

Notes on Financial Statements

The current fiscal year for the Foundation was seven months which started on September 1st, 2010 and ended on March 31st, 2011, as a result of the shift of the registration to be a public interest incorporate foundation as of September 1st, 2010.

1. Significant accounting policies

(1) Accounting standards

“Guideline for accounting standards of public service corporations” (Issued on April 11th, 2008 and revised on October 16th, 2009 by Certified Public Interest Corporation Commission of Cabinet Office) is adopted as the accounting standard.

(2) Principle and method of valuation of securities

1) Debentures held for maturity

Amortized cost method (Fixed amount method) is applied.

2) Other securities

Those with market value

Market value method based on market values, etc. on the closing date is adopted.

(Appraisal difference is treated as net assets increase-decrease and cost of products sold is calculated by the moving-average method.)

(3) Method of fixed assets depreciation

1) Tangible fixed assets

Declining-balance method is adopted. However, tangible fixed assets with acquired value of ¥ 100,000 or more but less than ¥ 200,000 are depreciated by equal monthly amounts in 3 years.

2) Intangible fixed assets

Fixed amount method is applied. However, intangible fixed assets with acquired value of ¥ 100,000 or more but less than ¥ 200,000 are depreciated by equal monthly amounts in 3 years.

(4) Accounting standards for reserves

Bonus payment reserves

To prepare for payment of bonus to personnel, an amount to be borne during the current fiscal year for the estimated bonus payment is accounted.

Settlement loss reserve

As the “Seiji Ozawa Music Academy” concert, which was expected to be held in the fiscal year 2010 (starting on September 1st, 2010 and ending on May 31st, 2011), was cancelled, settlement proceeding for the expenditures for the activities of notification and advertising already implemented is currently underway. The estimated amount of contribution resulting from the settlement was recorded.

(5) Coverage by funds in cash flow statement

The coverage by funds includes cash and cash equivalents in current assets.

(6) Accounting process of consumption tax, etc.

Accounting process of consumption tax, etc. is made by the tax inclusive method.

2. Increase-decrease of basic assets and specified assets and their balance

The total increase-decrease in basic assets and specified assets and their balance are as follow

(Unit: yen)

Account title	Balance at the end of fiscal 2010	Increase during fiscal year starting on September 1, 2010, ended on March 31, 2011	Decrease during fiscal year starting on September 1, 2010, ended on March 31, 2011	Balance at the fiscal year ended March 31, 2010
<b>Basic assets</b>				
Bank deposits	666,705	1,959,054,666	1,934,424,615	25,296,756
Investments in securities	44,192,108,544	2,427,362,453	1,314,767,753	45,304,703,244
Total basic assets (A)	44,192,775,249	4,386,417,119	3,249,192,368	45,330,000,000
<b>Specified assets</b>				
<b>Financial support fund deposits</b>				
Bank deposits	83,438,339	294,074,677	326,821,498	50,691,518
Investments in securities	567,862,535	275,715,330	567,868,180	275,709,685
Total financial support fund deposits (B)	651,300,874	569,790,007	894,689,678	326,401,203
<b>Reserve for the foundation's anniversary event</b>				
Bank deposits	9,171,435	707,828,011	705,807,253	11,192,193
Investments in securities	1,844,561,177	704,372,370	704,981,365	1,843,952,182
Total reserves for the foundation's anniversary events (C)	1,853,732,612	1,412,200,381	1,410,788,618	1,855,144,375
<b>Total reserves for expanding scholarship support projects (D)</b>				
Bank deposits	0	51,258,391	94,329	51,164,062
Investments in securities	0	274,785,846	315,999	274,469,847
Total reserves for expanding scholarship support projects (D)	0	326,044,237	410,328	325,633,909
Total specified assets(E)=(B)+(C)+(D)	2,505,033,486	2,308,034,625	2,305,888,624	2,507,179,487
Total (A) + (E)	46,697,808,735	6,694,451,744	5,555,080,992	47,837,179,487

3. Contents of financial resources of basic assets and specified assets

The contents of financial resources of basic assets and specified assets are as follows:

(Unit: yen)

Account title	Balance at the fiscal year ended March 31, 2010	(Appropriated amount out of the designated net assets)	(Appropriated amount out of the general net assets)	(Amount corresponding to liabilities)
<b>Basic assets</b>				
Bank deposits	25,296,756	(25,035,608)	(261,148)	(0)
Investments in securities	45,304,703,244	(45,064,964,392)	(239,738,852)	(0)
Total basic assets (A)	45,330,000,000	(45,090,000,000)	(240,000,000)	(0)
<b>Specified assets</b>				
<b>Reserve for expanding financial support projects</b>				
Bank deposits	50,691,518	(0)	(50,691,518)	(0)
Investments in securities	275,709,685	(0)	(275,709,685)	(0)
Total reserve for expanding financial support projects(B)	326,401,203	(0)	(326,401,203)	(0)
<b>Reserve for the foundation's anniversary event</b>				
Bank deposits	11,192,193	(0)	(11,192,193)	(0)
Investments in securities	1,843,952,182	(0)	(1,843,952,182)	(0)
Total reserves for the foundation's anniversary events ( C)	1,855,144,375	(0)	(1,855,144,375)	(0)
<b>Reserve for expanding scholarship support projects</b>				
Bank deposits	51,164,062	(0)	(51,164,062)	(0)
Investments in securities	274,469,847	(0)	(274,469,847)	(0)
Total reserves for expanding scholarship support projects (D)	325,633,909	(0)	(325,633,909)	(0)
Total specified assets(E)=(B)+(C)+(D)	2,507,179,487	(0)	(2,507,179,487)	(0)
Total (A) + (E)	47,837,179,487	(45,090,000,000)	(2,747,179,487)	(0)

4. Contents of debentures held for maturity and their book value, market value, and appraisal profit and loss

The contents of debentures held for maturity and their book value, market value and appraisal profit and loss are as follows:

(Unit: yen)

Type and description	Book value	Market value	Appraisal profit and loss
<b>Public and corporate bonds</b>			
<b>Basic assets</b>			
282nd interest-bearing government bond	457,094,146	457,028,400	-65,746
287th interest-bearing government bond	436,915,074	436,873,620	-41,454
285th interest-bearing government bond	429,548,786	429,428,790	-119,996
60th interest-bearing government bond	427,413,008	428,624,895	1,211,887
299th interest-bearing government bond	420,349,446	420,252,000	-97,446
281st interest-bearing government bond	398,879,157	398,799,300	-79,857
67th interest-bearing government bond	375,613,754	376,789,020	1,175,266
78th interest-bearing government bond	175,792,655	177,878,025	2,085,370
63rd interest-bearing government bond	166,832,788	167,709,800	877,012
62nd interest-bearing government bond	107,718,046	107,949,220	231,174
70th interest-bearing government bond	169,237,883	171,011,100	1,773,217
71st interest-bearing government bond	59,308,501	59,315,490	6,989
Total basic assets (A)	3,624,703,244	3,631,659,660	6,956,416
<b>Specified assets</b>			
Total reserve for expanding financial support projects			
285th interest-bearing government bond	275,709,685	275,632,665	-77,020
Total financial support fund deposits (B)	275,709,685	275,632,665	-77,020
Reserve for the foundation's anniversary event			
281st interest-bearing government bond	1,037,075,800	1,036,868,175	-207,625
285th interest-bearing government bond	704,357,948	704,161,185	-196,763
67th interest-bearing government bond	102,518,434	102,839,205	320,771
Total reserves for the foundation's anniversary events ( C)	1,843,952,182	1,843,868,565	-83,617
Fund deposits for scholarship support			
290th interest-bearing government bond	154,836,120	154,777,350	-58,770
281st interest-bearing government bond	119,633,727	119,609,775	-23,952
Total reserves for expanding scholarship support projects (D)	274,469,847	274,387,125	-82,722
Total specified assets(E)=(B)+(C)+(D)	2,394,131,714	2,393,888,355	-243,359
Total (A) + (E)	6,018,834,958	6,025,548,015	6,713,057

5. Contents of transfer amounts from designated net assets to general net assets

The contents of transfer amounts from designated net assets to general net assets are as follows:

(Unit: yen)

Contents	Amount
Transfer amount to current income	
Basic assets dividend earned	520,000,000
Basic assets interest earned	-8,597,698
Total	511,402,302

6. Coverage by funds and important non-fund transaction in cash flow statement

The relationship between the balance of cash and cash equivalents at the end of the fiscal year and the figures specified in the balance sheet is as follows.

Balance at the end of the current fiscal year	
Current assets	
Bank deposits	688,611,087yen
Cash and cash equivalents	688,611,087yen

Detailed statement

1. Statement on basic assets and specified assets

The detailed statement is made in 2. of the note for the financial statement.

2. Details of reserves

(Unit: yen)

Account title	Balance at the beginning of the fiscal year	Increase during current fiscal year	Decrease during current fiscal year		Balance at the end of fiscal year
			Amount used for specific purpose	Others	
Reserve for bonuses for employees	1,916,523	2,464,878	1,916,523	0	2,464,878
Settlement loss reserves	0	134,000,000	0	0	134,000,000