

COMPANY REGISTRATION NUMBER: 08624249

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

Financial Statements

31 December 2015



# **PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)**

## **Financial Statements**

**Year ended 31 December 2015**

---

<b>CONTENTS</b>	<b>PAGES</b>
Officers and professional advisers	1
Strategic report	2
Directors' report	3 to 4
Independent auditor's report to the shareholders	5 to 6
Income statement	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11 to 19

---

# **PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)**

## **Officers and Professional Advisers**

---

### **THE BOARD OF DIRECTORS**

Mr J Cole  
Mr J Godson

### **COMPANY SECRETARY**

Mr J Cole

### **REGISTERED OFFICE**

Centrum House  
36 Station Road  
Egham  
Surrey  
United Kingdom  
TW20 9LF

### **AUDITOR**

Menzies LLP  
Chartered Accountants & statutory auditor  
Centrum House  
36 Station Road  
Egham  
Surrey TW20 9LF

# **PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)**

## **Strategic Report**

**Year ended 31 December 2015**

---

2015 was a challenging trading year, which involved closing down the Turkish Branch due to a very competitive NGO market in which Pinnacle failed to secure substantial contracts.

Reflecting the difficult trading conditions, turnover was circa \$0.85M, with gross profit at 22% and a net loss after the costs of closing the Turkish operation approximately £400,000.

The principal risks Pinnacle faces includes; political instability within both Turkey and Syria, ensuring an effective supply chain of goods especially when goods are imported, corruption and bribery, exchange rate fluctuations, inflation and the cost of materials as the market matures.

Given adverse trading conditions in Turkey, the directors of Pinnacle are reviewing the future business opportunities for Pinnacle, including the possibility of liquidation of the company.

This report was approved by the board of directors on 29/5/16 and signed on behalf of the board by:



Mr J Cole  
Director

Registered office:  
Centrum House  
36 Station Road  
Egham  
Surrey  
United Kingdom  
TW20 9LF

# **PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)**

## **Directors' Report**

**Year ended 31 December 2015**

---

The directors present their report and the financial statements of the company for the year ended 31 December 2015.

### **DIRECTORS**

The directors who served the company during the year were as follows:

Mr J Cole  
Mr J Godson

### **DIVIDENDS**

The directors do not recommend the payment of a dividend.

### **DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT**

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **AUDITOR**

Each of the persons who is a director at the date of approval of this report confirms that:

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

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

# **PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)**

**Directors' Report (continued)**

**Year ended 31 December 2015**

---

This report was approved by the board of directors on 29/1/16 and signed on behalf of the board by:



**Mr J Cole**  
**Director**

**Registered office:**  
**Centrum House**  
**36 Station Road**  
**Egham**  
**Surrey**  
**United Kingdom**  
**TW20 9LF**

# **PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)**

## **Independent Auditor's Report to the Shareholders of Pinnacle Business PLC (formerly Noble House Business PLC)**

**Year ended 31 December 2015**

---

We have audited the financial statements of Pinnacle Business PLC (formerly Noble House Business PLC) for the year ended 31 December 2015 which comprise the income statement, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's shareholders, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **BASIS FOR QUALIFIED OPINION ON FINANCIAL STATEMENTS**

As disclosed in note 3 to the financial statements, because of the poor trading results in 2015 and continued difficult trading conditions in Turkey the directors are considering the future of the company and accordingly unable to prepare reliable cash flow forecasts and other information needed to assess the appropriateness of the going concern basis of preparation of the financial statements. Audit evidence available to us was therefore limited because of the uncertainty regarding the company and because suitable information was not prepared and available to us, for a period of at least twelve months from the date of approval of the financial statements. Had this information been available to us we might have formed a different opinion on the financial statements.

### **QUALIFIED OPINION ON FINANCIAL STATEMENTS**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

Independent Auditor's Report to the Shareholders of Pinnacle Business PLC (formerly Noble House Business PLC)  
(continued)

Year ended 31 December 2015

---

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In respect solely of the limitation on our work relating to the assessment of the appropriateness of the going concern basis of preparation of the financial statements, described above, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

*Menzies LLP*

ANDREW COOK FCA (Senior Statutory Auditor)

For and on behalf of  
Menzies LLP  
Chartered Accountants & statutory auditor  
Centrum House  
36 Station Road  
Egham  
Surrey TW20 9LF

*30/9/16*



# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Income Statement

Year ended 31 December 2015

	Note	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
<b>TURNOVER</b>	4	855,418	2,546,690
Cost of sales		659,672	2,217,015
<b>GROSS PROFIT</b>		195,746	329,675
Administrative expenses		596,463	322,773
<b>OPERATING (LOSS)/PROFIT</b>	5	(400,717)	6,902
Other interest receivable and similar income		–	11,905
Interest payable and similar charges	9	–	66
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(400,717)	18,741
Tax on (loss)/profit on ordinary activities	10	(4,412)	27,948
<b>LOSS FOR THE FINANCIAL YEAR</b>		(396,305)	(9,207)

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 11 to 19 form part of these financial statements.

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Statement of Financial Position

31 December 2015

	Note	2015 \$	2014 \$
<b>FIXED ASSETS</b>			
Tangible assets	11	17,932	12,048
Investments	12	100	67,261
		<u>18,032</u>	<u>79,309</u>
<b>CURRENT ASSETS</b>			
Stocks	13	4,161	12,662
Debtors	14	14,776	183,636
Cash at bank and in hand		90,023	47,813
		<u>108,960</u>	<u>244,111</u>
<b>CREDITORS: amounts falling due within one year</b>	15	407,673	205,627
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>(298,713)</u>	<u>38,484</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(280,681)</u>	<u>117,793</u>
<b>PROVISIONS</b>			
Taxation including deferred tax	17	-	2,169
<b>NET (LIABILITIES)/ASSETS</b>		<u>(280,681)</u>	<u>115,624</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	77,614	77,614
Profit and loss account	20	(358,295)	38,010
<b>SHAREHOLDERS (DEFICIT)/FUNDS</b>		<u>(280,681)</u>	<u>115,624</u>

These financial statements were approved by the board of directors and authorised for issue on 29/12/16 and are signed on behalf of the board by:



Mr J Cole  
Director

Company registration number: 08624249

The notes on pages 11 to 19 form part of these financial statements.

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Statement of Changes in Equity

Year ended 31 December 2015

	Called up share capital \$	Profit and loss account \$	Total \$
AT 1 FEBRUARY 2014	19,190	47,217	66,407
Loss for the year	—	(9,207)	(9,207)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>—</b>	<b>(9,207)</b>	<b>(9,207)</b>
Issue of shares	58,424	—	58,424
<b>TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS</b>	<b>58,424</b>	<b>—</b>	<b>58,424</b>
AT 31 DECEMBER 2014	77,614	38,010	115,624
Loss for the year	—	(396,305)	(396,305)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>—</b>	<b>(396,305)</b>	<b>(396,305)</b>
AT 31 DECEMBER 2015	<u>77,614</u>	<u>(358,295)</u>	<u>(280,681)</u>

The notes on pages 11 to 19 form part of these financial statements.

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Statement of Cash Flows

Year ended 31 December 2015

	2015 \$	2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the financial year	(396,305)	(9,207)
<i>Adjustments for:</i>		
Depreciation of tangible assets	16,340	3,011
Other interest receivable and similar income	–	(11,905)
Interest payable and similar charges	–	66
Gains on disposal of tangible assets	(7,062)	–
Gains on disposal of participating interests	(32,838)	–
Tax on (loss)/profit on ordinary activities	(4,412)	27,948
Accrued expenses	17,111	4,592
<i>Changes in:</i>		
Stocks	8,501	(12,662)
Trade and other debtors	168,860	(80,600)
Trade and other creditors	181,691	81,822
Cash generated from operations	(48,114)	3,065
Interest paid	(13,859)	(66)
Interest received	–	11,905
Tax paid	–	(35,527)
Net cash used in operating activities	<u>(61,973)</u>	<u>(20,623)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of tangible assets	(42,283)	(10,638)
Proceeds from sale of tangible assets	27,120	–
Acquisition of subsidiaries	–	(100)
Acquisition of interests in associates and joint ventures	–	(67,161)
Proceeds from sale of interests in associates and joint ventures	100,000	–
Net cash from/(used in) investing activities	<u>84,837</u>	<u>(77,899)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of ordinary shares	–	58,424
Proceeds from borrowings	19,346	2,790
Net cash from financing activities	<u>19,346</u>	<u>61,214</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	42,210	(37,308)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>47,813</u>	<u>85,121</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>90,023</u>	<u>47,813</u>

The notes on pages 11 to 19 form part of these financial statements.

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Notes to the Financial Statements

Year ended 31 December 2015

---

### 1. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 2. COMPANY INFORMATION

Pinnacle Business PLC is a limited company incorporated in England and Wales and domiciled in the United Kingdom. The address of its registered office is disclosed on page 1. In the opinion of the directors there is no principal place of business. The nature of the company's operations and its principal activities are set out in the strategic report.

### 3. ACCOUNTING POLICIES

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are presented in US Dollars (\$), which is the functional currency of the company.

#### **Going concern**

The company incurred a loss of \$400,717 before tax during the year and at 31 December 2015 had net liabilities of \$280,681. Since the year end the directors have injected further funds into the company to enable it to settle certain liabilities and, as explained within the Strategic Report, given adverse trading conditions in Turkey the directors are reviewing the future of the business.

At the present time the company is unable to continue as a going concern without the continuing financial support of the directors, which includes not demanding repayment of loans made to the company together with providing further funding to meet the payment of liabilities, if required. The accounts have been drawn up on a going concern basis on the basis that this support will continue, at least in the short term, whilst the directors continue to review the company's future.

Should the company be unable to continue as a going concern, the directors believe that there would be no material changes to the figures should the accounts be prepared on a break-up rather than on a going concern basis.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 February 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 25.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies.

#### **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

##### *Stock provision*

The company provides relief supplies to international aid agencies. The selling price of stock is affected by commodity prices, competition and exchange rate variations. As a result it is necessary to consider the recoverability of the cost of stock and the associated provision required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability of stock.

##### *Impairment of debtors*

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Notes to the Financial Statements (*continued*)

Year ended 31 December 2015

---

### 3. ACCOUNTING POLICIES (*continued*)

#### Revenue recognition

Revenue is shown in the profit and loss account and represents the consideration received or receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

When deciding the most appropriate basis for presenting revenue and cost of sales, both the legal form and the substance of the agreement between the Company and its business partners and customers, are reviewed to determine each party's respective role in the transaction. Factors taken into consideration include whether the Company as the primary obligor with the customer and whether the Company has latitude in determining pricing.

Where services are provided revenue is recognised according to the stage of completion of the contract. Revenue from the sale of goods is recognised at the point of sale.

#### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Foreign currencies

Assets and liabilities are in the financial statements using the UK entity functional currency of US\$. Transactions in foreign currencies are translated into US\$ at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Foreign exchange rates at the year end were;

£ Sterling to USD \$ = 1.4835

€ Euro to USD \$ = 1.0917

TRY Turkish Lira to USD \$ = 0.3416

Average exchange rates during the period were;

£ Sterling to USD \$ = 1.5285

€ Euro to USD \$ = 1.1097

TRY Turkish Lira to USD \$ = 0.3687

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor Vehicles	-	25% reducing balance
Equipment	-	20% straight line

#### Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Notes to the Financial Statements (*continued*)

Year ended 31 December 2015

---

### 3. ACCOUNTING POLICIES (*continued*)

#### Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Notes to the Financial Statements (continued)

Year ended 31 December 2015

### 3. ACCOUNTING POLICIES (continued)

#### Exemption from consolidation

Consolidated financial statements have not been prepared as the group is a small group, as permitted by s399(2A) of the Companies Act 2006.

### 4. TURNOVER

Turnover arises from:

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
Sale of goods	753,022	2,533,880
Commissions	102,396	12,810
	<u>855,418</u>	<u>2,546,690</u>

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
Overseas	<u>855,418</u>	<u>2,546,690</u>

### 5. OPERATING PROFIT

Operating profit or loss is stated after charging:

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
Depreciation of tangible assets	16,340	3,011
Gains on disposal of tangible assets	(7,062)	–
Gains on disposal of participating interests	(32,838)	–
Foreign exchange differences	(9)	24,261
Stock recognised as an expenses in the period	<u>532,293</u>	<u>2,095,583</u>

### 6. AUDITOR'S REMUNERATION

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
Fees payable for the audit of the financial statements	<u>12,571</u>	<u>10,750</u>
Fees payable to the company's auditor and its associates for other services:		
Taxation compliance services	1,158	1,158
Other non-audit services	<u>12,970</u>	<u>8,936</u>
	<u>14,128</u>	<u>10,094</u>

### 7. STAFF COSTS

The average number of persons employed by the company during the year, including the directors, amounted to:

	2015 No.	2014 No.
Management staff	<u>3</u>	<u>3</u>



# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

## Notes to the Financial Statements (continued)

Year ended 31 December 2015

### 7. STAFF COSTS (continued)

The aggregate payroll costs incurred during the year, relating to the above, were:

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
Wages and salaries	226,093	121,441
Social security costs	16,677	11,534
	<u>242,770</u>	<u>132,975</u>

### 8. DIRECTORS' REMUNERATION

The directors aggregate remuneration in respect of qualifying services was:

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
Remuneration	<u>104,262</u>	<u>93,110</u>

### 9. INTEREST PAYABLE AND SIMILAR CHARGES

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
Other interest payable and similar charges	<u>—</u>	<u>66</u>

### 10. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

Major components of tax (income)/expense

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
<b>Current tax:</b>		
UK current tax (income)/expense	(2,243)	2,243
Foreign current tax expense	<u>—</u>	<u>24,420</u>
Total current tax	<u>(2,243)</u>	<u>26,663</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(2,169)	1,285
<b>Tax on (loss)/profit on ordinary activities</b>	<u>(4,412)</u>	<u>27,948</u>

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

Notes to the Financial Statements (*continued*)

Year ended 31 December 2015

## 10. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (*continued*)

### Reconciliation of tax (income)/expense

The tax assessed on the loss on ordinary activities for the year is higher than (2014: higher than) the standard rate of corporation tax in the UK of 20% (2014: 20%).

	Year to 31 Dec 15 \$	Period from 1 Feb 14 to 31 Dec 14 \$
(Loss)/profit on ordinary activities before taxation	(400,717)	18,741
(Loss)/profit on ordinary activities by rate of tax	(80,143)	3,748
Effect of expenses not deductible for tax purposes	177	4,801
Effect of capital allowances and depreciation	2,169	—
Effect of revenue exempt from tax	(6,568)	—
Unused tax losses	77,710	—
Foreign tax paid	—	24,420
Double tax relief	—	(5,021)
Losses carried back	2,243	—
Tax on (loss)/profit on ordinary activities	(4,412)	27,948

## 11. TANGIBLE ASSETS

	Motor vehicles \$	Equipment \$	Total \$
Cost			
At 1 January 2015	—	15,059	15,059
Additions	25,338	16,945	42,283
Disposals	(25,338)	—	(25,338)
<b>At 31 December 2015</b>	<b>—</b>	<b>32,004</b>	<b>32,004</b>
Depreciation			
At 1 January 2015	—	3,011	3,011
Charge for the year	5,279	11,061	16,340
Disposals	(5,279)	—	(5,279)
<b>At 31 December 2015</b>	<b>—</b>	<b>14,072</b>	<b>14,072</b>
Carrying amount			
<b>At 31 December 2015</b>	<b>—</b>	<b>17,932</b>	<b>17,932</b>
At 31 December 2014	—	12,048	12,048

## 12. INVESTMENTS

	Shares in group undertakings \$	Shares in participating interests \$	Total \$
Cost			
At 1 January 2015	100	67,161	67,261
Disposals	—	(67,161)	(67,161)
<b>At 31 December 2015</b>	<b>100</b>	<b>—</b>	<b>100</b>
Impairment			
At 1 Jan 2015 and 31 Dec 2015	—	—	—
Carrying amount			
<b>At 31 December 2015</b>	<b>100</b>	<b>—</b>	<b>100</b>
At 31 December 2014	100	67,161	67,261

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

Notes to the Financial Statements (*continued*)

Year ended 31 December 2015

## 12. INVESTMENTS (*continued*)

### Subsidiaries, associates and other investments

	Country of incorporation	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>			
Noble House Supplies Limited	Kenya	Ordinary	100

The company's subsidiary company remained dormant throughout the year.

### Investments in associates and joint ventures

The company sold during the year its economic interest in Red Rose Odeme Sistemieri Anonim Sirketi, a company incorporated in Turkey.

## 13. STOCKS

	2015 \$	2014 \$
Raw materials and consumables	<u>4,161</u>	<u>12,662</u>

## 14. DEBTORS

	2015 \$	2014 \$
Trade debtors	–	90,942
Called up share capital not paid	9,905	9,905
Prepayments and accrued income	72	–
Corporation tax repayable	2,243	–
Other debtors	<u>2,556</u>	<u>82,789</u>
	<u>14,776</u>	<u>183,636</u>

## 15. CREDITORS: amounts falling due within one year

	2015 \$	2014 \$
Trade creditors	128,929	121,810
Accruals and deferred income	18,085	14,833
Corporation tax	–	2,243
Social security and other taxes	821	13,340
Director loan accounts	22,136	2,790
Other creditors	<u>237,702</u>	<u>50,611</u>
	<u>407,673</u>	<u>205,627</u>

## 16. DEFERRED TAX

The deferred tax included in the statement of financial position is as follows:

	2015 \$	2014 \$
Included in provisions (note 17)	<u>–</u>	<u>2,169</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2015 \$	2014 \$
Accelerated capital allowances	<u>–</u>	<u>2,169</u>

# PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)

Notes to the Financial Statements (*continued*)

Year ended 31 December 2015

## 17. PROVISIONS

	Deferred tax (note 16) \$
At 1 January 2015	2,169
Unused amounts reversed	(2,169)
	<u>-</u>

## 18. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2015 \$	2014 \$
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>102,484</u>	<u>248,029</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(406,852)</u>	<u>(190,044)</u>

## 19. CALLED UP SHARE CAPITAL

Issued and called up

	2015		2014	
	No.	\$	No.	\$
Ordinary shares of £1 each	<u>50,004</u>	<u>77,614</u>	<u>50,004</u>	<u>77,614</u>

Shares issued and fully paid

	2015		2014	
	No.	\$	No.	\$

Shares issued and partly paid

	2015		2014	
	No.	\$	No.	\$
Ordinary shares – £0.87 paid of £1 each	<u>50,004</u>	<u>67,709</u>	<u>50,004</u>	<u>67,709</u>

During the period to 31 December 2015, nil (2014: 37,503) £1 ordinary shares were issued at par. The total unpaid share capital at the balance sheet date totalled 6,359 £1 ordinary shares.

Each Ordinary share carries voting rights and there are no restrictions on the distributions of dividends.

## 20. RESERVES

Profit and loss account - This reserve records retained earnings and accumulated losses.

## 21. POST BALANCE SHEET EVENTS

Since the year end Pinnacle Business PLC has commenced the liquidation of its branch operating in Turkey.

## 22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year the directors entered into the following advances and credits with the company:

	Advances/ (credits) to the directors		Amounts repaid		Balance outstanding	
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Mr J Cole	<u>105,230</u>	<u>(71,632)</u>	<u>(124,576)</u>	<u>68,842</u>	<u>(22,136)</u>	<u>(2,790)</u>

# **PINNACLE BUSINESS PLC (FORMERLY NOBLE HOUSE BUSINESS PLC)**

Notes to the Financial Statements (*continued*)

Year ended 31 December 2015

---

## **23. RELATED PARTY TRANSACTIONS**

On 31 December 2015 the company's economic interest in 50% of the shares of Red Rose Odeme Sistemieri Anonim Sirketi was sold to Mr J Cole, a director of the company, for \$100,000.

The key management personnel of the company are the directors, whose remuneration is shown in note 8.

## **24. CONTROLLING PARTY**

The company is under the control of Mr J Godson.

## **25. TRANSITION TO FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 February 2014.

No transitional adjustments were required in equity or profit or loss for the period.