

Charity registration number 1001232

Company registration number 02540502 (England and Wales)

TEIKYO FOUNDATION (UK)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

TEIKYO FOUNDATION (UK)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr Y Okinaga Dr H Okinaga Mr Y Yoshida Mr A Nishikawa	(Appointed 1 September 2024)
Secretary	Mr Y Hirayama	
Charity number	1001232	
Company number	02540502	
Registered office	Fulmer Grange Framewood Road Wexham Slough Buckinghamshire United Kingdom SL2 4QS	
Auditor	Azets Audit Services Westpoint Lynch Wood Peterborough Cambridgeshire United Kingdom PE2 6FZ	

TEIKYO FOUNDATION (UK)

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TEIKYO FOUNDATION (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The consolidated financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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 2019).

Teikyo Foundation (UK) is a charitable company that was incorporated on 18 September 1990 with the liability of its members limited by guarantee. The registered office and principal address of the charitable company is Teikyo Foundation (UK), Framewood Road, Wexham, Buckinghamshire, SL2 4QS.

Objectives and activities

The charitable company's objectives are to advance the education and training of school children and students, members of Teikyo University, Tokyo, Japan, its schools, and other educational institutions administered by it, and to advance the education and training of other persons, in the United Kingdom and elsewhere.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake, in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

To fulfil the objects the charitable company comprises of 4 divisions, as follows: -

(a) Teikyo School United Kingdom

Teikyo School United Kingdom (Teikyo School UK) is an independent school located in Wexham, Buckinghamshire for Japanese boys and girls aged from 15 to 18. It provides boarding and day facilities. Teikyo School UK is responsible to the Japanese Department of Education (Monbukagakusho) and provides education in accordance with the Monbukagakusho's remit. Students are recruited from throughout the world and fees are generally less than those charged by similar independent schools in the United Kingdom because they are subsidised by Teikyo Foundation (UK).

Teikyo School UK is also registered with the Department for Education (reference number 825/6013) in the United Kingdom, and is a member of the Independent Schools Council, the Independent Schools Association, the Boarding Schools Association, and the Independent Schools Bursars' Association.

(b) Teikyo University of Japan at Cambridge

Teikyo University of Japan at Cambridge provides for up to nine Okinaga Scholars - postgraduate Japanese scholars personally selected from an open competition - to study for PhD degrees at the University of Cambridge. The students are members of St Edmund's College with whom Teikyo University has a 90-year agreement with.

(c) Teikyo Study Abroad Programmes

Teikyo Foundation (UK) offers a year-round Educational Study Abroad Programme to Teikyo's Universities, Colleges and Schools from Japan and students from all parts of the world. Some 300 students each year enjoy Teikyo's facilities at Wexham, Oxford and Durham.

(d) Teikyo Foundation (UK)

Teikyo Foundation (UK)'s considerable funds provide financial support to all its divisions when required. The above autonomous divisions are susceptible to changing student rolls due to changes in Japan's economy, changing birth rates, pandemics, and the volatile political world. To counter any substantial financial loss, Teikyo Foundation (UK) has extensively diversified its educational activities within its objectives.

TEIKYO FOUNDATION (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Principal activity

Teikyo Foundation (UK)'s principal activity continues to be the operation of the Teikyo School UK and the provision of the various study programmes described above.

As mentioned, Teikyo Foundation (UK)'s Teikyo School UK is registered with the Department for Education (reference number 825/6013) for the promotion and maintenance of educational standards and meeting of statutory requirements.

In addition, Teikyo Foundation UK has a licence to occupy agreement with The International School of Creative Arts to use facilities at the Teikyo Campus and hire agreements with other leisure and sports providers in the local community and further afield. The charitable company co-operates and works with these organisations in order to further local community access to the educational facilities on site and to optimise the use of its cultural and sporting facilities.

Objectives for the year

The main objective of the charitable company was to continue to pursue the education of students whether they be at the Teikyo School UK or part of the Study Abroad Programmes, in order to help them develop and fulfil their potential to the highest level and to contribute to the wider community in which they live. Additionally, the charitable company aims to maximise the use of the facilities at the Teikyo School UK by extending educational programmes, both academic and leisure, to students from all over the United Kingdom and the rest of the world.

Achievements and performance

Teikyo School UK's student roll for the 2024/2025 academic year increased moderately. As a result, School Fee Income for the year ended 31 March 2025 was £934,786 (2024: £619,430). The Board of Trustees regularly reviews the fees charged to students and the student roll in order to maintain it at an appropriate level.

The English curriculum at Teikyo School UK is evolving to attract more students from Japan wishing to enter university in the United Kingdom or other countries outside of Japan. This includes the establishment of a dedicated International English Language Testing System class, a presentation and report writing skills class and a more academic leaning across the whole syllabus. Going forward, a goal of Teikyo School UK is to arm all students with a sound, applicable and relevant knowledge of English to raise the overall academic level of current and future students.

During the year, the students that attended the Teikyo School UK full-time and on short-course programmes continued to benefit from the formal educational activities offered as well as contributing to the wider community through involvement in exchange days with local schools and contributing to local events.

The sports facilities at the Teikyo School UK have been made available to various groups in the local and wider community such as swimming clubs and a local academy school. The charitable company offers subsidised rates to non-profit making organisations.

During the year under review, the Teikyo Foundation UK did not host any organised language schools or activity centres. This continues to reflect the broader and sustained reduction in demand for such programmes in recent years. However, the Foundation continued to provide campus facilities to the International School of Creative Arts (ISCA), a long-standing partner institution based on-site since September 2009. While some TSAP (Teikyo Summer Abroad Programme) groups were hosted during the year, overall activity levels have yet to return to those experienced prior to the wider downturn in international educational travel.

It should also be noted that ISCA has agreed a revised rental arrangement for the academic year September 2024 to August 2025, with the annual fee adjusted from £1,234,080 to £1,079,820.

TEIKYO FOUNDATION (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

The financial performance of the group is shown in the statement of financial activities. After taking into account the gains on investments, the group had net expenditure of £1,269,116 for the year ended 31 March 2025 (2024: net expenditure of £2,142,178).

This has resulted in a decrease in the group's unrestricted funds to £9,069,296 at 31 March 2025 (2024: £10,338,412). The group is prevented by its governing document from distributing its surplus, if any, to its members and accordingly no dividends are payable.

The group's policy is to hold sufficient reserves to fund its various activities in the United Kingdom, including the Okinaga Scholarship Scheme at the University of Cambridge, academic visits, and the ongoing major refurbishment of the facilities at Wexham, as well as to safeguard the future of the group.

It is envisaged that the reserves held in investments and in cash will be sufficient to meet these commitments in the future. As of 31 March 2025, the group's liquid reserves represented by net current assets were £818,302 (2024: £1,845,735).

The charitable company has absolute powers of investment over its available funds. The board of trustees continue to keep under review the risks and rewards of the investments and the current state of the market.

The investment policy for the year ended 31 March 2025 was to place all available funds, other than those required for day-to-day operations of the charitable company, with The Pictet Group and the Mitsubishi UFJ Financial Group. The investments held by the charitable company are reviewed regularly by the board of trustees and professional advice is taken from The Pictet Group and other advisers as appropriate.

The principal risks facing the charitable company are declining student numbers, loss of key staff, non-compliance with laws and regulations, and deterioration to the infrastructure and property as a result of wear and tear and age.

The charitable company continues to review operating policies and procedures and is also reviewing safety and safeguarding arrangements on the Campus and on trip and travel arrangements for students. There is an on-going maintenance and refurbishment programme covering the teaching facilities, boarding accommodation and utilities at the Teikyo Campus.

The financial risks faced by the charitable company arise from any potential decline in student numbers or other charitable activity, but this is mitigated by the holding of significant financial reserves. In mitigation, the charitable company is looking to commence a new student recruitment programme and continues to work closely with the Teikyo University to recruit new students.

Grant-making

The charitable company intends in the future to support further postgraduate students at Wadham College Oxford (University of Oxford), St Edmunds's College Cambridge (University of Cambridge) and Harvard University through the Okinaga Scholarship Scheme.

Plans for future periods

The charitable company will continue to develop links with the local community and groups to enable the wider public community to continue to benefit from the activities and facilities at the Teikyo School UK and to broaden the educational experience of the students that attend the Teikyo School UK. The School is accredited as an International Baccalaureate (IB) Programme school which commenced in 2024 and offers a diverse curriculum, strengthens English language skills, and prepares for future careers in the global arena.

Structure, governance and management

The charitable company is a registered charity, governed by its Memorandum and Articles of Association, and is engaged in providing educational facilities to Japanese and other nationals. The charitable company's Memorandum and Articles of Association dated 25 July 1990, were last amended on 14 February 2002.

TEIKYO FOUNDATION (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr Y Okinaga

Dr H Okinaga

Mr Y Yoshida

Mr A Nishikawa

(Appointed 1 September 2024)

The members are Dr Y Okinaga and Teikyo University. They are able to appoint trustees by Resolution of a Meeting or by Written Resolution.

New trustees who are also the directors are inducted into the workings of the company as a registered charity, including Board Policy and Procedures.

The board of trustees meet at least once a year to determine the 'general policy' of the charitable company and to review its overall management and control, for which they are legally responsible. The work of implementing most of the board of trustees policies is delegated to the General Manager.

Guarantors

Amounts guaranteed as at the 31 March 2025 and 31 March 2024:

Dr Y Okinaga	£1
Teikyo University Foundation	£2

The charitable company does receive financial support from Teikyo University. Dr Y Okinaga is considered to be a key individual continuing the vision of Dr S Okinaga.

Statement of risk management

The trustees have a duty to identify and review the risks to which the charitable company is exposed to. The trustees and management of the charitable company continue to keep its activities under review, particularly with regard to any major risks that may arise as well as the systems and procedures established to manage them. It is the responsibility of management to monitor the effectiveness of internal controls and other viable means by which risks identified can be mitigated.

Dr Y Okinaga is also a guarantor of Teikyo University of Japan in Durham Limited whose main activity is also the provision of educational facilities to Japanese nationals and is located in the grounds of Durham University.

Auditor

Azets Audit Services were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.


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Dr Y Okinaga

Trustee

Date: 19th June 2025

TEIKYO FOUNDATION (UK)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of Teikyo Foundation (UK) for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

TEIKYO FOUNDATION (UK)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TEIKYO FOUNDATION (UK)

Opinion

We have audited the financial statements of Teikyo Foundation (UK) (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We draw attention to note 1.2 in the financial statements in relation to going concern, which indicates that the charity is supported by Teikyo University.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

TEIKYO FOUNDATION (UK)

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF TEIKYO FOUNDATION (UK)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

TEIKYO FOUNDATION (UK)

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF TEIKYO FOUNDATION (UK)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

20/6/25
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Chartered Accountants
Statutory Auditor

Westpoint
Lynch Wood
Peterborough
Cambridgeshire
United Kingdom
PE2 6FZ

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

TEIKYO FOUNDATION (UK)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Group	Notes	Unrestricted	Unrestricted
		funds 2025 £	funds 2024 £
<u>Income from:</u>			
Donations and legacies	3	152,029	87,154
Charitable activities	4	2,350,209	2,150,455
Other trading activities	5	146,175	159,445
Investments	6	15,617	36,839
Total income		<u>2,664,030</u>	<u>2,433,893</u>
<u>Expenditure on:</u>			
Raising funds	7	<u>44,082</u>	<u>40,796</u>
Charitable activities	8	<u>3,695,257</u>	<u>4,452,831</u>
Total expenditure		<u>3,739,339</u>	<u>4,493,627</u>
Net gains/(losses) on investments	12	<u>(193,807)</u>	<u>(82,444)</u>
Net movement in funds		<u>(1,269,116)</u>	<u>(2,142,178)</u>
Fund balances at 1 April 2024		<u>10,338,412</u>	<u>12,480,590</u>
Fund balances at 31 March 2025		<u><u>9,069,296</u></u>	<u><u>10,338,412</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TEIKYO FOUNDATION (UK)

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2025


	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	14	150,223		183,509	
Investments	15	8,100,771		8,309,168	
		<u>8,250,994</u>		<u>8,492,677</u>	
Current assets					
Debtors	16	1,384,051		1,360,421	
Cash at bank and in hand		2,210,775		3,021,993	
		<u>3,594,826</u>		<u>4,382,414</u>	
Creditors: amounts falling due within one year	17	<u>(2,776,524)</u>		<u>(2,536,679)</u>	
Net current assets			818,302		1,845,735
Total assets less current liabilities			<u>9,069,296</u>		<u>10,338,412</u>
Income funds					
Unrestricted funds			9,069,296		10,338,412
			<u>9,069,296</u>		<u>10,338,412</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 19/06/2025...

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Dr Y Okinaga
Trustee

Company Registration No. 02540502

TEIKYO FOUNDATION (UK)

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	14		150,223		183,509
Investments	15		8,100,772		8,309,169
			<u>8,250,995</u>		<u>8,492,678</u>
Current assets					
Debtors	16	1,455,082		1,429,443	
Cash at bank and in hand		1,989,157		2,804,523	
		<u>3,444,239</u>		<u>4,233,966</u>	
Creditors: amounts falling due within one year	17	<u>(2,453,054)</u>		<u>(2,209,856)</u>	
Net current assets			991,185		2,024,110
Total assets less current liabilities			<u>9,242,180</u>		<u>10,516,788</u>
Income funds					
Unrestricted funds			9,242,180		10,516,788
			<u>9,242,180</u>		<u>10,516,788</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on19/06/2025.....


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Dr Y Okinaga
Trustee

Company registration number 02540502

TEIKYO FOUNDATION (UK)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(753,489)		(1,329,843)
Investing activities					
Purchase of tangible fixed assets		(73,346)		(105,492)	
Investment income received		15,617		36,839	
Net cash used in investing activities			(57,729)		(68,653)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(811,218)		(1,398,496)
Cash and cash equivalents at beginning of year			3,021,993		4,420,489
Cash and cash equivalents at end of year			<u>2,210,775</u>		<u>3,021,993</u>

TEIKYO FOUNDATION (UK)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(754,559)		(1,491,977)
Investing activities					
Purchase of tangible fixed assets		(73,346)		(105,492)	
Investment income received		12,539		35,621	
Net cash used in investing activities			(60,807)		(69,871)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(815,366)		(1,561,848)
Cash and cash equivalents at beginning of year			2,804,523		4,366,371
Cash and cash equivalents at end of year			1,989,157		2,804,523

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Teikyo Foundation (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is Fulmer Grange, Framewood Road, Wexham, Slough, Buckinghamshire, SL2 4QS, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Basis of consolidation

The group comprises of Teikyo Foundation (UK) and Teikyo Services (UK) Limited. The assets, liabilities and results of the wholly owned subsidiary are consolidated into these financial statements. Summarised details of the subsidiary company are set out within the notes to the financial statements.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, the financial statements have been prepared under the going concern basis because Teikyo University of Japan has provided an undertaking to financially support and not recall the amounts advanced to both Teikyo Foundation (UK) and Teikyo Services (UK) Limited.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

School and college fees, investment income, bank interest and other income are accounted for when receivable.

School and college fees are deferred proportionately where courses fall partly or fully in subsequent periods.

Investment income is interest received on bank deposits and bonds as well as dividends received from the fixed asset investments.

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gifts in kind are included in income and the corresponding asset included in fixed asset additions or charged against the statement of financial activities as appropriate.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of donated services is included in the statement of financial activities where the benefit to the charitable company is reasonably quantifiable and measurable. The value recognised is the price the charitable company would expect to pay for a similar service or facility on the open market.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charitable Company. Governance costs are those incurred in connection with administration of the Charitable Company and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £1,000 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	4 years straight line
Computers	4 years straight line
Motor vehicles	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Investments in subsidiaries are valued at cost less provision for impairment.

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2025 £	2024 £
Grant from Teikyo University	152,029	87,154

4 Charitable activities

	2025 £	2024 £
Gross school and college fee income	934,786	619,430
ISCA fees	1,152,100	1,159,994
Other educational income	263,323	371,031
	<u>2,350,209</u>	<u>2,150,455</u>

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Rents & lettings	50,584	59,937
Trading activity income: other	95,591	99,508
	<hr/>	<hr/>
Other trading activities	146,175	159,445
	<hr/>	<hr/>

6 Investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Interest receivable	15,617	36,839
	<hr/>	<hr/>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
<u>Trading costs</u>		
Other trading activities	7,145	10,080
	<hr/>	<hr/>
<u>Investment management</u>	36,937	30,716
	<hr/>	<hr/>
	44,082	40,796
	<hr/>	<hr/>

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Charitable activities

	2025 £	2024 £
Staff costs	1,991,067	1,907,102
Depreciation and impairment	106,630	190,165
Teaching	214,376	195,536
Welfare	262,124	286,365
Premises and Estates	773,524	1,450,140
Administration	328,491	379,875
	<u>3,676,212</u>	<u>4,409,183</u>
Share of governance costs (see note 9)	19,045	43,648
	<u>3,695,257</u>	<u>4,452,831</u>

9 Support costs

	Support costs £	Governance costs £	2025 £	2024 £
Audit fees	-	15,311	15,311	35,882
Other Auditors remuneration	-	984	984	400
Accountancy	-	2,750	2,750	7,366
	<u>-</u>	<u>19,045</u>	<u>19,045</u>	<u>43,648</u>
Analysed between				
Charitable activities	<u>-</u>	<u>19,045</u>	<u>19,045</u>	<u>43,648</u>

Governance costs includes payments to the auditors of £15,311 (2024- £35,882) for audit fees.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Teaching	20	19
Other	32	32
Total	<u>52</u>	<u>51</u>

Employment costs

	2025	2024
	£	£
Wages and salaries	1,740,116	1,664,110
Social security costs	147,764	137,928
Other pension costs	103,187	105,064
	<u>1,991,067</u>	<u>1,907,102</u>

Key management personnel include seconded staff from Teikyo University. The total pay and benefits received by key management personnel were £209,983 (2024: £167,452).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025	2024
	Number	Number
£60,000 - £70,000	<u>-</u>	<u>1</u>

12 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Revaluation of investments	<u>(193,807)</u>	<u>(82,444)</u>

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Tangible fixed assets

Group & Charity	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2024	265,277	397,798	195,680	858,755
Additions	7,968	65,378	-	73,346
Disposals	-	(8,302)	-	(8,302)
At 31 March 2025	273,245	454,874	195,680	923,799
Depreciation and impairment				
At 1 April 2024	132,852	346,716	195,680	675,248
Depreciation charged in the year	54,985	51,645	-	106,630
Eliminated in respect of disposals	-	(8,302)	-	(8,302)
At 31 March 2025	187,837	390,059	195,680	773,576
Carrying amount				
At 31 March 2025	85,408	64,815	-	150,223
At 31 March 2024	132,427	51,082	-	183,509

The group uses a property owned by Teikyo University of Japan for its principal activities. These premises are occupied rent free subject to the group meeting the full cost of maintaining the premises.

15 Fixed asset investments

Group	Listed investments	Total
	£	£
Cost or valuation		
At 1 April 2024	8,309,168	8,309,168
Valuation changes	(208,397)	(208,397)
At 31 March 2025	8,100,771	8,100,771
Impairment		
At 1 April 2024	-	-
At 31 March 2025	-	-
Carrying amount		
At 31 March 2025	8,100,771	8,100,771
At 31 March 2024	8,309,168	8,309,168

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

15 Fixed asset investments (Continued)			
Charity	Listed investments £	Shares in subsidiary £	Total £
Cost or valuation			
At 1 April 2024	8,309,168	1	8,309,169
Valuation changes	(208,397)	-	(208,397)
At 31 March 2025	<u>8,100,771</u>	<u>1</u>	<u>8,100,772</u>
Impairment			
At 1 April 2024 & 31 March 2025	-	-	-
At 31 March 2025	<u>-</u>	<u>-</u>	<u>-</u>
Carrying amount			
At 31 March 2025	<u>8,100,771</u>	<u>1</u>	<u>8,100,772</u>
At 31 March 2024	<u>8,309,168</u>	<u>1</u>	<u>8,309,169</u>
Subsidiary undertaking		Charity	Group
		£	£
Cost			
At 31 March 2024 and 31 March 2025		<u>1</u>	<u>1</u>

The wholly owned subsidiary is Teikyo Services Limited, Company Number 07568628. The company has share capital of 50,000 shares of £1, there is an impairment of £49,999 against these shares. The company's principal activity is the management of the swimming pool for Teikyo Foundation (UK). Its results for the year are as follows:

Profit and loss	2025 £	2024 £
Turnover	95,591	99,507
Expenditure	(93,177)	(99,637)
Other operating income	3,078	1,218
Profit/(loss) for the period	<u>5,492</u>	<u>1,088</u>
Net assets		
	£	£
Debtors	14,426	20,535
Cash	221,618	217,470
Other creditors	(408,927)	(416,380)
	<u>(172,883)</u>	<u>(178,375)</u>

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

15 Fixed asset investments (Continued)

Share capital and reserves

	£	£
Share capital	50,000	50,000
Profit and loss reserves	(222,883)	(228,375)
	<u>(172,883)</u>	<u>(178,375)</u>

16 Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Amounts falling due within one year:				
Trade debtors	35,290	26,992	20,864	6,457
Amounts owed by subsidiary undertakings	-	-	85,457	89,557
Amounts owed by connected charity	13,585	67,599	13,585	67,599
Other debtors	1,177,572	1,218,105	1,177,572	1,218,105
Prepayments and accrued income	157,604	47,725	157,604	47,725
	<u>1,384,051</u>	<u>1,360,421</u>	<u>1,455,082</u>	<u>1,429,443</u>

17 Creditors: amounts falling due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Other taxation and social security	130,047	48,800	125,290	48,800
Deferred income 18	996,644	858,906	996,644	858,906
Trade creditors	233,259	203,460	233,259	195,690
Amounts owed to connected charity	1,121,972	1,129,711	807,959	815,698
Other creditors	235,568	230,740	235,568	230,740
Accruals	59,034	65,062	54,334	60,022
	<u>2,776,524</u>	<u>2,536,679</u>	<u>2,453,054</u>	<u>2,209,856</u>

18 Deferred income

	2025 £	2024 £
Other deferred income	<u>996,644</u>	<u>858,906</u>

Deferred income is included in the financial statements as follows:

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18	Deferred income	(Continued)	
		2025 £	2024 £
	Deferred income is included within:		
	Current liabilities	996,644	858,906
		<u> </u>	<u> </u>
	Movements in the year:		
	Deferred income at 1 April 2024	858,906	575,923
	Released from previous periods	(858,906)	(575,923)
	Resources deferred in the year	996,644	858,906
		<u> </u>	<u> </u>
	Deferred income at 31 March 2025	996,644	858,906
		<u> </u>	<u> </u>

Deferred income relates to schools fees received in advance for the following term.

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	5,390	7,730
Between two and five years	12,999	18,392
	<u> </u>	<u> </u>
	18,389	26,122
	<u> </u>	<u> </u>

20 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

20 Related party transactions

(Continued)

Included with donations include donated services of £110,207 (2024: £126,144) from Teikyo University of Japan in respect of staff seconded from Teikyo University of Japan.

At 31 March 2025, Teikyo Foundation (UK) owed Teikyo University of Japan £807,959 (2024: £815,698). Teikyo University of Japan owed Teikyo Foundation (UK) £13,585 (2024: £67,599).

Teikyo Foundation (UK) provides services for the swimming pool to its wholly owned subsidiary Teikyo Services UK. During the year, the recharge costs amounted to £86,032 (2024: £89,557). At the year end owed Teikyo Services owed Teikyo Foundation (UK) £85,457 (2024: £89,557).

At the year end Teikyo Services (UK) owed Teikyo University of Japan £341,003 (2024: £314,003).

CONNECTED CHARITIES

Mr Y Okinaga is also a guarantor of Teikyo University of Japan in Durham, a registered charity whose main activity is also the provision of educational facilities to Japanese nationals and which is based at Durham University.

Teikyo Foundation (UK) provides a centralised accounting and payroll service for Teikyo University of Japan in Durham, a charity under common control.

During the year, Teikyo Foundation (UK) incurred payroll costs of £538,386 (2024: £491,227) and other expenses of £17,864 (2024: £26,143) on behalf of Teikyo University of Japan in Durham. These amounts were recharged at cost. Further, Teikyo University of Japan in Durham made sales of £6,687 (2024: £9,604) to Teikyo Foundation (UK).

At the year end Teikyo University of Japan in Durham Limited owed Teikyo Foundation (UK) £1,142,442 (2024: £1,196,771).

21 Members liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member. The number of members as at 31 March 2025 was 2 (2024: 2).

TEIKYO FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

22 Cash generated from operations

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Deficit for the year	(1,269,116)	(2,142,178)	(1,274,608)	(2,143,266)
Adjustments for:				
Investment income recognised in statement of financial activities	(15,617)	(36,839)	(12,539)	(35,621)
Fair value gains and losses on investments	199,965	82,444	199,965	82,444
Depreciation and impairment of tangible fixed assets	106,630	190,165	106,630	190,165
Movements in working capital:				
(Increase)/decrease in debtors	(19,530)	194,075	(25,639)	111,535
Increase in creditors	244,179	382,490	251,632	302,766
Cash absorbed by operations	<u>(753,489)</u>	<u>(1,329,843)</u>	<u>(754,559)</u>	<u>(1,491,977)</u>

23 Analysis of changes in net funds

The charity had no debt during the year.