

**PINNACLE FM LIMITED**

**DIRECTORS' REPORT AND FINANCIAL  
STATEMENTS**

**For the year ended 31 March 2010**

**Company number 1040529**

# PINNACLE FM LIMITED

## CONTENTS

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### CONTENTS

Directors' Report	1
Independent Auditors' Report	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the accounts	8

## **PINNACLE FM LIMITED**

### **DIRECTORS' REPORT** **For the year ended 31 March 2010**

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#### **FINANCIAL STATEMENTS**

The directors present their report and the financial statements for the year ended 31 March 2010, which have been prepared under the historical cost convention and the accounting policies set out therein.

#### **PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS**

The principal activity of the business is the provision of facilities management services.

Financial performance is assessed by the two key measures of operating profit and turnover as disclosed in the profit and loss account on page 6. Turnover for the period was in line with expectation. Whilst there has been a significant improvement in reducing the operating loss in the year in comparison to last year, the directors remain disappointed with the result for the year and expect further improvements to be delivered in the coming year.

The key risk facing Pinnacle FM relates to contract performance where financial penalties can be incurred if performance does not meet contract key performance indicators. The business manages this risk by closely monitoring performance and ensuring deficiencies are addressed on a timely basis.

#### **RESULTS AND DIVIDENDS**

The loss for the year after taxation amounted to £267,401 (2009: 15 month loss £466,282). The directors do not recommend the payment of a dividend (2009: £nil).

#### **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.

#### **DIRECTORS**

The directors who served during the year were as follows:

NH Euesden  
NP Wright  
PMA Lloyd  
MWH Penny  
A Frith  
A Cook

## **PINNACLE FM LIMITED**

### **DIRECTORS' REPORT** **For the year ended 31 March 2010**

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#### **CORPORATE RESPONSIBILITY AND GOVERNANCE**

The Board of Directors recognises the importance of high standards of corporate responsibility and governance. This is evidenced through the following:

##### **Employees**

The Company's policy is one of equal opportunity in the selection, training, career development and promotion of employees regardless of age, gender, ethnic origin, religion and whether disabled or otherwise, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Company as a whole. Communication with all employees continues through the in house newspaper and newsletters, briefing groups and the distribution of the annual report.

##### **Health and Safety**

Pinnacle FM Limited recognises the importance of effective health and safety management and is committed to providing a secure, safe and healthy environment for both employees and residents. The Company has specific Health and Safety personnel who advise management and monitor activities to ensure appropriate levels are maintained.

#### **OUR PEOPLE**

The Company is fortunate to have at its core employees who share a common belief that prosperity for its stakeholders will be achieved through the delivery of excellent service. Our position in our markets is built on a perception that our people have respect for each other and our customers, and that from this respect comes a sustainable delivery capability. We will continue to strive to deliver for our people and for our clients for to succeed will be our most potent weapon in creating a valuable, sustainable and respected business.

#### **DISCLOSURE OF INFORMATION TO THE AUDITORS**

Each of the directors has confirmed that:

- (a) so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) they have taken all the steps that ought to have been 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 FM LIMITED**

**DIRECTORS' REPORT**  
**For the year ended 31 March 2010**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 of the profit or loss of the company for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

**AUDITORS**

PKF (UK) LLP have been appointed as auditors and, having indicated their willingness to continue in office, a resolution concerning their reappointment as auditors will be proposed at the Annual General Meeting.

This report was approved by the Board on 8<sup>th</sup> December 2010.



**Alex Frith**  
**Director**

# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PINNACLE FM LIMITED**

**For the year ended 31 March 2010**

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We have audited the financial statements of Pinnacle FM Limited for the year ended 31 March 2010 which comprise the profit and loss account, the balance sheet 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).

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

## **Respective responsibilities of directors and auditors**

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 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2010 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
PINNACLE FM LIMITED**

**For the year ended 31 March 2010**

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**Matters on which we are required to report by exception**

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 returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**PKF(UK)LLP**

Andrew Huddleston (Senior statutory auditor)  
for and on behalf of PKF (UK) LLP, Statutory auditors

London, UK  
**8/12/** 2010

**PINNACLE FM LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 March 2010**

	Notes	Year ended 31 March 2010	15 months ended 31 March 2009
		£	£
<b>Turnover</b>		7,836,668	8,198,769
Cost of sales		(3,767,167)	(5,351,010)
<b>Gross profit</b>		4,069,501	2,847,759
Administrative expenses	2	(4,329,746)	(3,421,929)
<b>Operating loss before exceptional items</b>	2	(260,245)	(574,170)
<b>Exceptional items</b>	3	-	(65,000)
<b>Operating loss</b>		(260,245)	(639,170)
Interest receivable and similar income	4	15,191	86,875
Interest payable and similar charges	4	(125,631)	(103,514)
<b>Loss on ordinary activities before taxation</b>		(370,685)	(655,809)
Tax on loss on ordinary activities	5	103,284	189,527
<b>Loss for the financial period</b>		(267,401)	(466,282)

There are no recognised gains or losses for the financial period other than as stated in the profit and loss account and therefore no separate statement of total recognised gains and losses has been presented.


All the above amounts are attributable to continuing operations.

There is no difference between the loss on ordinary activities before taxation and the loss for the year stated above, and their historical cost equivalents.

**PINNACLE FM LIMITED**  
**(Company number: 1040529)**  
**BALANCE SHEET**  
**As at 31 March 2010**

	Notes	2010	2010	2009	2009
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		61,626		85,100
<b>CURRENT ASSETS</b>					
Debtors	7	2,299,280		3,572,178	
Cash		50,193		124,541	
<b>Total current assets</b>		2,349,473		3,696,719	
<b>CREDITORS: amounts falling due within one year</b>	8	(2,989,645)		(4,050,719)	
<b>Net current liabilities</b>			(640,172)		(354,000)
<b>Total assets less current liabilities</b>					(268,900)
CREDITORS: amounts falling due after more than one year	9		(134,422)		(176,667)
<b>Net liabilities</b>			(712,968)		(445,567)
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		1,000,000		1,000,000
Profit and loss account	13		(1,712,968)		(1,445,567)
<b>Total equity shareholders' deficit</b>	14		(712,968)		(445,567)

These financial statements were approved and authorised for issue by the board and were signed on its behalf on 8<sup>th</sup> December 2010 by:

  
**Alex Frith**  
**Director**

# PINNACLE FM LIMITED

## NOTES TO THE ACCOUNTS

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### 1 ACCOUNTING POLICIES

#### **Accounting convention**

These accounts have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules and in accordance with reporting requirements of the Companies Act 2006

#### **Going Concern**

The company has made a loss of £267,401 (2009: 15 month loss £466,282) during the year and has net liabilities of £712,968 (2009: £445,567) at the year end, including £1,910,344 (2009: £3,008,078) due to group undertakings. Pinnacle FM Limited is part of the Pinnacle Regeneration Group. Pinnacle Regeneration Group Limited has indicated its willingness to financially support Pinnacle FM Limited for a period of at least 12 months from the date these financial statements were approved and authorised for issue.

The Directors of this company, having had regard to budgets and cash flow forecasts for Pinnacle FM Limited for a period of at least 12 months from the date these financial statements were approved and authorised for issue are content that the Group will be able to provide the necessary level of support and have therefore adopted the going concern basis of preparation for these financial statements. No adjustments have been made to these financial statements in the event of the Group and Company not being a going concern. For further information please refer to the consolidated accounts of Pinnacle Regeneration Group Limited.

#### **Cashflow statement**

The company is exempt from the requirement to prepare a cashflow statement under Financial Reporting Standard No.1 on the grounds that the cashflows of the company are consolidated into the cashflow statement presented by Pinnacle PSG Limited, the company's immediate parent company.

#### **Turnover**

Turnover represents the value of work done in relation to facilities management services exclusive of VAT.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset on a straight-line basis over its estimated useful life as follows:

Fixtures and equipment - 3 to 5 years

# PINNACLE FM LIMITED

## NOTES TO THE ACCOUNTS

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### 1 ACCOUNTING POLICIES (continued)

#### **Long term contracts**

The principal estimation technique used by the company in attributing profit on contracts to a particular accounting period is the preparation of forecasts on a contract-by-contract basis. These focus on cost to completion and enable an assessment to be made of the outturn on each contract. Consistent contract review procedures are in place in respect of contract forecasting. Profits on long-term contracts are calculated in accordance with SSAP9 - Stocks and Long Term Contracts. Profit on contracts are only taken at a stage near enough to completion for that profit to be reasonably certain. Provision is made for all losses incurred to the accounting date together with any further losses that are foreseen in bringing contracts to completion.

Amounts recoverable on contracts which are included in debtors and stated at cost, plus attributable profit, to the extent that this is reasonably certain after making provision for contingencies, less any losses incurred or foreseen in bringing contracts to completion, and less amounts received as progress payments. Cost for this purpose includes valuation of all work done by subcontractors, whether certified or not, and all overheads other than those relating to general administration. For any contracts where receipts exceed the book value of work done, the excess is included in creditors as payments on account.

#### **Finance and operating leases**

Leasing agreements, which transfer to the company substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital elements of the leasing commitments are shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the useful lives of the equivalent owned assets. Rentals paid under operating leases are charged against income on a straight line basis over the lease term.

#### **Deferred taxation**

Provision is made for deferred taxation on all material timing differences. Deferred tax assets are recognised where their recovery is considered more likely than not. Deferred tax assets and liabilities have not been discounted.

#### **Pension costs**

The amount charged to the profit and loss account in respect of pensions represents the contributions payable in respect of the accounting period.

**PINNACLE FM LIMITED**  
**NOTES TO THE ACCOUNTS**

**2 OPERATING LOSS**

is stated after charging:	2010	2009
	£	£
Operating leases- other	5,819	-
- hire of plant and machinery	56,818	75,227
Depreciation – owned assets	29,513	24,674
Depreciation – leased assets	1,451	-
Auditors' remuneration - for audit services	12,000	11,500

**3 EXCEPTIONAL ITEMS**

Exceptional items of £nil (2009: £65,000) related to employment severance costs resulting from restructuring within the business.

**4 INTEREST**

<b>Interest receivable and similar income</b>	<b>2010</b>	<b>2009</b>
	£	£
Inter group interest receivable	-	64
Interest receivable from bank deposits	15,191	86,811
	<u>15,191</u>	<u>86,875</u>

<b>Interest payable and similar charges</b>	<b>2010</b>	<b>2009</b>
	£	£
Inter group interest payable	(124,058)	(102,748)
Overdraft interest payable	(672)	(100)
Interest payable on finance leases	(358)	-
Bank charges	(543)	(666)
	<u>(125,631)</u>	<u>(103,514)</u>

**5 TAX ON LOSS ON ORDINARY ACTIVITIES**

**(a) Analysis of credit in the year**

	2010	2009
	£	£
<b>Current Tax</b>		
Tax on loss for the year	-	(140,694)
Group relief receipt	(8,570)	-
<b>Total current tax</b>	<u>(8,570)</u>	<u>(140,694)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	14,925	(312)
Losses carried forward	(109,639)	(48,521)
<b>Total deferred tax</b>	<u>(94,714)</u>	<u>(48,833)</u>
<b>Tax credit on loss on ordinary activities</b>	<u>(103,284)</u>	<u>(189,527)</u>

**PINNACLE FM LIMITED**  
**NOTES TO THE ACCOUNTS**

**5 TAX ON LOSS ON ORDINARY ACTIVITIES (continued)**

**(b) Factors affecting tax charge/(credit) for the year**

The tax assessed in each year varies from the standard rate of corporation tax in the UK of 28% (2009:28.4%) The differences are explained below:-

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities before tax	(370,685)	(655,809)
Loss on ordinary activities before tax multiplied by standard rate of UK corporation tax of 28% (2009: 28.4%)	(103,792)	(186,250)
Losses carried forward	109,639	39,124
Capital allowances less than depreciation	(14,925)	6,114
Non deductible expenses	508	318
Losses group relieved	8,570	-
<b>Current tax credit for the year</b>	<b>-</b>	<b>(140,694)</b>

**(c) Factors that may affect future tax charges**

The company has losses available to carry forward which can be offset against future available profits. Other than this, the Company is not aware of any significant factor that may affect future tax charges.

**6 TANGIBLE FIXED ASSETS**

<b>Tangible Fixed Assets</b>	<b>Fixtures and equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 April 2009	112,319	112,319
Additions	7,490	7,490
Transfers	-	-
<b>At 31 March 2010</b>	<b>119,809</b>	<b>119,809</b>
<b>Depreciation</b>		
At 1 April 2009	27,219	27,219
Additions	30,964	30,964
Transfers	-	-
<b>At 31 March 2010</b>	<b>58,183</b>	<b>58,183</b>
<b>Net book value</b>		
<b>At 31 March 2010</b>	<b>61,626</b>	<b>61,626</b>
At 31 March 2009	85,100	85,100

Included within net book value is an amount of £3,584 (2009: £nil) in respect of assets held under finance leases on which depreciation of £1,452 (2009: £nil) has been charged. Leased asset additions in the year were £5,036 (2009: £nil).

**PINNACLE FM LIMITED**  
**NOTES TO THE ACCOUNTS**

**7 DEBTORS: amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,019,237	797,484
Amounts recoverable on contracts	580,758	372,215
Amounts owed by group undertakings	524,756	2,160,439
Corporation tax receivable	-	140,694
Deferred taxation (note 11)	143,547	48,833
Other debtors including prepayments	30,982	52,513
	2,299,280	3,572,178

**8 CREDITORS: amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade creditors	515,146	512,919
Other taxes and social security	114,376	44,684
Amounts owed to group undertakings	1,910,344	3,008,078
Obligations under finance leases	1,432	-
Other creditors	2,151	-
Accruals and deferred income	446,196	485,038
	2,989,645	4,050,719

**9 CREDITORS: amounts falling due after one year**

Amounts falling due after more than one year:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Provisions (note 10)	131,917	176,667
Obligations under finance leases	2,505	-
	134,422	176,667

**Finance Leases**

Future minimum payments under finance leases are as follows:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Within one year	1,943	-
In more than one year, but not more than 5 years	2,590	-
Total gross payments	4,533	-
Less finance charges included above	(596)	-
	3,937	-

**PINNACLE FM LIMITED**  
**NOTES TO THE ACCOUNTS**

**10 PROVISIONS FOR LIABILITIES AND CHARGES**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
At beginning of year	176,667	292,192
Credited to the profit and loss account	(44,750)	(115,525)
At end of year	131,917	176,667

A provision for an onerous contract was acquired as part of the acquisition balance sheet of Pinnacle FM Limited in 2007. The acquired provision was £292,192. In the period £66,667 (2009: £225,525) was utilised, leaving a balance of £nil (2009: £66,667). A provision of £21,917 (2009: £110,000) has been recognised in the year for another onerous contract with the Group, leaving a balance of £131,917 (2009: £110,000).

**11 DEFERRED TAX**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
At beginning of year	48,833	-
Credited to the profit and loss account	94,714	48,833
At end of year	143,547	48,833

Deferred tax is fully provided as follows:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Tax effect of timing differences because of:		
Excess of depreciation over capital allowances	(14,613)	312
Losses carried forward	158,160	48,521
	143,547	48,833

**12 CALLED UP SHARE CAPITAL**

	<b>2010</b>		<b>2009</b>	
	<b>Number</b>	<b>£</b>	<b>Number</b>	<b>£</b>
<b>Allotted and issued</b>				
£1 ordinary shares	1,000,000	1,000,000	1,000,000	1,000,000

**PINNACLE FM LIMITED**  
**NOTES TO THE ACCOUNTS**

**13 RESERVES**

<b>Profit and loss account</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Deficit at beginning of period	(1,445,567)	(979,285)
Loss for the period	(267,401)	(466,282)
<b>At end of period</b>	<b>(1,712,968)</b>	<b>(1,445,567)</b>

**14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities after tax for the period	(267,401)	(466,282)
Opening shareholders' (deficit)/funds	(445,567)	20,715
<b>Closing shareholders' deficit</b>	<b>(712,968)</b>	<b>(445,567)</b>

**15 FINANCIAL COMMITMENTS**

**Operating leases**

At 31 March 2010 the Company had annual commitments under non-cancellable operating leases as follows:-

	<b>2010</b>	<b>2009</b>
	<b>Other</b>	<b>Other</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Between one and five years	1,796	4,788
	<b>1,796</b>	<b>4,788</b>

**16 DIRECTORS EMOLUMENTS**

The services of NH Euesden, NP Wright, A Frith and A Cook were deemed to relate mostly to work carried out for Pinnacle PSG Limited and the related costs are therefore included in the administrative expenses of Pinnacle PSG Limited.

The services of PMA Lloyd and MWH Penny were deemed to relate mostly to work carried out for Pinnacle Regeneration Limited, the Company's ultimate parent undertaking and the related costs are therefore included in the administrative expenses of Pinnacle Regeneration Limited.

## PINNACLE FM LIMITED

### NOTES TO THE ACCOUNTS

#### 17 EMPLOYEES

##### (1) Number of employees

The average number of persons employed by Pinnacle FM Limited during the period, analysed by category, was as follows:-

	2010 Number	2009 Number
Operations	174	139

##### (2) Employment costs

The aggregate payroll costs of these persons were as follows:

	2010 £	2009 £
Wages and salaries	2,084,966	2,106,928
Social security costs	143,127	162,074
Other pension costs	69,455	70,987
	2,297,548	2,339,989
Exceptional re-organisation costs	-	65,000
	2,297,548	2,404,989

#### 18 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemptions available under Financial Reporting Standard 8, 'Related Party Disclosures', not to disclose any transactions or balances with entities that are 100% controlled by the Group.

At the year end Pinnacle FM Limited was due £516,187 (2009: owed £875) from Pinnacle Regeneration Group Limited in respect of working capital support provided by the Company. During the years Pinnacle Regeneration Group Limited charged the company £112,813 (2009: £nil) in respect of Group services.

During the year the following amounts were receivable from related parties:

Regenter Management Services Limited, of which PMA Lloyd is a director, in respect of services provided by the Company £nil (2009: £5,000) of which £nil (2009: £nil) is included in trade debtors at 31 March 2010.

**PINNACLE FM LIMITED**  
**NOTES TO THE ACCOUNTS**

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**19 PARENT UNDERTAKINGS**

The results of the company are included in the consolidated accounts of Pinnacle PSG Limited. Pinnacle PSG Limited is the Company's immediate parent undertaking and is incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Pinnacle PSG Limited are available to the public and may be obtained from 1<sup>st</sup> Floor, 6 St Andrew Street, London, EC4A 4AE.

The Company's ultimate parent undertaking is Pinnacle Regeneration Group Limited which is incorporated in Great Britain and registered in England and Wales. The results of the Company are included in the consolidated accounts of Pinnacle Regeneration Group Limited. The consolidated financial statements of Pinnacle Regeneration Group Limited are available to the public and may be obtained from 1<sup>st</sup> Floor, 6 St Andrew Street, London, EC4A 4AE.

**20 CONTINGENT LIABILITIES**

The company has issued guarantees in favour of Bank of Scotland to support the indebtedness of Pinnacle Regeneration Group Limited and its subsidiaries. The exposure to this guarantee at the balance sheet date was £4,538,372 (2009: £5,426,563).