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Registered number: 03498621

MEIJI U.K. LTD.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**



MEIJI U.K. LTD.

COMPANY INFORMATION

Directors	M Hayashi S Adachi (resigned 1 July 2016) S Okuyama T Funahashi (appointed 1 July 2016)
Registered number	03498621
Registered office	26 Bartly Green Business Centre, Kettlewood Drive Woodgate Birmingham United Kingdom B32 3DB
Independent auditors	Greenback Alan LLP Chartered Accountant & Statutory Auditor 11 Raven Wharf Lafone Street London SE1 2LR

MEIJI U.K. LTD.

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MEIJI U.K. LTD.
REGISTERED NUMBER:03498621

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

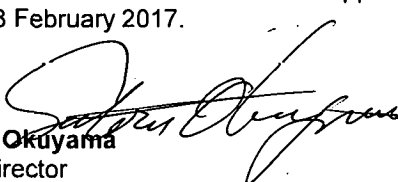
	Note	2016 £	2015 £
Fixed assets			
Tangible assets	6	54,284	39,817
		<u>54,284</u>	<u>39,817</u>
Current assets			
Stocks	7	588,408	100,823
Debtors: amounts falling due within one year	8	405,068	1,925,775
Cash at bank and in hand	9	2,388,182	2,106,244
		<u>3,381,658</u>	<u>4,132,842</u>
Creditors: amounts falling due within one year	10	(974,466)	(1,860,526)
Net current assets		<u>2,407,192</u>	<u>2,272,316</u>
Total assets less current liabilities		<u>2,461,476</u>	<u>2,312,133</u>
Provisions for liabilities			
Deferred tax	11	(909)	-
		<u>(909)</u>	<u>-</u>
Net assets		<u><u>2,460,567</u></u>	<u><u>2,312,133</u></u>
Capital and reserves			
Called up share capital		200,000	200,000
Profit and loss account		2,260,567	2,112,133
		<u><u>2,460,567</u></u>	<u><u>2,312,133</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 February 2017.


S Okuyama
Director

The notes on pages 2 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

Meiji UK Limited is a private company limited by shares incorporated in the United Kingdom. The principle activity of the company is a wholeseller of industrial machinery.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Meiji Electric Industries Co Ltd. as at 31 December 2016 and these financial statements may be obtained from 2-Chrome 13-8, Kamjima, Nakamura-ku, Nagoya, Japan.

2.3 Going concern

The financial statements has been prepared on a going concern basis as the company retains the ability to meet any obligations or liabilities as and when they fall due.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 4 years
Office equipment	- 3-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.9 Financial instruments (continued)

and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Auditors' remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £11,000 (2015 - £11,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**
4. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	376,211	300,794
Social security costs	9,295	10,530
	<u>385,506</u>	<u>311,324</u>

The average monthly number of employees, including directors, during the year was 5 (2015 - 5).

5. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	160,600	146,100
	<u>160,600</u>	<u>146,100</u>

6. Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
Cost or valuation			
At 1 January 2016	57,663	48,236	105,899
Additions	18,339	14,386	32,725
At 31 December 2016	<u>76,002</u>	<u>62,622</u>	<u>138,624</u>
Depreciation			
At 1 January 2016	20,939	45,144	66,083
Charge for the period on owned assets	15,146	3,112	18,258
At 31 December 2016	<u>36,085</u>	<u>48,256</u>	<u>84,341</u>
Net book value			
At 31 December 2016	<u>39,917</u>	<u>14,366</u>	<u>54,283</u>
At 31 December 2015	<u>36,724</u>	<u>3,093</u>	<u>39,817</u>

MEIJI U.K. LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016****7. Stocks**

	2016 £	2015 £
Finished goods and goods for resale	588,408	100,823
	<u>588,408</u>	<u>100,823</u>

8. Debtors

	2016 £	2015 £
Trade debtors	332,352	1,909,456
Amounts owed by group undertakings	1,149	7,637
Other debtors	64,353	-
Prepayments and accrued income	7,214	8,182
Deferred taxation	-	500
	<u>405,068</u>	<u>1,925,775</u>

9. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	2,388,182	2,106,244
	<u>2,388,182</u>	<u>2,106,244</u>

10. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	429,728	169,646
Amounts owed to group undertakings	260,682	1,420,189
Corporation tax	67,126	55,758
Other taxation and social security	12,664	152,685
Other creditors	183,249	42,946
Accruals and deferred income	21,017	19,302
	<u>974,466</u>	<u>1,860,526</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

11. Deferred taxation

	2016 £
At beginning of year	500
Charged to profit or loss	(1,409)
At end of year	(909)
	2016 £
Accelerated capital allowances	(909)
	(909)

12. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	5,197	20,786
	5,197	20,786

13. Controlling party

The immediate parent company and parent company of the smallest group for which group accounts are drawn up is Meiji Corporation incorporated in the United States. The ultimate parent company and controlling party is Meiji Electric Industries Co Ltd., incorporated in Japan. A copy of Meiji Corporation group financial statements can be obtained from 2-Chome 13-8, Kamijima, Nakamura-Ku, Nagaoya, Japan.

14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

MEIJI U.K. LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. Auditors' information

As the statement of comprehensive income has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

- The auditor's report was unqualified.
- The senior statutory auditor was J Fisher.
- The auditor was Greenback Alan LLP.