



Grant Thornton

Financial statements
Hofmann Ceramic Limited

For the Year Ended 31 March 2011

Company No. 03357931

Officers and professional advisers

Company registration number	03357931
Registered office	Denaby Lane Old Denaby DONCASTER South Yorkshire DN12 4LQ
Directors	Mr S Cocking Mr D Parakh
Secretary	Mr S Cocking
Bankers	Natwest Firth Park SHEFFIELD S5 6HL
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor 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 year ended 31 March 2011.

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 year were as follows:

Mr S Cocking
Mr D Parakh

Directors' responsibilities

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 each of the directors is 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.

The directors are responsible for the maintenance and integrity of the website. Information published on the website is accessible in many countries and legislation in the UK concerning the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Auditor

Grant Thornton UK LLP are deemed to be re-appointed under section 487(2) 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

A handwritten signature in black ink, appearing to read 'S. Cocking', written over a horizontal line.

Mr S Cocking
Secretary
19 May 2011



Independent auditor's report to the members of Hofmann Ceramic Limited

We have audited the financial statements of Hofmann Ceramic Limited for the year ended 31 March 2011 which comprise the principal accounting policies, profit and loss account, balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Hofmann Ceramic Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the report of the directors.



CRAIG BURTON (Senior Statutory Auditor)
For and on behalf of
GRANT THORNTON UK LLP
STATUTORY AUDITOR
CHARTERED ACCOUNTANTS
SHEFFIELD
19 May 2011

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.

Related parties transactions

The company is a wholly owned step down subsidiary of IFGL Refractories Limited, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members of the IFGL Refractories Limited group.

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.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred on the balance sheet date. Deferred tax assets are recognised when it is more likely than not they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by 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.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Profit and loss account

	Note	2011 £	2010 £
Turnover		–	26,427
Cost of sales		–	(16,470)
Gross profit		–	9,957
Other operating charges	1	(650)	(15,737)
Loss on ordinary activities before taxation		(650)	(5,780)
Tax on loss on ordinary activities	3	–	202
Loss for the financial year	9	(650)	(5,578)

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

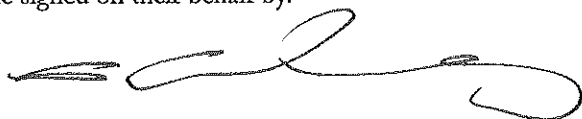
The company has no recognised gains or losses other than the results for the year as set out above.

Balance sheet

	Note	2011 £	2010 £
Current assets			
Debtors	4	75,571	63,077
Cash at bank		301	13,445
		<u>75,872</u>	<u>76,522</u>
Creditors: amounts falling due within one year	5	<u>(219)</u>	<u>(219)</u>
Net current assets		<u>75,653</u>	<u>76,303</u>
Total assets less current liabilities		<u>75,653</u>	<u>76,303</u>
Capital and reserves			
Called-up equity share capital	8	100	100
Profit and loss account	9	75,553	76,203
Shareholders' funds	10	<u>75,653</u>	<u>76,303</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 19 May 2011, and are signed on their behalf by:



Mr S Cocking
Director

Company Registration Number: 03357931

Notes to the financial statements

1 Other operating charges

	2011	2010
	£	£
Administrative expenses	<u>650</u>	<u>15,737</u>

2 Operating loss

Operating loss is stated after charging:

	2011	2010
	£	£
Depreciation of owned fixed assets	—	593
Net loss on foreign currency translation	<u>575</u>	<u>1</u>

The audit fee is met by a fellow group member of the IFGL Refractories group.

3 Taxation on ordinary activities

(a) Analysis of charge in the year

	2011	2010
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 28% (2010 - 28%)	—	(30)
Total current tax	—	(30)
Deferred tax:		
Origination and reversal of timing differences	—	(172)
Tax on loss on ordinary activities	<u>—</u>	<u>(202)</u>

3 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2010 - 28%).

	2011	2010
	£	£
Loss on ordinary activities before taxation	<u>(650)</u>	<u>(5,780)</u>
Loss on ordinary activities by rate of tax	(182)	(1,618)
Capital allowances for period in excess of depreciation	-	166
Adjustments to tax charge in respect of previous periods	-	(30)
Surrender of group relief	182	1,452
Total current tax (note 3(a))	<u>-</u>	<u>(30)</u>

4 Debtors

	2011	2010
	£	£
Trade debtors	40	39
Amounts owed by group undertakings	<u>75,531</u>	<u>63,038</u>
	<u>75,571</u>	<u>63,077</u>

5 Creditors: amounts falling due within one year

	2011	2010
	£	£
Trade creditors	<u>219</u>	<u>219</u>

6 Deferred taxation

The elements of deferred taxation, which result in a nil balance at the end of the year are as follows:

	2011	2010
	£	£
Excess of depreciation over taxation allowances	-	(172)
Other timing differences	-	172
	<u>-</u>	<u>-</u>

7 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.

8 Share capital

Authorised share capital:

	2011	2010
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

9 Profit and loss account

	2011	2010
	£	£
Balance brought forward	76,203	81,781
Loss for the financial year	(650)	(5,578)
Balance carried forward	<u>75,553</u>	<u>76,203</u>

10 Reconciliation of movements in shareholders' funds

	2011	2010
	£	£
Loss for the financial year	(650)	(5,578)
Opening shareholders' funds	<u>76,303</u>	<u>81,881</u>
Closing shareholders' funds	<u>75,653</u>	<u>76,303</u>

11 Ultimate parent company

The ultimate parent company of this company is IFGL Refractories Limited, a company registered in India.

Monocon International Refractories Limited, a company registered in England and Wales is the company's immediate parent company. The largest undertaking for which group accounts have been drawn up is that headed by IFGL Refractories Limited. Copies of IFGL Refractories Limited's group financial statements can be obtained from its head and corporate office at 3, Netaki Road Subhas Road, Kolkata - 700 001, India.

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

	2011	2010
	£	£
Turnover	–	26,427
Cost of sales		
Cost of Sales	–	(15,877)
Depreciation of plant and machinery	–	(593)
	<u>–</u>	<u>(16,470)</u>
Gross profit	–	9,957
Overheads		
Administrative expenses	(650)	(15,737)
Loss on ordinary activities	<u>(650)</u>	<u>(5,780)</u>

Notes to the detailed profit and loss account

	2011	2010
	£	£
Administrative expenses		
Personnel costs		
Wages and salaries	–	7,479
Establishment expenses		
Rates and water	(27)	–
General expenses		
Travel and subsistence	–	1,172
Office expenses	–	(18)
Sundry expenses	(1)	–
	<u>(1)</u>	<u>1,154</u>
Financial costs		
Bad debts written off	–	6,974
Bank charges	103	129
Foreign currency gains/losses	575	1
	<u>678</u>	<u>7,104</u>
	<u>650</u>	<u>15,737</u>