



**Scott-Moncrieff**  
business advisers and accountants

**VANGO GROUP LIMITED**  
**REGISTERED NUMBER: SC533191**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

WEDNESDAY



SCT \*S7FAZ8HL\*  
26/09/2018 #8  
COMPANIES HOUSE

## **VANGO GROUP LIMITED**

### **COMPANY INFORMATION**

---

#### **Directors**

G D Andrews  
S W Craig  
K McDonald  
I McNeil  
S J Newlands  
D C Bowen  
S Quigley

#### **Registered office**

Kelburn Business Park  
Port Glasgow  
Renfrewshire  
PA14 6TD

#### **Registered number**

SC533191

#### **Auditor**

Scott-Moncrieff  
Chartered Accountants  
25 Bothwell Street  
Glasgow  
G2 6NL

#### **Principal banker**

The Royal Bank of Scotland plc  
122 Cathcart Street  
Greenock  
PA15 1BA

#### **Solicitors**

Dickson Minto  
16 Charlotte Square  
Edinburgh  
EH2 4DF

**VANGO GROUP LIMITED**

**CONTENTS**

---

	<b>Page</b>
<b>Strategic Report</b>	<b>1</b>
<b>Directors' Report</b>	<b>2</b>
<b>Independent Auditor's Report</b>	<b>4</b>
<b>Statement of Comprehensive Income</b>	<b>7</b>
<b>Balance Sheet</b>	<b>8</b>
<b>Statement of Changes in Equity</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>10</b>

## VANGO GROUP LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

---

The directors present the Strategic Report and the financial statements of the company for the year ended 31 December 2017.

#### Principal activities

The company is principally a holding company for its subsidiary entities. The principal activity of the company is the production, marketing and wholesale of outdoor leisure equipment and a small range of industrial textiles, and the distribution of footwear for the outdoor fashion footwear sector.

#### Business review

The business achieved satisfactory results in 2017 despite continuing challenges in the UK and European retail environment.

#### Business environment

The company operates in the retail sector, which remains a challenging environment for both brands and retailers alike. Not unlike other companies in this sector, there are events which are outside the control of the company; however the Board's aim is to pro-actively manage such situations wherever possible. The continuing uncertainty created by Brexit has had a negative effect on both the currency markets and on consumer confidence; however the Board has worked hard to mitigate these challenges and believe that the company is still well placed to continue its growth strategy and to meet internal targets.

#### Principal risks and uncertainties

The company's principal risk and uncertainties relate to economic factors such as prices of materials, exchange rates and the strength of the retail sector together with the performance of competitors.

#### Key performance indicators

The company's key financial performance indicators are turnover, gross margin, operating profit, cash generation and return on capital employed.

#### Results and dividends

The profit on ordinary activities amounted to £1,320k (2016 - loss of £178k). The company's year-end balance sheet reported net assets of £1,142k (2016: net liabilities of £178k). The company proposed and paid dividends for the year ended 31 December 2017 of £nil (2016: £nil).

#### Future prospects

It is the company's intention to continue to work closely with chosen retailers and brand partners to ensure that the Board's growth strategy is delivered to agreed timescales.

Approved by the Board of Directors and signed by order of the Board.



---

**STEPHEN W CRAIG**  
Director

Dated: 19 April 2018

## **VANGO GROUP LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017**

---

The directors present their report and the audited financial statements for the period ended 31 December 2017.

#### **Matters covered in the Strategic Report**

The information regarding the principal activities, business review, business environment, principal risks and uncertainties, key performance indicators, results and dividends and future prospects is shown in the strategic report and not in the directors' report.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 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 accounting estimates that are reasonable and prudent; and
- 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.

#### **Directors**

The directors who served during the period and to the date of signing the accounts were:

I McNeil (appointed 7 February 2017)  
S W Craig  
G D Andrews  
S J Newlands  
K McDonald  
D C Bowen (appointed 23 August 2017)  
S Quigley (appointed 1 March 2018)

#### **Disclosure of information to the auditor**

To the knowledge and belief of each of the persons who are directors at the time the report is approved:

- So far as the directors are aware, there is no relevant information of which the company's auditor is unaware, and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant information, and to establish that the company's auditor is aware of the information.

**VANGO GROUP LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

---

**Post balance sheet events**

There have been no significant events affecting the company since the period end.

**Going concern**

The directors have considered the trading outlook for the company, having taken account of possible changes in trading performance, and have determined that the company will be able to operate within its existing cash resources and cash flow from future trading activities. The directors, therefore, have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future.

**Auditor**

The auditor, Scott-Moncrieff, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 19 April 2018 and signed on its behalf by:

  
**STEPHEN W CRAIG**  
Director

## **VANGO GROUP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VANGO GROUP LIMITED**

---

#### **Opinion**

We have audited the financial statements of Vango Group Limited for the year ended 31 December 2017, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its 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.

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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **VANGO GROUP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VANGO GROUP LIMITED (continued)**

---

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



**VANGO GROUP LIMITED**

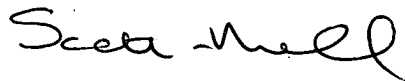
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VANGO GROUP LIMITED (continued)**

---

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our auditor's report.



**Bernadette Higgins (Senior Statutory Auditor)**  
**for and on behalf of Scott-Moncrieff, Statutory Auditor**  
Chartered Accountants  
25 Bothwell Street  
Glasgow  
G2 6NL

Date: 19 April 2018

**VANGO GROUP LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

		<b>Year ended 31 December 2017 £</b>	<b>Period 20 April 2016 to 31 December 2016 £</b>
	<b>Note</b>		
Administrative expenses		<b>(754,740)</b>	<b>(64,823)</b>
Other operating income		<b>722,346</b>	<b>60,000</b>
<b>Operating loss</b>	<b>4</b>	<b>(32,394)</b>	<b>(4,823)</b>
Investment income received	<b>5</b>	<b>2,823,517</b>	<b>-</b>
Interest payable and similar charges	<b>6</b>	<b>(1,471,409)</b>	<b>(173,339)</b>
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>1,319,714</b>	<b>(178,162)</b>
Tax on profit on ordinary activities	<b>9</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) on ordinary activities after taxation</b>		<b>1,319,714</b>	<b>(178,162)</b>
<b>Other comprehensive income for the year</b>			
Other comprehensive income		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>1,319,714</b>	<b>(178,162)</b>

There were no recognised gains or losses for 2017 (2016: nil) other than those included in the statement of comprehensive income.

The notes on pages 10 to 16 form part of these financial statements

**VANGO GROUP LIMITED**

**BALANCE SHEET  
AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Investments	10	26,857,412	26,795,396
<b>Current assets</b>			
Debtors – due within one year	11	531	145,469
Cash and cash equivalents	12	147,581	11,059
		<u>148,112</u>	<u>156,528</u>
<b>Creditors: Amounts falling due within one year</b>	13	<u>(4,841,571)</u>	<u>(3,707,685)</u>
<b>Net current liabilities</b>		<u>(4,693,459)</u>	<u>(3,551,157)</u>
<b>Total assets less current liabilities</b>		<b>22,163,953</b>	<b>23,244,239</b>
<b>Creditors: Amounts falling due after more than one year</b>	14	<u>(21,022,400)</u>	<u>(23,422,400)</u>
<b>Net assets</b>		<u><u>1,141,553</u></u>	<u><u>(178,161)</u></u>
<b>Capital and reserves</b>			
Called up share capital	15	1	1
Profit and loss account	16	<u>1,141,552</u>	<u>(178,162)</u>
		<u><u>1,141,553</u></u>	<u><u>(178,161)</u></u>

The financial statements were authorised for issue by the board of directors on 19 April 2018 and signed on its behalf by:



**STEPHEN W. CRAIG**  
Director

**Company Registration No: SC533191**

The notes on pages 10 to 16 form part of these financial statements

**VANGO GROUP LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>Called up Share Capital £</b>	<b>Profit &amp; Loss Account £</b>	<b>Total £</b>
At 1 January 2017	1	(178,162)	(178,161)
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,319,714	1,319,714
At 31 December 2017	<u>1</u>	<u>1,141,552</u>	<u>1,141,553</u>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	<b>Called up Share Capital £</b>	<b>Profit &amp; Loss Account £</b>	<b>Total £</b>
At 20 April 2016	-	-	-
<b>Comprehensive income for the period</b>			
Loss for the period	-	(178,162)	(178,162)
<b>Contributions by owners</b>			
Issued share capital	1	-	1
At 31 December 2016	<u>1</u>	<u>(178,162)</u>	<u>(178,161)</u>

The notes on pages 10 to 16 form part of these financial statements

## VANGO GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

---

#### 1. General Information

These financial statements are presented in Pounds Sterling (GBP) as that is the currency in which the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 December 2017.

The company is a United Kingdom company limited by shares. It is both incorporated and domiciled in Scotland. The address of its registered office is Kelburn Business Park, Port Glasgow, Renfrewshire, PA14 6TD. The company's registered number is SC533191.

The continuing activity of the company is that of a holding company for its subsidiary entities.

#### 2. Summary of Significant Accounting Policies

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) (FRS 102) issued by the Financial Reporting Council and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgements in applying the company's accounting policies (see note 3).

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

##### **Going concern**

The company will receive continued support from group undertakings. AMG Group Limited is the main trading subsidiary and has generated healthy profit in the period. Thus the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### **Financial reporting standard 102 – reduced disclosure exemptions**

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

- the requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c); and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017

---

2. Summary of Significant Accounting Policies (cont'd)

**Group accounts**

The financial statements contain information about Vango Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the financial statements of its parent Vango Holdings Limited, a company registered in Scotland.

**Other operating income**

Other operating income 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.

**Interest payable**

Interest payable is recognised in the Statement of Comprehensive Income in the period in which incurred.

**Taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income.

The corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

**Pensions**

The company operates a defined contribution pension scheme in respect of its employees. The assets of the scheme are held separately from those of the company. The pension cost charge represents the amount of the contributions payable to the scheme in respect of the period.

**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 the 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 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

---

**2. Summary of Significant Accounting Policies (cont'd)**

**Financial instruments (cont'd)**

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when the contractual rights to the cashflows from the asset expire, or when the company has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

**Fixed asset investments**

Fixed asset investments are stated at cost, less any provision for impairment.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**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.

**Creditors**

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

**Share capital**

Ordinary shares are classified as equity. Called up share capital represents the nominal value of shares that have been issued.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The directors are satisfied that accounting policies are appropriate and applied consistently. There are no sources of accounting estimation.

VANGO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Year ended 31 December 2017 £	Period 20 April 2016 to 31 December 2016 £
<b>4. Operating loss</b>		
<b>Operating loss is arrived at after charging:</b>		
Fees payable to the company's auditor	1,500	2,000
Defined contribution pension scheme expense	12,774	-
	<u>14,274</u>	<u>2,000</u>
	Year ended 31 December 2017 £	Period 20 April 2016 to 31 December 2016 £
<b>5. Investment income received</b>		
Dividend income	2,823,517	-
	<u>2,823,517</u>	<u>-</u>
	Year ended 31 December 2017 £	Period 20 April 2016 to 31 December 2016 £
<b>6. Interest payable and similar charges</b>		
Loans and bank overdraft interest	1,471,409	173,339
	<u>1,471,409</u>	<u>173,339</u>
<b>7. Employee numbers</b>		
The average monthly number of employees, including the directors during the year was as follows:		
	2017 No	2016 No
Directors	4	-
	<u>4</u>	<u>-</u>
	2017 £	2016 £
<b>8. Directors remuneration</b>		
Directors' emoluments	530,981	-
Directors' social security	65,505	-
Pension costs	12,774	-
	<u>609,260</u>	<u>-</u>
The directors of the company are considered to be key management personnel.		
	2017 £	2016 £
<b>Highest paid director</b>		
Emoluments	212,313	-
Contributions to defined contribution pension schemes	12,774	-
	<u>225,087</u>	<u>-</u>



# VANGO GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 9. Tax on profit on ordinary activities

#### Reconciliation of charge

The standard rate of current tax for the year, based on the average UK standard rate of corporation tax is 19.25% (2016: 20%). The actual tax charge for the current and prior year varies from the standard rate for the reasons set out in the following reconciliation:

	2017 £	2016 £
Profit on ordinary activities before tax	1,319,714	(178,162)
Tax on (loss)/profit at 19.25% (2016: 20%)	254,045	(35,632)
Factors affecting charge:		
Expenses not deductible for tax purposes	3,410	-
Income not taxable for tax purposes	(543,476)	-
Group relief surrendered	286,021	17,574
Adjust closing deferred tax to average rate of 19.25%	-	2,708
Deferred tax not recognised	-	15,350
Current tax charge for the year	-	-

#### Factors that may affect future tax charges

At Summer Budget 2016, the government announced legislation setting the Corporation Tax main rate (for all profits except ring fence profits) at 19% for the years starting the 1 April 2017, 2018 and 2019 and at 18% for the year starting 1 April 2020. At Budget 2017, the government announced a further reduction to the Corporation Tax main rate (for all profits except ring fence profits) for the year starting 1 April 2020, setting the rate at 17%.

### 10. Investments

	£
As at 1 January 2017	26,795,396
Additions	62,016
As at 31 December 2017	26,857,412

The following was a subsidiary undertaking of the company:

Name	Country of incorporation	Class of shares	Holding and voting rights	Principal activities	Investment value
Cranew Limited	Scotland	Ordinary	100%	Holding company	£26,857,412

### 11. Debtors: Amounts falling due within one year

	2017 £	2016 £
Other debtors	531	145,469

**VANGO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 £
<b>12. Cash and cash equivalents</b>		
Cash at bank and in hand	<u>147,581</u>	<u>11,059</u>
<b>13. Creditors: Amounts falling due within one year</b>	2017 £	2016 £
Bank loans	1,400,000	1,400,000
Loan notes	1,000,000	-
Trade creditors	-	197,460
Amounts owed to group undertakings	1,257,645	1,922,196
Amounts owed to related parties	419,754	64,072
Social security and other taxes	42,401	-
Accruals and deferred income	721,771	123,957
	<u>4,841,571</u>	<u>3,707,685</u>
<b>14. Creditors: Amounts falling due after more than one year</b>	2017 £	2016 £
Bank loans	4,200,000	5,600,000
Loan notes	16,822,400	17,822,400
	<u>21,022,400</u>	<u>23,422,400</u>
Borrowings are repayable as follows:-		
Within one year	2,400,000	1,400,000
Between one and two years	2,400,000	2,400,000
Between two and five years	12,300,200	10,200,100
After five years	6,322,200	10,822,300
	<u>23,422,400</u>	<u>24,822,400</u>

The company has provided an unlimited inter-company guarantee and bond and floating charge with RBS plc, Growth Capital Partner LLP and the secretary trustee for the management Loan Note holders.

Secured creditors at the year end were £23,422,400 (2016: £24,822,400).

	2017 £	2016 £
<b>15. Called up share capital</b>		
Called up, allotted and fully paid ordinary shares of £1 each	<u>1</u>	<u>1</u>

Shareholders are entitled to one vote in any circumstances and an equal share of dividend payments or any other distribution.

**VANGO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

---

**16. Reserves**

**Profit and loss account**

The profit and loss account includes all current period retained losses.

**17. Related party transactions**

The company has taken advantage of the exemption available under Financial Reporting Standard 102 Paragraph 33.1A with regard to the non-disclosure of transactions between wholly owned group companies.

Growth Capital Partners LLP is related by common directors. During the year monitoring fees and loan note interest were charged by Growth Capital Partners LLP amounting to £796,261 (2016: £69,597). At the balance sheet date £419,754 (2016: £64,072) was owed to Growth Capital Partners LLP.

**18. Ultimate controlling party**

The ultimate parent undertaking of the company is Vango Holdings Limited, which is a company registered in Scotland. The address of its registered office is Kelburn Business Park, Port Glasgow, Renfrewshire, PA14 6TD.

The largest and smallest group which the results of this company are consolidated within is that headed by the ultimate parent company Vango Holdings Limited.

Copies of the consolidated financial statements of Vango Holdings Limited are available from Companies House, 139 Fountainbridge, Edinburgh, EH3 9FF.

There is no ultimate controlling party.