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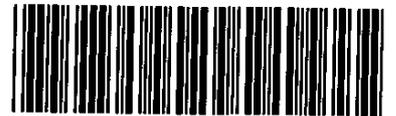
PINNACLE PSG HOLDINGS LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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PINNACLE PSG HOLDINGS LIMITED

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PINNACLE PSG HOLDINGS LIMITED

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

The directors present their report and the audited financial statements of Pinnacle PSG Holdings Limited (the "Company") for the year ended 31 March 2023.

Principal activity

The principal activity of the Company is to act as a holding company for a number of operating subsidiaries. The activities of the Company's subsidiary undertakings are the provision of housing management, professional and advisory services, facilities management, 24/7 call handling and contact centre services.

Results and dividends

The loss for the year, after taxation, amounted to £2,141k (2022: loss of £2,358k).

There were no dividends were paid in the year or proposed at the year end (2022: £nil).

Going concern

The Company has made a loss of £2,141k (2022: loss of £2,358k) during the year and has net liabilities of £9,390k (2022: £7,249k) at the year end.

The Company is a holding company and therefore non-trading. Its only liability is subordinate debt which is held with its parent company Pinnacle Group Limited; this will not be called if the Company is in financial difficulty.

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 PSG Holdings 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 political or charitable 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 0 days (2022: 0 days).

PINNACLE PSG HOLDINGS LIMITED

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

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.

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

Exemption from audit

The Company is a subsidiary of Pinnacle Group Limited (registered number 04240859) for the year ended 31 March 2023 and is exempt from the requirement of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A.

This report was approved by the board on 19 December 2023 and signed on its behalf.

DocuSigned by:

FBFE5D29959C489

C M Hodson
Chief Financial Officer

PINNACLE PSG HOLDINGS LIMITED

**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.

PINNACLE PSG HOLDINGS LIMITED

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

	Note	2023 £000	2022 £000
Administration and operating expenses		(5)	(142)
Operating loss		(5)	(142)
Interest receivable and similar income	6	3,248	1,669
Interest payable and similar expenses	7	(5,384)	(3,885)
Loss before tax		(2,141)	(2,358)
Taxation	8	-	-
Loss for the financial year		(2,141)	(2,358)

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

The notes on pages 8 to 16 form part of these financial statements.

PINNACLE PSG HOLDINGS LIMITED
REGISTERED NUMBER: 05735973

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £000	2023 £000	2022 £000	2022 £000
Non-current assets					
Investments	9		17,000		17,000
Total non-current assets			17,000		17,000
Current assets					
Trade and other receivables	10	58,685		42,605	
Total current assets		58,685		42,605	
Trade and other payables	11	(46,168)		(30,882)	
Net current assets			12,517		11,723
Non-current liabilities					
Subordinated debt	12		(38,907)		(35,972)
Net liabilities			(9,390)		(7,249)
Capital and reserves					
Share capital	13		2,875		2,875
Accumulated losses			(12,265)		(10,124)
Total equity			(9,390)		(7,249)

PINNACLE PSG HOLDINGS LIMITED
REGISTERED NUMBER: 05735973

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

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2003 relating to subsidiary accounts.

The members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements on pages 4 to 7 were approved by the board on 19 December 2023 and were signed on its behalf by:

DocuSigned by:

FBFE5D29959C489

C M Hodson
Chief Financial Officer

The notes on pages 8 to 16 form part of these financial statements.

PINNACLE PSG HOLDINGS LIMITED

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

	Share capital	Accumulated losses	Total equity
	£000	£000	£000
At 1 April 2021	2,875	(7,766)	(4,891)
Loss for the year	-	(2,358)	(2,358)
At 1 April 2022	2,875	(10,124)	(7,249)
Loss for the year	-	(2,141)	(2,141)
At 31 March 2023	2,875	(12,265)	(9,390)

PINNACLE PSG HOLDINGS LIMITED

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

1. General information

Pinnacle PSG Holdings 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, United Kingdom, 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 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 group 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:

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

PINNACLE PSG HOLDINGS LIMITED

**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 (continued)

- 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.

2.4 Going concern

The Company has accumulated losses at 31 March 2023 of £12,265k (2022: £10,124K).

The Company is a holding company and therefore non-trading. Its only liability is subordinate debt which is held with the parent Company Pinnacle Group Limited; this will not be called if the Company is in financial difficulty.

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 PSG Holdings 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 Interest receivable and similar income

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

2.6 Interest payable and similar expenses

This comprises of interest payable on loans and borrowings recognised in profit or loss using the effective interest method.

2.7 Subordinated debt

Borrowings are recognised initially at fair value and subsequently carried at amortised cost.

PINNACLE PSG HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.8 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.

2.9 Valuation of investments

Investments are held at cost less accumulated impairment losses.

2.10 Trade and other receivables

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 amounts due from group undertakings.

PINNACLE PSG HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 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.

2.13 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.

3. Critical accounting estimates and judgements

There are no critical accounting estimates and judgements in these financial statements which are expected to have a significant impact other than what is stated below:

Valuation of investments

The financial statements include investments in subsidiaries, and these are reviewed for indicators of impairment. Where impairment reviews are required, assumptions have been made, largely around the timing and scale of future probability, for calculating the future value of the investments in order to impair the value or reverse previous impairments, in accordance with the findings described.

PINNACLE PSG HOLDINGS LIMITED

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

4. Staff numbers

There were no employees during the year (2022: none).

5. Directors' remuneration

No directors received any remuneration from the Company in the year (2022: £nil).

The remunerations of P M A Lloyd and C M Hodson are paid by Pinnacle Group Limited. 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 Pinnacle Group Limited.

6. Interest receivable and similar income

	2023	<i>2022</i>
	£000	<i>£000</i>
Interest receivable from group companies	3,248	<i>1,669</i>
	3,248	<i>1,669</i>

7. Interest payable and similar expenses

	2023	<i>2022</i>
	£000	<i>£000</i>
Interest payable to group companies	2,449	<i>1,171</i>
Subordinated debt interest	2,935	<i>2,714</i>
	5,384	<i>3,885</i>

8. Taxation

	2023	<i>2022</i>
	£000	<i>£000</i>
Total tax charge	-	<i>-</i>

PINNACLE PSG HOLDINGS LIMITED

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

8. Taxation (continued)

Factors affecting tax charge for the year

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

	2023	<i>2022</i>
	£000	<i>£000</i>
Loss before tax	(2,141)	<i>(2,358)</i>
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	(407)	<i>(448)</i>
Effects of:		
Disallowed expenses	1	<i>27</i>
Group relief	406	<i>421</i>
Total tax charge	-	<i>-</i>

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.

PINNACLE PSG HOLDINGS LIMITED

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

9. Investments

	Investments in subsidiary companies £000
Cost and net book value	
At 1 April 2022	17,000
At 31 March 2023	17,000

Subsidiary undertaking

The following were the subsidiary undertakings of the Company:

Name	Class of shares	Holding
Pinnacle PSG Limited*	Ordinary	100%
Pinnacle Regeneration Limited	Ordinary	100%

* Pinnacle PSG Limited holds investments in the following companies:

Name	Class of shares	Holding
Pinnacle Housing Limited	Ordinary	100%
Pinnacle FM Limited	Ordinary	100%
Pinnacle Connect Limited	Ordinary	100%
Pinnacle Homecare Limited	Ordinary	100%
Pinnacle Regeneration Group Limited	Ordinary	100%

As at 31 March 2023 the aggregate net asset value of the subsidiaries was £56,393k (2022: £47,001k) against the carrying value of the investment of £17,000k (2022: £17,000k), thus no impairment is required.

PINNACLE PSG HOLDINGS LIMITED

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

10. Trade and other receivables

	2023	<i>2022</i>
	£000	<i>£000</i>
Amounts owed by group undertakings*	58,685	<i>42,605</i>
	58,685	<i>42,605</i>

*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.

The credit loss allowance at 31 March 2023 was £470k (2022: £465k) on amounts owed by group undertakings.

11. Trade and other payables

	2023	<i>2022</i>
	£000	<i>£000</i>
Amounts owed to group undertakings*	46,168	<i>30,882</i>
	46,168	<i>30,882</i>

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

12. Subordinated debt

	2023	<i>2022</i>
	£000	<i>£000</i>
Subordinated debt at the beginning of the year	35,972	<i>33,258</i>
Accrued interest for the year	2,935	<i>2,714</i>
At 31 March	38,907	<i>35,972</i>

The subordinated debt is owed to Pinnacle Group Limited and was lent to the Company to enable it to purchase the interest in the share capital of its subsidiaries. Interest accrues on the subordinated debt at a rate of 8% per annum. Interest is rolled up into the debt every 6 months on 30 June and 31 December. The subordinated debt is repayable on demand. Pinnacle Group Limited will not seek the repayment of amounts advanced to the Company unless adequate alternative financing has been secured by the Company.

PINNACLE PSG HOLDINGS LIMITED

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

13. Share capital

	2023	<i>2022</i>
	£000	<i>£000</i>
Authorised, allotted, called up and fully paid		
2,874,750 (2022: 2,874,750) Ordinary shares of £1 each	2,875	<i>2,875</i>

14. 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).

15. Controlling party

The immediate parent undertaking is Pinnacle Group Limited which owns 100% of the ordinary share capital of the Company. Pinnacle Group Limited is the smallest group to consolidate these financial statements.

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, United Kingdom, WC1V 6PL.

16. Subsequent events

There have been no subsequent events post year end.