

JAPAN SOCIETY OF SCOTLAND

Annual Report & Financial Statements

For the year ended

31 March 2016



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 MARCH 2016

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TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The trustees are pleased to present their report and financial statements together with the independent examiner's report for the year ended 31 March 2016.

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	Dr Stuart Picken		Chair
	David Russell		Membership Secretary
	Callum Farquhar		Treasurer
	Colin Edward	Appointed 22/06/2015	
	Grant Lindsay		
	Catriona Llanwarne		
	Caroline Marshall	Co-opted 29/02/2016	
	Dr Helen Parker		
	Dr Trevor Runcie		
	Ronnie Watt		
Other Trustees who served during the year	Dr Tony Blyth	Resigned 20/04/2015	
	Charles Edmond	Resigned 20/04/2015	
Bankers	Bank of Scotland plc 38 St Andrew Square Edinburgh EH2 2AD	Barclays Bank plc 163-165 Union Street Aberdeen AB11 6SL	
Independent Examiner	Michael Brougham 3 Lyne Grove Crossford Dunfermline KY12 8YB		

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 to which 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

It has been another successful year for the Society with a well-attended opening event held in October in Edinburgh University, when the Scholarship Student gave a wonderful presentation on her summer in Japan. This was followed by our Honorary Treasurer, Callum Farquhar, describing his adventures in Japan with over 4,500 Scouts from the UK whilst attending the World Scout Jamboree in Yamaguchi Prefecture.

Later in the year, we toured the Japanese collections at the National Museum of Scotland and held a successful Bonenkai at the Koyama Restaurant in Edinburgh. We organised, together with the JETAA a joint gathering in the English Speaking Union, which was a great success. We have also had a meeting with Dr Lisa Cameron, one of the Scottish MPs on the UK Cross-Party group on Japan and briefed her on the work of the Society and some current concerns.

The Society's Facebook page is a good source of information about events and is well used.

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

Membership

Category	2013/14	2014/15	2015/16
Individual	36	30	25
Family	42	48	52
Student	3	2	2
Corporate	3	2	2
Honorary	5	5	5
Jetta	0	4	2
Scholars	0	0	2
	89	91	90

FINANCIAL REVIEW

Overview

Receipts & Payments on the unrestricted funds were £4,633 (2015: £4,046) and £2,684 (2015: £1,594) respectively, resulting in a surplus of £1,949 (2015: £2,452) which was added to reserves. The principal sources of income continue to be membership fees, donations and contributions towards the cost of events.

The restricted fund was created through grant funding from Aberdeen Asset Management plc, for which the trustees are very grateful, to fund Scholarships. The cost of the 2015 Scholarship was met from this fund leaving a balance of £11,030 to be carried forward to 2016/17.

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 £23,354 (2015: £21,405) which is higher than the target range. The trustees plan to work with the Consulate General to arrange a series of lectures on the Japanese economy and to utilise some reserves towards the cost of scholarships and thus bring reserves closer to the target level.

FUTURE PLANS

Alex McMillan was selected from over 60 applicants as the Aberdeen Asset Management Japan Society of Scotland Scholar to attend the International Christian University in Tokyo this coming summer to study Japanese and we wish him all the best in his studies. We are also finalising a programme of activities for the coming year.

APPROVAL

This report was approved by the trustees on 05 April 2016 and signed on their behalf by:

Professor Stuart D B Picken
Chair

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2016



Dunbar Primary School, Winners of the 2015 Primary School Competition



Some of the 250 young people from Scotland that visited Japan in 2015 to attend the World Scout Jamboree

STUDENT'S REPORT

FOR THE YEAR ENDED 31 MARCH 2016

THE ADVENTURES OF CAROLINE MARSHALL, OUR 2015 SCHOLARSHIP STUDENT

It is probably a little strange to have a complete fascination with a country that you have never even been to. This thought was at the forefront of my mind in December 2014, as I prepared my application for the Thomas Blake Glover Aberdeen Asset Management Japan Scholarship. Little did I know that, through the work of the Japan Society of Scotland, this was about to change.

As the recipient of the 2015 scholarship, I spent ten wonderful weeks in Japan. During this time, I had the fortune to study at top Tokyo University, intern at the third largest law firm in Japan and see all the sights I had been dreaming of for over ten years. Classes at the International Christian University in suburban Tokyo were by far the most challenging yet rewarding experience of my life. Through the work of two wonderful teachers and my supportive classmates, I returned to Scotland having studied one year of written, university level Japanese and with the skills to self-teach new material. To be the only European woman on the course was an honour and I cherish the time I spent teaching my friends and classmates about Scotland. ICU was a unique environment where I met new people from other cultures, with whom I could instantly relate to because of our mutual love of Japan.

Eight months on, I remain in regular contact with a number of fellow summer course participants who I believe have become life long friends of mine. We all think of our time at ICU so fondly, but it wasn't all spent in the library. Various cultural events organised by the university meant that we could experience a variety of Japanese activities with ICU staff to guide us. To list only a few, these included flower arranging classes, trips to the theatre, visiting museums and shrines and the chance to see a fireworks festival. I also had the magical experience of turning 21 in Tokyo, just two weeks into the course. I cannot imagine ever having a better birthday than one involving karaoke in Shinjuku and more sushi and matcha ice cream than I should admit to having eaten! Luckily, the sadness at having to leave ICU was softened by the excitement I felt as an intern at a commercial law firm in the glamorous Roppongi Hills.

Even from the perspective of an intern, TMI Associates appeared to have been taken straight from the page of a film script. The hours were long, the work was fast paced and I loved every moment of it. I spent two weeks working on copyright disputes, which gave me an opportunity to apply what I had learned at university and gain experience in the area that I hope to work in someday. I was inspired by everyone at TMI and strive to emulate their kind, yet hardworking and professional attitude. Being mentored by a successful, multilingual, female partner gave me a greater appreciation of the impact made by women in the legal field, who have paved the path for my own success by ensuring that my generation could face fewer gender specific obstacles when forging their career.

The scholarship has given me so much more than a wonderful experience in Japan, as it has helped me to achieve other goals. A few months after I returned, I was successful in gaining a training contract with a multi-national commercial law firm, who saw these experiences as an asset to their UK based Japan legal team. To know that in the future I may have the opportunity to combine my passion for Japan and for the law is the greatest gift, I could have been given. For this, I will remain truly grateful to Aberdeen Asset Management and the Japan Society of Scotland, who I hope to continue to work with for years to come.

Caroline Marshall

STUDENT'S REPORT
FOR THE YEAR ENDED 31 MARCH 2016



Some memories of Caroline's time in Japan during her scholarship in summer 2015.

INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 MARCH 2016

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 March 2016, which are set out on pages 10 to 12.

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

31 May 2016

STATEMENT OF RECEIPTS & PAYMENTS

FOR THE YEAR ENDED 31 MARCH 2016

	Unrestricted Fund	Designated Fund	Restricted Funds	Total 2016	Total 2015
	£		£	£	£
Receipts					
Donations					
Member Subscriptions	1,350	-	-	1,350	1,690
Other Donations	230	-	-	230	1,725
Grants	-	2,500	-	2,500	-
Investment Income					
Bank Interest	223	-	140	363	361
Other Charitable Activities					
Member Events	330	-	-	330	440
	<u>2,133</u>	<u>2,500</u>	<u>140</u>	<u>4,773</u>	<u>4,216</u>
Payments					
Charitable Activities					
Member Events	552	500	-	1,052	879
Postage & Stationery	245	-	-	245	211
Sundries	191	-	-	191	246
Grants	-	1,000	5,117	6,117	3,711
Governance Costs					
Independent Examination	-	-	-	-	10
Trustee Expenses	196	-	-	196	394
	<u>1,184</u>	<u>1,500</u>	<u>5,117</u>	<u>7,801</u>	<u>5,451</u>
Surplus/(Deficit) for year	<u>949</u>	<u>1,000</u>	<u>(4,977)</u>	<u>(3,028)</u>	<u>(1,235)</u>

The Notes on page 12 form an integral part of these accounts.

STATEMENT OF BALANCES

AS AT 31 MARCH 2016

	Unrestricted Funds	Designated Fund	Restricted Funds	Total 2016	Total 2015
Funds Reconciliation	£		£	£	£
Balance as at 01 April 2015	21,405	-	16,007	37,412	38,647
Surplus/(Deficit) for year	949	1,000	(4,977)	(3,028)	(1,235)
Balance as at 31 March 2016	22,354	1,000	11,030	34,384	37,412

Bank & Cash Balances

Current Account				746	3,317
Deposit Account				-	6,000
Deposit Account (10 day notice)				33,638	28,095
				34,384	37,412

The charity does not have any other material assets or liabilities

The Notes on page 12 form an integral part of these accounts.

These accounts were approved by the trustees on 05 April 2016 and signed on their behalf by:

Professor Stuart D B Picken
Chair

Callum Farquhar
Treasurer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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 6.

3. Taxation

- (a) The charity is not liable to income 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. Grants

Dunbar Primary School	£500 prize for winning the 2015 Primary School Competition to encourage learning about Japanese cultures and customs.
Scout Association	£500 to support a group of Japanese Scouts to attend the International Scout Jamborette at Blair Atholl in July 2016.
2015 Scholarship	£5,117 being the cost of the Scholarship awarded to Caroline Marshall to study in Japan in 2015.

5. Transactions with trustees and related parties

- (a) No remuneration was paid to trustees or any persons connected with them during the year (2015: £Nil).
- (b) Travelling expenses totalling £196 (2015: £394) were reimbursed to two trustees (2015: four trustees).

6. 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 Asset Management plc 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.