

Financial Statements Ronson Limited

For the year ended 31 December 2015

Registered number: 01907889

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Ronson Limited

Company Information

Director	Bardia Panahy
Registered number	01907889
Registered office	Station Works Station Road LONG BUCKBY Northamptonshire NN6 7PF
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House 202 Silbury Boulevard MILTON KEYNES MK9 1LW

Ronson Limited

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Director's Report

For the year ended 31 December 2015

The director presents his report and the financial statements for the year ended 31 December 2015.

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is 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 the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The group is principally engaged in the sourcing, marketing, sales, distribution and licensing of branded goods.

Results and dividends

The profit for the year, after taxation, amounted to £407 thousand (2014 £228 thousand).

The company is the holding company for Ronson International Limited and Ronson Incorporated Limited. As disclosed in the financial statements, the director has indicated that the company is unable to meet its debts as they fall due and the accounts have therefore been prepared on a break up basis.

The group has not paid any dividends during the year.

Ronson Limited

Director's Report

For the year ended 31 December 2015

Director

The director who served during the year was:

Bardia Panahy

Mr Panahy holds no shares in the company nor its parent undertaking.

Qualifying third party indemnity provisions

During the financial year, a qualifying third party indemnity provision for the benefit of the director was in force.

Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

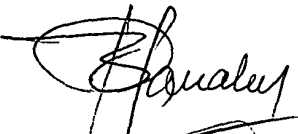
Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on
signed on its behalf.

16/09/2016

and



Bardia Panahy
Director



Independent Auditor's Report to the Members of Ronson Limited

We have audited the financial statements of Ronson Limited for the year ended 31 December 2015, which comprise the consolidated Profit and loss account, the consolidated and company Balance sheets, the consolidated Cash flow statement and reconciliation of net cash flow to movement in net funds/debt and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 director and auditor

As explained more fully in the Director's responsibilities statement, the director is 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2015 and of the group's profit 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 Ronson Limited

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

A handwritten signature in black ink that reads "John Corbishley".

John Corbishley (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

MILTON KEYNES

Date: 23/9/2016.

Consolidated Profit and Loss Account

For the year ended 31 December 2015

	Note	2015 £000	2014 £000
Turnover	2		
Sales		1,229	1,904
Cost of sales		<u>(994)</u>	<u>(1,495)</u>
Gross profit		235	409
Distribution costs		(45)	(87)
Administrative expenses		(370)	(364)
Exceptional operating income	3	<u>805</u>	<u>-</u>
Operating profit/(loss)	4	625	(42)
Profit on disposal of investments		-	490
Interest payable and similar charges	7	<u>(218)</u>	<u>(220)</u>
Profit on ordinary activities before taxation		407	228
Tax on profit on ordinary activities	8	<u>-</u>	<u>-</u>
Profit for the financial year	17	<u><u>407</u></u>	<u><u>228</u></u>

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 11 to 22 form part of these financial statements.

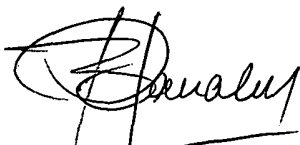
Consolidated Balance Sheet

As at 31 December 2015

	Note	£000	2015 £000	2014 £000
Fixed assets				
Investments	11		-	-
Current assets				
Stocks	12	-		151
Debtors	13	755		152
Cash at bank		<u>63</u>		<u>360</u>
		818		663
Creditors: amounts falling due within one year	14	<u>(3,748)</u>		<u>(2,580)</u>
Net current liabilities			<u>(2,930)</u>	<u>(1,917)</u>
Total assets less current liabilities			(2,930)	(1,917)
Creditors: amounts falling due after more than one year	15		-	<u>(1,420)</u>
Net liabilities			<u>(2,930)</u>	<u>(3,337)</u>
Capital and reserves				
Called up share capital	16		479	479
Share premium account	17		1,989	1,989
Profit and loss account	17		<u>(5,398)</u>	<u>(5,805)</u>
Shareholders' deficit	18		<u>(2,930)</u>	<u>(3,337)</u>

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

16/09/2016



Bardia Panahy
Director

The notes on pages 11 to 22 form part of these financial statements.

Company Balance Sheet

As at 31 December 2015

	Note	£000	2015 £000	£000	2014 £000
Fixed assets					
Investments	11		250		2,350
Current assets					
Debtors	13	201		200	
Cash at bank		<u>1</u>		<u>1</u>	
				201	
Creditors: amounts falling due within one year	14	<u>(3,623)</u>		<u>(2,744)</u>	
Net current liabilities			<u>(3,421)</u>		<u>(2,543)</u>
Total assets less current liabilities			(3,171)		(193)
Creditors: amounts falling due after more than one year	15		<u>-</u>		<u>(1,420)</u>
Net liabilities			<u>(3,171)</u>		<u>(1,613)</u>
Capital and reserves					
Called up share capital	16		479		479
Share premium account	17		1,989		1,989
Profit and loss account	17		<u>(5,639)</u>		<u>(4,081)</u>
Shareholders' deficit	18		<u>(3,171)</u>		<u>(1,613)</u>

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



Bardia Panahy
Director

16/09/2016

The notes on pages 11 to 22 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 December 2015

	Note	2015 £000	2014 £000
Net cash flow from operating activities	19	(97)	(193)
Returns on investments and servicing of finance	20	-	(1)
Capital expenditure and financial investment	20	-	515
Cash (outflow)/inflow before financing		(97)	321
Financing	20	(200)	(34)
(Decrease)/increase in cash in the year		(297)	287

Reconciliation of Net Cash Flow to Movement in Net Funds/Debt

For the year ended 31 December 2015

	2015 £000	2014 £000
(Decrease)/increase in cash in the year	(297)	287
Cash outflow from decrease in debt and lease financing	200	34
Movement in net debt in the year	(97)	321
Net debt at 1 January 2015	(1,260)	(1,581)
Net debt at 31 December 2015	(1,357)	(1,260)

The notes on pages 11 to 22 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2015

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). As the director does not believe the company is a going concern, the accounts have been prepared on a break up basis (note 26).

1.2 Basis of consolidation

The financial statements consolidate the accounts of Ronson Limited and all of its subsidiary undertakings ('subsidiaries').

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Research and development expenditure is charged to profits in the year in which it is incurred. Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with the expected sales arising from the projects. All other development costs are written off in the year of expenditure.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment, Fixtures and fittings - 15% - 33% per annum

1.6 Investments

- (i) Subsidiary undertakings
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) Other investments
Investments held as fixed assets are shown at cost less provision for impairment.

1.7 Stocks

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

Notes to the Financial Statements (continued)

For the year ended 31 December 2015

1. Accounting Policies (continued)

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Turnover

The whole of the turnover and profit before taxation from continuing activities is attributable to the company's principal activities.

3. Exceptional operating income

	2015 £000	2014 £000
Exceptional income	<u>805</u>	<u>-</u>

Exceptional income has arisen from the sale of trademarks during the year.

4. Operating loss

The operating profit/(loss) is stated after charging/(crediting):

	2015 £000	2014 £000
Auditor's remuneration	15	17
Difference on foreign exchange	<u>22</u>	<u>16</u>

Notes to the Financial Statements (continued)

For the year ended 31 December 2015

5. Staff costs

Staff costs, including director's remuneration, were as follows:

	2015 £000	2014 £000
Wages and salaries	48	103
Social security costs	3	5
Other pension costs	1	1
	<u>52</u>	<u>109</u>

The average monthly number of employees, including the director, during the year was as follows:

	2015 No.	2014 No.
	<u>2</u>	<u>4</u>

6. Director's remuneration

	2015 £000	2014 £000
Fees	<u>25</u>	<u>25</u>

During the year, no directors participated in money purchase pension schemes.

7. Interest payable

	2015 £000	2014 £000
On bank loans and overdrafts	-	1
Finance charges on shares classed as financial liabilities	218	219
	<u>218</u>	<u>220</u>

Notes to the Financial Statements (continued)

For the year ended 31 December 2015

8. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 21.50%). The differences are explained below:

	2015 £000	2014 £000
Profit/loss on ordinary activities before tax	<u>407</u>	<u>228</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 21.5%)	81	49
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	44	42
Capital allowances for year in excess of depreciation	-	(4)
Non-taxable income	-	(105)
Tax losses arising / (utilisation) of tax losses	(125)	18
	<u>-</u>	<u>-</u>
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

It is estimated that the group has taxable losses of approximately £17m carried forward and available for offset against future trading profits, subject to HM Revenue and Customs agreement.

9. Intangible fixed assets

Group	Develop- -ment £000
Cost	
At 1 January 2015 and 31 December 2015	<u>210</u>
Amortisation	
At 1 January 2015 and 31 December 2015	<u>210</u>
Net book value	
At 31 December 2015	<u>-</u>
At 31 December 2014	<u>-</u>

Notes to the Financial Statements

For the year ended 31 December 2015

10. Tangible fixed assets

	Fixtures and fittings £000
Group	
Cost	
At 1 January 2015 and 31 December 2015	<u>943</u>
Depreciation	
At 1 January 2015 and 31 December 2015	<u>943</u>
Net book value	
At 31 December 2015	<u>-</u>
At 31 December 2014	<u>-</u>

11. Fixed asset investments

Group

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Ronson International Limited	Ordinary 5p shares	100%
EMHOL Limited	Ordinary £1 shares	100%
Ronson Incorporated Limited	Ordinary £1 shares	100%

Notes to the Financial Statements

For the year ended 31 December 2015

11. Fixed asset investments (continued)

Company	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2015 and 31 December 2015	<u>28,651</u>
Impairment	
At 1 January 2015	26,301
Impairment charge for the year	<u>2,100</u>
At 31 December 2015	<u>28,401</u>
Net book value	
At 31 December 2015	<u>250</u>
At 31 December 2014	<u>2,350</u>

Details of the principal subsidiaries can be found under note number 25.

12. Stocks

	<u>Group</u>		<u>Company</u>	
	2015 £000	2014 £000	2015 £000	2014 £000
Finished goods and goods for resale	<u>-</u>	<u>151</u>	<u>-</u>	<u>-</u>

13. Debtors

	<u>Group</u>		<u>Company</u>	
	2015 £000	2014 £000	2015 £000	2014 £000
Trade debtors	60	124	-	-
Amounts owed by group undertakings	-	-	200	200
Other debtors	693	16	1	-
Prepayments and accrued income	2	12	-	-
	<u>755</u>	<u>152</u>	<u>201</u>	<u>200</u>

Included in trade debtors are factored debts with a value of £nil (2014: £nil).

Notes to the Financial Statements

For the year ended 31 December 2015

14. Creditors:

Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2015 £000	2014 £000	2015 £000	2014 £000
Other loans	-	200	-	200
Trade creditors	159	274	-	-
Amounts owed to group undertakings	-	80	69	629
Other taxation and social security	-	1	-	-
Other creditors	-	46	-	-
Accruals and deferred income	2,169	1,979	2,134	1,915
Share capital treated as debt (Note 16)	1,420	-	1,420	-
	<u>3,748</u>	<u>2,580</u>	<u>3,623</u>	<u>2,744</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 16.

15. Creditors:

Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2015 £000	2014 £000	2015 £000	2014 £000
Share capital treated as debt (Note 16)	-	1,420	-	1,420

Creditors include amounts not wholly repayable within 5 years as follows:

	<u>Group</u>		<u>Company</u>	
	2015 £000	2014 £000	2015 £000	2014 £000
Repayable other than by instalments	-	1,420	-	1,420

Notes to the Financial Statements

For the year ended 31 December 2015

16. Share capital

	2015 £000	2014 £000
Shares classified as capital		
Authorised		
1,314,611- ordinary shares of £10 each	13,146	13,146
47,387,817- deferred shares of £0.0499 each	2,365	2,365
183,877,060- "A" deferred shares of £0.0001 each	18	18
	<u>15,529</u>	<u>15,529</u>
Allotted, called up and fully paid		
46,108- ordinary shares of £10 each	461	461
183,877,060- "A" deferred shares of £0.0001 each	18	18
	<u>479</u>	<u>479</u>
Shares classified as debt		
Authorised		
200- 8% convertible cumulative redeemable preference shares of £10000 each	<u>2,000</u>	<u>2,000</u>
Allotted, called up and fully paid		
142- 8% convertible cumulative redeemable preference shares of £10000 each	<u>1,420</u>	<u>1,420</u>

The 'A' deferred shares and deferred shares are non-voting, do not rank for dividend payments and will receive a repayment of nominal amounts paid up on such shares in the event of a winding-up after repayment of capital plus £10m per share paid up on the ordinary and the convertible shares.

The holders of the 8% convertible cumulative redeemable preference shares are entitled to be paid a fixed cumulative preferential dividend at the rate of 8% payable annually in arrears. In the event of the preference dividend not being paid an additional sum of 2% per annum of the outstanding sum becomes due. There is no further right to participate in the company's profits. On a return of capital the holders of these shares are entitled, in preference to other payments to shareholders, arrears of preferential dividend, repayment of capital and a premium of 7% of nominal value. Failure by the company to redeem the shares on the due dates (being one third on 15 September 2008, 2009 and 2010) entitles the shareholder to convert the sums due into fully paid ordinary shares at the rate of £37.50 per ordinary share. The company did not redeem the first tranche of the preference shares on 15 September 2008 or the second tranche on 15 September 2009 or the third tranche on 2012 but the company has received no indication from the preference shareholders that they wish to convert the preference shares into ordinary shares. The holders of the preference shares are entitled to attend and vote at a general meeting when dividend payments are six months in arrears or the meeting is to consider a resolution to wind up the company.

Notes to the Financial Statements

For the year ended 31 December 2015

17. Reserves

	Share premium account £000	Profit and loss account £000
Group		
At 1 January 2015	1,989	(5,805)
Profit for the financial year		407
At 31 December 2015	<u>1,989</u>	<u>(5,398)</u>
	Share premium account £000	Profit and loss account £000
Company		
At 1 January 2015	1,989	(4,081)
Loss for the financial year		(1,558)
At 31 December 2015	<u>1,989</u>	<u>(5,639)</u>

18. Reconciliation of movement in shareholders' deficit

	2015 £000	2014 £000
Group		
Opening shareholders' deficit	(3,337)	(3,565)
Profit/(loss) for the financial year	<u>407</u>	<u>228</u>
Closing shareholders' deficit	<u>(2,930)</u>	<u>(3,337)</u>
	2015 £000	2014 £000
Company		
Opening shareholders' deficit	(1,613)	(1,350)
Loss for the financial year	<u>(1,558)</u>	<u>(263)</u>
Closing shareholders' deficit	<u>(3,171)</u>	<u>(1,613)</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The loss for the year dealt with in the accounts of the company was £1,558 thousand (2014 - loss of £263 thousand).

Notes to the Financial Statements

For the year ended 31 December 2015

19. Net cash flow from operating activities

	2015 £000	2014 £000
Operating profit	625	(42)
Decrease in stocks	151	142
Increase/(decrease) in debtors	(603)	47
Decrease in creditors	(210)	(336)
Decrease in amounts owed to group undertakings	(80)	(4)
	<hr/>	<hr/>
Net cash outflow from operating activities	<u>(97)</u>	<u>(193)</u>

20. Analysis of cash flows for headings netted in cash flow statement

	2015 £000	2014 £000
Returns on investments and servicing of finance		
Interest paid	<hr/> -	<hr/> (1)
	2015 £000	2014 £000
Capital expenditure and financial investment		
Sale of unlisted and other investments	<hr/> -	<hr/> 515
	2015 £000	2014 £000
Financing		
Other new loans	-	-
Repayment of other loans	(200)	(34)
	<hr/>	<hr/>
Net cash outflow from financing	<u>(200)</u>	<u>(34)</u>

Notes to the Financial Statements

For the year ended 31 December 2015

21. Analysis of changes in net debt

	1 January 2014 £000	Cash flow £000	Other non-cash changes £000	31 December 2014 £000
Cash at bank and in hand	360	(297)	-	63
Debt:				
Debts due within one year	(200)	200	(1,420)	(1,420)
Debts falling due after more than one year	(1,420)	-	1,420	-
Net debt	(1,260)	(97)	-	(1,357)

22. Contingent liabilities

Group undertakings have provided guarantees to HM Revenue and Customs totalling £5,000 (2014: £5,000).

The company has provided unlimited guarantees for the borrowing of its subsidiary undertakings. As at 31 December 2015, subsidiary undertakings had borrowings of £nil (2014: £nil) which were subject to this guarantee.

23. Related party transactions

The group

During the year the group purchased services from Acela Limited to the value of £210,119 (2014 - £229,638). At 31 December 2015 the group owed £38,465 (2014 - £22,494) to Acela Limited. K Jahanshad is a director of both Ronson International Limited and Acela Limited.

The company

During the year ended 31 December 2006 Ronson Limited issued 100 £10,000 cumulative redeemable preference shares, classified as debt, to Mitchell (UK) Limited. At the year end there was £1,379,000 of interest accrued relating to this (2014 - £1,225,000). Mitchell (UK) Limited is a related party due to its shareholding in Ronson Limited.

There exists a consultancy contract, dated 1 March 2004, between AMY Holdings Limited and Ronson Limited at a cost to the company of £10,000 per annum (2014 - £10,000 per annum). The charge for the year was £10,000 (2014 - £10,000). Either party can terminate this agreement with two months' written notice.

At 31 December 2015 £nil (2014 - £1,000) was due from the group to AMY Holdings Limited. £nil (2014 - £80,000) is due in relation to a loan made in 2003.

During the year ended 31 December 2005 Ronson Limited issued 42 £10,000 cumulative convertible redeemable preference shares, classified as debt, to AMY Holdings Limited. At the year end there was £700,220 (2014 - £635,346) accrued interest relating to this.

During 2009, the company received a loan of £200,000 from Mitchell (UK) Limited. During the year ended 31 December 2015, this balance was repaid.

The company has taken advantage of the exemption in FRSSE that transactions with wholly owned subsidiaries do not need to be disclosed.

Notes to the Financial Statements

For the year ended 31 December 2015

24. Ultimate parent undertaking and controlling party

The director regards AMY Holdings Limited, a company registered in England and Wales, as the ultimate parent company by virtue of shareholding. In the opinion of the director, there is no controlling related party of that company.

25. Principal subsidiaries

Company name	Percentage Shareholding	Description
Ronson International Limited	100	Sourcing, marketing, sales, distribution, licensing of branded goods
EMHOL Limited	100	Dormant holding company
Ronson Incorporated Limited	100	Non trading

Ronson International Limited operating in the United Kingdom and is incorporated in England and Wales and is a wholly owned subsidiary included in the consolidated financial statements. The shares in Ronson International Limited are wholly owned by Ronson Limited.

Ronson Incorporated Limited is incorporated in England and Wales and is a wholly owned subsidiary included in the consolidated financial statements. The shares in Ronson Incorporated Limited are wholly owned by Ronson Limited.

EMHOL Limited incorporated in England and Wales and has been excluded from the consolidated financial statements as it is not considered to be material. The shares in EMHOL Limited are nominally owned by Ronson International Limited.

26. Break up basis

The financial statements have been prepared on a break up basis, as the company is unable to continue as a going concern in the opinion of the director.

The group made an operating loss of £180k before exceptional items (2014 - £411k) and a net profit before taxation of £407k (2014 - £229k) for the year ended 31 December 2015. At that date the group had net liabilities of £2,930k (2014 - £3,337k).

The director has considered the working capital needs of the group and future trading prospects, and he has concluded that the group is unable to continue in operational existence. Accordingly, the director considers it appropriate to prepare the financial statements on the break up basis.

27. Post balance sheet event

In July 2016, the company sold its subsidiary undertakings and the remaining trade and assets of the company. Following this, the company is being wound up.