

Meiji (UK) Limited

Directors' report and accounts

for the year ended 31 December 2001

Registered Number 3498621



Meiji (UK) Limited

Directors' report and accounts for the year ended 31 December 2001

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Directors' report for the year ended 31 December 2001

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2001.

Principal activity

The Company's principal business activity is the sale (or distribution) of Japanese parts and automated equipment.

Business review

During the year the company expanded its customer base and the directors are optimistic regarding the company's future prospects.

Results and dividend

The Company made a profit after taxation for the period of £148,889 (2000 : profit of £3,175). The profit for the year has been transferred to reserves.

The directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2001 (2000: £Nil).

Directors and Directors' interests

The Directors of the company during the year were:

S Kishioka
Y Yasui
M Hayashi

None of the directors had any beneficial interest in any contract to which the Company was a party to during the year.

Statement of Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

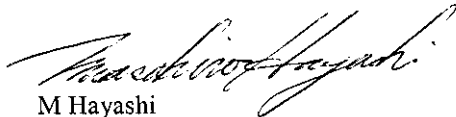
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' report for the year ended 31 December 2001 (continued)

Auditors

The company auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

By Order of the Board

A handwritten signature in black ink, appearing to read 'Masahiro Hayashi', is written over the printed name and title.

M Hayashi

Director

18 October 2002

Independent auditors' report to the members of Meiji (UK) Limited

We have audited the financial statements on pages 4 to 11.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Birmingham
18 October 2002

Profit and loss account for the year ended 31 December 2001

	Notes	2001 £	2000 £
Turnover	2	2,093,491	1,339,720
Cost of sales		(1,527,469)	(1,031,471)
Gross profit		566,022	308,249
Administrative expenses		(405,904)	(307,432)
Operating profit		160,118	817
Interest receivable and similar income	5	6,264	3,368
Profit on ordinary activities before taxation		166,382	4,185
Taxation on profit on ordinary activities	6	(17,493)	(1,010)
Retained profit for the financial year	13	148,889	3,175

The above results are derived wholly from continuing activities.

The company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented.

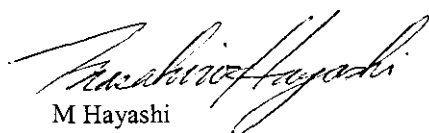
There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

The notes on pages 6 to 11 form part of these accounts.

Balance sheet as at 31 December 2001

	Notes	2001 £	2000 £
Fixed assets			
Tangible assets	7	48,285	29,985
Current assets			
Stock	8	46,310	88,564
Debtors	9	202,853	219,443
Cash at bank and in hand		366,807	161,407
		615,970	469,414
Creditors (amounts due falling within one year)	10	(406,266)	(390,299)
Net current assets		209,704	79,115
Total assets less current liabilities		257,989	109,100
Capital and reserves			
Called up share capital	12	200,000	200,000
Profit and loss account	13	57,989	(90,900)
Equity shareholders' funds	14	257,989	109,100

Approved by the Board on 18 October 2002 and signed on their behalf by:



M Hayashi
Director

**Notes to the financial statements
for the year ended 31 December 2001**

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The requirements of FRS 18 (Accounting Policies) have been implemented during the year. There is no financial impact.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on a straight line basis at rates calculated to write off the cost of tangible fixed assets over their estimated useful economic lives which are:

Office equipment	-	5 years
Motor vehicles	-	5 years

Operating leases

Rentals incurred under operating leases are charged against profits on a straight line basis over the term of the lease.

Foreign currency balances

Transactions in foreign currencies are translated at the rates ruling at the dates of each transaction, any translation differences are included within the current profit and loss account.

Assets and liabilities denominated in foreign currencies are translated using the rate of exchange prevailing at the balance sheet date.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred taxation

A deferred taxation provision, calculated using the liability method, is made only where the effects of timing differences between profits as stated in the accounts and those as computed for taxation purposes are likely to reverse in the foreseeable future and result in a tax payment.

Cash Flow

The accounts do not include a statement of cash flows because the Company is exempt from the requirements of including such a statement by virtue of FRS 1 (Revised 1996) "Cash Flow Statements".

**Notes to the financial statements
for the year ended 31 December 2001 (continued)****2 Turnover**

Turnover is the value of goods and services invoiced, excluding value added tax. The turnover is wholly attributable to the company's principal activity which, in the opinion of the directors, comprises of one class of business.

3 Profit on ordinary activities before taxation

	2001	2000
	£	£
Profit on ordinary activities before taxation is stated after charging the following amounts		
Auditors' remuneration:		
Audit services	7,750	7,500
Non audit services	8,950	2,900
Depreciation	16,227	11,411

4 Staff numbers and costs

	2001	2000
	£	£
Wages and salaries	229,544	180,447
Social security costs	6,883	13,226
	236,427	193,673

The average number of persons employed by the Company during the period was 7 (2000: 6).

The directors received no remuneration during the period and no pension scheme is available to the directors.

5 Interest receivable and similar income

	2001	2000
	£	£
Bank interest	6,264	3,368

**Notes to the financial statements
for the year ended 31 December 2001 (continued)**

6 Taxation

Tax based on profit on ordinary activities:	2001	2000
	£	£
Corporation tax at 30% (2000 : 30%) in respect of current year	18,080	1,010
Prior year adjustment	(587)	-
	17,493	1,010

The rate of current tax charge on profit on ordinary activities varied from the standard rate of corporation tax in the UK due to the utilisation of tax losses brought forward from prior years.

7 Tangible fixed assets

	Motor vehicles	Office equipment	Total
	£	£	£
Cost			
At 31 December 2000	42,097	8,313	50,410
Additions	45,250	1,063	46,313
Disposals	(30,397)	-	(30,397)
At 31 December 2001	56,950	9,376	66,326
Depreciation			
At 31 December 2000	16,845	3,580	20,425
Charge for year	14,512	1,715	16,227
Disposals	(18,611)	-	(18,611)
At 31 December 2001	12,746	5,295	18,041
Net book amount			
At 31 December 2001	44,204	4,081	48,285
At 31 December 2000	25,252	4,733	29,985

Meiji (UK) Limited

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**Notes to the financial statements
for the year ended 31 December 2001 (continued)****8 Stocks**

	2001	2000
	£	£
Purchased goods and goods for sale	46,310	88,564

9 Debtors

	2001	2000
	£	£
Trade debtors	164,261	196,010
Amounts owed by ultimate parent company	25,624	5,066
Other debtors	9,413	15,401
Prepayments and accrued income	3,555	2,966
	202,853	219,443

10 Creditors (amounts falling due within one year)

	2001	2000
	£	£
Trade creditors	67,574	44,434
Amounts owed to ultimate parent company	291,398	272,482
Amounts owed to immediate parent company	-	10,817
Corporation tax	17,493	1,010
Other taxation and social security	17,601	12,577
Accruals and deferred income	12,200	48,979
	406,266	390,299

**Notes to the financial statements
for the year ended 31 December 2001 (continued)**

11 Deferred taxation

	Provided	Unprovided (asset)/ provision	Provided	Unprovided (asset)/ provision
		2001		2000
	£	£	£	£
Tax losses	-	-	-	(27,429)
Other timing differences	-	-	-	30
	-	-	-	(27,399)

The company had a net deferred tax asset at 31 December 2000 which was not recognised within the accounts.

12 Called up share capital

	2001	2000
	£	£
Authorised:		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Allotted, issued and fully paid:		
200,000 ordinary shares of £1 each	200,000	200,000

13 Reserves

	Profit and loss account
	£
At 31 December 2000	(90,900)
Profit for the year	148,889
At 31 December 2001	57,989

**Notes to the financial statements
for the year ended 31 December 2001 (continued)****14 Reconciliation of movement in equity shareholders' funds**

	£
Opening shareholders' funds	109,100
Profit for the year	148,889
At 31 December 2001	257,989

15 Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 8 relating to 90% subsidiary undertakings and has not disclosed details of transactions with other undertakings Meiji Electrics Industries Co. Ltd group.

16 Parent and Ultimate Controlling Party

The immediate parent company is Meiji Corporation in the U.S., which consolidates Meiji UK Ltd into its accounts.

The ultimate parent company is Meiji Electric Industries Corporation Inc, Ltd incorporated in Japan, and is the largest group to consolidate these accounts.

A copy of Meiji Corporation Inc group accounts can be obtained from 660 Fango Avenue, Elk Grove Village, Illinois 60007, USA. A copy of Meiji Electrics Industries Co. Ltd group accounts can be obtained from 2-Chome 13-8, Kamijima, Nakamura Ku, Nagoya, Japan.