

(o) **Financial instruments**

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2021 – (continued)

2. Investment income

The contributions of the various activities of the Foundation to income are set out below: -

	<u>2021</u>	<u>2020</u>
	£	£
Interest on bank deposit accounts	1,501	86
Dividends from equities and other securities	1,122,086	312,035
	<u>1,123,587</u>	<u>312,121</u>

3. Grant making

This comprises the following: -

Year to 31 December 2021

	<u>Fund</u>	<u>Restricted</u>	<u>2021</u>
	£	Funds	£
Awards payable (see note 4 below)	248,109	300,000	548,109
Support costs (see note 5 below)	214,651	27,702	242,353
	<u>462,760</u>	<u>327,702</u>	<u>790,462</u>

Year to 31 December 2020

	<u>Fund</u>	<u>Restricted</u>	<u>2020</u>
	£	Funds	£
Awards payable (see note 4 below)	339,104	432,070	771,174
Support costs (see note 5 below)	226,322	25,197	251,519
	<u>565,426</u>	<u>457,267</u>	<u>1,022,693</u>

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2021 – (continued)

4. Awards payable

The awards payable were for charitable purposes in pursuance of the Foundation's objects. The awards payable for the year comprise: -

Year to 31 December 2021	Unrestricted <u>Fund</u> £	Restricted <u>Funds</u> £	<u>2021</u> £
Awards granted during the year	267,256	300,000	567,256
Adjustments in respect of awards granted in prior years	(19,147)	-	(19,147)
	-----	-----	-----
Awards payable	248,109	300,000	548,109
	=====	=====	=====
Year to 31 December 2020	Unrestricted <u>Fund</u> £	Restricted <u>Funds</u> £	<u>2020</u> £
Awards granted during the year	348,125	297,363	645,488
Adjustments in respect of awards granted in prior years	(9,021)	-	(9,021)
Refund to Nippon Foundation	-	134,707	134,707
	-----	-----	-----
Awards payable	339,104	432,070	771,174
	=====	=====	=====

5. Analysis of charitable expenditure

Other resources expended are made up as follows: -

Year to 31 December 2021	<u>Investment Management</u> £	<u>Charitable Support Costs</u> £	<u>Governance</u> £	<u>Total 2021</u> £
Investment management fees	69,531	-	-	69,531
Staff costs (see note 6(b) below)	5,699	88,845	48,949	143,493
Legal and professional fees	2,019	7,872	13,234	23,125
Costs of Management Council Meetings	241	982	1,249	2,472
Other administrative expenses	2,078	31,961	11,622	45,661
Office rents and services	1,443	28,789	10,895	41,127
	-----	-----	-----	-----
	81,011	158,449	85,949	325,409
Direct governance costs				
-Auditors remuneration: Current year	-	-	10,604	10,604
	-----	-----	-----	-----
	81,011	158,449	96,553	336,013
Allocation of governance support cost	12,649	83,904	(96,553)	-
	-----	-----	-----	-----
	93,660	242,353	-	336,013
	=====	=====	=====	=====

5. Analysis of charitable expenditure (continued)

Year to 31 December 2020	Investment Management	Charitable Support Costs	Governance	Total 2020
	£	£	£	£
Investment management fees	135,288	-	-	135,288
Staff costs (see note 6(b) below)	6,584	100,655	54,564	161,803
Legal and professional fees	1,998	11,011	12,390	25,399
Costs of Management Council Meetings	81	412	611	1,104
Other administrative expenses	2,018	32,773	12,024	46,815
Office rents and services	869	21,443	8,321	30,633
Depreciation	12	173	62	247
	<u>146,850</u>	<u>166,467</u>	<u>87,972</u>	<u>401,289</u>
Direct governance costs				
-Auditor remuneration: Current year	-	-	8,340	8,340
-Auditor remuneration: Other services	-	-	390	390
	<u>146,850</u>	<u>166,467</u>	<u>96,702</u>	<u>410,019</u>
Allocation of governance support costs	<u>11,650</u>	<u>85,052</u>	<u>(96,702)</u>	<u>-</u>
	<u><u>158,500</u></u>	<u><u>251,519</u></u>	<u><u>-</u></u>	<u><u>410,019</u></u>

As explained in Note 2 the Foundation has decided to move all its investments into Umbrella Funds managed by our two Investment Advisors. As a consequence, this reduces the explicit investment management charges levied on the Foundation as the investment charges are embedded within the unit price of the units in the Umbrella Funds. Where possible we have obtained details of the embedded investment charges and have included these in the Investment management fees line above, and added them to the Net gains/(losses) on investments (Note 9).

CCLA's management fee is charged to the COIF Investment Fund, therefore technically these are not charged directly to individual unit holders but charged to the Fund. Therefore, paragraph 4.48 of the Charities SORP too states that charities are not expected to prorate investment management fees charged to a collective investment scheme to identify the notional cost attributable to its own holding in the scheme.

The annual management charge (AMC) of 0.74% and the total cost of 1.0% (which includes the AMC, along with irrecoverable VAT, legal, audit, custody and other third-party costs) are deducted from capital, therefore, no invoice is issued. After adjusting a rebate of 0.15%, the annual management charge can be described at 0.59% and the total cost as 0.85%.

In addition to the Audit Fee referred to above, there is £13,860 included in Legal and Professional fees that relates to bookkeeping and accountancy work carried out by the audit firm (2020 - £11,280).

6. Employee information

- (a) The average number of persons employed by the Foundation during the year was 3 (2020 – 3.2).
 (b) Employment costs - all employees

	<u>2021</u>	<u>2020</u>
	£	£
Aggregate gross wages and salaries paid to the Foundation's employees	121,128	130,863
Employer's national insurance contributions, or foreign equivalents	19,851	22,647
Provision for retirement allowance for a member of staff	(2,045)	3,545
Staff pension	4,559	4,748
	<hr/>	<hr/>
	143,493	161,803
	<hr/> <hr/>	<hr/> <hr/>

- (c) There was no employee who received emoluments above £60,000 in the year (2020 – None).
 (d) The Foundation considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £65,772 (2020 - £76,578).
 (e) The Foundation began a workplace pension scheme in April 2017.

7. Council Members' Expenses

- (a) No remuneration was paid to any trustee (2020 - nil).
 (b) Expenses totalling £229 (2020 - £93) were reimbursed to 4 (2020 - 1) UK trustees in respect of travel and other expenses incurred by them.
 (c) Travel allowances totalling £65 (2020 - £nil) was paid to 1 (2020 – nil) Japan trustee members in respect of their attendance at meetings

8. Tangible fixed assets

Office Furniture, Fittings and Equipment

<u>Cost</u>	£
At 1 January 2021 and 31 December 2021	7,606
	<hr/>
<u>Accumulated Depreciation</u>	
At 1 January 2021	7,606
Charge for year	-
	<hr/>
At 31 December 2021	7,606
	<hr/> <hr/>
Net book value at 31 December 2021	-
	<hr/> <hr/>
Net book value at 31 December 2020	-
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2021 – (continued)

9. Fixed asset investments

	<u>2021</u> £	<u>2020</u> £
(a) The movements during the year were as follows:-		
Middle market value at 1 January	29,779,397	28,385,581
Additions at cost	19,847,005	22,080,661
Disposals at open market value (Proceeds £8,655,427 realised gain £406,710)	(8,248,717)	(21,655,982)
Unrealised gains on revaluation at 31 December	4,473,099	969,137
	<hr/>	<hr/>
Middle market value at 31 December	45,850,784	29,779,397
	<hr/> <hr/>	<hr/> <hr/>
Cost at 31 December (see note 9(d) below)	40,553,106	28,396,241
	<hr/> <hr/>	<hr/> <hr/>

(b) Analysis of listed investments		
	<u>2021</u> £	<u>2020</u> £
Equities, Unit Trusts/OEICs	45,850,784	29,779,397
	<hr/>	<hr/>
	45,850,784	29,779,397
	<hr/> <hr/>	<hr/> <hr/>

(c) As at 31 December, the following investment represented more than 5% of the total investments as follows:-

	<u> Holding</u> <u> 2021</u>	<u> Market Value</u> <u> 2021</u>
Year to 31 December 2021		£
Unit Trusts/OEICs		
Cazenove Charity Respons M-A Fund	N/A	3,130,333
CCLA COIF Charity Funds	1,153,429	23,721,890
Year to 31 December 2020		£
Unit Trusts/OEICs		
Cazenove Charity Respons M-A Fund	5,911,468	3,185,690
CCLA COIF Charity Funds	898,713	16,187,085

(d) The cost shown above represents the original cost as adjusted to take account of subsequent investment transactions.

10. Statement of investment total return

The Trustees have adopted a duly authorised policy of total return accounting for the permanent endowment element of the investment returns with effect from 1 January 2021.

	Permanent Endowment		Total
	Trust for Investment	Unapplied Total Return	
	£	£	£
At the beginning of the year:			
Gift component of the permanent endowment	11,120,996	-	11,120,996
Total endowments	11,120,996	-	11,120,996
Movements in the reporting period:			
Investment return: Total investment income	-	419,547	419,547
Investment return: realised and unrealised gains and losses	-	1,822,121	1,822,121
Less: Investment management costs	-	(34,973)	(34,973)
Total	-	2,206,695	2,206,695
Unapplied total return allocated to income in the reporting period	-	-	-
Net movements in the reporting period	-	2,206,695	2,206,695
At end of the reporting period:			
Gift component of the permanent endowment	11,120,996	-	11,120,996
Unapplied total return	-	2,206,695	2,206,695
Total Endowments	11,120,996	2,206,695	13,327,691

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2021 – (continued)

11. <u>Debtors</u>	<u>2021</u>	<u>2020</u>
	£	£
Dividends receivable	175,663	22,632
Prepayments	2,936	3,244
Other debtors	52,347	49,268
	<hr/>	<hr/>
	230,946	75,144
	<hr/> <hr/>	<hr/> <hr/>

In both 2021 and 2020, all debtors at the year end were included in the unrestricted fund.

12. <u>Creditors - amounts falling due within one year</u>	<u>2021</u>	<u>2020</u>
	£	£
Awards payable	405,477	383,234
Other creditors	69,066	64,811
Accruals	353,818	349,620
	<hr/>	<hr/>
	828,361	797,665
	<hr/> <hr/>	<hr/> <hr/>

At 31 December 2021 there was a taxation and social security creditor of £1,296 (2020 - £741) and a pension creditor of £604 (2020 - £982).

In both 2021 and 2020, all creditors at the year end were included in the Unrestricted Fund, other than £330,000 of deferred income from the Nippon Foundation.

13. Reserves

Restricted Funds

There have been two Restricted Fund Programmes from the Nippon Foundation. One for the Chatham House Conference, now closed, (2020: £13,328). The Chatham House Conference Surplus Funds of £134,707 were returned to The Nippon Foundation June 2020. During the year, the opening balance of £13,328 related to Chatham House Conference Programme was transferred to unrestricted reserves as agreed with the Nippon Foundation, as income derived from these funds form part of the Unrestricted Fund.

The Nippon Foundation also awarded a restricted grant of £330,000 (2020: £315,000) for the Sasakawa Japanese Studies Postgraduate Studentship Programme Year 9. The Studentship programme is the only Restricted fund that is still active.

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2021 – (continued)

13. Reserves (continued)

Year to 31 December 2021	Balance 01.01 2021	Funds Received	Funds Expended	Transfers in/(out)	Balance 31.12 2021
	£	£	£	£	£
Chatham House Conference Programme	13,328	-	-	(13,328)	-
Sasakawa Japanese Studies Postgraduate Studentship Programme	6,843	330,000	327,702	-	9,141
	<u>20,171</u>	<u>330,000</u>	<u>327,702</u>	<u>(13,328)</u>	<u>9,141</u>

Year to 31 December 2020	Balance 01.01 2020	Funds Received	Funds Expended	Transfers in/(out)	Balance 31.12 2020
	£	£	£	£	£
Chatham House Conference Programme	92,723	55,352	134,747	-	13,328
Sasakawa Japanese Studies Postgraduate Studentship Programme	14,363	315,000	322,520	-	6,843
	<u>107,086</u>	<u>370,352</u>	<u>457,267</u>	<u>-</u>	<u>20,171</u>

14. Allocation of Net Assets between Funds

Year to 31 December 2021	Unrestricted Fund	Endowment Fund	Restricted Funds	Total Funds
	£	£	£	£
Fixed Assets				
Tangible assets	32,907,667	12,943,117	-	45,850,784
Current assets	865,191	384,574	309,141	1,558,906
Current liabilities	(528,361)	-	(300,000)	(828,361)
	<u>33,244,497</u>	<u>13,327,691</u>	<u>9,141</u>	<u>46,581,329</u>

Included in the total Endowment Fund balance at 31 December 2021 is £2,206,695 that relates to unapplied total returns. See note 10 for further details.

14. Allocation of Net Assets between Funds (continued)

Year to 31 December 2020	Unrestricted Fund	Endowment Fund	Restricted Funds	Total Funds
	£	£	£	
Fixed Assets				
Tangible assets	-	-	-	-
Investments	18,658,401	11,120,996	-	29,779,397
Current assets	11,810,049	-	350,171	12,160,220
Current liabilities	(467,665)	-	(330,000)	(797,665)
	<hr/>	<hr/>	<hr/>	<hr/>
	30,000,785	11,120,996	20,171	41,141,952
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

15. Members' Guarantee

The guarantee given by the members of the Foundation is £1 per member in the event of there being a deficiency of assets should the Foundation be wound up, 2021 - 11 members (2020 - 11 members).

16. Commitments under Operating Leases

The Foundation has annual commitments of £16,500 per annum that expires in June 2025 in respect of an operating lease for premises.

17. Related Party Transactions

In 2021 the Foundation received a further £330,000 (2020 - £370,352) from The Nippon Foundation for the support of the Japanese Studies and Chatham House Conference programmes, as joint initiative with the Nippon Foundation. In addition, in 2020, the Foundation received £11,120,996 from the Nippon Foundation as an additional endowment. The endowment will continue to be used to generate returns to further the purposes of the Foundation.

In 2021, the Foundation paid £350 (2020: £350) to The Japan Society in relation to an annual corporate membership. One of the Trustees of the Foundation was a director of The Japan Society but has since retired.

One member of the Board of Trustees is a Special Advisor to, and one is a Trustee of The Nippon Foundation.

THE GREAT BRITAIN SASAKAWA FOUNDATION

England & Wales - Charity number 290766

Accounts

THE GREAT BRITAIN SASAKAWA FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 DECEMBER 2020

Registered Charity No. 290766
Registered Company No. 1867362

Registered Office:
24 Bedford Row
London WC1R 4TQ

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

1. Reference and Administrative Information

Reference and administrative information is set out on page 15 of this Report.

2. Structure, Governance and Management

2.1 Background and Constitution

The Great Britain Sasakawa Foundation was established in 1985 to develop and maintain good relations between the United Kingdom and Japan by advancing the education of the people of both nations in each other's culture, society and achievements.

It is registered as a charity with the Charity Commissioners for England and Wales (registration number 290766).

It was incorporated on 20 November 1984 in England and Wales under the Companies Act as a company limited by guarantee and not having a share capital (company number 1867362).

2.2 Initial Fund

The Foundation was financed by a donation of Yen 3 billion received upon its establishment in 1985 from the Japan Shipbuilding Industry Foundation (now The Nippon Foundation), under the Chairmanship of the late Mr. Ryoichi Sasakawa. This original donation may be applied to any of the objectives of the Foundation.

2.3 Trustees

Trustees listed below are, for the purposes of charity law, trustees of the Foundation and, for the purpose of company law, directors of the Foundation.

All Trustees, unless otherwise stated, served throughout the year and at the date of signing this report are:

The Earl of St Andrews (Chairman)
Joanna Pitman (Vice Chair)
Jeremy Scott FCA (Treasurer)
Professor David Cope
Ambassador Hiroaki Fujii
Professor Janet Hunter
Professor Yuichi Hosoya
Professor Izumi Kadono
Professor Yoriko Kawaguchi
Tatsuya Tanami
Professor Ryuichi Teshima

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

2.4 Appointment and Re-appointment of Trustees

Trustees are elected by the Foundation at the Annual General Meeting and one third of them retire by rotation each year. Potential new trustees are identified by existing trustees and/or by recommendations. Candidates will be distinguished people who have personal or professional connections with UK-Japan relations and whose background and experience provide the balance of skills needed to guide and manage the affairs of the Foundation.

2.5 Induction and Training of Trustees

Induction for new trustees is organised by the Foundation's Chief Executive. In addition to knowledge gained through attendance at meetings, trustees are provided with initial briefing material on their legal obligations under charity and company law and on the content of the Articles of Association. They are also given guidance from the Foundation's advisors on the aims of the Foundation and on their statutory duties.

2.6 Organisation and Management Personnel

The Foundation operates through its main office in London and its liaison office in Tokyo. The day-to-day management of the Foundation is under the sole control of the Chief Executive (CEO), based in London. The CEO supervises the work of two administrative members of staff - one in London and one in Tokyo. Remuneration of all three staff is determined by the Trustees on advice from the Treasurer and CEO. The CEO carries out the Foundation's policies, as determined by trustees at Board meetings and at the Annual General Meeting, subject to the constraints of Standing Orders. Trustees meet at least three times a year, in addition to committee meetings, in order to review policy, to monitor investments and to determine the recipients of awards.

2.7 Grants

Applications for awards are received in both the UK and Japan for projects that meet the Foundation's objectives. Awards committees meet in each country two or three times each year. In assessing applications trustees take into account any unique or innovative aspects of the project and the extent to which they will have a wide or lasting impact and are consistent with the objectives of the Foundation.

An application form and further details of the application process are on the Foundation's website, www.gbsf.org.uk.

2.8 Risk Management

Trustees assess the risks facing the Foundation and review the effectiveness of the controls to monitor and to mitigate them. A Risk Management Register is maintained and reviewed annually at Board meetings.

The key controls used by the Foundation include:

- Formal agendas for all Board meetings
- Strategic planning, budgeting and management accounting
- Formal written policies, including Standing Orders
- Clear authorisation and approval levels

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

The principal risk for the Foundation lies in maintaining and protecting the value in real terms of its endowed funds in order to generate, on a long-term basis, a consistently high overall return on its original endowment. This risk is mitigated by the appointment of experienced fund managers; by internal controls that allow close and regular monitoring of fund managers' performance against benchmarks; by the Foundation's requirement of its fund managers to re-tender on a competitive basis periodically for appointment, and by twice-yearly Finance and Investment meetings that formally review investment performance and policy and include one-to-one presentations by the fund managers.

3. Statutory Objects

The statutory objects of the Foundation, as defined in its Articles of Association, are 'to advance the education of the citizens of the United Kingdom and the citizens of Japan in each other's institutions, people, history, language, culture and sport, in science and technology, medicine and health and also in each other's intellectual, artistic and economic life'.

The main vehicle through which the Foundation aims to pursue these objects is by providing financial support in the form of grants towards a wide range of activities and projects that serve to enhance mutual understanding between the people of the United Kingdom and Japan. Typically, these activities include exhibitions, performances, exchanges, conferences, research, educational and cultural events, and publications in the following fields: -

- Arts and Culture
- Humanities and Social Issues (including Japanese Studies)
- Science, Technology and Environment
- Japanese Language
- Youth and Education
- Medicine and Health
- Sport

4. Achievements and Impact

The Foundation requires post-project reports from each of its grantees so that it can evaluate the overall impact of all projects that it funds and the extent to which they contribute to the Foundation's grant-making objectives. The objectives for the year under review are set out below in paras 4.1 to 4.9 with specific examples.

In 2020 the Foundation encouraged projects that:

4.1 Reached a wide audience and had a broad impact

#5805 Support to the publication of a catalogue to support the exhibition 'E. A. Hornel: From Camera to Canvas', featuring works collected in or inspired by Japan, with scholarly articles on Japan-related themes.

IMPACT: Although the exhibition was forced to close due to lockdown restrictions, it had been on display for seven weeks before Christmas, with very positive feedback from attendees. The publication was completed and available to purchase in venues and online, ensuring the legacy of the exhibition and to share the work with those unable to attend. In addition, an online events programme, including Japanese dance and music performances and cultural demonstrations of tea ceremony and kimono, furthered its reach while the physical space remained closed. <https://www.nts.org.uk/stories/e-a-hornel-exhibition-from-camera-to-canvas>.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

#5855 Support for travel for three Japanese graffiti artists to create a mural in Peckham for the first London Mural Festival.

IMPACT: As the first ever London Mural Festival, the event received extensive press and social media coverage and the work was shown online www.londonmurfestival.com/artists-at-london-mural-festival. With murals painted on buildings across the city on public display (and not in a gallery or museum subject to potential closures during the pandemic), the artworks in Peckham could be seen by anyone passing by, engaging audiences who may not have otherwise encountered work by Japanese artists before, let alone on such a scale.

4.2 Worked in partnership and created new relationships

#J823 A grant to All Nippon ID Sports Association (ANiSA) for travel to the UK to visit and interview organisations regarding sports for people with learning disabilities.

IMPACT: With the Paralympic Games in Tokyo, the image of para sports in Japan is dominated by athletes with physical disabilities, with relatively lesser social interest in sports for people with learning disabilities, resulting in less support available to them. Representatives from ANiSA are meeting organisations in the UK such as MENCAP, Stoke Mandeville Hospital and the Department for Education to learn about their work and the legacy of the 2012 London Games. Their findings will then be shared with supporters in Japan, with plans to invite UK specialists to Japan and build a sustainable network between both countries in future.

#5892 A grant to Belfast Photo Festival to produce an exhibition of newly commissioned work by Kensuke Koike at Ulster Museum, in collaboration with British artist Daniel Martin.

IMPACT: As well as bringing together two artists from Japan and Britain, local students from Belfast School of Art will also assist with the project, the major commission and centrepiece of the festival, with further events including artist talks, a book launch, portfolio reviews and panel discussion widening its reach. Launched in 2011, this biennial photographic event has been described as one of the "top ten photography festivals in the world" (Capture Magazine). This is also the first collaboration between Kyotographie / Tokyographie with any British arts organisation, laying the foundations for a new partnership and potential for future exchanges between these photography festivals.

4.3 Involved the younger generation

#5842 Support towards a Japan-themed year-long project for Year 7 students at Wilmington Academy, involving cooking, woodwork, and garden design.

IMPACT: For a full academic year, 240 students participated in a Japanese culture project, with modules focused on Japanese cuisine, and woodwork, leading to sushi making and creating a wooden sushi serving board. Using architectural computer aided design, the students also submitted proposals for a Japanese garden, with one design selected by a panel of professionals to be built on the school grounds, ensuring a lasting legacy to be enjoyed by the whole school. Despite school closures due to government guidance, the school have been able to continue the project, and its success means it has been confirmed for the next two years, with hope that it will continue for the foreseeable future

#J817 Support to the English-Speaking Union of Japan for a team of Japanese high school students to take part in a debate summer school in the UK.

IMPACT: The 9th High School Parliamentary Debate Union Cup Competition was held in March 2020, with 44 teams (a total of 132 students) from across Japan taking part. A team

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

from Komaba High School, University of Tsukuba, won the competition and a grant was awarded to allow three team members to attend the Debate Academy summer school in the UK, where they will receive tuition from experienced debate mentors and meet other young debaters from the UK and other countries. Though now delayed, the chance for Japanese students and UK students to meet and engage with one another through shared interests at a young age will broaden their horizons and potentially establish relationships on a personal and wider level for years to come.

4.4 Took place outside the major cities and in regional locations

#5851 Support to the Ditchling Museum of Art + Craft for exhibition ‘Shoji Hamada: A Japanese Potter in Ditchling’

IMPACT: An exhibition and associated educational programme marking the centenary of Shoji Hamada’s first visit to Ditchling in 1921 with fellow potter Bernard Leach. The visit influenced him to leave Tokyo and establish a studio in Mashiko, and this exhibition maintains that link through research with the Mashiko Museum of Ceramic Art. The exhibition will bring this historical connection to a wide audience (with 8,000 visitors expected, a further 500+ through learning and events programme, and an online audience of over 1 million), showcasing the global influences of small villages through the international significant craftspeople based there and the two-way influence between UK and Japanese culture.

#5899 Support to Mugen Taiko Dojo for ‘Wadaiko for Health & Wellbeing’ workshops for children and adults around Central Scotland.

IMPACT: Taiko drumming courses with a focus of mental and physical health, particularly important during the pandemic, though still adhering to Covid-secure measures and precautions. Holding introductory lessons in easily accessed local community centres across South Lanarkshire and outside of major cities, offering places for 50 adults and 50 children to participate and enjoy a new skill combining music and exercise, while also learning the historical and cultural background. Future goal will be to build significant interest through these courses for regular sessions at the dojo and engage new performers for the group.

4.5 Promoted contemporary life and culture in both countries

#5846 A grant to Artes Mundi for the participation of video artist Meiro Koizumi in the Artes Mundi 9 biennial exhibition and prize, held in Cardiff.

IMPACT: A significant contemporary art event, which has established the reputation of many now well-known artists, Artes Mundi invites six international artists to exhibit their works, often their first significance presence in the UK. Alongside the exhibition and prize is a range of education, learning and public programming events and activities, to be delivered digitally online while physical exhibition spaces remain closed. As a shortlisted artist this year, Meiro Koizumi’s thought-provoking video installation on national histories, personal and collective consciousness and the trauma of war will be shared extensively through online platforms, a catalogue of his work and with in-person audiences when possible. Artes Mundi 8 reached a global TV and radio audience of over 152 million and it is hoped similar levels of interest will be generated by Artes Mundi 9.

#5873 A grant to Walks of Life Films for a documentary feature film ‘SUWO’, focused on gender empowerment in Japan through the lens of sumo wrestling.

IMPACT: Following an award-winning short film, released on Netflix and available in 190 countries worldwide to 139 million subscribers, this feature length documentary aims to be

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

submitted to key festivals with the hope for similar distribution, as well as a website to bring further updates on the subjects beyond the finished film. Focused on a female sumo wrestler and a female mayor who are both fighting for equality and recognition in the sport and lifting the female ban within the sumo ring, the film will provide global audiences with an insight into a range of issues in contemporary Japanese culture and society, as well as sport, history, and tradition.

4.6 Addressed topics of common interest and of priority to both countries

#5817 Support to School of Social Sciences and Humanities at Loughborough University for research and interviews on impact of post-Brexit UK amongst Japanese policy makers and businesses.

IMPACT: With the UK having now left the EU, this research project studies the extent to which Japanese businesses and policy makers are concerned about the implications of Brexit and how this might impact their images of the UK politically and economically. The research addresses a gap in the literature into how the more contemporary Japanese images of Europe and particularly Britain are constructed. Through interviews and documentary analysis conducted in Japan, the research will be disseminated through academic papers and journals, with the intention to use the material gathered to engage with a wider audience exploring what Brexit means for non-European countries.

#J822 Support to the Institute of Disaster Mitigation for Urban Cultural Heritage at Ritsumeikan University for a study on spatial planning and policy for provincial and rural revitalization in the UK with a comparative view to Japan.

IMPACT: 70% of Japanese cities, towns and villages are expected to experience population decline by more than 20% until 2045, with most of these located in already declining rural areas. A research visit to the UK will explore recent trends, examine the success or failure of the 2011 Localism Act, and what the implications may be for Japan. The research will be in collaboration with the Urban and Regional Planning Department at UCL, with plans for a network between the two countries to share knowledge and discuss the topic of regional revitalization.

4.7 Were in traditionally under-represented subject areas such as science & technology, medicine & health, social issues and the environment

#5879 A grant to the Department of Geography and Environmental Sciences at University of Southampton for a workshop at University of Tokyo to identify research priorities for sustainable forestry in Japan.

IMPACT: Research priority-setting exercises are workshops that foster communication between policy makers and scientists to ensure scientists are doing relevant research that will feed directly into policy. This workshop at University of Tokyo involves around 50 attendees with up to 100 forestry experts completing a questionnaire in advance, thereby identifying a definitive list of priority research questions in this field. As the future management of Japan's forests are currently under active discussion with a new 'Forest Environment Tax' introduced in 2019, the workshop findings will be valuable to academics as well as a wider audience of research organisations, policy makers and media. A similar exercise in Britain is also planned, with potential for comparison between both countries and opportunities to learn more from each other.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

#5826 A grant to the Cardiff School of Sport and Health Science at Cardiff Metropolitan University for a collaboration with the University of Electro-Communications, Japan on improving diagnosis of childhood ear disorders.

IMPACT: Integrating audiology, bioengineering and computer science, the project uses cutting-edge technology and research into its clinical application to improve diagnosis of childhood middle ear disorders. The sharing of models, techniques, and systems between the two institutions will have direct impact on the clinical diagnostic concept and understanding of the condition in academic and professional communities, as well as developing further long-term collaboration with opportunities for staff and student exchange programmes in the future.

4.8 Involved expanded activity in the areas of Japanese studies and the Japanese language

A special grant programme to assist the study of Japan in the UK at postgraduate level – the Sasakawa Japanese Studies Postgraduate Studentship Programme (seventh of a ten-year Programme)

IMPACT: See paragraph 5

#5822 A grant was awarded to support the Nihongo Cup Japanese Speech Contest for secondary school students in the UK.

IMPACT: An important highlight in the calendar for young learners of Japanese, this year's contest had to take place online, but still managed to be a success. 72 students applied from 19 different schools around the country, with contestants submitting video speeches in advance. A final event was held remotely, with family members also able to join. As well as the results and entertainment introducing elements of Japanese culture, the event was introduced by a former prize winner who highlighted the long-lasting impact that being part of the contest had on him and many others who are now working in Japan-related fields.

#5820 - A travel grant to the School of Languages, Cultures and Societies at University of Leeds for a research visit to Japan on 'Spectacular Subjects: Modernism, Gender and Visuality in Interwar Japan'.

IMPACT: This research visit, to use sources and obtain images from libraries and museums in Tokyo, will provide necessary materials towards a monograph to be submitted for publication by Stanford University Press. With its focus on a key moment in interwar Japanese culture, the consumer spectacle of Tokyo's Ginza area and its department stores, the project illuminates this period and in so doing will make an impact on Japanese studies, as well as interdisciplinary debates on gender, media history and visuality.

4.9 Further Impact

Our grants for research visits often lead to research agreements, formal collaborations, and publications further down the line. The following are two examples of those which came to fruition in 2020:

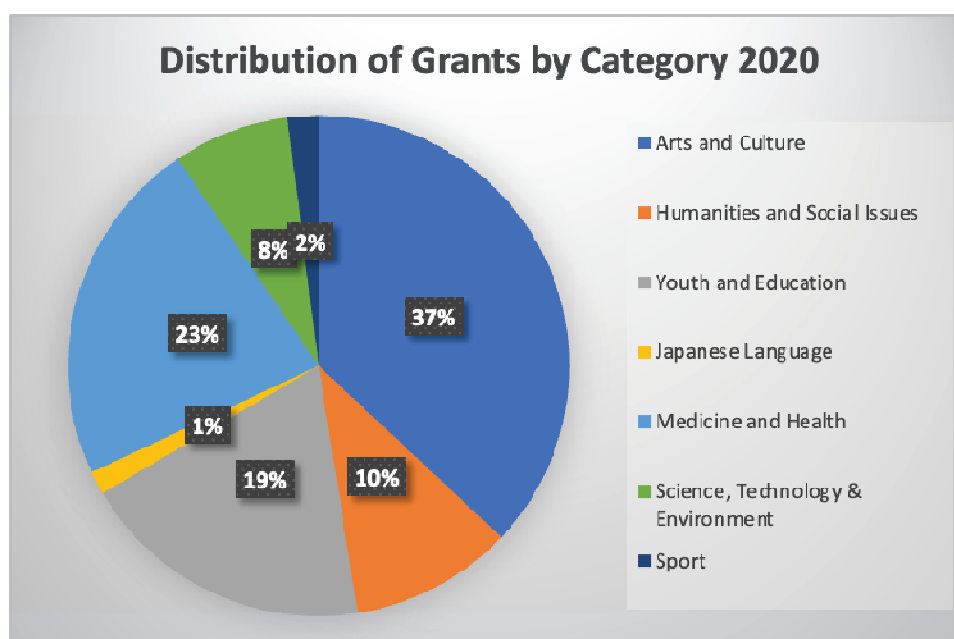
- The results from research into continuous manufacturing of biopharmaceuticals funded by a 2018 grant (#5467) awarded to University of Edinburgh in collaboration with University of Tokyo have been disseminated to the UK and Japan pharmaceutical industries through eight journal publications and five conference presentations, as well as incorporated into PhD theses for two students. The research has similarly benefited members of the research groups involved, with further joint research proposals planned to be submitted to JSPS and EPSRC to continue research into an area which can

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

rapidly revolutionise the industry and enable access to affordable healthcare for millions of patients.

- A grant awarded to University of Central Lancashire in 2019 (#5683) supported a project focusing on onomatopoeic expressions in formal speech situations from a cross-cultural perspective. Our grant supported a research trip to Japan and the data gathered will inform a conference presentation and journal paper. One researcher on the project is a previous Sasakawa Studentship recipient who is now setting up a Japanese studies centre at the University to launch in 2021, showing how support at early stages of a researcher's career can lead to a wider impact and benefit students at different levels in future.

The range of activity during 2020 (% of amounts awarded) with comparison to 2019 was as follows:



CATEGORY	2020	2019
Arts and Culture	37%	36.50%
Humanities and Social Issues	10.50%	14%
Youth and Education	19%	14.50%
Japanese Language	1.50%	5%
Medicine and Health	22.50%	21%
Science, Technology & Environment	7.50%	5%
Sport	2%	4%

The figures above exclude the activities in respect of the Sasakawa Japanese Studies Postgraduate Studentship Programme, see Section 5 below.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

The strategies employed by the Foundation during the year to meet the objectives of the Foundation were to:

- maintain as far as possible a proactive approach in its grants policy
- target potential applicants in under-represented subject areas through visits, mail shots and the website
- heighten awareness of the Foundation's work by increased networking with specialist groups/organisations, with former grant recipients and with other Japan-related organisations; and by visiting institutions, particularly outside London
- monitor closely reports from grant recipients in order to follow-up and encourage the potential for sustainability and for new activity
- liaise closely with other funding bodies to ensure partnership funding of priority activity where appropriate

5. The Sasakawa Japanese Studies Postgraduate Studentship Programme

In 2013 the Board of Trustees approved plans for a five-year Japanese Studies Programme designed to build on The Nippon Foundation-funded Sasakawa Lectureship Programme (that had run between 2008 and 2012). One of the successful outcomes of this Programme had been the establishment by many UK universities of new postgraduate courses in Japanese, some run by the Sasakawa lecturers.

But following changes to university fee structures and trenchant cuts in their core funding, the crisis within UK universities had become even more acute than it had been five years previously. As a result, Japanese as a subject of study had once more become vulnerable, especially at postgraduate level. The objective of the Studentship Programme, therefore, is to encourage the study of Japan at UK universities at masters and at PhD level through the provision of studentships to help the brightest and most promising students - the future Japan specialists.

In order to do this, The Nippon Foundation agreed to award a grant to the Great Britain Sasakawa Foundation of up to £1,530,000 over the 5-year period (2014-2018) so that it might provide UK universities with up to 30 postgraduate studentships per year (each worth £10,000) on the study of Japan. In 2019 the Nippon Foundation confirmed its intention to renew the programme for a further five years and for the sixth year (2019) a grant of £310,000 was awarded to the Foundation by The Nippon Foundation in January 2019. Due to a change in dates in the Nippon Foundation's accounting year, the 2020 grant of £330,000 was received earlier than in previous years, in October 2019, for year seven of the programme (academic year 2020).

IMPACT

The Project's seventh-year impact has not been formally assessed following the end of the academic year 2020/2021 but to date it has been as follows: a rigorous internal selection process undertaken by universities; 44 studentship nominations (including reserves) received from 17 universities, comprising 15 students working at masters' level (10 in 2019) and 29 (26 in 2019) at PhD level; 30 studentships were awarded to those with academic potential, financial need and appropriate subject speciality; there was a good geographical spread of universities engaged with Japan teaching/research and a good range of research areas within Japanese studies. Year 7 studentship payments have been audited by request of the Nippon Foundation at the end of 2020 and a report provided to the Nippon Foundation.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

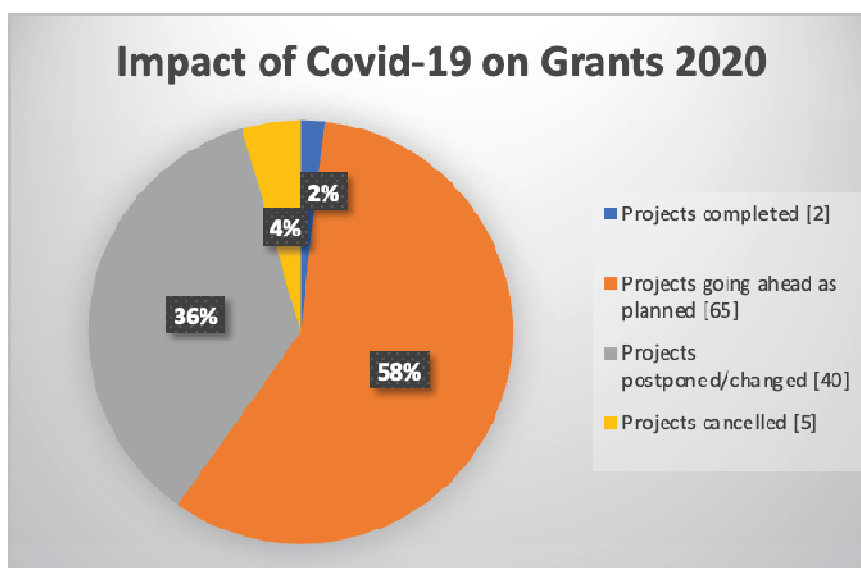
6. Impact of Covid 19 Pandemic

The Covid19 pandemic impacted significantly on the grant programme in 2020.

The first round (Dec 2019 deadline/awarded at Board meeting March 2020) saw the most change as projects had been devised pre pandemic and involved travel and meetings.

For the second round (March 2020 deadline/awarded at Board Meeting May 2020), the impact of the pandemic was beginning to be realised and we began to see projects amended, postponed and redesigned with a shift to online in the case of arts projects. This was seen in the third grant round in September and then again in December for consideration in 2021.

Nonetheless, of the total number of grants awarded in 2020, including 13 grants made via our Japan office, and 6 Butterfield Awards, two thirds of projects are going ahead as planned (65 projects and 2 completed) with a third (40 projects) postponed and a relatively low amount, 5 cancelled.



7. Public Benefit

In so far as the statutory objects, aims and activities of the Great Britain Sasakawa Foundation (as a wholly grant-giving charity) are to advance the education of the people of both the United Kingdom and Japan, as set out in paragraph 3 above, the trustees are satisfied that they fully comply with the duty in section 17 of the Charities Act 2011, namely to have due regard to the public benefit guidance published by the Charities Commission. This includes the guidance “public benefit: running a charity (PB2)”. This is regularly reviewed by the Board of Trustees.

The public benefit of the Foundation’s grant making activities is clearly identifiable in the examples given in the Foundation’s achievements for the year, as outlined in paragraphs 4, 5 & 6 of this Report. The Foundation therefore benefits the public, or a sector of it, without imposing any restrictions. Applications, whether from institutions or from individuals, are accepted only when demonstrably consistent with the charitable objectives of the Foundation.

The trustees work on a voluntary basis and receive no benefits from the Foundation. Expenses reclaimed from the Foundation are set out in note 7 to the Financial Statements. The Foundation's Public Benefit Policy Statement is reviewed annually by the Board of Trustees.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

8. **Plans for the Future**

The Foundation's future policy is to continue to pursue its current objectives and priorities, as outlined in paragraphs 3- 6 above. In particular, it is committed to the continued support of Japanese studies in the UK through its Sasakawa Japanese Studies Postgraduate Studentship Programme, described in paragraph 5 above.

The Foundation will continue to maintain a high public profile, enhanced by its website and social media, making use of the ongoing Japan-UK Season of Culture 2019-20, now extended until the end of 2021 because of the pandemic, to do so. It will adopt a proactive stance in initiating a greater number of applications in under-represented subject areas, such as in science and technology, the environment, social issues and the Japanese language; from first-time applicants; in new fields of UK-Japan activity; and in areas of common challenge to both countries.

It will achieve this by continuing to work in close cooperation with its principal partners, e.g. with other Sasakawa Foundations in Japan in shared areas of activity; with the Embassy of Japan in matters of cultural and education policy; with the Japan Foundation in its support of the Japanese language, Japanese studies and the arts; with the Japan Society for the Promotion of Science in scientific research; with NGOs and community organisations in issues affecting civil society; and with the Japan Society and the British Council in encouraging the younger generation to become better informed about Japan and the United Kingdom.

It will continue its policy of awarding grants annually to approximately 2.5% of its total fund, as valued over an average rolling three-year period, and to encourage a consistently high overall return on its original endowment, maximising that generated by its fund managers whilst protecting, as far as possible, the value in real terms of the initial endowment.

9. **Financial Review**

The results for the year are set out in the Statement of Financial Activities on page 21.

9.1 **Investment Powers and Reserves Policy**

The Foundation's investment powers are drawn from the Articles of Association which permit investment as allowed by current law.

The Foundation has opted to divide its investment portfolio into two approximately equal halves and to appoint separate Investment Managers to handle each half. They are currently Cazenove Capital Management and CCLA. They handle the day-to-day management of the portfolio with discretionary powers within appropriate limits set by the Foundation. The Trustees meet with the investment managers on a regular basis to review their performance.

To finance its activities the Foundation relies on the income and capital gains generated by its investments, and these are regarded as its long-term assets. Their purpose is to generate income and capital gains on a long-term basis that will maintain real value for funding the Foundation's charitable expenditure in perpetuity. Its investment portfolio is managed, therefore, on a long-term and on a total return basis. No annual income target is set for the Investment Managers. The Investment Managers are reviewed on a 5-year basis and in 2020 it was decided to replace Heartwood with CCLA from 2021.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

The Foundation maintains an Investment Policy Statement that documents its investment aims and the policies that guide its investment decision-making, following advice received from the Investment Managers. The Trustees review this document on an annual basis and approve changes, as needed.

In 2020, The Foundation received an Additional Endowment of £11.12 million. This is invested between the two Investment Managers and is for the Unrestricted funds grant programme.

The Foundation's Reserves Policy, as set out in the Investment Policy Statement, is to preserve and if possible, enhance the purchasing power of its portfolio assets, net of costs and approved withdrawals, over rolling five-year periods. This goal is synonymous with the pursuit of a time-weighted net return on portfolio assets that equals and if possible, exceeds cost inflation, as measured by the UK Consumer Price Index, plus the Foundation's long-term spending rate which Trustees have set at a maximum of 4.0%. It, therefore, sets its Investment Managers a net return target of CPI + 4% as measured over rolling five-year periods.

In order to achieve both reasonable stability in budgeting and a sound balance between short-term and longer-term spending priorities, the Trustees have accordingly adopted a long-term spending rule: the expendable amount in any given fiscal year is limited to 4.0% of the average Unrestricted Fund value measured on a three-year rolling basis (at the end of 2020 the Unrestricted Fund stood at £30.00 million) and aim to spend approximately 2.5% on the grants programme. In view of the uncertain financial markets in recent times the Foundation has adopted, and is continuing to adopt, a flexible approach, when thought necessary.

9.2 Allocation of resources and grants

In October 2020 £315,000 was received in respect of the eighth year (2021/2022) of the Sasakawa Japanese Studies Postgraduate Studentship Programme. These grants from The Nippon Foundation are considered to be a related party transaction – see note 16 to the Financial Statements. As the application of the funds is restricted to this programme, it is separately identified in the accounts as Restricted Funds.

From its Unrestricted Fund, the Foundation aims to provide some financial assistance for a minimum of 75% of appropriate projects put forward by applicants. This year, 112 awards were made from the Unrestricted Fund totalling £339,104 representing around 65% of the applications received. This included 13 awards totalling £41,879 made in Japan and 6 Butterfield Awards in medicine and health totalling £40,760.

The Foundation publishes and distributes an Annual Report, which gives details of all awards made in the year. It can be found on its website: www.gbsf.org.uk Hard copies are available from the Foundation's office upon request.

THE GREAT BRITAIN SASAKAWA FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020
(continued)

9.3 Investment Performance

By End December 2020, we had conducted a review of our Investment Managers and as a result, moved our investment with Heartwood Wealth Management to CCLA.

The investment performance of the managers during the year (2020) was:

	<u>Total Return</u>
Heartwood Wealth Management (up to end Q3 Sep 20)	0.7%
Cazenove Capital Management (up to end Q4 Dec 20)	5.7%

This compares with the Foundation's target of CPI+4% that, over the same period, was 5.5%.

Over the five years to 31 December 2020 the annualised total return achieved was:

	<u>Total Return</u>
Heartwood Wealth Management (Up to end Q3 20)	5.5%
Cazenove Capital Management	6.6%

This compares with the Foundation's target of CPI+4% that, over the same period, was 5.8%.

Performance figures are shown net of investment management charges, which have been offset against capital.

10. Statement of Responsibilities of Trustees

Trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the preparation of financial statements for each financial year that give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources including the income and expenditure for that period. In preparing those financial statements, Trustees are required to: -

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

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

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

(continued)

In so far as Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

11. Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'Earl of St Andrews', written in a cursive style.

EARL OF ST ANDREWS, Chairman

3 August 2021

THE GREAT BRITAIN SASAKAWA FOUNDATION

REFERENCE INFORMATION

Charity Number	290766
Company Number	1867362
Chairman:	The Earl of St Andrews
Vice-Chairman:	Joanna Pitman
Treasurer:	J L Scott FCA
Chief Executive and Company Secretary:	Jenny L White
Accountants:	Moore Kingston Smith LLP Devonshire House, 60 Goswell Road, London EC1M 7AD
Auditor:	Moore Kingston Smith LLP Devonshire House, 60 Goswell Road, London EC1M 7AD
Bankers:	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment Managers:	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET Cazenove Capital Management Limited 12 Moorgate London EC2R 6DA
Solicitors:	Farrer & Co 65-66 Lincoln Inn Fields, London WC2A 3LH
Administration and Registered Office:	24 Bedford Row London WC1R 4TQ
Tokyo Liaison Office:	Sasakawa Peace Foundation Building 1-15-16 Toranomom Minato-ku Tokyo 105-0001 Japan

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION

Opinion

We have audited the financial statements of The Great Britain Sasakawa Foundation ('the company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (*continued*)

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 13 and 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION *(continued)*

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION *(continued)*

risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GREAT BRITAIN SASAKAWA FOUNDATION (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Luke Holt (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 6 August 2021

THE GREAT BRITAIN SASAKAWA FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
31 DECEMBER 2020**

INCOME FROM:	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	2020 Total Funds	2019 Total Funds
Endowment received		-	-	11,120,996	11,120,996	-
Investments	2	312,121	-	-	312,121	659,774
Charitable activities	12	-	370,352	-	370,352	310,000
Total		<u>312,121</u>	<u>370,352</u>	<u>11,120,996</u>	<u>11,803,469</u>	<u>969,774</u>
EXPENDITURE ON:						
Raising funds						
Investment management	5	158,500	-	-	158,500	165,130
Charitable activities						
Grant making	3	565,426	457,267	-	1,022,693	1,102,882
Total		<u>723,926</u>	<u>457,267</u>	<u>-</u>	<u>1,181,193</u>	<u>1,268,012</u>
Net gains on investments	9	1,717,274	-	-	1,717,274	2,602,188
Net income/(expenditure) for the year		1,305,469	(86,915)	11,120,996	12,339,550	2,303,950
OTHER RECOGNISED LOSSES						
Foreign exchange losses		(4,140)	-	-	(4,140)	(246)
NET MOVEMENT IN FUNDS		<u>1,301,329</u>	<u>(86,915)</u>	<u>11,120,996</u>	<u>12,335,410</u>	<u>2,303,704</u>
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		<u>28,699,456</u>	<u>107,086</u>	<u>-</u>	<u>28,806,542</u>	<u>26,502,838</u>
TOTAL FUNDS CARRIED FORWARD	12 & 13	<u>30,000,785</u>	<u>20,171</u>	<u>11,120,996</u>	<u>41,141,952</u>	<u>28,806,542</u>

The Statement of Financial Activities discloses the same information as would be contained in the income and expenditure account other than the capital receipt of £11,120,996 for the Endowment. There are no recognised gains or losses for the current financial year and the preceding financial year other than as stated in the income and expenditure account. All of the above incoming resources are derived from continuing activities.

The Notes on Pages 24 to 35 form part of these financial statements.

THE GREAT BRITAIN SASAKAWA FOUNDATION

BALANCE SHEET AS AT 31 DECEMBER 2020

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		£	£
FIXED ASSETS			
Tangible assets	8	-	247
Investments	9	29,779,397	28,385,581
		<u>29,779,397</u>	<u>28,385,828</u>
CURRENT ASSETS			
Debtors	10	75,144	83,858
Cash at bank and in hand		12,085,076	1,002,098
		<u>12,160,220</u>	<u>1,085,956</u>
CREDITORS: amounts falling due within one year	11	<u>(797,665)</u>	<u>(665,242)</u>
NET CURRENT ASSETS		<u>11,362,555</u>	<u>420,714</u>
TOTAL NET ASSETS		<u>41,141,952</u>	<u>28,806,542</u>
RESERVES			
Restricted Funds	12 & 13	20,171	107,086
Endowment Funds	13	11,120,996	-
Unrestricted Funds	13	30,000,785	28,699,456
TOTAL FUNDS		<u>41,141,952</u>	<u>28,806,542</u>

These financial statements were approved by the Board of Trustees on 3 August 2021

Signed on behalf of the Board of Trustees

EARL OF ST ANDREWS



J L Scott



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Trustees

The notes on pages 24 to 35 form part of these financial statements.

Registered Company No: 01867362

THE GREAT BRITAIN SASAKAWA FOUNDATION

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2020**

	2020	2019
	£	£
Cash flow/(outflow) from operating activities		
Net cash provided by/(used in) operating activities	10,447,399	(558,060)
	<u>10,447,399</u>	<u>(558,060)</u>
Cash flows from investing activities		
Investment income and interest received	312,121	659,774
Proceeds from disposal of fixed asset investments	22,404,119	30,485,478
Acquisition of fixed asset investments	(22,080,661)	(30,345,527)
	<u>635,579</u>	<u>799,725</u>
	<u>635,579</u>	<u>799,725</u>
Net increase in cash and cash equivalents	11,082,978	241,665
Cash and cash equivalents at beginning of year	1,002,098	760,433
	<u>11,082,978</u>	<u>241,665</u>
Cash and cash equivalents at end of year	<u>12,085,076</u>	<u>1,002,098</u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2020	2019
	£	£
Net income	12,335,410	2,303,704
Adjustments for:		
Depreciation charges	247	371
Net gains on investments	(1,717,274)	(2,602,188)
Investment income	(312,121)	(659,774)
Decrease in debtors	8,714	59,331
Increase in creditors	132,423	340,496
	<u>11,082,978</u>	<u>241,665</u>
Net cash provided by/(used in) operating activities	<u>10,447,399</u>	<u>(558,060)</u>

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(a) Scope of the financial statements

The financial statements present the Statement of Financial Activities (SOFA), the Balance Sheet and the Statement of Cash Flows.

(b) Accounting convention

The Foundation's financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

The Foundation is a public benefit entity for the purposes of FRS 102 and a registered charity. The Foundation has therefore also prepared its financial statements in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the investments, which are stated at middle market value, with movements in value reported within the Statement of Financial Activities (SOFA). The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

(c) Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Foundation to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the Foundation's forecasts and projections and have taken account of pressures on grants, donation and investment income. After making enquiries the trustees have concluded that there are no material uncertainties with respect to the Foundation's ability to continue as a going concern and there is a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

The Covid19 pandemic impacted significantly on the grant programme in 2020.

The first round (Dec 2019 deadline/awarded at Board meeting March 2020) saw the most change as projects had been devised pre pandemic and involved travel and meetings.

For the second round (March 2020 deadline/awarded at Board Meeting May 2020), the impact of the pandemic was beginning to be realised and we began to see projects amended, postponed and redesigned with a shift to online in the case of arts projects. This was seen in the third grant round in September and then again in December for consideration in 2021.

Nonetheless, of the total number of grants awarded in 2020, including 13 grants made via our Japan office, and 6 Butterfield Awards, two thirds of projects are going ahead as planned (65 projects and 2 completed) with a third (40 projects) postponed and a relatively low amount, 5 cancelled.

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

1. Accounting policies (continued)

(d) Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effects on amounts recognised in the financial statements:

Useful Economic Lives - The annual depreciation charge for office furniture, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

(e) Tangible fixed assets

All tangible fixed assets are capitalised at cost, which is their purchase cost together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on:

Office furniture, fittings and equipment - 20% straight line.

(f) Fixed asset investments

Investments are stated in the accounts at market value.

(g) United Kingdom interest and investment income receivable

All income is recognised once the Foundation has entitlement to the income, the economic benefit is probable, and the amount can be reliably measured.

Income from investments and interest, inclusive of any UK tax deducted, which is recoverable, is included in the statement of financial activities in the accounting period in which it is receivable.

(h) Foreign interest and investment income

Income from investments and interest is included in the statement of financial activities in the accounting period in which it is receivable in the United Kingdom. Where relevant this is net of any foreign withholding taxes, which are not recoverable.

(i) Charitable activities income

Income from grants is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

(j) Foreign currencies

The functional and presentational currency of the Foundation is the pound sterling.

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date.

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

1. Accounting policies (continued)

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA and form part of the Unrestricted Fund.

(k) Taxation

No provision for taxation is made in the accounts, as the Foundation is a charity, as defined by section 519 of the Income Tax Act 2007.

(l) Resources expended

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. The costs in respect of investment management are those in relation to the Foundation's investment portfolios, whilst charitable support are those related to administering the award process and governance relate to compliance with constitutional and statutory requirements. Costs common to the three categories are apportioned in accordance with the estimated amount of staff time spent in each area.

Grants awarded that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

(m) Fund Accounting

The Unrestricted Fund represents all funds held by the Foundation, other than the Restricted Fund, which may be used at the discretion of the Board of Trustees in furtherance of the charitable objects of the Foundation.

Additionally, in September 2020 the Foundation received an additional endowment from The Nippon Foundation in the amount of £11,120,996. The endowment will be used to generate returns to further the purposes of the Foundation.

The Restricted Funds relate to the Programme for the Support of Japanese Studies at UK Universities and to the Chatham House Conference Programme and can only be expended in furtherance of these two projects (including their management and administration). However, as agreed with the Nippon Foundation, income derived from these funds form part of the Unrestricted Fund.

(n) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

1. Accounting policies (continued)

(o) Financial instruments

The Foundation has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation’s balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Investment income

The contributions of the various activities of the Foundation to income are set out below: -

	<u>2020</u>	<u>2019</u>
	£	£
Interest on bank deposit accounts	86	750
Dividends from equities and other securities	312,035	654,011
Other Income (Book Launch)	-	531
Interest from fixed interest/index linked securities	-	4,482
	<u>312,121</u>	<u>659,774</u>

The Foundation has changed its investment approach over the last 18 months, moving from direct investment in OIECs and other funds as recommended by our Investment Advisors to investing in Umbrella Funds managed by the Investment Advisors. One of the consequences of this is a reduction in the Dividends from equities and other securities and Interest from fixed interest/ income linked securities as such income is a component of the change in price of the units in the Umbrella Funds and will, going forward therefore be recognised in Net gains/(losses) on investments (Note 9)

3. Grant making

This comprises the following: -

Year to 31 December 2020

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2020</u>
	Fund	Funds	£
	£	£	£
Awards payable (see note 4 below)	339,104	432,070	771,174
Support costs (see note 5 below)	226,322	25,197	251,519
	<u>565,426</u>	<u>457,267</u>	<u>1,022,693</u>

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

3. Grant making (continued)

Year to 31 December 2019

	Unrestricted	Restricted	
	<u>Fund</u>	<u>Funds</u>	<u>2019</u>
	£	£	£
Awards payable (see note 4 below)	552,411	300,000	852,411
Support costs (see note 5 below)	214,931	35,540	250,471
	<hr/>	<hr/>	<hr/>
	767,342	335,540	1,102,882
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4. Awards payable

The awards payable were for charitable purposes in pursuance of the Foundation's objects. The awards payable for the year comprise: -

Year to 31 December 2020

	Unrestricted	Restricted	
	<u>Fund</u>	<u>Funds</u>	<u>2020</u>
	£	£	£
Awards granted during the year	348,125	297,363	645,488
Adjustments in respect of awards granted in prior years	(9,021)	-	(9,021)
Refund to Nippon Foundation	-	134,707	134,707
	<hr/>	<hr/>	<hr/>
Awards payable	339,104	432,070	771,174
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Year to 31 December 2019

	Unrestricted	Restricted	
	<u>Fund</u>	<u>Funds</u>	<u>2019</u>
	£	£	£
Awards granted during the year	559,482	300,000	859,482
Adjustments in respect of awards granted in prior years	(7,071)	-	(7,071)
	<hr/>	<hr/>	<hr/>
Awards payable	552,411	300,000	852,411
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

5. Analysis of charitable expenditure

Other resources expended are made up as follows: -

Year to 31 December 2020	<u>Investment</u>	<u>Charitable</u>		<u>Total</u>
	<u>Management</u>	<u>Support</u>	<u>Governance</u>	<u>2020</u>
	£	£	£	£
Investment management fees	135,288	-	-	135,288
Staff costs (see note 6(b) below)	6,584	100,655	54,564	161,803
Legal and professional fees	1,998	11,011	12,390	25,399
Costs of Management Council Meetings	81	412	611	1,104
Other administrative expenses	2,018	32,773	12,024	46,814
Office rents and services	869	21,443	8,321	30,633
Depreciation	12	173	62	247
	<u>146,850</u>	<u>166,467</u>	<u>87,972</u>	<u>401,289</u>
Direct governance costs				
-Auditors' remuneration: Current year	-	-	8,340	8,340
-Auditors' remuneration: Other services	-	-	390	390
	<u>146,850</u>	<u>166,467</u>	<u>96,702</u>	<u>410,019</u>
Allocation of governance support cost	<u>11,650</u>	<u>85,052</u>	<u>(96,702)</u>	<u>-</u>
	<u>158,500</u>	<u>251,519</u>	<u>-</u>	<u>410,019</u>

Year to 31 December 2019	<u>Investment</u>	<u>Charitable</u>		<u>Total</u>
	<u>Management</u>	<u>Support</u>	<u>Governance</u>	<u>2019</u>
	£	£	£	£
Investment management fees	139,815	-	-	139,815
Staff costs (see note 6(b) below)	5,564	90,144	51,194	146,902
Legal and professional fees	1,528	4,830	10,006	16,364
Costs of Management Council Meetings	2,179	12,634	20,040	34,853
Other administrative expenses	1,159	19,992	7,410	28,561
Office rents and services	1,358	28,130	10,697	40,185
Depreciation	19	260	92	371
	<u>151,622</u>	<u>155,990</u>	<u>99,439</u>	<u>407,051</u>
Direct governance costs				
-Auditors' remuneration: Current year	-	-	8,220	8,220
-Auditors' remuneration: Other services	-	-	330	330
	<u>151,622</u>	<u>155,990</u>	<u>107,989</u>	<u>415,601</u>
Allocation of governance support costs	<u>13,508</u>	<u>94,481</u>	<u>(107,989)</u>	<u>-</u>
	<u>165,130</u>	<u>250,471</u>	<u>-</u>	<u>415,601</u>

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

5. Analysis of charitable expenditure (continued)

As explained in Note 2 the Foundation has decided to move all its investments into Umbrella Funds managed by our two Investment Advisors. As a consequence, this reduces the explicit investment management charges levied on the Foundation as the investment charges are embedded within the unit price of the units in the Umbrella Funds. Where possible we have obtained details of the embedded investment charges and have included these in the Investment management fees line above, and added them to the Net gains/(losses) on investments (Note 9)

In addition to the Audit Fee referred to above, there is £11,280 included in Legal and Professional fees that relates to bookkeeping and accountancy work carried out by the audit firm (2019 - £11,040).

6. Employee information

- (a) The average number of persons employed by the Foundation during the year was 3.2 (2019 - 3).
(b) Employment costs - all employees

	<u>2020</u>	<u>2019</u>
	£	£
Aggregate gross wages and salaries paid to the Foundation's employees	130,863	118,561
Employer's national insurance contributions, or foreign equivalents	22,647	21,975
Provision for retirement allowance for a member of staff	3,545	1,914
Staff pension	4,748	4,452
	<hr/>	<hr/>
	161,803	146,902
	<hr/> <hr/>	<hr/> <hr/>

- (c) There was no employee who received emoluments above £60,000 in the year (2019 – None).
(d) The Foundation considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £76,578 (2019 - £64,919).
(e) The Foundation began a workplace pension scheme in April 2017.

7. Council Members' Expenses

- (a) No remuneration was paid to any trustee (2019 - nil).
(b) Expenses totalling £93 (2019 - £4,470) was reimbursed to 1 (2019 - 2) UK trustees in respect of travel and other expenses incurred by them.
(c) Travel allowances totalling £0 (2019 - £486) were paid to 0 (2019 – 4) Japan trustee members in respect of their attendance at meetings

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

8. <u>Tangible fixed assets</u>	<u>Office Furniture, Fittings and Equipment</u>	
	£	
<u>Cost</u>		
At 1 January 2020 and 31 December 2020	7,606	

<u>Accumulated Depreciation</u>		
At 1 January 2020	7,359	
Charge for year	247	

At 31 December 2020	7,606	
	=====	
Net book value at 31 December 2020	-	
	=====	
Net book value at 31 December 2019	247	
	=====	
9. <u>Fixed asset investments</u>	<u>2020</u>	<u>2019</u>
	£	£
(a) The movements during the year were as follows:-		
Middle market value at 1 January	28,385,581	25,923,344
Additions at cost	22,080,661	30,345,527
Disposals at open market value (Proceeds £22,404,119 realised gain £748,137)	(21,655,982)	(29,001,990)
Net gains on revaluation at 31 December	969,137	1,118,700
	-----	-----
Middle market value at 31 December	29,779,397	28,385,581
	=====	=====
Cost at 31 December (see note 9(d) below)	28,396,241	26,856,367
	=====	=====
(b) Analysis of listed investments	<u>2020</u>	<u>2019</u>
	£	£
Equities, Unit Trusts/OEICs	29,779,397	28,385,581
	-----	-----
	29,779,397	28,385,581
	=====	=====

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

9. Fixed asset investments (continued)

(c) As at 31 December, the following investment represented more than 5% of the total investments as follows:-

Year to 31 December 2020	<u>Holding</u> <u>2020</u>	<u>Market Value</u> <u>2020</u> £
Unit Trusts/OEICs		
Cazenove Charity Respons M-A Fund	5,911,468	3,185,690
CCLA COIF Charity Funds	898,713	16,187,085

Year to 31 December 2019	<u>Holding</u> <u>2019</u>	<u>Market Value</u> <u>2019</u> £
Unit Trusts/OEICs		
LF Hwd Balanced Multi Asset Fund D Acc	7,722,901	10,252,151
LF Hwd Balanced Sustainable MAF D Acc	3,725,782	3,820,790
Cazenove Charity Response M-A Fund	5,911,468	3,047,953

(d) The cost shown above represents the original cost as adjusted to take account of subsequent investment transactions.

(e) As explained in Note 2 the Foundation has decided to move all its investments into Umbrella Funds managed by our Investment Advisors. This process started in 2019 and continued through 2020 and is now complete. The impact on Investment income is explained in Note 2 and on Investment Management fees in Note 5, with a corresponding impact on Net gains/(losses) on investments.

10. <u>Debtors</u>	<u>2019</u> £	<u>2019</u> £
Dividends receivable	22,632	43,936
Prepayments	3,244	9,707
Other debtors	49,268	30,215
	-----	-----
	75,144	83,858
	=====	=====

In both 2020 and 2019, all debtors at the year end were included in the unrestricted fund.

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

11. Creditors - amounts falling due within one year

	<u>2020</u>	<u>2019</u>
	£	£
Awards payable	383,234	237,023
Other creditors	64,811	78,959
Accruals	349,620	349,260
	797,665	665,242
	797,665	665,242

At 31 December 2020 there was a taxation and social security creditor of £741 (2019 - £2,861) and a pension creditor of £982 (2019 - £601).

In both 2020 and 2019, all creditors at the year end were included in the Unrestricted Fund, other than £330,000 of deferred income from the Nippon Foundation.

12. Reserves

Restricted Funds

There have been two Restricted Fund Programmes from the Nippon Foundation. One for the Chatham House Conference, now closed, (2019: £nil). The Chatham House Conference Surplus Funds of £134,707 were returned to The Nippon Foundation June 2020. The Nippon Foundation also awarded a restricted grant of £315,000 (2019: £310,000) for the Sasakawa Japanese Studies Postgraduate Studentship Programme. The Studentship programme is the only Restricted fund that is still active.

	<u>Balance</u>	<u>Funds</u>	<u>Funds</u>	<u>Balance</u>
Year to 31 December 2020	<u>01.01 2020</u>	<u>Received</u>	<u>Expended</u>	<u>31.12 2020</u>
	£	£	£	£
Chatham House Conference Programme	92,723	55,352	134,747	13,328
Sasakawa Japanese Studies Postgraduate Studentship Programme	14,363	315,000	322,520	6,843
	107,086	370,352	457,267	20,171
	107,086	370,352	457,267	20,171
	<u>Balance</u>	<u>Funds</u>	<u>Funds</u>	<u>Balance</u>
Year to 31 December 2019	<u>01.01 2019</u>	<u>Received</u>	<u>Expended</u>	<u>31.12 2019</u>
	£	£	£	£
Chatham House Conference Programme	117,824	-	25,101	92,723
Sasakawa Japanese Studies Postgraduate Studentship Programme	14,802	310,000	310,439	14,363
	132,626	310,000	335,540	107,086
	132,626	310,000	335,540	107,086

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

13. Allocation of Net Assets between Funds

Year to 31 December 2020	<u>Unrestricted Fund</u>	<u>Endowment Fund</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
	£	£	£	£
Fixed Assets				
Tangible assets	-	-	-	-
Investments	18,658,401	11,120,996	-	29,779,397
Current assets	11,810,049	-	350,171	12,160,220
Current liabilities	(467,665)	-	(330,000)	(797,665)
	<hr/>	<hr/>	<hr/>	<hr/>
	30,000,785	11,120,996	20,171	41,141,952
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Year to 31 December 2019	<u>Unrestricted Fund</u>	<u>Endowment Fund</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
	£	£	£	£
Fixed Assets				
Tangible assets	247	-	-	247
Investments	28,385,581	-	-	28,385,581
Current assets	648,870	-	437,086	1,085,956
Current liabilities	(335,242)	-	(330,000)	(665,242)
	<hr/>	<hr/>	<hr/>	<hr/>
	28,699,456	-	107,086	28,806,542
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

14. Members' Guarantee

The guarantee given by the members of the Foundation is £1 per member in the event of there being a deficiency of assets should the Foundation be wound up, 2020 - 11 members (2019 - 11 members).

15. Commitments under Operating Leases

The Foundation has annual commitments of £16,500 per annum that expires in June 2025 in respect of an operating lease for premises. An operating lease for a printer was entered into for five years commencing in July 2015 at a rental of £1,068 per annum. Upon expiry this reverted to a rolling short term contract

THE GREAT BRITAIN SASAKAWA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2020 – (continued)

16. Related Party Transactions

In 2020 the Foundation received a further £370,352 (2019 - £310,000) from The Nippon Foundation for the support of the Japanese Studies and Chatham House Conference programmes, as joint initiative with the Nippon Foundation. In addition, the Foundation received £11,120,996 from the Nippon Foundation as an additional endowment (2019 - £nil). The endowment will be used to generate returns to further the purposes of the Foundation.

In 2020, the Foundation paid £350 to The Japan Society in relation to an annual corporate membership. One of the Trustees of the Foundation is also a director of The Japan Society.

One member of the Board of Trustees is a Special Advisor to, and one is a Trustee of The Nippon Foundation.