

Company registered number: 05114516  
Charity registered number: 1104491

# **SOKA GAKKAI INTERNATIONAL - UK**

## **TRUSTEES REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR 31 DECEMBER 2019**

**SOKA GAKKAI INTERNATIONAL - UK**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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# **SOKA GAKKAI INTERNATIONAL - UK**

## **REPORT AND FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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The trustees present their report and the financial statements of Soka Gakkai International - UK (referred to as “SGI-UK”) for the year ended 31 December 2019.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity’s governing document, the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS102).

### **OBJECTIVES AND ACTIVITIES**

#### **Charitable Objectives**

The charitable objectives for which SGI-UK is established are stated in the current governing document as follows:

To promote in the United Kingdom and elsewhere in the World the study and practice of Nichiren Buddhism as taught by Soka Gakkai International by such means as the trustees think fit including, but not limited to:

- (A) The promotion of peace and understanding between peoples of different cultures and races;
- (B) The education of the public in arts of cultural and educational value (including the arts of music, song, dance, drama, literature, painting, drawing and sculpture);
- (C) The education of the public about conservation, protection and improvement of the environment;
- (D) The education of the public about human rights and their maintenance and observation;
- (E) The relief of poverty, sickness, infirmity and old age; and
- (F) The education of the public about peaceful means of conflict resolution.

#### **Charitable Activities**

In pursuance of its charitable objectives, and in order to achieve the overall aims of its mission, the principal charitable activity of SGI-UK is the “advancement of religion” as it relates to the Buddhism of Nichiren Daishonin.

Each year, this overall single charitable activity is undertaken in a number of ways by SGI-UK:

- Providing and maintaining centres for the study and practice of Nichiren Buddhism and other activities directed towards the furtherance of the charity’s mission;
  - Commissioning, printing, publishing, displaying and circulating newspapers, pamphlets, books, circulars, magazines, recordings, tapes, films, electronic information, and any other educational materials;
  - Organising or supporting lectures, seminars, courses, classes, workshops, conferences and meetings;
  - Promoting and staging artistic, musical, cultural and dramatic performances, shows, exhibitions, concerts and other events; and
  - Co-operating with and supporting other voluntary, non-governmental and statutory bodies and organisations including the United Nations whose purposes are compatible with the objectives of the charity.
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##### **Indicators, Milestones & Benchmarks**

The trustees monitor a range of measures to determine the success of the charity in meeting its objectives. These measures include:

- Level of membership of SGI-UK and the trend over time.
- Changes in the number of districts and other organisational units.
- Attendance at courses, meetings and events to study and share the teachings of Nichiren.
- Circulation and readership of publications.
- Feedback from delegates and the public more generally.
- The extent of, and feedback from, other entities with whom SGI-UK co-operates or to whom SGI-UK provides support.
- Numbers of weddings and funerals.
- Academic research on SGI-UK.
- Study exam statistics.

##### **Public Benefit**

The trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance publication "The Advancement of Religion for the Public Benefit") into consideration in preparing their statements on public benefit contained within this trustees' annual report.

##### *Benefits & Beneficiaries*

In accordance with its charitable objectives, SGI-UK strives to advance religion as it relates to the Buddhism of Nichiren Daishonin. The charity's principal beneficiaries are therefore:

- The members of SGI-UK;
- People exploring whether they wish to become members of SGI-UK; and
- Members of the public who come to any SGI-UK activity in order to find out about Buddhism in the Nichiren tradition.

In addition beneficiaries include people who visit Taplow Court Open Days and come to cultural activities that we hold, both being ways of opening ourselves to society and making friends, as well as communicating our attitude to life, without explicitly teaching about Buddhism and school children who visit Taplow Court as an educational resource also benefit. Finally, those groups in the local community whom we allow to use Taplow Court without charge in order to hold charitable or educational activities also benefit.

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The benefits provided to beneficiaries by SGI-UK are:

- The practice of Buddhism is a benefit in itself, being a practice and philosophy that enables the individual to strengthen their lives, overcome weakness and achieve goals. This growth in the individual affects their families, communities and places of work. [Indeed in the words of the President of SGI "A great human revolution in the life of one person can change the destiny of humankind and our entire planet" Daisaku Ikeda];

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- The organisation of monthly discussion meetings throughout the UK open to all at no charge, where Buddhism in the Nichiren tradition is communicated through short presentations, experiences and open discussion;
- The organisation of monthly study meetings throughout the UK where the writings of Nichiren are studied also open to all at no charge;
- The provision of seminars, other study opportunities and courses, as expanded elsewhere in this report;
- Explanations about Buddhism to school children at Taplow Court and in schools countrywide, where local members speak by invitation as Buddhist practitioners during RE lessons and at other times;
- Introductory talks about Buddhism held at our London centres and at various places country wide;
- Conduct of religious ceremonies – marriages and funerals; and
- A leadership network which exists to provide continuous support to people in their practice of Buddhism.

#### *Trustees' Assessment of Public Benefit*

In relation to their assessment of the delivery by the charity of public benefit, the trustees take into consideration the following sources of evidence:

- Members' experiences of practice shared at meetings and published in our monthly magazine;
- Numbers of members and guests attending discussion meetings, study meetings and taking part in the annual study course and attending Buddhist courses;
- Number of school visits to Taplow Court and the positive responses elicited by these; and
- Number of weddings and funerals conducted.

We appreciate that the benefit cannot best be conveyed through numbers, and that the best gauge of benefit is the first one above, members' experiences.

#### **Grant Making Policy**

The charity does not currently give grants in any formal structured manner as a means by which it fulfils its charitable objectives, and therefore, the trustees have not set a grant making policy.

However, from time to time, SGI-UK will provide funding by way of donations to certain other voluntary, nongovernmental and statutory bodies and organisations where the trustees are satisfied that such support will help to promote the Buddhism of Nichiren Daishonin through peace, culture and education.

#### **Relationships with Related Parties**

SGI-UK is a member of the Network of Buddhist Organisations in the United Kingdom and a corporate member of UNICEF and the Commonwealth Human Ecology Council. SGI-UK is an active member of Religions for Peace UK. As a member of the Soka Gakkai International ("SGI") community worldwide, SGI-UK is implicitly related to all similar SGI entities and in particular works closely with the founder SGI entity based in Tokyo, Japan.

#### **Representation on Other Bodies**

SGI-UK does not currently pursue its charitable objectives through representation on any other external bodies.

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## ACHIEVEMENTS AND PERFORMANCE

### Activities & Events

#### *Core activities to promote the study and practice of Nichiren Buddhism as taught by SGI*

Our basic method of introducing people to SGI-UK and Nichiren Buddhism is through inviting them to the monthly discussion meetings held by our 628 districts around the country. These meetings are usually held in members' own homes. However, there are times when members gather together in larger numbers for study and inspiration. On these occasions, we often hire community venues. When there are about 500 active members in a region, we judge this to be sufficient for those members to be able to support a local centre through their voluntary efforts. The London Ikeda Peace Centre at 7 Wakefield Street, London WC1, the South London National Centre in Brixton and the West London Centre in Acton continue to be well used.

Our monthly magazine, The Art of Living ("AOL"), has over 4,000 subscriptions and a print run of 6,600 every month.

Districts as referred to above are organised into chapters, usually consisting of 2 to 4 districts. Study of Nichiren Daishonin's writings are organised monthly, usually on a chapter level. There are 170 Chapters. Preparation for lectures is held some months before each lecture, support material being sent electronically to all lecturers.

Introductory lectures are held in public halls throughout the United Kingdom and at our London centres.

There were 19 (2018:28) residential courses held at Taplow Court attended by a total of some 1,389 (2018: 1,820) members. These courses were organised by headquarters from around the country.

Some 4 dozen summer courses were held throughout the country between June and September 2019. Most were organised on Area level, some for just one of the 4 divisions, but many were held with either all divisions together or with men and young men or women and young women together. 14 summer courses (non-residential) were held at Taplow Court in 2019 with a total attendance of some 1,428 people

Many meetings to inspire and support Leaders were held nationally and locally.

We started a new rhythm of study courses so that no exams were held in 2019. They will resume in 2020. All these exams are now validated by SGI Europe and the SGI Study Department in Japan. Study exams give a structured study syllabus for all members to take advantage of and begin to indicate who might be qualified to give lectures in the future (although success in exams is not the only criterion).

The SGI-UK Study Department has split into four subgroups, which will focus on particular areas of study. These are: study courses and exams, study lecturers training, study materials and publications and study admin.

### Outreach Activities

#### PEACE

#### *2019 Peace Proposal talks*

On 17 April, *Thames Valley East Headquarters* hosted 'A Proposal for Peace' at Taplow Court, a talk by Robert Harrap speaking about President Ikeda's 2019 Peace Proposal, the first to be given across the country this year. The talk attracted over 130 members and guests, who also had the opportunity to enjoy Taplow Court's gardens and two SGI-UK exhibitions displayed in the foyer of Ikeda New Century Hall: '**What is SGI?**' and '**Seeds of Hope**'.



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On 14 September, members in *Cornwall* were delighted to welcome Robert Harrap to present President Ikeda's 2019 Peace Proposal at an event with over sixty attendees, at the Old Bakery Studios, Truro. This year, the event started with a programme of music, poetry and songs, followed by the talk and a Q&A, answering questions ranging from climate change, nuclear weapons and how to start chanting.

#### ***Interfaith/intra-Buddhist activities***

##### **European conference for young Buddhists**

From 8-10 March, three *SGI Europe youth division* members (SGI-UK staff member Gabrielle Westhead, SGIUK Vice Young Men's Leader Ed-Parsons Brown, and SGI-Italy Youth Division Leader Daniele Santi) went to Vienna, Austria, to officially represent SGI Europe in a meeting with eleven other young Buddhists of different



Buddhist traditions. Towards creating stronger links between different traditions of Buddhism in Europe, with unity in our hearts and minds, our topic for the event was 'Touching Peace Together'. We used this topic to get to know more about each other's practices and perspectives on Buddhism, as well as develop deep connections and friendships.

##### **Climate change consultation training**

On 23 February, twenty-two representatives from eight Buddhist traditions gathered to participate in a consultation and training session on climate change at SGI-UK South London National Centre in Brixton. The event was organised by Religions

for Peace UK and Faith for the Climate Network and was the first of an ongoing multifaith project on the theme 'Protecting the Earth'.

##### **SGI-UK represented at a peace vigil**

On Saturday 23 March, a peace vigil and tree planting were held in Dunfermline, Scotland, to commemorate those killed in the terrorist attack in New Zealand. It was organised by the Muslim Council of Scotland, with representatives from the government and faith groups in the city. Kasia Grycuk, a local young women's leader, was invited to participate and chant Sansho, accompanied by young men's division member Steven Fraser.



##### **SGI-UK members engage in BAM!**



Buddhist Action Month (or BAM) is an initiative created by the Network of Buddhist Organisations (NBO) as a way of supporting meaningful progress for individuals and society. The whole of June this year was devoted to the theme Climate Action. Below are some of the ways that SGI-UK members have responded to this in their local community:

⇒ On 12 June, members and friends from *North Pembrokeshire district* scoured Traeth Mawr (Big Beach) in Newport, Pembrokeshire, for plastic and non-

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biodegradable waste. They decided that this will definitely become an ongoing activity within their community, which strengthens local bonds and creates lasting value.

⇒ On 30 June, members from *Wimborne District* in Dorset enjoyed making beeswax wraps to replace cling film, making a small but significant step to improving their green footprint.

#### **Interfaith study day in Kent**

On 18 September, a group of SGI-UK members from *Hertfordshire Headquarters* participated in an interfaith study day on the theme of: 'Faith at the End of Life', hosted by St Francis Hospice in Harlow. The day was created for healthcare professionals to explore various faiths with a goal of greater understanding of what a person of that faith may need at the end of their life.

#### **Annual youth interfaith debate**

During Interfaith Week, *Islington Headquarters* supported the well-attended annual youth interfaith debate held at Platform Youth Hub in Hornsey on 12 November. The topic of the evening was 'Does social media impact your faith and beliefs?' Representatives from Muslim, Christian and SGI-UK Buddhist backgrounds spoke about their faith in daily life and whether or not social media enhances or hinders their practice.

#### **SGI-UK at an interfaith service**

On 25 November, a 9-foot bronze statue of Mahatma Gandhi was unveiled outside Manchester Cathedral, the initiative of Shrimad Rajchandra Mission Dharampur, a worldwide spiritual movement. Before the unveiling ceremony, Rob and Yvonne Hannay represented SGI-UK in an interfaith service inside the cathedral, sharing Nam-myoho-renge-kyo and several Gosho passages. Their participation came about as a result of hosting the **Gandhi King Ikeda Peacebuilders** exhibition in November 2018 when they made deep connections with different communities in Manchester.

#### **Community activities**

##### **African Caribbean Heritage Group's introductory meeting**

On 16 February, the *African Caribbean Heritage Group* welcomed people interested in Nichiren Buddhism to the SGI-UK South London National Centre to hear experiences, a lecture about 'self and the environment' and a Q&A session, under the banner of 'Creating a new history based on the philosophy of Nichiren Daishonin's Buddhism'. There were up to thirty attendees that had never been to an SGI-UK activity. The objective of the day was to create unity, enable guests to forge a deeper connection with Buddhism and to reach out to the wider community. In this digital age, the youth provided live acoustic performances and video technology (see link: <https://tinyurl.com/y69mwv5o>), both giving vigour and inspiration of what young people in the organisation are achieving.

##### **Introductory meeting at University of Sussex**

##### **Introductory meeting at University of Sussex**

On 14 March, students at the University of Sussex, with the support from the other divisions, took on the responsibility of starting a series of introductory study talks.

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In this meeting, the members conducted gongyo, then got into a circle with the fourteen guests and had a lecture on the meaning of Nammyohorenge-kyo and why we chant. This was then followed by a Q&A session, which opened a free-flowing conversation.



#### **Introductory meeting in Grimsby**

‘The power of transformation – winter always turns to spring’ was the theme of the second Introduction to Buddhism meeting held by *Grimsby and Cleethorpes Group* (part of Scunthorpe District) on 30 March. Held at the Grimsby Fishing Heritage Centre, the very joyful and hope-filled meeting was attended by thirteen guests and eleven members. There were three group meeting sessions interspaced with two study points, two short films about members’ experiences and three ‘live’ experiences about putting this practice into action, plus a Q&A session, a demonstration of chanting, refreshments and entertainments.

#### **Swale District at Sittingbourne’s St George’s Day Festival**

On 20 April, members of *Swale District* in Kent took part in Sittingbourne’s St George’s Day Festival. With hundreds of new houses being built in the area, it was a great opportunity to build friendships in the community. Information, including back issues of the *Art of Living* that were collected from members, were given to those who showed interest in wanting to know more about SGI-UK.

#### **Introductory meeting in Henley**

On 12 May, the first-ever introduction to Nichiren Buddhism was held in Henley, where three members currently live and practice as part of *Marlow and Henley District*. Guests, Members and guests, who were residents of Henley, were welcomed to a beautiful barn filled with flowers in bright sunshine. Thirty-nine people, of which twenty-one were guests, attended. The atmosphere was bright and joyful, with animated discussions taking place before and after the talk by SGI-UK General Director Robert Harrap and personal experiences of Buddhism from three members.

#### **Hackney climate change event**

On the afternoon of 24 May, *East London's Parents and Babies Group*, together with a Women's Division supporter and banner-maker, joined hundreds of other mums, dads, their little ones, friends and dogs at London Fields. This was an event organised to show solidarity with Swedish activist Greta Thunberg, the youthstrike4climatechange movement and the friday4future campaign. Face-painting, lively conversations, children playing together and creating their banners followed before gathering on the steps of the Town Hall.

#### **Lewisham Interfaith Peace Week**

*Lewisham Headquarters* took part in Lewisham Interfaith Peace Week events based in Lewisham Civic Centre and the Town Hall. On 30 May, a fortnight before the Peace Walk, an anti-knife crime youth event was held at a local youth centre. Lewisham Headquarters has supported this event in the past and were asked if they could display the **Gandhi, King, Ikeda: Peacebuilders** exhibition, which they did. On 23 June, the exhibition was displayed during the Lewisham Interfaith Peace Walk. The walk itself involved the general public, plus various MPs and dignitaries walking through Lewisham calling at four places of worship along the route (a Mosque, Hindu temple, Synagogue and a church).



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### Devon members attend Diversity Festival

Members of *North and West Devon Chapter* were invited to attend and have an SGI-UK stall at the North Devon Diversity Festival on 15 June. This annual event captures the work and dedication of communities in breaking down barriers and working together to create a world that all people can live side-by-side and offer support to the less fortunate in our society.

### Schools of Chesham Carnival

As part of activities for kosen-rufu and engagement with the local community, *Chesham District* members participated in the Schools of Chesham Carnival for the first time with an SGI-themed gazebo. As part of the carnival, local groups set-up stands in Lowndes Park and met with local residents after the parade. A very popular feature with guests was making origami cranes for peace.



### Introductory meeting in East Lothian

On 18 May, *East Lothian Lions District* in Scotland, made up of four members in total, hosted the **Seeds of Hope** exhibition, coffee morning for the local community with an introduction to Buddhism. It was an inspiring event for the people of North Berwick and around sixty-five guests came throughout the day. Guests were delighted with the tea, coffee and cakes, and conversations based around the exhibition. There were two talks on Buddhism given during the day and many guests commented that their spirits had been uplifted. Many wrote in the feedback book how

despairing they felt at the present state of our world, yet the exhibition left them feeling nourished, empowered and determined to do their bit. Members who supported felt inspired by the dialogues they shared with many young people supporting.

### SGI-UK at Glastonbury Festival

A group of four SGI-UK members attended 2019's Glastonbury Festival from 23 June to 1 July for the sixth year running, with the aim to make their dialogue initiative the best, most joyful and value-creating one so far.



Youth division members at the festival joined them for daily Gongyos, daimoku throughout the day, discussion meetings and introduction to Buddhism dialogues in their tent. In total, they had dialogues about Buddhism with over 450 people in five days, more than double the total from 2017 and mostly young people. A total of ninety-one either said or chanted Nam-myohorenge-kyo for the first time, while twenty-six members visited.

### UK Black Pride celebrations

On 7 July, as part of the *SGI-UK Rainbow Group*, members came together in unity to propagate the

Mystic Law with joy at UK Black Pride. Seven

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members and one naitoku started with Gongyo and guidance at London Ikeda Peace Centre (LIPC) before making their way to Haggerston Park, East London, for an informal introductory picnic. Once at the park, we were joined by other members, friends and their guests. With the SGI flag and other decorations on display, many open heart-to-heart dialogues were had about the power of Buddhism. Members also handed out Nam-myoho-renge-kyo cards and directed visitors to the SGI-UK website.

#### **Camden Newtown Community Festival**

Every year, *Camden Headquarters* has a special opportunity to reach out to the wider public at the Camden Newtown Community Festival in Camden Square. In 2019, their SGI stall was spearheaded and organised by the youth division, bringing freshness and new ideas through a series of intermittent waves of dialogues, between SGIUK members and the public. Surrounded by bustling stalls and tents of health and food tables, of community projects and different crafts for sale, and accompanied by bands and singers on stage and a multitude of families and children everywhere, many heartfelt dialogues happened with friends old and new.

#### **Introductory meeting in Hackney**

On a summer afternoon in July, *Hackney Headquarters* held their annual 'Intro to Buddhism' and garden party in a member's garden. The attendees, from babies to elders, including six guests, were all eager to hear how SGI members contribute towards world peace through Buddhism. The meeting consisted of an overview on SGI and its history followed by talks on human revolution, Nam-myoho-renge-kyo and discussion meetings. Guests raised many profound questions and the members dug deep for answers based on personal experiences. They then celebrated with a joyful song where we were all encouraged to participate by choosing an instrument to play along with. The garden party included heartfelt conversations, new friendships and delicious food, great tunes from the DJ and children playing.

#### **Carmarthen and West Chapter in the community**

Four SGI-UK Buddhists from *Carmarthen and West Chapter* attended a community event in their local village hall on 27 July. The Carmarthen and West Chapter holds its monthly study meetings at Penrhiwllan Village Hall, which is also well used by a number of different groups and societies in the local area. This was a celebration of all the hall users and a fantastic opportunity for vibrant dialogue with visitors. The SGI-UK members set out a beautiful stall with leaflets and back copies of the *Art of Living*, while the SGI introductory film 'Our Shared Humanity' was running in the background. They met and chatted to a number of people who were curious about our practice, many of which took away SGI-UK leaflets or left contact details – a great cause for trust and friendship in the area!

#### **SGI-UK members at Lambeth Country Show**

Following on from 2018, the youth division of *Brixton Headquarters* once again hosted an SGI-UK stand at the Lambeth Country Show in 2019, a two-day event held on 20-21 July in Brockwell Park. The aims were to widely engage in heart-to-heart dialogue with local people and share experiences of actual proof around the topic 'When I change, the world changes'. There was constant daimoku happening during the activity and children were invited to learn origami paper crane folding. Several people were drawn to the stand due to the sound of the chanting. The activity was filled with the joy of members from Brixton and surrounding HQs who reported feeling gratitude at having the opportunity to share the practice and forge friendships in the local area.

#### **Open conversations at Netham Park**

*Bristol Harmony District* held the first series of 'Open Conversations' at Netham Park on 23 June. These discussions are focused on how Buddhism can provide a platform to listen to the voices of our future generation, aligning Buddhist philosophy with the spirit of 'Ubuntu' (meaning 'One People – Our Interdependence'). Thirteen young people from Senegambia Talent Group (STG) aged between 8-16 attended the meeting led by their president, and shared their challenges and aspirations for the future.

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**Introductory activity in Birmingham**



*Diamond District* of South Birmingham Chapter was determined to reach out to their community to deepen trust, understanding of Buddhism and friendship. On 29 September, they hosted their handmade exhibition entitled ‘Buddhist Humanism for a Brighter Future’ in the community, alongside the **What is SGI?** exhibition. The exhibition consisted of displays to illustrate faith, practice and study, plus paper cranes created by the Future Division, handed out as gifts to guests. Twenty-one guests experienced chanting for the first time and heard experiences of Buddhism from members. Many visitors left contact details and showed interest learning more about SGI-UK’s activities for peace.

**African Heritage Group introductory event**

On 5 October, the *African and Caribbean Heritage Group* and *East London Area* organised an ‘Introduction to Buddhism’ event at The Round Chapel in Hackney, and displayed the **Gandhi, King, Ikeda: Peacebuilders** exhibition. The introductory meeting was based on the theme: ‘The Power of One – Transforming our hearts transforms our community’. It was open to everyone with a focus on engaging with young people. There was a short introduction to SGI-UK and Nam-myoho-renge-kyo and a slow Gongyo, followed by a short study point on the ‘power of one’ and a musical performance. Two members then shared their experiences of using their Buddhist practice to overcome challenges. Each guest received a gift bag of inspiration to take away with them.



**One district - fifty guests!**

One small district, Barnes District, determined to give an entertaining introduction to Buddhism in the local community. In preparation for this event, grounded in daimoku, the district spent many hours delivering 2,500 flyers to the houses and estates in Barnes, as well as promoted on websites to widen the reach. They welcomed fifty guests to listen the lecture, member’s experiences and engage in dialogue. At least twenty-seven people signed up to receive updates about local SGI activities.

**SGI-UK at the Canterbury UN Peace Ceremony**



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On 13 October, Chrissie Rice and Richard Rodgers of Canterbury & North Kent Coastal Chapters carried an SGI-UK banner in the Procession at the UN Peace Ceremony held in Canterbury Cathedral.

The photo (left) features the Mayor and Mayoress of Canterbury, all the banner holders and speakers.

**Gandhi, King, Ikeda: Peacebuilders exhibition in Manchester**

*Greater Manchester Headquarters* hosted the **Gandhi, King, Ikeda: Peacebuilders** exhibition from 12-17 November, at Gandhi Hall, a Hindu community centre in south Manchester. The event was visited by school and university students who took part in workshops and creative activities, as well as members' families and friends, and the general public. A 'Youth Peace Panel', with five young people from five different religious faiths, discussed paths to peace. Councillor Rishi Shori, Leader of Bury Council and Lead Member for Social Cohesion and Young People in the Greater Manchester Combined Authority, spoke after an inspiring panel discussion. The exhibition was opened by Jonny Wineberg, Operations Director of the charity We Stand Together and closed by June Hitchen, the Lord Mayor of Manchester.

**CULTURE**

**Commemorating the thirtieth anniversary of President Ikeda's visit to Oxford**

31 May 2019 saw the thirtieth anniversary of President Ikeda's visit to Oxford in 1989 and, on that day, he was made an Honourable Friend of the Bodleian Library for Life. *Oxfordshire Headquarters* members gathered to celebrate the anniversary in Oxford, determined to make the anniversary significant by creating a record for future



generations as well as bringing awareness of President Ikeda's activities to a new generation within the University. The Bodleian Library was contacted to see if the local members could come and



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see the Visitor's Book. Many members had taken the day off work to be able to attend and more than sixty people, including children, congregated on the steps of the library.

#### **Celebrating community at Buckinghamshire County Museum**

Buckinghamshire County Museum approached SGI-UK to exhibit in their 'CommUnity Voices'

exhibition. Gabrielle Westhead, a member of the SGI-UK staff, donated a medium-sized bell to the museum, which was showcased in and amongst various other objects from different communities in Aylesbury and beyond as part of the exhibition. The museum held a side event called 'Celebrating CommUnity' on 15 June, enabling the diverse communities who donated objects to meet, form friendships, share religious practices and have fun together. The event was supported by nineteen members from *Chilterns Headquarters*. They made friends with people from different faiths and walks of life, including Muslim, Hindu, Christian, LGBT, Polish community and Baha'i. There were also many opportunities to demonstrate chanting both in the museum and the garden and they finished the day by demonstrating Gongyo.

#### **2<sup>nd</sup> Slough Unity Tape Ball Cricket Tournament**

Representing SGI-UK, Rajeev Kumar from Mid Thames Headquarters attended an interfaith cricket tournament organised by Mustaqbill Future Foundation on 15 September. Participants from different religions and cultural backgrounds attended, showcasing the diversity of Slough and surrounding areas, and to promote community cohesion.

#### **Buddhism at the British Library: Exhibition and chanting session**

Running until 23 February 2020, the Buddhism exhibition at the British Library is split into four sections: The Buddha, Buddhist Philosophy, the Spread of Buddhism and Buddhist Practice. Happily, the final section features a short film in which the Director of the Centre for Applied Buddhism Jamie Cresswell and several other SGI-UK members from *Camden Headquarters* talk about their practice.

## EDUCATION

### *Academic outreach*

#### **Centre for Applied Buddhism's global citizenship seminar series begins**

On 7 March, SGI-UK's *Centre for Applied Buddhism (CfAB)* held its first seminar in the planned series on global citizenship in collaboration with the world-renowned Institute of Education at University College London (UCL). They welcomed forty-five academics, guests and members to the seminar which was held at the London Ikeda Peace Centre. Jamie Cresswell, Director of CfAB, chaired the meeting. Speakers, Professor Hugh Starkey, Professor of Global Citizenship and Human Rights, and Professor Doug Bourne, Director of the Institute for Development Education (DERC), both spoke of their commitment to global citizenship education and their interest in the teachings of Buddhism and value creation as taught by the Soka Gakkai, as a much-needed contribution to realising a peaceful and secure world. They were joined by Simon Eten, a PhD student from UCL who spoke about global citizenship in Africa. SGI-UK Student Division Leader Sanya Rajpal spoke of her inspiration to put global citizenship into practice through her human revolution, and SGI-UK Vice Women's Division General Leader Dr Michele Lamb, who is a lecturer in sociology and human rights, conveyed the writings of Daisaku Ikeda on global citizenship and Soka education.

#### **Centre for Applied Buddhism presents at education conference**

On 9 May, the *Centre for Applied Buddhism (CfAB)* presented a panel at the Academic Network for Global



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Education & Learning (ANGEL) Conference at the Institute of Education at University College London. The title



of the panel was 'Buddhist Perspectives on Global Citizenship and Value Creating Education' and the four papers discussed topics as varied as the Bodhisattva of the Earth as a contemporary global citizen, Daisaku Ikeda's education proposals for global citizenship and the three faiths project which had brought together young people from Muslim, Christian and Buddhist faiths in dialogue based on the principles of value creation.

*Education outreach*

**Seeds of Hope exhibition hosted and studied by Sir John Lawes School**

From the week of 25 to 29 March, Sir John Lawes School, in Harpenden, Hertfordshire,

became the first ever school in the UK to host the **Seeds of Hope** and **Sustainable Development Goals (SDGs)** exhibitions, focused on the potential we each have as individuals in creating a more sustainable world. The exhibition was hosted in the school library which is frequented by staff and students each day and throughout the week more than 500 students and staff came to see it. Students from the school's Oxfam Group acted as guides for the exhibition at lunchtimes, showing the visitors around and encouraging them to stick an action they could take to make a difference on the 'Tree of Ideas'.



The Thursday of that week was the school's 'International Enrichment Day' and the Year 7 students did a series of activities focusing on the UN's SDGs. SGI-UK General Director Robert Harrap together with other SGI-UK staff members came to the school to welcome each of the Year 7 class groups and explain the key themes of the exhibitions and then talk with students as they viewed the panels. Each class group also watched the related SGI film 'A Quiet Revolution'.

**Bournemouth University Fresher's Fair stall**

On 28 September, members from *Bournemouth and Poole Districts* held their seventh successful Bournemouth University Fresher's Fair SGI-UK information stall. As part of the Multi-faith Chaplaincy, the district members talked to hundreds of students, introducing Nichiren Buddhism and the SGI-UK and inviting them to the monthly meetings at the Faith and Reflection Space at the university.

**Interfaith conference at Burnham Grammar School**

On 17 July, Gabrielle Westhead, Young Women's Area Leader for Thames Valley attending Burnham Grammar School's Year 12 Interfaith Conference on 'Gender is a choice', representing SGI-UK as a panelist.

**Remembrance Assembly at The E-Act Bourne End Academy**

On 11 November, Gabrielle Westhead, SGI-UK staff member and Young Women's Area Leader for Thames Valley attended The E-Act Bourne End Academy's Remembrance Assembly for Year 7s alongside representatives

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of different faiths, as requested by staff member Idris Bowden who used to work for Burnham Park Academy, whom SGI-UK has a strong connection with.

#### **Freshers' Fair at Trinity Laban Conservatoire**

On 10 September, *South East London Area* and local *Student Division* members, manned a Freshers Fair stall at Trinity Laban Conservatoire (for 18+ year olds) in South East London.

[See also 'Schools section on the SGI-UK website' under Website and Social Media]

#### **TAPLOW COURT ACTIVITIES & VISITS**

##### **Maidenhead's Got Talent! at Taplow Court**

On 1 March, young dancers, singers and actors performed at the fourth annual Maidenhead's Got Talent! showcase organised by Rotary in Maidenhead and hosted at Taplow Court. The afternoon began with a matinee concert for primary schools and clubs and an evening show for performing art and senior schools, with a mixture of singing, piano-playing and dance. The purpose of the event is not only to showcase the young performing talent in Maidenhead but to also bring the community and local schools together in celebration of diversity and multiculturalism, and to raise money for local charities. SGI-UK was proud to host once again!

##### **Taplow Court hosts Citizenship**

**Ceremony** On 11 March, SGI-UK welcomed Buckinghamshire County Council to Taplow Court for a Citizenship Ceremony. There were thirteen people from around the county who became new citizens of the United Kingdom, coming from India, South Africa, Sri Lanka, Australia, Bangladesh, New Zealand, Pakistan, Nigeria and Ghana. This was the third time in six years that SGI-UK has hosted such an event for the Council.



##### **Taplow Court's 2019 summer season of public introductory talks**

*Thames Valley East Headquarters* and *Mid Thames Headquarters* supported – in both steering and action – weekday introductory talks for members, their guests and the public on Wednesday 29 May, Wednesday 26 June, Wednesday 10 July and Wednesday 18 September. During the school summer holidays, SGI-UK staff members took responsibility to support the introductory talk on Wednesday 7 August.

##### **Annual reception**

In response to President Ikeda's desire to open up Taplow Court to all as a castle of culture and peace, SGI-UK held its annual reception on 13 June. This has been an ongoing tradition for twenty-nine years and has become a highlight of the local calendar with many local residents attending.



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Welcoming over 140 guests as well as several mayors, council chairmen and local dignitaries, SGI-UK General Director Robert Harrap reminded everyone present of SGI's commitment to peace, education and culture. Reflecting on the past thirty years since SGI-UK made Taplow Court its national headquarters, he redetermined to respond to President Ikeda's vision that Taplow Court would continue to support the wider local community. Guests were treated to food prepared by the dedicated Marrionier Group as well as live music from a piano and violin duo. As a final farewell, in celebration of SGI-UK's thirtieth 'birthday', guests were presented with specially-made cupcakes emblazoned with the thirtieth anniversary commemorative logo.

**Taplow Court Open Days**

As per annual tradition, Taplow Court opened its doors

and gardens to the public for five days throughout the summer from May to September. As part of the Open Days, a brand-new and specially-curated exhibition 'Daisaku Ikeda: A Life Dedicated to Peace' was shown in the house for guests to peruse and engage in dialogue with support staff about Buddhism, SGI and Daisaku Ikeda.



**Developing a fresh relationship between Taplow Court and Cliveden**

On 18 December, Taplow Court's next-door neighbour Cliveden hosted a Christmas reception for their garden volunteers, seeing start of a fresh relationship between the estates. Phil Rollinson, Head Gardener at Taplow Court, delivered a short speech about the gardens, inviting guests to return in the summer.

**Cookham Beavers visit Taplow Court**

*Maidenhead Chapter* supported 48 local Cookham Beavers in visiting Taplow Court on two occasions (on 30 September and 26 November) to learn more about the history of Taplow Court, Nichiren Buddhist philosophy and practices and SGI's pillars of peace, culture and education, working towards achieving their 'religion' badge.

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**CELEBRATING SGI-UK'S ANNIVERSARIES AROUND THE UK**

In 2019, SGI-UK celebrated a number of significant anniversaries for SGI-UK around the country, including:

***10<sup>th</sup> anniversary of the honorary degree bestowed on President Ikeda by Queen's University Belfast in May 2009***

On 15 and 16 May, SGI-UK members, academics and various other community representatives came together for a Spring Conference on 'Dignity and Respect' hosted by the Senator George J Mitchell Institute for Global Peace, Security and Justice at Queen's University Belfast, jointly with the British Council NI and SGI-UK.

***25<sup>th</sup> anniversary of the last visit of President Ikeda to the UK in 1994, including the honorary degree bestowed on him by the University of Glasgow on 15 June (now known as 'Scotland Day')***

At Linlithgow Burgh Hall, a commemorative event took place on 15 June with a culture festival.

***30<sup>th</sup> anniversary of the visit where President Ikeda opened Taplow Court as SGI-UK's national headquarters and 'Grand Culture Centre' in May 1989***

On 19 May, members and guests came to Taplow Court to commemorate the thirtieth anniversary of its official opening as the SGI-UK national centre by SGI President Daisaku Ikeda on 21 May 1989.

**MEDIA**



**SGI-UK Trailblazers podcasts**

SGI-UK's Youth Division produced a daily podcast of inspiration from President Ikeda and a comment from a youthful voice. The Indigo and Student Division members recorded these podcasts and they were made with the intention to be spread widely with friends and on social media.

⇒ [Spotify](#): ⇒ [Apple](#)

⇒ [Soundcloud](#)

### Maidenhead Advertiser

We used local newspaper advertising, tied in with their social media advertising, to promote the 2019 Open Days and public introductory talks at Taplow Court. Off the back of this came an original article about SGI-UK at Taplow Court, the thirtieth anniversary and the Open Days:



<https://www.maidenheadadvertiser.co.uk/gallery/taplow/148579/in-pictures-insidetaplow-court.html>

### WEBSITE AND SOCIAL MEDIA

#### Interview with Platform Inspires

On 23 April, an interview with SGI-UK General Director Robert Harrap and Platform Inspires was published on social media, talking about the Buddhist perspective on youth and revealing one's inherent potential.

#### Schools section on the SGI-UK website

SGI-UK launched brand new pages on our public-facing website dedicated to school visits, enabling teachers to learn about what we do and can offer to them quickly and easily: [www.sgi-uk.org/schools](http://www.sgi-uk.org/schools)

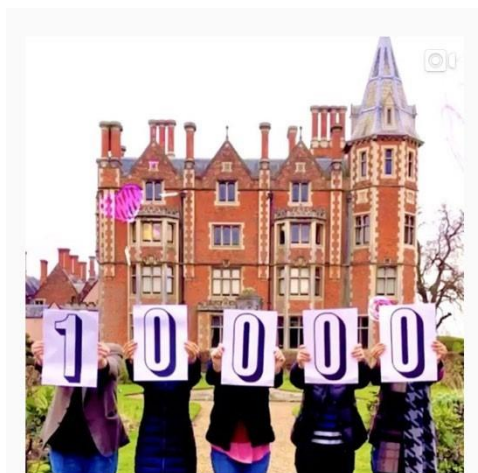
Celebration of reaching 10k followers on SGI-UK's Instagram

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Through various content streams – including quotes from President Ikeda, experiences from members, promoting Taplow Court activities and *Art of Living* content – SGI-UK's following on Facebook, Twitter and Instagram significantly rose.

We hit the 10,000-follower milestone on Instagram on 9 December, celebrated by posting a short video recorded at Taplow Court: <https://www.instagram.com/p/B53Q97bg4We/>

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***Impact of Activities & Events***

*Level of membership of SGI-UK and the trend over time (increasing or decreasing)*

368 new members joined SGI-UK in 2019 (2018: 644).

*Changes in the number of districts and other organisational units*

The number of districts at the end of 2019 was 628 (At the end of 2018: 631).

*Attendance at courses, meetings and events to study and share the teachings of Nichiren*

The monthly average discussion meeting attendance in 2019 was 4,303 (2018: 4,143). And the average number of guests attending discussion meetings each month was 852 (2018: 937).

19 courses were held at Taplow Court in the year (2018: 28) with some 1,389 participants (2018: 1,820).

*Circulation and readership of publications*

In December 2019, 4,213 subscribers purchased 4,611 copies (in December 2018: 4,235 subscribers purchased 4,650 copies) of our monthly publication, 'The Art of Living'. The print run was 6,600 (2018: 6,600), with the excess sold in SGI-UK shops at centres and large activities and by mail order.

*Numbers of weddings and funerals*

SGI-UK conducted 22 weddings and ceremonies of commitment (being recognition of civil partnerships) (2018: 20) and 36 funerals (2018: 35).

*School visits to Taplow Court and Taplow Court staff visiting schools:*

797 pupils in 8 school visits (2018: 945 pupils in 13 school visits).

*Study exam statistics*

A new rhythm for study exams was set, so no exams took place in 2019. They will resume in 2020.



## FINANCIAL REVIEW

### *Financial Results of Activities & Events*

SGI-UK generated total unrestricted income of £2,698,843 (2018: £3,048,996) and total income on endowment funds of £108,295 (2018: £387,711).

Total expenditure amounted to £3,854,079 (2018: £3,920,537) the vast majority of which was incurred furthering the principle activity of the charity that being the advancement of religion.

### *Grant Making*

The charity does not currently give grants as a means by which it fulfils its charitable objectives.

### *Reserves Policy*

SGI-UK relies upon the support of its members to continue its work in the United Kingdom. Because of this recurring need for annual voluntary income, which by its nature is inevitably unpredictable, it is the current policy of the trustees to endeavour to build up a reserve of unrestricted funds equal to three to six months operating costs and which are not designated for any other specific purpose. The trustees consider reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's activities while consideration is given to ways in which additional funds may be raised.

At the balance sheet date, SGI-UK had "free reserves" of £716,726 (2018: £839,347) which represents 2.6 months of operating costs less depreciation. The operating costs for Shop, Publications and Courses have differing income streams. With regard to covering the income received specifically from Donations and Legacies (£1,853,369) free reserves represents 4.6 months' income. Free reserves are therefore considered to be adequate but not excessive.

The trustees have agreed to designate £200,000 of reserves for major maintenance projects at Taplow Court, £500,000 to finance local centres in the future.

In addition to "free reserves", at the balance sheet date, the trustees were holding £18,052,246 (2018: £18,526,158) of unrestricted funds in a designated fund known as the Designated Fixed Assets Fund representing the resources required to finance the net book value of all functional fixed assets, and also £29,143,798 (2018: £26,276,437) of restricted funds in an expendable endowment fund known as the Commemorative Expendable Endowment Fund.

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##### ***Investments Policy***

The trustees have wide ranging powers to invest the funds of SGI-UK as they see fit, and in practice, they use a range of banking facilities to ensure that funds generate appropriate levels of return, whilst minimising risk.

During the year, the investments generated investment income of £16,280 (2018: £249,087). Details of the investment portfolio and its performance during the year are shown in note 12 to the financial statements.

For the year ended 31 December 2019, the charity's cash deposits generated investment income of £97,659 (2018: £144,086) which represents an average income return of 0.8% (2018: 1.1 %).

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##### **PLANS FOR FUTURE PERIODS**

###### **Future Strategy**

The trustees envisage a steady increase in the size of SGI-UK in the next 10 years. As indicated earlier, as local areas reach about 500 active members, it will become appropriate to open community centres in localities around the UK in the same way as the three centres in London. The trustees monitor the regional growth in membership and in consultation with local areas, will look for and open community centres as they become required. The trustees also envisage improving the residential facilities for courses at Taplow Court within this time frame. In 2018 SGI-UK invited local Areas to make proposals when they feel they are ready to support a Centre in their Area. No proposal had been received by the end of that year but going forward the national leadership will be in conversation with Area leaders about this.

###### **Future Activities & Events**

General Director Robert Harrap will continue to promote SGI-UK in society, continuing to lecture on SGI President Daisaku Ikeda's Peace Proposal, give talks such as his contributions to BBC Radio 2 'Pause for Thought' as they are requested, and engaging in other ways as well.

The Youth Division began to plan in 2018 for a campaign titled the 'Power of One' which was launched in 2019 and runs through to 18 November 2020, the 90<sup>th</sup> anniversary of the founding of the Soka Gakkai. This campaign is focussed on 'treasuring the person in front of you' and growing conviction in one's own power and is supported by study. The youth division proposed a study programme for 2019 into 2020 with carefully chosen study material for each month of the year.

The exhibition to accompany our annual Open Days at Taplow Court is proposed to be a new SGI environmental exhibition that includes an introduction to the UN sustainable development goals.

We will continue to further develop and promote opportunities for schools to visit Taplow Court.

Grade 1 and 3 Study Courses and exams will be held in 2020.

###### **Impact of Activities & Events**



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Success of SGI-UK will be measured in terms of the increase in membership and the quality and extent of support given to our existing membership.

Discussion meeting attendance is a good measure of the degree of member activity. In 2019 there was a small upward trend in the attendance at discussion meetings, although a slight fall in the average number of guests. In 2020 there will be an effort to reenergise this central SGI activity.

Another indication of our development is the extent of collaboration, cooperation and support with other organisations and movements, and also the quality of feedback from them. We will continue to develop our cooperation with academic bodies and we will continue to hold collaborative events and in particular we will be developing the use of Taplow Court as a resource for local schools.

## **POST BALANCE SHEET EVENTS**

The charity is treating Covid 19 as a non-adjusting post balance sheet event as it emerged after the year end. Whilst the value of investments in the endowment fell sharply at the time of the initial outbreak of the pandemic, they have since recovered well and were valued at £29,985,732 on 16/07/2020. The Endowment investments are held for the long term and the Trustees expect that there will be volatility in the short and medium term, but we expect values to fully recover in the longer term. The Finance Committee and the Trustees monitor the management of the investments on a monthly basis and at these meetings the asset allocation and investment strategy is reviewed.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

The trustees of the charity, who are also the directors of the company, have held office since 1 January 2019, as follows:

S J Ball  
K Fujii  
R P Harrap  
F J Harrow  
G Holman  
J Y E Peters-Smith  
R A Samuels  
S Thornton  
P S Williams  
S Wilson

The principal address of the charity and the registered office of the company is the offices of SGI-UK at Taplow Court, Berry Hill, Taplow, Near Maidenhead, Berkshire SL6 0ER.

The charity is registered under the charity number 1104491, and the company is incorporated with the company registration number 05114516. Toni-Ann Hirayama is the company secretary.

The trustees have made the following professional appointments:

Solicitor: Womble, Bond, Dickinson, 4, More, London Riverside, SE1 2AU  
Horse Lightly Solicitors, Devon House, 12/15 Dartmouth Street,  
Queen Anne's Gate, London SW1H 9BL

Auditor: Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

Bankers: Barclays Bank plc, Slough - East Berkshire Group, Leicester,  
Leicestershire LE87 2BB

Investec Bank plc, 2 Gresham Street, London EC2V 7QP

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Lloyds Bank plc, SME Banking, High Wycombe and Amersham

Investment Managers: Waverton Investment Management Limited (formerly J O Hambro Investment Management Ltd), 21 St. James's Square, London SW1Y 4HB moved to 16 Babmaes Street, London SW1Y 6AH. In February we transferred our funds from Waverton into BMO F & C Responsible Investment Fund.

The following additional key members of staff assist the trustees with the day-to-day management of the charity:

S McWilliam	<b>Senior Manager</b>
J Fagence	<b>Senior Manager</b>
M Mehta	<b>Senior Manager</b>

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### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### ***Status & History***

Soka Gakkai International (“SGI”) is a Buddhist association with more than 12 million members in 192 countries and territories worldwide. For SGI members, Buddhism is a practical philosophy of individual empowerment and inner transformation that enables people to develop themselves and take responsibility for their lives. As lay believers and “engaged Buddhists,” SGI members strive in their everyday lives to develop the ability to live with confidence, to create value in any circumstances and to contribute to the well-being of friends, family and community. The promotion of peace, culture and education is central to SGI’s activities.

“Soka” is a Japanese word meaning “value creation”, and “Gakkai” means “society”.

Although the first members of SGI in the UK appeared in 1961, SGI-UK was originally set up in the United Kingdom under a declaration of trust dated 2 January 1975 and became an unincorporated registered charity in England and Wales on 28 January 1975. Having updated its declaration of trust on 17 June 1993, SGI-UK was then incorporated on 28 April 2004 and was re-registered as an incorporated charity on 22 June 2004.

In its current legal form, SGI-UK is a registered charity, and a company limited by guarantee, not having share capital. Every member of the company is also a trustee and director, and undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter.

SGI-UK is governed by its rules and regulations, as set down in the company’s Memorandum and Articles of Association dated 28 April 2004.

#### ***Organisational Structure***

The overall strategic direction of the charity is approved by the trustees, who have delegated to the National Committee to deliberate and propose the organisational activities. The trustees usually meet formally every two months, in the evening.

SGI-UK members are organised into local districts nationwide. These districts are further organised into chapters, headquarters, regions and areas, all with volunteer leaders in faith. The districts meet several times a month in members’ homes and hold a monthly discussion meeting open to members and guests.

The General Director and two Vice-General Directors have been appointed by the trustees to manage the day-to-day operations and to make decisions in this regard on behalf of the trustees. The General Director and the two Vice-General Directors are assisted by a management team for the following functions/departments:

- Conference services
- Courses and administration
- Facilities management
- General administration
- Membership
- Publications production and distribution
- External relations
- Shop
- Accounts
- Weddings and funerals
- Human resources
- Content management (publications and website)

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

##### ***Subcommittees***

At the present time, there are two formal subcommittees of the board of trustees and directors. These are the National Committee and the Finance Committee.

##### ***National Committee***

###### **Role:**

To make all the initial decisions about the activities and direction of SGI-UK within the strategic framework and budgetary constraints set by the trustees and directors.

###### **Current membership:**

Robert Harrap, General Director

Robert Samuels, General Men's Division Leader; Executive Advisor

Kazuo Fujii, Vice General Director

Sue Thornton, Vice General Director

Suzanne Pritchard, Vice General Director

Sanda McWilliam, General Women's Division Leader and Vice General Director

Justine Marchant, Women's Division Leader

Fiona Harrow, Women's Division Secretary General

Yuki Davenne Vice Women's Division Leader Tobi

Keryk, Vice Women's Division Leader

David Woodger, Men's Division Leader

Munish Mehta, Men's Division Secretary General

Chris Nembard, Vice Men's Division leader

Koichi Samuels, Youth Division Leader

Anna Hashimoto, Young Women's Division Leader

Emma Howard, Vice-Young Women's Division Leader

Peggy Freyne, Vice-Young Women's Division Leader

Andy Huxley, Young Men's Division Leader

Ryo Ashida, Vice-Young Men's Division Leader Ed

Hunte, Vice-Young Men's Division Leader

###### **Responsibilities:**

To meet once a month to deliberate and determine national direction and activities.

##### ***Finance Committee***

###### **Role:**

To deal with detailed financial matters on behalf of the trustees and directors.

###### **Membership:**

The following trustees currently comprise the Finance Committee - S J Ball, K Fujii, R P Harrap, R A Samuels, S Thornton, P S Williams, S Wilson.

###### **Responsibilities:**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

- To review the finances of SGI-UK every two months;
- To make recommendations about investment decisions; and
- To approve unbudgeted expenditures up to £1,000.

*Finance Committee (continued)*

**Key Management Personnel**

The key management personnel are the General Director, Robert Harrap and the three senior managers: S. McWilliam, J. Fagence and M. Mehta.

Pay of key management personnel is set by members of the Remuneration committee of the Trustees in consultation with the General Director. The General Director's pay is based on the pay of his predecessor.

**Working with Volunteers**

SGI-UK relies upon the continuing assistance of a wide range of volunteers, the vast majority of whom are members. All local activities are organised and conducted by members who are volunteers. Planning and decision making committees are all held on a volunteer basis. The three London centres are manned entirely by volunteers and at Taplow Court teams of 5 volunteers staff the reception 363 days of the year. Young men and young women in dedicated groups support all activities at a local and national level. Volunteers give their time and efforts with an open heartedness based on the Buddhist spirit of contribution. The trustees would like to express their gratitude and deep respect for these tireless efforts.

**Method of Recruitment, Appointment, Election, Induction & Training of Trustees**

*Recruitment*

At present, the trustees are members of SGI-UK who offer certain skills and attributes. As and when a need is identified by the trustees for additional skills and attributes to be included within the composition of the board, the trustees look to the membership of SGI-UK to recruit suitable candidates.

*Appointment & Election*

The trustees are empowered to appoint additional trustees under the terms of the governing document as and when the need arises. Trustees are appointed by way of a recommendation and a vote. A simple majority of the existing trustees is required to elect a new trustee.

*Induction & Training*

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, on the content of the current governing document, on the decision making processes utilised by the charity, and on the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will assist them to undertake and fulfil their role.

**Professional Indemnity Insurance**

The charity has taken out a trustees' indemnity insurance policy that provides professional indemnity cover amounting to £1 million in respect of any one claim for the trustees of the charity. The cost of this insurance policy to the charitable company for the year was £900 (2018: £900).

**Risk & Corporate Governance Matters**

SGI-UK's risk management strategy identifies and defines (through assessing uncertainty) whether SGI-UK will achieve its objectives; deciding upon the action to be taken to control them and monitoring the progress of the action taken. The risks that would qualify for the SGI-UK risk register and that the Trustees see as being critical to the effective running of the organisation include:

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

- Those risks that could seriously impact on the achievement of SGI-UK's key objectives and interests, including its reputation; and
- Those risks where action at National Committee and/or Trustee level in SGI-UK is needed.

#### **Risk & Corporate Governance Matters (continued)**

A sub-group of SGI-UK Trustees has developed a structured approach to managing risk and has developed a 'living' risk register. Looking at different Risk Categories - areas where risks are found - the Trustee sub-group considered:

- External: risks not wholly within our control, but where action can be taken to mitigate the risk;
- Organisational: risks relating to our existing organisation and membership; and
- Assets and Facilities: risks relating to our finances, estate and IT.

SGI-UK's risk management process:

##### **1. Identify risks**

- Identify risks: what could stop the objectives from being achieved?
- Define risk descriptions: describe the risk, its cause and its possible effects.

##### **2. Assess risks**

- Identify current controls: what's already in place to control the risk?
- Assess current risk: score the risk according to its potential impact and likelihood of occurrence - specifying what will be done, by when and by whom.

##### **3. Managing risk**

- Identify and select further controls: what new measures are needed to control the risk?
- Assign target risk: what new score do we want these measures to achieve for the severity score of the risk, and by when? We worked on the following basis; o Impact: Catastrophic, Severe, Moderate, Minor, Low using the five point scale.
  - o Probability: Very unlikely, Unlikely, Possible, Likely, Very likely.
- Identify and assign risk and control owners: who's responsible for what?

##### **4. Monitor and report**

At the monitoring and reporting stage:

- Complete the Risks Register – this was undertaken by a sub-group of the Trustees with experience in risk management.
- Report and escalate as appropriate – to the Trustees.
- Monitor and review – on a quarterly basis.

SGI-UK has a Risks Register which classifies all perceived risks under the following headings:

- |                          |                           |
|--------------------------|---------------------------|
| 1. Reputation            | 5. Financial issues       |
| 2. Commercial issues     | 6. Staffing issues        |
| 3. Organisational issues | 7. Members' experience    |
| 4. Information and IT    | 8. Estates and facilities |

#### **SGI-UK's principal risks and how they are mitigated:**

Security risk of physical assets

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**FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

SGI-UK has a business continuity and disaster recovery plan in place in the event that our headquarters at Taplow Court becomes unavailable for the administration of the organisation. We continue to maintain and improve our centres so that they are safe and comfortable places for our members to conduct Buddhist activities.

##### **Cyber security**

SGI-UK's IT committee has put in place systems to ensure the IT infrastructure and data of SGI-UK are protected from cyber-attack. Members of the committee have had training since spring 2017 in the general Data Protection Regulations to ensure that SGI-UK complies with this change in the law, and protects our members' data.

## **SOKA GAKKAI INTERNATIONAL - UK**

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##### **Safeguarding**

SGI-UK updates our Child Protection Policy in an annual basis, and carries out training for volunteers involved in activities with children. We have appointed supervisors of volunteers who have appropriate DBS checks and who have training in ensuring the well-being of children involved in our activities.

##### **Covid-19**

The Covid – 19 pandemic makes future planning difficult, therefore the Trustees of SGI-UK believe it prudent to maintain sufficient current funds to enable the continued protection and maintenance of its assets, to meet any current liabilities, and to meet staff costs for at least 6 months.

To this end a fixed term deposit held at Lloyds Bank which matured on 27<sup>th</sup> April 2020 to the value of £653,725 will be kept in a current account to allow easy access. The monies previously held as the Designated Taplow Court Fund and the Designated Centres Fund will be transferred to the General Fund to provide sufficient cover for the short to medium term.

The Trustees will monitor the ongoing situation and, when prudent, re-establish the Designated Taplow Court Fund and the Designated Centres Fund.

##### **Fundraising Approach and Performance**

Contributions to the SGI-UK Kosen-rufu Fund, which supports our activities are only made by members of SGI and SGI Center.

We have an SGI-UK Kosen-rufu Fund Contributions and Donations Policy, based on the Charity Commission guidance CC20, which is posted on the members' website.

Contributions are freely given. The decision to make a contribution and how much to contribute is the choice of each member. Encouragement around contribution must not put any member under pressure to make a contribution.

The Trustees consider carefully the question of accepting contributions from non-SGI sources and any anonymous donations.

Donors of single donations of £5,000 or more will be contacted to confirm that the donation complies with all relevant regulations

SGI-UK will make sure that vulnerable people are protected.

Expansion of these and other points are all contained in the policy document.

Our overall fundraising performance was total contributions to the Kosen-rufu Fund £1,569,192 with an additional £273,774 received in the form of Gift Aid and Bequests £10,403.



## **SOKA GAKKAI INTERNATIONAL - UK**

### **REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

##### **Trustees' & Directors' Responsibilities in the Preparation of Financial Statements (continued)**

The trustees (who are also the directors of Soka Gakkai International - UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

In preparing those financial statements, the trustees are required to:

- 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;
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with Companies Acts 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from the legislation in other jurisdictions.

##### **Statement as to Disclosure of Information to the Auditor**

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **SMALL COMPANY EXEMPTIONS**

In preparing this report the directors have taken advantage of small company exemptions.

**SOKA GAKKAI INTERNATIONAL - UK**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**SOKA GAKKAI INTERNATIONAL - UK**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**FUNDS HELD AS CUSTODIAN**

Although SGI-UK maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, SGI-UK does not currently hold, and the trustees do not anticipate that it will in the future hold, any funds as custodian for any third party.

This report was approved by the trustees on .....**10.September**..... 2020, and was signed for and on behalf of the board by

.......... **Executive Advisor**  
R A Samuels

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOKA GAKKAI INTERNATIONAL - UK**

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### **Opinion**

We have audited the financial statements of Soka Gakkai International – UK for the year ended 31 December 2019 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of the charitable company's net movement in funds, including the 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 requirements of the Companies Act 2006.

### **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.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 26, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOKA GAKKAI INTERNATIONAL – UK (continued)**

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### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the directors' report) has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



27 October 2020 .....

**Date:** .....

**STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

		Unrestricted	Endowment	Total	Total
		Funds	Funds	2019	2018
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	1,853,369	-	1,853,369	2,187,347
<i>Charitable activities:</i>					
• Advancement of religion	4	825,430	-	825,430	841,787
Investments	5	20,044	108,295	128,339	407,573
<b>Total income</b>		2,698,843	108,295	2,807,138	3,436,707
<b>EXPENDITURE ON:</b>					
Costs of raising funds	6	-	(7,844)	(7,844)	(83,878)
<i>Charitable activities</i>					
• Advancement of religion	7	(3,846,176)	(59)	(3,846,235)	(3,836,659)
<b>Total expenditure</b>		(3,846,176)	(7,903)	(3,854,079)	(3,920,537)
<b>NET (EXPENDITURE)/INCOME BEFORE GAINS/(LOSSES) ON INVESTMENTS</b>		(1,147,333)	100,392	(1,046,941)	(483,830)
Net gains/(losses) on investments	12	-	3,286,969	3,286,969	(1,383,368)
<b>NET (EXPENDITURE)/INCOME</b>		(1,147,333)	3,387,361	2,240,028	(1,867,198)
Transfers between funds		520,000	(520,000)	-	-
		(627,333)	2,867,361	2,240,028	(1,867,198)
<b>Other Recognised Gains and Losses</b>					
Gains/(losses) on revaluation of heritage assets	11	30,800	-	30,800	2,330
<b>NET MOVEMENT IN FUNDS</b>		(596,533)	2,867,361	2,270,828	(1,864,868)
<b>RECONCILIATION OF FUNDS</b>					
Fund balances brought forward					

At 1 January 2019		20,065,505	26,276,437	46,341,942	48,206,810
		<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Fund balance carried forward</b>					
At 31 December 2019	19	19,468,972	29,143,798	48,612,770	46,341,942
		<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

The notes on pages 34 to 48 part of these financial statements.

# **SOKA GAKKAI INTERNATIONAL - UK**

## **STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018**

### **Comparative Statement of Financial Activities for the year ended 31 December 2018**

	<b>Unrestricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	2,187,347	-	2,187,347
<i>Charitable activities:</i>			
• Advancement of religion	841,787	-	841,787
Investments	19,862	387,711	407,573
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total income</b>	3,048,996	387,711	3,436,707
<b>EXPENDITURE ON:</b>			
Costs of raising funds	-	(83,878)	(83,878)
Charitable activities			
• Advancement of religion	(3,836,362)	(297)	(3,836,659)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total expenditure</b>	(3,836,362)	(84,175)	(3,920,537)
Net (losses)/gains on investments	-	(1,383,368)	(1,383,368)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>NET (EXPENDITURE)/INCOME</b>	(787,366)	(1,079,832)	(1,867,198)
Transfers between funds	520,000	(520,000)	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
	(267,366)	(1,599,832)	(1,867,198)
Gains/(Losses) on revaluation of heritage assets	2,330	-	2,330
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>NET MOVEMENT IN FUNDS</b>	(265,036)	(1,599,832)	(1,864,868)
<b>RECONCILIATION OF FUNDS</b>			
Fund balances brought forward			

At 1 January 2018	<u>20,330,541</u>	<u>27,876,269</u>	<u>48,206,810</u>
<b>Fund balance carried forward</b>			
At 31 December 2018	<u>20,065,505</u>	<u>26,276,437</u>	<u>46,341,942</u>
	=====	=====	=====



**SOKA GAKKAI INTERNATIONAL - UK****BALANCE SHEET****AT 31 DECEMBER 2019**

Company Number: 05114516

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	10	16,802,596	17,307,308
Heritage assets	11	1,249,650	1,218,850
Investments	12	29,726,371	26,752,974
		<u>47,778,617</u>	<u>45,279,132</u>
<b>CURRENT ASSETS</b>			
Stocks	13	271,057	332,042
Debtors	14	237,927	378,246
Cash at bank and in hand		507,041	602,453
		<u>1,016,025</u>	<u>1,312,741</u>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	15	(181,872)	(249,931)
<b>NET CURRENT ASSETS</b>			
		<u>834,153</u>	<u>1,062,810</u>
<b>NET ASSETS</b>			
		<u><u>48,612,770</u></u>	<u><u>46,341,942</u></u>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Endowment funds</b>			
Commemorative Expendable Endowment Fund	19	29,143,798	26,276,437
<b>Unrestricted income funds</b>			
General Fund	19	716,726	839,347
Designated Taplow Court Fund	19	200,000	200,000
Designated Local Centres Fund	19	500,000	500,000
Designated Fixed Assets Fund	19	18,052,246	18,526,158
<b>TOTAL CHARITY FUNDS</b>			
		<u><u>48,612,770</u></u>	<u><u>46,341,942</u></u>

The financial statements on pages 34 to 47 were approved by the trustees and authorised for issued and are signed on their behalf by:

  
R A Samuels

Executive Advisor and Vice General Director

10 September 2020

# SOKA GAKKAI INTERNATIONAL - UK

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	2018
	Note	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	22	(467,153)	(210,979)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends, interest and rents from investments		128,339	407,573
Purchase of tangible assets		(70,170)	(145,608)
Purchase of listed investments		(10,226,849)	(8,239,248)
Proceeds from sale of listed investments		9,814,083	5,529,262
Decrease/(increase) in fixed term deposits		310,951	2,373,718
Movement in investment cash		415,387	458,179
		_____	_____
Net cash (used in)/provided by investing activities		371,741	383,876
		_____	_____
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b>		(95,412)	172,897
Cash and cash equivalents at the beginning of the reporting period		602,453	429,556
		_____	_____
Cash and cash equivalents at the end of the reporting period		507,041	602,453
		=====	=====

### 1. ACCOUNTING POLICIES

#### General information

Soka Gakkai International – UK is a private charitable company limited by guarantee incorporated in England (company number 05114516, charity number 1104491). The registered office and principal place of business is at Taplow Court Berry Hill, Taplow, Near Maidenhead, Berkshire SL6 0ER.

The charitable company's principal activity is the "advancement of religion" as it relates to the Buddhism of Nichiren Daishonin.

#### Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical

## **SOKA GAKKAI INTERNATIONAL - UK**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2019**

cost convention, except as modified for the annual revaluation of fixed asset investments. Within the definitions of FRS 102, the charitable company is a public benefit entity. The financial statements have been prepared in accordance with the accounting policies set out in more detail below, to comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association of the charitable company, and Accounting and Reporting by Charities: the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019). Figures are presented in sterling and rounded to the nearest pound.

#### **Going concern**

On the basis of financial projections for the future and on the grounds that the charitable company is forecast to be able to continue its activities and meet all of its liabilities as they fall due for a period of at least twelve months from the date of the approval of these financial statements, the trustees have prepared the financial statements using the going concern principle. The Trustees of SGI-UK have looked at the potential impact of the ongoing Covid – 19 pandemic on cash flows and have taken action to mitigate the effect. SGI-UK has free reserves of £716,726 and designated reserves of £700,000 as of 31/12/2019. The Trustees have decided to re-define the designated reserves as free reserves to give total free reserves of £1,416,726. The Trustees have looked at potential cash flow for 2020 & 2021 assuming a prolonged pandemic and consider this level of reserves is sufficient to allow for the continued operation of SGI-UK.

At the balance sheet date the trustees were holding £18,052,246 of unrestricted funds in a designated fund known as the Designated Fixed Assets Fund representing the resources required to finance the net book value of all functional fixed assets, and also £29,143,798 of restricted funds in an expendable endowment fund known as the Commemorative Expendable Endowment Fund. Whilst the value of investments in the endowment fell sharply at the time of the initial outbreak of the pandemic, they have since recovered well and were valued at £29,985,732 on 16/07/2020.

#### **Income**

General donations and other similar types of voluntary income are brought into account when receivable and donated income is included gross of any attributable tax recoverable, where relevant. Donations given for specific purposes are treated as restricted income.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator or executor of the estate has communicated in writing both the amount and settlement date of the legacy income. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition as income in the financial statements is subject to the value of the gift being reliably measureable with a degree of reasonable accuracy and the title to the asset having been transferred to the charitable company.

Investment income is accounted on a receivable basis once the dividend has been declared or the interest has been earned. Credit is taken in the financial statements for the proportions of all other types of income which are receivable in the financial period.

#### **1. ACCOUNTING POLICIES (Continued)**

##### **Expenditure**

Expenditure is allocated to the charitable company's principal activity as directed costs where the costs can be identified as being directly related to the activity. All costs that cannot be identified as relating directly to the charitable company's principal activity are categorised as either support costs or governance costs. Any costs that cannot be specifically categorised are allocated in proportions based upon a suitable ration applicable to the nature of the cost involved.

Governance costs are the costs associated with running the charitable company as a charitable company, and include a proportion of staff costs, costs of the trustees' meetings and audit fees.

## **SOKA GAKKAI INTERNATIONAL - UK**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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Expenditure is recognised in the period in which the rights and obligations that relate to goods received by, or services performed for, the charitable company are materially fulfilled, with the relevant liability to pay the suppliers concerned being recognised as a liability.

#### **Tangible fixed assets**

All tangible assets purchased that have an expected useful economic life that exceeds one year and have a cost of £1,000 or more are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land. A full year of depreciation is charged in the year of purchase. The rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Freehold properties	at 2% on a straight line basis
Short leasehold properties	over the remaining life of the lease
Plant and machinery	at 15% or 20% on a reducing balances basis

#### **Heritage assets**

Heritage assets, consisting of ornaments and art collections, are included in the balance sheet at fair value. The gains or losses arising upon their annual revaluation are included in the statement of financial activities. They are not depreciated as they are considered to have indefinite lives.

#### **Investments**

The charitable company's investments are included in the balance sheet at fair value (their market value). The gains or losses arising upon their annual revaluation are included in the statement of financial activities.

#### **Stocks**

Stocks are valued at the lower of the cost and net realisable value.

#### **Leased assets and obligations**

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payment are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases are "Operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

### **1. ACCOUNTING POLICIES (Continued)**

#### **Financial instruments**

A financial instrument is a contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are therefore classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual invest in the assets of the entity after deducting all of its liabilities.

#### **Financial assets and liabilities**

## **SOKA GAKKAI INTERNATIONAL - UK**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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The charitable company's debtors and creditors that meet the definition of either a financial asset or a financial liability are initially recognised at the transaction value and thereafter are stated at amortised cost using the effective interest method, less any impairments.

Cash is represented by cash in hand and deposits with financial institutions repayable without notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### **Pension contributions**

The charitable company makes contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the year.

#### **Fund accounting**

The general fund comprises the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objective of the charitable company.

Designated funds are a particular form of unrestricted funds consisting of amounts which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet.

Expendable endowment funds allow the capital of the fund to be spent if the trustees so determine, subject to any specific requirements of the fund.

## **2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

In the opinion of the trustees, there were no specific judgements and assumptions that were critical to the preparation of these financial statements. The only estimate considered to be critical is estimating the useful economic life of tangible fixed assets.

**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

					<b>Total 2019 £</b>	<b>Total 2018 £</b>
<b>3. DONATIONS AND LEGACIES</b>						
General donations and other similar types of voluntary income					1,853,369	2,187,347
					=====	=====
<b>4. ADVANCEMENT OF RELIGION</b>	<b>Total</b>	<b>Total</b>			<b>2019 £</b>	<b>2018 £</b>
Income from events and courses					277,473	259,357
Publications income					170,667	172,928
Shops income					342,824	373,494
Other income sources					34,466	36,008
					=====	=====
					825,430	841,787
					=====	=====
<b>5. INVESTMENTS</b>	<b>Unrestricted</b>	<b>Endowment</b>	<b>Total Funds £</b>	<b>Total Funds £</b>	<b>2019 £</b>	<b>2018 £</b>
Bank interest receivable on short term cash deposits			5,644	92,015	97,659	144,086
Income from investments listed on a recognised stock exchange			-	16,280	16,280	249,087
Rent receivable under operating leases			14,400	-	14,400	14,400
			=====	=====	=====	=====
			20,044	108,295	128,339	407,573
			=====	=====	=====	=====
Comparative figures:						
			<b>Unrestricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2018 £</b>	
Bank interest receivable on short term cash deposits			5,462	138,624	144,086	
Income from investments listed on a recognised stock exchange -	249,087	249,087				
Rent receivable under operating leases	14,400	-	14,400			
			=====	=====	=====	
			19,862	387,711	407,573	
			=====	=====	=====	

**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Total 2019 £ Total 2019 £</b>	<b>Total 2018 £ Total 2018 £</b>
<b>6. RAISING FUNDS</b>		
Investment management costs	7,844	83,878

<b>7. COSTS OF THE ADVANCEMENT OF RELIGION</b>	<b>Unrestricted Funds £</b>	<b>Endowment Funds £</b>		
Costs of events & courses, regional, divisional, national and group costs:				
Direct costs	455,084	-	455,084	602,741
Staff costs	1,327,204	-	1,327,204	1,240,602
Provision of facilities	1,430,730	-	1,430,730	1,363,089
Publications costs	80,064	-	80,064	76,456
Shop costs	182,489	-	182,489	196,931
Other direct costs	91,487	-	91,487	78,795
Donations to SGI Europe	27,054	-	27,054	-
Costs of the Centre for Applied Buddhism (CfAB)	12,153	-	12,153	13,413
	<u>3,606,265</u>	<u>-</u>	<u>3,606,265</u>	<u>3,572,027</u>
Support costs (see note 8)	<u>239,911</u>	<u>59</u>	<u>239,970</u>	<u>264,632</u>
	<u>3,846,176</u>	<u>59</u>	<u>3,846,235</u>	<u>3,836,659</u>

Comparative figures:

<b>COSTS OF THE ADVANCEMENT OF RELIGION</b>	<b>Unrestricted Funds</b>	<b>Endowment Funds</b>	<b>Total 2018</b>
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**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

			<b>Total 2019 £</b>	<b>Total 2018 £</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Costs of events & courses, regional, divisional, national and group costs:				
Direct costs	602,741	-	602,741	
Staff costs	1,240,602	-	1,240,602	
Provision of facilities	1,363,089	-	1,363,089	
Publications costs	76,456	-	76,456	
Shop costs	196,931	-	196,931	
Other direct costs	78,795	-	78,795	
Donations to SGI Europe	-	-	-	
Costs of the Centre for Applied Buddhism (CfAB)	13,413	-	13,413	
	<u>3,572,027</u>	<u>-</u>	<u>3,572,027</u>	
Support costs (see note 8)	<u>264,385</u>	<u>297</u>	<u>264,632</u>	
	<u>3,836,412</u>	<u>297</u>	<u>3,836,659</u>	
	=====	=====	=====	
<b>8. SUPPORT &amp; GOVERNANCE COSTS</b>	<b>Support Costs £</b>	<b>Governance Costs £</b>		
Staff costs	192,079	-	192,079	185,593
Auditor's remuneration:				
Audit fees	-	15,014	15,014	13,634
Other fees		4,416	4,416	-
Legal and professional fees	17,086	-	17,086	43,545
Bank interest, bank charges and other finance costs	5,281	-	5,281	7,355
Other indirect costs	6,094	-	6,094	14,505



**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

		<b>Total 2019 £</b>	<b>Total 2018 £</b>
	220,540	19,430	239,970
	264,632		

Included within auditors' remuneration are amounts payable to Haysmacintyre LLP in respect of audit services of £13,600 (2018: £12,350).

Comparative figures:

<b>SUPPORT &amp; GOVERNANCE COSTS</b>	<b>Support Costs £</b>	<b>Governance Costs £</b>	<b>Total 2018 £</b>
Staff costs	185,593	-	185,593
Auditor's remuneration:			
Audit fees	-	13,634	13,634
Legal and professional fees	43,545	-	43,545
Bank interest, bank charges and other finance costs	7,355	-	7,355
Other indirect costs	14,505	-	14,505
	250,998	13,634	264,632

**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>9. STAFF COSTS</b>		<b>2019</b>	<b>2018</b>
		<b>No.</b>	<b>No.</b>
The average monthly number of persons employed by the charitable company (excluding non-executive trustees) during the year was as follows:			
Advancement of religion		41	38
		=====	=====
		£	£
Staff costs for the above persons:			
Wages and salaries		1,243,029	1,188,755
Social security costs		123,581	116,992
Other pension costs		111,914	81,956
Staff training and health insurance		40,759	38,492
		=====	=====
		1,519,283	1,426,195
		=====	=====

Total emoluments and pension contributions were payable to the following trustees solely in relation to their roles as senior members of staff under the authority set down in the company's Memorandum and Articles of Association dated 28 April 2004: **2019**

	<b>Remuneration</b>	<b>Pension Contributions</b>	<b>Other Benefits</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
R P Harrap – General Director	64,488	4,745	-	69,233
R A Samuels – Vice General Director	31,038	3,200	2,242	36,480
K Fujii – Vice General Director	38,693	2,847	2,731	44,271
	=====	=====	=====	=====
	134,219	10,792	4,973	149,984
	=====	=====	=====	=====

**2018**

	<b>Remuneration</b>	<b>Pension Contributions</b>	<b>Other Benefits</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
R P Harrap – General Director	63,299	4,658	-	67,957
R A Samuels – Vice General Director	49,569	3,200	1,872	54,641
K Fujii – Vice General Director	40,026	2,948	2,287	45,261
	=====	=====	=====	=====
	152,894	10,806	4,159	167,859

# SOKA GAKKAI INTERNATIONAL - UK

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### FOR THE YEAR ENDED 31 DECEMBER 2019

No other trustee received remuneration from the charitable company during the current or previous year.

#### 9. STAFF COSTS (continued)

Other than as disclosed above during the current and previous year, no employee received total emoluments in excess of £60,000.

However, in addition to the amounts disclosed above, the aggregate remuneration and benefits for the key management personnel for their services to the charity amounted to £335,504 (2018: £351,332).

During the year no trustees (2018: Nil) were reimbursed for travel or other expenses incurred in their role as trustee on behalf of the charity totalling.

Termination payments of £Nil (2018: £3,406) were paid during the year.

The charity has taken out a trustees' indemnity insurance policy that provides professional indemnity cover amounting to £1 million in respect of any one claim for the trustees of the charitable company. The cost of this insurance policy to the charitable company for the year was £900 (2018: £900).

#### Contribution of volunteers

In addition to the trustees, the charitable company is also reliant upon the major contributions made by thousands of volunteers who contribute significant amounts of their time in the delivery of charitable activities.

The Trustees estimate that volunteers provide at least 85,000 man hours per year towards the work of the charitable company at its four centres and an incalculable amount of hours in support of its activities throughout the country, for which the trustees express their sincere thanks.

#### 10. TANGIBLE ASSETS

	Short			
	Freehold Leasehold Plant and properties properties			
	machinery Total			
	£	£	£	£
Cost:				
1 January 2019	22,817,995	-	4,980	5,893
Additions	-	-	59,297	70,170
Disposals	-	-	(279)	(279)
31 December 2019	22,822,975	5,893	2,118,490	24,947,358
Depreciation:				
1 January 2019	6,234,261	-	1,335,898	7,570,159
Charge for year	456,460	426	117,984	574,870
Disposals	-	-	(267)	(267)
31 December 2019	6,690,721	426	1,453,615	8,144,762
Net book value:				
31 December 2019	16,132,254	5,467	664,875	16,802,596

31 December 2018	16,583,734	-	723,574	17,307,308
	=====	=====	=====	=====

## SOKA GAKKAI INTERNATIONAL - UK

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 10. TANGIBLE ASSETS (Continued)

The cost of the charitable company's interest in freehold land has been assessed by the trustees to be so immaterial that it has been treated as £Nil for the purposes of calculating depreciation.

Certain elements of the charitable company's property assets are let, when surplus to requirements, to tenants in order to generate rental income under operating leases.

#### 11. HERITAGE ASSETS

Ornaments and art collection			2019 £	2018 £
1 January	1,218,850	1,216,520		
Revaluation			30,800	2,330
Fair value at 31 December 2019			1,249,650	1,218,850
			=====	=====

The ornaments and art collection were valued by Gurr Johns, independent art advisors and valuers, at 31 October 2019. All items have been held for more than 5 years.

#### 12. INVESTMENTS

	2019 £	2018 £
Listed investment portfolio	18,667,499	15,383,151
Fixed term deposits	11,058,872	11,369,823
Total investments	29,726,371	26,752,974
	=====	=====

Investment listed on a recognised stock exchange, held primarily to provide an investment return, at market value:

1 January 2019	14,967,764	13,641,146	Additions at cost	10,226,849	8,239,248
Disposal proceeds				(9,814,083)	(5,529,262)
Realised (losses)/gains				591,248	(256,027)
Unrealised (losses)/gains				2,695,721	(1,127,341)
				18,667,499	14,967,764
Cash held by investment managers				-	415,387
Fair value at the end of the year				18,667,499	15,383,151
Historical cost at the end of the year				15,989,700	15,514,566
				=====	=====

**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

At the balance sheet date, the market value of the charity's listed investment portfolio comprised:			
UK Investments		18,667,499	9,813,966
Overseas investments		-	5,153,798
		<u>18,667,499</u>	<u>14,967,764</u>
		=====	=====
<b>13. STOCKS</b>		<b>2019</b>	<b>2018</b>
		£	£
Finished goods and goods for resale		271,057	332,042
		=====	=====
<b>14. DEBTORS</b>		<b>2019</b>	<b>2018</b>
		£	£
Amounts falling due within one year:			
Trade debtors		12,385	42
Other debtors		9,877	24,254
Prepayments and accrued income		215,665	353,950
		<u>237,927</u>	<u>378,246</u>
		=====	=====
<b>15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>2019</b>	<b>2018</b>
		£	£
Trade creditors		115,153	136,012
Other taxation and social security costs		41,919	38,351
Accruals		24,800	75,568
		<u>181,872</u>	<u>249,931</u>
		=====	=====
<b>16. PENSION COMMITMENTS</b>			

The charitable company makes contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs (as shown in note 9) is the total contributions payable for the year. There is no amount payable at the balance sheet date to be included in creditors: amounts falling due within one year as this was paid before year end.

**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**17. FINANCIAL COMMITMENTS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
At 31 December 2019, the charitable company was committed to make the following total future minimum payments under non-cancellable operating leases:		
In respect of land and building leases:		
Within one year	85,000	85,000
Between one and five years	340,000	340,000
After five years	665,833	750,833
	<u>1,090,833</u>	<u>1,175,833</u>
	=====	=====

The current land and buildings lease was renegotiated and finalised in 2019.

In respect of plant and machinery leases:		
Within one year	11,006	11,006
Between one and five years	30,671	40,112
	<u>41,677</u>	<u>51,118</u>
	=====	=====

**18. FINANCIAL INSTRUMENTS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Financial assets held at fair value	18,667,499	14,967,764
Financial assets held at amortised cost	11,565,913	12,391,018
(115,154) (136,012)		
Financial liabilities held at amortised cost		

Financial assets held at fair value comprise listed investments.

Financial assets held at amortised cost comprise trade and other debtors, fixed term deposits, cash held with investment managers and cash at bank.

Financial liabilities held at amortised cost comprise trade and other creditors.

**19. THE FUNDS OF THE CHARITY**

1 January 2019	Income	Expenditure	Gains/losses fixed assets & Investments	Transfers Between Funds	31 December 2019
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# SOKA GAKKAI INTERNATIONAL - UK

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### FOR THE YEAR ENDED 31 DECEMBER 2019

	£	£	£	£	£	£
<b>Endowment funds:</b>						
Commemorative Expendable Endowment Fund	26,276,437	108,295	(7,903)	3,286,969	(520,000)	29,143,798
<b>Unrestricted income Funds:</b>						
General Fund	839,347	2,698,843	(3,846,176)	30,800	993,912	716,726
Designated Taplow Court Fund	200,000	-	-	-	-	200,000
Designated local Centres Fund	500,000	-	-	-	-	500,000
Designated Fixed Assets Fund	18,526,158	-	-	-	(473,912)	18,052,246
	<u>20,065,505</u>	<u>2,698,843</u>	<u>(3,846,176)</u>	<u>30,800</u>	<u>520,000</u>	<u>19,468,972</u>
	46,341,942	2,807,138	(3,854,079)	3,317,769	-	48,612,770
	=====	=====	=====	=====	=====	=====

The commemorative Expendable Endowment fund was set up in 2006 upon receipt of an initial donation from Soka Gakkai international Centre in Japan to mark the 75<sup>th</sup> anniversary of the foundation of Soka Gakkai. The investment income generated, as well as the principal amount of the endowment, is available to be spent at any time by the trustees in promoting the charitable purposes of Soka Gakkai International – UK after consultation with the representatives of the donor. Funds are transferred into the General Fund once agreement has been reached to do so. At the balance sheet date, net unrealised gains of £2,677,799 (31 December 2018: Unrealised losses £131,415) arising upon the revaluation of investments were included within the Commemorative Expendable Endowment fund balance.

The Designated Taplow Court Fund was set up in 2012 by way of a transfer of £200,000 funding from the General Fund which will be used for major maintenance projects at Taplow Court. As this fund will be utilised in the event of unforeseen major maintenance, there is no set time frame for its use.

The Designated local centres fund was set up in 2012 by way of a transfer of £400,000 in funding from the General Fund which will be used to finance local centres in the future. As this fund will be utilised in the event that charity decides to purchase a new centre, there is no set time frame for its use.

The Designated Fixed Assets Fund has been set up to clearly identify the funds of the charity that are being held as tangible and heritage assets used to promote the charitable purposes of Soka Gakkai International – UK. Accordingly, transfers are made to or from the Designated Fixed Assets Fund at each balance sheet date to reflect additions and disposals of tangible assets, depreciation charged thereon and any impairment.

**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**19. THE FUNDS OF THE CHARITY – comparative figures**

	1 January 2018	Income	Expenditure	Gains/losses fixed assets & Investments	Transfers Between Funds	31 December 2018
	£	£	£	£	£	£
<b>Endowment funds:</b>						
Commemorative Expendable Endowment Fund	27,876,269	387,711	(84,175)	(1,383,368)	(520,000)	26,276,437
<b>Unrestricted income Funds:</b>						
General Fund	767,455	3,048,996	(3,836,362)	2,330	856,928	839,347
Designated Taplow Court Fund	200,000	-	-	-	-	200,000
Designated local Centres Fund	400,000	-	-	-	100,000	500,000
Designated Fixed Assets Fund	18,963,086	-	-	-	(436,928)	18,526,158
	<u>20,330,541</u>	<u>3,048,996</u>	<u>(3,836,362)</u>	<u>2,330</u>	<u>520,000</u>	<u>20,065,505</u>
	<u>48,206,810</u>	<u>3,436,707</u>	<u>(3,920,537)</u>	<u>(1,381,038)</u>	<u>-</u>	<u>46,341,942</u>
	=====	=====	=====	=====	=====	=====

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible Fixed		Current	Current	
	Assets	Investments	Assets	Liabilities	TOTAL
	£	£	£	£	£
<b>Endowment funds:</b>					
Commemorative Expendable Endowment Fund	-	29,080,139	63,659	-	29,143,798
<b>Unrestricted income funds:</b>					
General Fund	-	646,232	252,366	(181,872)	716,726
Designated Taplow Court Fund	-	-	200,000	-	200,000



**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

Designated Local Centres Fund	-	-	500,000	-	500,000
Designated Fixed Assets Fund	18,052,246	-	-	-	18,052,246
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET ASSETS</b>	18,052,246	29,726,371	1,016,025	(181,872)	48,612,770
	=====	=====	=====	=====	=====

**SOKA GAKKAI INTERNATIONAL - UK**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS – comparative figures**

	<b>Tangible Fixed Assets £</b>	<b>Investments £</b>	<b>Current Assets £</b>	<b>Current Liabilities £</b>	<b>TOTAL £</b>
<b>Endowment funds:</b>					
Commemorative Expendable Endowment Fund	-	26,189,779	106,062	(19,404)	26,276,437
<b>Unrestricted income funds:</b>					
General Fund	-	563,195	506,679	(230,527)	839,347
Designated Taplow Court Fund	-	-	200,000	-	200,000
Designated Local Centres Fund	-	-	500,000	-	500,000
Designated Fixed Assets Fund	18,526,158	-	-	-	18,526,158
<b>NET ASSETS</b>	18,526,158	26,752,974	1,312,741	(249,931)	46,341,942
	=====	=====	=====	=====	
	=====				

**21. RELATED PARTY TRANSACTIONS**

SGI-UK is a member of the Network of Buddhist Organisations in the United Kingdom and a corporate member of UNICEF and the Commonwealth Human Ecology Council. As a member of the Soka Gakkai International (“SGI”) community worldwide SGI-UK is implicitly related to all similar SGI entities and particular works closely with the founder SGI entity based in Tokyo, Japan.

During the year, the charitable company gave donations amounting to £27,054 (2018: £Nil) to SGI Europe. SGIUK printed publications to the value of £12,036 to be used by SGI in other European countries at the request of SGI Europe (SGI-EBA). SGI-UK invoiced SGI-EBA for the publications in 2019 for which payment was outstanding at the year-end.

During the year trustees donated a total of £14,675 (2018: £16,670) to the charity.

**22. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES**

	<b>2019 £</b>	<b>2018 £</b>
<b>NET MOVEMENT IN FUNDS FOR THE REPORTING PERIOD</b>	2,270,828	(1,864,868)
<b>Adjustments for:</b>		
Dividends, interest and rents from investments	(128,339)	(407,573)
(Gains)/losses on listed investments	(3,286,969)	1,383,368
Depreciation charges	574,870	584,866
Revaluation of ornaments and art collection	(30,800)	(2,330)
Loss on disposal of fixed assets 12 - Decrease/(increase) in stocks	60,985 (2,604)	
Decrease in debtors	140,319	28,785
(Decrease)/increase in creditors	(68,059)	69,377

NET CASH (USED IN)/GENERATED FROM ————— OPERATING ACTIVITIES (467,153)  
(210,979)

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SOKA GAKKAI INTERNATIONAL - UK

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

## 23. POST BALANCE SHEET EVENTS

The charity is treating Covid 19 as a non-adjusting post balance sheet event as it emerged after the year end. Whilst the value of investments in the endowment fell sharply at the time of the initial outbreak of the pandemic, they have since recovered well and were valued at £29,985,732 on 16/07/2020. The Endowment investments are held for the long term and the Trustees expect that there will be volatility in the short and medium term, but we expect values to fully recover in the longer term. The Finance Committee and the Trustees monitor the management of the investments on a monthly basis and at these meetings the asset allocation and investment strategy is reviewed.