

Balance Sheet
As of March 31, 2022

(Yen)

Item	Current fiscal year	Previous fiscal year	Change
I. Assets			
1. Current Assets			
Cash and Deposits	84,991,944	108,833,250	-23,841,306
Prepayments	3,849,440	4,514,465	-665,025
Total Current Assets	88,841,384	113,347,715	-24,506,331
2. Fixed Assets			
(1) Specified Assets			
Accumulated Assets for Operating Costs	159,212,000	138,640,000	20,572,000
Assets for the Fund	500,000,000	500,000,000	0
Total specified assets	659,212,000	638,640,000	20,572,000
(2) Other Fixed Assets			
Buildings	1,672,660	1,672,660	0
Cumulative depreciation of buildings (-)	-280,277	-181,303	-98,974
Furniture, Fixtures and Equipment	11,927,385	11,927,385	0
Accumulated Depreciation of Furniture, Fixtures and Equipment (-)	-4,516,022	-3,246,692	-1,269,330
Software assets	1,801,667	2,261,667	-460,000
Total Other Fixed Assets	10,605,413	12,433,717	-1,828,304
Total Fixed Assets	669,817,413	651,073,717	18,743,696
Total assets	758,658,797	764,421,432	-5,762,635
II. Liabilities			
1. Current Liabilities			
Accounts Payable - Other	16,390,333	28,734,261	-12,343,928
Income Taxes Payable	70,000	70,000	0
Accrued consumption taxes	10,044,000	8,393,100	1,650,900
Total Current Liabilities	26,504,333	37,197,361	-10,693,028
2. Long-term Liabilities			
Allowance for Relocation Work Expenses	15,840,073	15,840,073	0
Total Long-term Liabilities	15,840,073	15,840,073	0
Total Liabilities	42,344,406	53,037,434	-10,693,028
III. Net Assets			
1. Fund	500,000,000	500,000,000	0
(Amount allocated to Specified Assets)	(500,000,000)	(500,000,000)	(0)
2. Designated Net Assets	0	0	0
3. General Net Assets	216,314,391	211,383,998	4,930,393
(Amount allocated to Specified Assets)	(159,212,000)	(138,640,000)	(20,572,000)
Total Net Assets	716,314,391	711,383,998	4,930,393
Total Liabilities and Net Assets	758,658,797	764,421,432	-5,762,635

Statement of Changes in Net Assets
April 1, 2021 to March 31, 2022

(Yen)

Item	Current fiscal year	Previous fiscal year	Change
I. Changes in General Net Assets			
1. Changes in Ordinary Revenue and Expenses			
(1) Ordinary Revenue			
Membership Dues	460,226,000	419,467,000	40,759,000
(Expense Contributions)	(460,226,000)	(419,467,000)	(40,759,000)
Operating Expense Contributions	460,226,000	419,467,000	40,759,000
Enrollment Fees	66,930,000	64,650,000	2,280,000
Enrollment Fees	66,930,000	64,650,000	2,280,000
Revenue from Management of Specified Assets	10,298	35,781	-25,483
Interest Received from Specified Assets	10,298	35,781	-25,483
Miscellaneous Revenue	519,356	1,132,647	-613,291
(Miscellaneous Revenue)	(519,356)	(1,132,647)	(-613,291)
Interest Received	212	140	72
Miscellaneous Revenue	519,144	1,132,507	-613,363
Total Ordinary Revenue	527,685,654	485,285,428	42,400,226
(2) Ordinary Expenses			
Operating Expenses	287,044,752	287,828,418	-783,666
(Personnel Expenses)	(184,106,170)	(196,443,996)	(-12,337,826)
Payroll allowance	173,392,010	184,888,656	-11,496,646
Retirement benefit expenses	10,714,160	11,555,340	-841,180
(Public Relations Expenses)	(7,885,100)	(11,386,100)	(-3,501,000)
Public Relations Expenses	7,885,100	11,386,100	-3,501,000
(Membership and Meeting Expenses)	(53,407)	(2,404,502)	(-2,351,095)
Membership Expenses	50,000	50,000	0
Meeting Expenses	3,407	2,354,502	-2,351,095
(Property Expenses)	(66,698,002)	(59,290,792)	(7,407,210)
Travel and Transportation Expenses	425,530	610,479	-184,949
Communication and Transport Expenses	39,112,864	39,220,109	-107,245
Printing and Binding Expenses	1,872,510	3,199,018	-1,326,508
Consumable Supplies Expenses	405,639	658,362	-252,723
Books and Newspaper Expenses	235,954	237,548	-1,594
Outsourcing Expenses	20,262,200	10,401,600	9,860,600
Rental Fees	2,506,376	3,179,185	-672,809
Repair Costs	48,625	330,425	-281,800
Depreciation	1,368,304	1,415,733	-47,429
Software depreciation	460,000	38,333	421,667
(Taxes and Dues・Miscellaneous Expenses)	(28,302,073)	(18,303,028)	(9,999,045)
Taxes and Dues	84,000	28,000	56,000
Miscellaneous stipends	21,240,532	10,930,533	10,309,999
Miscellaneous Expenses	6,977,541	7,344,495	-366,954
Administrative Expenses	235,640,509	217,623,524	18,016,985
(Personnel Expenses)	(153,455,213)	(165,795,296)	(-12,340,083)
Payroll allowance	144,367,002	156,412,796	-12,045,794
Retirement benefit expenses	9,088,211	9,382,500	-294,289
(Public Relations Expenses)	(2,019,928)	(2,019,966)	(-38)
Public Relations Expenses	2,019,928	2,019,966	-38
(Property Expenses)	(67,757,285)	(35,112,693)	(32,644,592)
Communication and Transport Expenses	6,575,571	4,524,023	2,051,548
Printing and Binding Expenses	27,600	172,200	-144,600
Consumable Supplies Expenses	1,064,957	1,418,418	-353,461
Books and Newspaper Expenses	21,233	4,323	16,910
Outsourcing Expenses	8,686,322	9,280,616	-594,294
Building Management Expenses	256,496	882,495	-625,999
Rental Fees	46,892,515	17,867,731	29,024,784
Repair Costs	4,232,591	771,819	3,460,772
Utilities expense	0	176,109	-176,109
Insurance expenses	0	14,959	-14,959

Item	Current fiscal year	Previous fiscal year	Change
(Taxes and Dues + Miscellaneous Expenses)	(12,408,083)	(11,472,296)	(935,787)
Taxes and Dues	150,422	343,276	-192,854
Training expenses	424,900	312,764	112,136
Miscellaneous stipends	10,300,000	10,200,000	100,000
Miscellaneous Expenses	1,532,761	616,256	916,505
(Office transfer expenses contributions)	(0)	(3,223,273)	(-3,223,273)
Office transfer expenses contributions	0	3,223,273	-3,223,273
Total Ordinary Expenses	522,685,261	505,451,942	17,233,319
Changes in Ordinary Expenses during the Current Year	5,000,393	-20,166,514	25,166,907
2. Changes in Non-recurring Revenue and Expenses			
(1) Non-recurring Revenue			
Total Non-recurring Revenue	0	0	0
(2) Non-recurring Expenses			
Loss on retirement of noncurrent assets	0	5	-5
Loss on retirement of buildings	0	4	-4
Loss on retirement of Furniture, Fixtures and Equipment	0	1	-1
Total Non-recurring Expenses	0	5	-5
Changes in Non-recurring Expenses during the Current Year	0	-5	5
Changes in General Net Assets during the Current Year Before Taxes	5,000,393	-20,166,519	25,166,912
Income Tax, Resident Tax, and Business Tax	70,000	70,000	0
Changes in General Net Assets during the Current Year	4,930,393	-20,236,519	25,166,912
Beginning Balance of Net Assets	211,383,998	231,620,517	-20,236,519
Ending Balance of Net Assets	216,314,391	211,383,998	4,930,393
II. Changes in Designated Net Assets			
Changes in Designated Assets during the Current Year	0	0	0
Beginning Balance of Designated Net Assets	0	0	0
Ending Balance of Designated Net Assets	0	0	0
III. Changes in Fund			
Changes in the Fund during the Current Year	0	0	0
Beginning Balance of Fund	500,000,000	500,000,000	0
Ending Balance of Fund	500,000,000	500,000,000	0
IV. Balance of Net Assets at Year End			
Balance of Net Assets at Year End	716,314,391	711,383,998	4,930,393

Notes to Financial Statements

1. Important accounting policies

(1) Depreciation method for fixed assets

i. Buildings, structures, and furniture, fixtures and equipment

Declining-balance method. However, the straight-line method is applied to equipment attached to buildings and structures acquired on or after April 1, 2016.

ii. Software

Straight-line method is applied.

iii. Leased assets (leased assets from finance lease transactions excluding those accompanied by a transfer of ownership)

The lease period is set as the service life and the straight-line method is used until the residual value reaches zero.

(2) Basis for accruing allowances

o Allowance for Relocation Work Expenses

The allowance is estimated from the costs required for removal work in the current Zengin Centers as a point of closing the 7th Zengin system contract (planned for November 2027) that started in November 2019.

(3) Accounting treatment of consumption tax, etc.

The tax exclusion method is applied.

2. Change in specified assets and respective balances

Changes in the specified assets and the respective balances are as follows:

(Yen)

Item	Balance at end of previous year	Increase in current year	Decrease in current year	Balance at end of current year
Specified Assets				
Accumulated Assets for Operating Costs	138,640,000	66,930,000	46,358,000	159,212,000
Assets for the Fund	500,000,000	0	0	500,000,000
Total	638,640,000	66,930,000	46,358,000	659,212,000

3. Breakdown of the source of specified assets

Specified assets are broken down as follows:

(Yen)

Item	Balance at end of current year	(Amount Allocated from the Fund)	(Amount Allocated from General Net Assets)	(Amount for liabilities)
Specified Assets				
Accumulated Assets for Operating Costs	159,212,000	---	159,212,000	---
Assets for the Fund	500,000,000	500,000,000	---	---
Total	659,212,000	500,000,000	159,212,000	---

4. Cash and Marketable securities held as collateral

7,720,601,635,000 yen in Cash and 625,987,876,000 yen (the market value at the end of the current year) in Marketable securities are held from member financial institutions as collateral in accordance with the Domestic Fund Transfer System.

5. Changes in fund and respective balances

Changes in the fund and the respective balances are as follows:

(Yen)

Item	Balance at end of previous year	Increase in current year	Decrease in current year	Balance at end of current year
Fund				
Fund	500,000,000	0	0	500,000,000
Total	500,000,000	0	0	500,000,000