A host family in Shay, Ladakh. They spend majority of time in house during the winter / Taejun Shin

Gojo Foundation Annual Report 2022

Everyone deserves to determine their own future.

Table of Contents

Message from Taejun	1
About Gojo Foundation, Vision and Mission	2
Overall Progress / Highlights	3
Sri Lanka Food Security Fund Program	4
Financial Inclusion Grant Program	10
“Oralizing Financial Diaries” Project	15
Financial Statements	20
Team	22
Request for Donations	25

Crossing the Shitalakshya River in Kapasia, Bangladesh / Rania Manayra

Thanks to all of your support, we managed to establish the Gojo Foundation in 2022. We aimed big but started small as if it were a small project. Besides, many successful organizations have longer project periods, because people can explore various ideas and crystallize hypotheses during that time.

During the year 2022, we carried out one emergency relief project for 7,500 pregnant women in Sri Lanka whose economy defaulted. The project revealed that the Foundation, leveraging its affiliation with Gojo, can provide support faster than many other organizations.

We also established a grant selection process and selected the first project, a financial diaries project for illiterate households. We decided to focus on the financial diaries project because it brings us significant insights into the financial behaviors of low-income families.

Though the Foundation will run with big endowments in the future, it is currently lacking enough funds. Thus we also started fundraising activities. During the year, we managed to raise around JPY 20 million despite not having a tax-exempt status. We plan to acquire the status by the end of the year 2023 such that we can raise more funds and enlarge the impact that we make.

Though the step we made in 2022 was small, it was meaningful. Thanks again for all the supporters, and we keep making an impact on the world.

Taejun

Taejun Shin
Representative Trustee
Gojo Foundation

Vision

Gojo Foundation's vision is to create a world where everyone can determine their future.

Mission

Gojo Foundation's mission is to provide funding for and conduct research about innovative solutions to uplift the lives of un(der)served people who cannot be served by typical for-profit companies.

About Gojo Foundation

Organization	General Incorporated Foundation Gojo
Founded in	February 2022
Representative Trustee	Taejun Shin
Location	Shibuya, Tokyo
Activity	Financial inclusion / Gender equality / Child poverty alleviation / Design for change

Photo of microfinance users in Tajikistan. They are working for a museum (which used to be a castle) nearby. / Taejun Shin

Overall Progress / Highlights

- Conducted **Sri Lanka Food Security Fund Program** for emergency relief, supporting 7,500 pregnant women with food vouchers
- Set up **grant program / selection committee** for financial inclusion and adopted **first project** “Oralizing Financial Diaries” in Bangladesh provided by My Oral Village
- Set up the foundation’s **operational base** - define key policies, release the website, develop donation process, prepare for public interest status application etc.

Sri Lanka
Food Security Fund Program

Grocery shop in Sri Lanka / Taejun Shin


Maternal handbook issued by the Sri Lankan government / Taejun Shin

Background

- Natural and man-made disasters, alongside global inflation, have put Sri Lanka into the **biggest crisis** since its establishment. Most vulnerable people seriously suffered from the economic crisis.

- Gojo Foundation decided to support **pregnant women** by providing LKR 5,000 **food vouchers** to them by partnering with Gojo & Company's group company, Sejaya Micro Credit Ltd.

May 2022

Food prices spiked due to the expected government default

June 2022

Gojo Foundation agreed to start a food security fund program, starting the crowdfunding campaign, and held a webinar inviting CEO of Sejaya

Sejaya coordinated with Ministry of Health and listed the pregnant women who are in a risky situation

September 2022

Raised around JPY 15 million (LKR 45 million)

Sejaya started distribution

November 2022

Voucher distribution completed to all beneficiaries

December 2022

Conducted survey to 100 beneficiaries for impact assessment

Shared the outcome through webinars and reports

Outcomes / Achievements

Provided LKR 5,000 food vouchers that can be redeemed at Cargills (supermarket chain in Sri Lanka) to **7,436 pregnant women** across the country

Almost all vouchers were **redeemed immediately**, and 95% of the beneficiaries claimed the impact on the household was **high**

Speed of implementation is a big advantage of Gojo Foundation thanks to the **local network** of Gojo & Company's group companies

Financial diaries by Gojo & Company helped us understand the situation quickly, enabling us to take an immediate action

With staff members of the Ministry of Health and Sejaya / Taejun Shin

Beneficiaries of the program / Taejun Shin

Program briefing at Sejaya's Kilinochchi branch / Sejaya Micro Credit Ltd.

Click to play

Message from Beneficiary

"The present economic crisis badly affected our family, mainly in fulfilling food and nutrition requirements.

Although the home garden program is being promoted, we have problems in fulfilling the food and nutrition requirements.

Prices of food items have been increasing rapidly. So, some mothers were unable to purchase at least rice (main food item in Sri Lanka).

Under this kind of situation, the financial assistance given by the Gojo Foundation and Sejaya Micro Credit will help us fulfill our nutrition requirements, at least for one month. It is a great help for us.

So I would like to thank the Gojo Foundation and Sejaya Micro Credit on behalf of all the mothers."

Financial Inclusion Grant Program

Rice paddies are abundant in the Kishoreganj district of Bangladesh / Arisa Oba


Exploring the streets of Hrishipara / Rania Manayra

Background

- Gojo Foundation hopes to research and fund work that improves the livelihoods of low-income households who are unable, unwilling, or otherwise unlikely to run businesses - we call them the '**Non-Entrepreneurial Poor**' (NEP).

- Gojo Foundation decided to set up a **grant program** to look for projects that are innovative, scalable and impactful to meet the above objectives.

Grant Program Overview

Theme	Financial Inclusion for Non-Entrepreneurial Poor (NEP)
Grant period	1-2 years, but can be extended to 3 years
Required output	- Project plan including issue identification, review of the current situation (research and analysis) - Semi-annual reporting (verbal + documented) during the grant period - Final reporting (verbal + documented) at the end of the grant period - Any other tangible output defined in the project plan - Publication summarizing the findings
Eligibility of the applicant	- Applicant must be an organization (corporates, non-profit, government, others), not an individual - Applicant must be able to communicate in English (all submission, reporting, presentations are expected to be in English) - Applicants must be capable of carrying out the project (resource, skill, network, experience, etc.)
Grant amount	Maximum JPY 5 million / project
Application period	2022/04/01 to 2023/03/31
Selection	The Selection Committee reviews each application. Project is approved at the Trustee Meeting every quarter.

Hypotheses

1	Innovative Loan Products for NEP	● For the non-entrepreneurial poor (NEP) MFI loans need to be much more flexible with regards to loan cycle and repayment timing. ● The NEP need to build more of their own capital, and borrow less of it from others. NEPs need services that help them create their own life-long capital through saving, against which they can borrow, making money management cheaper and less stressful.
2	Innovative Savings Systems for NEP	● Savings Groups are a successful form of savings-sharing: they create and distribute their own capital so don't need outside capital – but management services would greatly improve them. ● ROSCAs (rotating savings and credit association) can be spread further.

3	Operate Financial Institutions using Local Resources	• Most of the NEP's financial needs can be met with surplus funds held by others in the village. • Organizations that offer a community function in the village such as churches, temples, mosques, local community associations, unions, etc., can play a major role in organizing the financial services. • Focusing on local young women who have had little or no schooling might work pretty well when we think about recruiting and training them to become the employees for the financial service delivery mentioned above.
4	Use of Technology	• Even people with low literacy will be able to use mobile financial services with the help of staff.
5	Importance of Qualitative Research	• Insights gained from field visits and deep-dive interviews are the basis for problem solving, and data is only meaningful with these insights.

“Oralizing Financial Diaries” Project

Morning at Hrishipara village, Bangladesh / Arisa Oba

Background

- Illiterate people find it difficult to fully utilize financial services due to lack of trust.
- It has been reported in a separate study that by keeping financial diaries*, there is a positive impact to increase the financial knowledge of the diarists as well as empower the diarists to have more decision making power within the household.

In September 2022, the Selection Committee decided to grant JPY 5 million to My Oral Village to support their "Oralizing Financial Diaries" Project.

*Financial Diaries is a research methodology to collect detailed, day to day financial transaction data of low income households over a long period of time.

Project Goal

The project will be an exploratory 'action research' involving a small number of individuals – probably 40, plus a control group of another 20. Its goal would be three-fold:

Oralizing Inputs	To demonstrate that **illiterate adults can keep their own financial diaries** with the manipulation of multi-digit values in a paper medium (in a form of graphics, icons), and are motivated to do so if they have access to an appropriate training and tools.
Impacts of (self-keeping) Financial Diaries	To **form testable hypotheses** about whether and/or why the act of keeping a financial diary personally leads to better adaptation to formal financial and economic systems, compared to the act of contributing household information to a financial diary kept by an external party (from outside the household).
Oralizing Outputs	Generate actionable and falsifiable hypotheses about **what sort of aggregate or analytical information** participants would like to receive, extracted from their diaries, in a paper medium.

Project Setup

- This will be a joint project between My Oral Village, Hrishipara Daily Diaries Project and Micro Save Capital
- It will be over the course of 10 months
- Budget will be 50,000 USD, with some costs to be covered by the grantees
- Team will provide mid-term report around summer 2023 and final report around mid-2024. We plan to hold a webinar to report on the outcomes with My Oral Village.

Detail from a credit union passbook in Sierra Leone made by MOVE. MOVE plans to distribute a similar record-keeping template with icons and a number table for illiterate people to easily navigate. / My Oral Village


A shepherd in Ladakh/ Taejun Shin

Balance Sheet

As of 31 December 2022 / Unit: JPY

Account	Amount	Account	Amount
Assets :		Liabilities :	
Current assets	1,832,186	Current liabilities	1,535,687
Cash and deposits	1,830,186	Accounts payable	1,518,044
Accounts receivable	2,000	Income tax payables	5,800
		Withholdings	11,843
Non-current assets	3,529,440	Non-current liabilities	0
Restricted assets	3,529,440		
Cash and deposits	3,342,440		
Accounts receivable	187,000		
		Total Liabilities	1,535,687
		Net Assets :	
		Restricted net assets	3,529,440
		General net assets	296,499
		Total Net Assets	3,825,939
Total Assets	5,361,626	Total Liabilities and Net Assets	5,361,626

Statement of Activities

For the year ended 31 December 2022 / Unit: JPY

	Account for public interest purposes	Account for ordinary expense necessary for the operation	Total
I Changes in general net assets			
1 Operating activities			
(1) Revenues and gains from operating activities			
Income from restricted assets			
Interest income	0	46	46
Income from other assets			
Interest income	0	0	0
Donation	2,090,235	2,090,235	4,180,470
Transfer from restricted net assets	26,635,668	0	26,635,668
Total revenues and gains from operating activities	28,725,903	2,090,281	30,816,184
(2) Expenses and losses from operating activities			
Salaries	880,000	220,000	1,100,000
Travel and transportation	148,630	0	148,630
Outsourcing fees	406,450	0	406,450
Professional fees	0	138,600	138,600
Rents	105,600	26,400	132,000
Communication	196,677	62,315	258,992
Commissions	105,854	54,630	160,484
Supplies	0	5,224	5,224
Advertisement	33,000	0	33,000
Taxes and dues	0	60,000	60,000
Donation	26,866,235	0	26,866,235
Total expenses and losses from operating activities	28,742,446	567,169	29,309,615
Total changes in operating activities for the year	-16,543	1,523,112	1,506,569
2 Non-operating activities			
(1) Revenues from non-operating activities	0	0	0
(2) Expenses and losses from non-operating activities			
FX exchange loss	1,204,263	0	1,204,263
Total changes in non-operating activities for the year	-1,204,263	0	-1,204,263
Total changes in general net assets before transfer from other accounts	-1,220,806	1,523,112	302,306
Transfer from other accounts	0	0	0
General net assets before income taxes	-1,220,806	1,523,112	302,306
Income taxes	0	5,807	5,807
Total changes in general net assets	-1,220,806	1,517,305	296,499
General net assets at the beginning of the year	0	0	0
General net assets at the end of the year	-1,220,806	1,517,305	296,499
II Changes in restricted net assets			
Donation	28,781,388	1,383,720	30,165,108
Transfer to general net assets	-26,635,668	0	-26,635,668
Total changes of restricted net assets for the year	2,145,720	1,383,720	3,529,440
Restricted net assets at the beginning of the year	0	0	0
Restricted net assets at the end of the year	2,145,720	1,383,720	3,529,440
III Net assets at the end of the year	924,914	2,901,025	3,825,939

Team

Councilors

Brij Mohan

Former Chair of Ananya, Former Executive Director of Development Bank of India. He has another name, "Father of Microfinance in India".

Osamu Yamamoto

Partner of Unison Capital. Prior to joining the Gojo Foundation, he worked for McKinsey & Company, etc. He is privately engaged with various charities as well.

Wilson Kimberley

Senior Lecturer of Tufts University with many years of experience in consulting on financial inclusion. She was a director of an International NGO etc. before joining the Gojo Foundation.

Trustees

Taejun Shin

Founder & CEO of Gojo & Company, Inc. Founder of Living in Peace, a certified non-profit organization.

Mihoko Kashiwakura

Representative of Gates Foundation in Japan. She worked for the World Economic Forum before joining the Gojo Foundation.

Akiko Imai

Professor of Showa Women's University. Prior to joining the Gojo Foundation, she was involved in Tokyo Foundation as Executive Director.

Auditor

Kenji Hosokawa

General Counsel of the Fund Management Department at MUFG Innovation Partners. He is a trustee of Social Venture Partners International, and an auditor of UWC ISAK.

Advisor

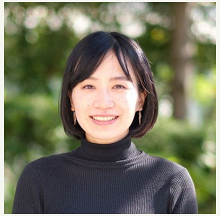
Stuart Rutherford

Researcher, practitioner, and well-known figure in the field of microfinance. He is an Outside Director at Gojo & Company, Inc.

Executive Team

Arisa Oba

A member of the IR team of Gojo & Company, Inc. She was engaged in an empowerment program for women in Tanzania in her university years.



Koharu Suganuma

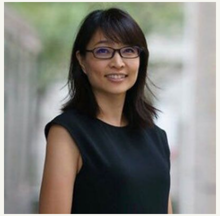
Certified public accountant and tax accountant of Japan. A member of the Corporate Management team at Gojo & Company, Inc.

Haruna Tanaka

A member of the Corporate Planning team of Gojo & Company, Inc. She is engaged in solving social issues as a partner of Social Venture Partners Tokyo besides her job.

Jumpei Takeuchi

Works in the corporate planning team at Money Forward, Inc. He worked for Gojo & Company, Inc. as an intern in his university years.



Aiko Saiki

CEO of Palace Side Consulting Inc. She was engaged in a project to support children in Japan as an official member of Living in Peace, a certified non-profit organization.

Rania Manayra

Undergraduate student at Keio University SFC. She works as an intern at Gojo & Company, Inc.

Request for Donations

The Gojo Foundation along with Gojo & Company, Inc. will work hard to leave a significant mark in world history as a great organization. We are sincerely asking for your donation.

If you are kindly considering donating to us, please contact us through this **donation request form**.

We will contact you with further details such as the bank account number after the form is submitted.

Please note that since the Gojo Foundation is a general incorporated foundation, donations from individuals will not be deductible on your income tax return. Corporate donors are allowed to deduct up to a certain amount as a tax-deductible expense.

Contributors
Taejun Shin / Arisa Oba / Haruna Tanaka / Koharu Suganuma / Jumpei Takeuchi / Rania Manayra

Contact
info@gojofoundation.org

Please reach out if you have feedback on this report or further questions.

Gojo Foundation is headquartered in Shibuya, Tokyo.

www.gojofoundation.org