



Grant Thornton

Financial statements
Hofmann Ceramic Limited

For the Period from 1 May 08 to 31 March 2009

Officers and professional advisers

Company registration number	03357931
Registered office	Denaby Lane Old Denaby DONCASTER South Yorkshire DN12 4LQ
Directors	Mr M White Mr S Cocking Mr A Chhawchharia
Secretary	Mr A Chhawchharia
Bankers	Natwest Firth Park SHEFFIELD S5 6HL
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors 2 Broadfield Court SHEFFIELD S8 0XF

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Report of the directors

The directors present their report and the financial statements of the company for the period from 1 May 2008 to 31 March 2009.

Principal activities

The principal activity of the company during the year was the trade of refractory and ceramic products.

Directors

The directors who served the company during the period were as follows:

Mr M White
Mr S Cocking
Mr A Chhawchharia
Mr E Hofmann
Mr H Hofmann

Mr M White was appointed as a director on 4 July 2008.
Mr S Cocking was appointed as a director on 4 July 2008.
Mr A Chhawchharia was appointed as a director on 4 July 2008.

Mr E Hofmann resigned as a director on 3 July 2008.
Mr H Hofmann resigned as a director on 3 July 2008.

Directors' responsibilities

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 these 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.

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 2006. 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

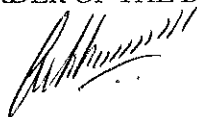
Auditor

A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 489 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD



Mr A Chhawchharia
Director
22 July 2009



Report of the independent auditor to the members of Hofmann Ceramic Limited

We have audited the financial statements of Hofmann Ceramic Limited for the period from 1 May 2008 to 31 March 2009 on pages 9 to 13. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 8.

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and 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).

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 2006. We also report to you whether in our opinion the information given in the Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 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.

Report of the independent auditor to the members of Hofmann Ceramic Limited (continued)

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 March 2009 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Report of the Directors is consistent with the financial statements.



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

SHEFFIELD
28 July 2009

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts. Turnover is recognised in the period in which goods are despatched and services are provided.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - 15% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Profit and loss account

	Note	Period from 1 May 08 to 31 Mar 09 £	Period from 1 Apr 07 to 30 Apr 08 £
Turnover		186,765	177,732
Cost of sales		(150,480)	(146,203)
Gross profit		36,285	31,529
Other operating charges	1	(29,677)	(25,705)
Other operating income	2	–	150
Operating profit	3	6,608	5,974
Interest receivable		738	1,484
Profit on ordinary activities before taxation		7,346	7,458
Tax on profit on ordinary activities		(1,593)	(1,498)
Profit for the financial period	10	5,753	5,960

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

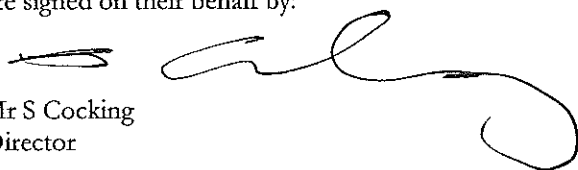
Balance sheet

	Note	31 Mar 09 £	30 Apr 08 £
Fixed assets			
Tangible assets	4	<u>593</u>	<u>698</u>
Current assets			
Stocks		4,746	13,877
Debtors	5	33,392	59,114
Cash at bank		<u>62,505</u>	<u>36,775</u>
		<u>100,643</u>	<u>109,766</u>
Creditors: amounts falling due within one year	6	<u>(19,183)</u>	<u>(34,290)</u>
Net current assets		<u>81,460</u>	<u>75,476</u>
Total assets less current liabilities		<u>82,053</u>	<u>76,174</u>
Provisions for liabilities			
Deferred taxation	7	<u>(172)</u>	<u>(46)</u>
		<u>81,881</u>	<u>76,128</u>
Capital and reserves			
Called-up equity share capital	9	100	100
Profit and loss account	10	<u>81,781</u>	<u>76,028</u>
Shareholders' funds	11	<u>81,881</u>	<u>76,128</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the directors and authorised for issue on 22 July 2009, and are signed on their behalf by:

Mr S Cocking
 Director



Notes to the financial statements

1 Other operating charges

	Period from 1 May 08 to 31 Mar 09 £	Period from 1 Apr 07 to 30 Apr 08 £
Administrative expenses	<u>29,677</u>	<u>25,705</u>

2 Other operating income

	Period from 1 May 08 to 31 Mar 09 £	Period from 1 Apr 07 to 30 Apr 08 £
Other operating income	<u>-</u>	<u>150</u>

3 Operating profit

Operating profit is stated after charging/(crediting):

	Period from 1 May 08 to 31 Mar 09 £	Period from 1 Apr 07 to 30 Apr 08 £
Depreciation of owned fixed assets	105	149
Net profit on foreign currency translation	<u>(937)</u>	<u>(7,349)</u>

4 Tangible fixed assets

	Plant & Machinery £
Cost	
At 1 May 2008 and 31 March 2009	<u>2,829</u>
Depreciation	
At 1 May 2008	2,131
Charge for the period	<u>105</u>
At 31 March 2009	<u>2,236</u>
Net book value	
At 31 March 2009	<u>593</u>
At 30 April 2008	<u>698</u>

5 Debtors

	31 Mar 09	30 Apr 08
	£	£
Trade debtors	<u>33,392</u>	<u>59,114</u>

6 Creditors: amounts falling due within one year

	31 Mar 09	30 Apr 08
	£	£
Trade creditors	10,907	17,780
Corporation tax	1,497	1,491
Other taxation and social security	6,779	10,259
Other creditors	—	4,760
	<u>19,183</u>	<u>34,290</u>

7 Deferred taxation

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	31 Mar 09	30 Apr 08
	£	£
Other timing differences	<u>172</u>	<u>46</u>

8 Related party transactions

The company has taken advantage of the exemption under the terms of FRS 8 not to disclose related party transactions with entities that are part of the IFGL Refractories group.

9 Share capital

Authorised share capital:

	31 Mar 09	30 Apr 08
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100,000</u>

Allotted, called up and fully paid:

	31 Mar 09		30 Apr 08	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

10 Profit and loss account

	Period from 1 May 08 to 31 Mar 09 £	Period from 1 Apr 07 to 30 Apr 08 £
Balance brought forward	76,028	70,068
Profit for the financial period	5,753	5,960
Balance carried forward	<u>81,781</u>	<u>76,028</u>

11 Reconciliation of movements in shareholders' funds

	31 Mar 09 £	30 Apr 08 £
Profit for the financial period	5,753	5,960
Opening shareholders' funds	76,128	70,168
Closing shareholders' funds	<u>81,881</u>	<u>76,128</u>

Management information

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 5 to 6.

Profit and loss account

	Period from 1 May 08 to 31 Mar 09 £	Period from 1 Apr 07 to 30 Apr 08 £
Turnover	186,765	177,732
Cost of sales		
Cost of Sales	(150,375)	(146,203)
Depreciation of plant and machinery	(105)	—
	<u>(150,480)</u>	<u>(146,203)</u>
Gross profit	36,285	31,529
Overheads		
Administrative expenses	(29,677)	(25,705)
	<u>6,608</u>	<u>5,824</u>
Other operating income		
Other operating income	—	150
Operating profit	<u>6,608</u>	<u>5,974</u>
Bank interest receivable	738	1,484
Profit on ordinary activities	<u><u>7,346</u></u>	<u><u>7,458</u></u>

Notes to the detailed profit and loss account

	Period from 1 May 08 to 31 Mar 09 £	Period from 1 Apr 07 to 30 Apr 08 £
Administrative expenses		
Personnel costs		
Wages and salaries	17,875	19,634
Establishment expenses		
Rent, rates and water	720	2,676
General expenses		
Travel and subsistence	4,832	6,543
Office expenses	2,465	1,656
Accountancy fees	–	1,888
Depn of plant and machinery	–	149
	<u>7,297</u>	<u>10,236</u>
Financial costs		
Bad debts written off	4,000	–
Bank charges	722	508
Foreign currency gains/losses	(937)	(7,349)
	<u>3,785</u>	<u>(6,841)</u>
	<u>29,677</u>	<u>25,705</u>
Interest receivable		
Bank interest receivable	<u>738</u>	<u>1,484</u>