Meiji U.K. Limited

Annual report and financial statements

for the year ended 31 December 2008

Registered number: 3498621

THURSDAY
ARY8W9NZ
A32 07/05/2009 190
COMPANIES HOUSE

Meiji U.K. Limited

Annual report and financial statements for the year ended 31 December 2008

	Page
Directors and advisors for the year ended 31 December 2008	1
Directors' report for the year ended 31 December 2008	2
Independent auditors' report to the members of Meiji U.K. Limited	4
Profit and loss account for the year ended 31 December 2008	5
Balance sheet as at 31 December 2008	6
Notes to the financial statements for the year ended 31 December 2008	7

Meiji U.K. Limited

Directors and advisors for the year ended 31 December 2008

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 U.K. Limited

Directors' report
for the year ended 31 December 2008

The directors present their report and the audited financial statements of the company for the year ended 31 December 2008. 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 maintained its customer base and the directors are satisfied with the year end financial position. However the company is currently experiencing some growth restrictions due to the difficult economic trading conditions currently being experienced across the industry. Nonetheless, with the maintenance and repair parts business with the existing customer base considered to offer limited further growth potential, the company will continue in its efforts to look for new customers in middle and eastern Europe to increase its business.

Turnover and operating profit as shown on the profit and loss account are measures used by the directors as key performance indicators for the company for the understanding of the development, performance or position of the business of Meiji U.K. Limited.

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)

Results and dividends

The company made a profit after taxation for the year of £234,274 (2007: profit of £456,463). 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 2008 (2007: £nil).

Meiji U.K. Limited

Directors' report
for the year ended 31 December 2008 (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 period.

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;
- 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
1 May 2009

Meiji U.K. Limited

Independent auditors' report to the members of Meiji U.K. Limited

We have audited the financial statements of Meiji U.K. Limited for the year ended 31 December 2008 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 Annual Report and 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises the Directors' Report and the Directors and Advisors page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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.

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 2008 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
1 May 2009

Meiji U.K. Limited

Profit and loss account
for the year ended 31 December 2008

	Notes	2008	2007
		£	£
Turnover	2	**4,517,410**	4,157,527
Cost of sales		**(3,702,772)**	(3,034,714)
Gross profit		**814,638**	1,122,813
Administrative expenses		**(581,953)**	(548,950)
Operating profit		**232,685**	573,863
Interest receivable and similar income	6	**96,402**	82,233
Profit on ordinary activities before taxation	3	**329,087**	656,096
Tax charge on profit on ordinary activities	7	**(94,813)**	(199,633)
Retained profit for the financial year	14	**234,274**	456,463

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 years stated above, and their historical cost equivalents.

The notes on pages 7 to 15 form part of these financial statements.

Meiji U.K. Limited

Balance sheet
as at 31 December 2008

	Notes	2008	2007
		£	£
Fixed assets			
Tangible assets	8	**32,979**	52,985
Current assets			
Stock	9	**153,998**	474,475
Debtors	10	**500,663**	342,050
Cash at bank and in hand		**1,973,925**	1,815,022
		2,628,586	2,631,547
Creditors: amounts due falling within one year	11	**(589,755)**	(846,996)
Net current assets		**2,038,831**	1,784,551
Total assets less current liabilities		**2,071,810**	1,837,536
Net assets		**2,071,810**	1,837,536
Capital and reserves			
Called up share capital	13	**200,000**	200,000
Profit and loss reserve	14	**1,871,810**	1,637,536
Total shareholders' funds	15	**2,071,810**	1,837,536

The financial statements on pages 5 to 15 were approved by the board of directors on the date shown below and were signed of its behalf by:

T Abe
Director
1 May 2009

Meiji U.K. Limited

Notes to the financial statements for the year ended 31 December 2008

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 company is a wholly owned subsidiary of Meiji Electric Industries Co. Ltd and the cash flows of the company are included in the published consolidated cash flow statement of that company. Consequently the company is exempt under the terms of FRS 1 (revised 1996) from publishing a cash flow statement.

Notes to the financial statements for the year ended 31 December 2008 (continued)

2 Turnover

The analysis of turnover by geographical destination is as follows:

	2008	2007
	£	£
United Kingdom	**2,251,506**	2,428,791
Rest of Europe	**2,240,934**	1,691,574
Rest of World	**24,970**	37,162
	4,517,410	4,157,527

3 Profit on ordinary activities before taxation

		2008	2007
		£	£
Profit on ordinary activities before taxation is stated after charging/(crediting) the following amounts:			
Auditors' remuneration:			
Audit services		**18,000**	17,250
Non audit services	- Taxation services	**4,500**	7,000
	- Company secretarial	**800**	1,552
	- Other	**-**	1,550
Depreciation on owned assets		**25,129**	24,718
Gain on disposal of fixed assets		**-**	(2,575)
Operating lease charges:			
Other than plant and machinery		**18,556**	16,338

4 Directors' emoluments

	2008	2007
	£	£
Aggregate emoluments	**193,813**	171,878

One director was remunerated by the company during the year (2007: one). Directors' emoluments disclosed above include £78,836 (2007: £28,214) 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

	2008	2007
Average number of persons employed	**Number**	Number
Administration	**3**	2
Sales	**3**	3
	6	5

	2008	2007
Staff costs during the year (including directors)	**£**	£
Wages and salaries	**337,946**	336,411
Social security costs	**8,326**	9,673
	346,272	346,084

6 Interest receivable and similar income

	2008	2007
	£	£
Bank interest and other	**96,402**	82,233

7 Tax charge on profit on ordinary activities

(a) Tax charge on profit on ordinary activities

	2008	2007
	£	£
Current tax		
Corporation tax at 28.5% (2007: 30%) in respect of current year	**99,308**	199,520
Adjustments to tax charge in respect of previous years	**(1,411)**	4,478
Total current tax charge	**97,897**	203,998
Deferred tax		
Origination and reversal of timing differences	**(3,084)**	(4,365)
Tax charge on profit on ordinary activities	**94,813**	199,633

(b) Factors affecting current tax charge

The tax assessed for the year is higher (2007: higher) than the standard rate of corporation tax in the UK (28.5%). The differences are explained below:

	2008	2007
	£	£
Profit on ordinary activities before taxation	**329,087**	656,096
Tax on profit on ordinary activities before tax at 28.5% (2007: 30%)	**93,790**	196,829
Effects of:		
Permanent differences	**2,532**	2,009
Accelerated capital allowances	**2,995**	(1,148)
Other adjustments	**(9)**	1,830
Adjustments to tax charge in respect of previous years	**(1,411)**	4,478
Current tax charge for the year	**97,897**	203,998

7 Tax charge on profit on ordinary activities (continued)

(c) Deferred tax

Deferred tax relates to:

	2008	2007
	£	£
Accelerated capital allowances	**3,906**	822
Deferred tax asset	**3,906**	822

The deferred tax assets provided are calculated at a rate of 28.5% in 2008 (2007: 28%) due to a change in the corporation tax rates from 30% to 28% in 2007 .

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

	£
Deferred tax asset at 1 January 2008	822
Deferred tax credit in profit and loss account for the year	3,084
Deferred tax asset at 31 December 2008 (note 12)	**3,906**

8 Tangible assets

	Motor vehicles	Office equipment	Total
	£	£	£
Cost			
At 1 January 2008	72,697	43,394	**116,091**
Additions	-	5,123	**5,123**
Disposal	-	(6,736)	**(6,736)**
At 31 December 2008	**72,697**	**41,781**	**114,478**
Depreciation			
At 1 January 2008	36,137	26,969	**63,106**
Charge for year	16,686	8,443	**25,129**
Disposal	-	(6,736)	**(6,736)**
At 31 December 2008	**52,823**	**28,676**	**81,499**
Net book amount			
At 31 December 2008	**19,874**	**13,105**	**32,979**
At 31 December 2007	36,560	16,425	52,985

9 Stock

	2008	2007
	£	£
Purchased goods and goods for sale	**153,998**	474,475

10 Debtors

	2008	2007
	£	£
Trade debtors	**477,557**	282,922
Amounts owed by ultimate parent company	**120**	5,028
Other debtors	**2,527**	2,716
Other taxes	**10,414**	47,879
Prepayments and accrued income	**6,139**	2,683
Deferred tax asset	**3,906**	822
	500,663	342,050

Amounts owed by group companies are unsecured, interest free and repayable on demand.

11 Creditors: amounts falling due within one year

	2008	2007
	£	£
Trade creditors	**128,882**	61,911
Amounts owed to ultimate parent company	**317,542**	550,600
Corporation tax	**99,308**	199,657
Other creditors	**44,023**	34,828
	589,755	846,996

Amounts owed to group companies are unsecured, interest free and repayable on demand.

Notes to the financial statements for the year ended 31 December 2008 (continued)

12 Deferred taxation

An analysis of deferred tax which represents the full potential asset is shown below:

	2008	2007
	£	£
Excess of capital allowances over depreciation (note 7)	**(3,906)**	(822)

13 Called up share capital

	2008	2007
	£	£
Authorised		
1,000,000 ordinary shares of £1 each	**1,000,000**	1,000,000
Allotted and fully paid		
200,000 ordinary shares of £1 each	**200,000**	200,000

14 Profit and loss reserve

	£
At 1 January 2008	1,637,536
Profit for the year	234,274
At 31 December 2008	**1,871,810**

15 Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Opening shareholders' funds	**1,837,536**	1,381,073
Profit for the financial year	**234,274**	456,463
Closing shareholders' funds	**2,071,810**	1,837,536

16 Operating leases

At 31 December 2008, the company had annual commitments under non-cancellable operating leases expiring as follows:

	Land and building		Other	
	2008	2007	**2008**	2007
	£	£	**£**	£
Within one year	-	16,443	-	-
Within two to five years	**19,552**	-	-	-
Total	**19,552**	16,443	-	-

17 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 Electric Industries Co. Ltd group.

18 Ultimate parent undertaking

The immediate parent company is Meiji Corporation in the U.S., which is the smallest group to consolidate Meiji U.K. Ltd into its accounts.

The ultimate parent company and controlling party 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.