

Financial Statements

Table 5-3 Balance Sheet (as of March 31, 2005)

(Unit: yen)

Assets		Liabilities and capital	
Item	Amount	Item	Amount
I Current assets	36,949,784,461	I Current liabilities	23,856,319,324
Cash and bank deposits	32,604,417,241	Management grant liabilities	6,562,644,279
Accrued revenues	391,365,529	Accrued payments	16,342,372,026
Inventories	782,348,375	Accrued expense	553,553,135
Stored goods	771,422,316	Lease liabilities	42,935,793
Livestock	10,926,059	Deposit received	349,509,691
Advance payments	1,327,671,141	Others	5,304,400
Prepaid expenses	148,558,229	Suspense receipt	5,304,400
Accrued income	48,055,190		
Others	1,647,368,756	II Fixed liabilities	1,098,645,902
Consignment goods	9,869,367	Property liabilities	1,098,645,902
Suspense payments	865,251	Property management grants	1,059,830,678
Advances paid	1,350,982	Property grants, etc.	38,815,224
Short-term loans of development investment and financing	1,578,018,682		
Allowance for bad debt	-11,713,296	Total liabilities	24,954,965,226
Short-term loans of migration investment and financing	78,714,602		
Allowance for bad debt	-11,197,192	I Capital	88,508,041,131
Short-term installment principal on sales of settlement	1,671,998	Governmental investment	88,508,041,131
Allowance for bad debt	-211,638		
II Fixed assets	73,439,006,187	II Capital surplus	-4,038,494,630
1 Tangible fixed assets	61,545,301,796	Capital surplus	-2,645,176
Buildings	41,532,551,239	Accumulated depreciation not included in expenses	-4,035,849,454
Accumulated depreciation	-3,017,164,747		
Structures	1,467,794,569	III Retained earnings	964,278,921
Accumulated depreciation	-238,105,353	Reserve funds	326,834,676
Machines and equipment	230,786,796	Unappropriated income for the current year	637,444,245
Accumulated depreciation	-104,937,203		
Vehicles and other transportation devices	961,485,838	Total capital	85,433,825,422
Accumulated depreciation	-299,154,661		
Tools, instruments, and fixtures	1,602,371,466	Total liabilities and capital	110,388,790,648
Accumulated depreciation	-459,098,412		
Land	19,825,543,764		
Construction in process	43,228,500		
2 Intangible fixed assets	22,763,242		
Trademarks	5,028,861		
Others	17,734,381		
Telephone subscription rights	12,189,450		
Right to use power plants and other supply facilities	5,544,931		
3 Investment and other assets	11,870,941,149		
Investment in securities	31,006		
Investment in affiliates	428,445,102		
Long-term loans	10,106,296,675		
Long-term loans of development investment and financing	8,549,522,203		
Allowance for bad debt	-82,169,001		
Long-term loans of migration investment and financing	4,436,655,765		
Allowance for bad debt	-2,797,712,292		
Long-term prepaid expenses	20,473,330		
Others	1,315,695,036		
Guarantee money paid	1,313,815,144		
Long-term installment principal on sales of settlement	116,421,874		
Allowance for bad debt	-114,541,982		
Total assets	110,388,790,648		
Total	110,388,790,648	Total	110,388,790,648

Table 5-4 Income Statement (April 1, 2004 - March 31, 2005)

(Unit: yen)

Expenses and losses		Revenues	
Item	Amount	Item	Amount
Ordinary expenses	171,482,401,205	Ordinary revenues	172,202,049,923
Operating expenses	160,372,976,894	Revenues from management grants	164,724,651,778
Expenses for program formulation	6,674,574,344	Revenues from contracted programs	3,623,804,285
Expenses for technical cooperation projects	88,522,118,467	Revenues from development investment and financing	259,812,999
Expenses for grant aid projects	6,038,300,265	Revenues from settlement operations	13,963,889
Expenses for public participation based cooperation	25,787,594,655	Revenues from migration investment and financing	77,742,159
Expenses for emigration program	547,465,243	Revenues from facilities operations	2,106,895,780
Expenses for disaster relief activities	1,720,510,129	Donation revenues	1,382,297
Expenses for aid-personnel recruitment and training	3,625,887,774	Transfer from allowance for bad debt	419,741,337
Expenses for project/program evaluation	689,280,783	Transfer from liabilities for property management grants	164,838,201
Expenses for operation support	7,287,253,640	Transfer from liabilities for property grants	4,838,728
Expenses for domestic offices	4,074,777,618	Financial revenues	23,812,330
Expenses for overseas offices	9,051,114,377	Interest income	23,812,330
Facility operating expenses	2,648,560,708	Miscellaneous profits	598,971,147
Contracted program expenses	3,623,405,304	Gain on foreign exchange	181,594,993
Depreciation costs	82,133,587		
General administrative expenses	11,106,180,656	Non-recurrent profits	643,274
General administrative expenses	11,106,180,656	Profit on sales of fixed assets	643,274
Financial expenses	1,729,098		
Interest expense	1,729,098		
Miscellaneous loss	1,514,557		
Non-recurrent loss	82,847,747		
Loss on retirement of fixed assets	78,057,810		
Loss on sales of fixed assets	4,789,937		
Net income	637,444,245		
Total	172,202,693,197	Total	172,202,693,197

Table 5-5 Cash Flow Statement (April 1, 2004 - March 31, 2005)

(Unit: yen)

I Cash flow from operating activities	
Payment of operating expenses	-144,786,831,445
Payment of operation support expenses	-2,198,747,388
Payment of contracted program expenses	-3,734,104,656
Payment of personnel costs	-16,514,103,769
Other operation payments	-2,034,984,303
Loan interest income	334,787,073
Proceeds from settlement operations	35,116,440
Interest revenues	13,693,530
Installment principal	21,422,910
Revenues from management grants	162,030,200,000
Revenues from contracted programs	3,799,998,510
Revenues from facilities operations	2,108,234,248
Donation revenues	1,382,297
Other revenues	687,050,609
Subtotal	-272,002,384
Interest received	23,812,330
Interest paid	-1,729,098
Cash flow from operating activities	-249,919,152
II Cash flow from investing activities	
Payments for purchase of fixed assets	-1,531,944,281
Proceeds from sales of fixed assets	323,427,579
Payments for loan granting	-607,199,992
Proceeds from long-term loans receivable	2,387,974,608
Payments for time deposits	-23,200,000,000
Proceeds from cashing of negotiable certificates of deposit	20,700,000,000
Cash flow from investing activities	-1,927,742,086
III Cash flow from financing activities	
Repayment of lease liabilities	-47,674,702
Cash flow from financing activities	-47,674,702
IV Effect of exchange rate fluctuation on funds	104,058,857
V Net decrease in funds	-2,121,277,083
VI Funds at beginning of year	5,625,694,324
VII Funds at end of year	3,504,417,241

Table 5-6 Schedule Concerning Profit Appropriation

(Unit: yen)

I Unappropriated income for the current year		637,444,245
Total income for the current year	637,444,245	
II Appropriation of income		
Reserve funds	637,444,245	
	637,444,245	637,444,245

Table 5-7 Administrative Service Operation Cost Statement (April 1, 2004 - March 31, 2005)

(Unit: yen)

I Business expenses			164,256,884,462
Expenses on income statement			
Operating expenses	160,372,976,894		
General expenses	11,106,180,656		
Financial expenses	1,729,098		
Miscellaneous loss	1,514,557		
Loss on retirement of fixed assets	78,057,810		
Loss on sales of fixed assets	4,789,937	171,565,248,952	
(Deduction) Self revenues, etc.			
Revenues from contracted programs	-3,623,804,285		
Revenues from development investment and financing	-259,812,999		
Revenues from settlement operations	-13,963,889		
Revenues from migration investment and financing	-77,742,159		
Revenues from facilities operations	-2,106,895,780		
Donation revenues	-1,382,297		
Transfer from allowance for bad debt	-419,741,337		
Financial revenues	-23,812,330		
Miscellaneous profits	-598,971,147		
Loss on foreign exchange	-181,594,993		
Profit on sales of fixed assets	-643,274	-7,308,364,490	
II Accumulated depreciation not included in expenses			2,709,021,049
III Estimated increase in retirement benefit not included in allowance			-1,330,454,481
IV Opportunity cost			
Governmental investments and other opportunity costs			1,132,597,287
V Administrative service operation cost			166,768,048,317

Feature

Part 1

Part 2

Part 3

Part 4

Reference
Section

Financial Statements

Significant Accounting Policies

1. Standards for reporting revenues from management grants

Revenue Recognition Standard Based on Accrued Expense is applied. Since stored supplies necessary for emergency disaster relief activities are significant as inventory, when purchasing stored supplies, the management grant liabilities are transferred to liabilities for the property management grants, which will be reported as revenue as transfer from liabilities for property management grants when providing them to the governments of affected countries.

As stated in the Change in Accounting Procedures, the method of recognizing revenue with regard to stored supplies necessary for emergency relief activities has been changed.

2. Depreciation methods

1) Tangible fixed assets

Straight-line method.

The useful lives of major assets are as follows:

Buildings: 2 - 50 years

Structures: 1 - 39 years

Machines and equipment: 1 - 20 years

Vehicles and other transportation devices: 1 - 6 years

Tools, instruments, and fixtures: 1 - 18 years

The estimated depreciation costs for specific depreciable assets (Accounting standard for Independent Administrative Institution No.86) are directly deducted from the capital surplus and reported as accumulated depreciation not included in expenses.

2) Intangible fixed assets

Straight-line method.

3. Standard for appropriation of allowances and estimation in relation to retirement benefits

The allowance for retirement benefits is not provided for lump-sum severance, since the financial source is secured by management grants.

The allowance for retirement benefits is not provided for pension benefits from Employees' Pension Funds, since the financial source for EPF's insurance fees and reserve shortfall is secured by management grants.

The estimated increase in retirement benefits not included in allowance as shown in the Administrative Service Operation Cost Statement, is reported as current-year allowance for retirement benefits which has been calculated according to the Accounting standard No. 38.

Due to a change in the computation method for lump-sum severance from a service-period basis to a retirement-benefits point system, the projected benefit obligation could not maintain a high standard of credibility. The agency therefore has decided to compute the estimated increase in retirement benefits not included in the allowance for lump-sum severance based on necessary payment at the end of the term rather than use the conventional method.

4. Basis and standard for appropriation of allowances, etc.

Allowance for bad debts

To provide for loan loss, JICA records the estimated default amount, taking account of the actual loss rate for ordinary loans and specific collectibility of doubtful loans, etc.

5. Standards and methods for the valuation for securities

1) Investment in associated companies

Cost method as determined by the total-average cost

2) Other securities (non-marketable)

Cost method as determined by the total-average cost

6. Standards and methods for the valuation of inventories

Stored goods

Cost method as determined by the FIFO method

7. Translation standard of foreign currency assets and liabilities into yen

Foreign currency money claims and liabilities are translated into the yen with the spot exchange rate as of the fiscal year end, and the exchange differences are recognized as profit or loss.

8. Standards for computing opportunity costs in Administrative Service Operation Cost Statement

Interest rate used to compute opportunity costs concerning central and local governments' investments, etc.

1.320% in reference to the yield of 10-year fixed-rate JGB as of March 31, 2005

9. Accounting for lease transactions

The same accounting method as ordinary transactions is applied to the finance lease transactions with a total lease fee of 3 million yen or more.

The same accounting method as ordinary rental transactions is applied to the finance lease transactions with a total lease fee of less than 3 million yen.

10. Accounting for consumption taxes

Consumption taxes are included in the amounts on the financial statements.

11. Change in accounting procedures

Previously, stored supplies necessary for emergency relief activities were accounted as revenue when purchased. From this current term, the management grant liabilities are transferred to liabilities for the property management grants, which will be reported as revenue as transfer from liabilities for property management grants when providing them to the governments of affected countries.

This change has been adopted because based on transactions this year, it was determined that stored supplies necessary for emergency relief activities cause the ending balance to fluctuate depending on the time of the disaster and are thus deemed significant as inventory.

As a result, compared to the balances of the previous year when the same standard was applied, revenues from management grants decreased by 338,393,956 yen and ordinary profit, net income and total income for the current year decreased by 225,126,397 yen, respectively.

Notes

Notes to the Balance Sheet

Estimated retirement benefits to be provided from management grants

27,608,226,044 yen

A. Breakdown of retirement benefit costs

	FY2004
1) Retirement benefit obligation	-37,171,365,592
2) Plan assets	9,563,139,548
3) Accrued retirement benefit costs 1) + 2)	-27,608,226,044
4) Difference at the change of accounting standards	0
5) Unrecognized actuarial differences	0
6) Unrecognized past service obligation (decrease in liabilities)	0
7) Net reported amount on Balance Sheet 3) + 4) + 5) + 6)	-27,608,226,044
8) Prepaid pension costs	0
9) Allowance for retirement benefits 7) - 8)	-27,608,226,044

B. Breakdown of pension expenses

	FY2004
1) Service cost	917,020,000
2) Interest cost	460,197,500
3) Expected return on plan assets	0
4) Amortization of past service obligation	0
5) Amortization of actuarial differences	-141,647,063
6) Others (premiums collected for Employees' Pension Fund)	-274,452,018

C. Computation basis for retirement benefit obligation, etc.

	FY2004
1) Discount rate Retirement pension	2.0%
2) Periodic allocation method for expected retirement	Periodic fixed-amount benefits method
3) Amortization period for actuarial differences	1
4) Others (Amortization period of differences at the change of accounting standards; actual return rate, etc.)	1

Notes to Cash Flow Statement

The funds shown in the cash flow statements are cash, deposit accounts, and checking accounts.

1) Relation between the BOY balance of funds and the amounts of balance sheet accounts

(Unit: yen)

	(as of March 31, 2005)
Cash and deposit	32,604,417,241
Time deposit	-23,200,000,000
Certificate deposit	-5,900,000,000
Ending balance of funds	3,504,417,241

2) Description of significant non-financial transactions

There is no no-fund transaction that may significantly affect the cash flow after the fiscal year ends.

Notes to Administrative Service Operation Cost Statement

Loan employees from governments who are counted for opportunity costs

Of the estimated increase in retirement bonus not included in the allowance, 27,501,100 yen was recognized as the current-year increase of allowance for retirement and severance for 41 loan employees according to JICA's internal regulations.

Profit and loss on equity method, etc.

JICA does not prepare consolidated financial statements since it has no subsidiaries. The profit and loss on equity method, etc. concerning its affiliated companies are as follows (Unit: thousands of yen).

- 1) Investment in affiliated companies: 428,445
- 2) Investment on equity method: 466,056
- 3) Return on investment on equity method: 4,571

Significant debt burden

N/A

Significant subsequent events

N/A