

# Financial Statements

Fiscal Year 2023

(1 April, 2023 to 31 March, 2024)

**EU-Japan Centre for Industrial Cooperation**

Shirokane Takanawa Station Building, 4th Floor  
1-27-6 Shirokane, Minato-ku, Tokyo

## Balance sheet

### Financial Statements

(Unit: Yen)

Item	Fiscal Year 2023	Fiscal Year 2022	Increase/decrease
<b>I Assets</b>			
<b>1. Current assets</b>			
Cash and deposits	236,698,374	573,240,309	△ 336,541,935
Deposits paid	447,755	339,545	108,210
Accounts receivable	572,139,873	57,483	572,082,390
Prepaid expenses	9,951,535	12,006,452	△ 2,054,917
Suspense payments	253,432	0	253,432
<b>Total current assets</b>	<b>819,490,969</b>	<b>585,643,789</b>	<b>233,847,180</b>
<b>2. Accounting standards for reserves</b>			
<b>(1) Specified assets</b>			
Reserve assets for officer's retirement benefits	12,726,000	9,332,400	3,393,600
Allowance assets for specified business	188,053,061	223,057,280	△ 35,004,219
<b>Total specified assets</b>	<b>200,779,061</b>	<b>232,389,680</b>	<b>△ 31,610,619</b>
<b>(2) Other noncurrent assets</b>			
Facilities attached to buildings	1,956,165	2,656,260	△ 700,095
Furniture, fixtures and equipment	423,825	1,073,746	△ 649,921
Leased assets	2,659,622	3,143,190	△ 483,568
Lease deposits	12,772,020	12,772,020	0
<b>Total other noncurrent assets</b>	<b>17,811,632</b>	<b>19,645,216</b>	<b>△ 1,833,584</b>
<b>Total noncurrent assets</b>	<b>218,590,693</b>	<b>252,034,896</b>	<b>△ 33,444,203</b>
<b>Total assets</b>	<b>1,038,081,662</b>	<b>837,678,685</b>	<b>200,402,977</b>
<b>II Liabilities</b>			
<b>1. Current liabilities</b>			
Lease obligations	723,138	714,455	8,683
Accounts payable	22,039,341	4,535,704	17,503,637
Accrued consumption taxes	1,151,280	219,025	932,255
Accrued expenses	23,941,682	14,141,838	9,799,844
Advance received	5,450,000	0	5,450,000
Deposits received	9,273,672	5,216,190	4,057,482
Allowance for directors' bonuses	1,476,000	1,476,000	0
<b>Total current liabilities</b>	<b>64,055,113</b>	<b>26,303,212</b>	<b>37,751,901</b>
<b>2. Noncurrent liabilities</b>			
Allowance for officers' retirement benefits	12,726,000	9,332,400	3,393,600
Lease obligations	1,717,660	2,440,738	△ 723,078
<b>Total noncurrent liabilities</b>	<b>14,443,660</b>	<b>11,773,138</b>	<b>2,670,522</b>
<b>Total liabilities</b>	<b>78,498,773</b>	<b>38,076,350</b>	<b>40,422,423</b>
<b>III Net Properties</b>			
<b>1. Designated net properties</b>			
European Commission subsidies	0	4,024,432	△ 4,024,432
<b>Total designated net properties</b>	<b>0</b>	<b>4,024,432</b>	<b>△ 4,024,432</b>
<b>(Of which appropriated to specified assets)</b>	<b>(0)</b>	<b>(4,024,432)</b>	<b>(△4,024,432)</b>
<b>2. General Net Properties</b>	<b>959,582,889</b>	<b>795,577,903</b>	<b>164,004,986</b>
<b>(Of which appropriated to specified assets)</b>	<b>(188,053,061)</b>	<b>(219,032,848)</b>	<b>(△30,979,787)</b>
<b>Total net properties</b>	<b>959,582,889</b>	<b>799,602,335</b>	<b>159,980,554</b>
<b>Total Liabilities and Net Properties</b>	<b>1,038,081,662</b>	<b>837,678,685</b>	<b>200,402,977</b>

**Statement of Increases/Decrease in Net Properties**

1 April, 2023 to 31 March, 2024

(Unit: Yen)

Item	Fiscal Year 2023 (1 April, 2023 to 31 March, 2024)	Fiscal Year 2022 (1 April, 2022 to 31 March, 2023)	Increase/decrease
<b>I Increase/Decrease in General Net Properties</b>			
1 Ordinary increase/decrease			
(1) Ordinary revenue			
i. Membership fee income			
Supporting member dues	1,000,000	600,000	400,000
ii. Subsidies received			
State subsidies received	180,000,000	180,000,000	0
European Commission subsidies received	548,940,000	487,935,000	61,005,000
iii. Contribution received			
Contribution received	13,889,503	23,600,039	△ 9,710,536
iv. Foreign exchange gain			
Foreign exchange gain	21,815,426	21,461,182	354,244
v. Miscellaneous revenue			
Interest income	8,505	13,953	△ 5,448
Miscellaneous revenue	1,421,240	1,580,727	△ 159,487
Ordinary revenue total	767,074,674	715,190,901	51,883,773
(2) Ordinary expenses			
i. Operating expenses			
Officers' compensation	14,728,335	0	14,728,335
Salaries and allowances	152,710,676	167,111,592	△ 14,400,916
Legal welfare expenses	40,048,992	33,737,231	6,311,761
Conference expenses	23,735,109	24,283,388	△ 548,279
Travel and transportation expenses	10,542,156	7,999,188	2,542,968
Communication and haulage expenses	1,524,975	1,500,075	24,900
Information processing expenses	9,215,520	11,098,991	△ 1,883,471
Consumable furniture and fixture expenses	0	514,110	△ 514,110
Supplies expenses	287,165	255,803	31,362
Printing and bookbinding expenses	680,287	928,890	△ 248,603
Utilities expenses	819,565	665,209	154,356
Rent expenses	10,429,760	11,926,691	△ 1,496,931
Honoraria	19,518,163	16,681,255	2,836,908
Interpreter expenses	4,647,411	18,268,863	△ 13,621,452
Scholarships	57,644,330	55,341,243	2,303,087
Taxes and dues	1,021,687	1,045,404	△ 23,717
Commission fees	40,000	0	40,000
Books and materials expenses	2,970	31,328	△ 28,358
Business consignment expenses	105,878,467	102,858,843	3,019,624
Interest expenses	17,023	12,351	4,672
Miscellaneous expenses	805,149	760,506	44,643
Operating expenses total	454,297,740	455,020,961	△ 723,221
ii. Administrative operating expenses			
Officers' compensation	3,541,185	13,694,400	△ 10,153,215
Salaries and allowances	38,912,257	32,046,050	6,866,207
Provision for directors' bonuses	1,476,000	1,476,000	0
Provision for directors' retirement benefits	3,393,600	3,393,600	0
Legal welfare expenses	11,087,770	12,645,286	△ 1,557,516
Welfare expenses	62,778	137,195	△ 74,417
Conference expenses	547,029	440,745	106,284
Travel and transportation expenses	1,226,728	2,477,095	△ 1,250,367
Communication and haulage expenses	2,299,978	2,101,215	198,763
Information processing expenses	16,322,337	6,757,426	9,564,911
Depreciation and amortization	1,376,290	1,711,638	△ 335,348
Consumable furniture and fixture expenses	0	979	△ 979
Supplies expenses	1,191,782	1,962,223	△ 770,441
Printing and bookbinding expenses	409,846	412,146	△ 2,300
Utilities expenses	1,395,829	932,782	463,047
Rent expenses	15,103,890	15,259,118	△ 155,228
Lease expenses	1,107,673	982,873	124,800
Honoraria	5,373,815	6,037,976	△ 664,161
Taxes and dues	1,712,461	1,766,002	△ 53,541
Commission fees	3,695,797	3,508,567	187,230
Books and materials expenses	297,800	354,450	△ 56,650
Business consignment expenses	28,173,093	25,923,349	2,249,744
Interest expenses	17,022	16,465	557
Miscellaneous expenses	7,334,335	4,804,854	2,529,481
Administrative operating expenses total	146,059,295	138,842,434	7,216,861
Total ordinary expenses	600,357,035	593,863,395	6,493,640
Ordinary increase (decrease) before valuation	166,717,639	121,327,506	45,390,133
Valuation gains (losses)	0	0	0
Ordinary increase (decrease) during period	166,717,639	121,327,506	45,390,133
2 Ext Extraordinary revenue			
(1) Subsidy received adjustment			
Transfers in from grants outside the European Commission	4,024,432	0	4,024,432
Commission Grant Settlement Adjustment	0	56,063,922	△ 56,063,922
Gain on refund of scholarship	0	700,000	△ 700,000
Total extraordinary revenue	4,024,432	56,763,922	△ 52,739,490
(2) Extraordinary expenses			
Disposal of fixed assets	521,750	245,674	276,076
State subsidies returned	2,190,903	31,881,366	△ 29,690,463
Uncollectible amounts	4,024,432	2,625,519	1,398,913
Total extraordinary expenses	6,737,085	34,752,559	△ 28,015,474
Extraordinary increase (decrease) during period	△ 2,712,653	22,011,363	△ 24,724,016
Increase (decrease) in general net properties during period	164,004,986	143,338,869	20,666,117
Balance of general net properties at beginning of period	795,577,903	652,239,034	143,338,869
Balance of general net properties at end of period	959,582,889	795,577,903	164,004,986
<b>II Increase/Decrease in Designated Net Properties</b>			
Transfer to general net properties	△ 4,024,432	0	△ 4,024,432
Increase (decrease) in designated net properties during period	△ 4,024,432	0	#REF!
Balance of designated net properties at beginning of period	4,024,432	4,024,432	0
Balance of designated net properties at end of period	0	4,024,432	△ 4,024,432
<b>III Balance of Net Properties at End of Period</b>	959,582,889	799,602,335	143,338,869

## Notes of Financial Statements

### 1. Notes pertaining to the assumption of a going concern

There were no events or conditions that may cast significant doubt on the assumption of a going concern.

### 2. Significant accounting policies

#### (1) Method of depreciation and amortization of noncurrent assets

Facilities attached to buildings, furniture, fixtures and equipment: These assets are depreciated using the straight-line method.

Leased assets: Leased assets pertaining to finance lease transactions not involving the transfer of ownership are depreciated over the lease period using the straight-line method with no residual value.

#### (2) Accounting standards for reserves

Directors' bonuses reserve: In order to prepare for the payment of bonuses, the amount attributable to the current fiscal year of the estimated directors' bonuses amount to be paid is recorded.

Reserve for officer retirement benefits : To provide for the payment of retirement benefits to directors, the amount required at the end of the fiscal year based on internal regulations is recorded.

#### (3) Accounting for consumption tax

Consumption taxes are accounted for using the tax inclusive method.

### 3. Changes in Presentation Methods

#### (Statement of Changes in Net Assets)

Until the previous fiscal year, all "Directors' Compensation" in Business Expenses was included in "Directors' Compensation" in Administrative Expenses, but due to a review of the subject to better reflect actual conditions, it is listed separately as "Directors' Compensation" in Business Expenses starting from the current fiscal year.

The amount of "Directors' remuneration" under business expenses in the previous period was 13,694,400 yen. remuneration" in administrative expenses.

4. Increase/decrease in specified assets and balances thereof

The increase/decrease in specified assets and balances thereof were as stated below.

(Unit: yen)

Item	Balance at end of fiscal year 2021	Increase during fiscal year 2022	Decrease during fiscal year 2022	Balance at end of fiscal year 2022
Reserve assets for officer retirement benefits	9,332,400	3,393,600	0	12,726,000
Provision assets for specified business	223,057,280	0	35,004,219	188,053,061
Total	232,389,680	3,393,600	35,004,219	200,779,061

5. Breakdown of financial resources for specified assets

The breakdown of financial resources for specified assets was as stated below.

(Unit: yen)

Item	Balance at end of fiscal year 2022	(Amount appropriated from designated net properties)	(Amount appropriated from general net properties)	(Amount corresponding to liabilities)
Specified assets:				
Reserve assets for officer retirement benefits	12,726,000	(0)	(0)	-12,726,000
Allowance assets for specified business	188,053,061	0	-188,053,061	(0)
Total	200,779,061	0	-188,053,061	-12,726,000

6. Acquisition cost, accumulated depreciation and amortization, and closing balance of noncurrent assets

The acquisition cost, accumulated depreciation and amortization, and closing balance of noncurrent assets were as stated below.

(Unit: yen)

Item	Acquisition cost	Accumulated depreciation/amortization	Balance at end of fiscal year 2022
Facilities attached to buildings	14,118,396	12,162,231	1,956,165
Furniture and fixtures	8,594,603	8,170,778	423,825
Leased assets	3,626,758	967,136	2,659,622
Total	26,339,757	21,300,145	5,039,612

7. Breakdown, granting authorities, increase/decrease during fiscal year 2021, and balances of subsidies

The breakdown, granting authorities, increase/decrease during fiscal year 2021, and balances of subsidies were as stated below.

(Unit: yen)

Subsidy name	Granting authority	Balance at end of fy2021	Increase during fiscal year 2022	Decrease during fiscal year 2022	Balance at end of fiscal 2022	Balance sheet category
Subsidies						
Subsidies to projects for promotion of Japan-EU industrial cooperation	Ministry of Economy, Trade and Industry	0	180,000,000	180,000,000	0	-
Subsidies for promotion of Japan-EU industrial cooperation	European Commission	0	548,940,000	548,940,000	0	-
Subsidies to promote status of navigation satellite systems in Asia(GNSS Asia)	European Commission	4,024,432	0	4,024,432	0	-
Total		4,024,432	728,940,000	732,964,432	0	

8. Breakdown of transfer from designated net properties to general net properties

The breakdown of the amount transferred from designated net assets to general net assets is as follows

(Unit: yen)

内容	金額
Transfer to nonrecurring income	
Transfer due to repayment of grants received outside the European Commission	4,024,432
合計	4,024,432

9. Matters related lease transactions

Finance lease transactions

i. Finance lease transactions not involving transfers of ownership

Details on leased assets: Multipurpose devices (furniture and fixtures) in use at the Tokyo office

## Appended Itemized Statements

### 1. Details on specified assets

These were as stated in "4. Increase/decrease in specified assets and balances thereof" of the Notes to Financial Statements.

### 2. Details on provision

(Unit: yen)

Item	Balance at end of fiscal year 2021	Increase / decrease during fiscal 2022	Decrease during fiscal 2022		Balance at end of fiscal year 2022
			Purpose of expenditure	others	
Directors' bonuses reserve	1,476,000	1,476,000	1,476,000	0	1,476,000
Reserve for executive retirement benefits	9,332,400	3,393,600	0	0	12,726,000