

## **The Daiwa Anglo-Japanese Foundation**

Financial Statements together with Trustees' and independent auditor's reports  
For the year ended 31 March 2023

Registered Charity No.299955

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**Reference and administrative information**

<b>Trustees</b>	Sir Timothy Hitchens KCVO CMG, Chair Mr Takashi Hibino, Vice Chair Mr Stephen Barber Ms Yoko Dochi Mr Keiichi Hayashi Mr Yusuke Kawamura Professor Sachiko Kusakawa Ms Rebecca Salter PRA Professor Hirotaka Takeuchi Dr Victoria Tuke Ms Jessie Turnbull Professor Sir Mark Walport FRS FRCP FRCPATH FMedSci FRSE	
<b>Director General</b>	Mr Jason James OBE	
<b>Registered office</b>	Daiwa Foundation Japan House 13/14 Cornwall Terrace London NW1 4QP	
<b>Charity Number</b>	299955	
<b>Auditors</b>	Greenback Alan LLP Chartered Accountants and Registered Auditor 89 Spa Road London SE16 3SG	
<b>Solicitors</b>	Clifford Chance 10 Upper Bank Street London EC14 4JJ	
<b>Bankers</b>	Lloyds TSB Bank plc Cheapside Branch 34 Moorgate London EC2R 6PL	Mizuho Bank Akasaka Branch Toho Building 2-5-1, Akasaka Minato-Ku
<b>Investment Managers</b>	BlackRock 12 Throgmorton Avenue London EC2N 2DL	

## The Daiwa Anglo-Japanese Foundation

The Trustees present their annual report on the activities of the Daiwa Anglo-Japanese Foundation ("the Foundation"). The information on page 2 forms part of this report.

### Structure, Governance and Management

The Foundation was established with a benefaction from Daiwa Securities Co Ltd in 1988. It was constituted under a Trust Deed dated 16 August 1988 and is a registered charity, number 299955. The Tokyo office, which is fully consolidated into these accounts, operates as the Japanese branch of a UK company, Daiwa Nichiei Kikin Limited (Company Number 8510540). This company is 100% owned by the Chair of the Daiwa Foundation, and its Directors are the Managing Trustees of the Foundation, the Director General, and the Director of the Tokyo office.

The appointment, retirement and management of the Board of Trustees are governed by guidelines determined by Trustees and reviewed periodically. The maximum term of appointment is normally 9 years. The power of appointing members, either by way of replacement or addition, is vested in the Board of Trustees. Appointments should be by consensus.

The induction process for any newly appointed Trustee comprises meetings with the Chairman, the Board and the Director General. Induction materials include a copy of the Foundation's Trust Deed, minutes of recent Trustees' meetings, and copies of the Annual Review and of relevant reports and papers relating to the Foundation's activities.

The Director General communicates to the Trustees any significant changes to legislation or reporting requirements that may be relevant to the Foundation.

Meetings of the Board of Trustees are held twice a year and deal with matters of broad strategy and policy applying to the Foundation's programmes, finances and general management. A selection panel of UK Trustees meets once a year to award Daiwa Scholarships. Authority is delegated by the Board to the Managing Trustees to approve grants on its behalf and to exercise all or any of the other powers of the Trustees as specified in section 8.1 of the Trust Deed. During the year under review the Managing Trustees were Sir Timothy Hitchens, Mr Stephen Barber, Professor Richard Bowring (until 1 July 2022), Mr Paul Dimond (until 1 July 2022), Ms. Yoko Dochi (from 25 November 2022), Professor Sachiko Kusukawa (from 1 July 2022), and Ms. Jessie Turnbull (from 1 July 2022).

The day-to-day administration of grants and scholarships is delegated to the Director General and staff of the Foundation. Management meetings between the Director General and the Managing Trustees are held at least three times a year, to approve grants and to deal with other major areas of the Foundation's work.

### Key management personnel remuneration

The Trustees consider the board of Trustees (in particular the Managing Trustees) and the Director General to be the key management personnel of the Foundation, in charge of directing and controlling, and running and operating the Foundation on a day-to-day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 6 to the accounts.

The pay of the Director General is reviewed annually by the Managing Trustees and is normally increased by a small increment each year, with reference to trends in average earnings and inflation.

## **Risk management**

The principal risks faced by the Foundation lie in the performance of its investments and in shifts in the yen-sterling exchange rate.

The size of the Foundation's annual budget is based on the Trustees' view of the likely long-term returns on the permanent endowment, considered on a total return basis. In arriving at this view, the Trustees place particular weight on the advice of those Trustees, along with the Director General, who have professional experience of investment markets. Risks relating to the investment portfolio are mitigated by retaining professional investment managers and by holding a broadly diversified investment portfolio.

The yen-sterling exchange rate represents a risk to the Foundation for two major reasons. First, an office is maintained in Tokyo with three staff, resulting in significant fixed costs denominated in yen. Secondly, the costs of the flagship Daiwa Scholarships programme are mostly incurred in Japan, being the stipends paid to Scholars to cover their living expenses, and other costs of the programme, most notably fees paid to Japanese language schools. The Foundation mitigates this risk by buying yen in advance to cover a portion of future liabilities.

The Foundation also faces the risk that its programmes may prove ineffective in their objective of advancing the education of British citizens about Japan, and vice versa. In order to prevent this from happening, all programmes are regularly reviewed by Trustees as to their effectiveness, and programmes are from time to time discontinued and new ones introduced. The Trustees authorise a subset of their number (the "Managing Trustees") to exercise closer scrutiny of the day-to-day issues facing the Foundation, and in particular to authorise all grants made, to ensure that as far as possible these go to support projects in line with the Foundation's overall objectives.

## **The Foundation's objects and powers**

The objects of the Foundation as stated in the Trust Deed are as follows:

- (a) The advancement of the education of the citizens of the United Kingdom and the citizens of Japan in each other's institutions, business organisations, economy, culture, heritage, history, language, literature, art, music, and medical and scientific achievements.
- (b) The award of scholarships or maintenance allowances to enable students and academics at schools, colleges and universities in the United Kingdom or Japan to travel abroad to pursue their education.
- (c) To make grants to institutions having exclusively charitable objectives according to the law of England and Wales which are engaged in promoting for the public benefit education in the United Kingdom or Japan, or research into cultural, historical, medical and scientific subjects and the publication of the useful results of all such research.

In furtherance of these objects, the Trustees have powers:

- (a) To establish a cultural centre in the United Kingdom.
- (b) To organise or sponsor for the public benefit courses, conferences, lectures, seminars, discussion groups, exhibitions, concerts, plays, film shows and readings.
- (c) To provide for the benefit of the public a library, reading room, or other facilities for study.
- (d) To do such things as shall further the foregoing objects or any of them.

The Foundation's headquarters are at Daiwa Foundation Japan House, 13/14 Cornwall Terrace, London NW1 4QP, a five-storey Regency house overlooking Regent's Park. The facilities include exhibition

## The Daiwa Anglo-Japanese Foundation

rooms, seminar and meeting rooms and a lecture room. The Tokyo office is located in Room 103 of the Bancho Building, Goban-cho 12-1, Chiyoda-ku, Tokyo 102-0076.

### Review of activities

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's objectives for the year and in planning future charitable activities.

To further its charitable purposes for the public benefit, the objectives of the Foundation are achieved by means of the following four main areas of activity:

#### 1. Scholarships

##### Daiwa Scholarships

Established in 1991, the Daiwa Scholarship programme is aimed at future leaders in their fields who are given the opportunity to spend a 19-month period in Japan undertaking 12 months of intensive Japanese language study, a 1-month home stay, and a 6-month work placement. Since 2015, the programme has also included an additional one month of Japanese language training in the UK before departure for Japan. The programme attracts highly-qualified applicants from a variety of academic and professional fields. In the past, normally six British graduates a year were selected as new Daiwa Scholars; the Trustees decided in 2017 to expand the programme, and eight scholarships were offered in both March 2018 and March 2019 (though in March 2018 one of the offers was declined). In the light of uncertainties arising from the COVID-19 pandemic, only five Daiwa Scholarships were awarded in March 2020, and six in March 2021, but eight were again offered in 2022 as conditions started to normalise, and seven were offered in March 2023.

The selection process includes a preliminary assessment of applications by the Director General and Foundation staff; first-round interviews of long-listed candidates by the Director General and two external assessors, an interim lunch and alumni forum at Daiwa Foundation Japan House, and final interviews by a selection panel of UK Trustees.

Given restrictions on entry into Japan resulting from the COVID-19 pandemic, the eleven Scholars selected in March 2020 and March 2021 were unable to leave for Japan as planned. Two of them entered Japan in early 2022, and the remaining nine joined the eight 2022 Scholars in travelling to Japan in September 2022. These 17 Scholars undertook the preliminary 1-month language course at EJEJ, near High Wycombe, during the summer of 2022.

Given the disruptions caused by COVID, no Daiwa Scholars completed the programme during the year under review. One sadly dropped out of the programme for health reasons. The total number of alumni (including a small number who did not complete the full programme) is 194. The Daiwa Scholars Alumni Association plays an ongoing role in support of the recruitment and briefing of new Daiwa Scholars and in creating opportunities for networking across the year groups.

The recruitment of new Scholars is normally facilitated by the Foundation's website, university milk round visits and the involvement of the Daiwa Scholars Alumni Association in other awareness-raising activities.

##### Daiwa Scholarships in Japanese Studies

This scholarship scheme, enabled by generous additional funding from the Daiwa Securities Group, was launched in May 2015 to provide full funding for postgraduate students of Japanese Studies on courses in either Japan or the UK. Applicants must be British citizens who are holders of a degree in Japanese

## The Daiwa Anglo-Japanese Foundation

Studies, defined as a course focusing primarily on the study of Japan and containing a substantial Japanese language component.

The funding provided by Daiwa Securities has now reached the end of its agreed term; it continues to apply to scholars selected during the agreed period, whom it will cover until the scheduled end of their courses. New scholars under this scheme from 2023 onwards will be funded from the Foundation's own resources, and as a result the size of the scheme is expected to be smaller than it has been. Two new scholarships under this programme were awarded in March 2023, bringing the total number of scholars to 28.

### **Harold Bell Scholarship**

The Foundation took on this scholarship scheme when the Harold Bell Scholarship Trust was wound up in 2015. The scholarship is normally run every other summer, and pays for one Japanese teacher of English to take teacher training courses at the Bell School of English in Cambridge. Because of continuing concerns about the COVID pandemic, the scholarship was not run in 2022.

### **Cambridge Trust Scholarship**

This scheme is run in collaboration with Cambridge Trust, a charity associated with Cambridge University, with costs shared 50:50. It pays full fees and a stipend for a Japanese student taking a one-year Master's course at Cambridge. In the year under review, one student on the scheme completed a Master's in Public Policy at Wolfson College in the summer of 2022, while a second started an MPhil in Politics and International Studies at Trinity College that autumn.

Details of these scholarship programmes, including application forms for the first two, are available on the Foundation's website.

## **2. Grants, Awards and Prizes**

Grant-giving during the year was carried out via the following two programmes:

Daiwa Foundation Small Grants are available from £2,000-£7,000 (subsequently altered in 2022 to £2,000-£9,000) to individuals, societies, associations or other bodies in the UK or Japan to promote and support interaction between the two countries. They can cover all fields of activity, including educational and grassroots exchanges, research travel, the organisation of conferences, exhibitions, and other projects and events that fulfil this broad pump-priming objective. New initiatives are especially encouraged.

Daiwa Foundation Awards are available from £7,000-£15,000 (subsequently altered in 2022 to £9,000-£18,000) for collaborative projects that enable British and Japanese partners to work together, preferably within the context of an institutional relationship.

In 2022/23, the Trustees approved Small Grants and Awards to a total of £263,150 (2021/22: £234,115). Grants were allocated for a wide range of arts and humanities, social science and scientific projects, as well as for educational and cultural exchanges between the UK and Japan.

A committee structure is in place for assessing applications for Daiwa Foundation Small Grants and Daiwa Foundation Awards submitted to the Foundation's offices in London and Tokyo. Recommendations are then submitted to the Managing Trustees for further discussion and approval on behalf of the Board of Trustees.

Details of deadlines and criteria for Grants, Awards and Prizes, together with the relevant application forms and guidelines, are available on the Foundation's website.

### 3. Events

The Foundation's programme of events, which are mostly held in the UK, reflects its wider objectives in supporting the ongoing exchange of information and ideas between Britain and Japan. Events were forced to shift online in early 2020 as a result of the pandemic, and there were some advantages to this format, including the ability to involve speakers and other participants from Japan; during the year under review there was a mixture of on-line and in-person events, including seminars and lectures on aspects of contemporary Japan, as well as book launches. The Foundation also has an art gallery at its London headquarters and holds regular exhibitions by contemporary artists from Japan.

The 2022 annual seminar series took *Solidarity* as its theme. Under this heading, we looked at how we can work together to deal with various threats facing the world, including Russian aggression (and nuclear threats), the refugee crisis, and more sector-specific issues such as the difficulties faced by artists during and after the pandemic. The 2023 annual seminar series is based on the theme of *Innovation*, and is looking at new approaches being tried to deal with some of the weaknesses highlighted by problems such as COVID, the Russia-Ukraine War, and ongoing climate change, in sectors including health, defence, and energy. Details of seminar proceedings are made available on-line via the Foundation's website.

The Foundation also presents a wide variety of other lectures. We were pleased to be able to bring a speaker over from Japan for the first time since the pandemic; Tadahiko Sako of TBS came over to present and answer questions about his Okinawan political documentary *KAMEJIRO: The U.S. Military's Most Feared Man*, which he showed in London and Edinburgh. 2022 marked the 50th anniversary of the reversion of Okinawa to Japan following the Second World War, and the Foundation held several other Okinawa-related events, including an exhibition by the Okinawan artist Yuken Teruya. Another theme was the Hiroshima atomic bomb and socially-engaged art, which was the subject of an exhibition in summer 2022. Sadly, a planned presentation by a survivor of the Hiroshima bomb had to be cancelled because it ended up clashing with the funeral of Her late Majesty the Queen. The events programme included a wide variety of other presentations, including one by our own Director General Jason James discussing the history of the mineral water company founded in 1890 by the British trader Clifford Wilkinson, which eventually grew into one of Japan's largest soft drink businesses.

Book launches and associated lectures have been a regular feature of the programme, providing support for academic authors and publishers, and a vehicle for widening access to new research publications on Japan.

The facilities of Daiwa Foundation Japan House are made available to various Japan-related associations and clubs for educational and cultural purposes. This was not possible during the pandemic, but these activities were largely back to normal in the year under review.

### 4. Cultural Relations

As one of the largest UK charities acting to support and enhance understanding between Britain and Japan, the Foundation's role extends beyond its specific funding and events programmes. It works in close association with educational and cultural bodies in the UK and Japan and with Japan-related agencies, organisations and foundations to facilitate links between the two countries. The Foundation is represented on various external committees and provides information and advice on the development of Anglo-Japanese projects and initiatives. Through direct participation in meetings, seminars and conferences, it actively contributes to developing and fostering exchange activities and cultural links at all levels.

It is in this context that the Director General is a member of the UK-Japan 21st Century Group and maintains links with Japanese departments at UK universities and with the British Association of Japanese Studies and similar bodies. He also gives presentations from time to time on UK-Japan related topics to universities, schools and other organisations in both countries.

## **Financial Review**

### **Financial result for the year**

As can be seen from the main body of the accounts, the Foundation had net outgoing expenditure of £1,817,824 (2022: £1,153,749) for the year. The Foundation recorded a net gain on funds under management of £396,220 (2022: £1,739,744). The net movement in funds has been subtracted from the accumulated fund in the balance sheet. As can be seen in Note 11, the Foundation switched its equity investments during the year from standard index funds into a range of 'ESG funds' taking account of Environmental, Social and Governance factors. The costs associated with this switch resulted in a substantial increase in fund managers' fees for the year, which totalled £224,000, up from around £24,000 the previous year. This cost is not expected to recur in future years.

### **Financial statements**

In drawing up the financial statements, the Foundation has complied with the Statement of Recommended Practice applicable to charities preparing accounts in accordance with FRS102. The Trustees are satisfied that the financial statements comply with current statutory requirements and with the requirements of the Foundation's Trust Deed. Following approval of the financial statements, copies will be filed with the Charity Commission.

### **Investment activities**

The Trustees confirm that the Foundation's investments are held and managed in accordance with the Trustees' powers as set out in section 4 of the Trust Deed. In accordance with section 4.1.4 of the Trust Deed, the Trustees have delegated the discretionary management of the Foundation's funds to BlackRock.

The Foundation's funds are managed with the objectives of protecting the value of the original benefactions in real terms and generating sufficient return to support the Foundation's purpose.

### **Reserves policy**

It is the intention of the Trustees to maintain the accumulated funds at an amount that will generate sufficient funds to meet a regular level of grants and other items of expenditure. In practice, this means that the inflation-adjusted value of the original benefactions is periodically calculated and compared with the value of the accumulated funds. Any adjustments in expenditure are based on maintaining this inflation-adjusted value, except that following the Tohoku Earthquake in March 2011, the Trustees agreed to make available £250,000 for the Daiwa Tohoku Scholarships programme, to be spent out of the Foundation's reserves rather than taken from the ongoing budget. At the end of the 2022/23 financial year, the Foundation's net assets of £44.3m (2021/22: £45.7m) were 13% below (2021/22: 1% below) the value of the original benefactions in real terms and would be 12% below if the spending on the Daiwa Tohoku Scholarships had not taken place.

### **Staff and administration**

There are currently six full-time members of staff at the London headquarters of the Foundation, with one part-time staff member. The Tokyo office is staffed by one full-time and two part-time members of staff.

Once again, the Trustees of the Foundation acknowledge with gratitude the generous support of Daiwa Securities Group Inc. and Daiwa Capital Markets Europe Limited in respect of certain overhead and other expenditures in Tokyo and London, as well as in the provision of additional funding to support the Daiwa Scholarships in Japanese Studies.



## **Fixed assets**

Information relating to tangible and intangible assets is given in notes 9 and 10 to the financial statements.

## **Auditor**

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware and the Trustees have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

A resolution to appoint Greenback Alan LLP as auditor for the ensuing year is to be proposed at the winter meeting of the Trustees.

## **Trustees**

The Trustees who served during the year were:

Sir Timothy Hitchens KCVO CMG, Chair

Mr Takashi Hibino, Vice Chair

Mr Stephen Barber

Professor Richard Bowring (resigned 1 July 2022)

Mr Paul Dimond CMG (resigned 1 July 2022)

Ms Yoko Dochi

Mr Keiichi Hayashi (appointed 1 July 2022)

Mr Yusuke Kawamura

Professor Sachiko Kusakawa

Mr Masaki Orita (resigned 1 July 2022)

Ms Rebecca Salter PRA (appointed 1 July 2022)

Professor Hirotaka Takeuchi

Dr Victoria Tuke

Ms Jessie Turnbull

Professor Sir Mark Walport FRS FRCP FRCPath FMedSci FRSE (appointed 1 July 2022)

## **Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements**

Under the trust deed and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and

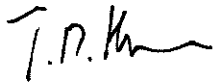
## The Daiwa Anglo-Japanese Foundation

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Authority is entrusted and delegated to the Managing Trustees, Sir Timothy Hitchens, Mr Stephen Barber, Ms Yoko Dochi, Professor Sachiko Kusakawa, and Ms Jessie Turnbull, to exercise all or any of the powers of the Trustees as specified in section 8.1 of the Trust Deed.

**Signed on behalf of the Trustees**



Sir Timothy Hitchens KCVO CMG  
Chair

Daiwa Foundation Japan House  
13/14 Cornwall Terrace  
London NW1 4QP  
24 November 2023

## **Independent auditor's report to the Trustees of The Daiwa Anglo-Japanese Foundation**

### **Opinion**

We have audited the financial statements of the Daiwa Anglo-Japanese Foundation ("the charity") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements ("the going concern period"). In our evaluation we considered the inherent risks to the charity's operations and analysed how these risks might affect the charity's financial resources, or ability to continue its operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charity will continue in operation.

### **Other information**

The Trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

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

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

### **Trustees' responsibilities**

As explained more fully in their statement set out on page 9, the Trustees are responsible for: the preparation of financial statements which give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the 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:

We obtained a general understanding of the charitable foundation's legal and regulatory framework through enquiry of management concerning: their understanding of relevant laws and regulations; the entity's policies and procedures regarding compliance; and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the charitable foundation's objectives and regulation.

We understand that the charitable foundation complies with the framework through having in place robust procedures and policies and by outsourcing and taking external professional legal, and accounting advice on relevant specialist functions and areas including the preparation of financial statements.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the charitable foundation's ability to conduct its activities; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the entity:

- The Charities SORP (FRS 102), the Charities Act 2011.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation or error in income recognition leading to overstatement of income (and debtors) to inflate the amounts of funds carried forward;
- Manipulation or error in expenditure leading to over or under-statement of charitable activities expenditure, resulting in over or under statement of funds carried forward;
- Manipulation or error in raising accruals and provisions for costs incurred but not invoiced before the balance sheet date that often entail a significant degree of judgment;

The procedures we carried out to gain sufficient appropriate audit evidence in the above areas included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud and error;
- Understanding the potential for override of these controls on the financial reporting process, and how those charged with governance address these override potentials.
- Performing substantive testing on appropriate samples, and investigating any discrepancies identified;
- Documenting the assumptions and judgements made by management in their significant accounting estimates and challenging these with management;
- Identifying and testing journal entries, in particular those around the year-end, and involving unusual postings, account combinations, or amounts;

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with charitable entities, and preparing accounts under the Charities SORP (FRS 102).

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES**

This report is made solely to the charity's Trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Jon Fisher for and on behalf of Greenback Alan LLP, Statutory Auditor**  
*Chartered Accountants*  
89 Spa Road  
London  
SE16 3SG

24 November 2023

*Greenback Alan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

# The Daiwa Anglo-Japanese Foundation

## Statement of Financial Activities For the year ended 31 March 2023

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	£	£	31 March 2023 £	31 March 2022 £
<b>Income</b>	3	192,283	48	192,331	136,425
<b>Expenditure</b>					
<i>Costs of generating funds</i>					
Fund managers' fees		(224,000)	-	(224,000)	(23,769)
<i>Charitable activities</i>					
Scholarships		(963,024)	-	(963,024)	(462,108)
Grants, Awards & Prizes	16	(436,078)	-	(436,078)	(423,288)
Events		(338,756)	-	(338,756)	(335,501)
Cultural Relations		(48,297)	-	(48,297)	(45,508)
Total charitable activities expenditure	5	(1,786,155)	-	(1,786,155)	(1,266,405)
<b>Total expenditure</b>		(2,010,155)	-	(2,010,155)	(1,290,174)
Net gain/(loss) on investment funds	11	395,584	636	396,220	1,739,744
<b>Net Income/(expenditure)</b>		(1,422,288)	684	(1,421,604)	585,995
<b>Net movement in funds</b>		(1,422,288)	684	(1,421,604)	585,995
<b>Total funds brought forward</b>		45,631,531	73,727	45,705,258	45,119,263
<b>Total funds carried forward</b>		44,209,243	74,411	44,283,654	45,705,258

All income and expenditure derive from continuing activities.

All recognised gains and losses have been included in the Statement of Financial Activities.

# The Daiwa Anglo-Japanese Foundation

## Balance Sheet As at 31 March 2023

		Unrestricted Funds	Restricted Funds	Total Funds 31 March 2023 £	Total Funds 31 March 2022 £
	Notes				
<b>Fixed assets</b>					
Tangible assets	9	164,386	-	164,386	162,740
Intangible assets	10	-	-	-	-
Investments	11	43,631,089	74,089	43,705,178	45,703,062
		<u>43,795,475</u>	<u>74,089</u>	<u>43,869,564</u>	<u>45,865,802</u>
<b>Current assets</b>					
Debtors	12	131,470	-	131,470	16,765
Cash at bank and in hand	13	595,026	322	595,348	246,866
		<u>726,496</u>	<u>322</u>	<u>726,818</u>	<u>263,631</u>
<b>Creditors: amounts falling due within one year</b>	14	(312,728))	-	(312,728))	(424,175)
<b>Net current assets</b>		<u>413,768</u>	<u>322</u>	<u>414,090</u>	<u>(160,544)</u>
<b>Net assets</b>		<u>44,209,243</u>	<u>74,411</u>	<u>44,283,654</u>	<u>45,705,258</u>
<b>Funds of the Foundation</b>					
Restricted income funds		-	74,411	74,411	73,727
Unrestricted income funds		44,209,243	-	44,209,243	45,631,531
<b>Total Funds</b>		<u>44,209,243</u>	<u>74,411</u>	<u>44,283,654</u>	<u>45,705,258</u>

The financial statements set out on pages 15 to 40 were approved by the Trustees on 24 November 2023 and have been signed on their behalf by:

*T.P.H.*

Sir Timothy Hitchens KCVO CMG  
Chair

Daiwa Foundation Japan House  
13/14 Cornwall Terrace  
London NW1 4QP  
24 November 2023



## **1. Accounting policies**

A summary of the principal accounting policies of the Foundation is set out below. Except where indicated, they have been applied consistently throughout the year and the preceding year.

### **a) Basis of preparation and assessment of going concern**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued October 2019 and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no uncertainties about the Foundation's ability to continue as a going concern as the Foundation has investments greatly in excess of committed grants or any other liabilities.

### **b) Governance costs**

Governance costs are the costs associated with the governance arrangements of the Foundation. These costs include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements, for example the cost of trustee meetings and preparing statutory accounts.

### **c) Donations**

Donations are included in the Statement of Financial Activities on a receivable basis when their receipt is ensured.

### **d) Investment income**

Coupon income and bank interest are included in the Statement of Financial Activities on an accruals basis. Dividends are recognised on the basis of the due date for payment and are grossed up for the amount of any taxation recoverable.

### **e) Grants and Scholarships**

Grants are included in the Statement of Financial Activities as soon as they have been approved by the Trustees. Scholarships are included in the Statement of Financial Activities, reflecting the timing of expenditure over the Scholarship period.

### **f) Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis and has been allocated to the particular activity where the costs relate directly to that activity. Overhead and support costs not directly attributable to particular activities are apportioned over the relevant categories on the basis of management estimates of staff time spent on that activity. Irrecoverable VAT is included within the relevant expenditure heading.

Contributions to employees' individual personal pension schemes are charged in the Statement of Financial Activities in the year in which they fall due.

**g) Tangible and Intangible Fixed assets**

Tangible and Intangible fixed assets are stated at cost less accumulated depreciation subject to an annual review for impairment. Depreciation is provided on these assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

<i>Asset type</i>	<i>Depreciation period</i>
Leasehold premium	to 2078
Office equipment & fixtures	3-10 years
Office furniture	5-10 years

All fixed assets regardless of value are capitalised on acquisition.

**h) Investments**

Investments are stated at market value and any realised and unrealised gains and losses are included in the Statement of Financial Activities.

**i) Taxation**

The Daiwa Anglo-Japanese Foundation is considered to be a charity for tax purposes and therefore benefits from exemptions from taxation on its income and gains falling within Sections 518 to 537 of the Income Tax 2007, Sections 466 to 477 of the Corporation Tax Act 2010, or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that they are applied to its charitable objectives.

**j) Fund Structure**

Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund, the Harold Bell Scholarship Trust fund, restricted to funding scholarships for Japanese High-School English teachers to attend a course in English Teaching at the Bell School in Cambridge.

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

**k) Cash flow statement**

In accordance with exemptions granted under FRS102 the Foundation is exempt from preparing a cash flow statement on the grounds of size.

**l) Foreign Currency Translation**

The Foundation's functional and presentational currency is GBP.

Transactions and balances.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the date of transactions.

At each period end foreign currency monetary items are translated using the closing rate.

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial activities.

## 2. Trust deed

The Foundation was set up under a Trust Deed dated 16 August 1988 between Daiwa Securities Group Inc. and the original Trustees. The Foundation has been entered in the Central Register of Charities by the Charity Commissioners pursuant to the Charities Act 1960, as Charity number 299955.

## 3. Income

	31 March 2023	31 March 2022
	£	£
<b>Unrestricted Income</b>		
Income from investments	2,391	52
Other interest receivable	27,901	18
Voluntary contributions and centre for visiting academics income	129,651	104,015
Rental income (from Japan Society)	32,340	32,340
	<u>192,283</u>	<u>136,425</u>
<b>Restricted Income</b>		
Income from investments	48	-
<b>Total</b>	<u>192,331</u>	<u>136,425</u>

There is a single restricted fund in the form of a donation from the Harold Bell Scholarship Trust fund. This donation is restricted to funding scholarships for Japanese High School English teachers to attend a course in English Teaching at the Bell School in Cambridge.

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

**4. Allocation of Support & Governance costs**

	Scholar- ships	Grants, Awards & Prizes	Events	Cultural Relations	31 March 2023	31 March 2022
	£	£	£	£	£	£
Depreciation	5,807	5,484	7,635	860	19,786	18,778
Utilities, maintenance and repairs	20,220	20,220	42,337	3,791	86,568	109,809
Personnel (non- Governance)	127,102	120,631	168,438	35,847	452,018	428,079
Other administration expenses	41,789	37,754	30,915	4,977	115,435	107,944
Governance costs (note 6)	19,048	17,989	25,044	2,822	64,903	56,582
	<u>213,966</u>	<u>202,078</u>	<u>274,369</u>	<u>48,297</u>	<u>738,710</u>	<u>721,192</u>

Support costs are apportioned across charitable activities on the basis of staff time expended.

**5. Charitable activities expenditure**

	Activities undertaken directly	Grant funding of activities	Support & Governance costs	31 March 2023	31 March 2022
	£	£	£	£	£
Scholarships	-	749,058	213,966	963,024	462,108
Grants, Awards & Prizes	-	234,000	202,078	436,078	423,288
Events	64,387	-	274,369	338,756	335,501
Cultural Relations	-	-	48,297	48,297	45,508
	<u>64,387</u>	<u>983,058</u>	<u>738,710</u>	<u>1,786,155</u>	<u>1,266,405</u>

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

**6. Governance costs**

	31 March 2023	31 March 2022
	£	£
Personnel	38,319	37,071
Trustees' expenses	16,024	2,951
Audit fee	10,560	10,560
Legal fee	-	6,000
	<u>64,903</u>	<u>56,582</u>

Trustees' expenditure includes travel and entertainment expenses of £16,024 to all Trustees (2022: £2,951 to all) associated with Foundation meetings in London and Tokyo. Trustees' meetings are normally held in London twice a year, with one Trustee from Japan representing all Japan-based Trustees. Personnel costs shown above represent those personnel costs deemed to be related to administration rather than the direct charitable activities of the Foundation. External audit fees, exclusive of irrecoverable VAT, were £8,800 for the statutory audit, with no other additional work being undertaken.

**7. Net income/(expenditure)**

Net expenditure for the year includes:

	31 March 2023	31 March 2022
	£	£
Depreciation (see note 9 & 10)	19,786	18,778
Staff costs (see note 8)	490,339	465,150
Auditors' remuneration for the audit of these financial statements	10,560	10,560

**8. Staff Costs**

The average monthly number of full-time equivalent persons employed by the Foundation during the year was 10 (2022: 9). Their aggregate remuneration comprised:

	31 March 2023	31 March 2022
	£	£
Wages and salaries	414,852	391,201
Social security costs	33,452	34,378
Pension contributions	42,035	39,571
	<u>490,339</u>	<u>465,150</u>

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

The Foundation considers its key management personnel comprise the Trustees and the Director General. The total emoluments of the key management personnel were £112,355 (2022: £103,544). All Trustees give of their time freely and no trustee remuneration was paid in the year.

The ranges of employees' emoluments (wages, salaries and pensions) over £60,000 were as follows:

	31 March 2023	31 March 2022
£110,000 - £120,000	1	0
£100,000 - £110,000	0	1

The Foundation does not operate a pension scheme. The pension costs for the year represent contributions made by the Foundation towards employees' individual personal pension schemes, of which £7,953 (2022: £7,526) constitutes an allowance in lieu of pension contributions for the highest-paid employee.

All aspects of the employees' pension arrangements including governance, communication and the scheme design are fully compliant with automatic enrolment.

## 9. Tangible assets

	Leasehold premium	Office equipment & fixtures	Office furniture	Total Tangible assets
Cost	£	£	£	£
Beginning of year	799,339	152,885	195,243	1,147,467
Additions	-	21,219	213	21,432
Disposals	-	(7,432)	-	(7,432)
End of year	<u>799,339</u>	<u>166,672</u>	<u>195,456</u>	<u>1,161,467</u>
<b>Depreciation</b>				
Beginning of year	714,108	93,640	176,979	984,727
Charge	1,526	14,619	3,641	19,786
Disposals	-	(7,432)	-	(7,432)
End of year	<u>715,634</u>	<u>100,827</u>	<u>180,620</u>	<u>997,081</u>
<b>Net book value</b>				
At 1 April 2022	<u>85,231</u>	<u>59,245</u>	<u>18,264</u>	<u>162,740</u>
At 31 March 2023	<u>83,705</u>	<u>65,845</u>	<u>14,836</u>	<u>164,386</u>

All assets are held for charitable purposes.

## 10. Intangible assets

	Software	Total Intangible assets
<b>Cost</b>	£	£
Beginning of year	14,658	14,658
Additions	-	-
Disposals	-	-
End of year	<u>14,658</u>	<u>14,658</u>
<b>Depreciation</b>		
Beginning of year	14,658	14,658
Charge	-	-
Disposals	-	-
End of year	<u>14,658</u>	<u>14,658</u>
<b>Net book value</b>		
At 1 April 2022	<u>-</u>	<u>-</u>
At 31 March 2023	<u>-</u>	<u>-</u>

All assets are held for charitable purposes.

## 11. Fixed asset investments

The Foundation's investment portfolio comprises the following, which are shown below at aggregate market value and cost:

	Valuation 31 March 2023	Valuation 31 March 2022	Cost 31 March 2023	Cost 31 March 2022
	£	£	£	£
Investment funds:				
UK investments	-	9,452,292	-	6,700,239
Mixed UK/Overseas	17,122,521	15,882,349	16,522,785	15,326,000
Overseas securities	<u>25,826,002</u>	<u>20,362,685</u>	<u>24,424,042</u>	<u>7,926,168</u>
Subtotal investments	42,948,523	45,697,326	40,946,827	29,952,407
Cash portfolio	<u>756,655</u>	<u>5,736</u>	<u>714,414</u>	<u>-</u>
	<u>43,705,178</u>	<u>45,703,062</u>	<u>41,661,241</u>	<u>29,952,407</u>

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

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

The movement on the balance sheet value of investments is analysed as follows:

	<b>31 March 2023</b>	<b>31 March 2022</b>
	£	£
Market value brought forward at 1 April	45,703,062	44,863,266
Additions at cost	31,572,705	-
Disposal proceeds	(33,772,706)	(900,000)
Dividend & interest reinvestment	29,897	52
Fund managers' fees	(224,000)	-
Net (loss)/gain in the year	396,220	1,739,744
Market value carried forward at 31 March	<u>43,705,178</u>	<u>45,703,062</u>

Fund managers' fees were in part invoiced and settled separately in the comparative period, rather than wholly deducted from the fund.

Funds under management are as follows:

	<b>Market Value</b>	
	<b>31 March 2023</b>	<b>31 March 2022</b>
	£	£
BlackRock	43,705,178	45,703,062
	<u>43,705,178</u>	<u>45,703,062</u>

Investments, including those whose market value represents more than 5% of the total market value of the Foundation's investment portfolio are as follows:

	<b>31 March 2023</b>	<b>31 March 2022</b>
	£	£
Charitrak UK Equity Index	-	9,439,085
BlackRock Rtn Bond Fund	17,122,521	15,882,349
BlackRock North US Index	-	8,250,355
BlackRock Emerging Markets USD Flex	-	5,145,609
BlackRock Europe EK-UK Sub Fund Inst.	-	2,868,562
BlackRock Japan Index Sub Fund USD	-	2,599,437
BlackRock Pac Rim Index Sub Fund USD	-	1,498,723
BlackRock Sterling Liquidity Fund	-	13,206
Ishares MSCI EM ESG Enhanced USD A	6,317,566	-
ISHARES MSCI Japan ESG Enhanced USD A	2,685,071	-
ISHARES MSCI USA ESG Enhanced USD A	6,502,336	-
ISHARES MSCI Europe ESG Enhanced USD A	10,321,030	-
Cash portfolio	756,654	5,736
Market value carried forward at 31 March	<u>43,705,178</u>	<u>45,703,062</u>



The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

**12. Debtors**

	<b>31 March 2023</b>	<b>31 March 2022</b>
	£	£
Other debtors	5,466	4,141
Pre-paid expenses	126,004	12,624
	<u>131,470</u>	<u>16,765</u>

**13. Cash at bank and in hand**

	<b>31 March 2023</b>	<b>31 March 2022</b>
	£	£
Current Accounts	595,348	246,866
Cash on hand	-	-
	<u>595,348</u>	<u>246,866</u>

**14. Creditors: amounts falling due within one year**

	<b>31 March 2023</b>	<b>31 March 2022</b>
	£	£
Bank overdraft	24	437
Grants payable	242,400	347,465
Other creditors	70,304	76,273
	<u>312,728</u>	<u>424,175</u>

**15. Related parties**

Daiwa Securities Group Inc. ("the Group") provides certain support services (including accounting and payroll) to the Foundation in London and Tokyo without charge. The Trustees estimate the value of these services to be small enough not to require disclosure in the Accounts. One of the present Trustees is the Chairman of the Board of the Group.

Daiwa Securities Group Inc. generously agreed to fund the Daiwa Scholarships in Japanese Studies programme up to a maximum of ¥20 million per annum for ten years. This period has now ended, but Daiwa Securities Group continues to provide funding for those Scholars chosen during the initial ten-year period who have not yet completed their agreed period of study. In the year under review, the contributions from Daiwa Securities amounted to the agreed maximum of ¥20 million.

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

**16. Grants, Awards & Prizes**

	<b>Number</b>	<b>Value</b>	<b>Number</b>	<b>Value</b>
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
		£		£
Grants approved in year				
- Institutions	62	232,500	53	171,065
- Individuals	9	30,650	23	63,050
	<u>71</u>	<u>263,150</u>	<u>76</u>	<u>234,115</u>
Grants cancelled or returned in year		(29,150)		(5,500)
		<u>234,000</u>		<u>228,615</u>
Support & Governance costs (see note 5)		202,078		194,673
		<u>436,078</u>		<u>423,288</u>

	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2022</b>
	£	£
<b>Analysis of grants, awards &amp; prizes awarded in the year</b>		
Daiwa Foundation Small Grants (UK-side)	131,500	141,700
Daiwa Foundation Small Grants (Japan-side)	30,400	15,950
Daiwa Foundation Awards	101,250	76,465
Total grants awarded in 2022/2023	<u>263,150</u>	<u>234,115</u>
Grants cancelled or returned in year	(29,150)	(5,500)
Awards cancelled or returned in year	-	-
Support & Governance costs (see note 5)	<u>202,078</u>	<u>194,673</u>
Total grants, awards and prizes	<u>436,078</u>	<u>423,288</u>

Grants are made solely at the discretion of the Trustees. Payment of a grant to any charitable body, person or institution requires the approval of a majority of all the Trustees. The Trustees have empowered the Managing Trustees to make grants up to a total of £750,000. The following pages show the grants which have been approved by the Trustees for the financial year 2022/2023.

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Daiwa Foundation Small Grants</b> <i>Support was provided for the following projects:</i>		
<b>UK-side Small Grants</b>		
<b>Anglia Ruskin University, Department of English and Media</b>	Support for a two-week visit to Tokyo by Professor Eugene Giddens to undertake further textual research on the works of Caroline dramatist James Shirley at Meisei University Library, the largest single repository of Shirley original texts, 3 to 17 May 2023.	£2,400
<b>Bowen, Professor Siân</b> (Professor of Drawing, Arts University Bournemouth)	Support for travel by an interdisciplinary team referencing Kew Garden's 19th-Century collection of Japanese paper objects who will visit craftworkers, plant producers and botanical institutions in Japan to investigate integral relationships between plants and artisan skills, resulting in exhibitions in Japan and the UK and a publication of essays, October 2023.	£5,000
<b>British Museum</b>	Support for a trip to Japan by a British Museum scientist, which will involve research and the filming and interviewing of a woodblock printmaker creating prints of 12 of the 103 newly re-discovered Hokusai drawings, leading to a film for the Museum's YouTube channel and a full set of the 12 prints, autumn 2022.	£4,250
<b>Brunel University London, Experimental Techniques Centre</b>	Support for reciprocal visits by researchers from Brunel and Doshisha Universities establishing methods for the upcycling of aluminium machining residues into high value alumina reinforced composite as well as looking into the improvements of copper alloys, using each other's facilities and building on complementary expertise, resulting in papers, stronger links, and an MoU, spring 2023.	£7,000

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Cheltenham Festivals</b>	Support for the inclusion of an author from Japan in a Japan strand at the Cheltenham Literature Festival, also including manga workshops, a Japanese film screening and Japanese literature sessions, 7 to 16 October 2022.	£2,250
<b>City, University of London, The City Law School</b>	Support for travel to Japan by academics from City to take part in a workshop and to undertake interviews with lawyers and CEOs at video-game companies and with fans in order to evaluate and compare the impact of IP rights in Europe and Japan on video game fan culture in relation to derivative works, memorabilia and e-sports, spring 2023.	£3,400
<b>Cooper, Kate</b>	A 2-week trip to take part in the Aichi Triennale by K Cooper whose video installation focuses on her continued research on the bodily experiences of neurodivergent individuals and how these experiences create forms of knowledge, July to October 2022.	£4,250
<b>De La Warr Pavilion</b>	Contribution to the outbound shipping of Minoru Nomata's artwork in order to support his first solo exhibition outside of Asia and De La Warr Pavilion's first solo exhibition by a Japanese artist, accompanied by audience engagement and learning activities, May to 4 September 2022.	£3,000

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Durham University, School of Modern Languages and Cultures</b>	Support for travel by Durham and Niigata academics participating in workshops to promote the research, collection and exhibition of materials utilised by Japanese creators to produce anime, leading to an exhibition in Durham and an institutional partnership, July 2022 onwards.	£3,750
<b>Fail Better Records</b>	Support for travel to Japan by members of three UK bands and a manager to take part in an eight-day music tour of a six-piece balkan/klezmer band (three members constitute a gypsy jazz & swing band, and three an English folk band) comprising four performances in Tokyo which will also result in video and photography documentation, March 2023.	£6,000
<b>Girlguiding North West England</b>	Support for a 12-day cultural immersion trip to Japan for 16 older Girl Guides (Rangers) so they can explore and learn about both Japanese history and modern-day culture and build lasting connections with Girl Scouts of Japan and to share their experience with the NW England Guiding community and beyond, summer 2023.	£4,000
<b>Grizedale Arts</b>	Support for travel from Japan by an architect and a craftsman to teach a group of students from the architecture, design and ecology communities how to use a seaweed-based plaster, wattle and daub insulation and joinery skills to build a cold food store, 17 to 30 April 2023.	£4,000

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Howard, Professor John (Emeritus Professor of Arts and Humanities, King's College London)</b>	Support for a research trip to Japan to assess the legacy of Kohei Yoshiyuki's work within the sociopolitical context of his times, demonstrating his oeuvre's centrality to photographic innovation & gender studies - an exhibition and photobook to follow, March/April 2023.	£3,250
<b>Ikon Gallery</b>	Support for travel to the UK and contribution to the catalogue accompanying the first major solo exhibition of work by Japanese Ainu artist and musician Mayunkiki, comprising video, installation and sculptural work which will convey aspects of everyday life of her community, 9 September to 13 November 2022.	£3,250
<b>Jakubowicz, Dr Karina</b>	Support for reciprocal UK-Japan travel by a Woolf scholar and a Woolf translator (into Japanese) to explore the contemporary Japanese feminist movement through Virginia Woolf's work, resulting in an open source podcast (first of several episodes on the topic) and article, summer/autumn 2023.	£4,500
<b>Jaques, Zoe (University of Cambridge, Faculty of Education)</b>	Support for a two-week research visit to Japan by Professor Zoe Jaques who is examining the way Anglophone children's literature has been rethought and reworked for successive generations and how in Japan it is transformed by fashion, literary and performance culture, leading to a monograph, 5 to 17 June 2023.	£2,400

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>London Sinfonietta</b>	Support for travel to the UK by Shamisen virtuoso Hidejiro Honjoh who will undertake a week-long residency culminating in a Shamisen masterclass at St Ignatius College, a state secondary school for 1,045 11 to 18-year-olds in Enfield, and the performance of UK-based Dai Fujikura's Shamisen Concerto, part of the Fireworks concert, at London's Southbank Centre, May 2023.	£2,000
<b>Mais Um</b>	Support for travel to the UK by Ainu artist Oki on a debut UK tour with Rumiko from the Ainu-vocal harmony group Marewrew, Manaw Kano and crew to hold six concerts at venues in Glasgow, London, Brighton and Oxford and to participate in a BBC radio session and talks, 11 to 19 November 2022.	£6,250
<b>Manchester Metropolitan University, School of Digital Arts (SODA) and iSchool</b>	Support for reciprocal visits by Tōhoku and Manchester Metropolitan University academics collaborating on the design of accessible and universal controllers for Virtual Reality headsets: using smartphone interfaces and taking age, disabilities and culture into consideration, leading to conference papers, July 2022 onwards.	£3,500
<b>McGill, Mr Peter</b>	Support for travel to Japan by journalist Peter McGill to conduct in-person interviews and other research for a book (working title: Gaijin Past The Gate, due date 2023) on foreign attempts to take charge of Japanese companies – such as Nissan and Olympus - during and after the Japanese asset price bubble.	£2,000

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Open City Documentary Festival</b>	Support for the transport of films to be screened at a retrospective of filmmaker Noriaki Tsuchimoto (1928-2008) and travel by a speaker taking part in an academic conference exploring Tsuchimoto's work, Japanese post-war documentary, and filmic responses to Minamata, September 2022.	£3,250
<b>Queen's College Translation Exchange</b>	Support for a two-week residency at Oxford University for writer-translator Aoko Matsuda, with award-winning writer and Japanese-English translator Polly Barton who will work closely together to run a series of public events and develop two audio-visual resources, summer 2023.	£3,000
<b>Rachel Hair &amp; Ron Jappy</b>	Support for an 11-day Japan concert tour by Scottish musicians Rachel Hair (harp) and Ron Jappy (guitar) who will collaborate with Japanese bodhran player Toshiya Motooka and teach Scottish music workshops to local Japanese musicians, May to June 2023.	£4,200
<b>Reaktion Books Ltd</b>	Contribution towards the colour printing of Japanese Arts of the Meiji Era by Rosina Buckland, the first comprehensive overview of Japanese art, 1865 to 1915, including 200 illustrations, and which will serve as an introduction to Japanese art of this period for students worldwide.	£3,000
<b>Royal College of General Practitioners, Junior International Committee (Beyond Europe Team)</b>	Support for travel to the UK by three early career GPs from Japan who will work together with three British equivalents on a Quality improvement project relevant and important to both UK and Japanese Primary Care, culminating in attendance at the RCGP annual conference and a period of observation at a UK GP Surgery.	£5,000



The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Second Hand Dance</b>	Support for travel to Japan by six members of Second Hand Dance to perform We Touch, We Play, We Dance at an international festival in Okinawa for young audiences, then touring to Fukuoka, Kyoto and Kawasaki, 21 July to 8 August 2022.	£6,000
<b>Szeman, Petra</b>	Support for travel to Japan and associated venue costs related to an exhibition and symposium in partnership with Tokyo University of the Arts, the first in a series of future collaborative efforts between UK and Japan, on contemporary art scenes focussing on technology and radical realities, October 2022.	£3,250
<b>Théâtre Lapis</b>	Support for travel to the UK by a Japan-based actor taking part in a collaborative staged concert titled Galaxy Train, a new musical based on Kenji Miyazawa's novel, Night on the Galactic Railroad, and performed by Japanese and UK artists at The Other Place, Battersea, March 2023.	£3,100
<b>theCoLAB</b>	Support for a ten-day visit to Tokyo and the Echigo-Tsumari and Setouchi Triennials by three curators developing the Morecambe Bay Triennial in order to meet triennial organisers to discuss logistics and the challenges of the landscape for installation, and to meet artists, October 2022.	£3,750
<b>University of Leeds, School of Politics and International Studies</b>	Support for travel to Japan by Professor Edward Newman to explore peacebuilding in a changing international order with Japan-based scholars and policy stakeholders and to lead a seminar at International Christian University and build a network for future initiatives, 10 to 19 July 2023.	£2,000

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>University of Lincoln, School of Chemistry</b>	Support for reciprocal travel by researchers at Lincoln and Tsukuba Universities collaborating on research into the dynamics of anions e.g., nitrate, sulphate and phosphate (found in agricultural and industrial products) in order to control the quality of our waters and minimise environmental damage, autumn 2022.	£3,500
<b>University of Oxford, Nissan Institute of Japanese Studies</b>	Support for travel by Japan-based academics taking part in a two-day international academic conference at Oxford entitled Defining Culture in Post-war Japan: Views from Alternative Perspectives which will focus on actors in rural areas, women and unwritten sources, spring 2023.	£2,500
<b>University of Roehampton, School of Psychology</b>	Support for UK-Japan visits by Dr Piril Hepsomaili from Roehampton and Professor Jun Nishihira from Hokkaido Information University who are studying the similarities and differences in individual variation in eating behaviours and practices, nutritional status, mental and sleep health in individuals who follow different types of diets in the UK and Japan, 2023.	£4,000
<b>William Morris Gallery</b>	Support for travel to Japan by curator Roisin Inglesby for research, building professional connections and project development of forthcoming (Spring 2024) exhibition on the relationship between Mingei and the Arts and Crafts Movement, 2023.	£2,500
<b>Wilsher-Mills, Jason</b>	Support for travel to Japan by artist Jason Wilsher-Mills, who will work with disability groups in Japan and the UK, creating two new sculptures and bringing the groups together using technology and art, in partnerships with SHAPE Arts and Keio Graduate School of Media Design, April 2023.	£6,000
<b>UK-side total</b>		<b>£131,500</b>

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

Japan-side Small Grants		
<b>Education for Sustainable Development (ESD) Hokkaido Programme</b>	Support for travel to Japan by Professor Andrew Reeves to deliver lectures and group work at Hokkaido University, addressing education for sustainable development via local and regional collaborations and considering sustainable community design, 3 to 10 August 2023.	£2,000
<b>Joshihi University of Art and Design</b>	Support for reciprocal UK-Japan travel by scientists at Joshibi University of Art and Design and Liverpool Hope University participating in a cross-cultural comparison of the Stroop effect (delay in reaction time between congruent and incongruent stimuli) in connection to colour, and whether it is affected by different writing systems, leading to seminars and publications, June 2022 to April 2023.	£4,800
<b>Kyushu University, Graduate School of Medical Sciences</b>	Support costs for reciprocal research trips by academics at Kyushu University (Professor Takahiro A. Kato) and Newham Centre for Mental Health London (Professor Jennifer Lau) to evaluate a new self-rated questionnaire measuring signs of pathological social withdrawal in young people in Japan, facilitating early intervention for those at risk of 'hikikomori', winter 2023 onwards.	£7,500
<b>Mito Arts Foundation</b>	Support for travel to Japan by two UK-based artists, Hong Young In and Maria Farrar, to participate in an exhibition which will examine the social value of care and motherhood through the works of 17 artists, Caring: motherhood, Art Tower Mito, 18 February to 7 May 2023.	£3,500

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>tarinainanika</b>	Support for travel costs associated with the UK tour of a physical theatre show about Japanese painter Rey Camoy with accompanying workshops and talks to teach self-expression and communication skills and inspire cross-cultural interest and understanding, autumn 2023.	£3,000
<b>Wasano, Ms Yuki</b>	Support for travel by London-based artist Hiraki Sawa to Kanazawa, his birthplace, where he will hold an exhibition of video work which will highlight issues surrounding amnesia and cognitive diversity, with associated talks and music events, 23 to 31 July 2022.	£2,600
<b>William Adams Scholar Forum</b>	Support for travel to the UK by a four-member delegation of academics from Japan to further their investigations into the origins of the William Adams family, resulting in a book, publications and enhanced links, autumn and winter 2022.	£5,000
<b>Yamaguchi University, Graduate School of Innovation and Technology Management</b>	Support for three research trips to the UK by Professor Seiya Takeuchi to study the UK's intellectual property protection measures for Artificial Intelligence software creations, January, March and September 2023.	£2,000
Japan-side total		£30,400
<b>Total (Small Grants)</b>		£161,900

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Daiwa Foundation Awards</b> <i>Support was provided for the following projects:</i>		
<b>Barbican Theatre, Plymouth</b> Project Partners: <b>Future Undokai; Japanese Undokai Foundation</b>	Support for travel by five members of Future Undokai and Japanese Undokai Foundation to spend two weeks in Plymouth creating a three-day Future Undokai event centred on large-scale interactive physical games which combine elements of interactive technology, April 2023.	£8,250
<b>De Montfort University, School of Pharmacy</b> Project Partners: <b>Fukuoka University, Department of Chemistry; Gunma University, Department of Environmental Engineering Science</b>	Support for reciprocal visits by academics at De Montfort and at Fukuoka and Gunma Universities to accelerate collaborations, through workshops and secondments, to explore a novel X-ray technique to monitor co-crystal dissolution in situ for design medicines, February and August 2023.	£9,000
<b>Royal Shakespeare Company</b> Project Partner: <b>Studio Ghibli</b>	Support for Executive Producer Joe Hisaishi's accommodation costs, and venue costs to facilitate rehearsals for the stage adaptation of Hayao Miyazaki's My Neighbour Totoro developed in collaboration with Studio Ghibli, Nippon TV and London-based theatre company Improbable, August to October 2022.	£7,000
<b>Soas, University of London Centre</b> Project Partners: <b>University of Tokyo; ICHIU Architectural Concepts &amp; Design; University of Central Lancashire; University of Cambridge</b>	Support for travel to Japan by a team of five historians, software designers, and heritage researchers collaborating with colleagues in Japan in the application of Virtual Reality (VR) technology to preserve the history and heritage of Hashima Island, known colloquially as Battleship Island, April 2023.	£12,000

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Thirty Three Thirty Three (33-33)</b> Project Partners: <b>SANA Inc;</b> <b>Dommune</b>	Support for travel by a UK-based team including seven artists to collaborate with artists and musicians in Japan, culminating in a live performance programme at locations in Tokyo, Kyoto, and Sapporo among others, spring 2023.	£9,500
<b>University of Aberdeen, Department of Planetary Sciences</b> Project Partners: <b>Okayama University, Institute for Planetary Materials</b>	Support for UK-Japan travel by academics from Aberdeen and Okayama Universities exploring a novel scenario for the prebiotic atmosphere and its impact on the emergence of life and to establish a collaboration with the LifeSprings mission (to be launched in the 2030s), 2023.	£10,500
<b>University of Central Lancashire, Jeremiah Horrocks Institute</b> Project Partner: <b>Kyoto University, Graduate School of Human and Environmental Studies</b>	Support for four reciprocal UK-Japan research visits by academics at the University of Central Lancashire and at Kyoto University combining their respective expertise as they research the formation and evolution of exomoons around giant exoplanets, and their potential for harbouring life, September 2022 onwards.	£8,000
<b>University of Tokyo, Institute of Industrial Science</b> Project Partner: <b>Oxford Brookes University, School of Social Sciences</b>	Support for travel to Japan by two specialists from Oxford Brookes University collaborating with academics at The University of Tokyo in combining advanced technology with community-based approaches for the monitoring and conservation of endangered wildlife species, 2023.	£10,000
<b>University of Wolverhampton, School of Humanities</b> Project Partner: <b>University of Tokyo, Graduate School of Arts and Sciences; Tsuru University, Faculty of Letters; Haruki Murakami Library</b>	Support for travel by eight scholars and artists taking part in a series of events to explore the work of Kazuo Ishiguro and Haruki Murakami in the context of virtual technologies, digital wellbeing, social cohesion, and shifting perceptions of reality, October 2022 in Japan and March 2023 in Wolverhampton.	£12,000

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

<b>Vanishing Point Theatre Company</b> Project Partner: <b>Kanagawa Arts Theatre</b>	Support for reciprocal UK-Japan flights by performers and artists developing work for a new international collaboration project between Vanishing Point and Kanagawa Arts Theatre, June 2023 and March 2024.	£15,000
<b>Total (Awards)</b>		<b>£101,250</b>
<b>OVERALL Total</b>		<b>£263,150</b>

The Daiwa Anglo-Japanese Foundation  
Notes to the financial statements (continued)  
For the year ended 31 March 2023

17. Statement of Financial Activities for the year ended 31 March 2022

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
			31 March 2022	31 March 2021
	£	£	£	£
<b>Income</b>	136,425	-	136,425	215,573
<b>Expenditure</b>				
<i>Costs of generating funds</i>				
Fund managers' fees	(23,769)	-	(23,769)	(23,390)
<i>Charitable activities</i>				
Scholarships	(462,108)	-	(462,108)	(619,048)
Grants, Awards & Prizes	(423,288)	-	(423,288)	(404,259)
Events	(335,501)	-	(335,501)	(274,936)
Cultural Relations	(45,508)	-	(45,508)	(43,138)
Total charitable activities expenditure	(1,266,405)	-	(1,266,405)	(1,341,381)
<b>Total expenditure</b>	(1,290,174)	-	(1,290,174)	(1,364,771)
Net gain/(loss) on investment funds	1,737,004	2,740	1,739,744	9,231,959
<b>Net Income/(expenditure)</b>	583,255	2,740	585,995	8,082,761
<b>Net movement in funds</b>	583,255	2,740	585,995	8,082,761
<b>Total funds brought forward</b>	45,048,276	70,987	45,119,263	37,036,502
<b>Total funds carried forward</b>	45,631,531	73,727	45,705,258	45,119,263

All income and expenditure derive from continuing activities.  
All recognised gains and losses have been included in the Statement of Financial Activities.

Statement of Financial Activities for the year ended 31 March 2022 has been included to disclose the split between Unrestricted and Restricted Funds.