

JAPAN SOCIETY OF SCOTLAND

Annual Report & Financial Statements

For the year ended

31 December 2019



Honorary President

His Excellency, the Japanese Ambassador

Honorary Vice President

The Consul-General of Japan in Edinburgh



ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

CONTENTS

| | |
|---|---------|
| Trustees' Annual Report | 3 - 6 |
| Student's Report | 7 - 8 |
| Independent Examiner's Report | 9 |
| Statement of Receipts & Payments | 10 |
| Statement of Balances | 11 |
| Notes to the Financial Statements | 12 - 13 |

Pictures from our 2019 Scholarship Student's visit to Japan (see report on page 7)



TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and financial statements together with the independent examiner's report for the year ended 31 December 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

| | | |
|--|--|--|
| Charity Name | The Japan Society of Scotland | |
| Charity Number | SC037309 | |
| Contact Address | C/o Callum Farquhar 23 Main Street Low Valleyfield Dunfermline KY12 8TF | |
| Website Address | www.japansocietyofscotland.org.uk | |
| Current Trustees | Prof. Ian Gow OBE < Vacant > Callum Farquhar OBE David Russell Colin Edward | Chair Secretary Treasurer Membership Secretary Scholarship Secretary |
| | Jessica Brown Caroline Marshall Dr Helen Parker | Appointed 02/02/2019 |
| Other Trustees who served during the year | Dr Trevor Runcie Ronnie Watt | Resigned 02/02/2019 Resigned 02/02/2019 |
| Bankers | Bank of Scotland plc 38 St Andrew Square Edinburgh EH2 2AD | |
| Independent Examiner | Michael Brougham 3 Lyne Grove Crossford Dunfermline KY12 8YB | |

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

The charity is an unincorporated association governed by its constitution last revised in November 2013. It was granted charitable status and became a Scottish Charity on 28 March 2006.

Appointment of Trustees

Trustees, who for serve for a period of one year, are elected by the members of the society at the Annual General Meeting, but may then be re-elected. The minimum number of trustees is four.

Any newly appointed trustees are advised of the constitution, objectives and activities of the Society, and their responsibilities under the Charities & Trustee Investment (Scotland) Act 2005. A comprehensive induction pack is provided to all new trustees.

Risk Assessment

The trustees regularly review the risks faced by the Society. The trustees accept that the Society is dependent upon receiving sufficient funding and donations to enable it to continue to work towards achieving its objectives. Fund raising opportunities are explored to ensure that this remains the case.

OBJECTS & ACTIVITIES

The Society's object is to promote Scotland – Japan relations, specifically:

- to promote learning and advance education in the subject of and with regard to Japan;
- to promote the study of Japan and its people in all their aspects, traditional and modern, and to make the results of such study more accessible to the general public;
- to promote the study of Scotland and its culture by Japanese people and to further educational exchanges between Scotland and Japan; and
- the advancement of public education in Japanese and Scottish culture and arts by means of, but not limited to, the provision of grants and awards and the establishment of scholarships.

ACHIEVEMENTS & PERFORMANCE



2019/20 has been designated the Japan/UK Season of Culture and the Japan Society of Scotland has fully embraced this. In addition to organising events and lectures, often in conjunction with the Japanese Consulate in Edinburgh, we use our funds to support activities that promote a greater understanding of Japan amongst Scots. We have three main grant schemes – firstly, the Thomas Blake Glover Scholarship that is sponsored by Aberdeen Standard Investments; a Schools Fund supported by the JTH Charitable Trust; and our own funds for other suitable projects. You can read about how our 2019 Scholarship Student, Daniel Robertson, got on in Japan, later in this report.

The JTH Charitable Trust was set up by previous president and long-time supporter of the Japan/Scotland society, James Thom Howat, who had a long association with and a love of Japan and its people during his lifetime. The Trust supports many organisations including the Japan Society of Scotland. Supported by income from the JTH Charitable Trust, The Japan Society of Scotland helps schools with the purchase of resources that will bring Japan into the curriculum or support educational visits with a Japanese theme – basically anything that will help to promote a better understanding of Japan and its culture and customs to Scottish young people. During the past financial year, we have:

- provided a grant to Orkney Japan Association to organise Children's Day events
- supported St John's Primary in Port Glasgow with the cost of transport to visit Wagamama in Glasgow for an introduction to Japanese food

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

- funded a Taiko Drumming workshop at Kilmaron special needs school in Fife
- provided a grant to Orkney Schools to purchase two Taiko Drums
- supported the Fuji Festival organised by JETAA Scotland, this year in Livingston

In support of the Season of Culture, The Japan Society of Scotland has been organising workshops in schools throughout Scotland who have decided to study Japan as part of their curriculum because of the increased interest brought about by the Rugby World Cup and the Olympics. We have visited 8 schools during the year in Dundee, Fife, Greenock (2 schools), Paisley, Peebles, Port Glasgow and Stonehaven. After an initial slideshow showing something of different aspects of Japan, we have run bases on dressing-up, use of chopsticks, toys, and food & drink. The school pupils have thoroughly enjoyed these.

Membership

| Category | 2019 | 2018 |
|------------|-----------|-----------|
| Individual | 22 | 19 |
| Family | 48 | 48 |
| Student | 2 | 2 |
| Corporate | - | 1 |
| Honorary | 5 | 5 |
| JETAA | - | 3 |
| Scholars | 6 | 2 |
| | 83 | 80 |

FINANCIAL REVIEW

Overview

The principal sources of income continue to be membership fees, grants and contributions towards the cost of events. The following is a summary of our cash movements for the year:

| | Unrestricted Fund | Designated Fund | Restricted Funds | Total 2019 | Total 2018 |
|----------------------------|----------------------|--------------------|---------------------|----------------|---------------|
| | £ | £ | £ | £ | £ |
| Receipts | 1,390 | 2,500 | 5,201 | 9,091 | 10,746 |
| Payments | 2,942 | 2,250 | 6,503 | 11,695 | 15,092 |
| Surplus/(Deficit) for year | (1,552) | 250 | (1,302) | (2,604) | (4,346) |

The restricted fund was created through grant funding from Aberdeen Standard Investments, part of Standard Life Aberdeen plc (formerly Aberdeen Asset Management plc), for which the trustees are very grateful, to fund Scholarships. The cost of the 2018 Scholarship was met from this fund leaving a balance of £14,163 to be carried forward to 2019.

Reserves Policy

The trustees consider that around £10,000 is an appropriate level of reserves to hold in order to maintain its programme and to provide additional opportunities for Scottish students to study Japanese. Reserves at the year-end were £13,838 (2018: £15,640) which is slightly higher than the target range.

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

FUTURE PLANS

We have received 36 applications for the 2020 Scholarship and are in the process of selecting who will travel to Japan in the coming summer. We have a very full programme of events and lectures planned for 2020 with something happening every month and a huge variety of topics that should appeal to a wide variety of those interested in all things Japanese.

School Visits



Orkney Children's Day



APPROVAL

This report was approved by the trustees on 23 January 2020 and signed on their behalf by:

Prof. Ian Gow OBE
Chair

STUDENT'S REPORT

SUMMER 2018

THOMAS BLAKE GLOVER SCHOLARSHIP 2019 – REPORT BY DANIEL ROBERTSON

A summer in Japan

Moments:

- Finishing a 70-minute conversation with a Japanese student I'd just met in my second week.
- Being the only person to receive full marks in the mid-term speaking test.
- Walking into the huge office block of JICA - Japan's high-profile international development agency - and asking for my contact in the Global Environment Department using the formal, humble Japanese I learned in class.

Life can often be measured in milestones: inflection points at which we realise a step-change in ourselves, our capabilities, our circumstances. I experienced several of these.

The richness and diversity of my experience is impossible to capture in its entirety. Tokyo – beaches and mountains included - is a wonderful city – Mitaka, a beautiful suburb. I long to return. I made friends from Japan and around the world at the International Christian University (ICU). My first challenge was a placement test, based on which I was – surprisingly – assigned to the C3 class. This is the third “beginner” class, but I knew that studying with people who had studied Japanese for 2 years at university would put me in my familiar, but enjoyable, position of being the underdog. My classmates included Americans with Japanese heritage and Chinese students with a seemingly vast knowledge of kanji! Undeterred, I set about making friends and throwing myself into the learning experience, knowing that this was the route to genuine improvement with the language.

Days at ICU went by swiftly, although with some degree of routine: 4 hours of class, a mountain of homework, and a small test each morning. There were mid-term and final exams to contend with, as well as a project which involved interviewing strangers in the street using formal Japanese. The differences from education in the UK were evident. The teachers at ICU steadily pushed us as far as we could go, always with a smile of course. They only lapsed into English if necessary. The Japanese method of learning by repetition and form, rather than dissecting, rationalising, and debating everything, was palpable. This led to some surprising gains, particularly in the early weeks, where I found myself producing some Japanese phrases without even thinking and recalling words that I didn't realise I'd learnt in the first place.

I made a point of trying to experience as much as I could away from the classroom. Living in the ICU dorm provided a highly sociable basis to my day, while I also tried to get off campus whenever possible to immerse myself in Tokyo and practice my new-found conversation skills with my other friends. I was surprised by the openness and chattiness of many young Japanese people, although at a certain point in the relationship my lack of cultural nuance often came into play, emphasising how much I still had to learn. Back at ICU, there was a culture programme - Japanese cultural activities or demonstrations. I did a 5-hour visit to a nearby Zen temple and took part in a traditional tea ceremony on campus.

At Kannon-in Temple, we had a tour and were told about its history, before receiving an extensive demonstration of how to eat a Buddhist meal. This was incredibly intricate, involving a mindful series of prescribed forms, actions, and interactions. We meditated in the temple before receiving our vegan meal, after which we could ask the head monk some questions. We rang the temple bells and beat the drums senseless, then – instigated by the monks to celebrate summer – we all played around with sparklers outside the (wooden) temple! The day was rounded off by a group visit to an izakaya – Japanese bar - for the “all you can drink” and “all you can eat” options favoured by salarymen. Piles of karage (Japanese-style fried chicken) and a succession of drinks appeared. I saw first-hand many of the stark contradictions in Japanese culture.

After my time at ICU came the chance to make professional connections in Tokyo. Last year, I completed my MSc in International Development and I was keen to explore this sector, particularly water access, which is a core interest of mine and an area in which Japan is a global leader. I met with the Japan Waterworks Association (JWWA) where Shibuya Masao-san and Hatsushiba Misuzu-san of the international team were kind enough to explain water service delivery in Japan in great detail, as well as how their organisation works. JWWA is a membership body consisting of local utilities. JWWA brings them together, facilitating and coordinating the sharing of knowledge as well as influencing central government. JWWA's international team

STUDENT'S REPORT

SUMMER 2018

works with the Japan International Cooperation Agency (JICA) to place experts abroad to exchange knowledge and gain diverse experience.

I was lucky enough to also meet with JICA twice. The first involved travelling by shinkansen to Himeji, the city famous for its beautiful original castle. There I met Kawamorita-san, who was seconded to the Himeji branch and was able to give me insight into both the overall workings of JICA and the regional responsibilities he shouldered in flood management and disaster risk reduction. I learned that they tended to work in various roles, depending on the needs of regions or projects. This was something I'd heard that rather than specialise in a narrow area; Japanese workers (particularly graduates) are often reassigned to support the organisation's needs. JICA experts also rotate geographically, with a few years at a time spent in Japan or overseas. I learned a lot, but would like to highlight one of the immediate challenges brought about by climate change: Kawamorita-san told me that large storm surges in the Hyogo region, traditionally expected once every 100 years, are now expected once every 19 years. This frequency is continually increasing. Through Kawamorita-san I was later able to visit Koiwa Kenichiro-san at JICA HQ in Tokyo. Koiwa-san was part of the Global Environment Department and was able to share with me his experience in waste management – particularly in the Philippines - and summarise JICA's activities in all aspects of environmental management. His colleague Aramaki Risa-san shared her expertise in water resources.

My connections and experiences on the Scholarship transformed my ability to speak Japanese and deepened my desire to work in Japan for a longer period. The people I met were nothing but welcoming, and I know that if I further improve my Japanese, I can make living in the country become a reality. Crucially, I now know that if I want to have a career in Japan, I will need to reach N2 or N1 level in the Japanese Language Proficiency Test. This is now my aim.

Without the sponsorship of Aberdeen Standard Investments and the support of the Japan Society of Scotland, such an extended, immersive experience would be beyond me. I extend my heartfelt thanks to all involved and I hope that I can continue to forge links between Scotland and Japan, both professionally and personally.



INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Independent Examiner's Report to the Trustees of Japan Society of Scotland

I report on the accounts of the charity for the year ended 31 December 2019, which are set out on pages 10 to 13.

Respective responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("the 2005 Act") and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("the 2006 Regulations"). The trustees consider that the audit requirement of Regulation (10)(1)(d) of the 2006 Regulations does not apply.

It is my responsibility to examine the accounts under section (44)(1)(c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the 2006 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination, no matter came to my attention:-

1. which gives me reasonable cause to believe that in any material respect, the requirements
 - to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Michael Brougham, MCIBS FCIE

3 Lyne Grove
Crossford
Dunfermline
KY12 8YB
24 January 2020

STATEMENT OF RECEIPTS & PAYMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Unrestricted | Designated | Restricted | Total | Total | |
|-----------------------------------|--------------|----------------|--------------|----------------|----------------|----------------|
| | Note | Fund | Fund | Funds | 2019 | 2018 |
| | | £ | £ | £ | £ | £ |
| Receipts | | | | | | |
| Donations | | | | | | |
| Member Subscriptions | | 815 | - | - | 815 | 755 |
| Grants | | - | 2,500 | 5,006 | 7,506 | 6,500 |
| Investment Income | | | | | | |
| Bank Interest | | 195 | - | 195 | 390 | - |
| Other Charitable Activities | | | | | | |
| Member Events | | 380 | - | - | 380 | 3,491 |
| | | <u>1,390</u> | <u>2,500</u> | <u>5,201</u> | 9,091 | <u>10,746</u> |
| Payments | | | | | | |
| Charitable Activities | | | | | | |
| Member Events | | 1,966 | - | - | 1,966 | 4,306 |
| Postage & Stationery | | 708 | - | - | 708 | 980 |
| Travel Expenses | | 243 | - | - | 243 | 159 |
| Grants | 5 | - | 2,250 | 6,503 | 8,753 | 9,622 |
| Governance Costs | | | | | | |
| Gift in lieu of IE fee | | 25 | - | - | 25 | 25 |
| | | <u>2,942</u> | <u>2,250</u> | <u>6,503</u> | 11,695 | <u>15,092</u> |
| Surplus/(Deficit) for year | | <u>(1,552)</u> | <u>250</u> | <u>(1,302)</u> | (2,604) | <u>(4,346)</u> |

The Notes on pages 12 to 13 form an integral part of these accounts.

STATEMENT OF BALANCES

AS AT 31 DECEMBER 2019

| | Unrestricted | Designated | Restricted | Total | Total |
|---|--------------|------------|------------|----------------|---------|
| Note | Fund | Fund | Fund | 2019 | 2018 |
| Funds Reconciliation | £ | £ | £ | £ | £ |
| Balance 01 January 2019 | 14,352 | 787 | 15,465 | 30,604 | 34,950 |
| Surplus/(Deficit) for year | (1,552) | 250 | (1,302) | (2,604) | (4,346) |
| Balance 31 December 2019 | 12,800 | 1,037 | 14,163 | 28,000 | 30,604 |
| Bank & Cash Balances | | | | | |
| Current Account | | | | - | 604 |
| Term Deposit | | | | 30,000 | 30,000 |
| Loan Account | 6 | | | (2,000) | - |
| | | | | 28,000 | 30,604 |
| Other Assets | | | | | |
| Debtors | - | - | - | - | 500 |
| Liabilities | | | | | |
| The charity has no material liabilities | - | - | - | - | - |

The Notes on pages 12 to 13 form an integral part of these accounts.

These accounts were approved by the trustees on 23 January 2020 and signed on their behalf by:

Prof. Ian Gow
Chair

Callum Farquhar OBE
Treasurer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1. Basis of Preparation

These accounts have been prepared on the receipts & payments basis in accordance with:

- (a) The Charities and Trustee Investment (Scotland) Act 2005
- (b) The Charities Accounts (Scotland) Regulations 2006 (as amended)

There have been no changes to the basis of preparation or to the previous year's accounts.

2. Fund Accounting

- (a) Unrestricted funds are those that can be expended at the discretion of the trustees in the furtherance of the objects of the charity.
- (b) Designated funds are unrestricted funds that the trustees have set aside for particular purposes. The designation is administrative only and does not restrict the trustees' ability to apply the funds.
- (c) Restricted funds are those that may only be used for specific purposes. Restrictions arise when specified by the donor, or when funds are raised for specific purposes.
- (d) The purposes of the funds are shown in Note 9.

3. Taxation

- (a) The charity is not liable to corporation tax or capital gains tax on its charitable activities.
- (b) The charity is not registered for VAT, thus all costs are shown inclusive of VAT charged.

4. Trustee remuneration

No remuneration was paid to trustees or during the year, or in the previous year.

5. Trustees' expenses

| | 2019 | | 2018 | |
|---------------------|----------|--------|----------|--------|
| | No of | Amount | No of | Amount |
| | Trustees | £ | Trustees | £ |
| Travelling expenses | 1 | 693 | 1 | 159 |

6. Transactions with related parties

In August 2019, the charity received a loan of £2,000 from Ian Gow, one of the charity's trustees, to cover a shortfall in cash available to meet running expenses. The loan is interest free and will be repaid in full when the charity's fixed term deposit matures on 07 January 2019.

There were no transactions with related parties in the previous year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Grants

| | Designated Fund | Restricted Fund | Total 2019 | Total 2018 |
|--|--------------------|--------------------|-----------------------|---------------|
| | £ | £ | £ | £ |
| Daniel Robertson / 2019 Scholarship | - | 6,503 | 6,503 | - |
| Alexander Donald / 2018 Scholarship | - | - | - | 4,660 |
| Castleview Primary School | - | - | - | 500 |
| Dedridge Primary School, Edinburgh | 500 | - | 500 | - |
| Edinburgh College | - | - | - | 500 |
| Fife Dunfermline Print Workshop | - | - | - | 1,000 |
| Iwate Scouts | - | - | - | 1,462 |
| Kilmaron School, Cupar | 500 | - | 500 | - |
| Nihongo Scotland | - | - | - | 900 |
| Old Rayne Primary School | - | - | - | 400 |
| Orkney Japan Association | 600 | - | 600 | - |
| Orkney Schools | 500 | - | 500 | - |
| Royal School for Blind | - | - | - | 200 |
| St John's Primary School, Port Glasgow | 150 | - | 150 | - |
| | 2,250 | 6,503 | 8,753 | 9,622 |

All grants were made to encourage learning about Japanese cultures and customs.

8. Movements in Funds

| | As at 31/12/2018 | Receipts | Payments | As at 31/12/2019 |
|------------------|---------------------|--------------|-----------------|---------------------|
| General Fund | 14,352 | 1,390 | (2,942) | 12,800 |
| Designated Fund | 787 | 2,500 | (2,250) | 1,037 |
| Scholarship Fund | 15,465 | 5,201 | (6,503) | 14,163 |
| | 30,604 | 9,091 | (11,695) | 28,000 |

9. Purpose of Funds

| | |
|------------------|---|
| General Fund | An unrestricted fund for use at the discretion of the trustees in furtherance of the objects of the charity. |
| Designated Fund | Unrestricted funding received from the James T Howat Charitable Trust, which the trustees have set aside to be used for specific projects. |
| Scholarship Fund | Funding received from Aberdeen Standard Investments to enable the Society to award scholarships to young people from Scotland, who are to undertake an in-depth study of Japan to help start the careers of Japanese specialists of tomorrow. |