

Company registration number: 02042768
Charity registration number: 295006

**UNITED KINGDOM-JAPAN
21ST CENTURY GROUP
(A company limited by guarantee)**

**Report and Financial Statements
31 March 2017**

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS 2017

CONTENTS	Page
Report of the Trustees	1
Report of the Independent Auditor	6
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED OFFICE

c/o The Japan Society
13/14 Cornwall Terrace
London
NW1 4QP

AUDITORS

Moore Stephens LLP
Chartered Accountants
150 Aldersgate Street
London
EC1A 4AB

BANKERS

Lloyds TSB Bank Plc
Pall Mall Branch
8-10 Waterloo Place
London
SW1Y 4BE

SOLICITORS

Mayer Brown Rowe & Maw LLP
11 Pilgrim Street
London
EC4V 6RW

TRUSTEES

Rt Hon Lord Lansley of Orwell CBE PC (Chairman)
Rt Hon Lord McConnell of Glenscorrodale PC (Treasurer)
Professor Marie Conte-Helm OBE (Executive Director)
Dr Lisa Cameron MP
Rt Hon Lord Cunningham of Felling PC DL PhD
Rt Hon Baroness Garden of Frognal PC
Dr John Nilsson-Wright
Simone Niven
David Richardson
Thomas Swaren
Nigel Talboys
Haruhiko Tsuyukubo
Sir David Warren KCMG
Sir David Wright GCMG, LVO

SECRETARY

Professor Marie Conte-Helm OBE

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their annual report together with the financial statements for the year ended 31 March 2017 which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Incorporation and Charity Registration

The company is incorporated under the Companies Act and is limited by guarantee, the liability of each member being limited to £1. At 31 March 2017 there were 60 members and associate members (2016 - 49).

The company is registered with the Charity Commission, registration number 295006.

Governing Document

The UK-Japan 21st Century Group ("the Group") is a charitable company limited by guarantee governed by its Memorandum and Articles of Association amended in 2003 and further amended in 2010 and 2014 to take account of the latest governance practice.

There is a wider informal group known as 'Members of the Group' who are invited to attend the Annual General Meeting and any other appropriate meetings that may be called by the Chairman. The members consider the annual report of the Board at the Annual General Meeting, discuss objectives for the next annual conference and confirm the appointment of new directors who have been invited to join the Board subsequent to the previous Annual General Meeting. One-third of the Board of Directors in rotation are required to resign each year and seek re-election at the Annual General Meeting. Members are also asked to confirm the re-appointment of those seeking re-election.

Appointment of Directors

The Board, in accordance with practice laid down in the Articles of Association, appoints directors. Such appointments are confirmed at the Annual General Meeting. Under changes introduced at the October 2014 AGM, directors (who are not the nominees of sponsors) are normally appointed for two 3-year terms. By exception, individual members may be offered a 1-year extension on an annual basis with the agreement of the Board.

Organisation

There must be a minimum of 3 and up to a maximum of 18 directors on the Board. The Board meets quarterly to make executive decisions. In the interim the company is run by the Executive Director, who remains in close contact with the Chairman and the Treasurer. Secretariat support and the keeping of accounts are provided by the Japan Society, which is contracted for this by the Board.

Risk Management

The greatest risk to the future of the Group is that it will find it impossible to raise the funds necessary for its administration and the holding of the annual conference. To counter this risk, the Board has instituted a fundraising strategy to secure and maintain the commitment of further sponsors. The Board continues to review the level of contributions and the implementation of the strategy at its quarterly Board meetings. The current reserves and contributions are sufficient to meet projected expenditure for at least the next 12 months, including the planned conference in the UK in September 2017.

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

BOARD

The members of the Board are the directors of the company for the purposes of company law and are shown on page 1.

The members of the Board who served during the year were as follows:

Rt Hon Lord Lansley of Orwell CBE PC (Chairman)

Rt Hon Lord McConnell of Glenscorrodale PC (Treasurer)

Professor Marie Conte-Helm OBE (Executive Director)

Dr Lisa Cameron MP

Rt Hon Baroness Garden of Frognal PC

Margot James MP (resigned 25 October 2016)

Dr John Nilsson-Wright

David Richardson

Thomas Swaren

Nigel Talboys (appointed 22 January 2017)

Haruhiko Tsuyukubo

Debra Valentine (resigned 1 December 2016)

Sir David Warren KCMG

Sir David Wright GCMG, LVO

OBJECTIVES AND ACTIVITIES

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Objectives

The objectives of the company are to advance the education of the citizens of the United Kingdom and Japan in all aspects of each other's public institutions and systems of government, as well as each other's political and economic institutions, industry, social sciences and culture.

Activities

The Group pursues its objectives through holding an annual conference with its Japanese counterparts, alternately in Britain and Japan. As part of the conference programme, delegates meet with the respective Prime Ministers and attend further events and meetings hosted by government representatives and other bodies. Following each conference the British Co-Chairman submits to the British Prime Minister recommendations formulated by the Group at the conference, notably on ways in which cooperation and collaboration between the two countries might be enhanced.

The Executive Director maintains regular contact with relevant UK-Japan bodies throughout the year to ensure that any outstanding issues in the bilateral relationship are addressed by the Group. Conference feedback is communicated directly to the wider membership and there is an opportunity at the AGM for members to contribute to the agenda of future conferences.

In addition, the Group periodically organises and has involvement in public seminars and meetings that address aspects of UK-Japan relations and build on the themes and recommendations of the annual conference.

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

ACHIEVEMENTS AND PERFORMANCE

Ten UK Board directors attended the 33rd annual conference on 7-9 October 2016 at Kisarazu in Chiba Prefecture together with six UK guest speakers/delegates from parliament, business, the media and academia. There were an additional twenty-three senior delegates from Japan. Before the conference, the UK side met with the Japanese Prime Minister, Mr Shinzo Abe, and discussed UK-Japan relations and opportunities for future cooperation. A luncheon meeting for the Group was hosted by the British Ambassador, Mr Tim Hitchens. A welcome reception for the UK delegation was hosted by the Foreign Affairs Minister, Mr Fumio Kishida, and included representatives from the Japanese Foreign Ministry and Japan-UK-related companies and organisations in Tokyo.

The conference discussed the latest political and economic developments in both countries; the implications of Brexit; East Asian security issues and bilateral cooperation; ageing societies and demographic change; climate change and energy policy; global health challenges; womenomics and women's entrepreneurship; international development cooperation in Africa; and the ramifications of the US Presidential election.

The Group concluded its conference discussions with a series of substantive joint recommendations. These have been published with the Chairmen's Summary on the websites of the Japan Society (UK) and the Japan Center for International Exchange and circulated to the wider membership of the Group.

The UK Co-Chairman, Lord Lansley, communicated a summary of the Group's discussions at the October 2016 conference together with the conference recommendations to the Prime Minister. In her reply, Prime Minister May welcomed the recommendations and encouraged a continuing dialogue with various government departments to take forward the opportunities that were highlighted.

Planning for the September 2017 annual conference in Japan has taken place during the course of 2016-17. Conference themes for 2017 will build on previous discussions and will allow the Group to explore issues of immediate topical interest, including a focus on global institutions and the rule of law; UK-Japan trade and investment relations in the post-Brexit era; defence and security challenges for the UK and Japan; research and strategic partnerships in the higher education sector; and UK-Japan cooperation in planning for Tokyo 2020.

FUTURE PLANS

The Group held its 33rd conference in the Japan in October 2016 and the 34th annual conference will be held in the UK in September 2017. These conferences are organised so as to promote and fulfill the Group's objectives as above and in particular to bring to bear a senior non-governmental perspective on enhancing UK-Japan cooperation and collaboration. The value of the conferences may be shown by the influential nature of the representation from parliament, business, the media and academia present on both sides and by the importance attached to the summary and recommendations that they produce for the two Prime Ministers. This is reflected in the response received from both governments and the specific areas of follow-up that are pursued.

The Group is committed to building on the discussions that take place at the annual conference by periodically organising events that highlight aspects of UK-Japan relations.

FINANCIAL REVIEW

The Group's reserves continue to be sufficient to cover 12 months expenditure in line with the Group's reserves policy. At the year-end, the Group's unrestricted reserves were £69,685 (2016 - £71,706).

The Group's income comes from seven major sponsors and the Foreign and Commonwealth Office.

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of United Kingdom-Japan 21st Century Group for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including income and expenditure, of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments 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;
- 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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 company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

In so far as the Trustees are aware at the time of approving the Trustee's Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the Trustees, having made enquiries of fellow Directors and the auditor that they ought to have individually taken, have each taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to re-appoint Moore Stephens LLP as auditor will be proposed at the forthcoming Annual General Meeting.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Approved by the Board and signed on its behalf by:



Professor Marie Conte-Helm OBE
Executive Director

Date: 28.09.17

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED KINGDOM-JAPAN 21ST CENTURY GROUP

We have audited the financial statements of United Kingdom-Japan 21st Century Group for the year ended 31 March 2017 which are set out on pages 8 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 Group'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 Group'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 Group and the Group's members 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 the Trustees (who are also the Directors of the Group 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.

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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its 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.

Opinion on other matter 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements..

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

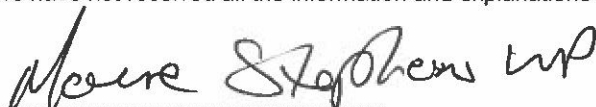
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED KINGDOM-JAPAN 21ST CENTURY GROUP

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



.....
Richard Willis (*Senior Statutory Auditor*)
for and on behalf of Moore Stephens LLP
Chartered Accountants and Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

Date:

3/10/2017

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

Statement of Financial Activities
(Incorporating an income and expenditure account)
for the year ended 31 March 2017

	Notes	2017	2016
Income		£	£
Donations and sponsorship	2	60,600	60,600
Charitable activities	3	-	15,516
Investment income		46	77
Other income		-	250
Total income		60,646	76,443
Expenditure			
Charitable activities	4	62,667	68,981
		62,667	68,981
Net (expenditure) / income and net movement in funds for the year		(2,021)	7,462
Total funds brought forward		71,706	64,244
Total funds carried forward		69,685	71,706

All income and expenditure are derived from continuing operations.

The notes of pages 10 to 13 form part of these financial statements.

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

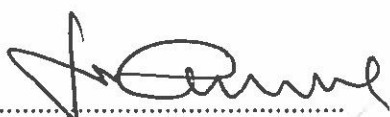
Balance sheet as at 31 March 2017

	Notes	2017 £	2016 £
Current assets			
Debtors	6	55,401	27,336
Cash at bank and in hand		32,179	50,523
		<u>87,580</u>	<u>77,859</u>
Creditors: amounts falling due within one year	7	(17,895)	(6,153)
Net current assets		<u>69,685</u>	<u>71,706</u>
Total assets less current liabilities		<u>69,685</u>	<u>71,706</u>
Funds			
Unrestricted funds		<u>69,685</u>	<u>71,706</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The notes of pages 10 to 13 form part of these financial statements.

Approved by the Board and signed on its behalf by:



Lord McConnell of Glenscorrodale

Treasurer

Date: 28.09.17

Company registration number: 2042768

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 March 2017

1. Accounting policies

General information

United Kingdom-Japan 21st Century Group is a charitable company, limited by guarantee, domiciled in England and Wales.

The registered office and number is as detailed on page 1.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)) and the Companies Act 2006.

The company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The presentation currency is GBP.

Reduced disclosure exemptions

As a qualifying entity reporting under FRS 102, the Group has taken advantage of the following disclosure exemptions:

- the requirements of Section 6, Statement of Changes in Equity; and
- the requirements of Section 7, Statement of Cash Flows.

Going concern

The Trustees are confident that the company has adequate reserves and resources to continue operations for the foreseeable future and is well placed to manage its business risks successfully despite the current uncertain economic outlook. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

All amounts relate to unrestricted funds.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes the costs of the annual conference consisting of hotel, transport, subsistence and other administrative costs.

Support costs represent expenditure incurred in the management of the charity's assets, organizational administration and compliance with constitutional and statutory requirements.

All amounts relate to unrestricted funds.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Group.

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2017

1. Accounting policies (continued)

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are to be believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. Management do not consider there to be any material accounting estimates or judgements that need disclosure in these financial statements.

2. Income from donations and sponsorship

	2017	2016
	£	£
Donations and sponsorship		
Foreign and Commonwealth Office	8,100	8,100
Crown Agents	7,500	7,500
AMEC Foster Wheeler plc	-	7,500
BAE Systems Plc	7,500	7,500
Barclays plc	7,500	7,500
Rolls Royce	7,500	7,500
Rio Tinto	7,500	7,500
GlaxoSmithKline	7,500	7,500
Terumo BCT	7,500	-
	60,600	60,600

The £8,100 received from the Foreign and Commonwealth Office is a contribution towards conference costs.

3. Income from charitable activities

	2017	2016
	£	£
Reimbursement of conference delegates' expenses	-	15,516
	-	15,516

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2017

4. Expenditure on charitable activities

	2017 £	2016 £
Annual conference expenses		
Support costs	38,395	44,687
Executive director's fees	6,044	5,500
Sundry expenses	1,625	1,591
Governance costs	16,603	17,203
	<u>62,667</u>	<u>68,981</u>

5. Governance costs

	2017 £	2016 £
Executive director's fees	6,500	6,500
Secretarial services	7,500	7,993
Interest and bank charges	203	310
Audit fee	2,400	2,400
	<u>16,602</u>	<u>17,203</u>

The number of Directors receiving remuneration for the year was 1 (2016 - 1). The United Kingdom-Japan 21st Century Group does not have any employees (2016 - Nil).

6. Debtors

	2017 £	2016 £
Donations and sponsorship	54,000	27,000
Prepayments	1,401	-
Trade debtors	-	336
	<u>55,401</u>	<u>27,336</u>

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	6,999	2,285
Accruals	2,400	2,400
Other taxes and social security	8,496	1,468
	<u>17,895</u>	<u>6,153</u>

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2017

8. Analysis of movement in unrestricted funds

	2017 £	2016 £
Balance at 1 April 2016	71,706	64,244
(Deficit) /surplus for the year	(2,021)	7,462
Balance at 31 March 2017	69,685	71,706

9. Related party transactions

Executive director's fees of £12,544 (2016 - £12,000) included within notes 3 and 4 comprise remuneration and expenses for the current year paid to Marie Conte-Helm. The payment of Director's remuneration is in respect of her services provided as Executive Director and was approved by the Board.

During the year £865 (2016 - £580) of travel and sundry expenses were reimbursed to 6 (2016 - 6) Directors.

£7,500 (2016 - £9,867) of secretarial, support fees and reimbursements were paid to the Japan Society during the year. Sir David Warren KCMG is a Trustee and Chairman of the Japan Society.

The company is controlled by the Board. The Board does not consider there to be an ultimate controlling party.

10. Taxation

The Group is entitled to exemption from taxation on income and capital gains to the extent that its funds are applied for charitable purposes

