

Meiji (UK) Limited

Annual report and financial statements
for the year ended 31 December 2007

Registered number 3498621

WEDNESDAY



A07RY3Z8

A18

15/10/2008

296

COMPANIES HOUSE

Meiji (UK) Limited

Annual report and financial statements for the year ended 31 December 2007

	Page
Directors and advisors for the year ended 31 December 2007	1
Directors' report for the year ended 31 December 2007	2
Independent auditors' report to the members of Meiji (UK) Limited	4
Profit and loss account for the year ended 31 December 2007	6
Balance sheet as at 31 December 2007	7
Notes to the financial statements for the year ended 31 December 2007	8

Meiji (UK) Limited

Directors and advisors for the year ended 31 December 2007

Directors

Y Yasui
M Hayashi
T Ota
T Abe

Secretary

Toshiharu Abe

Registered office

26 Bartley Green Business Centre
Kettlewood Drive, Woodgate
Birmingham
B32 3DB

Independent auditors

PricewaterhouseCoopers LLP
Chartered accountants and registered auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Meiji (UK) Limited

Directors' report for the year ended 31 December 2007

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2007. The company is wholly owned by Meiji Corporation.

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 anticipate that the business will be stable in the forthcoming year.

Maintenance and repair parts business with the existing customer base is considered to offer limited further growth potential and the company is looking for new customers in middle and eastern Europe to increase its business. The company is also seeking new opportunities in project business which requires additional staff in technical support.

Financial risk management policies

The company's operations expose it to a variety of financial risks that include credit risk and foreign exchange risk. The policies set by the board of directors are implemented by the management of the company.

Credit risk The company requires appropriate credit checks on potential customers before sales are made. Credit limit to customers are reassessed regularly and the amount of exposures are monitored by management on monthly basis.

Foreign exchange rate risk The foreign exchange gain/loss is monitored by management as well as the parent companies to enable them to take necessary action to address the risk.

Directors and their interests

The following directors held office throughout the year and up to the date of this report:

Y Yasui
M Hayashi
T Ota
T Abe (Managing Director)

None of the directors had any interests in the shares of the Company throughout the year.

Results and dividends

The Company made a profit after taxation for the year of £456,463 (2006 profit of £363,651). 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 2007 (2006: £nil).

Meiji (UK) Limited

Directors' report for the year ended 31 December 2007 (continued)

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statement, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and 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.

Statement of disclosure of information to auditors

In accordance with Section 234ZA(2) the directors confirm, in the case of each director in office at the date the directors' report is approved, that

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

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

By Order of the Board

T Abe
Director


14.08.2008

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

We have audited the financial statements of Meiji (UK) Limited for the year ended 31 December 2007 which comprise the Profit and Loss account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

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

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham

14 August 2008

Meiji (UK) Limited

Profit and loss account for the year ended 31 December 2007

	Notes	2007 £	2006 £
Turnover	2	4,157,527	4,451,922
Cost of sales		(3,034,714)	(3,500,761)
Gross profit		1,122,813	951,161
Administrative expenses		(548,950)	(472,224)
Operating profit		573,863	478,937
Interest receivable and similar income	6	82,233	30,198
Profit on ordinary activities before taxation	3	656,096	509,135
Taxation on profit on ordinary activities	7	(199,633)	(145,484)
Retained profit for the financial year	15	456,463	363,651

The above results are derived wholly from continuing activities

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

There is no material 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 8 to 16 form part of these accounts

Meiji (UK) Limited

Balance sheet as at 31 December 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	8	52,985	61,128
Current assets			
Stock	9	474,475	119,930
Debtors	10	342,050	628,329
Cash at bank and in hand		1,815,022	1,161,512
		2,631,547	1,909,771
Creditors: amounts due falling within one year	11	(846,996)	(586,283)
Net current assets		1,784,551	1,323,488
Total assets less current liabilities		1,837,536	1,384,616
Provisions for liabilities and charges	12	-	(3,543)
Net assets		1,837,536	1,381,073
Capital and reserves			
Called up share capital	14	200,000	200,000
Profit and loss account	15	1,637,536	1,181,073
Total shareholders' funds	16	1,837,536	1,381,073

The financial statements on pages 6 to 16 were approved by the board of directors on the date shown below and were signed of its behalf by

T Abe
Director
[Date]


14.08.2008

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2007

1 Principal accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been consistently applied, is set out below.

Turnover

Turnover represents amounts receivable for goods sold during the year and is stated net of value added tax. Turnover is recognised at the time of shipment from the UK at which the company has satisfied all of its obligations in respect of the sale, except in some infrequent situations where there is a formal customer acceptance process.

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	3 to 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, and any translation differences arising on transactions are included within the current profit and loss account. Monetary 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.

Taxation including deferred taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided on all timing differences in accordance with Financial Reporting Standard No. 19 "Deferred tax". Deferred taxation assets are recognised to the extent they are recoverable. Deferred tax assets and liabilities are not discounted.

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".

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

2 Turnover

The analysis of turnover by geographical destination is as follows

	2007	2006
	£	£
United Kingdom	2,428,791	2,940,237
Rest of Europe	1,691,574	1,455,686
Rest of World	37,162	55,999
	4,157,527	4,451,922

3 Profit on ordinary activities before taxation

	2007	2006
	£	£
Profit on ordinary activities before taxation is stated after charging/(crediting) the following amounts		
Auditors' remuneration		
Audit services	17,250	16,500
Non audit services		
- Taxation services	7,000	3,175
- Company secretarial	1,552	1,320
- Other	1,550	13,870
Depreciation	24,718	28,607
Gain on disposal of fixed assets	(2,575)	-
Operating lease charges		
Other than plant and machinery	16,338	16,286

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

4 Directors' emoluments

	2007	2006
	£	£
Aggregate emoluments	171,878	168,257

One director was remunerated by the company during the year. Directors' emoluments disclosed above include £28,214 (2006: £33,739) which was paid by the ultimate parent company and not recharged.

The emoluments of three directors were paid by the parent company which makes no recharge. It is not possible to accurately apportion their emoluments in respect of each company. Accordingly, the above details include no emoluments in respect of these directors.

No pension scheme is available to the directors.

5 Staff numbers and costs

	2007	2006
Average number of persons employed	Number	Number
Administration	2	2
Sales	3	3
	5	5

Staff costs during the year (including directors)	£	£
Wages and salaries	336,411	274,136
Social security costs	9,673	10,032
	346,084	284,168

6 Interest receivable and similar income

	2007	2006
	£	£
Bank interest and other	82,233	30,198

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

7 Taxation

(a) Tax charge on profit on ordinary activities

	2007	2006
	£	£
Current tax		
Corporation tax at 30% (2006 30%) in respect of current year	199,520	152,725
Adjustments to tax charge in respect of previous years	4,478	(9,268)
Total current tax	203,998	143,457
Deferred tax		
Origination and reversal of timing differences	(4,365)	2,027
Tax charge on profit on ordinary activities	199,633	145,484

(b) Factors affecting current tax charge

The tax assessed for the year is higher (2006 lower) than the standard rate of corporation tax in the UK (30 %). The differences are explained below

	2007	2006
	£	£
Profit on ordinary activities before taxation	656,096	509,135
Tax on profit on ordinary activities before tax at 30% (2006 30%)	196,829	152,741
Effects of		
Permanent differences	2,009	2,976
Accelerated capital allowances	(1,148)	(2,991)
Other adjustments	1,830	-
Adjustments to tax charge in respect of previous years	4,478	(9,268)
Current tax charge for the year	203,998	143,458

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

7 Taxation (continued)

(c) Deferred tax

Deferred tax relates to

	2007	2006
	£	£
Accelerated capital allowances	822	(3,543)
Deferred tax asset/(provision)	822	(3,543)

The deferred tax assets and liabilities provided are calculated at a rate of 28% in 2007 (2006 30%) due to a change in the corporation tax rates from 30% to 28% in the Budget 2007

The movement in deferred tax balances during the year is as follows

	£
Deferred tax provision at 1 January 2007	(3,543)
Deferred tax credit in profit and loss account for the year	4,365
Deferred tax asset at 31 December 2007 (note 13)	822

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

8 Tangible assets

	Motor vehicles	Office equipment	Total
	£	£	£
Cost			
At 1 January 2007	85,297	43,394	128,691
Additions	18,000	-	18,000
Disposal	(30,600)	-	(30,600)
At 31 December 2007	72,697	43,394	116,091
Depreciation			
At 1 January 2007	48,453	19,110	67,563
Charge for year	16,859	7,859	24,718
Disposal	(29,175)	-	(29,175)
At 31 December 2007	36,137	26,969	63,106
Net book amount			
At 31 December 2007	36,560	16,425	52,985
At 31 December 2006	36,844	24,284	61,128

9 Stock

	2007	2006
	£	£
Purchased goods and goods for sale	474,475	119,930

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

10 Debtors

	2007	2006
	£	£
Amounts falling due within one year		
Trade debtors	282,922	618,093
Amounts owed by ultimate parent company	5,028	3,817
Other debtors	2,716	887
Other taxes	47,879	-
Prepayments and accrued income	2,683	5,532
Deferred tax assets	822	-
	342,050	628,329

11 Creditors: amounts falling due within one year

	2007	2006
	£	£
Trade creditors	61,911	157,010
Amounts owed to ultimate parent company	550,600	236,316
Corporation tax	199,657	150,435
Other creditors	34,828	42,522
	846,996	586,283

Amounts owed to ultimate parent company are unsecured, interest free and repayable on demand

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2007 (continued)

12 Provisions for liabilities and charges

	£
Deferred tax provision at 1 January 2007	(3,543)
Provided during the year (note 7)	4,635
Deferred tax assets at 31 December 2007 (note 10)	822

13 Deferred taxation

An analysis of deferred tax which represents the full potential asset/(liability) is shown below

	2007	2006
	£	£
(Deficit) / excess of capital allowances over depreciation	(822)	3,543

14 Called up share capital

	2007	2006
	£	£
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

15 Profit and loss account

	£
At 1 January 2007	1,181,073
Profit for the year	456,463
At 31 December 2007	1,637,536

16 Reconciliation of movements in total shareholders' funds

	2007	2006
	£	£
Opening total shareholders' funds	1,381,073	1,017,420
Profit for the financial year	456,463	363,651
Closing total shareholders' funds	1,837,536	1,381,073

17 Operating leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases expiring as follows

	Plant and machinery		Other	
	2007	2006	2007	2006
	£	£	£	£
Within one year	-	-	16,443	16,286

18 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 within the Meiji Electrics Industries Co Ltd group

19 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 Co , 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