

Registered number: 06588740

**PINNACLE PEOPLE LIMITED**

**UNAUDITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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**PINNACLE PEOPLE LIMITED**

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**PINNACLE PEOPLE LIMITED**

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

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

**Principal activity**

The principal activity of the business is the provision of management of welfare to work employment related services and recruitment.

**Results and dividends**

The loss for the year, after taxation, amounted to £516k (2022: loss of £440k).

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

**Going concern**

The Company has made a loss of £516k (2022: loss of £440k) during the year and has net liabilities of £7,212k (2022: net liabilities of £6,696k) at the year end.

The Company will continue to work with the DWP to assist the unemployed in getting back to work. Both the subordinated debt and the loan payable are 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 People 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**

Charitable donations of £nil (2022: £nil) were made in the year. No 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 0 days (2022: 0 days).

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**PINNACLE PEOPLE LIMITED**

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

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**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  
N P Wright  
C Kober

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

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**PINNACLE PEOPLE LIMITED**

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

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The directors are responsible for preparing the Annual Report and 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.

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**PINNACLE PEOPLE LIMITED**


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


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	<b>Note</b>	<b>2023 £000</b>	<b>2022 £000</b>
<b>Revenue</b>	4	<b>750</b>	2,229
Staff costs	6	<b>(259)</b>	(647)
Depreciation and amortisation	5	<b>(23)</b>	(33)
Administration and operating expenses	5	<b>(608)</b>	(1,704)
<b>Operating loss</b>		<b>(140)</b>	(155)
Interest payable and similar expenses	8	<b>(382)</b>	(273)
<b>Loss before tax</b>		<b>(522)</b>	(428)
Taxation	9	<b>6</b>	(12)
<b>Loss for the financial year</b>		<b>(516)</b>	(440)

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

The notes on pages 8 to 21 form part of these financial statements.

**PINNACLE PEOPLE LIMITED**  
**REGISTERED NUMBER: 06588740**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2023**

	Note	2023 £000	2023 £000	2022 £000	2022 £000
<b>Non-current assets</b>					
Property, plant and equipment	10		21		42
Investments	11		-		-
Deferred tax asset	16		37		31
<b>Total non-current assets</b>			<b>58</b>		<b>73</b>
<b>Current assets</b>					
Trade and other receivables	12	68		220	
Cash and cash equivalents		30		33	
<b>Total current assets</b>		<b>98</b>		<b>253</b>	
Trade and other payables	13	(5,802)		(5,533)	
<b>Net current liabilities</b>			<b>(5,704)</b>		<b>(5,280)</b>
<b>Non-current liabilities</b>					
Subordinated debt	14		(1,010)		(961)
Loans payable			(556)		(528)
<b>Net liabilities</b>			<b>(7,212)</b>		<b>(6,696)</b>
<b>Capital and reserves</b>					
Share capital	17		50		50
Accumulated losses			(7,262)		(6,746)
<b>Total equity</b>			<b>(7,212)</b>		<b>(6,696)</b>

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**PINNACLE PEOPLE LIMITED**  
**REGISTERED NUMBER: 06588740**

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

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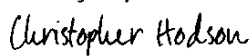
For the year ending 31 March 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2003 relating to subsidiary accounts

The members have not required the Company to obtain an audit for the year 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:

C M Hodson  
**Chief Financial Officer**

DocuSigned by:  
  
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The notes on pages 8 to 21 form part of these financial statements.



**PINNACLE PEOPLE LIMITED**

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

	Share capital	Accumulated losses	Total equity
	£000	£000	£000
<b>At 1 April 2021</b>	<b>50</b>	<b>(6,306)</b>	<b>(6,256)</b>
Loss for the year	-	(440)	(440)
<b>At 1 April 2022</b>	<b>50</b>	<b>(6,746)</b>	<b>(6,696)</b>
Loss for the year	-	(516)	(516)
<b>At 31 March 2023</b>	<b>50</b>	<b>(7,262)</b>	<b>(7,212)</b>

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**PINNACLE PEOPLE LIMITED**

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

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**1. General information**

Pinnacle People 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:

**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

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**PINNACLE PEOPLE LIMITED**

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

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**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 £7,262k (2022: accumulated losses of £6,746k).

The Company will continue to work with the DWP to assist the unemployed in getting back to work. Both the subordinated debt and the loan payable are 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 People 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 Long-term contracts**

In respect of long-term contracts, total revenue and related costs are calculated to determine a contract's profitability margin which is recognised in the profit and loss account over the term of the contract after making provision for foreseeable losses.

Project profitability of long-term contracts is regularly reviewed by management and a detailed exercise is carried out at least once every year.

Amounts recoverable on contracts are valued at anticipated net sales value of work done after provision for contingencies and anticipated future losses on contracts. Cash received on account of contracts is deducted from amounts recoverable on contracts. Such amounts which have been received and exceed amounts recoverable are included in creditors. Contract provisions in excess of amounts recoverable are included in provisions. Any difference between the calculated turnover

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**PINNACLE PEOPLE LIMITED**

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

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**2. Accounting policies (continued)**

figure and the invoiced amounts in the month is treated as deferred income or accrued income as appropriate.

**2.6 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.

**2.7 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 comprises of interest payable on lease liabilities and loans and borrowings recognised in profit or loss using the effective interest method.

**2.9 Subordinated debt**

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

**2.10 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.

**2.11 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the

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**PINNACLE PEOPLE LIMITED**

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

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**2. Accounting policies (continued)**

**2.11 Taxation (continued)**

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.

**2.12 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
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**PINNACLE PEOPLE LIMITED**

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

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**2. Accounting policies (continued)**

**2.13 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

**2.14 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

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**PINNACLE PEOPLE LIMITED**

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

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**2. Accounting policies (continued)**

**2.15 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 month 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.

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.

**2.16 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.

**2.17 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.

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**PINNACLE PEOPLE LIMITED**

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

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**2. Accounting policies (continued)**

**2.18 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.

**2.19 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.

**4. Revenue**

The whole of the revenue is attributable to provision of management of welfare to work employment related services and recruitment.

All revenue arose within the United Kingdom.



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**PINNACLE PEOPLE LIMITED**


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


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**5. Operating loss**

The operating loss is stated after charging:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Depreciation of owned assets	<b>23</b>	<b>28</b>
Depreciation of right of use assets	<b>-</b>	<b>5</b>
	<b><u>23</u></b>	<b><u>33</u></b>

**6. Staff costs**

Staff costs were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	<b>230</b>	<b>577</b>
Social security costs	<b>22</b>	<b>55</b>
Other pension costs – defined contribution	<b>7</b>	<b>15</b>
<b>Total staff costs</b>	<b><u>259</u></b>	<b><u>647</u></b>

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Operational employees	<b><u>8</u></b>	<b><u>13</u></b>

**7. Directors' remuneration**

The aggregate emoluments and benefits paid to the directors amounted to £nil (2022: £149k). The aggregate value of the company's contribution to money purchase scheme amounted to £nil (2022: £6k).

The above details of directors' remuneration do not include the remuneration of P M A Lloyd, C M Hodson and N P Wright, which is paid by Pinnacle Group Limited and recharged to the Company as part of a management charge. This management charge, which in 2023 amounted to £109k (2022: £261k), also includes a recharge of administration costs borne by Pinnacle Group Limited on behalf of the Company. It is not possible to separately identify the amount of the remuneration for the above mentioned directors. The remuneration of C Kober is paid by Pinnacle Housing Limited, a subsidiary of the parent company, and makes no recharges to the Company.

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**PINNACLE PEOPLE LIMITED**


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


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**8. Interest payable and similar expenses**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Interest payable to group companies	<b>307</b>	202
Subordinated debt interest	<b>49</b>	46
Other loan interest payable	<b>26</b>	23
Interest on lease liabilities	-	1
Other interest payable	-	1
	<b>382</b>	273

**9. Taxation**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Current tax</b>		
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>4</b>	9
Adjustments in respect of prior years	-	3
Rate change impact to opening balance (25%)	<b>(10)</b>	-
<b>Total deferred tax</b>	<b>(6)</b>	12
<b>Total tax (credit)/charge</b>	<b>(6)</b>	12

**Factors affecting tax charge for the year**

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Loss before tax	<b>(522)</b>	(428)
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	<b>(99)</b>	(81)

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**PINNACLE PEOPLE LIMITED**


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


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**9. Taxation (continued)****Effects of:**

Adjustments in respect of prior years	-	3
Rate change impact to opening deferred tax balance (25%)	(10)	-
Group relief	102	90
Difference between DT and CT rate	1	-
<b>Total tax (credit)/charge</b>	<b>(6)</b>	<b>12</b>

**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.

**10. Property, plant and equipment**

	<b>Plant and machinery £000</b>
<b>Cost or valuation</b>	
At 1 April 2022	94
Additions	2
At 31 March 2023	96
<b>Accumulated depreciation</b>	
At 1 April 2022	52
Charge for the year on owned assets	23
At 31 March 2023	75
<b>Net book value</b>	
<b>At 31 March 2023</b>	<b>21</b>
<i>At 31 March 2022</i>	<i>42</i>

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**PINNACLE PEOPLE LIMITED**


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


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**11. Investments****Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holdings</b>
Pinnacle Recruitment (Services) Limited	Ordinary	100%
Pulse Social Enterprises Community Interest Company	Ordinary	100%

As at 31 March 2023, the Company owned 100% of the above listed subsidiaries. The total shareholding owned by the Company in each of these subsidiaries is 1 £1 Ordinary share.

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.

As at 31 March 2023 the Pinnacle Recruitment (Services) Limited had net liabilities of £189k (2022: net assets of £262k) against the carrying value of the investment of £1, thus there is no further impairment of the investment. As at 31 March 2023, Pulse Social Enterprises Community Interest Company was a dormant company.

**12. Trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Trade receivables	<b>42</b>	-
Other receivables	-	1
Prepayments and accrued income	<b>26</b>	219
<b>Total trade and other receivables</b>	<b>68</b>	220

The credit loss allowance at 31 March 2023 is £nil (2022: £nil) on its trade receivables.

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**PINNACLE PEOPLE LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Trade and other payables**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Trade payables	<b>1</b>	<b>2</b>
Amounts owed to group undertakings*	<b>5,569</b>	<b>5,272</b>
Other taxation and social security	<b>23</b>	<b>58</b>
Accruals and deferred income	<b>209</b>	<b>201</b>
<b>Total trade and other payables</b>	<b>5,802</b>	<b>5,533</b>

\*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.

**14. Subordinated debt**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Subordinated debt at the beginning of the year	<b>961</b>	<b>915</b>
Accrued interest for the year	<b>49</b>	<b>46</b>
<b>At 31 March</b>	<b>1,010</b>	<b>961</b>

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 5% per annum. Interest is rolled up into the debt every 6 months on 30 September and 31 March. 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.

**15. Loans payable**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Amount owed to parent undertaking*	<b>556</b>	<b>528</b>
	<b>556</b>	<b>528</b>

\*The amount owed to parent undertaking is unsecured, interest bearing at 5% p.a and is compounded at the end of each financial year. The loan has no fixed date of repayment and is repayable on demand.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Deferred tax**

Deferred tax comprises the following:

	Property, plant and equipment £000	Total £000
<b>Recognised deferred tax</b>		
At 1 April 2022	31	31
Recognised in profit or loss (origination and reversal of timing differences)	6	6
<b>At 31 March 2023</b>	<b>37</b>	<b>37</b>

**Unrecognised deferred tax**

There are no unrecognised deferred tax assets in the Company.

**17. Share capital**

	2023 £000	2022 £000
<b>Authorised, allotted, called up and fully paid</b>		
50,000 (2022: 50,000) Ordinary shares of £1 each	50	50

**18. 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).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. 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, England, WC1V 6PL.

**20. Subsequent events**

There have been no subsequent events post year end.