

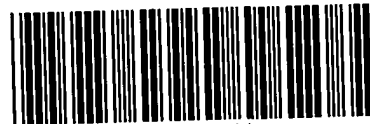
Registered number: 04693323

**PINNACLE (O&S) LTD  
(FORMERLY ORCHARD & SHIPMAN GROUP LIMITED)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

FRIDAY



\*ACGXZ4G3\*

A22

24/11/2023

#89

COMPANIES HOUSE

---

**PINNACLE (O&S) LTD**

---

**CONTENTS**

---

	Page(s)
<b>Directors' Report</b>	<b>1 - 2</b>
<b>Statement of Directors' Responsibilities in respect of the Financial Statements</b>	<b>3</b>
<b>Independent Auditors' Report</b>	<b>4 - 6</b>
<b>Statement of Profit or Loss</b>	<b>7</b>
<b>Statement of Financial Position</b>	<b>8 - 9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11 - 33</b>

---

## PINNACLE (O&S) LTD

---

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

---

The directors present their report and the audited financial statements of Pinnacle (O&S) Ltd (formerly known as Orchard & Shipman Group Limited) (the "Company") for the year ended 31 March 2023.

#### Principal activity

The principal activity of the Company is residential lettings and property management.

#### Results and dividends

The loss for the year, after taxation, amounted to £412k (18 months ended 31 March 2022: profit of £104k).

A dividend of £nil (18 months ended 31 March 2022: £60k) was paid during the year. No dividend was proposed at the year end (2022: £nil).

#### Going concern

The Company has made a loss of £412k (18 months ended 31 March 2022: profit of £104k) during the year and has net assets of £910k (2022: net assets of £1,322k) at the year end.

As part of their review the directors have considered the implications of the current economic conditions on the going concern assumption. This has also included sensitivity analyses which take into account severe but plausible downsides. Pinnacle Group Limited has indicated its willingness to financially support Pinnacle (O&S) Ltd (formerly known as Orchard & Shipman Group Limited) for a period of at least 12 months from the date these financial statements were approved and authorised for issue by way of a letter of support.

On this basis the directors believe that the Company will have adequate resources to continue in operational existence for the foreseeable future and meet its obligations as they fall due. As such the financial statements are prepared on a going concern basis.

#### Donations

No charitable or political donations were made in the year (2022: £nil).

#### Payment to suppliers

Settlements terms are agreed with suppliers as part of the contract terms and it is the Company's policy to pay in accordance with these terms. Other creditors are paid in accordance with invoice terms. Creditor days for the current year is approximately 6 days (2022: 22 days).

#### Financial instruments

The Company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to price risk or liquidity risk.

---

**PINNACLE (O&S) LTD**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**Small companies exemption**

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

**Directors**

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

P M A Lloyd  
C M Hodson  
C Shipman (resigned 20 January 2023)  
M Bowler (resigned 27 October 2022)  
C J Chester (resigned 31 October 2023)

**Disclosure of information to auditors**

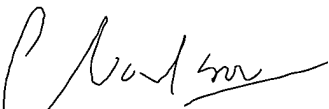
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 20 November 2023 and signed on its behalf.



C M Hodson  
**Chief Financial Officer**

---

## PINNACLE (O&S) LTD

---

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

#### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

# Independent auditors' report to the members of Pinnacle (O&S) Ltd (formerly Orchard & Shipman Group Limited)

## Report on the audit of the financial statements

### Opinion

In our opinion, Pinnacle (O&S) Ltd (formerly Orchard & Shipman Group Limited)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 31 March 2023; the Statement of profit or loss and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

### **Auditors' 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 auditors' 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to but were not limited to the workplace (health, safety and welfare) regulations 1999, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, Taxation

legislation, and payroll laws and regulations. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and the legal counsel, including consideration of known or suspected instances of non-compliance;
- Challenging the key assumptions made by management in their significant accounting estimates, including in our audit working respect of expected / estimated credit losses provision;
- Identifying and testing journal entries meeting certain risk criteria, in particular any journal entries posted with unusual account combinations, journal entries containing unusual words and certain post-close journals;
- Reviewing board minutes and details of legal expenses incurred in the year; and
- Reviewing the financial statement disclosures and agreeing to underlying supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Diane Walmsley (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
22 November 2023

---

**PINNACLE (O&S) LTD**

---

**STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

		<i>18 months ended</i>
		<i>31 March</i>
		<i>2023</i>
		<i>2022</i>
	<b>Note</b>	<b>£000</b>
		<b>£000</b>
<b>Revenue</b>	4	<b>6,026</b>
Raw materials and consumables		<b>(3,694)</b>
Staff costs	7	<b>(1,613)</b>
Depreciation and amortisation	5	<b>(99)</b>
Administration and operating expenses		<b>(956)</b>
<b>Operating (loss)/profit</b>	5	<b>(336)</b>
Interest receivable and similar income	9	<b>26</b>
Interest payable and similar expenses	10	<b>(59)</b>
<b>(Loss)/profit before tax</b>		<b>(369)</b>
Tax on (loss)/profit	11	<b>(43)</b>
<b>(Loss)/profit for the financial year</b>		<b>(412)</b>

There was no other comprehensive income for 2023 (2022: £nil).

The notes on pages 11 to 33 form part of these financial statements.

PINNACLE (O&S) LTD

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2023

	Note	2023 £000	2023 £000	2022 £000	2022 £000
<b>Non-current assets</b>					
Intangible assets	12		3		7
Property, plant and equipment	13		481		568
Investments	14		-		-
Deferred tax asset	17		85		243
<b>Total non-current assets</b>			<b>569</b>		<b>818</b>
<b>Current assets</b>					
Trade and other receivables	15	2,116		2,155	
Cash and cash equivalents		74		101	
<b>Total current assets</b>		<b>2,190</b>		<b>2,256</b>	
Trade and other Payables	16	(985)		(743)	
Short term lease liabilities	19	(63)		(67)	
<b>Net current assets</b>			<b>1,142</b>		<b>1,446</b>
<b>Non-current liabilities</b>					
Deferred tax liability	17		-		(114)
Provisions	18		(394)		(367)
Long term lease liabilities	19		(407)		(461)
<b>Net assets</b>			<b>910</b>		<b>1,322</b>

---

**PINNACLE (O&S) LTD**  
**REGISTERED NUMBER: 04693323**

---

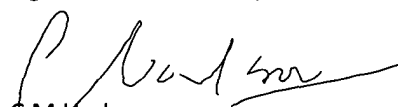
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2023**

---

	Note	2023 £000	2022 £000
<b>Capital and reserves</b>			
Share capital	20	420	420
Share premium account		319	319
Capital redemption reserve		101	101
Retained earnings		70	482
<b>Total equity</b>		<u>910</u>	<u>1,322</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 7 to 10 were approved by the board on 20 November 2023 and were signed on its behalf by:



**C M Hodson**  
**Chief Financial Officer**

The notes on pages 11 to 33 form part of these financial statements.

PINNACLE (O&S) LTD

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023

	Share capital £000	Share premium account £000	Capital redemption reserve £000	Revaluation reserve £000	Retained earnings £000	Total equity £000
<b>At 1 October 2020</b>	<b>420</b>	<b>319</b>	<b>101</b>	<b>273</b>	<b>438</b>	<b>1,551</b>
Profit for the financial period	-	-	-	-	104	104
Dividends	-	-	-	-	(60)	(60)
Reversal of revaluation reserve prior to acquisition	-	-	-	(273)	-	(273)
<b>At 31 March 2022</b>	<b>420</b>	<b>319</b>	<b>101</b>	<b>-</b>	<b>482</b>	<b>1,322</b>
Loss for the financial year	-	-	-	-	(412)	(412)
<b>At 31 March 2023</b>	<b>420</b>	<b>319</b>	<b>101</b>	<b>-</b>	<b>70</b>	<b>910</b>

---

## **PINNACLE (O&S) LTD**

---

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

---

#### **1. General information**

Pinnacle (O&S) Ltd (formerly known as Orchard & Shipman Group Limited) (the "Company") is a private company, limited by shares, incorporated and domiciled in the United Kingdom. The registered address is 8th Floor, Holborn Tower, 137-144 High Holborn, London, England, WC1V 6PL.

#### **2. Accounting policies**

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

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

The following principal accounting policies have been applied:

---

**PINNACLE (O&S) LTD**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**2. Accounting policies (continued)**

**2.2 Financial reporting standard 101 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

**2.3 Impact of new standards, amendments and interpretations**

There were no impacts arising from new standards, interpretations and amendments effective or adopted early during this financial year.

---

## PINNACLE (O&S) LTD

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

## 2. Accounting policies (continued)

### 2.4 Going concern

The Company has made a loss of £412k (18 months ended 31 March 2022: profit of £104k) during the year and has net assets of £910k (2022: net assets of £1,322k) at the year end.

As part of their review the directors have considered the implications of the current economic conditions on the going concern assumption. This has also included sensitivity analyses which take into account severe but plausible downsides. Pinnacle Group Limited has indicated its willingness to financially support Pinnacle (O&S) Ltd (formerly known as Orchard & Shipman Group Limited) for a period of at least 12 months from the date these financial statements were approved and authorised for issue by way of a letter of support.

On this basis the directors believe that the Company will have adequate resources to continue in operational existence for the foreseeable future and meet its obligations as they fall due. As such the financial statements are prepared on a going concern basis.

### 2.5 Revenue recognition

Revenue represents fees receivable, excluding VAT. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it delivers the service to a customer. For long-term contracts, revenue is recognised over the period the service is delivered. For contracts which span a number of years, the contracts have either discrete annual measurement periods or specific milestones and revenue is recognised accordingly. Revenue is recognised over time.

### 2.6 Leases

#### The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right of use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Low-value assets comprise IT equipment and small items of office furniture. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments, discounted by using the interest rate implicit in the lease. If this interest rate cannot be readily determined, the Company uses its incremental borrowing rate (IBR). The Company's IBR is determined after considering its cost of borrowing funds across all alternative sources of borrowing and the risk of investing, adding a risk premium to the cost of capital.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**2. Accounting policies (continued)**

**2.6 Leases (continued)**

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) whenever:

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

The right of use assets are measured at cost comprising of the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Company expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right of use assets are included in the 'Property, plant and equipment' line in the Statement of Financial Position.

---

**PINNACLE (O&S) LTD**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**2. Accounting policies (continued)**

**2.6 Leases (continued)**

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

**2.7 Interest receivable and similar income**

This comprises of interest receivable on funds invested using the effective interest method.

**2.8 Interest payable and similar expenses**

This is comprised of interest payable on lease liabilities and loans and borrowings recognised in profit or loss using the effective interest method.

**2.9 Employee benefits**

**Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Post-employment obligations**

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

---

## PINNACLE (O&S) LTD

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 2. Accounting policies (continued)

##### 2.10 Current and deferred taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Statement of Profit or Loss except to the extent that it relates to items recognised directly in Statement of comprehensive income, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

- the initial recognition of goodwill;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

##### 2.11 Intangible assets

Intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use.

The estimated useful lives range as follows:

Software development costs	-	3 years
----------------------------	---	---------

---

## PINNACLE (O&S) LTD

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 2. Accounting policies (continued)

##### 2.12 Property, plant and equipment

Items of Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives.

The estimated useful lives range as follows:

Leasehold land and buildings	- 1 to 5 years
Plant and machinery	- 1 to 5 years
Motor vehicles	- 1 to 5 years

##### 2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 2.14 Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and amounts due from group undertakings.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 March 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified that given the fact that the majority of its customers are local government entities and large housing associations, losses and risk are extremely low.

---

**PINNACLE (O&S) LTD**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**2. Accounting policies (continued)**

**2.14 Trade and other receivables (continued)**

To determine the credit loss allowance for amounts due from group undertakings, the Company reviewed the net position of each group undertakings and considered whether it has sufficient and liquid assets to repay the outstanding balance at reporting date; if the group undertakings are unable to settle its debt, the Company considers the time over which the group undertakings are able to repay its balances. In cases where the group undertakings are unable to repay its debt and there is no alternative option to recover the debt, the full balance outstanding at the reporting date is fully impaired.

**2.15 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

**2.16 Trade and other payables**

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

**2.17 Impairment of non financial assets**

Non financial assets that are not ready to use are not subject to amortisation and are tested annually for impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

**2.18 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

**2. Accounting policies (continued)**

**2.19 Provisions for liabilities**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. A legal obligation can arise through a contract, legislation, or other operation of law.

The amount recognised as a provision is the best estimate, at each period end, of the expenditures required to settle the present obligation considering the risks and uncertainties associated with the obligation. Where expenditures are expected to be incurred in the future, the obligation is measured at its present value using a current market-based, risk adjusted interest rate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

*Onerous contract*

An onerous contract is one in which the unavoidable costs of meeting the obligations under the contract exceeds the economic benefits expected to be received under it.

*Social housing contracts*

Rent arrears and tenant dilapidation costs arising from social housing contracts are charged to the Consolidated Profit and Loss Account as they arise. Head lease end dilapidation costs are provided for within the financial statements over the period of the lease.

**2.20 Dividends**

Dividends are recognised as distributions to owners during the period in which the dividend is paid.

Dividends are recognised in the statement of changes in equity. No dividends were declared or paid in the financial year.

---

PINNACLE (O&S) LTD

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

**3. Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

**Expected or estimated credit losses**

The provision for estimated credit losses are based on assumptions about the risk of default and expected loss rates. The Group uses judgements in making these assumptions and selecting the inputs to the estimated credit losses calculation, based on the Group's history and current and forward-looking information on macroeconomic factors affecting the ability of its customers to settle the receivables.

**4. Revenue**

The whole of the revenue is attributable to residential lettings and property management.

All revenue arose within the United Kingdom.

**5. Operating (loss)/profit**

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

	<b>31 March</b>	<i>18 months ended</i>
	<b>2023</b>	<b>31 March</b>
	<b>£000</b>	<b>2022</b>
		<b>£000</b>
Depreciation of owned assets	29	39
Depreciation of right of use assets	66	116
Amortisation of intangible assets	4	5
	<u>          </u>	<u>          </u>

---

**PINNACLE (O&S) LTD**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**6. Auditors' remuneration**

	<b>31 March 2023 £000</b>	<i>18 months ended 31 March 2022 £000</i>
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	<u>6</u>	<u>6</u>

During the year there were no non audit services provided by the statutory auditors (2022: none).

**7. Staff costs**

Staff costs were as follows:

	<b>31 March 2023 £000</b>	<i>18 months ended 31 March 2022 £000</i>
Wages and salaries	1,430	2,668
Social security costs	129	207
Other pension costs - defined contribution	54	57
<b>Total staff costs</b>	<u><b>1,613</b></u>	<u><b>2,932</b></u>

The average monthly number of employees employed by the Company during the year was:

	<b>31 March 2023 No.</b>	<i>18 months ended 31 March 2022 No.</i>
Operational employees	<u><b>45</b></u>	<u><b>58</b></u>

---

PINNACLE (O&S) LTD

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

**8. Directors' remuneration**

The aggregate emoluments and benefits paid to the directors amounted to £nil (2022: £379k). The aggregate value of the company's contribution to defined contribution scheme amounted to £nil (2022: £21k).

The highest paid director received remuneration of £nil (2022: £149k).

The value of the Company's contributions to defined contribution scheme in respect of the highest paid director amounted to £nil (2022: £15k).

The above details of directors' remuneration do not include the remuneration of P M A Lloyd and C M Hodson, which is paid by the parent company. No recharges are made to the Company and it is not possible to make an accurate apportionment of their remuneration. Their total remuneration is included in the aggregate of directors' remuneration disclosed in the consolidated financial statements of the parent company.

**9. Interest receivable and similar income**

	<b>31 March 2023 £000</b>	<i>18 months ended 31 March 2022 £000</i>
Interest receivable from group companies	26	23
	<u>26</u>	<u>23</u>

**10. Interest payable and similar expenses**

	<b>31 March 2023 £000</b>	<i>18 months ended 31 March 2022 £000</i>
Interest payable to group companies	7	-
Interest on lease liabilities	25	37
Other interest payable	27	23
	<u>59</u>	<u>60</u>

PINNACLE (O&S) LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

11. Tax on (loss)/profit

	31 March 2023 £000	18 months ended 31 March 2022 £000
<b>Deferred tax</b>		
Origination and reversal of timing differences	(14)	(1)
Adjustments in respect of prior years	75	(67)
Rate change impact to opening balance (25%)	(18)	-
<b>Total deferred tax</b>	<b>43</b>	<b>(68)</b>
<b>Total tax charge/(credit)</b>	<b>43</b>	<b>(68)</b>

Factors affecting tax charge/(credit) for the year/period

The tax assessed for the year is higher than (2022: lower than) the standard rate of corporation tax in the UK of 19% (2022: 19%). The differences are explained below:

	31 March 2023 £000	18 months ended 31 March 2022 £000
(Loss)/profit before tax	(369)	36
(Loss)/profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	(70)	7
<b>Effects of:</b>		
Disallowed income/(expenses)	5	(45)
Adjustments in respect of prior years	75	(67)
Group relief	54	37
Difference between DT and CT rate	(3)	-
Rate change impact to opening deferred tax balance (25%)	(18)	-
<b>Total tax charge/(credit)</b>	<b>43</b>	<b>(68)</b>

---

PINNACLE (O&S) LTD

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

11. Tax on (loss)/profit (continued)

**Factors that may affect future tax charges**

The UK corporation tax rate as at 31 March 2023 is 19% (2022: 19%). In the 2023 Budget, the UK Government announced that from 1 April 2023 the corporation tax rate will increase to 25% from 1 April 2023. Deferred taxes at the balance sheet date have been measured using 25% and reflected in these financial statements.

12. Intangible assets

	Development & software costs £000
<b>Cost</b>	
At 1 April 2022	44
At 31 March 2023	44
<b>Accumulated amortisation</b>	
At 1 April 2022	37
Charge for the year on owned assets	4
At 31 March 2023	41
<b>Net book value</b>	
At 31 March 2023	3
At 31 March 2022	7

PINNACLE (O&S) LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

13. Property, plant and equipment

	Leasehold land and buildings £000	Plant and machinery £000	Right of use assets £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2022	-	190	686	876
Additions	-	11	-	11
Disposals	-	-	(108)	(108)
At 31 March 2023	-	201	578	779
<b>Accumulated depreciation</b>				
At 1 April 2022	(1)	137	172	308
Charge for the year on owned assets	1	28	-	29
Charge for the year on right-of-use assets	-	-	66	66
Disposals	-	-	(105)	(105)
At 31 March 2023	-	165	133	298
<b>Net book value</b>				
At 31 March 2023	-	36	445	481
At 31 March 2022	1	53	514	568

The net book value of owned and leased assets included as "Property, plant and equipment" in the Statement of Financial Position is as follows:

	2023 £000	2022 £000
Owned assets	36	54
Right of use assets	445	514
	481	568

---

**PINNACLE (O&S) LTD**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**13. Property, plant and equipment (continued)**

Information about right-of-use assets is summarised below:

**Net book value**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Properties	<b>445</b>	<b>511</b>
Motor vehicles	<b>-</b>	<b>3</b>
	<b>445</b>	<b>514</b>

**Depreciation charge for the year ended**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Properties	<b>(64)</b>	<b>(111)</b>
Motor vehicles	<b>(2)</b>	<b>(5)</b>
	<b>(66)</b>	<b>(116)</b>

---

**PINNACLE (O&S) LTD**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**14. Investments**

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holdings</b>
Pinnacle Affordable Homes Ltd (formerly Orchard & Shipman Homes Limited)	Ordinary	100%
Pinnacle (Bromley) Ltd (formerly Orchard & Shipman Residential Limited)	Ordinary	100%

As at 31 March 2023, the Company owned 100% of Pinnacle Affordable Homes Ltd (formerly known as Orchard & Shipman Homes Limited). The total shareholding owned by the Company is 1 £1 Ordinary share. As at 31 March 2023 Pinnacle Affordable Homes Ltd (formerly known as Orchard & Shipman Homes Limited) had net liabilities of £179k (2022: net assets of £9k) against the carrying value of the investment of £1, thus there is no impairment of the investment.

As at 31 March 2023, the Company owned 100% of Pinnacle (Bromley) Ltd (formerly known as Orchard & Shipman Residential Limited). The total shareholding owned by the Company is 10,000 £0.20 Ordinary share. As at 31 March 2023, Pinnacle (Bromley) Ltd (formerly known as Orchard & Shipman Residential Limited) had net liabilities of £88k (2022: net assets of £75k) against the carrying value of the investment of £200, thus there is no impairment of the investment.

The above listed companies are private companies, limited by shares, incorporated and domiciled in the United Kingdom. The registered address for each of these companies is 8th Floor, Holborn Tower, 137-144 High Holborn, London, England, WC1V 6PL.

**15. Trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Trade receivables	<b>677</b>	<b>953</b>
Amounts owed by group undertakings*	<b>396</b>	<b>172</b>
Amounts owed by parent undertaking**	<b>-</b>	<b>737</b>
Other receivables	<b>346</b>	<b>134</b>
Prepayments and accrued income	<b>697</b>	<b>159</b>
<b>Total trade and other receivables</b>	<b>2,116</b>	<b>2,155</b>

---

PINNACLE (O&S) LTD

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

15. Trade and other receivables (continued)

\*Amounts owed by group undertakings are unsecured, interest bearing at Barclays base rate + 4%, have no fixed date of repayment and are repayable on demand.

\*\*These are amounts owed by the immediate parent undertaking, which are unsecured, interest bearing at Barclays base rate + 4%, have no fixed date of repayment and are repayable on demand.

The credit loss allowance at 31 March 2023 was £94k (2022: £44k) on amounts owed by group undertakings.

16. Trade and other payables

	2023 £000	2022 £000
Trade payables	58	192
Amounts owed to parent undertaking*	628	-
Other taxation and social security	71	200
Other creditors	-	6
Accruals and deferred income	228	345
<b>Total trade and other payables</b>	<b>985</b>	<b>743</b>

\*These are amounts owed to the immediate parent undertaking, which are unsecured, interest bearing at Barclays base rate + 4%, have no fixed date of repayment and are repayable on demand.

---

PINNACLE (O&S) LTD

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

**17. Deferred tax**

Deferred tax comprises the following:

	Property, plant and equipment £000	Tax losses £000	Provision for credit losses £000	Total £000
<b>Recognised deferred tax</b>				
At 1 April 2022	(114)	234	8	128
Recognised in profit or loss (prior year adjustments)	117	(192)	-	(75)
Recognised in profit or loss (origination and reversal of timing differences)	3	14	15	32
<b>At 31 March 2023</b>	<b>6</b>	<b>56</b>	<b>23</b>	<b>85</b>

**Unrecognised deferred tax**

There are no unrecognised deferred tax assets in the Company.

PINNACLE (O&S) LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

18. Provisions

	Rent arrears £000	Lease end repair provision £000	Total £000
At 1 April 2022	224	143	367
Charged to profit or loss	107	14	121
Utilised in year	(51)	(43)	(94)
<b>At 31 March 2023</b>	<b>280</b>	<b>114</b>	<b>394</b>
Due after more than one year	280	114	394
	<b>280</b>	<b>114</b>	<b>394</b>

**Rent arrears**

The rent arrears provision is calculated based on the element of current and former tenant rent which is not considered collectable. The majority of the contracts are with Councils and the provisions will be settled when the contract ends.

**Lease end repair provisions**

Head leases end dilapidation costs are provided over the period of the lease, based on industry averages and actual costs incurred during current and prior periods. The provision is settled at the end of the lease.

19. Leases

**Company as a lessee**

The Company leases various properties and vehicles. Leases are negotiated on an individual basis and contain a wide range of different terms and conditions (incl. termination and renewal rights).

Lease liabilities are due as follows:

	2023 £000	2022 £000
Short term	63	67
Long term	407	461
	<b>470</b>	<b>528</b>

---

**PINNACLE (O&S) LTD**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**19. Leases (continued)**

Contractual undiscounted cash flows are due as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Less than one year	<b>75</b>	<b>84</b>
Between one year and five years	<b>301</b>	<b>306</b>
More than five years	<b>192</b>	<b>262</b>
	<b>568</b>	<b>652</b>

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Interest expense on lease liabilities	<b>25</b>	<b>37</b>
Depreciation charge	<b>66</b>	<b>116</b>

---

PINNACLE (O&S) LTD

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

19. Leases (continued)

Lease costs and payments

	£000
<b>Cost</b>	
At 1 April 2022	528
Additions	-
Interest	25
Disposal	(1)
	<hr/>
	552
<b>Payments</b>	
Interest	25
Principal repayments	57
	<hr/>
	82
<b>Lease liabilities balance</b>	
Cost	552
Repayments during the year	(82)
	<hr/>
<b>Balance at 31 March 2023</b>	<hr/> <b>470</b> <hr/>

---

**PINNACLE (O&S) LTD**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**20. Share capital**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Authorised</b>		
90,000,000 (2022: 90,000,000) Ordinary shares of £0.01 each	<b>900</b>	<b>900</b>
10,000,000 (2022: 10,000,000) Ordinary A shares of £0.01 each	<b>100</b>	<b>100</b>
	<hr/>	<hr/>
	<b>1,000</b>	<b>1,000</b>
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
41,911,900 (2022: 41,911,900) Ordinary shares of £0.01 each	<b>419</b>	<b>419</b>
98,846 (2022: 98,846) Ordinary A shares of £0.01 each	<b>1</b>	<b>1</b>
	<hr/>	<hr/>
	<b>420</b>	<b>420</b>
	<hr/>	<hr/>

**21. Contingencies**

The Company has issued guarantees in favour of Barclays Bank Plc (2022: Barclays Bank Plc) to support the indebtedness of Pinnacle Group Limited and its subsidiaries. The exposure to this guarantee at the balance sheet date was £Nil (2022: £nil). There are no other contingencies as at 31 March 2023 (2022: £nil).

**22. Controlling party**

The ultimate parent undertaking and the largest group to consolidate these financial statements is TStar Pinnacle Limited. The immediate parent entity of TStar Pinnacle Limited is TStar Pinnacle Lux S.à.r.l, which is incorporated in Luxembourg. The ultimate joint controlling parties are Tunstall Pinnacle Holdco S.à.r.l and SOF-11 Pinnacle Lux S.à.r.l, both incorporated in Luxembourg, and have an ownership interest of 50% each.

The financial statements of Pinnacle Group Limited and TStar Pinnacle Limited are available from 8th Floor, Holborn Tower, 137-144 High Holborn, London, England, WC1V 6PL.

**23. Subsequent events**

There have been no subsequent events post year end.