

Company registration number: 02042768
Charity registration number: 295006

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

**Unaudited Financial Statements
For the year end 31 March 2019**

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

REPORT AND FINANCIAL STATEMENTS 2019

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OFFICERS AND PROFESSIONAL ADVISERS

MEMBERS OF THE BOARD (DIRECTORS)

Rt Hon Lord Lansley of Orwell CBE PC (Chairman)
Rt Hon Lord McConnell of Glenscorrodale PC (Treasurer)
David Fitton CMG (Executive Director)
Dr Lisa Cameron MP
Rt Hon Lord Cunningham of Felling PC DL PhD
Alan Donnelly
Rt Hon Baroness Garden of Frognal PC
Dr John Nilsson Williamson-Wright
Simone Niven
David Richardson
Nigel Talboys
Sir David Warren KCMG

SECRETARY

David Fitton CMG

REGISTERED OFFICE

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

BANKERS

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

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

SOLICITORS

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

INDEPENDENT EXAMINER

Richard Place Dobson Services Limited
1-7 Station Road
Crawley
West Sussex RH10 1HT

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REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31 MARCH 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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).

INCORPORATION AND REGISTRATION AS A CHARITY

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 2019 there were 60 members and associate members (2018 - 59).

The company is registered with the Charity Commission, registration number 295006 and Companies House, registration number 02042768.

BOARD

The members of the Board are the directors of the company for the purposes of company law and are shown below.

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)

David Fitton CMG (Executive Director)

Dr Lisa Cameron MP

Rt Hon Lord Cunningham of Felling PC DL PhD

Alan Donnelly (appointed 25 April 2018)

Rt Hon Baroness Garden of Frognal PC

Dr John Nilsson Williamson-Wright

Ms Simone Niven

David Richardson

Thomas Swaren (resigned 27 February 2019)

Nigel Talboys

Sir David Warren KCMG

Mark Wilson (appointed 27 February, resigned 20 March 2019)

STRUCTURE, GOVERNANCE AND MANAGEMENT

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, 2014 and 2018 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.

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REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31 MARCH 2019

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 2019.

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.

ACHIEVEMENTS AND PERFORMANCE

Thirteen Board directors attended the 35th annual conference on 31 August-2 September 2018 at the Kamakura Prince Hotel in Kanagawa, together with six UK guest speakers/delegates from, business, the media and academia. There were an additional twenty three senior delegates from Japan. Before the conference, a luncheon meeting for the Group and other guests from the UK-Japan community was held at the Residence of the British Ambassador to Japan. A welcome reception for the UK delegation was hosted by the Japanese Foreign Ministry and presided over by Mr Taro Kohno, Minister of Foreign Affairs of Japan.

The conference discussed the latest political and economic developments in both countries; trade and investment relations in the post-Brexit era; East Asian security and bilateral cooperation; global institutions and the rule of law; culture, sport and education; and global health cooperation.

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 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 2018 conference together with the conference recommendations to the Prime Minister. In her reply, Prime Minister May welcomed

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REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31 MARCH 2019

the recommendations and the opportunities that they represented for both sides. She encouraged a continuing dialogue with various government departments to take forward these opportunities.

Planning for the Autumn 2019 annual conference in the UK has taken place during the course of 2018-19. Conference themes for 2019 will build on previous discussions and will allow the Group to explore issues of immediate topical interest, including East Asian security, the challenges posed by the UK's departure from the EU, energy security and supply, digitalization and trade and investment.

FUTURE PLANS

The Group's 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

At 31 March 2019, the Group held unrestricted reserves of £69,277. The Group's reserves continue to be sufficient to cover 12 months expenditure in line with the Group's reserves policy. The Group's income comes from six major sponsors and the Foreign and Commonwealth Office.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the result of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- 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 Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the Group's independent examiner is unaware; and
- the Directors have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

SMALL COMPANY 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 behalf of the Board


David Fitton CMG
Executive Director

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE UNITED
KINGDOM-JAPAN 21ST CENTURY GROUP**

Independent examiner's report to the trustees of United Kingdom-Japan 21st Century Group ('the Charitable Company')

I report to the charity trustees on my examination of the accounts of the Charitable Company for the year ended 31 March 2019.

Responsibilities and basis of report

As the charity's trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Darren Harding ACA, FCCA, DChA
Richard Place Dobson Services Limited
Chartered Accountants
1-7 Station Road
Crawley
West Sussex
RH10 1HT

Date:

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
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Statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2019

	Notes	2019	2018
		£	£
Income and expenditure			
Income from:			
Donations and sponsorship	3	60,600	60,600
Charitable activities – reimbursement of conference delegates' expenses		4,963	8,108
Investment income – bank interest receivable		31	19
Other bank income		-	720
Total income		65,594	69,447
Expenditure on:			
Direct charitable activities		71,590	63,859
Net incoming / (outgoing) resources, being net income / (expenditure) for the year		(5,996)	5,588
Total funds brought forward		75,273	69,685
Total funds carried forward		69,277	75,273

The net incoming/(outgoing) resources for the current and preceding year are derived from continuing operations. All amounts relate to unrestricted funds.

The notes of pages 8 to 11 form part of these financial statements.

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Balance sheet as at 31 March 2019

	Notes	2019	2018
Current assets		£	£
Debtors	6	9,000	56,285
Cash at bank and in hand		62,902	49,084
		71,902	105,369
Creditors: amounts falling due within one year	7	2,625	30,096
Net current assets		69,277	75,273
Total assets less current liabilities		69,277	75,273
Unrestricted funds			
Income and expenditure account		69,277	75,273

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

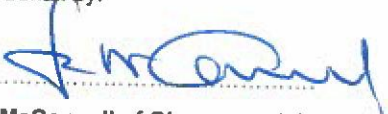
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 30/10/19 and were signed on its behalf by:



Lord McConnell of Glenscorrodale

Treasurer

The notes of pages 8 to 11 form part of these financial statements.

UNITED KINGDOM-JAPAN 21ST CENTURY GROUP
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Notes to the financial statements
For the year ended 31 March 2019

1. General information

United Kingdom-Japan 21st Century Group is a charitable company limited by guarantee incorporated and registered in England and Wales (company number 2042768, charity number 295006). The address of the registered office is given on page 1. The nature of the Groups operations and activities is given in Report of the Board of Directors.

2. Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared 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) (effective January 2015) (Charities SORP (FRS 102)), the Companies Act 2006 and the Charities Act 2011. The functional currency is the same as the presentational currency (GBP) and is rounded to the nearest pound.

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

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

The preparation of the financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on the Directors' best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. The Directors' consider that there are no key sources of estimation uncertainty.

Going concern

The Directors 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 from donations, sponsorship and bank interest are accounted for on a receivable basis.

Direct charitable expenditure

Expenditure is accounted for on an accruals basis. Direct charitable expenditure includes all expenditure directly related to the objects of the charity and comprises of:

Annual conference expenses consist of hotel, transport, subsistence and other administrative costs.

Other expenditure

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

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

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Notes to the financial statements
For the year ended 31 March 2019

Accounting policies (continued)

Cash at bank and in hand

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less.

Creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Fund Accounting

Unrestricted funds

Unrestricted funds are donations, investment income and other incoming resources receivable or generated for the objects of the charity. The general fund therefore comprises those monies which may be used towards meeting the charitable objectives of the Trust at the discretion of the directors.

3. Voluntary Income

	2019	2018
	£	£
Donations and sponsorship		
Foreign and Commonwealth Office	8,100	8,100
Crown Agents	7,500	7,500
BAE Systems Plc	7,500	7,500
Barclays plc	-	7,500
GlaxoSmithKline	7,500	7,500
Navitas	7,500	7,500
Rio Tinto	7,500	7,500
Sovereign Strategy	7,500	-
Terumo BCT	7,500	7,500
	<hr/>	<hr/>
	60,600	60,600
	<hr/>	<hr/>

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

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Notes to the financial statements
For the year ended 31 March 2019

4.	Annual conference expenses	2019	2018
		£	£
	Hotel, transport, subsistence and other administrative costs	49,333	40,920
	Executive Director's fees	12,000	12,000
	Employer's national insurance	493	286
	Sundry expenses	570	644
		<hr/>	<hr/>
		62,396	53,850
		<hr/>	<hr/>
5.	Support and Governance costs	2019	2018
		£	£
	Japan Society Secretarial Services	7,500	7,500
	Bank charges	194	109
	Audit Fee		2,400
	Independent Examiner Fee	1,500	
		<hr/>	<hr/>
		9,194	10,009
		<hr/>	<hr/>
The number of Directors receiving remuneration for the year was 1 (2018 - 1). The United Kingdom-Japan 21 st Century Group does not have any employees (2018 - nil).			
6.	Debtors	2019	2018
		£	£
	Due within one year		
	Donations and sponsorship	9,000	55,581
	Prepayments and other debtors	-	704
		<hr/>	<hr/>
		9,000	56,285
		<hr/>	<hr/>

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Notes to the financial statements
For the year ended 31 March 2019

7. Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	-	18,802
Accruals	1,500	2,400
Other taxes, VAT, and social security	1,125	8,894
	<hr/>	<hr/>
	2,625	30,096
	<hr/>	<hr/>

8. Unrestricted funds	2019	2018
	£	£
Income and expenditure account		
Balance brought forward 1 April	75,273	69,685
Surplus / (deficit) for the year	(5,996)	5,588
	<hr/>	<hr/>
Balance at 31 March	69,277	75,273
	<hr/>	<hr/>

9. Related party transactions

The Directors consider themselves as comprising the Key Management Personnel of the Group, responsible for directing and controlling the Group. Director's remuneration and national insurance expenses of £12,493 (2018 - £12,286) comprise fees and expenses for the current year paid to David Fitton. The payment of Director's remuneration is in respect of services provided in the running of the annual conference and related activity, and was approved by the Directors at a Board Meeting.

During the year £750 (2018 - £735) of travel and sundry expenses were reimbursed to 5 (2018 - 2) Directors.

£7,500 (2018 - £7,500) of secretarial and support fees were paid to The Japan Society during the year. Sir David Warren KCMG is a Trustee and was Chairman of The Japan Society until January 2019. The Group has no employees and therefore no staff received more than £60,000 in employee benefits in the year (2018: £nil).

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

10. Taxation

United Kingdom-Japan UK 21st Century Group is a registered charity and is therefore exempt from taxation of its income and gains as the Charity falls within the definition of charitable company as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen during the year.