



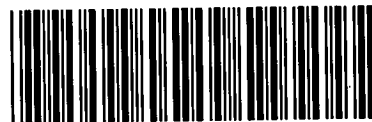
**VANGO GROUP LIMITED**

**Company registration number SC533191**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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## **VANGO GROUP LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	Stephen John Newlands Kirsty McDonald Kevin Lyon Shona Quigley Robert Birrell Martin Jones
<b>Registered number</b>	SC533191
<b>Registered office</b>	Kelburn Business Park Port Glasgow Renfrewshire PA14 6TD
<b>Independent auditor</b>	Azets Audit Services Chartered Accountants 25 Bothwell Street Glasgow G2 6NL
<b>Bankers</b>	The Royal Bank of Scotland plc 122 Cathcart Street Greenock PA15 1BA
<b>Solicitors</b>	Burness Paull LLP 120 Bothwell Street Glasgow G2 7JL

# **VANGO GROUP LIMITED**

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## **VANGO GROUP LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present the Strategic Report and the financial statements of the company for the year ended 31 December 2019.

#### **Principal activity**

The company is principally a holding company for its subsidiary entities. The principal activity of the group 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 results for 2019 reflect the continuing challenges in the UK and European retail environment and the continued uncertainty created by Brexit.

#### **Business environment**

The group 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 group, 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 group is still well placed to continue its growth strategy and to meet internal targets.

#### **Principal risks and uncertainties**

The group'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.

The group uses derivative financial instruments to reduce exposure to foreign exchange risk. The group does not hold or issue derivative instruments for speculative purposes.

The company's income from its subsidiary undertakings in 2020 will be impacted by the COVID-19 pandemic as a consequence of its subsidiary temporarily closing its Distribution and Service Centres during the UK government's national lockdown. The directors continue to monitor and assess the ongoing impact of the COVID-19 pandemic to its operations and respond accordingly, however following a "bounce back" in financial performance of its subsidiary undertakings during Q3 2020, the directors believe the company is well placed to respond accordingly.

#### **Key financial performance indicators**

The group's key financial performance indicators are turnover, gross margin, operating profit, and cash generation.

#### **Results and dividends**

The profit on ordinary activities amounted to £2,751,334 (2018: £516,285). The company's year-end balance sheet reported net assets of £4,334,172 (2018: £1,657,838). The company proposed and paid dividends for the year ended 31 December 2019 of £75,000 (2018: £nil).

#### **Future prospects**

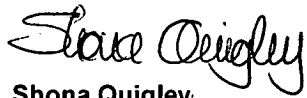
It is the group's intention to continue to work closely with chosen retailers and brand partners to ensure that the Board's growth strategy is delivered to agreed timescales.

VANGO GROUP LIMITED

**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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This report was approved by the board on 9 December 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Shona Quigley', written in a cursive style.

**Shona Quigley**  
Director

## **VANGO GROUP LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their report and the financial statements for the year ended 31 December 2019.

#### **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 of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements 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 to 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 year and up to the date of signing the accounts were:

Derek Bowen (resigned 7 January 2019)  
Ian McNeil (resigned 30 June 2020)  
Glenn David Andrews (resigned 31 December 2019)  
Stephen John Newlands  
Kirsty McDonald  
Shona Quigley  
Robert Birrell (appointed 1 July 2020)  
Martin Jones (appointed 1 July 2020)  
Kevin Lyon (appointed 28 August 2020)

#### **Matters covered in the strategic report**

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

## VANGO GROUP LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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#### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director 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's auditor is aware of that information.

#### Post balance sheet events

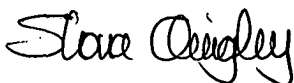
COVID-19 has had a significant impact on most businesses in all sectors throughout the UK and the world. The economic outlook is uncertain at the time of this report as all businesses continue to react to government guidance.

On 30 October 2020, the group amended the terms of its bank loan. This included extending the term of the debt by one year and rescheduling the remaining capital repayments.

#### Auditor

Following the acquisition of Scott-Moncrieff Chartered Accountants by Azets, Scott-Moncrieff Chartered Accountants resigned as auditor and were replaced by Azets Audit Services Limited, trading as Azets Audit Services, a company owned by Azets.

This report was approved by the board on 9 December 2020 and signed on its behalf by:



**Shona Quigley**  
Director

## **VANGO GROUP LIMITED**

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

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#### **Opinion**

We have audited the financial statements of Vango Group Limited for the year ended 31 December 2019, 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 2019 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.

#### **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)**

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#### **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.

## VANGO GROUP LIMITED

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

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#### Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement 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, 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.

#### 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.

#### Use of our report

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, as a body, 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.



**Bernadette Higgins (Senior Statutory Auditor)**  
for and on behalf of  
**Azets Audit Services, Statutory Auditor**  
Chartered Accountants  
25 Bothwell Street  
Glasgow  
G2 6NL

9 December 2020

**VANGO GROUP LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Administrative expenses		(498,278)	(946,068)
Other operating income		457,497	809,222
<b>Operating loss</b>	4	<b>(40,781)</b>	<b>(136,846)</b>
Income from shares in group undertakings		4,141,845	2,096,606
Interest payable and expenses	6	(1,349,730)	(1,443,475)
<b>Profit before tax</b>		<b>2,751,334</b>	<b>516,285</b>
Tax on profit	9	-	-
<b>Profit for the financial year</b>		<b>2,751,334</b>	<b>516,285</b>
<b>Other comprehensive income for the year</b>			
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>2,751,334</b>	<b>516,285</b>

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

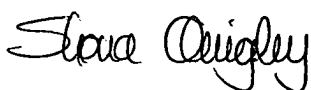
The notes on pages 11 to 20 form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	11	26,857,412	26,857,412
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	2,346	4,918
Cash at bank and in hand	13	7,391	20,576
		<u>9,737</u>	<u>25,494</u>
Creditors: amounts falling due within one year	14	(5,768,594)	(6,060,885)
<b>Net current liabilities</b>		<u>(5,758,857)</u>	<u>(6,035,391)</u>
<b>Total assets less current liabilities</b>		<u>21,098,555</u>	<u>20,822,021</u>
Creditors: amounts falling due after more than one year	15	(16,764,383)	(19,164,183)
<b>Net assets</b>		<u><u>4,334,172</u></u>	<u><u>1,657,838</u></u>
<b>Capital and reserves</b>			
Called up share capital	17	1	1
Profit and loss account		4,334,171	1,657,837
		<u><u>4,334,172</u></u>	<u><u>1,657,838</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 December 2020. by:



**Shona Quigley**  
Director

The notes on pages 11 to 20 form part of these financial statements.

**VANGO GROUP LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2018</b>	<b>1</b>	<b>1,141,552</b>	<b>1,141,553</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	516,285	516,285
<b>Other comprehensive income for the year</b>	-	-	-
<b>At 1 January 2019</b>	<b>1</b>	<b>1,657,837</b>	<b>1,657,838</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,751,334	2,751,334
Dividends: Equity capital	-	(75,000)	(75,000)
<b>At 31 December 2019</b>	<b>1</b>	<b>4,334,171</b>	<b>4,334,172</b>

The notes on pages 11 to 20 form part of these financial statements.

## VANGO GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 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 2019.

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

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.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with 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).

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 accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following 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
- The requirements of 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);
- The requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- The requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Vango Holdings Limited as at 31 December 2019 and these financial statements may be obtained from Kelburn Business Park, Port Glasgow, Renfrewshire, PA14 6TD.

##### 2.3 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.

## **VANGO GROUP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **2. Accounting policies (continued)**

##### **2.4 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.

##### **2.5 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.

##### **2.6 Income from shares in group undertakings**

Income from shares in group undertakings are recognised in the Statement of Comprehensive Income when the dividend is declared by the shareholders.

##### **2.7 Interest payable**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

##### **2.8 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **2.9 Debtors**

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

##### **2.10 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.11 Financial instruments**

The company only enters into basic financial instrument 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

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.

**2.12 Creditors**

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

**2.13 Dividends**

Dividends are recognised as a liability in the financial statements in the period in which the dividends are approved by shareholders.



## VANGO GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.14 Pensions

###### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

##### 2.15 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

#### 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.

#### 4. Operating loss

The operating loss is stated after charging:

	2019 £	2018 £
Fees payable to the company's auditor	1,600	1,545
Defined contribution pension scheme expense	19,270	25,148

#### 5. Investment income received

	2019 £	2018 £
Dividend income	4,141,845	2,096,606

**VANGO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**6. Interest payable and similar expenses**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Loan and bank interest payable	<b>1,349,730</b>	<b>1,443,475</b>

**7. Employees**

The average monthly number of employee's, including directors, during the year was 5 (2018 - 6).

**8. Directors' remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	<b>342,615</b>	<b>697,175</b>
Directors' social security	<b>41,182</b>	<b>85,249</b>
Company contributions to defined contribution pension schemes	<b>19,270</b>	<b>25,148</b>
	<b>403,067</b>	<b>807,572</b>

The highest paid director received remuneration of £170,179 (2018 - £170,017).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £12,837 (2018 - £13,161).

The directors of the company are considered to be key management personnel.

**9. Taxation**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Current tax on profits for the year	-	-
<b>Total current tax</b>	<b>-</b>	<b>-</b>

VANGO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>2,751,334</u>	<u>516,285</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	522,753	98,094
Effects of:		
Expenses not deductible for tax purposes	170	210
Income not taxable for tax purposes	(786,951)	(398,356)
Group relief	205,099	252,769
Adjust closing deferred tax to average rate of 19%	19,140	12,937
Adjust opening deferred tax to average rate of 19%	(12,937)	(7,960)
Deferred tax not recognised	52,726	42,306
Total tax charge for the year	<u>-</u>	<u>-</u>

10. Dividends

	2019 £	2018 £
Dividend paid of £75,000 (2018 - £nil) per share	<u>75,000</u>	<u>-</u>

11. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2019	26,857,412
At 31 December 2019	<u>26,857,412</u>

**VANGO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**11. Fixed asset investments (continued)**

**Subsidiary undertaking**

The following was a subsidiary undertaking of the company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Cranew Limited	Ordinary	100%

The registered office of Cranew Limited is Kelburn Business Park, Port Glasgow, PA14 6TD.

The carrying value of the investments and the aggregate of the share capital and reserves as at 31 December 2019 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves</b>	<b>Profit/(Loss)</b>
Cranew Limited	16,130,884	4,141,845

**12. Debtors**

	<b>2019 £</b>	<b>2018 £</b>
Other debtors	2,346	4,918

**13. Cash and cash equivalents**

	<b>2019 £</b>	<b>2018 £</b>
Cash at bank and in hand	7,391	20,576

**VANGO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**14. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Bank loans	1,400,000	1,400,000
Loan notes	1,500,000	2,000,000
Trade creditors	2,466	67
Amounts owed to group undertakings	1,372,490	1,343,705
Amounts owed to other participating interests	273,858	279,676
Other taxation and social security	31,759	57,935
Other creditors	-	1,262
Accruals and deferred income	1,188,021	978,240
	<u>5,768,594</u>	<u>6,060,885</u>

**15. Creditors: Amounts falling due after more than one year**

	2019 £	2018 £
Bank loans	1,400,000	2,800,000
Other loans	15,364,383	16,364,183
	<u>16,764,383</u>	<u>19,164,183</u>

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

Secured creditors at the year end were £21,118,890 (2018: £23,708,706).

**VANGO GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**16. Loans**

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	1,400,000	1,400,000
Loan notes	1,500,000	2,000,000
	<u>2,900,000</u>	<u>3,400,000</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	1,400,000	1,400,000
Loan notes	3,562,531	1,500,000
	<u>4,962,531</u>	<u>2,900,000</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	-	1,400,000
Loan notes	11,801,852	14,864,183
	<u>11,801,852</u>	<u>16,264,183</u>
	<u>19,664,383</u>	<u>22,564,183</u>

**17. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
1 (2018 - 1) ordinary share of £1.00	<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 2019

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#### 18. 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 £730,307 (2018: £785,987). At the balance sheet date £272,100 (2018: £279,677) was owed to Growth Capital Partners LLP.

#### 19. Post balance sheet events

After the year end, the operations were affected by COVID-19.

#### 20. 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.

There is no ultimate controlling party.

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.