

Balance Sheet
As of March 31, 2023

(Yen)

Item	Current fiscal year	Previous fiscal year	Change
I. Assets			
1. Current Assets			
Cash and Deposits	97,332,874	84,991,944	12,340,930
Prepayments	3,928,970	3,849,440	79,530
Total Current Assets	101,261,844	88,841,384	12,420,460
2. Fixed Assets			
(1) Specified Assets			
Accumulated Assets for Operating Costs	221,122,000	159,212,000	61,910,000
Assets for the Fund	500,000,000	500,000,000	0
Total specified assets	721,122,000	659,212,000	61,910,000
(2) Other Fixed Assets			
Buildings	1,672,660	1,672,660	0
Cumulative depreciation of buildings (-)	-379,251	-280,277	-98,974
Furniture, Fixtures and Equipment	11,400,385	11,927,385	-527,000
Accumulated Depreciation of Furniture, Fixtures and Equipment (-)	-5,464,586	-4,516,022	-948,564
Software assets	1,341,667	1,801,667	-460,000
Total Other Fixed Assets	8,570,875	10,605,413	-2,034,538
Total Fixed Assets	729,692,875	669,817,413	59,875,462
Total assets	830,954,719	758,658,797	72,295,922
II. Liabilities			
1. Current Liabilities			
Accounts Payable - Other	15,037,684	16,390,333	-1,352,649
Income Taxes Payable	70,000	70,000	0
Accrued consumption taxes	15,094,100	10,044,000	5,050,100
Total Current Liabilities	30,201,784	26,504,333	3,697,451
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	46,041,857	42,344,406	3,697,451
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	284,912,862	216,314,391	68,598,471
(Amount allocated to Specified Assets)	(221,122,000)	(159,212,000)	(61,910,000)
Total Net Assets	784,912,862	716,314,391	68,598,471
Total Liabilities and Net Assets	830,954,719	758,658,797	72,295,922

Statement of Changes in Net Assets
April 1, 2022 to March 31, 2023

(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	540,477,000	460,226,000	80,251,000
(Expense Contributions)	(540,477,000)	(460,226,000)	(80,251,000)
Operating Expense Contributions	540,477,000	460,226,000	80,251,000
Enrollment Fees	67,030,000	66,930,000	100,000
Enrollment Fees	67,030,000	66,930,000	100,000
Revenue from Management of Specified Assets	9,849	10,298	-449
Interest Received from Specified Assets	9,849	10,298	-449
Miscellaneous Revenue	462,401	519,356	-56,955
(Miscellaneous Revenue)	(462,401)	(519,356)	(-56,955)
Interest Received	246	212	34
Miscellaneous Revenue	462,155	519,144	-56,989
Total Ordinary Revenue	607,979,250	527,685,654	80,293,596
(2) Ordinary Expenses			
Operating Expenses	285,452,602	287,044,752	-1,592,150
(Personnel Expenses)	(187,208,658)	(184,106,170)	(3,102,488)
Payroll allowance	176,012,369	173,392,010	2,620,359
Retirement benefit expenses	11,196,289	10,714,160	482,129
(Public Relations Expenses)	(5,590,100)	(7,885,100)	(-2,295,000)
Public Relations Expenses	5,590,100	7,885,100	-2,295,000
(Membership and Meeting Expenses)	(58,888)	(53,407)	(5,481)
Membership Expenses	50,000	50,000	0
Meeting Expenses	8,888	3,407	5,481
(Property Expenses)	(59,424,426)	(66,698,002)	(-7,273,576)
Travel and Transportation Expenses	530,838	425,530	105,308
Communication and Transport Expenses	39,106,204	39,112,864	-6,660
Printing and Binding Expenses	2,024,501	1,872,510	151,991
Consumable Supplies Expenses	389,733	405,639	-15,906
Books and Newspaper Expenses	288,746	235,954	52,792
Outsourcing Expenses	12,435,200	20,262,200	-7,827,000
Rental Fees	2,957,794	2,506,376	451,418
Repair Costs	48,625	48,625	0
Depreciation	1,182,785	1,368,304	-185,519
Software depreciation	460,000	460,000	0
(Taxes and Dues・Miscellaneous Expenses)	(33,170,530)	(28,302,073)	(4,868,457)
Taxes and Dues	25,600	84,000	-58,400
Miscellaneous stipends	25,668,790	21,240,532	4,428,258
Miscellaneous Expenses	7,476,140	6,977,541	498,599
Administrative Expenses	253,466,424	235,640,509	17,825,915
(Personnel Expenses)	(155,249,464)	(153,455,213)	(1,794,251)
Payroll allowance	146,151,503	144,367,002	1,784,501
Retirement benefit expenses	9,097,961	9,088,211	9,750
(Public Relations Expenses)	(9,095,990)	(2,019,928)	(7,076,062)
Public Relations Expenses	9,095,990	2,019,928	7,076,062
(Property Expenses)	(73,691,833)	(67,757,285)	(5,934,548)
Travel and Transportation Expenses	26,814	0	26,814
Communication and Transport Expenses	10,747,494	6,575,571	4,171,923
Printing and Binding Expenses	97,800	27,600	70,200
Consumable Supplies Expenses	1,411,577	1,064,957	346,620
Books and Newspaper Expenses	18,024	21,233	-3,209
Outsourcing Expenses	11,119,823	8,686,322	2,433,501
Building Management Expenses	97,200	256,496	-159,296
Rental Fees	45,360,172	46,892,515	-1,532,343

Item	Current fiscal year	Previous fiscal year	Change
Repair Costs	4,812,929	4,232,591	580,338
(Taxes and Dues • Miscellaneous Expenses)	(15,429,137)	(12,408,083)	(3,021,054)
Taxes and Dues	168,432	150,422	18,010
Training expenses	415,583	424,900	-9,317
Miscellaneous stipends	10,155,000	10,300,000	-145,000
Miscellaneous Expenses	4,690,122	1,532,761	3,157,361
Total Ordinary Expenses	538,919,026	522,685,261	16,233,765
Changes in Ordinary Expenses during the Current Year	69,060,224	5,000,393	64,059,831
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	391,753	0	391,753
Loss on retirement of Furniture, Fixtures and Equipment	391,753	0	391,753
Total Non-recurring Expenses	391,753	0	391,753
Changes in Non-recurring Expenses during the Current Year	-391,753	0	-391,753
Changes in General Net Assets during the Current Year Before Taxes	68,668,471	5,000,393	63,668,078
Income Tax, Resident Tax, and Business Tax	70,000	70,000	0
Changes in General Net Assets during the Current Year	68,598,471	4,930,393	63,668,078
Beginning Balance of Net Assets	216,314,391	211,383,998	4,930,393
Ending Balance of Net Assets	284,912,862	216,314,391	68,598,471
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	784,912,862	716,314,391	68,598,471

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	159,212,000	67,030,000	5,120,000	221,122,000
Assets for the Fund	500,000,000	0	0	500,000,000
Total	659,212,000	67,030,000	5,120,000	721,122,000

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	221,122,000	—	221,122,000	—
Assets for the Fund	500,000,000	500,000,000	—	—
Total	721,122,000	500,000,000	221,122,000	—

4. Cash and Marketable securities held as collateral

7,699,046,756,000 yen in Cash and 567,820,038,200 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