

RIKKYO SCHOOL IN ENGLAND TRUST

England & Wales · Charity number 306987

Details

Status Registered

Legal form Other

Registered 1971-12-07

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

Contact

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Activities

Objects: TO ADVANCE EDUCATION BY THE PROVISION AND MAINTENANCE OF A SCHOOL OR SCHOOLS IN ENGLAND AND TO SUPPORT EXPAND AND DEVELOP THE SAME FINANCIALLY AND OTHERWISE IN ACCORDANCE WITH THE CHRISTIAN PRINCIPLES AND IN HARMONY WITH THE DOCTRINES OF THE CHURCH OF ENGLAND AND THE HOLY CATHOLIC CHURCH OF JAPAN. THE TRUSTEES MAY PROVIDE PLACES AT THE SCHOOL OR SCHOOLS FOR CHILDREN AND OTHERS NOT ADHERING TO SUCH PRINCIPLES AND DOCTRINES IF THEY SHALL SO DECIDE.

Activities: THE EDUCATION IN ACCORDANCE WITH THE CHRISTIAN PRINCIPLES OF THE CHURCH OF ENGLAND AND THE HOLY CATHOLIC CHURCH OF JAPAN OF BOYS AND GIRLS AGED 10 TO 18 TO THE STANDARDS REQUIRED FOR ENTRY INTO UNIVERSITIES IN JAPAN, WHILST TAKING ADVANTAGE OF THE UNIQUE GEOGRAPHICAL LOCATION OF THE SCHOOL THROUGH EXTRA-CURRICULAR ACTIVITIES, BOTH ACADEMIC AND SPORTING.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People, People Of A Particular Ethnic Or Racial Origin

Geography

- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£7,218,740	£7,560,254	£10,510,208	100
2024-03-31	£6,936,460	£6,361,096	£10,851,722	95
2023-03-31	£6,470,276	£5,282,320	£10,276,358	92
2022-03-31	£5,785,251	£5,126,811	£9,043,325	89
2021-03-31	£5,119,507	£4,542,402	£8,529,194	90

Trustees

Name	Role	Appointed
Junichi Sugiyama	Chair	2018-11-02
Daisuke Mototani		2022-04-19
Dr Toru Okano		2019-03-10
HIROMI BUNDAY		2018-01-22
Hidefumi Yamamura		2024-06-07
Hiroaki Fukuda		2022-08-01
Hiroyuki Koike		2023-04-01
Hiroyuki Takahashi		2022-07-01
Jun Otake		2023-04-20
KOICHIRO NAKADA		2009-12-01
Makiko Osawa		2021-04-01
Masayuki Hasegawa		2025-11-04
ROGER MINORU MUNETCHIKA BSC MSC		2017-04-01
Renta Nishihara		2021-04-01
Satoru Ichinokawa		2024-06-07
Satoru Yashiro		2025-11-04
Seiya Iwanaga		2021-05-19
Shinichi Yoshihara		2024-06-07
Tatsuya Hirano		2025-05-13
Tetsuya Shinohara		2025-11-04
Tong-Fu Wu		2024-04-27
Yasuo Kashiwagi		2023-04-01

Accounts

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

RIKKYO SCHOOL IN ENGLAND TRUST

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 10
Independent Auditors' Report on the Financial Statements	11 - 14
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18 - 41

RIKKYO SCHOOL IN ENGLAND TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees

T. Aoki (resigned 23 April 2022)
H. Bunday
H Fukuda (appointed 1 August 2022)
F. Hashiba (resigned 17 February 2023)
K. Hirota (resigned 31 July 2022)
S. Iwanaga
S. Kato (appointed 10 April 2023)
K Kawate (appointed 1 June 2022)
N. Kobayashi
K. Kojima (resigned 31 March 2023)
S. Kuwata (appointed 1 April 2022)
T. Morita (resigned 9 April 2023)
D Mototani (appointed 19 April 2022)
R. Munechika
K. Nakada
I. Nakamura (resigned 31 March 2023)
R Nishihara
T. Okano
T. Okuno
M. Osawa
J Otake (appointed 20 April 2023)
H. Saito (resigned 30 June 2022)
T Sazaki (appointed 2 April 2022)
F. Serizawa
J. Sugiyama, Chair
H Takahashi (appointed 1 July 2022)
K. Toida (resigned 31 July 2022)
Y. Toyoda
H. Uehara (resigned 19 April 2023)

RIKKYO SCHOOL IN ENGLAND TRUST

Charity registered number	306987
Principal office	Rikkyo School in England Guilford Road, Rudgwick Horsham RH12 3BE
Independent auditors	Shaw Gibbs (Audit) Limited Wey Court West Union Road Farnham GU9 7PT
Bankers	National Westminster Bank 77 High Street Godalming Surrey GU7 1AR
Solicitors	Lewis Silkin LLP Arbor 255 Blackfriars Road SE1 9AX
Headmaster	Dr T Okano
Business Manager	J Yamaguchi
Bursar	John Buckles
Clerk to the Trustees	M Matsuo-Grover

The Rikkyo School in England (The School) was founded in 1972 by Yasushi Gata and operates under a Trust Deed dated 20th October 1971 which was last updated on 25th November 2019.

The School is registered with the Charity Commission, its charity number is 306987.

The Rikkyo School offers a boarding education on the West Sussex Surrey border at Rudgwick. It owns and occupies the house and gardens of the former Pallingshurst House on a freehold basis.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Rikkyo School in England Trust for the year 1 April 2022 to 31 March 2023. and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

Objectives and activities

a. Policies and objectives

The Objectives of the Rikkyo School are to advance education by the provision and maintenance of a school or schools in England and to support expand and develop the same financially and otherwise in accordance with the Christian principles and in harmony with the doctrines of the church of England and the Holy Catholic Church of Japan. The Trustees may provide places at the school or schools for children and others not adhering to such principles and doctrines if they shall so decide.

The Board's main objective is to continue to educate all the School's students to at least the same high standard reached in previous years.

This has been achieved by providing a range of educational opportunities suited to the interests, aptitudes and needs of all the children in the School's care. The curriculum and extra-curricular activities programme are kept under constant review to ensure that they are suitable vehicles to meet the strategic aim.

Further to this the School aims:

1. To maintain a low pupil to teacher ratio, to ensure continuing professional development for all staff and to make very significant improvements to the school's facilities and quality of its resources.
2. To continue to develop collaborative working arrangements with appropriate charities and other educational bodies to provide access to School facilities for those who are unable to attend the school itself as fee paying pupils.
3. To continue to interact with local residents, Schools and Universities to help spread mutual understanding of Japanese culture within these bodies and to likewise instill a deeper understanding of British culture into the students of the Rikkyo School

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Rikkyo School's strategic aims are:

- To provide Students with an excellent education with a suitable range of curricular and extra-curricular opportunities
- To provide inspiring teaching which promotes both learning and achievement
- To encourage the Student's spiritual, moral, social and cultural development
- To provide effective pastoral support and guidance
- To Enable Students to become global citizens
- To impart a deep understanding of British culture in Rikkyo students with the aim of improving mutual relations between Japan and the UK in the future
- To enable Students to exit the School to Universities of their choice
- To maintain a constructive relationship with parents and carers

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

c. Volunteers

The Rikkyo School Parents' Association contributed £17,400 to school funds in the past year through their fundraising activities which included organising the School's Open Day. The Trustees would like to take this opportunity to thank all those parents who gave so freely of their time in the past year. Their continued support is highly valued.

d. Principal Activity and Income Sources

The Rikkyo School's principal activity continued to be that of a co-educational boarding school for 10-18 year old students who are native Japanese speakers. The School's principal source of income is from school fees. It does however receive a small amount of grant funding from the Japanese Government. There were a number of small donations from parents and former students during the course of the year, however there was no active fundraising during the period covered by these accounts.

e. Ethos

Mr. Yasushi Gata, the School's Founder, believed the role of the school was as a bridge between Japan and the United Kingdom, and hoped to educate students who can serve the world at large and to cultivate human beings who can care for others based on Christianity, and community living.

The School was the first private overseas school to be certified by the Japanese Ministry of Education, Culture, Sports, Science and Technology as being the equivalent of a Japanese domestic school. Students follow the Japanese National Curriculum and Students who graduate and go on to higher education have the same qualifications as schools in Japan. It is also accredited as a private school by the Ministry of Education and Science in the United Kingdom.

Being a Japanese International School based in the beautiful West Sussex countryside The Rikkyo School has a distinctive character which blends Japanese and British Culture. The Rikkyo provides a happy and nurturing environment where Students can enjoy their education in a full boarding environment, develop friendships, fulfil their academic potential and grow as global citizens and ambassadors for the Japanese way of life.

Achievements and performance

a. Main achievements of the Charity

Financial Performance

The School generated an operating surplus (after depreciation) of £1,187,956 (2022: £658,440) for the year to 31 March 2023. The majority of the surplus was reinvested as part of the on-going programme to improve and extend the School's facilities.

Demand for places at the Rikkyo has remained high and with a year-end total of 196 pupils attending was close to capacity.

The School owns the freehold of the estate it operates from and currently has no loans or overdrafts.

Operational Performance of the School

Students leaving the School in March 2023 completed the Japanese University Entry Test and 100% gained entry to the University of their choice, 75% went to universities in Japan, 23% in the UK and 2% in the USA

The School was inspected by OFSTED in October 2022. It was found that the Quality of Education was Good

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

as was the behaviour and attitudes of students. Personal development was to be found requiring improvement as was Leadership and Management. As a result of this the School decided to appoint an experienced UK trained Bursar to lead the governance reform of the School. The School has now satisfied the inspectorate with regards to Personal Development. There has been a thorough review of governance and a new committee structure has been implemented. This has greatly improved Board understanding and its ability to act as a critical friend. The School awaits a further monitoring inspection to demonstrate that it meets the ISSRs for Governance and Leadership. The school was re-inspected after the year end and was found to be compliant with all the Independent School Regulations and the National Minimum Standards for Boarding.

The Board would like to express their deep gratitude to the school community, especially the high quality of teaching staff.

Fundraising Performance

The charity has not made any fundraising appeals during the year. There has been no outsourced fund raising via professional fundraisers or other third parties. As a result, the charity is not registered with the fundraising regulator and did not receive any fundraising complaints in the year.

Supporting the local community and national charities

The Rikkyo School is committed to developing the role it plays in the community and is of the belief that the personal development of the students is enhanced by their involvement with local communities.

Students from the School have interacted directly with the local community by inviting them to Japanese cultural events and open-days where they can help further UK understanding of Japanese culture by cultural demonstrations such as the Tea Ceremony, Kendo, Japanese food demonstrations, talks and musical offerings. Students from the School attended the local church regularly and visited residents at local nursing homes.

The Rikkyo also enjoyed close relationships with local schools and has a programme of student exchange which helps to deepen the understanding between Japanese and English students. In addition to this the School hosted orientation weekends for the UK students attending UK-Japan Young Scientists Workshop at Tohoku and co-hosted, on site, the UCL-Japan young scientists challenge.

The School played numerous matches against other schools, both independent and state, and hosted para-basketball events. School facilities were let, free of charge, to local elite athletes and a local athletic club use the 400m athletics track to train.

Students raised money for various good causes during the year, these included, among others, the Childrens' Hospice, Air Ambulance, Ukraine and the Poppy Appeal.

Staff members were allowed time away from School to act as Trustees at other educational establishments.

The Rikkyo School in England had a significant impact on the local economy. As measured by the Independent Schools' Council Economic Impact Tool the School:

- Supported 215 jobs both within the School and in the School's supply chain
- Generated £2.8 million of tax payments to the Exchequer
- Contributed £6.4 million to the GDP of the local government this included the School's own direct GDP, supply chain GDP and GDP supported by staff spending

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

At the year-end The Rikkyo had total funds of £10,276,358 of which £10,400 were held in restricted funds. In common with other independent schools over the years the School has invested its surpluses in maintaining the fabric of its buildings and equipment used to run the School. The School has retained surplus cash it has generated over the past few years. These funds will be used to help fund the construction of a new boarding house.

The Trustees manage and monitor the reserves of the School on a termly basis and review in particular the availability of cash via management accounts and regular cash flow forecasts prepared by the Bursar. Following SORP FRS102 the Trustees have set a policy of accumulating a cash reserve to ensure that there are sufficient liquid funds available to meet any shortfall arising from short term fluctuations in its income and expenditure operating models and to give sufficient time to take the necessary corrective action. The Trustees will continually monitor the cash requirement of the School and work towards increasing the cash holding to the desired level and, in parallel, ensure that borrowings are kept to a minimum.

The remainder of the funds held by the School are represented by the investment the School has made in the fabric of the buildings and other School assets.

c. Material investments policy

The Board continues to keep under review the investments risks and rewards in the financial markets. Funds not required immediately for the running of the School are invested in a suitable financial vehicle.

The Charity's powers of investment are governed by the Trustee Act 2000.

d. Principal risks and uncertainties

The principal risks and uncertainties currently facing the School are considered to be the possible impact on pupil numbers as a result of losing the ability to sponsor students due to failure to meet the requirements of the Independent Schools Standards Regulations (ISSR) and the National Minimum Standards for Boarding (NMS); price competition or heavy investment in facilities from rival schools; increasing competition for high-quality teaching and support staff and its effect on succession-planning; reputational damage in the unlikely event of a high profile legal action alleging lack of due care over our pupils as vulnerable beneficiaries; changes to the taxation structure in the UK; increases in the value of the GBP over the Yen making fees more unaffordable in Japan; Our plans and strategies for managing risk include: investment in facilities; investment in pastoral care; proactive and effective management of staff; continuing the school's aim of being one of the leading Japanese International Schools; maintaining effective internal controls; risk registers; incident reporting; monitoring systems and insurance cover wherever appropriate.

e. Principal funding

The Rikkyo's School in England's principal activity continued to be that of a co-educational boarding School for Japanese students aged between 10 and 18. At the end of the academic year the School had 195 students. The School's principal source of income is from school fees. In line with Japanese Government policy, it does receive some grant funding in respect of Students in the primary age range of the Japanese educational system in the year ended 31st March 2023 this totalled £108,932.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

To preserve continuity of education means tested awards may be granted in cases of hardship.

f. Employment Policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School. Communication with employees continues through normal management channels in a variety of forms and through exceptional channels to apprise staff of current issues as and when required.

Structure, governance and management

a. Constitution

Rikkyo School in England Trust is a registered charity, number 306987, and is constituted under a Trust deed.

The Trust is governed by a Declaration of Trust dated 20th October 1971 and updated in on the 25th November 2019 to reflect legislative changes.

b. Methods of appointment or election of Trustees

The Governing body is composed of ex officio and appointed Trustees.

The following are ex-officio trustees:

- the Chair of Rikkyo Gakuin;
- the Chancellor of Rikkyo Gakuin;
- the President of Rikkyo University
- the Chair of Rikkyo Jyogakuin
- the Chancellor of Rikkyo Jyogakuin
- the Chair of the supporter's association of the School
- the Primate of the Anglican Episcopal Church in Japan or, if the Primate chooses, a bishop that he or she recommends
- the Headmaster
- the Deputy Headmaster

Other Trustees are appointed by Trustees having regard to the skills, knowledge and experience needed for the effective administration of the Charity.

Trustees are appointed for a term of four years and can be subsequently re-elected.

The Trustees of the School received no remuneration for their services during the past year.

c. Organisational structure and decision-making policies

The Trustees meet as a Board on a termly basis to determine the general policy of the Company and to review its overall management and control, for which they are legally responsible.

In addition to the Full Board there are several other committees that meet termly, they are:

- **SQ Committee** - chaired by the President (Finance and General Purposes) meets monthly to monitor, evaluate, advise and make recommendations to the Full Board on all matters relating to the finances of the School.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

- **Curriculum Committee** - receives reports from the School regarding the curriculum, makes recommendations to the Full Board on all matters relating to the learning experiences and progress of the students at the Rikkyo. The responsible Trustee is Mr H Uehara.
- **Health and Safety and Safeguarding Committee** - monitors, evaluates, advises and makes recommendations to the Full Board on all matters relating to the protection, safety and well-being of the Students and Staff at the Rikkyo School. The responsible Trustee is Mrs H Bunday.
- **STT (Special Task Team) Committee** - monitors, evaluates, advises and makes recommendations to the Full Board on all matters relating to the Action Plan. The School was required to put the STT in place following its OFSTED inspection in October 2022. The responsible Trustee is the President. It is intended that this Committee will become the School's Development Committee once the current round of Inspections are complete.
- **Compliance Committee** - monitors, evaluates, advises and makes recommendations to the Full Board on all matters relating to compliance. Compliance requirements include the ISSR, NMS for Boarding, Charity Law, Employment Law, GDPR and any other legislation that affects Schools. The responsible trustee is Mr K. Nakada.
- **Monitoring Committee** - monitors, evaluates, advises and makes recommendations to the Full Board on all matters arising from the termly consultations with staff and students. The responsible trustee is Mr M Munechika.

The President of the Trust visits the School for several days every term. The purpose of these visits is to develop a deeper understanding of the challenges and successes of the School and to receive verbal reports from staff. Full Board meetings are held during these visits.

All operating policies are routinely examined and amended where appropriate.

The day to day running of the School is delegated to the Headmaster, supported by the Bursar and other members of the Senior Management Team.

d. Policies adopted for the induction and training of Trustees

In addition to ongoing training, new Trustees are inducted into the working of the school during preliminary meetings with fellow Trustees, the President, the Headmaster and the Bursar. They are asked to join the relevant committees of which appropriate school staff are also members.

Members of the Governing Body attend both internal and external online trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

e. Pay policy for key management personnel

Remuneration is set by the Board, with the policy objective of ensuring appropriate incentives to encourage enhanced performance and in a fair and responsible manner, rewarding for individual contributions to the Company's success. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with other independent schools to ensure that the Rikkyo remains sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the School's charitable vision and purpose is primarily dependent on our key management

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

personnel. Staff costs are the largest single element of our charitable expenditure.

f. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

g. Group structure and relationships

The Rikkyo School is an educational trust and registered charity.

The Rikkyo is an active member the Independent School's Bursars' Association (ISBA) and the Boarding Schools Association (BSA). These organisations exist to promote and maintain high standards generally in independent education. Post year end the School also became a member of the Independent Schools Association (ISA), and the Independent Schools Council.

The School actively promotes links with local charities and state schools to help the students at the Rikkyo to understand the social context of their education and to develop greater understanding and mutual understanding between UK and Japanese nationals.

The School benefits from the generosity of a thriving Parents' Association whose close support we greatly appreciate and gladly acknowledge.

Plans for future periods

The School will continue to strive to constantly improve the standard of education it offers and to improve its links with the Community. Currently the School is planning to improve its boarding and educational facilities during the forthcoming academic year. It is also investing heavily in upgrading its IT facilities. A five year development plan, covering all aspects of the School is being written that will help to ensure the School retains its high standing as one of the leading Japanese International Schools.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees 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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Shaw Gibbs (Audit) Limited, have indicated their willingness to be appointed to office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Chairman of the Board of Trustees

Mr J Sugiyama

Date: 19 January 2024

RIKKYO SCHOOL IN ENGLAND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIKKYO SCHOOL IN ENGLAND TRUST

Opinion

We have audited the financial statements of Rikkyo School in England Trust (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity'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.

RIKKYO SCHOOL IN ENGLAND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIKKYO SCHOOL IN ENGLAND TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 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 the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

RIKKYO SCHOOL IN ENGLAND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIKKYO SCHOOL IN ENGLAND TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

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

We gained an understanding of the legal and regulatory framework applicable to the charitable trust and the industry in which it operates, and considered the risk of acts by the charitable trust that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

RIKKYO SCHOOL IN ENGLAND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIKKYO SCHOOL IN ENGLAND TRUST (CONTINUED)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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.

Shaw Gibbs (Audit) Limited

Wey Court West
Union Road
Farnham
GU9 7PT

29 January 2024

Shaw Gibbs (Audit) Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

RIKKYO SCHOOL IN ENGLAND TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
	Note				
Income from:					
Donations and legacies	4	172,052	10,400	182,452	178,929
Charitable activities	5	6,106,655	-	6,106,655	5,506,829
Other trading activities	6	122,430	-	122,430	98,876
Investments	7	58,739	-	58,739	617
Total income		6,459,876	10,400	6,470,276	5,785,251
Expenditure on:					
Charitable activities	9	5,282,320	-	5,282,320	5,126,811
Total expenditure		5,282,320	-	5,282,320	5,126,811
Net movement in funds before other recognised gains/(losses)		1,177,556	10,400	1,187,956	658,440
Other recognised gains/(losses):					
Other losses		(78,871)	-	(78,871)	(144,309)
Net movement in funds		1,098,685	10,400	1,109,085	514,131
Reconciliation of funds:					
Total funds brought forward as previously stated		9,043,325	-	9,043,325	8,529,194
Prior year adjustment		123,948	-	123,948	123,948
Total funds brought forward as restated		9,167,273	-	9,167,273	8,653,142
Net movement in funds		1,098,685	10,400	1,109,085	514,131
Total funds carried forward		10,265,958	10,400	10,276,358	9,167,273

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 41 form part of these financial statements.

RIKKYO SCHOOL IN ENGLAND TRUST

**BALANCE SHEET
AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	17	7,915,244	7,719,679
		<u>7,915,244</u>	<u>7,719,679</u>
Current assets			
Debtors	18	357,787	95,340
Cash at bank and in hand		8,612,625	8,009,390
		<u>8,970,412</u>	<u>8,104,730</u>
Creditors: amounts falling due within one year	19	(4,588,924)	(4,939,160)
Net current assets		<u>4,381,488</u>	<u>3,165,570</u>
Total assets less current liabilities		<u>12,296,732</u>	<u>10,885,249</u>
Creditors: amounts falling due after more than one year	20	(168,855)	-
Provisions for liabilities		(1,851,519)	(1,717,976)
Net assets excluding pension asset		<u>10,276,358</u>	<u>9,167,273</u>
Total net assets		<u><u>10,276,358</u></u>	<u><u>9,167,273</u></u>
Charity funds			
Restricted funds	24	10,400	-
Unrestricted funds			
Designated funds	24	931,708	85,866
General funds	24	9,334,250	9,081,407
		<u>10,265,958</u>	<u>9,167,273</u>
Total funds		<u><u>10,276,358</u></u>	<u><u>9,167,273</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

J. Sugiyama
(Chair of Trustees)
Date: 19 January 2024

The notes on pages 18 to 41 form part of these financial statements.

RIKKYO SCHOOL IN ENGLAND TRUST

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

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	426,715	1,572,843
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	502,579	-
Purchase of tangible fixed assets	(596,444)	(163,369)
Interest received	58,264	617
Net cash used in investing activities	(35,601)	(162,752)
Cash flows from financing activities		
Repayments of borrowing	-	(671,795)
New finance leases	212,121	-
Interest paid	-	(12,878)
Net cash provided by/(used in) financing activities	212,121	(684,673)
Change in cash and cash equivalents in the year	603,235	725,418
Cash and cash equivalents at the beginning of the year	8,009,390	7,283,972
Cash and cash equivalents at the end of the year	8,612,625	8,009,390

The notes on pages 18 to 41 form part of these financial statements

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Rikkyo School in England Trust (the Charity) is a charitable trust registered with the Charity Commission in England and Wales under registered number 306987. Its registered address is Guildford Road, Rudgwick, West Sussex. RH12 3BE. The charity runs a Japanese school in West Sussex.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Rikkyo School in England Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis.

The trustees have carefully reviewed the future prospects of the school and its future cash flows, including an assessment of the impact of financial and operational risks. Having assessed this, the Trustees have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from signing of these financial statements.

For this reason, the Trustees continue to adopt the going concern basis for the preparation of the financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the school was unable to continue as a going concern.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Income

All incoming resources are included in the Statement of financial activities when the charity has entitlement to the funds, it is probable that monies will be received and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

Government grant income comprises monies received under the Government's Job Retention Scheme and is recognised when it becomes receivable.

2.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Expenditure is 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

As a charity, the charity is exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Charity.

The charity is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

2.7 Property, plant and equipment

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 10 to 50 years straight line
Long-term leasehold property	- 20 years straight line
Plant and machinery	- 4 to 15 years straight line
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 10 years straight line
Other fixed assets	-

2.8 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

Basic financial liabilities, including trade and other payables, bank loans and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.10 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

2.12 Pensions

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payment obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the charity in independently administered funds.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Key sources of Estimation Uncertainty and Judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Key accounting estimates and assumptions

- (i) Fixed assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. These are re-assessed annually and amended when necessary to reflect current estimates. See note 2.7.
- (ii) Provisions:
The gratuity provision contains assumptions and estimates related to length of staff service, wage inflation and discount rates. The basis for these assumptions is explained in note 23.

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Income from donations and legacies

	General fund 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	172,052	10,400	182,452	178,929
<i>Total 2022</i>	<i>178,929</i>	-	<i>178,929</i>	

5. Income from charitable activities

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Education fees	5,537,270	5,537,270	5,131,316
Entrance fees	213,893	213,893	182,919
Facility fees	100,800	100,800	104,220
Examination fees	14,482	14,482	17,756
Private lessons	240,210	240,210	70,618
Total 2023	6,106,655	6,106,655	5,506,829
<i>Total 2022</i>	<i>5,506,829</i>	<i>5,506,829</i>	

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Income from other trading activities

Income from non charitable trading activities

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Other income	122,430	122,430	98,876
<i>Total 2022</i>	98,876	98,876	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Investment income

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment income - bank interest	58,739	58,739	617
	<u>58,739</u>	<u>58,739</u>	
<i>Total 2022</i>	<u>617</u>	<u>617</u>	

8. Governance costs

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Auditor remuneration (note 13)	16,500	16,500	15,000
Trustees expenses	4,775	4,775	8,274
Total 2023	<u>21,275</u>	<u>21,275</u>	<u>23,274</u>
<i>Total 2022</i>	<u>23,274</u>	<u>23,274</u>	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Analysis of expenditure on charitable activities

Summary by fund type

	General fund 2023 £	Total 2023 £	<i>Total 2022 £</i>
Teaching	2,507,474	2,507,474	2,213,630
Welfare	1,230,236	1,230,236	1,074,568
Establishment	679,426	679,426	724,770
Support Costs	416,560	416,560	691,027
Finance	20,841	20,841	19,660
Depreciation	406,508	406,508	388,156
Governance	21,275	21,275	15,000
	5,282,320	5,282,320	5,126,811

10. Teaching Expenses

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Salaries and wages	2,005,244	2,005,244	1,847,697
Japanese pension	59,974	59,974	33,802
UK pensions	221,274	221,274	135,387
Teachers' passages	28,773	28,773	25,187
Agency teacher	-	-	3,486
Education expenses	178,499	178,499	161,177
Photocopying expenses	13,710	13,710	6,894
Total 2023	2,507,474	2,507,474	2,213,630
<i>Total 2022</i>	2,213,630	2,213,630	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Welfare Expenses

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Salaries and wages - Household	531,134	531,134	489,688
Employer's pensions - Household	11,363	11,363	9,558
Catering services	535,998	535,998	466,536
Surgery	14,749	14,749	6,800
Miscellaneous	79,035	79,035	57,818
Laundry and cleaning	57,957	57,957	44,168
Total 2023	1,230,236	1,230,236	1,074,568
<i>Total 2022</i>	<i>1,074,568</i>	<i>1,074,568</i>	

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. Establishment expenses

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Rent, rates and insurance	347,521	347,521	312,670
Light and heat	198,991	198,991	177,283
Repairs and renewals	73,421	73,421	168,484
Upkeep of grounds and gardens	43,440	43,440	50,980
Sewage disposal	16,053	16,053	15,353
Total 2023	679,426	679,426	724,770
<i>Total 2022</i>	724,770	724,770	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Support costs

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Salaries and wages	184,168	184,168	83,563
Tokyo salaries	127,928	127,928	103,415
Employers pensions	2,745	2,745	2,292
Staff health insurance	17,462	17,462	15,523
Postage and stationery	11,330	11,330	49,306
Telephone	39,913	39,913	38,290
Motor and travel expenses	37,151	37,151	18,772
Miscellaneous support expenses	100,145	100,145	36,259
Tokyo office expenses	262,673	262,673	226,966
Legal and professional	94,422	94,422	50,306
Audit and Accountancy services	35,586	35,586	56,717
(Gain)/loss on disposal of assets	(496,963)	(496,963)	9,618
Total 2023	416,560	416,560	691,027
<i>Total 2022</i>	691,027	691,027	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Finance costs

	General fund 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Bank charges	7,877	7,877	4,717
Loan interest	-	-	12,878
Exchange loss	12,536	12,536	2,062
Hire purchase interest	428	428	-
Total 2023	<u>20,841</u>	<u>20,841</u>	<u>19,657</u>
<i>Total 2022</i>	<u>19,657</u>	<u>19,657</u>	

15. Net Income

This is stated after charging:

	2023 £	<i>2022 £</i>
Depreciation of tangible fixed assets:	-	-
- owned by the charity	406,508	388,159
Auditor's remuneration	16,500	15,000
Operating lease payment expense	<u>215,080</u>	<u>199,395</u>

16. Staff costs

	2023 £	<i>2022 £</i>
Wages and salaries	2,426,465	2,105,806
Social security costs	257,246	282,445
Pensions	332,191	213,736
Other employee benefits	17,462	19,009
	<u>3,033,364</u>	<u>2,620,996</u>

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	<i>2022 No.</i>
Teaching	60	63
Domestic	27	21
Administration	5	5
	92	89

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	<i>2022 No.</i>
In the band £60,001 - £70,000	5	6
In the band £70,001 - £80,000	2	2

This year no employee was paid over £80,000 (2022: None)

Dr Okano was appointed as a Trustee on 10 March 2019 and also Headmaster. During the year as trustee he received remuneration of £76,615 (2022: £77,944), pension of £7,706 (2022: £8,576) and benefits amounting to £3,309 (2022: £1,820). All remuneration was paid to him as Headmaster and not as a Trustee.

Mr Okuno was appointed as a Trustee on 10 March 2019 and also Deputy Headmaster. During his time as trustee he received remuneration of £72,739 (2022: £76,169), pension of £7,501 (2022: £8,109) and benefits amounting to £1,553 (2022: £1,392). All remuneration was paid to him as Deputy Headmaster and not as a Trustee.

This remuneration is permitted under clause 9 of the Declaration of Trust of the charity dated 20 October 1971.

One UK trustee received reimbursed expenses, totalling £2,240 in the year for travelling, telephone and health check costs (2022: £5,309 paid to one trustee)

Key management personnel comprised the Headmaster and Deputy Head and the total remuneration paid was £149,354 (2022: £154,113).

Mr Munechika, a Trustee during the year, received remuneration of £31,599 (2022: £17,943) for his role in relation to recruitment and public relations in Japan. All remuneration was paid to him for this role and not as trustee.

In addition, a payment of £Nil (2022: £8,094) was made to Mr Munechika in respect of travel expenses during the year.

Mr Hashiba received remuneration of £47,253 (2022: £42,918) during the year and as a Japanese Trustee also received £Nil (2022: £8,094) in transportation expenses. Whilst Mr Sugiyama another Japanese Trustee received £Nil (2022: £17,538) in transportation expenses due to his executive advisory role.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Assets under construction £	Total £
Cost or valuation						
At 1 April 2022	13,929,596	74,858	1,200,790	128,678	-	15,333,922
Additions	278,796	-	312,648	5,000	38,385	634,829
Disposals	(81,790)	-	(54,107)	-	-	(135,897)
At 31 March 2023	14,126,602	74,858	1,459,331	133,678	38,385	15,832,854
Depreciation						
At 1 April 2022	6,672,523	33,311	782,456	125,953	-	7,614,243
Charge for the year	288,296	1,497	113,542	3,173	-	406,508
On disposals	(49,034)	-	(54,107)	-	-	(103,141)
At 31 March 2023	6,911,785	34,808	841,891	129,126	-	7,917,610
Net book value						
At 31 March 2023	7,214,817	40,050	617,440	4,552	38,385	7,915,244
At 31 March 2022	7,257,073	41,547	418,334	2,725	-	7,719,679

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Debtors

	2023	<i>2022</i>
	£	<i>£</i>
Due within one year		
Trade debtors	12,589	<i>6,855</i>
Other debtors	26,570	<i>15,679</i>
Prepayments and accrued income	318,628	<i>72,806</i>
	357,787	<i>95,340</i>

19. Creditors: Amounts falling due within one year

	2023	<i>2022</i>
	£	<i>£</i>
Trade creditors	164,664	<i>121,854</i>
Obligations under finance lease and hire purchase contracts	43,266	<i>-</i>
Pension fund loan payable	11,877	<i>10,655</i>
Other creditors	6,392	<i>48,866</i>
Accruals and deferred income	4,362,725	<i>4,757,785</i>
	4,588,924	<i>4,939,160</i>

20. Creditors: Amounts falling due after more than one year

	2023	<i>2022</i>
	£	<i>£</i>
Net obligations under finance lease and hire purchase contracts	168,855	<i>-</i>

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

21. Provisions

	Gratuity Provision £
At 1 April 2022	1,717,976
Additions	76,755
Amounts used	(22,083)
Discounted adjustments	78,871
	1,851,519

The above provision represents the present value of the expected future payments to leaving staff earned for services completed up to 31 March 2023. The provision will increase each year by an amount equal to the additional gratuity earned by the staff in that year at present value. In measuring the gratuity provision at each balance sheet date, the trustees have made some assumptions.

Firstly, it is assumed that staff who have been in service for a period longer than five years at the balance sheet date will have a total tenure of 40 years. For staff who have been in service for less than five years it is assumed that they will have a total service period of five years as this is the School's current experience of recent joiners. From this the expected final salary on retirement is calculated based on an assumed future salary increase rate. This rate is calculated with reference to historical salary increase rates. The calculated value of the provision is discounted to present value using an appropriate discount rate, which is based on the interest rate of a high quality corporate bond with a similar maturity profile. Gratuities paid to leavers are off-set against the provision.

The following assumptions have been used in calculating the provision:

	2023	2022	2021	2020
Discount rate	4.68%	3.15%	1.01%	2.40%
Expected future salary increases pa	6.38%	4.73%	3.77%	3.59%
Weighted average remaining service period	11 years	5 years	6 years	7 years

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22. Deferred Income

Deferred income relates to school and exam fees received in advance.

	2023 £	2022 £
As at 1 April	4,492,166	4,142,748
Amounts released to SOFA	(4,492,166)	(4,142,748)
Amounts deferred in the year as at 31 March	4,158,728	4,492,166
	<u>4,158,728</u>	<u>4,492,166</u>

23. Prior year adjustments

A prior year adjustment has been included in the financial statements to reflect bank accounts which were under the control of the school but had not previously been included in the financial statements.

The adjustment at 31 March 2022 increased cash at bank by £145,948, increased other creditors by £22,000 and increased unrestricted reserves by £123,948.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

24. Statement of funds

Statement of funds - current year

	As restated Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Expansion and Improvement Fund	85,866	33	-	-	-	85,899
Property Development Fund	-	-	-	845,809	-	845,809
	<u>85,866</u>	<u>33</u>	<u>-</u>	<u>845,809</u>	<u>-</u>	<u>931,708</u>
General funds						
General Funds - all funds	<u>9,081,407</u>	<u>6,459,843</u>	<u>(5,282,320)</u>	<u>(845,809)</u>	<u>(78,871)</u>	<u>9,334,250</u>
Total Unrestricted funds	<u>9,167,273</u>	<u>6,459,876</u>	<u>(5,282,320)</u>	<u>-</u>	<u>(78,871)</u>	<u>10,265,958</u>

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

24. Statement of funds (continued)

The Expansion and Improvement Fund is made up of accumulated amounts designated by the trustees from unrestricted donations, fee income and investment income, to be used for improvement of the School's facilities. The fund is represented by cash.

The property development fund has been designated to ring fence funds for the planned development work on the school site. These funds are held in a separate bank account.

The restricted donation relates to monies received from the Parents Association, it is restricted in that it may only be used at the Association's direction.

Restricted funds

Donation	-	10,400	-	-	-	10,400
Total of funds	9,167,273	6,470,276	(5,282,320)	-	(78,871)	10,276,358

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

24. Statement of funds (continued)

Statement of funds - prior year

	<i>As restated Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>As restated Balance at 31 March 2022 £</i>
Unrestricted funds					
Designated funds					
Expansion and Improvement Fund	381,665	45	(295,845)	-	85,865
General funds					
General Funds - all funds	8,271,477	5,785,206	(4,830,966)	(144,309)	9,081,408
Total Unrestricted funds	<u>8,653,142</u>	<u>5,785,251</u>	<u>(5,126,811)</u>	<u>(144,309)</u>	<u>9,167,273</u>

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	7,915,244	-	7,915,244
Current assets	8,960,012	10,400	8,970,412
Creditors due within one year	(4,588,924)	-	(4,588,924)
Creditors due in more than one year	(168,855)	-	(168,855)
Provisions for liabilities and charges	(1,851,519)	-	(1,851,519)
Total	<u>10,265,958</u>	<u>10,400</u>	<u>10,276,358</u>

Analysis of net assets between funds - prior year

	<i>As restated Unrestricted funds 2022 £</i>	<i>As restated Total funds 2022 £</i>
Tangible fixed assets	7,719,679	7,719,679
Current assets	8,104,730	8,104,730
Creditors due within one year	(4,939,160)	(4,939,160)
Provisions for liabilities and charges	(1,717,976)	(1,717,976)
Total As restated	<u>9,167,273</u>	<u>9,167,273</u>

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

26. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	1,187,956	658,440
Adjustments for:		
Depreciation charges	395,263	388,156
Interest paid	-	12,878
Dividends, interests and rents from investments	(58,264)	(617)
(Profit)/ loss on the sale of fixed assets	(496,963)	9,618
Decrease/(increase) in debtors	(284,447)	62,438
Increase/(decrease) in creditors	(371,502)	198,726
Provisions	133,543	219,563
Actuarial gains and losses	(78,871)	(144,309)
Net cash provided by operating activities	426,715	1,404,893

27. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	8,612,625	8,009,390
Total cash and cash equivalents	8,612,625	8,009,390

28. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	New finance leases £	At 31 March 2023 £
Cash at bank and in hand	8,009,390	603,235	-	8,612,625
Debt due within 1 year	(10,655)	(1,222)	-	(11,877)
Finance leases	-	-	(212,121)	(212,121)
	7,998,735	602,013	(212,121)	8,388,627

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

29. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £11,877 (2022 - £10,655) were payable to the fund at the balance sheet date and are included in creditors.

30. Operating lease commitments

At 31 March 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	199,999	134,825
Later than 1 year and not later than 5 years	7,700	15,259
	<u>207,699</u>	<u>150,084</u>

31. Related party transactions

See note 16 for disclosure of trustees' remuneration and expenses, and key management personnel remuneration.

Accounts

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

RIKKYO SCHOOL IN ENGLAND TRUST

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 8
Independent Auditors' Report on the Financial Statements	9 - 12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	17 - 40

RIKKYO SCHOOL IN ENGLAND TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees

T. Aoki (resigned 23 April 2022)
H. Bunday
K. Fujimoto (resigned 18 May 2021)
F. Hashiba
K. Hirota
S. Iwanaga (appointed 19 May 2021)
N. Kobayashi
Y. Kimura (Resigned 22 January 2022)
K. Kojima
S. Kuwata (appointed 1 April 2022)
T. Morita (appointed 8 April 2021)
R. Munechika
K. Nakada
I. Nakamura
I Nishihara (appointed 1 April 2021)
T. Okano
T. Okuno
M. Osawa (appointed 1 April 2021)
H. Saito
H. Sato (resigned 7 April 2021)
T. Sazaki (resigned 25 May 2021)
F. Serizawa
J. Sugiyama
H. Suzuki (resigned 22 January 2022)
T. Suzuki
K. Toida
Y. Toyoda
S. Takahama (Resigned 31 March 2022)
H. Uehara
N. Yabe (resigned 31 March 2022)
K. Yokomaku (appointed 26 May 2021, resigned 30 March 2022)

RIKKYO SCHOOL IN ENGLAND TRUST

Charity registered number	306987
Principal office	Rikkyo School in England Guilford Road, Rudgwick Horsham RH12 3BE
Independent auditors	Wise and Co Chartered Accountants Wey Court West Union Road Farnham GU9 7PT
Bankers	National Westminster Bank 77 High Street Godalming Surrey GU7 1AR
Solicitors	Cumberland Ellis LLP Atrium Court 15 Jockeys Field WC1R 4QR
Headmaster	Dr T Okano
Business Manager	M Kurashina

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees of Rikkyo School in England Trust present their annual report and audited accounts for the year ended 31 March 2022. The Trustees confirm that the accounts comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102) (effective 1 January 2019).

Aims

Rikkyo School in England Trust ("Rikkyo") was founded by and operates under a Trust deed dated 20 October 1971 which has been amended twice (the latest being 25 November 2019).

Rikkyo is registered with the Charity Commission under number 306987.

Rikkyo operates one boarding school at Pallinghurst, Rudgwick, West Sussex ("the School"). The School offers the full Japanese curriculum for boys and girls aged 10 to 18, plus English and other foreign language courses from a basic to an advanced level. In addition to satisfactorily completing the full Japanese curriculum, the students also study IGCSE Biology.

The School is registered as a Christian School under section 69(3) of the School Standards and Framework Act 1998. This enables the School, should it wish to do so, to be selective in its employment policies without breaching legal rules.

Objectives and Activities

Within the terms of the Trust's objects, the Trustees aim to provide students with the best education in a healthy, happy environment. Although the School is some distance from the nearest villages, because it is a Christian establishment, strong bonds have been built with the local communities, especially Rudgwick and Cranleigh, through the parish churches. Staff and students regularly attend services at both local churches. The School also has its own Chaplain.

The Trustees consider that the Trust meets with public benefit requirements for a charity as set out by the Charity Commission. The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Commission in exercising their powers of duties. Although the basic comprehensive aim of the School's management is to develop the students' minds and interests beyond the basic Japanese curriculum so that they can appreciate and understand the world around them and the western way of life, the Trustees are mindful that the School is a significant establishment in a small community. Staff and students are accordingly encouraged to engage meaningfully with the local community and this has been achieved with various activities throughout the year.

The School's main income is generated through student fees. Voluntary income is received through donations on an ad hoc basis which is not through fundraising activities. The School does not have any persons fund raising on its behalf or a commercial participator carrying out these activities. There were no complaints received by the charity or a person acting on behalf of the charity for the purpose of fundraising.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Objectives and Activities (Continued)

With the Covid situation easing, the School was able to welcome students back from April 2021 and school life gradually started to return to normal. However, the Japanese Evening in May was held as an online event.

From the autumn term the School was able to resume Friday sports activities and arrange various sports fixtures with other schools. The School loaned its football pitches for use by Loxwood Junior Football Club, giving Rikkyo students the opportunity to train alongside their players at weekends.

Students enjoyed outings in October 2021 to Arundel Castle and Littlehampton, Cambridge, Oxford and Hampton Court; and in January 2022 trips to Brighton, Leeds Castle and Winchester. These trips give the students the opportunity to experience and understand further about British culture and history.

The School further developed its relationship with British schools. The School's Robotics Club started a collaborative project with the DT class at Royal Grammar School and High School students have been doing research projects with Collyer's College.

The UK economy continues to benefit from the presence of the School in West Sussex. The fee income generated by the School is sourced from Japanese nationals and businesses, most of the School's income being brought into the UK converted from Japanese Yen. However, virtually all expenditure - the major exception being Japanese textbooks - is in sterling in the UK, mainly for employee related costs. Local resident citizens fill the catering, maintenance, cleaning and some of the managerial positions. English and other subject teachers are employed as well as English, science and music teachers. The Japanese teachers, being resident in the UK, also contribute to the UK economy.

The Trustees have considered the School's achievements in the year and are satisfied that these are in line with the School's objectives.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, Governance and Management

Rikkyo is an independent school Trust under the Charity Commission founded in 1972.

The School commemorated its 50th Anniversary on 9th July this year, inviting parents, alumni, district authorities, a Chaplin, former teachers and staff, in addition to the 196 students.

This Trust does not seek funding from the general public, does not make grants to other organizations and is not affiliated under an umbrella organization. However, the School has kept a close relationship with the Rikkyo Foundation in Japan, having about 10 Trustees who are ranked in the Foundation and are able to give advice to the UK school management on Japanese educational matters. This is important for students graduating from the School to progress to attend Japanese universities.

The School welcomed an Ofsted inspection in October 2022, mainly in the areas of Curriculum, Safeguard, and Health & Safety, after the previous inspection focused on boarding in 2019, and is receiving valued recommendations to be followed up.

170 of the 196 students are Japanese and their parents live abroad and require visas to enter the UK to attend the school.

All the Trustees are Japanese and 10 of 23 Trustees at the end of the year live in Japan. UK non-resident Trustees are able to attend annual Trustee Meeting by Zoom, to approve activities of the school, financial positions, and other important policy matters in a year.

Based on the discussion with Ofsted on the School governance point of view, the School is promoting Japanese resident Trustees to have UK training schemes for them, integrating their advice to the School on business matters into the UK school frame.

The UK resident Trustees are appointed for a few years. They are chosen by virtue of their position, usually the senior executives in the London/UK branch of Japanese multinational business. They bring to the Trustee Board a powerful mix of financial and business experience which is put to the aid of the Board.

The operation of the school is the responsibility of the Headmaster, who is also a Trustee, and his management team. There is at all times direct access between the Headmaster, the Trustee Chairman and the Board. On matters of Charity Law, the school is advised by a UK Trustee who is a partner of a prominent London Solicitors. On matters of Safeguarding & Health & Safety, the School is advised by a UK Trustee who is well experienced in the area.

The decisions affecting the running of the School - other than major investment decisions - are taken by the School's management team, led by the Headmaster. Major investment decisions are always taken by the Board of Trustees either as a whole or through a steering committee.

There is no formal remuneration setting policy in key management personnel.

Four Trustees who are school employees, namely the Headmaster, Deputy Headmaster, Head Director and Executive Director of the Tokyo Office, receive remunerations as the Charity Commission agreed. Now the School is considering a remuneration for the active Chairman of the Trustees in addition to the existing employees.

The Japanese staff are at all times fully aware of issues arising concerning the efficient running of the School and any problems being encountered by any of the students. This is covered at daily staff meetings.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Risk Management

The major risks to which the School is exposed have been reviewed and systems established to mitigate these risks.

The main identified risks remain broadly unchanged from previous years. In the opinion of the Trustees, these are:

1. Financial -

The financial results of the School for the year was successful with good net income. There is no point of financial risk to be mentioned, with enough net surplus & increased cash position carried forward to the next year. But the world's political and economic unstable situation, such as the Ukrainian issue, will be impacting the cost of living of the School in the foreseeable future.

2. Child Protection -

The School undertakes all the regulatory and recommended guidance on issues relevant to staff working with young people. This applies to all new employees recruited in the UK where full checks are made with the Disclosures & Barring Service (DBS). All new Japanese teaching staff are required to have a Police Check in Japan, followed by checks with the DBS soon after starting employment.

There is a Japanese independent listener available for all students to discuss matters in confidence.

3. Health and Safety -

The Trustees are aware of their responsibilities towards the staff, students, visitors, and contract workers to provide a safe and secure environment at the School for their activities. Appropriate supervision at senior level with regular staff training and fire practices continue and records are kept of all training. A fire safety audit was carried out in July 2021. To support the School's surgery staff, all Japanese boarding staff receive first aid training and all senior students are trained in basic first aid procedures.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Review and Achievements

The School opened in 1972 with 19 students. During the year under review, the maximum number of students was 191 (2021:190) of whom 89 (2021:52) were Primary & Middle up to 15 years old, and 128 were High School up to 18 years old.

Considering the students are taking the examinations in a foreign language they continue to gain good grades in the IGCSE subject they study, as well as securing good results in the English language examinations taken at various levels. There continues to be a high level of musical activities, with many students studying more than one instrument. The School continues to enjoy a high academic reputation.

Financial Review and Results for the year

Student numbers increased by 1 from 190 to 191 in 2022. The School fee was increased by 5.5% compared to the previous year, but the reduction of the other income resulted in a good increase of the total income up to 5,137,000. On the other hand the total expenditure was 5,126,811 - 13% increase from the previous year of 4,542,403, due to the School activity returning to the normal pace from the previous restricted COVID situation. The net income was 755,603 including Depreciation pushed up the Schools' cash position to be carried forward to the next year.

The Trustees approved the plan of building a new boys dormitory to increase capacity of number of students, and also selling the six school-owned private dwellings for teachers as generating a substantial part of the building cost. The School is planning to sell those in an appropriate order for the coming years.

Investment Policy and Performance

In accordance with the Trust Deed, the Trustees have the power to invest in such stocks, shares, investments and property in the UK as they see fit. At present the Trustees consider such investment inappropriate and funds not required in the immediate future are held in short term Treasury and Business Reserve accounts and Investment Bonds.

Freehold Land and Buildings

The historical cost of the freehold land and buildings as at 31 March 2022 was £14,004,454. After depreciation, it has a net book value of £7,298,620 at the end of the year.

Expansion and Improvement Fund

This fund was established to provide a source of cash for major capital expenditure and repairs. The balance on the fund at year end is £85,865 (2021: £381,666). The School will consider if the balance is to be kept in a separate bank account, as such expenditure is anyway booked under the establishment category.

Capital Expenditure

Capital expenditure for Establishment in the year amounted £724,770 (2021: 645,695) Additions in the year included a new school sewage plant set up in the campus.

Reserves Policy

The School's funds are mainly invested in its land and buildings. The trust has £1,237,781 (2021: £193,444) free reserves. This is considered acceptable, although the Trustees wish to build up free reserves equivalent to three months' running expenses.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Future Plans

The School's medium to long term investment plan is reviewed annually and approved by the Trustees at the January meeting each year.

The COVID19 pandemic since the previous year gradually stabilized toward the end of the year, but the School needed to establish & keep the newly built 6 cabins to isolate students who contracted the virus, throughout the year. But a new sewage plant was built, as cited above, being a kick start of returning a series of capital investment plan the School originally had before COVID19.

In the year 2022-23 onward, the School shall begin to promote to building a new boy's dormitory, Chapel roof repair, Dining Hall floor replace, Tennis Court re-paint, Fencing repair, whole school LED project, and Heating & hot water boiler replacing under a new energy & carbon emission concept, including Solar Panel project.

Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and regulations.

The Charities Act 2011 requires the Trustees of the Charity to prepare accounts for each financial year which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing the financial statements the Trustees should follow best practice, and:

- Select suitable accounting policies and then apply them consistently; Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- Follow applicable accounting standards, disclosing and explaining any departures in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records which are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Report) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Our auditor, Nexia Smith & Williamson has decided not to continue in office. Wise and Co Chartered Accountants have been appointed as the current year auditors. A resolution to reappoint the auditor, Wise and Co, will be proposed at the next Trustees' Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Chairman of the Board of Trustees

Mr J Sugiyama

Date:

26.03.22 *Junichi Sugiyama*

RIKKYO SCHOOL IN ENGLAND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIKKYO SCHOOL IN ENGLAND TRUST

Opinion

We have audited the financial statements of Rikkyo School in England Trust (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity'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.

RIKKYO SCHOOL IN ENGLAND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIKKYO SCHOOL IN ENGLAND TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 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 the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

RIKKYO SCHOOL IN ENGLAND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIKKYO SCHOOL IN ENGLAND TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

RIKKYO SCHOOL IN ENGLAND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIKKYO SCHOOL IN ENGLAND TRUST
(CONTINUED)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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.

Wise & Co

Wise and Co Chartered Accountants
Wey Court West
Union Road
Farnham
GU9 7PT

Date: 27/01/2023

Wise and Co Chartered Accountants are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

RIKKYO SCHOOL IN ENGLAND TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	4	178,929	178,929	111,037
Charitable activities	5	5,506,829	5,506,829	4,780,130
Other trading activities	6	98,876	98,876	224,812
Investments	7	617	617	3,528
Total income		5,785,251	5,785,251	5,119,507
Expenditure on:				
Charitable activities	9	5,126,811	5,126,811	4,542,402
Total expenditure		5,126,811	5,126,811	4,542,402
Net movement in funds before other recognised gains/(losses)		658,440	658,440	577,105
Other recognised gains/(losses):				
Other losses		(144,309)	(144,309)	(182,368)
Net movement in funds		514,131	514,131	394,737
Reconciliation of funds:				
Total funds brought forward		8,529,194	8,529,194	8,134,457
Net movement in funds		514,131	514,131	394,737
Total funds carried forward		9,043,325	9,043,325	8,529,194

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 40 form part of these financial statements.

RIKKYO SCHOOL IN ENGLAND TRUST

BALANCE SHEET AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	18	7,719,679	7,954,085
		<u>7,719,679</u>	<u>7,954,085</u>
Current assets			
Debtors	19	95,340	157,778
Cash at bank and in hand		7,863,442	7,138,024
		<u>7,958,782</u>	<u>7,295,802</u>
Creditors: amounts falling due within one year	21	(4,917,160)	(4,718,434)
Net current assets		<u>3,041,622</u>	<u>2,577,368</u>
Total assets less current liabilities		<u>10,761,301</u>	<u>10,531,453</u>
Creditors: amounts falling due after more than one year	22	-	(503,846)
Provisions for liabilities		(1,717,976)	(1,498,413)
Net assets excluding pension asset		<u>9,043,325</u>	<u>8,529,194</u>
Total net assets		<u><u>9,043,325</u></u>	<u><u>8,529,194</u></u>
Charity funds			
Restricted funds	25	-	-
Unrestricted funds			
Designated funds	25	85,865	381,665
General funds	25	8,957,460	8,147,529
Total unrestricted funds	25	<u>9,043,325</u>	<u>8,529,194</u>
Total funds		<u><u>9,043,325</u></u>	<u><u>8,529,194</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

J. Sugiyama

Date: 2023.1.26

Junichi Sugiyama

The notes on pages 17 to 40 form part of these financial statements.

RIKKYO SCHOOL IN ENGLAND TRUST

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

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	1,572,843	937,866
Cash flows from investing activities		
Purchase of tangible fixed assets	(163,369)	(265,135)
Interest received	617	3,528
Net cash used in investing activities	(162,752)	(261,607)
Cash flows from financing activities		
Repayments of borrowing	(671,795)	(167,949)
Interest paid	(12,878)	(17,653)
Net cash used in financing activities	(684,673)	(185,602)
Change in cash and cash equivalents in the year	725,418	490,657
Cash and cash equivalents at the beginning of the year	7,138,024	6,647,367
Cash and cash equivalents at the end of the year	7,863,442	7,138,024

The notes on pages 17 to 40 form part of these financial statements

NOTE TO THE STATEMENT OF CASH FLOWS:

A. RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income	704,463	394,737
Interest received	(617)	(3,528)
Interest paid	12,878	17,653
Depreciation of property, plant and equipment	388,156	359,361
Loss on disposal of fixed assets	9,619	101,215
Increase in trade and other receivables	62,438	(37,816)
Increase in trade and other payables	269,512	(8,718)
(Decrease) / increase in provisions	126,394	114,962
NET CASH GENERATED FROM OPERATING ACTIVITIES	1,572,843	937,866

RIKKYO SCHOOL IN ENGLAND TRUST

**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

B. ANALYSIS OF CHANGES IN NET FUNDS

	1 April 2021	Cashflow	Other non cash changes	At 31 March 2022
	£	£	£	£
Bank loan due within one year	(167,949)	167,949	-	-
Bank loan due in more than one year	(503,846)	503,846	-	-
Cash	7,138,024	725,418	-	7,863,442
	<u>6,466,229</u>	<u>1,397,213</u>	<u>-</u>	<u>7,863,442</u>

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Rikkyo School in England Trust (the Charity) is a charitable trust registered with the Charity Commission in England and Wales under registered number 306987. Its registered address is Guildford Road, Rudgwick, West Sussex. RH12 3BE. The charity runs a Japanese school in West Sussex.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Rikkyo School in England Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis.

The trustees have carefully reviewed the future prospects of the school and its future cash flows, including an assessment of the impact of the COVID-19 pandemic. Having assessed this, the Trustees have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from signing of these financial statements.

For this reason, the Trustees continue to adopt the going concern basis for the preparation of the financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the school was unable to continue as a going concern.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Income

All incoming resources are included in the Statement of financial activities when the charity has entitlement to the funds, it is probable that monies will be received and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

Government grant income comprises monies received under the Government's Job Retention Scheme and is recognised when it becomes receivable.

2.4 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

As a charity, the charity is exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Charity.

The charity is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Property, plant and equipment

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 10 to 50 years straight line
Plant and machinery	- 4 to 15 years straight line
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 10 years straight line

2.8 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

Basic financial liabilities, including trade and other payables, bank loans and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 Pensions

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payment obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the charity in independently administered funds.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Key sources of Estimation Uncertainty and Judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Key accounting estimates and assumptions

- (i) Fixed assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. These are re-assessed annually and amended when necessary to reflect current estimates. See note 2.7.
- (ii) Provisions:
The gratuity provision contains assumptions and estimates related to length of staff service, wage inflation and discount rates. The basis for these assumptions is explained in note 23.

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from donations and legacies

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	178,929	178,929	111,037
	<u>178,929</u>	<u>178,929</u>	
<i>Total 2021</i>	<u>111,037</u>	<u>111,037</u>	

5. Income from charitable activities

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Education fees	5,131,316	5,131,316	4,317,807
Entrance fees	182,919	182,919	211,955
Facility fees	104,220	104,220	208,260
Examination fees	17,756	17,756	23,570
Private lessons	70,618	70,618	18,538
	<u>5,506,829</u>	<u>5,506,829</u>	<u>4,780,130</u>
Total 2022	<u>5,506,829</u>	<u>5,506,829</u>	<u>4,780,130</u>
<i>Total 2021</i>	<u>4,780,130</u>	<u>4,780,130</u>	

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

6. Income from other trading activities

Income from non charitable trading activities

	General fund 2022 £	Total funds 2022 £	Total funds 2021 £
Government grant income	-	-	169,782
Other income	98,876	98,876	55,030
Total 2022	98,876	98,876	224,812
<i>Total 2021</i>	<i>224,812</i>	<i>224,812</i>	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Investment income

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income - local cash	617	617	3,528
<i>Total 2021</i>	3,528	3,528	

8. Governance costs

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Auditor remuneration (note 13)	15,000	15,000	14,400
Accounts preparation	8,274	8,274	8,100
Total 2022	23,274	23,274	22,500
<i>Total 2021</i>	22,500	22,500	

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Analysis of expenditure on charitable activities

Summary by fund type

	General fund 2022 £	Total 2022 £	Total 2021 £
Teaching (note 10)	2,213,630	2,213,630	2,091,485
Welfare (note 11)	1,074,568	1,074,568	649,218
Establishment (note 12)	724,770	724,770	645,696
Support Costs (note 13)	706,027	706,027	758,623
Finance (note 14)	19,660	19,660	38,022
Depreciation (note 18)	388,156	388,156	359,358
Total 2022	5,126,811	5,126,811	4,542,402
<i>Total 2021</i>	<i>4,542,402</i>	<i>4,542,402</i>	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Teaching Expenses

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Salaries and wages	1,847,697	1,847,697	1,803,072
Japanese pension	33,802	33,802	39,802
UK pensions	135,387	135,387	132,762
Teachers' passages	25,187	25,187	29,469
Agency teacher	3,486	3,486	-
Education expenses	161,177	161,177	75,913
Photocopying expenses	6,894	6,894	10,467
Total 2022	<u>2,213,630</u>	<u>2,213,630</u>	<u>2,091,485</u>
<i>Total 2021</i>	<u>2,091,485</u>	<u>2,091,485</u>	

11. Welfare Expenses

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Salaries and wages - Household	489,688	489,688	399,632
Employer's pensions - Household	9,558	9,558	9,023
Catering services	466,536	466,536	182,228
Surgery	6,800	6,800	8,693
Miscellaneous	57,818	57,818	25,542
Laundry and cleaning	44,168	44,168	24,100
Total 2022	<u>1,074,568</u>	<u>1,074,568</u>	<u>649,218</u>
<i>Total 2021</i>	<u>649,218</u>	<u>649,218</u>	

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Establishment expenses

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Rent, rates and insurance	312,670	312,670	333,976
Light and heat	177,283	177,283	133,420
Repairs and renewals	168,484	168,484	140,838
Upkeep of grounds and gardens	50,980	50,980	32,930
Sewage disposal	15,353	15,353	4,532
Total 2022	<u>724,770</u>	<u>724,770</u>	<u>645,696</u>
<i>Total 2021</i>	<u>645,696</u>	<u>645,696</u>	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Support costs

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Salaries and wages	83,563	83,563	79,030
Tokyo salaries	103,415	103,415	118,940
Employers pensions	2,292	2,292	1,997
Staff health insurance	15,523	15,523	18,379
Postage and stationery	49,306	49,306	11,670
Telephone	38,290	38,290	38,578
Motor and travel expenses	18,772	18,772	18,010
Advertising	102,987	102,987	112,687
Miscellaneous support expenses	36,259	36,259	33,491
Tokyo office expenses	123,979	123,979	72,987
Legal and professional	50,306	50,306	38,016
Auditors remuneration	-	-	-
Accounting services	56,717	56,717	97,920
Tax advisory	-	-	1,300
Statutory audit	15,000	15,000	14,400
Loss on disposal of assets	9,618	9,618	101,215
Total 2022	<u>706,027</u>	<u>706,027</u>	<u>758,620</u>
<i>Total 2021</i>	<u>758,620</u>	<u>758,620</u>	

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Finance costs

	General fund 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Bank charges	4,717	4,717	4,177
Loan interest	12,878	12,878	17,653
Exchange loss	2,062	2,062	16,192
Total 2022	<u>19,657</u>	<u>19,657</u>	<u>38,022</u>
<i>Total 2021</i>	<u>38,022</u>	<u>38,022</u>	

15. Net Income

This is stated after charging:

	2022 £	<i>2021 £</i>
Depreciation of tangible fixed assets:	-	-
- owned by the charity	388,159	353,779
Auditor's remuneration	15,000	14,400
Operating lease payment expense	<u>199,395</u>	<u>199,013</u>

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

16. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Total funds 2022 £	Total funds 2021 £
Teaching	2,213,630	2,213,630	2,091,485
Welfare	1,074,568	1,074,568	649,218
Establishment	724,770	724,770	645,696
Support Costs	706,027	706,027	758,623
Finance	19,660	19,660	38,022
Depreciation	388,156	388,156	359,358
	5,126,811	5,126,811	4,542,402

17. Staff costs

	2022 £	2021 £
Wages and salaries	2,105,806	2,252,714
Social security costs	282,445	211,388
Pension costs	213,736	183,584
Other costs	19,009	47,848
	2,620,996	2,695,534

Two employees received ex gratia payments on retirement of £12,864 and £11,396 respectively.

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Teaching - Full time	26	26
Teaching - Part time	37	37
Domestic - Full time	4	4
Domestic - Part time	17	17
Administration - Full time	4	5
Administration - Part time	1	1
	89	90

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	6	7
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	-	1

This year no employee was paid over £80,000. In the prior year there was one employee who was paid over £190,000 in the year as this included a gratuity payment of £133,743 made to them on retirement.

Dr Okano was appointed as a Trustee on 10 March 2019 and also Headmaster. During the year as trustee he received remuneration of £77,944.00 (2021: £80,332), pension of £8,576 (2021: £11,592) and benefits amounting to £1,820 (2021: £1,666). All remuneration was paid to him as Headmaster and not as a Trustee.

Mr Okuno was appointed as a Trustee on 10 March 2019 and also Deputy Headmaster. During his time as trustee he received remuneration of £76,169 (2021: £74,780), pension of £8,109 (2021: £10,128) and benefits amounting to £1,392 (2021: £969). All remuneration was paid to him as Deputy Headmaster and not as a Trustee.

This remuneration is permitted under clause 9 of the Declaration of Trust of the charity dated 20 October 1971.

One UK trustee received reimbursed expenses, totalling £5,308.90 in the year for travelling, telephone and health check costs (2021: £2,362 paid to three trustees)

Key management personnel comprised the Headmaster and Deputy Head and the total remuneration paid was £154,113 (2021: 179,466).

Mr Munechika, a Trustee during the year, received remuneration of £17,942.55 (2021: £20,249) for his role in relation to recruitment and public relations in Japan. All remuneration was paid to him for this role and not as trustee.

In addition, a payment of £8,094 (2021: £28,560) was made to Mr Munechika in respect of travel expenses during the year.

Mr Hashiba received remuneration of £42,917.73 during the year and as a Japanese Trustee also received £8,094.38 in transportation expenses. Whilst Mr Sugiyama another Japanese Trustee received £17,537.83 in transportation expenses due to his executive advisory role.

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Property, Plant and Equipment

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 April 2021	14,004,454	-	1,082,375	128,678	15,215,507
Additions	-	-	163,368	-	163,368
Disposals	-	-	(44,953)	-	(44,953)
Transfers between classes	(74,858)	74,858	-	-	-
At 31 March 2022	13,929,596	74,858	1,200,790	128,678	15,333,922
Depreciation					
At 1 April 2021	6,429,840	-	707,552	124,030	7,261,422
Charge for the year	274,497	1,497	110,239	1,923	388,156
On disposals	-	-	(35,335)	-	(35,335)
Transfers between classes	(31,814)	31,814	-	-	-
At 31 March 2022	6,672,523	33,311	782,456	125,953	7,614,243
Net book value					
At 31 March 2022	7,257,073	41,547	418,334	2,725	7,719,679
At 31 March 2021	7,574,614	-	374,823	4,648	7,954,085

Included in land and buildings is freehold land at a cost of £119,908 (2021: £119,908) which is not depreciated.

All assets are held for the benefit of the charity.

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	6,855	-
Other debtors	15,679	8,354
Prepayments and accrued income	72,806	149,424
	<u>95,340</u>	<u>157,778</u>

20. Cash and Cash Equivalents

	2022 £	2021 £
School Current Account	-	531
School Business Reserve Account	1,013,178	1,364,824
Trustees Business Reserve Account	5,416,446	4,072,257
Expansion & Improvements Business Reserve Account	85,865	381,666
Retirement Business Reserve Account	1,219,820	1,181,702
Staff Loan Business Reserve Account	66,318	71,085
Tokyo Office Bank Account	26,596	8,216
Salary Bank Account	421	23,207
Academic Programme Account	34,798	34,536
	<u>7,863,442</u>	<u>7,138,024</u>

21. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	-	167,949
Trade creditors	121,854	82,931
Pension fund loan payable	10,655	10,600
Other creditors	26,866	-
Accruals and deferred income	4,757,785	4,456,954
	<u>4,917,160</u>	<u>4,718,434</u>

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	-	503,846
	<u> </u>	<u> </u>

The bank loan was fully repaid by the year end.

23. Provisions

	Gratuity Provision £
At 1 April 2021	1,498,413
Additions	89,803
Amounts used	(14,549)
Discounted adjustments	144,309
	<u> </u>
	<u>1,717,976</u>

The above provision represents the present value of the expected future payments to leaving staff earned for services completed up to 31 March 2022. The provision will increase each year by an amount equal to the additional gratuity earned by the staff in that year at present value. In measuring the gratuity provision at each balance sheet date, the trustees have made some assumptions.

Firstly, it is assumed that staff who have been in service for a period longer than five years at the balance sheet date will have a total tenure of 40 years. For staff who have been in service for less than five years it is assumed that they will have a total service period of five years as this is the School's current experience of recent joiners. From this the expected final salary on retirement is calculated based on an assumed future salary increase rate. This rate is calculated with reference to historical salary increase rates. The calculated value of the provision is discounted to present value using an appropriate discount rate, which is based on the interest rate of a high quality corporate bond with a similar maturity profile. Gratuities paid to leavers are off-set against the provision.

The following assumptions have been used in calculating the provision:

	2022	2021	2020
Discount rate	3.15%	1.01%	2.40%
Expected future salary increases pa	4.73%	3.77%	3.59%
Weighted average remaining service period	5 years	6 years	7 years

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

24. Deferred Income

Deferred income relates to school fees received in advance

	2022 £	2021 £
As at 1 April	4,142,748	4,101,486
Amounts released to SOFA	(4,142,748)	(4,101,486)
Amounts deferred in the year as at 31 March	4,492,166	4,142,748
	<u>4,492,166</u>	<u>4,142,748</u>

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

25. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Expansion and Improvement Fund	381,665	45	(295,845)	-	85,865
General funds					
General Funds - all funds	8,147,529	5,785,206	(4,830,966)	(144,309)	8,957,460
Total Unrestricted funds	8,529,194	5,785,251	(5,126,811)	(144,309)	9,043,325

The Expansion and Improvement Fund is made up of accumulated amounts designated by the trustees from unrestricted donations, fee income and investment income, to be used for improvement of the School's facilities. The fund is represented by cash.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

25. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Expansion and Improvement Fund	355,462	141	-	26,063	-	381,666
General funds						
General Funds - all funds	7,778,995	5,119,366	(4,542,402)	(26,063)	(182,368)	8,147,528
Total Unrestricted funds	8,134,457	5,119,507	(4,542,402)	-	(182,368)	8,529,194

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

26. Analysis of net assets between funds

Analysis of net assets between funds - current year

	General fund 2022 £	Total funds 2022 £
Tangible fixed assets	7,719,679	7,719,679
Current assets	7,958,782	7,958,782
Creditors due within one year	(4,917,160)	(4,917,160)
Provisions for liabilities and charges	(1,717,976)	(1,717,976)
Total	9,043,325	9,043,325

Analysis of net assets between funds - prior year

	<i>General fund 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	7,954,085	7,954,085
Net current assets	7,295,802	7,295,802
Creditors due within one year	(4,718,434)	(4,718,434)
Creditors due in more than one year	(503,846)	(503,846)
Provisions	(1,498,413)	(1,498,413)
Total	8,529,194	8,529,194

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

27. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	658,440	577,105
Adjustments for:		
Depreciation charges	388,156	359,361
Loss on the sale of fixed assets	9,619	101,215
Decrease/(increase) in debtors	62,438	(37,816)
Increase/(decrease) in creditors	269,512	(8,719)
Increase in provisions	126,394	114,962
Interest income	(617)	(3,528)
Interest paid	12,878	17,653
Non cash gains and losses	(53,430)	(182,368)
Net cash provided by operating activities	1,473,390	937,865

28. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	7,863,442	7,138,024
Total cash and cash equivalents	7,863,442	7,138,024

29. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	7,138,024	725,418	7,863,442
Debt due within 1 year	(178,549)	167,894	(10,655)
Debt due after 1 year	(503,846)	503,846	-
	6,455,629	1,397,158	7,852,787

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

30. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £10,655 (2021 - £10,600) were payable to the fund at the balance sheet date and are included in creditors.

31. Operating lease commitments

At 31 March 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	134,825	113,864
Later than 1 year and not later than 5 years	15,259	-
	<u>150,084</u>	<u>113,864</u>

32. Related party transactions

See note 17 for disclosure of trustees' remuneration and expenses, and key management personnel remuneration.

Accounts

Charity number: 306987

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

RIKKYO SCHOOL IN ENGLAND TRUST

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers Trustees' report	1 - 9
Audit report	10 - 13
Statement of financial activities	14
Statement of financial position	15
Statement of cash flows	16 - 17
Notes to the financial statements	18 - 33

RIKKYO SCHOOL IN ENGLAND TRUST

Trustees

T.	Aoki	K.	Kubota - resigned 31.3.20	T.	Sazaki - resigned 25.05.21
H.	Bunday	Y.	Kwak - resigned 31.3.21	F.	Serizawa - appointed 1.4.20
K.	Fujimoto - resigned 18.5.21	T.	Morita - appointed 8.4.21	Y.	Shiraishi - decd 26.08.20
F.	Hashiba	R.	Munechika	J.	Sugiyama
K.	Hirota	K.	Nakada	H.	Suzuki
M.	Ishida - resigned 31.03.20	I.	Nakamura - appointed 01.04.20	T.	Suzuki
M.	Ishizuki -resigned 31.3.20	R.	Nishihara - appointed 1.4.21	S.	Takahama
J.	Itoigawa - resigned 31.3.21	T.	Okano	K.	Toida
S.	Iwanaga - appointed 19.5.21	T.	Okuno	Y.	Toyoda
Y.	Kimura	M.	Osawa - appointed 1.4.21	H.	Uehara
N.	Kobayashi	H.	Saito	N.	Yabe - appointed 1.4.20
K.	Kojima	H.	Sato - resigned 7.4.21	K.	Yokomaku - appointed 26.5.21

RIKKYO SCHOOL IN ENGLAND TRUST

Charity registered number	306987
Headmaster	Dr T Okano
Business Manager	M Kurashina
Registered Address	Guildford Road Rudgwick West Sussex RH12 3BE
Accountants	Smith & Williamson LLP Onslow House Onslow Street Guildford Surrey GU1 4TL
Registered Auditor	Nexia Smith & Williamson Onslow House Onslow Street Guildford Surrey GU1 4TL
Solicitors	Cumberland Ellis LLP Atrium Court 15 Jockeys Field WC1R 4QR
Principal Bankers	National Westminster Bank 77 High Street Godalming Surrey GU7 1AR

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees of Rikkyo School in England Trust present their annual report and audited accounts for the year ended 31 March 2021. The Trustees confirm that the accounts comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102) (effective 1 January 2019).

AIMS

Rikkyo School in England Trust ("Rikkyo") was founded by and operates under a Trust Deed dated 20 October 1971 which has been amended twice (the latest being 25 November 2019).

Rikkyo is registered with the Charity Commission under number 306987.

Rikkyo operates one boarding school at Pallinghurst, Rudgwick, West Sussex ("the School"). The School offers the full Japanese curriculum for boys and girls aged 10 to 18, plus English and other foreign language courses from a basic to an advanced level. In addition to completing satisfactorily the full Japanese curriculum, the students also study IGCSE Biology.

The School is registered as a Christian School under section 69(3) of the School Standards and Framework Act 1998. This enables the School, should it wish to do so, to be selective in its employment policies without breaching legal rules.

OBJECTIVES AND ACTIVITIES

Within the terms of the Trust's objects, the Trustees aim to provide students with the best education in a healthy, happy environment. Although the School is some distance from the nearest villages, because it is a Christian establishment, strong bonds have been built with the local communities, especially Rudgwick and Cranleigh, through the parish churches. Staff and students regularly attend services at both local churches. The School also has its own Chaplain.

The Trustees consider that the Trust meets with public benefit requirements for a charity as set out by the Charity Commission. The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Commission in exercising their powers or duties. Although the basic comprehensive aim of the School's management is to develop the students' minds and interests beyond the basic Japanese curriculum so that they can appreciate and understand the world around them and the western way of life, the Trustees are mindful that the School is a significant establishment in a small community. Staff and students are accordingly encouraged to engage meaningfully with the local community and this has been achieved with various activities throughout the year.

The School's main income is generated through student fees. Voluntary income is received through donations on an ad hoc basis which is not through fundraising activities. The school does not have any persons fund raising on its behalf or a commercial participator carrying out these activities. There were no complaints received by the charity or a person acting on behalf of the charity for the purpose of fundraising.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Due to the Covid-19 pandemic, the School was closed for pupils from April 2020 and classes moved online until July 2020. The School reopened to students in September 2020 but due to the rising Covid cases over the winter period, another lockdown was announced by the UK government in January 2021, and the School once again had to close its doors to students from January to March 2021, with lessons continuing online.

The continued pandemic meant that the School was unable to welcome guests for Japanese Evening, Open Day or concerts. Other activities such as homestay, sports fixtures and school outings were also unable to take place during the year under review.

During the lockdown periods, the students took the initiative to engage in various activities from their homes, such as online concerts, presentations about their contribution to the communities and self-introductions for new students.

The students union also organised a web Open Day in October with each class choosing various topics under the heading "Future for our Society".

The UK economy continues to benefit from the presence of the School in West Sussex. The fee income generated by the School is sourced from Japanese nationals and businesses, most of the School's income being brought into the UK converted from Japanese Yen. However, virtually all expenditure - the major exception being Japanese textbooks - is in sterling in the UK, mainly for employee related costs. Locally-resident citizens fill the catering, maintenance, cleaning and some of the managerial positions. English and other subject teachers are employed as well as English science and music teachers. The Japanese teachers, being resident in the UK, also contribute to the UK economy.

The Trustees have considered the School's achievements in the year and are satisfied that these are in line with the School's objectives.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT

The latest advice from the Charity Commission recommends that certain information on a charity's structure, governance and management be included in the charity's Trustees' Report. As this Trust does not seek funding from the general public, does not make grants to other organisations and is not affiliated under an umbrella organisation, some of the recommendations do not directly apply. However, as a boarding School, it has important statutory obligations as an employer and as a provider of education and accommodation for students.

Rikkyo is different from the majority of boarding schools in the United Kingdom in a number of ways: The curriculum is based on that set by the Education Ministry in Japan for Japanese children.

All the senior full-time teaching staff, including all the senior management of the School, are Japanese speakers and all are Japanese citizens.

Student records are kept in the Japanese language, as are many of the School's other records, although those required by the UK authorities, such as those under Health & Safety Regulations and Child Protection (including medical records), are also available in English.

Over two thirds of the students and their parents live abroad and require visas to enter the UK to attend the School.

All the Trustees are Japanese and thirteen of the twenty-seven in office at the end of the year live outside the UK. At least one of the thirteen UK non-residents normally attends Trustee meetings, together with the other Trustees.

The UK resident Trustees are normally appointed for a period not exceeding three years which is the maximum period they are generally allowed to reside in the UK under Immigration Rules.

These unusual differences mean that it is sometimes very challenging to apply normal rules to the supervision of this educational establishment by the Board of Trustees. The Trustees, however, accept that they operate in the UK and must comply with the guidance applying to Registered Charities and Boarding Schools.

The Trust was originally sponsored by the Rikkyo Foundation in Japan, although it is legally independent of it. The Japanese Foundation operates in Japan, a University and four schools, one for girls and three for boys. None of these are a boarding school. Three of the schools have a High School element. At least one of the Rikkyo School Trustees holds a high position in the Foundation and is therefore able to give advice to the UK School management on Japanese educational matters. This is particularly important as virtually all the students graduating from the Trust's school progress to attend a Japanese University. Other Japanese resident Trustees provide useful contacts with Japanese businesses and institutions, the children of whose staff provide one third of the School's students.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

One third of the students have their fees paid or subsidised by the parents' employer, and local contact in Japan with those employers can be important on occasion. As the Japanese resident Trustees have little involvement with the running of the School in the UK, it is not considered appropriate to have a UK training scheme for them - their business experience and contacts in Japan are their contribution to the School.

The UK resident Trustees are, as noted above, appointed for a maximum of three years. They are chosen by virtue of their position, usually the senior executive in the London/UK branch of a Japanese multi-national business. They bring to the Trustee Board a powerful mix of financial and business experience which is put to the aid of the senior Japanese staff running the School.

The operation of the School is the responsibility of the Headmaster who is also a Trustee and his management team. There is at all times direct access between the Headmaster and the Trustee Chairman. On matters of Charity law the School is advised by a specialist firm of London Solicitors. Because of the short term nature of the appointments training is run on an ad hoc basis as and when required. Any Trustee wishing further information would be provided with what he sought on request.

As indicated, decisions affecting the running of the School - other than major investment decisions - are taken by the School's management team, led by the Headmaster. Major investment decisions are always taken by the Board of Trustees either as a whole or through a steering committee.

There is no formal remuneration setting policy in respect of keyman personnel. There are, however, adhoc meetings held to pass resolutions following a review of the remuneration.

The Japanese staff are at all times fully aware of issues arising concerning the efficient running of the School and any problems being encountered by any of the students. This is covered at daily staff meetings, attended by the Japanese Matron (who has living accommodation at the School) and/or English Assistant Matrons.

RISK MANAGEMENT

The major risks to which the School is exposed have been reviewed and systems established to mitigate these risks.

The main identified risks remain broadly unchanged from previous years. In the opinion of the Trustees, these are:

1. Financial

Student numbers have increased by 7 this year. The increase in student numbers along with the increase of average student fees have resulted in a surplus for the period. This was coupled with a reduction in expenditure caused by multiple school closures as a result of the COVID-19 pandemic. The number of students attending the school is also expected to slightly drop in 2021-22.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

RISK MANAGEMENT (CONTINUED)

The Trust has built up substantial bank balances over the years and has a portfolio of six local private dwellings used to house Japanese teaching staff. The majority of these have been refurbished to modern standards. These properties could be a source of short-term funding for the School, if necessary, as all the original mortgages on the properties were paid off some years ago.

2. Child Protection

The School undertakes all the regulatory and recommended guidance on issues relevant to staff working with young people. This applies to all new employees recruited in the UK where full checks are made with the Disclosures & Barring Service (DBS). All new Japanese teaching staff are required to have a Police Check in Japan, followed by checks with the DBS soon after starting employment.

There is a Japanese independent listener available for all students to discuss matters in confidence.

3. Health and Safety

The Trustees are aware of their responsibilities towards the staff, students, visitors and contract workers to provide a safe and secure environment at the School for their various activities.

The Trustees are aware of their responsibilities towards the staff, students, visitors and contract workers to provide a safe and secure environment at the School for their various activities.

Appropriate supervision at senior level with regular staff training and fire practices continue and records are kept of all training. To support the School's surgery staff, all Japanese boarding staff receive first aid training and all senior students are trained in basic first aid procedures.

Environmental Health inspectors have awarded the School a 5 star rating for food hygiene.

REVIEW AND ACHIEVEMENTS

The School opened in 1972 with 19 students. During the year under review, the maximum number of students was 190 (2020: 183), of whom 89 (2020: 84) were boys and 101 (2020: 99) were girls.

Considering the students are taking the examinations in a foreign language, they continue to gain good grades in the IGCSE subject they study, as well as securing good results in the English language public examinations taken at various levels. There continues to be a high level of musical activity, with many students studying more than one instrument. The school continues to enjoy a high academic reputation.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Total incoming resources for the year of £5,119,507 (2020: £4,983,609) were 3% up on last year.

Total resources expended for the year at £4,542,402 (2020: £4,821,280) were 6% down on last year.

2021 was a strong year for the trust despite the challenges it faced. Fee income was up by 2% owing to increased student numbers and increased fees.

The trust also benefited from a 7% reduction in expenditure before depreciation. This was as a result of the school closing for several months throughout the year due to the UK government guidance in response to the COVID-19 pandemic.

INVESTMENT POLICY AND PERFORMANCE

In accordance with the Trust Deed, the Trustees have the power to invest in such stocks, shares, investments and property in the UK as they see fit. At present the Trustees consider such investment inappropriate and funds not required in the immediate future are held in short term Treasury and Business Reserve accounts and Investment Bonds.

FREEHOLD LAND AND BUILDINGS

The estimated market value of the freehold land and buildings is £10,500,000. The net book value of the freehold land and buildings are reflected in these accounts at £7,574,612 (2020: £7,910,814).

EXPANSION AND IMPROVEMENT FUND

This fund was established to provide a source of cash for major capital expenditure and repairs. The balance on the fund at year end is £381,666 (2020: £355,462). The carried forward balance at the end of the year represents monies held in the Expansion Fund bank account.

CAPITAL EXPENDITURE

Capital expenditure in the year amounted to £265,135 (2020: £70,048). Additions in the year included a refurbishment of the boys dormitory, WIFI networking equipment, new smart interactive display boards and various small items of furniture and equipment.

RESERVES POLICY

The School's funds are invested in its land and buildings and therefore there are no free reserves. This is considered acceptable although the Trustees wish to build up free reserves equivalent to three months' running expenses.

RIKKYO SCHOOL IN ENGLAND TRUST

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

FUTURE PLANS

The School's three year business plan is reviewed annually and approved by the Trustees at the January meeting each year.

The COVID-19 pandemic since the year end has continued in existence and as result has had some although not a significant impact on the operations of the school. With reduced restrictions in place nationally, the school continued to stay open through the current period. The impact of potential school closure has been assessed through the forecasts prepared for the period to March 2022. As the school had been providing online classes through period of closure to its students, the delivery of its curriculum and the school's finances were not affected significantly. At the current time, the school has resumed normal operations without anticipating further interrupted activity. However, given the financial reserves available, the Trustees are satisfied that the school will be able to navigate these challenges for the foreseeable future.

Pupil numbers for the forthcoming financial year 2022/23 are expected to be 190 (2021/22: 187) and the Trustees are considering various capital projects to improve the school's infrastructure.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and regulations.

The Charities Act 2011 requires the Trustees of the Charity to prepare accounts for each financial year which give a true and fair view of Its financial activities during the year and of its financial position at the end of the year. In preparing the financial statements the Trustees should follow best practice, and:

- Select suitable accounting policies and then apply them consistently; Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- Follow applicable accounting standards, disclosing and explaining any departures in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records which are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Report) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Our auditor, Nexia Smith & Williamson has indicated a willingness to continue in office. A resolution to re-appoint the auditor, Nexia Smith & Williamson, will be proposed at the next Trustees' Meeting.

Chairman of the Board of Trustees

Name: Mr J Sugiyama

Date:

28.1.2022

J. Sugiyama

RIKKYO SCHOOL IN ENGLAND TRUST



Independent auditor's report to the Trustees of Rikkyo School in England Trust

Opinion

We have audited the financial statements of Rikkyo School in England Trust (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Statement of Financial Position, Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 March 2021 and of 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 Charities Act 2011.

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 charity 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 charity'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.

RIKKYO SCHOOL IN ENGLAND TRUST



Independent auditor's report to the Trustees of Rikkyo School in England Trust (continued)

Other information

The other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report and Financial Statements.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees 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 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 the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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



Independent auditor's report to the Trustees of Rikkyo School in England Trust (continued)

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

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

We obtained a general understanding of the charity'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 charity's industry and regulation.

We understand that the charity complies with the framework through:

- Outsourcing financial statement preparation and tax compliance to external experts
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- Management's oversight through regular meetings and compliance reporting.

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 charity's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charity's activities:

- The Charities SORP and FRS 102 in respect of the preparation and presentation of the financial statements
- The Charities Act 2011

Based on our understanding we performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- We identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- Making enquiries of management and those charged with governance to understand their awareness of any non-compliance of laws and regulations;
- Reviewing minutes of meetings of those charged with governance to identify any instances of non-compliance.

RIKKYO SCHOOL IN ENGLAND TRUST



Independent auditor's report to the Trustees of Rikkyo School in England Trust (continued)

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 of the financial statements via fraudulent journal entries, and
- Revenue recognition.

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

- Substantive work on material areas affecting the results, in particular significant items of expenditure and revenue;
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those with unusual or no descriptions;
- Reviewing and challenging estimates made by management

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

Use of our report

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

A handwritten signature in black ink that reads "Nexia Smith & Williamson".

Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Date: 28 January 2022

Nexia Smith & Williamson is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RIKKYO SCHOOL IN ENGLAND TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Note	General fund 2021 £	Unrestricted funds Expansion & Improvement fund 2021 £	Restricted fund 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	111,037	-	-	111,037	41,644
Charitable activities	4	4,780,130	-	-	4,780,130	4,899,692
Other trading activities	5	224,812	-	-	224,812	27,916
Investment income	6	3,387	141	-	3,528	14,357
TOTAL INCOME AND ENDOWMENTS		5,119,366	141	-	5,119,507	4,983,609
EXPENDITURE ON:						
Charitable activities	8	4,542,402	-	-	4,542,402	4,821,280
TOTAL EXPENDITURE		4,542,402	-	-	4,542,402	4,821,280
NET INCOME		576,964	141	-	577,105	162,329
Transfers between Funds	23	(26,063)	26,063	-	-	-
Fair value change on provision	21	(182,368)	-	-	(182,368)	84,806
NET MOVEMENT IN FUNDS FOR THE YEAR		368,533	26,204	-	394,737	247,135
Reconciliation of funds:						
Total funds at 1 April 2020		7,778,995	355,462	-	8,134,457	7,887,332
TOTAL FUNDS AT 31 MARCH 2021		8,147,528	381,666	-	8,529,194	8,134,457

All activities relate to continuing operations.

The notes on pages 17 - 32 form part of these financial statements.

RIKKYO SCHOOL IN ENGLAND TRUST

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	£	2021 £	£	2020 £
NON CURRENT ASSETS					
Property, plant and equipment	16		7,954,085		8,149,530
			<u>7,954,085</u>		<u>8,149,530</u>
CURRENT ASSETS					
Trade and other receivables	17	157,778		119,962	
Cash and cash equivalents	18	7,138,024		6,647,368	
		<u>7,295,802</u>		<u>6,767,330</u>	
CURRENT LIABILITIES					
Trade and other payables	19	(4,718,434)		(4,727,157)	
NET CURRENT ASSETS					
			2,577,368		2,040,173
CREDITORS: Amounts fall due after more than one year	20		(503,846)		(671,795)
Provisions	21		(1,498,413)		(1,383,451)
TOTAL ASSETS LESS LIABILITIES					
			<u>8,529,194</u>		<u>8,134,457</u>
CHARITY FUNDS					
General fund	24		8,147,528		7,778,995
Expansion and improvement fund	24		381,666		355,462
TOTAL UNRESTRICTED FUNDS					
			<u>8,529,194</u>		<u>8,134,457</u>

The financial statements were approved by the Trustees on 28/01/22 and signed on their behalf, by:

Mr J Sugiyama
Trustee

J. Sugiyama

The notes on pages 17 - 33 form part of these financial statements.

RIKKYO SCHOOL IN ENGLAND TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash generated from operating activities	A	937,866	1,129,830
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(265,135)	(70,048)
Proceeds from disposal of PPE		-	100
Interest received		3,528	14,357
Net cash used in investing activities		(261,607)	(55,591)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital repayments		(167,949)	(167,949)
Interest paid		(17,653)	(27,041)
Net cash used in financing activities		(185,602)	(194,990)
Change in cash and cash equivalents in the reporting period		490,657	879,249
Cash and cash equivalents at the beginning of the reporting period		6,647,367	5,768,118
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		7,138,024	6,647,367

RIKKYO SCHOOL IN ENGLAND TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

NOTE TO THE STATEMENT OF CASH FLOWS:

A. RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income	394,737	247,135
Interest received	(3,528)	(14,357)
Interest paid	17,653	27,041
Depreciation of property, plant and equipment	359,361	336,466
Loss on disposal of fixed assets	101,215	3,037
Increase in trade and other receivables	(37,816)	(29,315)
Increase in trade and other payables	(8,719)	765,331
(Decrease)/increase in provisions	114,962	(205,508)
NET CASH GENERATED FROM OPERATING ACTIVITIES	937,866	1,129,830

B. ANALYSIS OF CHANGES IN NET FUNDS

	1 April 2020	Cashflow	Other non cash changes	At 31 March 2021
	£	£	£	£
Bank loan due within one year	(167,949)	167,949	(167,949)	(167,949)
Bank loan due in more than one year	(671,795)	-	167,949	(503,846)
Cash	6,647,368	490,657	-	7,138,024
	5,807,624	658,605	-	6,466,229

The notes on pages 17 - 33 form part of these financial statements.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 General Information

Rikkyo School in England Trust (the Charity) is a charitable trust registered with the Charity Commission in England and Wales under registered number 306987. Its registered address is Guildford Road, Rudgwick, West Sussex. RH12 3BE. The charity runs a Japanese school in West Sussex.

1.2 Basis of preparation of financial statements

The accounts are prepared under the historical cost convention, in accordance with applicable United Kingdom Generally Accepted Accounting Practice including FRS102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)).

Rikkyo School in England Trust is a school offering education to boys and girls aged 10 to 18, which meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about the school's ability to continue as a going concern.

1.3 Going concern

The financial statements have been prepared on a going concern basis.

The trustees have carefully reviewed the future prospects of the school and its future cash flows, including an assessment of the impact of the COVID-19 pandemic. Having assessed this, the Trustees have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from signing of these financial statements.

For this reason, the Trustees continue to adopt the going concern basis for the preparation of the financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the school was unable to continue as a going concern.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1.5 Income

All incoming resources are included in the Statement of financial activities when the charity has entitlement to the funds, it is probable that monies will be received and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Fee income represents fees, extras and disbursements, received for the education of the pupils attending the school, less discounts. Income received from the rendering of tuition services is recognised over the period the service is provided.

Government grant income comprises monies received under the Government's Job Retention Scheme and is recognised when it becomes receivable.

1.6 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All resources expended are inclusive of irrecoverable VAT.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1.7 Property, plant and equipment

All assets costing more than £250 are capitalised.

Property, plant and equipment are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	10 to 50 years straight line
Furniture and fittings	10 years straight line
Plant and machinery	4 to 15 years straight line
Motor vehicles	4 years straight line

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Taxation

As a charity, the charity is exempt from tax on income and gains under current tax legislation to the extent that these are applied to charitable objects. No tax charges have arisen in the Charity.

The charity is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1.10 Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

Basic financial liabilities, including trade and other payables, bank loans and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

1.11 Pensions

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payment obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the charity in independently administered funds.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2021

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Key accounting estimates and assumptions

- (i) Fixed assets:
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. These are re-assessed annually and amended when necessary to reflect current estimates. See note 1.7.
- (ii) Provisions:
The gratuity provision contains assumptions and estimates related to length of staff service, wage inflation and discount rates. The basis for these assumptions is explained in note 21.

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds		Restricted	Total	Total
	General	Expansion & Improvement	fund	funds	funds
	fund	fund	fund	funds	funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Donations	111,037	-	-	111,037	41,644

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds		Restricted	Total	Total
	General	Expansion & Improvement	fund	funds	funds
	fund	fund	fund	funds	funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Education fees	4,317,807	-	-	4,317,807	4,151,008
Entrance fees	211,955	-	-	211,955	251,900
Facility fees	208,260	-	-	208,260	232,100
Examination fees	23,570	-	-	23,570	40,925
Academic Programme	-	-	-	-	141,003
Private lessons	18,538	-	-	18,538	82,756
	4,780,130	-	-	4,780,130	4,899,692

All income from charitable activities in 2020 related to the General fund.

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021**

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Government grant income	169,782	-	-	169,782	-
Other income	55,030	-	-	55,030	27,916
	224,812	-	-	224,812	27,916

All income from other trading activities in 2020 related to the General fund.

6. INCOME FROM INVESTMENTS

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Investment income	3,387	141	-	3,528	14,357

All income from investments in 2020 related to the General fund.

7. GOVERNANCE COSTS

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Auditor remuneration (note 12)	14,400	-	-	14,400	10,000
Accounts preparation	8,100	-	-	8,100	8,000
	22,500	-	-	22,500	18,000

All expenditure in 2020 related to General fund.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021

8. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Teaching (note 9)	2,091,485	-	-	2,091,485	2,225,510
Welfare (note 10)	649,218	-	-	649,218	879,879
Establishment (note 11)	645,696	-	-	645,696	624,896
Support costs (note 12)	758,620	-	-	758,620	740,342
Finance (note 13)	38,022	-	-	38,022	14,188
Depreciation (note 16)	359,361	-	-	359,361	336,466
	4,542,402	-	-	4,542,402	4,821,281

All expenditure in 2020 related to General fund.

9. TEACHING EXPENSES

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Salaries and wages	1,803,072	-	-	1,803,072	1,786,037
Japanese pension	39,802	-	-	39,802	39,057
UK Pensions	132,762	-	-	132,762	147,707
Teachers' passages	29,469	-	-	29,469	15,775
Agency teacher	-	-	-	-	9,738
Education expenses	75,913	-	-	75,913	214,007
Photocopying expenses	10,467	-	-	10,467	13,189
	2,091,485	-	-	2,091,485	2,225,510

All expenditure in 2020 related to General fund.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. WELFARE EXPENSES

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Salaries and wages					
- Household	399,632	-	-	399,632	388,258
Pensions					
- Household	9,023	-	-	9,023	9,247
Catering services	182,228	-	-	182,228	416,768
Surgery	8,693	-	-	8,693	15,528
Miscellaneous	25,542	-	-	25,542	24,374
Laundry and cleaning	24,100	-	-	24,100	25,704
	<u>649,218</u>	<u>-</u>	<u>-</u>	<u>649,218</u>	<u>879,879</u>

All expenditure in 2020 related to General fund.

11. ESTABLISHMENT EXPENSES

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Rent, rates and insurance	333,976	-	-	333,976	301,656
Light and heat	133,420	-	-	133,420	172,550
Repairs and renewals	140,838	-	-	140,838	84,586
Upkeep of grounds and gardens	32,930	-	-	32,930	53,948
Sewage disposal	4,532	-	-	4,532	12,156
	<u>645,696</u>	<u>-</u>	<u>-</u>	<u>645,696</u>	<u>624,896</u>

All expenditure in 2020 related to General fund.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12. SUPPORT COSTS

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Salaries and wages	79,030	-	-	79,030	77,535
Tokyo Salaries	118,940	-	-	118,940	88,723
Pension	1,997	-	-	1,997	1,756
B.U.P.A.	18,379	-	-	18,379	19,671
Postage and stationery	11,670	-	-	11,670	25,018
Telephone	38,578	-	-	38,578	22,949
Motor and travel expenses	18,010	-	-	18,010	60,847
Advertising	112,687	-	-	112,687	79,412
Miscellaneous	33,491	-	-	33,491	82,723
Tokyo office expenses	72,987	-	-	72,987	130,355
Legal and professional	38,016	-	-	38,016	53,406
Auditor remuneration:					
- Accounting services	97,920	-	-	97,920	84,910
- Tax advisory	1,300	-	-	1,300	
- Statutory audit	14,400	-	-	14,400	10,000
Loss on disposal of assets	101,215	-	-	101,215	3,037
	758,620	-	-	758,620	740,342

All expenditure in 2020 related to General fund.

13. FINANCE EXPENSES

	Unrestricted funds				
	General fund	Expansion & Improvement fund	Restricted fund	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Bank charges	4,177	-	-	4,177	3,874
Loan interest	17,653	-	-	17,653	27,041
Exchange loss/(gain)	16,192	-	-	16,192	(16,727)
	38,022	-	-	38,022	14,188

All expenditure in 2020 related to General fund.

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. NET INCOME

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets:		
- owned by the charity	353,779	336,263
Auditor's remuneration	14,400	10,000
Operating lease payment expense	199,013	125,150
	<u>199,013</u>	<u>125,150</u>

15. STAFF COSTS

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	2,252,714	1,977,739
Social security costs	211,388	189,286
Pension costs	183,584	197,767
Other costs	47,848	35,446
	<u>2,695,534</u>	<u>2,400,238</u>

The average monthly number of employees during the year was as follows:

	2021 No.	2020 No.
Teaching - Full time	26	28
Teaching - Part time	37	37
Domestic - Full time	4	3
Domestic - Part time	17	16
Administration - Full time	5	3
Administration - Part time	1	1
	<u>90</u>	<u>88</u>

The number of higher paid employees was:

	2021 No.	2020 No.
In the band £60,000 - £69,999	7	10
In the band £70,000 - £79,999	1	-
In the band £190,000 - £199,999	1	-

One employee was paid over £190,000 in the year as this included a gratuity payment of £133,749 made to them on retirement.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15. STAFF COSTS - continued

Dr Okano was appointed as a Trustee on 10 March 2019 and also Headmaster. During the year as trustee he received remuneration of £80,332 (2020: £66,733), pension of £11,592 (2020: £11,284) and benefits amounting to £1,666 (2020: £1,796). All remuneration was paid to him as Headmaster and not as a Trustee.

Mr Okuno was appointed as a Trustee on 10 March 2019 and also Deputy Headmaster. During his time as trustee he received remuneration of £74,780 (2020: £64,999), pension of £10,128 (2020: £9,849) and benefits amounting to £969 (2020: £941). All remuneration was paid to him as Deputy Headmaster and not as a Trustee.

This remuneration is permitted under clause 9 of the Declaration of Trust of the charity dated 20 October 1971.

Three trustees received reimbursed expenses, totaling £2,362 in the year for travelling, telephone and health check costs (2020: £6,449 paid to three trustees)

Key management personnel comprised the Headmaster and Deputy Head and the total remuneration paid was £179,466 (2020: 155,603).

Mr Munechika, a Trustee during the year, received remuneration of £20,249 (2020: £16,495) for his role in relation to recruitment and public relations in Japan. All remuneration was paid to him for this role and not as trustee.

In addition, a payment of £28,560 (2020: £42,000) was made to Mr Munechika in respect of unpaid remuneration relating to his role as headmaster of the School, from which he retired as at 31 March 2017. This remuneration was disclosed in the accounts in the years it was earned while Mr Munechika was headmaster. A balance of £nil (2020: £28,560) remains outstanding at 31 March 2021 and is included in accrued and other expenses.

Two employees received ex gratia payments on retirement amounting to £22,932 in recognition of their long service to the School.

RIKKYO SCHOOL IN ENGLAND TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land & Buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 April 2020	14,170,319	862,242	128,678	15,161,239
Additions	45,000	220,135	-	265,135
Disposals	(210,866)	-	-	(210,866)
At 31 March 2021	14,004,453	1,082,234	128,678	15,215,508
Depreciation				
At 1 April 2020	6,259,505	630,100	122,107	7,011,712
Charge for the year	279,986	77,452	1,923	359,361
Disposals	(109,650)	-	-	(109,650)
At 31 March 2021	6,429,841	707,552	124,030	7,261,423
Net book value				
At 31 March 2021	7,574,612	374,828	4,648	7,954,085
At 31 March 2020	7,910,814	232,145	6,571	8,149,530

Included in land and buildings is freehold land at cost of £119,908 (2020 - £119,908) which is not depreciated.

All assets are held for the benefit of the charity.

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. TRADE AND OTHER RECEIVABLES

	2021	2020
	£	£
Trade receivables	-	3,473
Prepayments	149,424	102,576
Other debtors	8,354	13,913
	<u>157,778</u>	<u>119,962</u>

18. CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
School Current Account	531	(20,111)
School Business Reserve Account	1,364,824	1,212,782
Trustees Business Reserve Account	4,072,257	3,741,821
Expansion & Improvements Business Reserve Account	381,666	355,462
Retirement Business Reserve Account	1,181,702	1,246,742
Staff Loan Business Reserve Account	71,085	71,182
Tokyo Office Bank Account	8,216	1,300
Salary bank account	23,207	79
Academic Programme Account	34,536	38,111
	<u>7,138,024</u>	<u>6,647,368</u>

**19. TRADE AND OTHER PAYABLES:
Amounts falling due within one year**

	2021	2020
	£	£
Deferred income (note 22)	4,142,748	4,101,486
Trade creditors	82,931	77,461
Social security costs payable	-	3,189
Accrued and other expenses	314,206	363,972
Sundry creditors	10,600	13,100
Bank loans payable	167,949	167,949
	<u>4,718,434</u>	<u>4,727,157</u>

20. CREDITORS

	2021	2020
	£	£
Amounts falling due after more than one year		
Bank loan	<u>503,846</u>	<u>671,795</u>

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

21. PROVISIONS

	2021 £	2020 £
Balance brought forward	1,383,451	1,588,957
Gratuities paid	(149,086)	(206,104)
Additional year of service	81,680	85,404
Change in discount rate charged to SOFA	109,059	(85,170)
Change in salary inflation charged to SOFA	73,309	364
As at 31 March	<u>1,498,413</u>	<u>1,383,451</u>

The above provision represents the present value of the expected future payments to leaving staff earned for services completed up to 31 March 2021. The provision will increase each year by an amount equal to the additional gratuity earned by the staff in that year at present value. In measuring the gratuity provision at each balance sheet date, the trustees have made some assumptions. Firstly, it is assumed that staff who have been in service for a period longer than five years at the balance sheet date will have a total tenure of 40 years. For staff who have been in service for less than five years it is assumed that they will have a total service period of five years as this is the School's current experience of recent joiners. From this the expected final salary on retirement is calculated based on an assumed future salary increase rate. This rate is calculated with reference to historical salary increase rates. The calculated value of the provision is discounted to present value using an appropriate discount rate, which is based on the interest rate of a high quality corporate bond with a similar maturity profile. Gratuities paid to leavers are off-set against the provision.

The following assumptions have been used in calculating the provision:

	2021	2020
Discount rate	1.01%	2.40%
Expected future salary increases pa	3.77%	3.59%
Weighted average remaining service period	6 years	7 years

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

22. DEFERRED INCOME

Deferred income relates to school fees received in advance

	2021 £	2020 £
As at 1 April	4,101,486	3,428,705
Amounts released to SOFA	(4,101,486)	(3,428,705)
Amounts deferred in the year as at 31 March	4,142,748	4,101,486
	<u>4,142,748</u>	<u>4,101,486</u>

23. STATEMENT OF FUNDS

	At 1 April 2020 £	Incoming resources £	Resources Expended £	Transfers in/(out) £	Gains/ (Losses) £	At 31 March 2021 £
Unrestricted funds						
General fund	7,778,995	5,119,366	(4,542,402)	(26,063)	(182,368)	8,147,528
Expansion & Improvement fund	355,462	141	-	26,063	-	381,666
Total unrestricted funds	<u>8,134,457</u>	<u>5,119,507</u>	<u>(4,542,402)</u>	<u>-</u>	<u>(182,368)</u>	<u>8,529,194</u>

The Expansion and Improvement Fund is made up of accumulated amounts designated by the trustees from unrestricted donations, fee income and investment income, to be used for improvement of the School's facilities. The fund is represented by cash.

All restricted funds have been spent to date.

RIKKYO SCHOOL IN ENGLAND TRUST

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021**

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds		Restricted Funds		
	General fund	Expansion & Improvement fund	Restricted funds	Total funds	Total funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Tangible fixed assets	7,954,085	-	-	7,954,085	8,149,530
Net current assets	2,195,702	381,666	-	2,577,368	2,040,173
Creditors falling due in more than one year	(503,846)	-	-	(503,846)	(671,795)
Provisions	(1,498,413)	-	-	(1,498,413)	(1,383,451)
	<u>8,147,528</u>	<u>381,666</u>	<u>-</u>	<u>8,529,194</u>	<u>8,134,457</u>

The tangible fixed asset figure of £8,149,530 as at 31 March 2020 relates only to the Unrestricted General fund.

Included within the net current assets of £2,040,173 as at 31 March 2020 is £355,462 which relates to the Expansion and Improvement fund and £1,684,711 which relates to the General fund.

All creditors and provisions as at 31 March 2020 relate to General Funds.

25. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2021 the trust had future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	<u>113,864</u>	<u>106,251</u>

26. RELATED PARTY TRANSACTIONS

See note 15 for disclosure of trustees' remuneration and expenses, and key management personnel remuneration.