

The Daiwa Anglo-Japanese Foundation

Financial Statements together with trustees' and independent auditor's reports
For the year ended 31 March 2017

Registered Charity No.299955

Reference and administrative information

Trustees	Sir Peter Williams CBE FRS, Chairman Mr Shigeharu Suzuki, Vice Chairman Professor Richard Bowring Mr Paul Dimond CMG Mr Yusuke Kawamura Ms Mami Mizutori Mr Masaki Orita Professor Hirotaka Takeuchi Mr Stephen Barber Ms Elizabeth Davidson Lady Barbara Judge Mr Stuart Chambers (appointed 16 November 2016)	
Director General and Secretary	Mr Jason James	
Registered office	Daiwa Foundation Japan House 13/14 Cornwall Terrace London NW1 4QP	
Charity Number	299955	
Auditors	KPMG LLP Chartered Accountants and Registered Auditor 15 Canada Square London E14 5GL	
Solicitors	Clifford Chance 10 Upper Bank Street London EC14 4JJ	
Bankers	Lloyds TSB Bank plc Cheapside Branch 34 Moorgate London EC2R 6PL	Mizuho Bank Akasaka Branch Toho Building 2-5-1, Akasaka Minato-Ku
Investment Managers	BlackRock 12 Throgmorton Avenue London EC2N 2DL	

The Daiwa Anglo-Japanese Foundation
Trustees' Report
For the year ended 31 March 2017

The Trustees present their annual report on the activities of the Daiwa Anglo-Japanese Foundation ("the Foundation"). The information on page 2 forms part of this report.

Structure, Governance and Management

The Foundation was established with a benefaction from Daiwa Securities Co Ltd in 1988. It was constituted under a Trust Deed dated 16 August 1988 and is a registered charity, number 299955.

The appointment, retirement and management of the Board of Trustees are governed by guidelines determined by Trustees and reviewed periodically. The maximum term of appointment is normally 9 years. The power of appointing members, either by way of replacement or addition, is vested in the Board of Trustees. Appointments should be by consensus. The Trust Deed requires that a majority of the Trustees of the Foundation must be of British nationality and resident in England or Wales.

The induction process for any newly appointed Trustee comprises meetings with the Chairman, the Board and the Director General. Induction materials include a copy of the Foundation's Trust Deed, Minutes of recent Trustees' meetings, copies of the Annual Review and of relevant reports and papers relating to the Foundation's activities.

The Director General communicates to the Trustees any significant changes to legislation or reporting requirements that may be relevant to the Foundation.

Meetings of the Board of Trustees are held twice a year and deal with matters of broad strategy and policy applying to the Foundation's programmes, finances and general management. A selection panel of UK Trustees meets once a year to award Daiwa Scholarships. Authority is delegated by the Board to the Managing Trustees (currently Sir Peter Williams, Mr Paul Dimond and Ms Mami Mizutori) to approve grants on its behalf and to exercise all or any of the other powers of the Trustees as specified in section 8.1 of the Trust Deed.

The day-to-day administration of grants and scholarships is delegated to the Director General and staff of the Foundation. Management meetings between the Director General and Managing Trustees are held at least three times per year, to approve grants and to deal with other major areas of the Foundation's work.

Key management personnel remuneration

The Trustees consider the board of Trustees (in particular the Managing Trustees) and the Director General to be the key management personnel of the Foundation, in charge of directing and controlling, and running and operating the Foundation on a day to day basis. The Managing Trustees during the year under discussion were Sir Peter Williams, Mr Paul Dimond and Ms Mami Mizutori. All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 6 to the accounts.

The pay of the Director General is reviewed annually by the Managing Trustees and is normally increased by a small increment each year, with reference to trends in average earnings and inflation.

The Daiwa Anglo-Japanese Foundation
Trustees' Report
For the year ended 31 March 2017
Risk management

The principal risks faced by the Foundation lie in the performance of its investments and in shifts in the yen-sterling exchange rate.

The size of the Foundation's annual budget is based on the Trustees' view of the likely long-term returns on the permanent endowment, considered on a total return basis. In arriving at this view, the Trustees take advice from the Investment Committee, which consists of two Trustees and the Director General, all of whom have professional experience of managing investments. After the end of the fiscal year under discussion the Investment Committee was merged with the Management Committee, which now consists of four Trustees, two of whom have professional experience of managing investments. Risks relating to the investment portfolio are mitigated by retaining professional investment managers and by having a broadly diversified investment portfolio.

The yen-sterling exchange rate represents a risk to the Foundation for two major reasons. First, an office is maintained in Tokyo with three staff, resulting in significant fixed costs denominated in yen. Secondly, the costs of the flagship Daiwa Scholarships programme are mostly incurred in Japan, being the stipends paid to Scholars to cover their living expenses, and other costs of the programme, most notably fees paid to Japanese language schools. The Foundation mitigates this risk by buying yen in advance to cover a portion of future liabilities.

The Foundation also faces risks that its programmes may prove ineffective in their objective of advancing the education of British citizens about Japan, and vice versa. In order to prevent this from happening, all programmes are regularly reviewed by Trustees as to their effectiveness, and programmes are from time to time discontinued and new ones introduced. The Trustees authorise three of their number (the "Managing Trustees" – increased to four following the end of the fiscal year) to exercise closer scrutiny of the day-to-day issues facing the Foundation, and in particular to authorise all grants made, to ensure that as far as possible these go to support projects in line with the Foundation's overall objectives.

The Foundation's objects and powers

The objects of the Foundation as stated in the Trust Deed are as follows:

- (a) The advancement of the education of the citizens of the United Kingdom and the citizens of Japan in each other's institutions, business organisations, economy, culture, heritage, history, language, literature, art, music, and medical and scientific achievements.

- (b) The award of scholarships or maintenance allowances to enable students and academics at schools, colleges and universities in the United Kingdom or Japan to travel abroad to pursue their education.
- (c) To make grants to institutions having exclusively charitable objectives according to the law of England and Wales which are engaged in promoting for the public benefit education in the United Kingdom or Japan, or research into cultural, historical, medical and scientific subjects and the publication of the useful results of all such research.

In furtherance of these objects, the Trustees have powers:

- (a) To establish a cultural centre in the United Kingdom.
- (b) To organise or sponsor for the public benefit courses, conferences, lectures, seminars, discussion groups, exhibitions, concerts, plays, film shows and readings.
- (c) To provide for the benefit of the public a library, reading room, or other facilities for study.
- (d) To do such things as shall further the foregoing objects or any of them.

The Foundation's headquarters are at Daiwa Foundation Japan House, 13/14 Cornwall Terrace, London NW1 4QP, a five-storey Regency House overlooking Regent's Park. The facilities include exhibition rooms, seminar and meeting rooms and a lecture room. The Tokyo office is located in Room 103 of the Bancho Building, Goban-cho 12-1, Chiyoda-ku, Tokyo 102-0076.

Review of activities

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's objectives for the year and in planning future charitable activities.

To further its charitable purposes for the public benefit, the objectives of the Foundation are achieved by means of the following four main areas of activity:

1. Scholarships

Daiwa Scholarships

Established in 1991, the Daiwa Scholarship programme is aimed at future leaders in their fields who are given the opportunity to spend a 19-month period in Japan undertaking 12 months of intensive Japanese language study, a 1-month homestay and a 6-month work placement. Since 2015, the programme has also included an additional one month of Japanese language training in the UK before departure for Japan. The programme attracts highly-qualified applicants from a variety of academic and professional fields, and generally six British graduates a year are selected as new Daiwa Scholars.

The selection process includes preliminary assessment of applications by the Director General and Foundation staff; first-round interviews of long-listed candidates by the Director General and two external assessors, an interim lunch and alumni forum at Daiwa Foundation Japan House, and final interviews by a selection panel of UK Trustees.

The six Daiwa Scholars selected in 2016 began their 19-month programme in Japan in September 2016. Six further candidates were awarded Daiwa Scholarships by the Trustees of the Foundation in March 2017.

The six 2015 Daiwa Scholars completed their Scholarships in March 2017, bringing the total number of alumni to 165. The Daiwa Scholars Alumni Association plays an ongoing role in support of the recruitment and briefing of new Daiwa Scholars and in creating opportunities for networking across the year groups.

The six Scholars completing the programme in 2017 sat the Japanese Language Proficiency Test; three members of the group passed Level N-2, two passed Level N-3, and one passed Level N-4.

The recruitment of new Scholars is facilitated by website developments, university milk-round visits and the involvement of the Daiwa Scholars Alumni Association in other awareness-raising activities.

Daiwa Scholarships in Japanese Studies

This scholarship scheme, enabled by generous additional funding from the Daiwa Securities Group, was launched in May 2015 to provide full funding for postgraduate students of Japanese Studies on courses in either Japan or the UK. Applicants must be British citizens who are holders of a degree in Japanese Studies, defined as a course focusing primarily on the study of Japan and containing a substantial Japanese language component.

Three new scholarships under this programme were awarded in March 2017, bringing the total number of scholars to eight.

Details of both scholarships, including application forms, are available on the Foundation's website.

2. Grants, Awards and Prizes

Grant-giving during the year was carried out via the following three programmes:

- *Daiwa Foundation Small Grants* are available from £2,000-£7,000 to individuals, societies, associations or other bodies in the UK or Japan to promote and support interaction between the two countries. They can cover all fields of activity, including educational and grassroots exchanges, research travel, the organisation of conferences, exhibitions, and other projects and events that fulfil this broad pump-priming objective. New initiatives are especially encouraged.
- *Daiwa Foundation Awards* are available from £7,000-£15,000 for collaborative projects that enable British and Japanese partners to work together, preferably within the context of an institutional relationship. Until 2014, scientific collaborations were ineligible for Daiwa Foundation Awards, being covered instead by the Royal Society - Daiwa Anglo-Japanese Foundation Joint Project Grants. Following the cessation of the latter scheme in 2014, all fields of activity are now eligible for Daiwa Foundation Awards.

The Foundation also supports UK-Japan interaction through two prize schemes:

- *Daiwa Adrian Prizes*, named to commemorate the late Lord Adrian, are awarded every three years in recognition of significant scientific collaboration between Japanese and British research teams. In 2016 four *Daiwa Adrian Prizes*, to a total of £40,000, were awarded to research teams from 10 different universities and research institutes in the UK and Japan.
- The *Daiwa Foundation Art Prize* is awarded every three years, offering a British artist a first solo show at a leading Tokyo contemporary art gallery. In addition to an exhibition, the winning artist is given a period of support and introductions to key individuals and

organisations in the Japanese contemporary art world, and is also awarded a participation fee of £5,000. This prize was last won by Oliver Beer in June 2015.

In 2016/17, the Trustees approved Small Grants and Awards to a total of £277,500 (2015/16: £261,450). Grants were allocated for a wide range of arts and humanities, social science and scientific projects, as well as for educational and cultural exchanges between the UK and Japan.

A committee structure is in place for assessing applications for *Daiwa Foundation Small Grants* and *Daiwa Foundation Awards* submitted to the Foundation's offices in London and Tokyo. Recommendations are then submitted to the Managing Trustees for further discussion and approval on behalf of the Board of Trustees. Daiwa Adrian Prizes undergo initial shortlisting by the Director General and staff of the Foundation, before then being assessed by a panel from the Royal Society. In the case of the Daiwa Foundation Art Prize, both shortlisting and the selection of the final winner are carried out by an external panel of experts chaired by Jonathan Watkins, Director of Ikon Gallery in Birmingham.

Details of deadlines and criteria for Grants, Awards and Prizes, together with the relevant application forms and guidelines, are available on the Foundation's website.

3. Events

The Foundation's programme of events reflects its wider objectives in supporting the ongoing exchange of information and ideas between Britain and Japan. Educational and cultural events held at Daiwa Foundation Japan House in 2016/17 have included seminars and lectures on aspects of contemporary Japan, book launches, art exhibitions, workshops and other meetings of Japan-related interest groups. Audiences have been drawn from government, business, academic and professional circles, and from interested members of the general public.

The 2016 annual seminar series took *Finding a Balance* as its theme. Topics covered included immigration, social media, and the reconstruction of the Tohoku region after the 2011 earthquake and tsunami. The 2017 series focuses on *History*, which remains a controversial and contested subject between Japan and several of its neighbours. Details of seminar proceedings are made available on-line via the Foundation's website, and most seminars are also live-streamed on the internet, allowing for participation from across the UK and beyond.

The Foundation also presents a wide variety of other lectures. Policy-related topics covered in 2016-17 included Japan's relations with Russia, its defence capacity building programme in Southeast Asia, ocean acidification, social inequality, the "o-taku" phenomenon, immigration, journalism, the growth of "virtual relationships", Brexit and cybersecurity. Cultural topics included ballet, lacquerware, traditional Japanese music, Edo period art, and perversion in Japanese literature, as well as a number of talks by artists showing their work either at the Daiwa Foundation or at other London galleries. One unusual cultural event was a zazen session hosted by the visiting head priest of a zen temple in Tokyo.

Book launches and associated lectures have been a regular feature of the Daiwa Foundation Japan House programme, providing support for academic authors and publishers and a vehicle for widening access to new research publications on Japan.

A number of art exhibitions and related workshops were held over the course of the year, from the colourful compositions of Umi Kumano to the more minimalist aesthetic of Toshihiro Hamano. One of our exhibitors, illustrator Natsko Seki, is increasingly visible on everything from London Transport posters to airline menus, while Yoi Kawakubo's "Stella Maris", a drinkable artwork involving gin and dry curacao, contributed to a notably convivial opening evening.

In addition to specialist meetings arranged by the Foundation, the facilities of Daiwa Foundation Japan House are made available to various Japan-related associations and clubs for educational and cultural purposes.

The Foundation periodically extends its events programme beyond Daiwa Foundation Japan House and outside London. A major symposium was held in Sheffield, in collaboration with the University of Sheffield, on the topic of disasters, while several speakers visiting from Japan also gave talks at various universities across the UK.

In Japan the Foundation held its second annual Daiwa Ichiban Lecture, in collaboration with the British Embassy in Tokyo. The lecturer was Lionel Barber, Editor of the Financial Times, on the subject of “Britain after Brexit”.

4. Cultural Relations

As the largest UK charity acting to support and enhance understanding between Britain and Japan, the Foundation’s role extends beyond its specific funding and events programmes. It works in close association with educational and cultural bodies in the UK and Japan and with Japan-related agencies, organisations and foundations to facilitate links between the two countries. The Foundation is represented on various external committees and provides information and advice on the development of Anglo-Japanese projects and initiatives. Through direct participation in meetings, seminars and conferences, it actively contributes to developing and fostering exchange activities and cultural links at all levels.

Financial Review

Financial result for the year

As shown in the main body of the accounts, the Foundation had net expenditure of £931,327 (2016: £820,115) for the year. The Foundation recorded a net gain on funds under management of £6,196,038 (2016: net loss of £977,781). The net movement in funds has been added to the accumulated fund in the balance sheet.

Financial statements

In drawing up the financial statements, the Foundation has complied with the Statement of Recommended Practice: Accounting and Reporting by Charities January 2015. The Trustees are satisfied that the financial statements comply with current statutory requirements and with the requirements of the Foundation’s Trust Deed. Following approval of the financial statements, copies will be filed with the Charity Commission.

Investment activities

The Trustees confirm that the Foundation’s investments are held and managed in accordance with the Trustees’ powers as set out in section 4 of the Trust Deed. In accordance with section 4.1.4 of the Trust Deed, the Trustees have delegated the discretionary management of the Foundation’s funds to BlackRock.

The Foundation’s funds are managed with the objectives of protecting the value of the original benefactions in real terms and generating sufficient return to support the Foundation’s purpose.

Reserves policy

It is the intention of the Trustees to maintain the accumulated funds at an amount that will generate sufficient funds to meet a regular level of grants and other items of expenditure. In practice, this

means that the inflation-adjusted value of the original benefactions is periodically calculated and compared with the value of the accumulated funds. Any adjustments in expenditure are based on maintaining this inflation-adjusted value, except that following the Tohoku Earthquake in March 2011, the Trustees agreed to make available £250,000 for the Daiwa Tohoku Scholarships programme, to be spent out of the Foundation's reserves rather than taken from the ongoing budget. At the end of the 2016/17 financial year, the Foundation's net assets of £41.7m (2015/16: £36.4m) were some 3% above (2015/16: 8% below) the value of the original benefactions in real terms.

Staff and administration

There are currently six full-time members of staff at the London headquarters of the Foundation, with one part-time staff member. The Tokyo office is staffed by two full-time and one part-time member of staff.

Once again, the Trustees of the Foundation acknowledge with gratitude the generous support of Daiwa Securities Group Inc. and Daiwa Capital Markets Europe Limited in respect of certain overhead and other expenditures in Tokyo and London.

Fixed assets

Information relating to tangible and intangible assets is given in notes 9 and 10 to the financial statements.

Auditor

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware and the Trustees have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

A resolution to re-appoint KPMG LLP as auditor for the ensuing year is to be proposed at the winter meeting of the Trustees.

Trustees

The names of the Trustees serving at the date of this report are:

Sir Peter Williams CBE FRS, Chairman
Mr Shigeharu Suzuki, Vice Chairman
Mr Stephen Barber
Professor Richard Bowring
Mr Paul Dimond CMG
Barbara, Lady Judge CBE
Mr Yusuke Kawamura
Ms Mami Mizutori
Mr Masaki Orita
Professor Hirotaka Takeuchi
Mr James Harding (appointed 29 June 2017)
Dr Victoria Tuke (appointed 29 June 2017)

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the trust deed and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

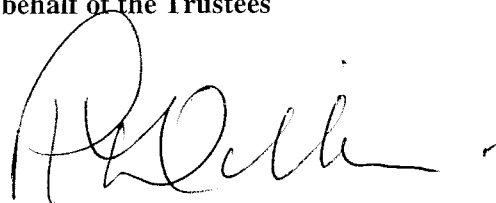
In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, 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 charity will continue in business.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Authority is entrusted and delegated to the three Managing Trustees, Sir Peter Williams, Mr Paul Dimond, and Ms Mami Mizutori, to exercise all or any of the powers of the Trustees as specified in section 8.1 of the Trust Deed.

Signed on behalf of the Trustees



Sir Peter Williams CBE FRS
Chairman

Daiwa Japan House
13/14 Cornwall Terrace
London NW1 4QP
14th November 2017

Independent auditor's report to the Trustees of Daiwa Anglo-Japanese Foundation Charity

We have audited the financial statements of Daiwa Anglo-Japanese Foundation for the year ended 31 March 2017 set out on pages 12 to 38. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the charity's trustees, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10 the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

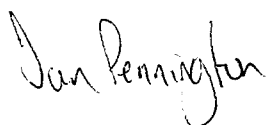
In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

 23rd November 2017

Ian Pennington

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square, London, E14 5GL

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Daiwa Anglo-Japanese Foundation

Statement of Financial Activities For the year ended 31 March 2017

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
				31 March 2017	31 March 2016
	Notes	£	£	£	£
Income	3	390,213	738	390,951	407,152
Expenditure					
<i>Costs of generating funds</i>					
Fund managers' fees		(12,869)	-	(12,869)	(30,357)
<i>Charitable activities</i>					
Scholarships		(501,478)	-	(501,478)	(430,088)
Grants, Awards & Prizes	16	(477,830)	-	(477,830)	(459,335)
Events		(290,159)	-	(290,159)	(265,939)
Cultural Relations		(39,942)	-	(39,942)	(41,548)
Total charitable activities expenditure	5	(1,309,409)	-	(1,309,409)	(1,196,910)
Total expenditure		(1,322,278)	-	(1,322,278)	(1,227,267)
Net gain/(loss) on investment funds	11	6,187,638	8,400	6,196,038	(977,781)
Net Income/(expenditure)		5,255,573	9,138	5,264,711	(1,797,896)
Net movement in funds		5,255,573	9,138	5,264,711	(1,797,896)
Total funds brought forward		36,362,786	48,399	36,411,185	38,209,081
Total funds carried forward		41,618,359	57,537	41,675,896	36,411,185

All income and expenditure derive from continuing activities.

All recognised gains and losses have been included in the Statement of Financial Activities.

The Daiwa Anglo-Japanese Foundation

Balance Sheet As at 31 March 2017

		Unrestricted Funds	Restricted Funds	Total Funds 31 March 2017	Total Funds 31 March 2016
	Notes			£	£
Fixed assets					
Tangible assets	9	154,879	-	154,879	106,885
Intangible assets	10	-	-	-	-
Investments	11	40,865,386	57,215	40,922,601	35,698,352
		<u>41,020,265</u>	<u>57,215</u>	<u>41,077,480</u>	<u>35,805,237</u>
Current assets					
Debtors	12	13,911	-	13,911	36,040
Cash at bank and in hand	13	681,881	322	682,203	697,798
		<u>695,792</u>	<u>322</u>	<u>696,114</u>	<u>733,838</u>
Creditors: amounts falling due within one year	14	(97,698)	-	(97,698)	(127,890)
Net current assets		<u>598,094</u>	<u>322</u>	<u>598,416</u>	<u>605,948</u>
Net assets		<u>41,618,359</u>	<u>57,537</u>	<u>41,675,896</u>	<u>36,411,185</u>
Funds of the Foundation					
Restricted income funds		-	57,537	57,537	48,399
Unrestricted income funds		41,618,359	-	41,618,359	36,362,786
Total Funds		<u>41,618,359</u>	<u>57,537</u>	<u>41,675,896</u>	<u>36,411,185</u>

The financial statements set out on pages 12 to 38 were approved by the Trustees on 14 November 2017 and have been signed on their behalf by:



Sir Peter Williams CBE FRS
Chairman

Daiwa Japan House
13/14 Cornwall Terrace
London NW1 4QP
14 November 2017

1. Accounting policies

A summary of the principal accounting policies of the Foundation is set out below. Except where indicated, they have been applied consistently throughout the year and the preceding year.

a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued May 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no uncertainties about the Foundation's ability to continue as a going concern as the Foundation has investments greatly in excess of committed grants or any other liabilities.

b) Governance costs

Governance costs are the costs associated with the governance arrangements of the Foundation. These costs include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements, for example the cost of trustee meetings and preparing statutory accounts.

c) Donations

Donations are included in the Statement of Financial Activities on a receivable basis when their receipt is ensured.

d) Investment income

Coupon income and bank interest are included in the Statement of Financial Activities on an accruals basis. Dividends are recognised on the basis of the due date for payment and are grossed up for the amount of any taxation recoverable.

e) Grants and Scholarships

Grants are included in the Statement of Financial Activities as soon as they have been approved by the Trustees. Scholarships are included in the Statement of Financial Activities, reflecting the timing of expenditure over the Scholarship period.

f) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis and has been allocated to the particular activity where the costs relate directly to that activity. Overhead and

support costs not directly attributable to particular activities are apportioned over the relevant categories on the basis of management estimates of staff time spent on that activity. Irrecoverable VAT is included within the relevant expenditure heading.

Contributions to employees' individual personal pension schemes are charged in the Statement of Financial Activities in the year in which they fall due.

g) Tangible and Intangible Fixed assets

Tangible and Intangible fixed assets are stated at cost less accumulated depreciation subject to an annual review for impairment. Depreciation is provided on these assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

<i>Asset type</i>	<i>Per annum</i>
Leasehold premium	0.2%
Office equipment & fixtures	10% - 33%
Office furniture	10% - 20%

All fixed assets regardless of value are capitalised on acquisition.

h) Investments

Investments are stated at market value and any realised and unrealised gains and losses are included in the Statement of Financial Activities.

i) Taxation

The Daiwa Anglo-Japanese Foundation is considered to be a charity for tax purposes and therefore benefits from exemptions from taxation on its income and gains falling within Sections 518 to 537 of the Income Tax 2007, Sections 466 to 477 of the Corporation Tax Act 2010, or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that they are applied to its charitable objectives.

j) Fund Structure

Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There is a single restricted fund, the Harold Bell Scholarship Trust fund, restricted to funding scholarships for Japanese High-School English teachers to attend a course in English Teaching at the Bell School in Cambridge.

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

k) Cash flow statement

In accordance with exemptions granted under FRS102 the Foundation is exempt from preparing a cash flow statement on the grounds of size.

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

2. Trust deed

The Foundation was set up under a Trust Deed dated 16 August 1988 between Daiwa Securities Group Inc. and the original Trustees. The Foundation has been entered in the Central Register of Charities by the Charity Commissioners pursuant to the Charities Act 1960, as Charity number 299955.

3. Income

	31 March 2017	31 March 2016
	£	£
Unrestricted Income		
Income from investments	306,439	306,251
Other interest receivable	219	493
Voluntary contributions and centre for visiting academics income	52,755	21,209
Rental income (from Japan Society)	30,800	30,800
	<u>390,213</u>	<u>358,753</u>
Restricted Income		
Income from investments	738	48,399
	<u>390,951</u>	<u>407,152</u>
Total		

There is a single restricted fund in the form of a donation from the Harold Bell Scholarship Trust fund. This donation is restricted to funding scholarships for Japanese High-School English teachers to attend a course in English Teaching at the Bell School in Cambridge.

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

4. Allocation of Support & Governance costs

	Scholar- ships	Grants, Awards & Prizes	Events	Cultural Relations	31 March 2017	31 March 2016
	£	£	£	£	£	£
Depreciation	3,082	2,888	4,044	513	10,527	9,689
Utilities, maintenance and repairs	19,731	19,731	44,770	4,553	88,785	89,822
Personnel (non- Governance)	86,415	83,090	123,552	26,853	319,910	333,183
Other administration expenses	36,377	33,036	31,498	4,975	105,886	43,923
Governance costs (note 6)	18,288	17,145	24,003	3,048	62,484	62,851
	<u>163,893</u>	<u>155,890</u>	<u>227,867</u>	<u>39,942</u>	<u>587,592</u>	<u>539,468</u>

Support costs are apportioned across charitable activities on the basis of staff time expended.

5. Charitable activities expenditure

	Activities undertaken directly	Grant funding of activities	Support & Governance costs	31 March 2017	31 March 2016
	£	£	£	£	£
Scholarships	-	337,585	163,893	501,478	430,088
Grants, Awards & Prizes	-	321,940	155,890	477,830	459,335
Events	62,292	-	227,867	290,159	265,939
Cultural Relations	-	-	39,942	39,942	41,548
	<u>62,292</u>	<u>659,525</u>	<u>587,592</u>	<u>1,309,409</u>	<u>1,196,910</u>

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

6. Governance costs

	31 March 2017	31 March 2016
	£	£
Personnel	29,691	30,733
Trustees' expenses	20,177	20,886
Audit fee	12,616	11,232
	<u>62,484</u>	<u>62,851</u>

Trustees' expenditure includes travel and entertainment expenses of £20,177 to all Trustees (2016: £20,886 to all) associated with Foundation meetings in London and Tokyo. Trustees' meetings are normally held in London twice a year, with one Trustee from Japan representing all Japan-based Trustees. Personnel costs shown above represent those personnel costs deemed to be related to administration rather than the direct charitable activities of the Foundation. External audit fees, exclusive of irrecoverable VAT were £10,300 for the statutory audit, with no other additional work being undertaken.

7. Net income/(expenditure)

Net expenditure for the year includes:

	31 March 2017	31 March 2016
	£	£
Depreciation (see note 9 & 10)	10,527	9,689
Staff costs (see note 8)	349,601	363,916
Auditors' remuneration for the audit of these financial statements	12,616	11,232

8. Staff Costs

The average monthly number of full time equivalent persons employed by the Foundation during the year was 9 (2016: 9). Their aggregate remuneration comprised:

	31 March 2017	31 March 2016
	£	£
Wages and salaries	304,408	321,073
Social security costs	28,589	28,267
Pension contributions	16,604	14,576
	<u>349,601</u>	<u>363,916</u>

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

The Foundation considers its key management personnel comprise the Trustees and the Director General. The total emoluments of the key management personnel were £83,198 (2016: £82,874). All Trustees give of their time freely and no trustee remuneration was paid in the year.

The ranges of employees' emoluments (wages and salaries) over £60,000 were as follows:

	31 March 2017	31 March 2016
£80,000 - £90,000	1	1

The Foundation does not operate a pension scheme. The pension costs for the year represent contributions made by the Foundation towards employees' individual personal pension schemes, of which £4,159 (2016: £2,603) relates to the highest paid employee.

All aspects of the employees' pension arrangements including governance, communication and the scheme design are fully compliant with automatic enrolment.

9. Tangible assets

	Leasehold premium	Office equipment & fixtures	Office furniture	Total Tangible assets
Cost	£	£	£	£
Beginning of year	799,339	89,385	185,067	1,073,791
Additions	-	40,161	18,360	58,521
Disposals	-	(7,602)	(12,586)	(20,188)
End of year	799,339	121,944	190,841	1,112,124
Depreciation				
Beginning of year	704,953	77,461	184,492	966,906
Charge	1,526	8,612	389	10,527
Disposals	-	(7,602)	(12,586)	(20,188)
End of year	706,479	78,471	172,295	957,245
Net book value				
At 1 April 2016	94,386	11,924	575	106,885
At 31 March 2017	92,860	43,473	18,546	154,879

All assets are held for charitable purposes.

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

10. Intangible assets

	Software	Total Intangible assets
Cost	£	£
Beginning of year	19,932	19,932
Additions	-	-
Disposals	-	-
End of year	<u>19,932</u>	<u>19,932</u>
Depreciation		
Beginning of year	19,932	19,932
Charge	-	-
Disposals	-	-
End of year	<u>19,932</u>	<u>19,932</u>
Net book value		
At 1 April 2016	<u>-</u>	<u>-</u>
At 31 March 2017	<u>-</u>	<u>-</u>

All assets are held for charitable purposes.

11. Fixed asset investments

The Foundation's investment portfolio comprises the following, which are shown below at aggregate market value and cost:

	Valuation 31 March 2017	Valuation 31 March 2016	Cost 31 March 2017	Cost 31 March 2016
	£	£	£	£
Investment funds:				
UK investments	21,803,052	19,345,452	20,073,778	18,763,511
Overseas securities	19,119,549	16,352,900	10,984,939	12,533,924
Subtotal investments	<u>40,922,601</u>	<u>35,698,352</u>	<u>31,058,717</u>	<u>31,297,435</u>
Cash	-	-	-	-
	<u>40,922,601</u>	<u>35,698,352</u>	<u>31,058,717</u>	<u>31,297,435</u>

11. Fixed asset investments (continued)

The movement on the balance sheet value of investments is analysed as follows:

	31 March 2017	31 March 2016
	£	£
Market value brought forward at 1 April	35,698,352	37,687,165
Additions at cost	2,277,000	759,000
Disposal proceeds	(3,555,644)	(2,076,283)
Dividend reinvestment	306,855	306,251
Net (loss)/gain in the year	6,196,038	(977,781)
Market value carried forward at 31 March	<u>40,922,601</u>	<u>35,698,352</u>

Funds under management are as follows:

	Market Value	
	31 March 2017	31 March 2016
	£	£
BlackRock	40,922,601	35,698,352
	<u>40,922,601</u>	<u>35,698,352</u>

Investments, including those whose market value represents more than 5% of the total market value of the Foundation's investment portfolio are as follows:

	31 March 2017	31 March 2016
	£	£
Charitrak UK Equity Index	7,860,365	6,419,370
Blackrock North US Index	6,755,787	5,929,589
Blackrock Emerging Markets USD Flex	5,556,626	4,865,556
Blackrock Europe EK-UK Sub Fund Inst.	2,726,947	2,232,858
Blackrock Japan Index Sub Fund USD	2,687,447	2,258,179
Blackrock Pac Rim Index Sub Fund USD	1,392,743	1,066,718
BlackRock Sterling Liquidity Fund	13,942,686	12,926,082
Market value carried forward at 31 March	<u>40,922,601</u>	<u>35,698,352</u>

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

12. Debtors

	31 March 2017	31 March 2016
	£	£
Other debtors	3,000	20,344
Pre-paid expenses	10,911	15,696
	<u>13,911</u>	<u>36,040</u>

13. Cash at bank and in hand

	31 March 2017	31 March 2016
	£	£
Current Accounts	682,203	697,794
Cash on hand	-	4
	<u>682,203</u>	<u>697,798</u>

14. Creditors: amounts falling due within one year

	31 March 2017	31 March 2016
	£	£
Bank overdraft	308	256
Grants payable	17,550	21,500
Scholarships payable	-	-
Other creditors	79,840	106,134
	<u>97,698</u>	<u>127,890</u>

15. Related parties

Daiwa Securities Group Inc. (“the Group”) provides certain support services (including accounting and payroll) to the Foundation in London and Tokyo without charge. The Trustees estimate the value of these services to be small enough not to require disclosure in the Accounts. One of the present Trustees is the Chairman of the Board of the Group and another is a Counsellor to a Group company.

Mr. Jason James, Director General of the Foundation, is an Ordinary Trustee of the Japan Society, which leases the top floor of Daiwa Foundation Japan House from the Foundation. The rent paid by the Japan Society was £30,800 (2016: £30,800).

During the year under review the Foundation launched a new scholarship programme called Daiwa Scholarships in Japanese Studies. Daiwa Securities Group Inc. has generously agreed to fund these scholarships up to a maximum of Y20 million per annum for five years. In the year under review, the amount spent on the scholarships was less than Y20 million, and was therefore approximately matched

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

by additional donations from Daiwa Securities Group. The additional donations do not precisely match the spending on the programme due to currency fluctuations between yen and sterling.

16. Grants, Awards & Prizes

	Number	Value	Number	Value
	31 March	31 March	31 March	31 March
	2017	2017	2016	2016
		£		£
Grants approved in year				
- Institutions	88	293,569	73	237,950
- Individuals	10	27,931	9	28,500
	<u>98</u>	<u>321,500</u>	<u>82</u>	<u>266,450</u>
Grants cancelled or returned in year		(9,224)		(6,837)
		<u>312,276</u>		<u>259,613</u>
Grant administration cost		150		949
Daiwa Foundation Art Prize administration cost		3,126		57,932
Daiwa Adrian Prize administration costs		6,388		3,189
Support & Governance costs (see note 5)		155,890		137,652
		<u>477,830</u>		<u>459,335</u>
			31 March	31 March
			2017	2016
Analysis of grants, awards & prizes awarded in the year		£		£
Daiwa Foundation Small Grants (UK-side)		127,000		110,200
Daiwa Foundation Small Grants (Japan-side)		38,500		38,000
Daiwa Foundation Awards		112,000		113,250
Daiwa Foundation Art Prize		-		5,000
Daiwa Adrian Prizes		44,000		-
Total grants awarded in 2016/2017		<u>321,500</u>		<u>266,450</u>
Grants cancelled or returned in year		(9,224)		(6,837)
Administration costs		9,664		62,070
Support & Governance costs (see note 5)		155,890		137,652
Total grants, awards and prizes		<u>477,830</u>		<u>459,335</u>

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

Grants are made solely at the discretion of the Trustees. Payment of a grant to any charitable body, person or institution requires the approval of a majority of all the Trustees. The Trustees have empowered the Managing Trustees to make grants up to a total of £750,000.

The following pages show the grants which have been approved by the Trustees for the financial year 2016/2017.

Daiwa Foundation Small Grants

Support was provided for the following projects:

UK-side

AC Projects/Alternative Currents Ltd	Support for travel to Glasgow by musicians Takahiro Kawaguchi and Utah Kawasaki to perform and collaborate in The Counterflows festival, 6 to 9 April 2017.	£2,500
Adams, Ms Judith (Whitestone Arts)	Support for a two-week visit to Japan by artists meeting collaborators, gathering information and working on the script for a multi-media performance based on the ghosts from Emily Brontë's 'Wuthering Heights' and Lafcadio Hearn's 'Kwaidan', spring 2017.	£3,000
Barbican Centre (Trust)	Contribution to travel from Japan by architects participating in 'The Japanese House: Architecture and Life after 1945', the first major UK exhibition to focus on Japanese domestic architecture, Barbican Centre, March to June 2017.	£3,000
Chambers, Amanda	Support for an Artist Residency Programme at The Shigaraki Ceramic Cultural Park, Shiga Prefecture and post-residency engagement outcomes with multiple collaborators, March 2017.	£2,231
Cheong, Ms Jannette	Support for travel to the UK by three Noh performers to showcase three collaborative contemporary works with professional Noh actor Akira Matsui in association with SOAS and the Japan Society, February 2017.	£3,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

City of London Sinfonia (CLS)	Support for a CLS tour to Japan including five concerts, a series of projects in Tokyo with young children in hospitals and older adults in care homes and the release of a recording of Japanese songs, March 2017.	£3,500
Dance4	Support for travel to the UK by two Japanese contemporary dancers to collaborate with Nottingham dance artists, local community, university students and a choreographer on a new creation based on the Iwate Shishi-odori Deer Dance, Nottdance Festival, March 2017.	£3,000
Dante String Quartet	Support for a 10-day concert tour of Japan by the Dante Quartet, including four concerts, open rehearsals, new collaborations with two Japanese musicians and two days of teaching at Tokyo University of the Arts and the British School in Tokyo, November 2016.	£3,000
Durham University, Department of Archaeology	Support for travel to Japan by Professor Pettitt to collaborate with Professor Anderson in their study of Hominoid Evolutionary Thanatology, resulting in a keynote academic paper and a multi-disciplinary workshop in Kyoto, March 2017.	£2,000
Edinburgh Art Festival	Contribution to catalogue costs associated with Tatzu Nishi's installation, a functioning hotel room around The Scott Monument during the Edinburgh Art Festival, July to October 2017.	£3,000
Escomb Primary School, Bishop Auckland, Durham	Support for a week-long school exchange visit by Escomb Primary School pupils on a first exchange visit to Ogawara Minami Primary School in Miyagi to enhance links with its partner school and consolidate Japanese learning, October 2016.	£2,700
Fishguard Arts Society	Support for travel from Kyoto to Fishguard by four artists who will share best practice and innovation with Fishguard Arts Society's professional artist members, resulting in an exhibition with demonstrations and workshops and further collaboration, September 2016.	£3,100

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

Fletcher, Dr Robert (Warwick University, History)	Contribution to flights to the UK by six Japan-based academics taking part in a conference centring on the lives and correspondence of British merchants in 19th century Japan, SISJAC, Norwich, June 2017.	£3,700
Gallery Oldham	Support for visits to Japan and exhibition-related costs linked to an art project for primary school children in Oldham and Kagoshima which will explore their historical links through the Satsuma Students, leading to further cultural exchange, December 2016 to summer 2017.	£3,000
Haden, Ms Sally	Support for a visit to Japan to research and hold meetings about an early Meiji glass factory where British instruction helped kick-start Japan's modern glass industry, leading to publications and lectures and exhibitions in both countries, November/December 2016.	£2,000
Impey, Alex	Support for a one-month residency at Hangamura Museum, Sado by an artist from Glasgow to research and respond to the work of woodcut artist Shinichi Takahashi, as an example of traditional technique adjusting to modernity and social imperatives, September 2017.	£3,000
Inman, Ms Megumi	Support for travel by a director and camera operator making a documentary on the waning craft of sake barrel-making in Japan and how this will change the taste and businesses of traditionally barrel-brewed fermented foods such as sake, miso and soy sauce, November 2016 onwards.	£3,000
International Longevity Centre - UK	Support for travel to Japan by three members of ILC-UK staff on an educational fact-finding mission to learn about innovative Japanese solutions to address the issues around an ageing population, leading to further collaboration with ILC-Japan, February/March 2016.	£3,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

Keele University, Centre for Astrophysics	Support for reciprocal UK-Japan visits by academics from Keele and Kagoshima Universities to simulate populations of astrophysical masers, develop source finding and analysis tools for the Square Kilometre Array (SKA) pathfinder surveys and optimise collaboration via workshops and seminars, January 2018.	£3,000
London International Festival of Theatre (LIFT)	Support for the Japanese theatre group Miss Revolutionary Idol Berserker to participate from 22 June to 2 July as a flag-ship show of LIFT 2016 at the Barbican Centre, London.	£3,000
Manchester Metropolitan University, Department of English Literature	Support for reciprocal UK-Japan flights to enable work on a major bilingual issue (2017) of the International Journal of Literature and Trauma Studies, 'Tradition, Trauma & Modernity: Japanese Poetry after 1945', with six of the 12 articles by Japanese scholars, September 2016 onwards.	£3,000
Match&Fuse	Support for a visit to Japan to have meetings with counterparts at the Tokyo Jazz Festival and Jazz Art Sengawa, watch and review showcases of Japanese music for Jazzwise Magazine and discuss possibilities of bilateral cultural exchange, September 2016.	£2,000
National Centre for Craft & Design, Learning & Education, Lincolnshire	Support for travel to Lincolnshire by four Japanese tapestry weavers taking part in 'Here and Now', the first major curated exhibition of tapestry in England for over 20 years, and associated skills workshops, 1 October 2016 to 1 January 2017.	£3,000
Queen Mary University of London, School of Biological and Chemical Sciences	Support for travel to Japan by an academic collaboratively developing automated light-sheet microscopy for time-lapse microscopy of organoids (mini-organs) to uncover cell division mechanisms that help cope with cell shape changes in diseases such as cancer, 2 to 16 April 2017.	£2,000
Ritsumeikan University, Kyoto Museum for World Peace	Support for subsistence and accommodation costs for 24 graduate and postdoctoral researchers from the UK and Japan taking part in the Pax School 2016 in Kyoto and Nagasaki, discussing peace and security issues, 14 to 23 September 2016.	£3,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

Royal College of Art, School of Material	Support for visits to Japan to meet cast iron practitioners and learn about the technique and its cultural relevance, for inclusion in presentations at academic conferences in the UK and taught as part of the RCA's Jewellery & Metal Masters course, January 2017.	£3,000
Science Museum	Support for transport of robots from Japan to be displayed in 'Robots', an exhibition which explores the 500-year story of humanoid robotics, Science Museum, February to September 2017 (and then touring for 5 years).	£3,000
Sir Joseph Williamson Mathematical School, Rochester, Kent	Support for a one-week visit by 20 pupils from Sir Joseph Williamson Mathematical School to Kanto International High School to work together on a joint song and dance performance, leading to regular exchanges of staff and pupils, July 2016.	£2,700
Spyrou, Ms Mary	Support for a visit to Japan for a textile artist/lecturer to acquire skills in natural Japanese indigo dyeing techniques from three master craftsmen, resulting in a booklet, the building of a natural dye vat, an exhibition & material for classes, September, 2017.	£2,500
Stojkovic, Dr Jelena (University of the Arts London)	Support for travel to Japan by Dr Stojkovic to finalise the research and production of her monograph, 'Surrealism and Photography in 1930s Japan: The Impossible Avant-Garde', forthcoming from I.B. Tauris, March to April 2017.	£3,000
Swansea University, Department of Applied Sports Technology Exercise and Medicine	Support for travel to Fukuoka by Dr Bezodis to develop a collaboration in innovative rugby science research and participate in a public lecture on the application of science to rugby, hoping to increase engagement with rugby ahead of the 2019 Japan World Cup, October 2016.	£2,000
Taiko Meantime	Support for travel to the UK by drummer, Chieko Kojima and senior monk at Dojoji Temple, Shunjo Ono to participate in performances and an educational tour of Taiko Meantime's production, 'Dojoji', at seven theatres and four schools, November 2016.	£3,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

Thirty Three Thirty Three	Support for travel to the UK by Japanese artists taking part in "Japan:London 2016", a series of events promoting Japanese and British culture including live musical performance, talks, workshops and screenings in venues such as the ICA and V&A, May to 31 August 2016.	£3,000
University College London, Department of Mathematics	Support for travel to Osaka by academics collaborating on a workshop in stochastic interpolation, a method of incorporating information in a mathematical model which may be applied to issues such as climate risk and protection for insurance liabilities, April 2017.	£3,000
University College London, Division of Infection and Immunity	Support for a visit to Kobe to explore how Varicella Zoster Virus latency affects the nerve cells in which they reside and to establish a new collaboration in the field of Medical Virology, resulting in publications and conference presentations, February 2017.	£2,500
University of Aberdeen, Elphinstone Institute	Support for visits to Japan by two Aberdeen-based performer-academics to enhance academic and community links between Aberdeen and Nagasaki based on their Thomas Glover connection, April 2017.	£2,500
University of Aberdeen, School of Geoscience	Support for a visit combining geological fieldwork in Yamaguchi and a workshop and analysis of the gathered Jurassic mudrocks, which are expected to shed light on decadal- to centennial-scale changes that occurred in response to Toarcian global warming, spring 2017.	£2,500
University of Hull, School of Law and Politics	Support for travel to Japan by three academics from Hull and Cardiff to consolidate links and co-host a workshop to increase understanding of Thomas Hill Green's importance in the history of modern Western philosophy, politics and democratic theory, July 2017.	£3,569
University of Leeds, School of Languages, Cultures and Societies	Contribution to flights from Japan for academics participating in an interdisciplinary workshop on 'tenko' in trans-war Japan, addressing the dearth of scholarship and intellectual exchange on this issue, Leeds, June 2017.	£4,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

University of Nottingham, School of Mathematical Sciences	Support for a three-week visit by Dr Higashitani (Kyoto Sangyo University) to explore new connections between Mirror Symmetry (arising from theoretical physics) and combinatorics (a branch of mathematics) and to give talks at Nottingham, Leicester and Sheffield, July 2016.	£2,000
University of Oxford, Department of Pharmacology	Support for a visit to RIKEN by an Oxford PhD student's supervisor to initiate joint research into synaptic plasticity - the main means by which information is communicated between neurons in the brain, autumn 2017.	£2,000
University of Oxford, Department of Physics	Support for reciprocal UK-Japan flights to catalyse collaboration between gamma-ray astrophysicists at Oxford and JAXA, leading to presentations at international conferences and further collaboration, July and September 2016.	£3,000
University of Sheffield, Department of Automatic Control and Systems Engineering	Support for reciprocal UK-Japan visits by academics from the University of Sheffield and Tokyo University of Agriculture and Technology to initiate collaboration on brain-controlled assistive devices and their rehabilitative applications, resulting in joint publications and further collaborations, July 2016 onwards.	£3,000
University of Southampton, Faculty of Engineering and the Environment	Support for reciprocal UK-Japan visits by academics at Southampton and Tokyo University of Agriculture and Technology studying cavitation bubbles, combining expertise in jet formation and laser-induced cavitation with expertise in non-axisymmetric collapses of bubbles, May and August 2017.	£3,000
University of Surrey, Department of Physics	Support for UK-Japan reciprocal travel to facilitate collaborative research into cement shrinkage, swelling and cracking during water drying and wetting cycles for improved concrete durability leading to lower CO2-impact materials, July 2016 and April 2017.	£3,000
UK-side total		£127,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

Japan-side

BRDG	Support for travel to the UK by five artists from Japan to collaborate with Deptford-based musicians on the double bill, 'Ghost House Gone House' and '117', exploring themes of individuality, home and life abroad, performances in Lewisham and Stroud, September 2016.	£3,500
Futuradition Wao, General Incorporated Foundation	Support for Frances Edgerley, the director of Assemble - a London-based artist collective and winner of the 2015 Turner Prize - to visit Tokyo in relation to the Assemble exhibition at Eye of Gyre, taking place from 2 December 2016 to 26 February 2017	£2,000
Kyoto University, Graduate School of Letters	Support for travel to the UK by three developmental psychologists from Japan taking part in a UK-Japan joint seminar on the effect of digital technology on social and cognitive development, resulting in a publication and further collaboration, Lancaster, March 2017.	£4,000
National Institute of Technology, Gifu College	Support for travel to Southampton by Professor Tomita to engage in collaborative research to produce ultra-high-speed optical signal generators used for optical communications in the UK and Japan, January to December 2017.	£2,000
NHK Symphony Orchestra, Tokyo	Contribution to accommodation costs for NHK Symphony Orchestra musicians participating in a European Concert Tour, performing in London for the first time in 16 years, 6 March 2017.	£5,000
Osaka Prefectural Board of Education	Support for visits to the UK to transport British artefacts, retrieved from shipwrecks in Okinawa, to their country of origin for the duration of an exhibition at Museum of London Docklands (sometime between February and April 2017) and to engage in further research and dissemination.	£3,500
Osaka University Graduate School of Dentistry	Support for Dr Motoki Okamoto to visit Birmingham University for two weeks to collaborate on the establishment of pulp regenerative treatment using dentin matrix components, February 2017.	£2,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

Perfume Art Project	Support for travel between Kyoto and London in summer and autumn 2016 by academics, artists and students collaborating on olfactory art, art and design works using scent and perfume, resulting in exhibitions in Kyoto and London and artist exchanges in 2017.	£3,000
Tanaka, Miyuki	Support for a two-week research trip to the UK by curator and producer Miyuki Tanaka to visit Brighton Digital Festival, Unlimited and SprungDigi to familiarise herself with UK digital culture and disability arts and explore possibilities of collaboration, summer 2016.	£2,500
Tokyo University of Agriculture and Technology	Support for UK-Japan visits by one academic running a workshop on Japanese agricultural research and technological development at Liverpool John Moores University and another hosting a workshop on UK scientific trends in plant sciences in Tokyo, resulting in further collaboration, January to November 2017.	£3,000
Tuning For The Future, Non-profit Organization (TFF)	Support for travel to the UK by three experts from Japan who will hold public lectures and workshops on Japanese traditional pastimes and video games to encourage teamwork and thinking games, East Barnet School and other venues, autumn 2016.	£4,000
UK-Japan Young Scientist Workshop 2016 in Aichi Execution Committee	Support for subsistence for 20 female students from four schools each in Japan and the UK participating in the UK-Japan Young Scientist Workshop which, in its 14th year in Aichi, is dedicated to female students' interest in science, Nagoya University, summer 2016.	£4,000
Japan-side total		£ 38,500
<u>Total</u> (Small Grants)		£165,500

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

Daiwa Foundation Awards

Support was provided for the following projects:

City University , School of Mathematics, Computer Science and Engineering <i>Project Partner:</i>	Support for reciprocal UK-Japan travel by academics collaborating in developing 'smart' composite materials with 'self-sensing' and 'self-healing' functionalities in-built for a variety of applications in industry, August 2016 onwards.	£7,000
University of Tokyo , Department of Mechanical and Biofunctional Systems		
Hiroshima City University , Faculty of International Studies <i>Project Partner:</i>	Support for reciprocal visits between Hiroshima City and Bradford Universities to consolidate a strategic partnership between these two institutions with strong traditions in peace studies, to jointly work on peace education and disarmament issues, 2017-2018.	£7,000
University of Bradford , Division of Peace Studies and International Development		
Imperial College London , Department of Medicine <i>Project Partner:</i>	Support for reciprocal five-day UK-Japan visits by researchers sharing best practice in order to best address global antimicrobial resistance (AMR), February 2017 and February 2018.	£7,000
Kyoto University , Department of Healthcare Economics and Quality Management		
Kew Foundation <i>Project Partners:</i>	Support for transport of art work showcased in the exhibition 'Flora Japonica' (September 2016 to March 2017) in Kew for display at the Science and Nature National Museum and Tokyo University Museum in autumn 2017.	£7,000
Tokyo University Museum , National Museum of Nature and Science , Tokyo		

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

<p>Swansea University, Department of Geography</p> <p><i>Project Partner:</i></p> <p>Tateyama Caldera Sabo Museum</p>	<p>Support for travel to Japan by Swansea University academics using dendrochronology and satellite data to determine the influence of (palaeo-)climate upon recent changes in glacier extent in the Tateyama range of the northern Japanese Alps, July 2017.</p>	<p>£7,000</p>
<p>Tokai University, Institute of Innovative Science and Technology</p> <p><i>Project Partner:</i></p> <p>Aston University, School of Engineering and Applied Science</p>	<p>Support for reciprocal UK-Japan research visits by four researchers at Tokai and Aston Universities collaborating on the fabrication of novel photonic devices, leading towards a wider Research Network, autumn 2016, January and March 2017.</p>	<p>£7,000</p>
<p>University of Birmingham, Institute of Immunology and Immunotherapy</p> <p><i>Project Partner:</i></p> <p>University of Tokushima, Division of Experimental Immunology</p>	<p>Support for reciprocal UK-Japan visits by members of the Anderson and Takahama labs engaging in new collaborative projects investigating how the thymus controls the development of T-cells that are needed to fight infection and target cancer, March 2017 to August 2018.</p>	<p>£7,000</p>
<p>University of Bristol, School of Physics</p> <p><i>Project Partner:</i></p> <p>University of Kyoto, Graduate School of Advanced Integrated Studies in Human Survivability</p>	<p>Support for reciprocal UK-Japan visits by academics collaborating on the deployment of a newly developed unmanned aerial vehicle (UAV) for the safe and high-resolution mapping of Fukushima Daiichi-derived contamination at previously inaccessible or dangerous locations, autumn 2016.</p>	<p>£7,000</p>

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

University of Central Lancashire , School of Social Work, Care and Community <i>Project Partner:</i> J.F. Oberlin University , College of Health and Welfare	Support for reciprocal UK-Japan visits to facilitate university collaboration between young researchers to discuss how best to provide services for disabled children in both countries and to share findings with young people and professionals, June and October 2017.	£7,000
University of Exeter , Camborne School of Mines <i>Project Partners:</i> Akita University , Department of Earth Resource Science, Natural History Museum	Support for reciprocal UK-Japan visits by researchers testing a range of new mineralogical exploration tools to assess the prospectivity of porphyry copper deposits, June and August 2017.	£7,000
University of Leeds , School of Food Science and Nutrition <i>Project Partner:</i> Azabu University , Department of Food and Life Sciences	Support for reciprocal UK-Japan visits by researchers from Leeds and Azabu Universities to engage in the advanced testing of fungal mycotoxin deoxynivalenol in food, resulting in enhanced food safety, December to July 2017.	£7,000
University of Oxford , Nuffield Department of Population Health <i>Project Partner:</i> Osaka University , Department of Biomedical Ethics and Public Policy	Contribution to travel by six researchers from the UK taking part in an international workshop in Kyoto to develop recommended standards for electronic patient interfaces used to transmit research information and record consent, September 2017.	£7,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

University of Salford , School of Environment & Life Sciences	Support for reciprocal UK-Japan travel by researchers investigating antimicrobial peptides and cytochrome P450 family members in breast cancer, paving the way for the development of novel tumour specific therapies, October 2016 and early 2017.	£7,000
<i>Project Partners:</i>		
Tohoku University , Graduate School of Agricultural Science,		
University of Manchester , Faculty of Medical and Human Sciences		
University of Southampton , School of Electronics and Computer Science	Support for UK-Japan reciprocal visits by researchers from Southampton and Tokyo University of Agriculture & Technology to collaborate on next-generation smart sensors based on plasmon-controlled phase transition in vanadium oxide, February to March 2017.	£7,000
<i>Project Partner:</i>		
Tokyo University of Agriculture and Technology , Division of Advanced Electrical & Electronics Engine		
University of Warwick , School of Engineering	Support for reciprocal UK-Japan travel by two teams of six academics including professors, postdoctoral researchers and PhD students participating in workshops on geosynthetic reinforcement of high-speed railway embankments, September 2016 and March 2017.	£7,000
<i>Project Partners:</i>		
Tokyo University of Science , Department of Civil Engineering, University of Tokyo , Institute of Industrial Science		

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

University of Westminster, School of Social Sciences and Humanities	Support for reciprocal UK-Japan visits by five academics researching and organising workshops in London and Japan on wartime planning debates on reconstruction in Britain, leading to papers and enhanced links, March and July 2017.	£7,000
<i>Project Partners:</i>		
Chukyo University, School of Economics,		
Kagoshima University, Department of Architecture and Architectural Engineering,		
Chubu University, Department of English Language and Culture		
<u>Total</u> (Awards)		£112,000
Daiwa Adrian Prizes	In recognition of significant scientific collaboration between British and Japanese research teams in the field of pure science or the application of science.	£44,000
<u>Total</u> (Prize)		£44,000

The Daiwa Anglo-Japanese Foundation
Notes to the financial statements (continued)
For the year ended 31 March 2017

17. Statement of Financial Activities for the year ended 31 March 2016

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
			31 March 2016	31 March 2015
	£	£	£	£
Income	358,753	48,399	407,152	280,081
Expenditure				
<i>Costs of generating funds</i>				
Fund managers' fees	(30,357)	-	(30,357)	(26,860)
<i>Charitable activities</i>				
Scholarships	(430,088)	-	(430,088)	(424,921)
Grants, Awards & Prizes	(459,335)	-	(459,335)	(499,452)
Events	(265,939)	-	(265,939)	(249,694)
Cultural Relations	(41,548)	-	(41,548)	(44,554)
Total charitable activities expenditure	(1,196,910)	-	(1,196,910)	(1,218,621)
Total expenditure	(1,227,267)	-	(1,227,267)	(1,245,481)
Net gain/(loss) on investment funds	(977,781)	-	(977,781)	2,927,101
Net Income/(expenditure)	(1,846,295)	48,399	(1,797,896)	1,961,701
Net movement in funds	(1,846,295)	48,399	(1,797,896)	1,961,701
Total funds brought forward	38,209,081	-	38,209,081	36,247,380
Total funds carried forward	36,362,786	48,399	36,411,185	38,209,081

All income and expenditure derive from continuing activities.

All recognised gains and losses have been included in the Statement of Financial Activities.

Statement of Financial Activities for the year ended 31 March 2016 has been included to disclose the split between Unrestricted and Restricted Funds.