

Incorporated Educational Institutions and Accounting Standards for Incorporated Educational Institutions

Incorporated Educational Institutions

An incorporated educational institution refers to the legal entity established for the purpose of opening a private school as provided for in the School Education Act and the Private School Act.

While companies operate for the sake of profit, incorporated educational institutions do not: their objective is to conduct education and research activities and to give the outcomes of those activities back to society. In accordance with their respective founding principles and missions, these

institutions are highly public in that they engage in teaching and research, and they are also highly autonomous.

In accordance with the Private School Promotion Subsidy Act, incorporated educational institutions that receive subsidies from the national or local government ("private school subsidies") are required to create financial statements based on the Accounting Standards for Incorporated Educational Institutions stipulated by the Minister of MEXT.

Accounting Standards for Incorporated Educational Institutions

Due to the highly public nature of private schools, they are expected to be stable and to operate on a break-even basis to ensure long-lasting education and research activities. In light of this, MEXT established the Accounting Standards

for Incorporated Educational Institutions as a uniform set of guidelines to ensure that incorporated educational institutions receiving private school subsidies perform proper accounting.

Differences between Accounting for Incorporated Educational Institutions and Corporate Accounting

Financially speaking, companies are producing entities that produce and sell goods to recover the capital they have invested and to generate profits, which are then used to make new capital investments or improve existing facilities. Meanwhile, incorporated educational institutions secure revenues by admitting students and collecting fees from them, but if expenditures increase, increasing revenues to offset those outlays is difficult. In other words, they are

consuming entities.

Therefore, the purpose of corporate accounting is to disclose to shareholders the performance of profit-making business activities and the financial situation of a company, while the purpose of accounting for incorporated educational institutions is to assess and disclose the health of education and research activities undertaken as part of school operations from a financial standpoint.

Financial Ratios

The balance of revenues and expenditures, financial soundness, and other comprehensive indicators of financial standing are represented by the following financial ratios (p 58).

Ratios for the Statement of Operating Activities

Ratios that show the relationship of major expenditures to ordinary revenues: Personnel expenditure ratio, education and research expenditure ratio

Ratios that show the balance between revenues and expenditures: Ratio of net income/loss from educational activities, current account balance ratio, operating activities balance ratio

Ratios for the Statement of Financial Position

Ratios that demonstrate financial stability and soundness: Net asset ratio, ratio of total liabilities to total funds

1. Settlement of Accounts

1-1. Settlement of Accounts for AY2020

In order to maintain financial soundness, we have defined the financial independence of each school and the maintenance of a positive current account balance for the Trust as a whole as key indicators, and we are performing financial management for the second half of the R2020 Plan (AY2015 - AY2020). In AY2020, as the final year of the R2020 Plan, we promoted education and research and other projects based on the basic goals of the school and the basic issues to be addressed by each university and affiliated school. At the same time, under the extremely difficult circumstances of the pandemic, we did our utmost to ensure that students could continue their studies while preventing the spread of the infection. At present, although the Academy barely maintains a positive current account balance, which is one of our financial indicators, revenue remains about the same. On the other hand, increased expenditures to improve academic conditions as part of the R2020 Plan have led to annual declines in that balance. Furthermore, in AY2020, due to the emergency relief measures for students in response to the COVID-19 pandemic, the net income/loss from educational activities, which makes up part of the current account balance, dropped significantly into negative territory. In the process of realizing the ideal Academy and university that the R2030 Plan, which will begin in fiscal year 2021, aims to achieve, we will pursue the stabilization and diversification of our revenue base and review our expenditures, all while considering new ways of conducting education and research projects in the era of COVID-19 and beyond as we seek to further strengthen the financial base that supports the sustainable advancement of education and research as part of Financial Operations for R2030.

1-2. Statement of Cash Flow for FY2020

(in 100 million of JPY)

Item	FY2020 Budget	FY2020 Settlement	Difference
Revenues			
Revenue From Student Fees	584	583	Δ 1
Revenue From Processing Fees	32	28	Δ 4
Donation Revenue	13	12	Δ 1
Subsidy Revenue	99	110	11
(National Government Subsidy Revenue)	79	89	10
(Local Government Subsidy Revenue)	20	21	1
Revenue from Sales of Assets	0	0	0
Income from University-Owned Businesses	38	28	Δ 10
Income from Interest and Dividends	21	22	1
Miscellaneous Revenue	17	24	7
Revenue from Borrowings	150	0	Δ 150
Revenue from Advances Received	88	118	30
Amount Reversal from Specified Assets and Other Revenues	96	170	74
Revenue Adjustments	Δ 126	Δ 128	Δ 2
Carryover from Previous Year	219	219	0
Total: Revenues	1,231	1,187	Δ 44
Expenditures			
Personnel Expenditures	408	402	Δ 6
Education and Research Expenditures	286	267	Δ 20
Institutional Administrations Expenditures	56	58	2
Loan Interest Expenditures	0	0	Δ 0
Loan Repayment Expenditures	152	2	Δ 150
Facility-related Expenditures	47	39	Δ 8
Equipment-related Expenditures	20	18	Δ 2
Deposits for Specified Assets	63	181	117
Accounts Payable from Previous Fiscal Year and Other Expenditures	56	58	2
Reserve Fund	4	0	Δ 4
Expenditure Adjustments	Δ 60	Δ 70	Δ 10
Carryover into Next Year	198	233	35
Total: Expenditures	1,231	1,187	Δ 44

*Due to rounding up, totals may not match the sum of individual items.

*Items listed in parentheses are breakdowns of the items above them.

*'Difference' refers to the budget amount less the settlement amount.

Cash Revenues

After excluding the balance carried forward from the previous academic year from the Revenues section total of JPY 118.7 billion, cash revenues for FY2020 came to JPY 96.8 billion.

We earned JPY 58.3 billion in revenues from student fees such as student tuition and admission fees.

Revenues from entrance examination fee payments and other fees totaled JPY 2.8 billion.

Revenues from subsidies amounted to JPY 11.0 billion, and consisted of ordinary expense subsidies for private universities and affiliated school operating subsidies as well as subsidies granted by MEXT under the new Higher Education Enrollment Support Program that began in FY2020. Regarding other revenues, revenues from a reversal of reserve specified assets came to JPY 14.5 billion and were allocated to emergency relief in response to the COVID-19 pandemic and campus maintenance for FY2020.

Cash Expenditures

After excluding the balance carried forward to the next academic year from the Expenditures section total of JPY 118.7 billion, cash expenditures for FY2020 came to JPY 95.4 billion.

Personnel expenses totaled JPY 40.2 billion reflecting efforts to strengthen the faculty organization in order to improve the quality of education at the universities and affiliated schools. Expenditures for education and research totaled JPY 26.7 billion and included the development of an environment for online classes and financial aid scholarships, both of which were implemented as emergency relief measures for student learning in response to the COVID-19 pandemic. Expenditures for facilities were JPY 3.9 billion, and expenditures for equipment were JPY 1.8 billion. In FY2020, construction of Ritsumeikan Asia Pacific University Building I (Tokimachiba) and the large-scale renovation of Keimeikan Hall on Ritsumeikan University's Kinugasa Campus were carried out as was construction work to increase ventilation capacity to help prevent the spread of COVID-19 and the installation of outpatient Fever Clinics on the campuses.

1-3. Statement of Operating Activities for FY2020

(in 100 million of JPY)

Item	FY2020 Budget	FY2020 Settlement	Difference
General Account; Educaton and Reseach			
Student Fees	584	583	Δ 1
Processing Fees	32	28	Δ 4
Donations	8	7	Δ 1
Subsidies	98	106	8
Income from University-Owned Businesses	38	28	Δ 10
Miscellaneous	17	19	1
Total: Revenues	778	771	Δ 7
Personnel	405	404	Δ 1
Education and Research	351	329	Δ 22
(Depreciation Cost)	65	63	Δ 2
Instisutonal Administrations	63	63	Δ 0
(Depreciation Cost)	7	8	1
Unrecoverable Amount	0	0	0
Total: Expenditures	819	796	Δ 23
Income/Loss	Δ 41	Δ 25	16

General Account; Others

Income from Interest and Dividends	21	22	1
Other Revenues	0	5	5
Total: Revenues	21	27	6
Interest on Loan	0	0	Δ 0
Other Expenditures	0	2	2
Total: Expenditures	0	2	1
Income/Loss	21	25	5
Income/Loss of General Account	Δ 21	0.1	21

Special Account

Gains from Sales of Assets	0	0	0
Other Revenues	8	11	3
Total: Revenues	8	11	3
Balance of Asset Disposal	2	5	3
Other Expenditures	0	2	2
Total: Expenditures	2	7	5
Income/Loss	5	4	Δ 1
Reserve Fund	4	0	Δ 4
Net Income/Loss before Allocated Capital Funds	Δ 19	5	24
Total Amount of Allocated Capital Funds	Δ 50	Δ 27	24
Net Income/Loss for This Fiscal Year	Δ 70	Δ 22	47
Net Income/Loss Brought Forward from Previous Fiscal Year	Δ 162	Δ 162	0
Amount Reversed from Capital Funds	0	0	Δ 0
Net Income/Loss to be Carried Forward to Next Fiscal Year	Δ 231	Δ 184	47
Total Revenues of Statement of Operations	807	809	3
Total Expenditures of Statement of Operations	826	805	Δ 21

*Due to rounding up, totals may not match the sum of individual items.

*Items listed in parentheses are breakdowns of the items above them.

*Difference refers to the budget amount less the settlement amount.

*Total Revenues of Statement of Operations= Revenues from Cureent Account + Revenues from Special Account

*Total Expenditures of Statement of Operations= Expenditures from Cureent Account + Expenditures from Special Account + Reserve Fund

Educational Activity Revenues and Expenditures

Educational activity revenues and expenditures show revenues and expenditures from educational and research activities that are included under ordinary revenues and expenditures.

Revenues totaled JPY 77.1 billion reflecting student payments, fees, donations, and ordinary expense subsidies. Expenses came to JPY 79.6 billion, including personnel expenses, education and research expenses and administrative expenses, producing a final outcome of JPY 2.5 billion net income for FY2020.

Meanwhile, depreciation costs included in education and research expenses and administrative expenses reached JPY 7.1 billion.

Non-Educational Activity Revenues and Expenditures

Non-educational activity revenues and expenditures show revenues and expenditures from financial activities that are included under ordinary revenues and expenditures.

Revenues comprised of interest, dividend and other income totaled JPY 2.7 billion, while expenditures, which included loan interest and other income, amounted to JPY 200 million, producing a final outcome of JPY 2.5 billion in net income for FY2020.

Ordinary Net Income/Loss

Tallying up the totals for educational activity and non-educational activity revenues and expenditures, the final outcome was JPY 10 million in ordinary net income.

Special Revenues and Expenditures

Special revenues and expenditures, which reflect one-time revenues and expenditures, increased due to an increase in subsidies for facilities and equipment, resulting in an income surplus of JPY 400 million in FY2020.

Net income/loss for current academic year

Tallying up the totals for educational activity, non-educational activity and special revenues and expenditures, the final outcome for the current academic year after subtracting JPY 2.7 billion included allocated to capital funds was net income of JPY 2.2 billion.

1-4. Statement of Financial Position for FY2020

(in 100 million of JPY)

Item	End of FY2020	End of FY2019	Change
Assets			
Fixed Assets	3,558	3,542	16
Tangible Fixed Assets	2,237	2,252	Δ 15
(Land)	697	694	2
(Buildings and Structures)	1,291	1,318	Δ 28
(Equipment for Education and Research)	79	78	0
(Books)	154	152	2
Specified Assets	1,310	1,276	34
(Reserve Assets for Type 3 Capital Fund)	137	137	0
(Reserve Assets for Type 4 Capital Fund)	57	56	1
(Reserve Assets for Retirement Benefits)	131	129	2
(Specified assets II)	985	954	31
Other Fixed Assets	11	14	Δ 3
Current Assets	258	239	18
(Cash and Deposits)	233	219	14
Assets: Total	3,816	3,781	35

Liabilities

Fixed Liabilities	269	270	Δ 1
(Long-term Debt and School Bonds)	130	131	Δ 1
(Reserve for Retirement Benefits)	131	129	2
Current Liabilities	231	200	31
(Short-term Debt and School Bonds)	1	2	Δ 1
(Advances Received)	118	111	7
(Deposits)	41	32	9
Liabilities: Total	500	470	30

Net Assets

Capital Funds	3,500	3,473	27
(Type 1 Capital Fund)	3,306	3,280	26
(Type 3 Capital Fund)	137	137	0
(Type 4 Capital Fund)	57	56	1
Net Income/Loss	Δ 184	Δ 162	Δ 22
Net Assets: Total	3,316	3,311	5
Liabilities and Net Assets: Total	3,816	3,781	35

*Due to rounding up, totals may not match the sum of individual items.

*Items listed in parentheses are breakdowns of the items above them.

**'Change' refers to end of FY 2020 amount less end of FY 2019 amount.

Assets

The Assets section shows all assets held as of the end of the fiscal year.

Tangible fixed assets, such as land, buildings, equipment and books, decreased by JPY 1.5 billion from the end of last academic year to JPY 223.7 billion owing to campus maintenance projects and other factors.

Specified assets, which include assets allocated to the reserve for retirement benefits (fixed liabilities), Type 3 and Type 4 capital funds and future facility maintenance, increased by JPY 3.4 billion from the end of last academic year to JPY 131 billion.

Liabilities and Net Assets

This Liabilities and Net Assets section shows the sources of funds used to acquire assets. Liabilities accounted for 13.1% of total assets and net assets made up 86.9%.

The total for the Liabilities sector for the fiscal year reached JPY 50 billion.

The Net Assets section increased by JPY 500 million from the previous academic year to JPY 331.6 billion supported by an increase in capital funds from acquisitions of assets allocated to capital funds (e.g., buildings, education and research equipment/fixtures, and books).

Statement of Cash Flow

The Statement of Cash Flow presents a clear picture of all revenues and expenditures relating to activities for a given fiscal year as well as the details regarding cash intake and outlays.

Statement of Operating Activities

The Statement of Operating Activities classifies business revenues and expenditures for a given academic year into (1) revenues and expenditures from educational activities, (2) revenues and expenditures from non-educational activities, and (3) special revenues and expenditures. It presents a clear picture of the balance of revenues and expenditures for each category, and calculates changes in the net assets of incorporated educational institutions (changes in capital funds and carried-forward net income/loss).

While the Statement of Cash Flow covers all funds, the Statement of Operating Activities aims to show the change of an institution's net assets; therefore, it does not include incoming and outgoing liabilities (e.g., borrowing and deposits), but it does include revenues and expenditures that do not entail cash transactions (e.g., in-kind donations, depreciation cost).

【Categories of Activity Revenues and Expenditures】

- Educational Activity Revenues and Expenditures:
Among ordinary revenues and expenditures, this category consists of revenues and expenditures from educational and research activities.
- Non-Educational Activity Revenues and Expenditures:
Among ordinary revenues and expenditures, this category consists of revenues and expenditures from activities other than education and research (chiefly financial activities).
- Special Activity Revenues and Expenditures:
This category consists of one-time revenues and expenditures such as asset sales and asset disposals.

【Capital Funds】

To conduct education and research activities, incorporated educational institutions must have capital funds to maintain assets such as buildings, equipment, books and cash-on-hand. According to the standards for incorporated educational institution accounting, the amount of funds

to acquire assets during the fiscal year is included in the capital funds. The Accounting Standards for Incorporated Educational Institutions define four types of capital funds as follows:

- Type 1: Acquisition cost of tangible fixed assets, such as land, buildings, equipment, supplies and books
- Type 2: Amount of deposits or other funds set aside for the purpose of acquiring fixed assets in the future
- Type 3: Amount for scholarship funds, research funds, and other funds
- Type 4: Amount of operating funds required for administration (amount designated by the Minister of MEXT)

【Income/Loss】

- Net ordinary income/loss (net income/loss from educational activities + net income/loss from non-educational activities):
This shows the balance of ordinary revenues and expenditures for a given academic year.
- Net income/loss for given academic year prior to allocation to capital funds (ordinary net income/loss + special net income/loss):
This shows the balance of ordinary revenues and expenditures for a given academic year after including one-time revenues and expenditures. The net income/loss amount represents the change in net assets of an incorporated educational institution for a given academic year.
- Net income/loss for the current academic year, net income/loss for the current academic year carried forward from the previous academic year, net income/loss for the current academic year to be carried forward to the next fiscal year:
This shows the net income/loss after allocation to the capital funds, and reflects the long-term balance of revenues and expenditures.

Statement of Financial Position

The Statement of Financial Position provides a detailed account of assets, liabilities, and net assets (i.e., capital funds and income/loss carried forward) as well as the balances for each. It aims to provide a clear picture of an incorporated educational institution's financial situation.

【Assets】

This section shows all assets held as of the closing date.

【Liabilities and Net Assets】

These sections show the sources of funds used to acquire assets. The total of the Liabilities and Net Assets sections is equal to the total of the Assets section.

The Liabilities section, which includes loans and the reserve for retirement benefits, reflects funds originating from other persons or organizations outside of the institution, while the Net Assets section (capital funds + carried-forward net income/loss) reflects the institution's own funds.

1-5. Asset Inventory

Total Assets	¥381,585,796,860
Endowment	¥224,668,258,728
Operating Assets	¥156,917,538,132
<hr/>	
Total Liabilities	¥50,010,519,394
Net Assets	¥331,575,277,466

(as of March 31, 2021)

Type	Amount
Assets	
1 Endowment	
Land	2,299,753.80 m ² ¥69,670,437,324
Buildings	826,688.87 m ² ¥117,739,193,710
Books	3,242,074 ¥15,431,525,823
Equipment	17,432 ¥8,576,965,859
Construction in Progress	¥935,526,748
Other	¥12,314,609,264
2 Operating Assets	
Cash and Deposits	¥23,308,705,480
Assets Held for School Trips	¥173,071,565
Reserve Fund	¥131,018,651,113
Securities	¥123,999,157
Accounts Receivable	¥1,729,361,886
Advance Payments	¥511,599,643
Other	¥52,149,288
Total Assets	¥381,585,796,860

Type	Amount
Liabilities	
1 Fixed Liabilities	
Long-term Debt and School Bonds	¥13,000,000,000
Long-term Account Payable	¥811,932,821
Reserve for Retirement Benefits	¥13,103,045,947
2 Current Liabilities	
School bonds scheduled to be redeemed within the year	¥50,000,000
Account Payable	¥6,946,665,764
Advances Received	¥11,825,031,547
Deposits	¥4,100,771,750
Cash Held for School Trips	¥173,071,565
Total Liabilities	¥50,010,519,394
Net Assets	¥331,575,277,466

1-6. Audit Report

Audit Report

May 21, 2021

To: The Board of Trustees and Trust Council of the Ritsumeikan Trust
 From: Yoshikazu Sagami, Full-time Auditor of the Ritsumeikan Trust
 Yasuhiko Watanabe, Auditor of the Ritsumeikan Trust
 Masatada Rai, Auditor of the Ritsumeikan Trust

In accordance with Article 37, Paragraph 3 of the Private School Act and Article 16, Paragraph 1, Item 4 of the Ritsumeikan Trust Act of Endowment, we, the auditors, hereby report on the operations and status of property of the Ritsumeikan Trust for the 2020 fiscal year commencing on April 1, 2020 and ending on March 31, 2021.

1. Method

We, the auditors, examined the operations and status of property of the Ritsumeikan Trust by attending meetings of the Board of Trustees and the Trust Council, receiving reports from the Trustees and other executives on the performance of duties, viewing important management documents, etc., and collaborate with the accounting auditor to consider financial statements. We have carried out audit procedures that we consider necessary.

2. Results

- (1) We deem that the decisions and execution of the business of the Ritsumeikan Trust or the business execution of directors are appropriate, we deem the financial statements, that is, the statement of cash flow, statement of operating activities and statement of financial position (including fixed asset schedule, debt schedule and capital funds schedule), and asset inventory are combined with the entries in the accounting books, and we deem the income and status of property are properly displayed.
- (2) We deem that there exists no misconduct with Regarding the business or property status of the Ritsumeikan Trust or the business execution of directors.

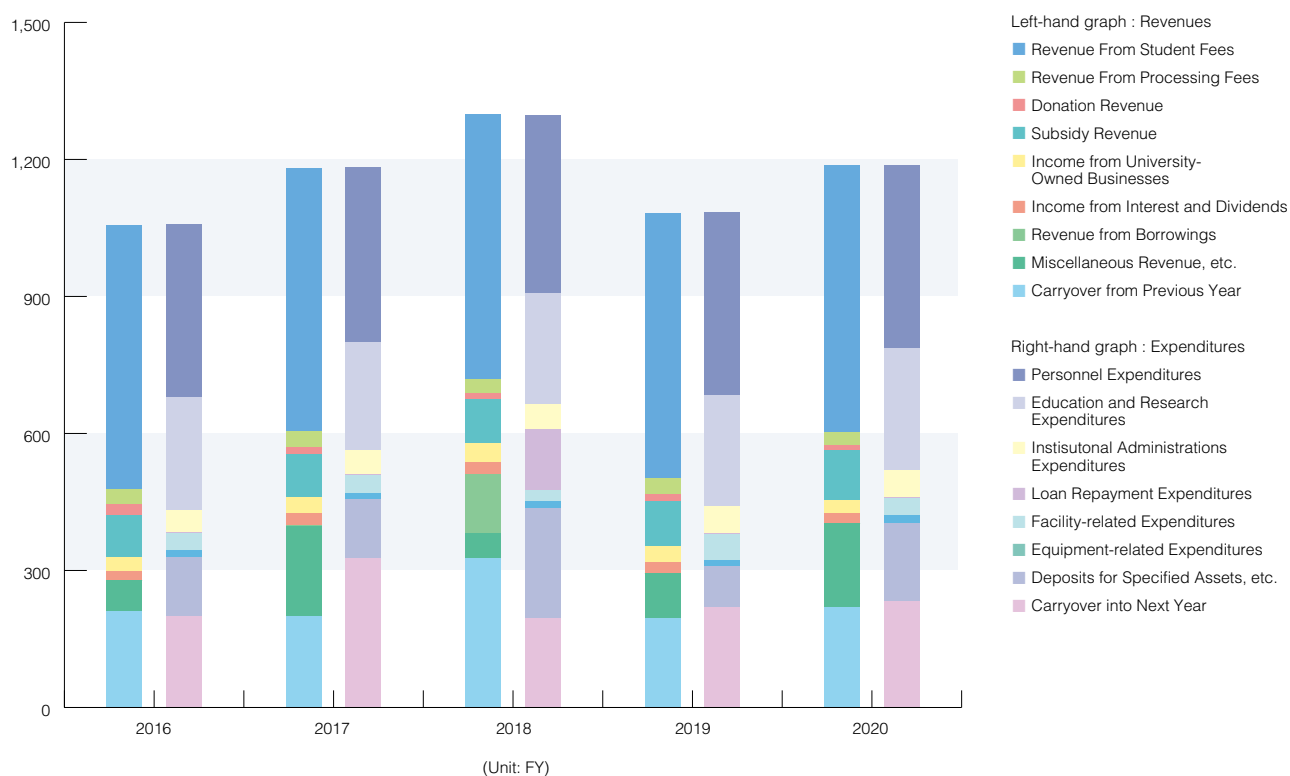
2. Year-to-year Changes

2-1. Historical Cash Flow (FY2016 ~ 2020)

(in 100 million of JPY)

Item	FY2016	FY2017	FY2018	FY2019	FY2020
Revenues					
Revenue From Student Fees	580	578	579	581	583
Revenue From Processing Fees	31	33	32	34	28
Donation Revenue	26	17	11	17	12
Subsidy Revenue	90	94	98	97	110
Revenue from Sales of Assets	—	0	0	1	0
Income from University-Owned Businesses	32	34	42	37	28
Income from Interest and Dividends	19	27	25	23	22
Miscellaneous Revenue	17	18	23	23	24
Revenue from Borrowings	—	1	130	—	—
Revenue from Advances Received	105	100	103	111	118
Amount Reversal from Specified Assets and Other Revenues	64	197	47	80	170
Revenue Adjustments	Δ119	Δ117	Δ120	Δ118	Δ128
Carryover from Previous Year	212	201	327	196	219
Total: Revenues	1,057	1,182	1,297	1,084	1,187
Expenditures					
Personnel Expenditures	378	382	391	391	402
Education and Research Expenditures	248	236	241	243	267
Institutional Administrations Expenditures	48	53	56	61	58
Loan Interest Expenditures	—	0	0	0	0
Loan Repayment Expenditures	2	2	132	2	2
Facility-related Expenditures	38	39	26	56	39
Equipment-related Expenditures	16	14	15	14	18
Deposits for Specified Assets	130	127	244	92	181
Accounts Payable from Previous Fiscal Year and Other Expenditures	56	56	51	57	58
Expenditure Adjustments	Δ59	Δ54	Δ55	Δ58	Δ70
Carryover into Next Year	201	327	196	219	233
Total: Expenditures	1,057	1,182	1,297	1,084	1,187

* Due to rounding up, totals may not match the sum of individual items.



2-2. Historical Operating Activities (FY2016 ~ 2020)

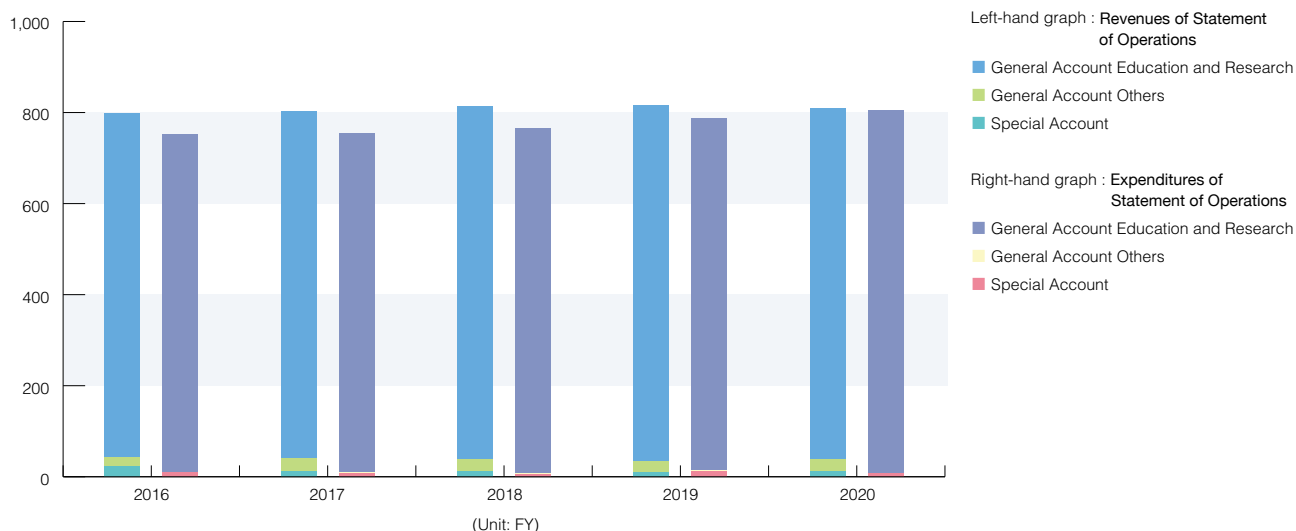
(in 100 million of JPY)

Item	FY2016	FY2017	FY2018	FY2019	FY2020
General Account; Educator and Research					
Student Fees	580	578	569	572	578
Processing Fees	31	33	32	34	28
Donations	6	7	6	12	7
Subsidies	88	93	96	96	106
Income from University-Owned Businesses	32	34	42	37	28
Miscellaneous	18	17	20	21	19
Total: Revenues	755	762	774	782	771
Personnel	377	387	393	402	404
Education and Research	311	299	305	306	329
Instisutonal Administrations	54	59	61	65	63
Unrecoverable Amount	0	0	0	0	0
Total: Expenditures	742	746	759	774	796
Income/Loss	13	16	15	8	Δ 25
General Account; Others					
Income from Interest and Dividends	19	27	25	23	22
Other Revenues	—	1	3	1	5
Total: Revenues	19	28	28	24	27
Interest on Loan	—	0	0	0	0
Other Expenditures	1	1	1	2	2
Total: Expenditures	1	1	1	2	2
Income/Loss	18	27	26	22	25
Income/Loss of General Account	31	43	41	31	0
Special Account					
Gains from Sales of Assets	0	—	—	—	0
Other Revenues	24	13	11	10	11
Total: Revenues	24	13	11	10	11
Balance of Asset Disposal	8	8	5	11	5
Other Expenditures	1	0	1	1	2
Total: Expenditures	9	8	6	12	7
Income/Loss	15	4	5	Δ 2	4
Net Income/Loss before Allocated Capital Funds	46	48	47	28	5
Total Amount of Allocated Capital Funds	Δ 36	Δ 16	Δ 9	Δ 40	Δ 27
Net Income/Loss for This Fiscal Year	10	32	37	Δ 12	Δ 22
Net Income/Loss Brought Forward from Previous Fiscal Year	Δ 242	Δ 229	Δ 191	Δ 153	Δ 162
Amount Reversed from Capital Funds	3	7	—	4	0
Net Income/Loss to be Carried Forward to Next Fiscal Year	Δ 229	Δ 191	Δ 153	Δ 162	Δ 184
Total Revenues of Statement of Operations	795	798	803	816	809
Total Expenditures of Statement of Operations	738	752	755	788	805

*Due to rounding up, totals may not match the sum of individual items.

*Total Revenues of Statement of Operations= Revenues from Cureent Account + Revenues from Special Account

*Total Expenditures of Statement of Operations= Expenditures from Cureent Account + Expenditures from Special Account + Reserve Fund

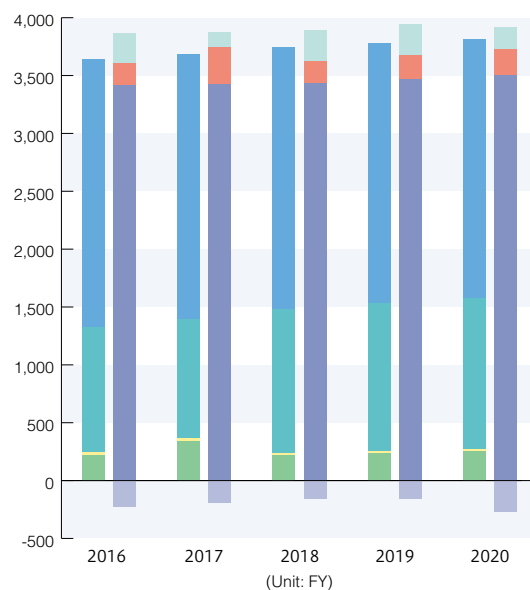


2-3. Historical Financial Position (FY2016 ~ 2020)

(in 100 million of JPY)

Item	End of FY2016	End of FY2017	End of FY2018	End of FY2019	End of FY2020
Assets					
Fixed Assets	3,419	3,342	3,521	3,542	3,558
Tangible Fixed Assets	2,312	2,288	2,259	2,252	2,237
Specified Assets	1,088	1,034	1,245	1,276	1,310
Other Fixed Assets	20	20	17	14	11
Current Assets	220	345	221	239	258
Assets: Total	3,639	3,687	3,742	3,781	3,816
Liabilities					
Fixed Liabilities	263	138	267	270	269
Current Liabilities	187	313	193	200	231
Liabilities: Total	451	451	459	470	500
Net Assets					
Capital Funds	3,418	3,427	3,436	3,473	3,500
Type 1 Capital Fund	3,227	3,235	3,245	3,280	3,306
Type 2 Capital Fund	—	—	—	—	—
Type 3 Capital Fund	137	137	137	137	137
Type 4 Capital Fund	54	55	55	56	57
Net Income/Loss	Δ 229	Δ 191	Δ 153	Δ 162	Δ 184
Net Assets: Total	3,189	3,236	3,283	3,311	3,316
Liabilities and Net Assets: Total	3,639	3,687	3,742	3,781	3,816

*Due to rounding up, totals may not match the sum of individual items.



Left-hand graph : Assets Right-hand graph : Liabilities and Net Assets
 ■ Tangible Fixed Assets ■ Fixed Liabilities
 ■ Specified Assets ■ Current Liabilities
 ■ Other Fixed Assets ■ Capital Funds
 ■ Current Assets ■ Net Income/Loss

3. Financial Ratios

Financial Ratios for the Statement of Operating Activities

(Unit:%)

Ratio	Calculation	Evaluation	FY2016	FY2017	FY2018	FY2019	FY2020	National average
Personnel ratio	Personnel Expenditures ÷ General Revenues	▼	48.7	49.1	49.0	49.9	50.6	53.2
Education and Research Ratio	Education and Research Expenditures ÷ General Revenues	△	40.2	37.9	38.0	38.0	41.3	33.5
Balance of Payments in General Accounts; Education and Research	Income/Loss of General Accounts; Education and Research ÷ Revenues in General Accounts; Education and Research	△	1.7	2.1	1.9	1.1	Δ 3.3	2.6
Balance of Payments in General Accounts	Income/Loss of General Accounts ÷ General Revenues	△	4.0	5.5	5.2	3.8	0.0	4.2
Operating Activities Balance Ratio	Net income/loss for given academic year prior to allocation to capital funds ÷ revenue from operating activities	△	5.8	5.9	5.7	3.5	0.6	4.7

* General Revenues = Revenues from General accounts

* Scale: △: Higher values are better ▼: Lower values are better. National averages are the figures from FY2019 for incorporated universities, excluding medical and dental schools, taken from "Private University Finance Today" published by the Promotion and Mutual Aid Corporation for Private Schools.

* The definitions of ratios can be found in the section entitled "Incorporated Educational Institutions and Accounting Standards for Incorporated Educational Institutions" (p. 50).

Financial Ratios for the Statement of Financial Position

(Unit:%)

Ratio	Calculation	Evaluation	FY2016	FY2017	FY2018	FY2019	FY2020	National average
Ratio of Net Assets to Total Assets	Net Assets ÷ Total Assets	△	87.6	87.8	87.7	87.6	86.9	88.6
Ratio of Total Liabilities to Total Assets	Total Liabilities ÷ Total Assets	▼	12.4	12.2	12.3	12.4	13.1	11.4

* Scale: △: Higher values are better ▼: Lower values are better. National averages are the figures from FY2019 for incorporated universities, excluding medical and dental schools, taken from "Private University Finance Today" published by the Promotion and Mutual Aid Corporation for Private Schools.

* The definitions of ratios can be found in the section entitled "Incorporated Educational Institutions and Accounting Standards for Incorporated Educational Institutions" (p. 50).