

JAPAN SOCIETY OF SCOTLAND

Annual Report & Financial Statements

For the year ended

31 December 2020



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 2020

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TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements together with the independent examiner's report for the year ended 31 December 2020.

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 | Chair |
| | Dr Helen Parker | Vice Chair |
| | Alex Donald | Appointed 06/05/2020 |
| | Callum Farquhar OBE | Secretary |
| | David Russell | Treasurer |
| | Colin Edward | Membership Secretary |
| | Jessica Brown | Scholarship Secretary |
| | Caroline Marshall | |

Other Trustees who served during the year

< None >

Bankers Bank of Scotland plc
38 St Andrew Square
Edinburgh
EH2 2AD

Shawbrook Bank Ltd
Lutea House
Warley Hill Business Park
The Drive
Great Warley
Brentwood
CM13 3BE

Independent Examiner Michael Brougham
3 Lyne Grove
Crossford
Dunfermline
KY12 8YB

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

The Japan Society of Scotland ("the Society") 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

What a year it has been! So many events and activities around the world cancelled or postponed including the Tokyo Olympics. We managed a couple of lectures prior to lockdown and some online events over the summer.

Daniel Goldie-Furlong was selected as recipient of Aberdeen Standard Investments Thomas Blake Glover scholarship in 2020, but unfortunately the global pandemic delayed his travel to Japan by a year, but he is very much looking forward to getting out there in 2021.

We have been organising workshops in schools throughout Scotland that have decided to study Japan as part of their curriculum because of the increased interest brought about by the 2019 Rugby World Cup and the postponed Tokyo Olympics. Prior to lockdown in March, we visited 7 schools in Lanarkshire at Strathaven, Motherwell, Cleland, Hamilton and Carstairs. After an initial slideshow showing something of different aspects of Japan, we have run bases on dressing-up, origami, use of chopsticks, toys, and food & drink.

Once the schools returned after the summer, we delivered 30-minute presentations on Food & Drink, Transport and Recovery after the Tsunami to six classes in Tillicoultry Primary, a school near Lockerbie and in Oxfangs Primary in Edinburgh. The children were very attentive and asked lots of excellent questions. Hopefully, they learnt something new and they were certainly very interested in finding out all about Japan.

We have also delivered some face-to-face sessions with Beaver Scouts working on their International Activity Badge. They certainly loved the dressing up and the games, but weren't as keen on the Green Tea Kit Kats.

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The JTH Charitable Trust was set up by a previous president and long-time supporter of the 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 Society. Supported by £2K income from the JTH Charitable Trust annually, the Society 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 promote a better understanding of Japan and its culture and customs to Scottish young people. During 2020 we funded the Orkney Japan Association with their Children's Day month of activities (postponed until 2021); Mackie Academy in Stonehaven with resources for the school Japan Club and the cost of transport for an outing to Aberdeen; and also supported the purchase of books and other resources for Oxfgangs Primary School in Edinburgh.

We decided to introduce an 'Outstanding Student' award of £100 for the top graduating 4th year, starting from session 2019/20. The University of Edinburgh is the only place currently offering degree courses and they welcomed the new award stating it was a real boost to the recipients in recognition of their hard work, and making the inaugural award this year was an especially welcome "silver lining".

First to receive the Japan Society of Scotland Outstanding Student Award is Eloise Jacob, who graduated from the MA Honours in Japanese and Linguistics programme this summer with First Class Honours, and with distinction in oral Japanese. In her Honours years, she achieved an average of 72 for year 3 and 76 for year 4, with first class marks for all Japanese courses. Her very best performances were for the courses Japanese Language 4 and Language Communities and Variation in Japanese.

Membership

| Category | 2020 | 2019 |
|------------|-----------|------|
| Individual | 20 | 22 |
| Family | 40 | 48 |
| Student | 4 | 2 |
| Corporate | 1 | - |
| Honorary | 4 | 5 |
| Scholars | 6 | 6 |
| | 75 | 83 |

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 2020 | Total 2019 |
|----------------------------|----------------------|--------------------|---------------------|---------------|---------------|
| | £ | £ | £ | £ | £ |
| Receipts | 1,351 | 2,000 | 196 | 3,547 | 9,091 |
| Payments | 2,596 | 1,440 | 24 | 4,060 | 11,695 |
| Surplus/(Deficit) for year | (1,245) | 560 | 172 | (513) | (2,604) |

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 £13,052 (2019: £13,837) which is slightly higher than the target range.

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

FUTURE PLANS

Looking to the future there are plans for a series of online lectures for the first half of 2021.

APPROVAL

This report was approved by the trustees on 06 January 2021 and signed on their behalf by:

Prof. Ian Gow OBE

Chair



INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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 2020, which are set out on pages 8 to 11.

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
07 January 2021

STATEMENT OF RECEIPTS & PAYMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

| | Unrestricted | Designated | Restricted | Total | Total | |
|-----------------------------------|--------------|----------------|--------------|------------|--------------|----------------|
| | Note | Fund | Fund | Funds | 2020 | 2019 |
| | | £ | £ | £ | £ | £ |
| Receipts | | | | | | |
| Donations | | | | | | |
| Member Subscriptions | | 1,155 | - | - | 1,155 | 815 |
| Grants | | - | 2,000 | - | 2,000 | 7,506 |
| Investment Income | | | | | | |
| Bank Interest | | 196 | - | 196 | 392 | 390 |
| Other Charitable Activities | | | | | | |
| Member Events | | - | - | - | - | 380 |
| | | 1,351 | 2,000 | 196 | 3,547 | 9,091 |
| Payments | | | | | | |
| Charitable Activities | | | | | | |
| Member Events | | 1,808 | - | - | 1,808 | 1,966 |
| Postage & Stationery | | 592 | - | - | 592 | 708 |
| Travel Expenses | | 126 | - | 24 | 150 | 243 |
| Sundries | | 40 | - | - | 40 | - |
| Grants | 5 | - | 1,440 | - | 1,440 | 8,753 |
| Governance Costs | | | | | | |
| Gift in lieu of IE fee | | 30 | - | - | 30 | 25 |
| | | 2,596 | 1,440 | 24 | 4,060 | 11,695 |
| Surplus/(Deficit) for year | | (1,245) | 560 | 172 | (513) | (2,604) |

The Notes on pages 10 to 11 form an integral part of these accounts.

STATEMENT OF BALANCES

AS AT 31 DECEMBER 2020

| | Unrestricted | Designated | Restricted | Total | Total |
|---------------------------------|---------------|--------------|---------------|---------------|---------|
| Note | Fund | Fund | Fund | 2020 | 2019 |
| Funds Reconciliation | £ | £ | £ | £ | £ |
| Balance 01 January 2020 | 12,800 | 1,037 | 14,163 | 28,000 | 30,604 |
| Surplus/(Deficit) for year | (1,245) | 560 | 172 | (513) | (2,604) |
| Balance 31 December 2020 | 11,555 | 1,597 | 14,335 | 27,487 | 28,000 |
| Bank & Cash Balances | | | | | |
| Current Account | | | | 7,487 | - |
| Term Deposit | | | | 20,000 | 30,000 |
| Loan Account | 6 | | | - | (2,000) |
| | | | | 27,487 | 28,000 |
| Other Assets | | | | | |
| Debtors | - | - | - | - | - |
| Liabilities | | | | | |
| Creditors | 100 | - | - | 100 | - |

The Notes on pages 10 to 11 form an integral part of these accounts.

These accounts were approved by the trustees on 06 January 2021 and signed on their behalf by:

Prof. Ian Gow OBE
Chair

Callum Farquhar OBE
Treasurer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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 or other benefits were paid to any of trustees during the year, or in the previous year.

5. Trustees' expenses

| | 2020 | | 2019 | |
|---------------------|----------------|----------|----------------|----------|
| | No of Trustees | Amount £ | No of Trustees | Amount £ |
| Travelling expenses | 1 | 222 | 1 | 693 |

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 was interest free and was repaid in full on 17 January 2020.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Grants

| | 2020 | 2019 |
|--|--------------|--------------|
| | £ | £ |
| Daniel Robertson / 2019 Scholarship | - | 6,503 |
| Dedridge Primary School, Edinburgh | - | 500 |
| Kilmaron School, Cupar | - | 500 |
| Mackie Academy, Stonehaven | 440 | - |
| Orkney Japan Association | - | 600 |
| Orkney Schools | 500 | 500 |
| Oxgangs Primary School, Edinburgh | 500 | - |
| St John's Primary School, Port Glasgow | - | 150 |
| | 1,440 | 8,753 |

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

8. Movements in Funds

| | As at 31/12/2019 | Receipts | Payments | As at 31/12/2020 |
|------------------|---------------------|--------------|----------------|---------------------|
| General Fund | 12,800 | 1,351 | (2,596) | 11,555 |
| Designated Fund | 1,037 | 2,000 | (1,440) | 1,597 |
| Scholarship Fund | 14,163 | 196 | (24) | 14,335 |
| | 28,000 | 3,547 | (4,060) | 27,487 |

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. |