

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)

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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

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

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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

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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

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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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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

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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. OBGGA 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 OBGGA 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. OBGGA'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 OBGGA 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.

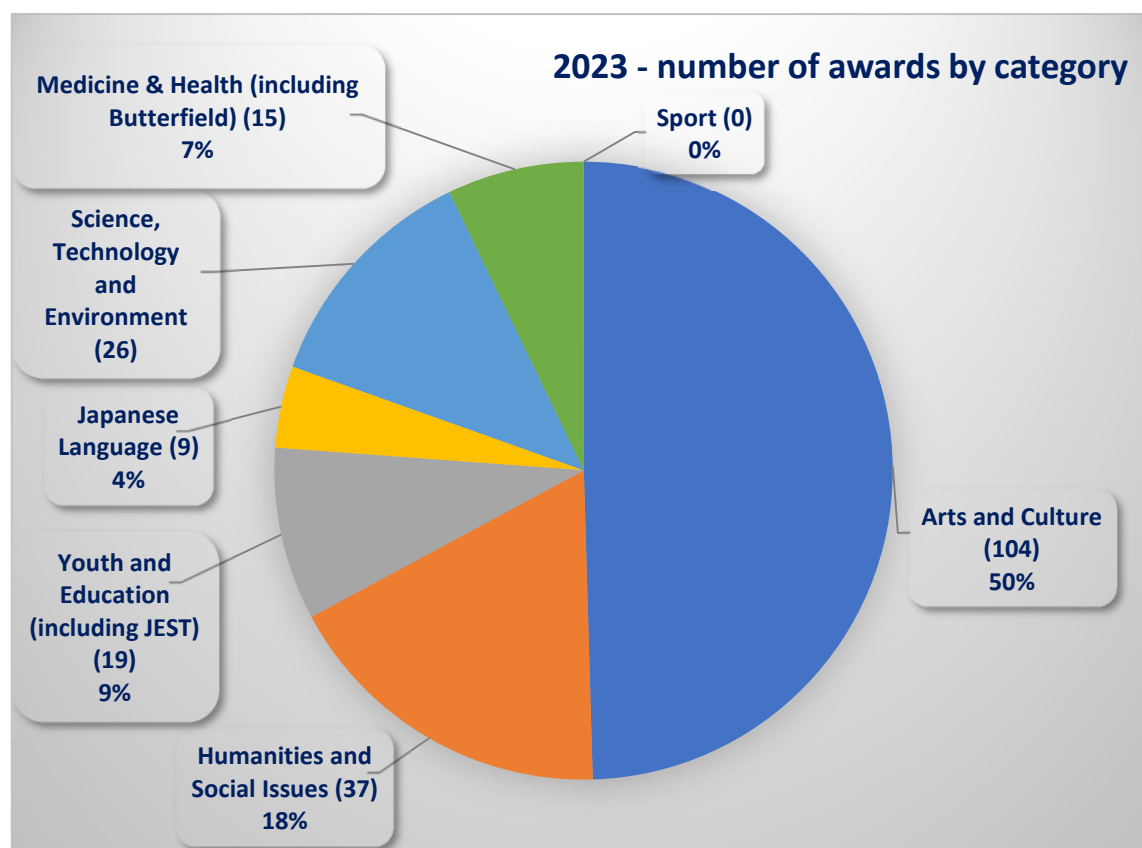
How new bone formation is generated and strengthened in patients with low bone density is the subject of a Butterfield Award for a research programme on Bone and Mineral Research (B117) which enabled Tristan Whitmarsh from University of Cambridge to attend the 41st Annual Meeting of the Japanese Society 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.

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

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

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.

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

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

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

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

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%

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

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; 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 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.

BALANCE SHEET AS AT 31 DECEMBER 202325

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)
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>868,688</u>	<u>832,604</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
Cash and cash equivalents at end of year	<u>1,338,474</u>	<u>1,407,389</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)
Net cash provided by/(used in) operating activities	<u>(937,603)</u>	<u>(753,175)</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>Unrestricted</u>	<u>Endowment</u>	<u>2023</u>
	<u>Fund</u>	<u>Fund</u>	<u>Funds</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>Unrestricted</u>	<u>Endowment</u>	<u>2022</u>
	<u>Fund</u>	<u>Fund</u>	<u>Funds</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>Restricted</u>	<u>2023</u>
	<u>Fund</u>	<u>Funds</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>Restricted</u>	<u>2022</u>
	<u>Fund</u>	<u>Funds</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> £	Charitable Support <u>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/>

(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

At 31 December 2023	5,780
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Accumulated Depreciation

At 1 January 2023	7,607
Charge for year	-
Disposal	1,826

At 31 December 2023	5,780
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Net book value at 31 December 2023	-
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Net book value at 31 December 2022	-
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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)
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

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	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>

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.