



PAG

Professionals Aid Guild

Annual Review and Report 2018



PROFESSIONALS AID GUILD

Patrons:

His Eminence, the Cardinal Archbishop of Westminster: Vincent Nichols

Master of the Queen's Music: Judith Weir CBE

The Free Churches Moderator: Revd. Dr H Osgood

President of the Royal Academy of Arts: Christopher Le Brun

The Rt Hon the Lord Mayor of London: P Estlin

President of the Royal College of Physicians: Dr A Goddard

President of the Royal Society: Sir Venki Ramakrishnan

Lady Solti

President:

C H D Everett CBE

10 St Christopher's Place

London W1U 1HZ

Tel: 020 7935 0641

Email: admin@professionalsaid.org.uk

Website: www.professionalsaid.org.uk

Registered under the Charities Act 1960 No: 207292

Company No: 00174262

MEMBERS OF COUNCIL

Actors' Benevolent Fund – Mr J Ellicott

Mr J Aisher

Mrs J Anderson

Architects' Benevolent Society – Mr K Bingham

Artists' General Benevolent Institution – Mr S Burton

Association of Chartered Certified Accountants – Mr H McCash

Association of Teachers' and Lecturers' Trust Fund – Mr A Brown

Mrs V Barrow

Mrs L Carmichael

Catholic Education Service – Mr P Barber

Chartered Accountants Benevolent Association – Ms K Haines

Chartered Institute of Journalists – Mr D Cooper

Chartered Society of Physiotherapy Charitable Trust – Mrs S Begum

Chemists' Community Fund – Ms A Dearden

Mrs S Chen Cooper

College of Podiatry – Mrs D Delves

Mrs P Crosthwaite

Mr J Davison

Mr C H D Everett

Free Churches Group – Revd P Rochester

Friends of the Elderly – Ms L Walters

Futures for Women – Ms J Murray

Mrs B Greenslade

Headmasters' and Headmistresses' Conference – Mr M Buchanan

Help Musicians – Mr J Ainscough

ICE Benevolent Fund – Mrs K L Barnett

IET Connect – Miss C Hobden

Institute and Faculty of Actuaries – Mr D Cribb

Institute of Mechanical Engineers – Ms A Broadhead

Institution of Structural Engineers Benevolent Fund – Mr M Powell

Mrs L Keenan

Mrs A Legge

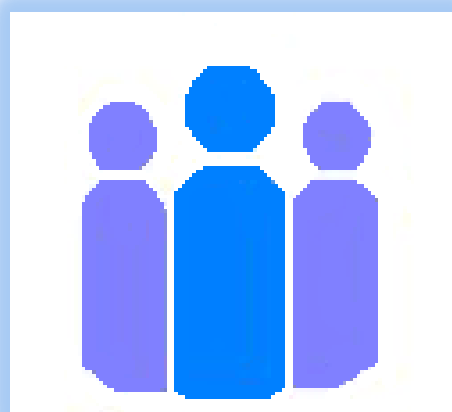
Mrs A Lewis

Lionheart – Ms D Goodchild

Mary Feilding Guild – Ms M McGloin

Medical Women's Federation – Dr C Gerada

Officers' Association – Mr N Hare
Royal Aeronautical Society – Mr B Burridge
Royal College of Midwives' Benevolent Fund – Mrs C Tiernan
Royal College of Nursing – Mr L Allett
Royal College of Physicians – Mr I Bullock
Royal Medical Benevolent Fund – Mr S Crone
Royal Naval Officers Charity – Commander M Goldthorpe
Royal Society of Musicians of Great Britain – Ms C Penton-Smith
Seafarers UK – Ms C Gallop
Society of Authors – Ms S Baxter
Solicitors' Benevolent Association – Mr T Martin
Dr M G Springham
Teaching Staff Trust – Ms Judith Smith
The Chartered Secretaries' Charitable Trust – Mr R C Grigg
The Edridge Fund of Napo – Ms C Dunkley
The Guild of Aid
The Law Society – Ms D Topolski
The Members' Benevolent Trust – Dr C Church
Vetlife – Mr G Little
Mrs R Whitehorn



REPORT FROM THE CHAIR OF THE BOARD, MR J AISHER

Over the last year the Executive Committee has become increasingly conscious of the imbalance between the charity's income and expenditure, particularly now that fundraising is not part of our activities. The additional costs of meeting the GDPR requirements were just one factor that contributed to a decline in our fortunes, but we are also aware that the increasing demands of governance often need additional resource, usually time but often money too. Economies of scale in a small charity are hard to find without either compromising our essential purpose of helping those in need or risking a less personal and thoughtful response to all who ask for help. Nevertheless, by continuing to streamline, and where practical, combine the work of our committees and by reviewing the office space needed in an increasingly online and home working environment, the Executive Committee is confident that the charity can continue to make a worthwhile contribution for many years to come.

THE BEGINNING

Professionals Aid Council

Founded as the Professional Classes War Relief Council in 1914, at the outset of the First World War, the aim of the charity was to assist in relieving distress for professionals and those of other highly educated classes and their dependents, for whom such help was not otherwise available. There was also provision made for education and training as well as general relief. Then, as now, there were many occupational funds offering advice and financial aid to their members. The Professional Classes Aid Council differed in that it had a more "open" policy and was able to assist individuals and families from various professional backgrounds. The same applies today, we are able to assist applicants from a wide variety of professional backgrounds who hold a degree or equivalent qualification, rather than being restricted to a particular profession.

The Guild of Aid

The Guild of Aid for Gentlepeople was established by Hearth and Home magazine in 1904 to assist men and women of a good educational background and who were in poverty through no fault of their own. Successful beneficiaries were assisted with monetary support but also through specific gifts such as clothing and bedding. In a time before the inception of the welfare state, such assistance was vital to the relief of poverty. In 2010, the objects of the Guild of Aid were updated to make them more relevant to the current climate. In 2016 the Guild of Aid transferred its funds and activity to the Professionals Aid Council and is now dormant.

CURRENT WORK – THE PROFESSIONALS AID GUILD (PAG)

After a long history of mutual cooperation, and after the Guild of Aid transferred its funds and activity to the Professionals Aid Council, the name was changed to Professionals Aid Guild (PAG). PAG continues to help professionals and graduates throughout the UK. The charity can make a real difference to those affected by redundancy, illness, disability, family breakdown or poverty in retirement, and for some individuals, it may be the only organisation that can help at a time financial hardship. PAG is able to help in a number of ways, for example:

- a monthly grant to assist with living expenses
- a contribution towards essential household furniture
- help with the cost of school uniforms, stationery or travel costs
- grants for university students towards fees, books or dissertation costs
- a contribution towards care home fees, in partnership with other charities.

Whilst grants are often quite small, they frequently make a substantial difference to the beneficiaries.

ANNUAL GENERAL MEETING 2018

The Chair of the Board, Mr Johnny Aisher, opened the meeting by welcoming everyone to the AGM. He highlighted the importance of collaboration with the other benevolent funds and organisations that form the members of council, and especially with the smaller funds

such as ourselves, to meet the need of the increasing numbers of people who are turning to benevolent funds for assistance. Mr Aisher mentioned that it can be difficult to turn down applicants that are not eligible for assistance, but are clearly in need, and it was important to maintain relationships with other benevolent funds to ensure that these people would be able to be referred to another organisation that may be able to help.

Mr Aisher expressed his thanks to all of those who were involved in the activities of PAG, specifically the trustees and those who served on the committees, staff and supporters. He then introduced the speaker Mrs Robina Whitehorn, Executive Director of Seafarers UK and serving committee member of PAG. Mr Aisher also informed everyone that Mrs Whitehorn had agreed to become a Trustee of the Board in addition to her current commitments to the charity.

PAG ANNUAL REVIEW 2018

In 2018, the number of enquiries for assistance increased by approximately 74% on the previous year. Some of the factors contributing towards this include:

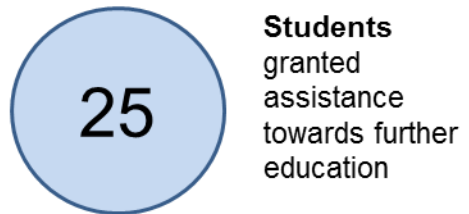
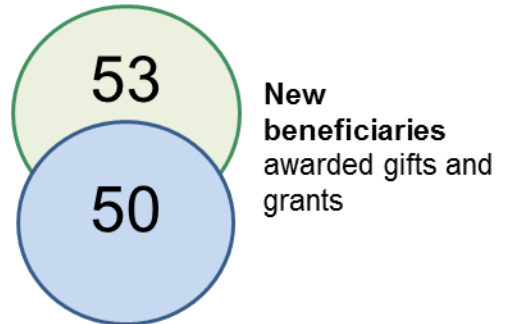
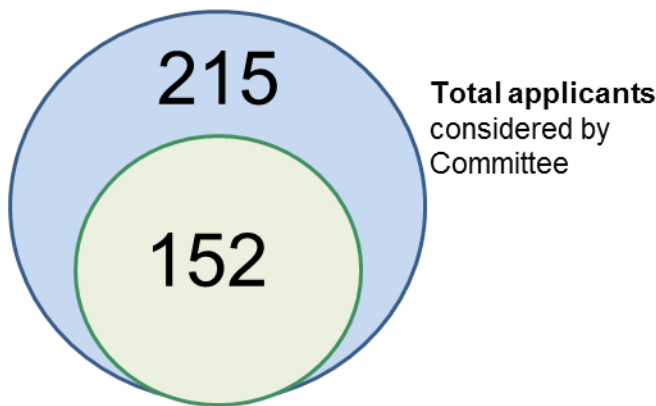
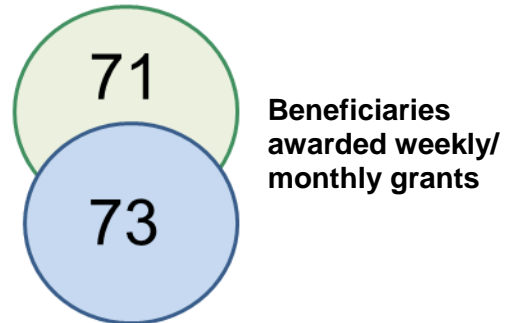
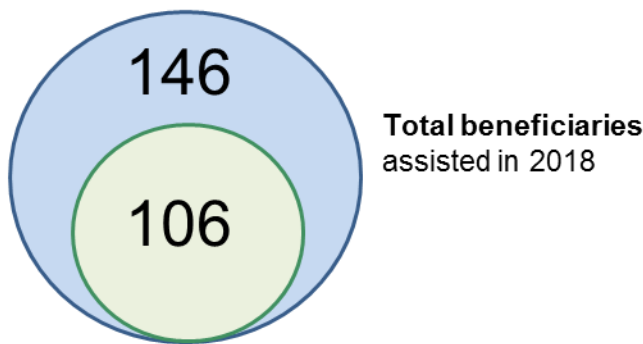
- the economic climate, redundancies and increased cost of living
- PAG website listed on a greater number of 'search engines'
- more extensive marketing of the charity to other organisations
- the rise in university fees, with more students chasing fewer resources
- closer co-operation with other funds, who refer applicants to PAG for support
- increased growth in referrals from other benevolent funds
- fewer funds offering weekly/monthly grants
- other charities limiting support to a fixed period
- wider use of the internet by applicants.

One of PAG's major strengths is its ability to network with a number of similar funds to achieve a better result for the beneficiary. Funds which no longer give weekly grants frequently refer eligible applicants to PAG. In other situations, like care home fees, PAG works in partnership with other charities to contribute towards these costs. Many beneficiaries are in regular contact with the charity and on pages 6 – 8 we give a brief account of how the support from PAG has assisted some of those individuals.

THE PROFESSIONALS AID GUILD 2018

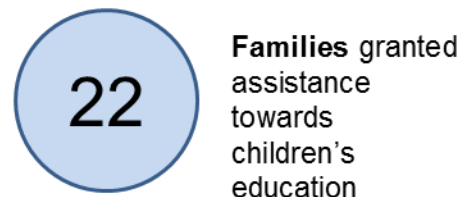
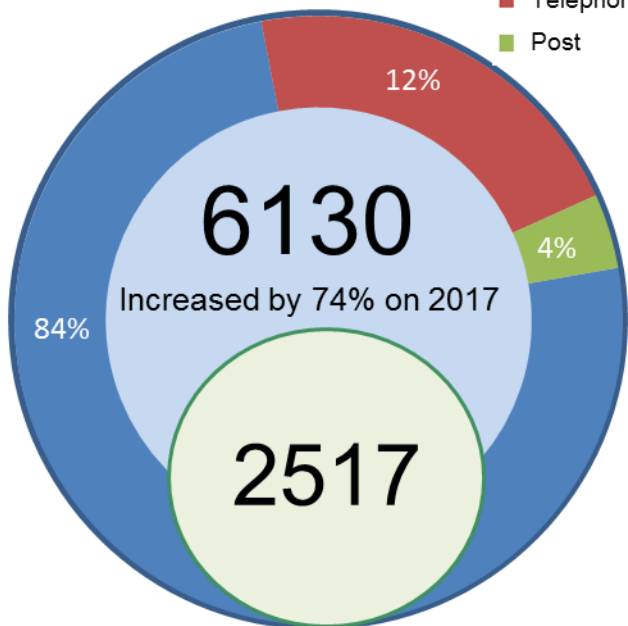
In 2018 PAG provided assistance, advice, financial support and information to a range of professionals in need.

○ PAC
 ○ THE GUILD OF AID FUND



Total enquiries received

- Website/ email
- Telephone
- Post



Total amount awarded in 2018:
£234,872*

* figure includes amounts awarded both for general assistance and education

In 2018, the Professionals Aid Guild helped a number of beneficiaries in a variety of ways:

Mrs A and her son fled her country of origin due to war. She had the finances for her course arranged, but did not expect to fail a module due to family issues. She passed the module and was able to continue working on her dissertation. She was given a one-off gift of £500 to help her while she finished her dissertation.

Mrs A wrote "I am writing to say thank you very much for your assistance. This will help me to sort out many things. I am so grateful and do appreciate your help. I hope I can do something for your charity one day in the future."

Mrs B accumulated large debts when she lost her job and was unable to obtain further loan or credit. She was awarded a one-off gift of £500 towards travel for the final year of her MSc/Diploma from PAG's Education Committee.

Mrs B wrote "I am lost for words to express my gratitude for the received cheque. I would like to say thank you for helping me to every person involved. It will truly make a big difference to my life."

Mr C is a widower. He enjoyed good health until he suffered a seizure which affected his walking. He then moved into a care home to be near his daughter. PAG awarded a weekly grant to assist with his care home fees.

Mr C's daughter wrote "Both the PAC & GOA kindly awarded my elderly father two separate grants towards his care home fees for a further year. I would like to thank both organisations for their generosity which has enabled my father to happily continue his residency for his 10th year at his beloved home."

Mrs D and her daughter were both diagnosed with Ehlers-Danlos Syndrome after a lifetime of investigations and worsening chronic pain resulting in Mrs D becoming wheelchair bound. Her husband left work to care for his family on a full-time basis. She also lives with her retired mother and her son and daughter. Her daughter was bullied at school and is

now at a new school where she is feeling much happier. PAG's Education Committee granted funds towards transport costs and school uniform for both children.

Mrs D wrote "I just wanted to write to thank you for the financial assistance your charity has offered our family. It will make all the difference to the children and our ability to cope with their educational needs and costs. We can't thank you enough for this support."

Ms E left the family home due to domestic violence and subsequently divorced, she has one son, who is in employment and who contributes to the household income, and one daughter, who is at school. Mrs E is not currently employed; she has completed a Diploma and hopes to find paid employment soon. In 2018 she was granted monthly grants by the Case Committee and termly grants for her daughter's education from the Education Committee.

Ms E wrote "I just wanted to thank you all for helping my family and I. I truly feel grateful and supported by PAG. I really don't know how I would have coped over the years with so many different events that have happened to in my life. Thank you once again."

Ms F fled from her family home due to domestic abuse and was rehoused where she was a victim of hate crime. She was then eventually rehoused in an unfurnished home. Ms F wants to rebuild her life and would like to live independently without fear. PAG awarded her monthly grants towards living expenses and one-off gifts towards a new bed and mattress.

Ms F wrote "Can't thank you enough for your life-changing gift! It will be very supportive and helpful in my circumstances as I work to improve them. I truly appreciate the generous gift being given from the Professional Aid Guild to myself. This is more than I expected, and I will endeavour to use the monies accordingly and appropriately in the current circumstances faced by myself, as I feel they will prove to be life changing. Many thanks again to all the staff for your time, support and assistance in this matter."

Ms G was a victim of domestic abuse, which led to her losing her job and has left her experiencing depression and anxiety. She lives with her son who is at school. Ms G was awarded a monthly grant towards general living expenses, glasses, and furniture from the Case Committee.

Ms G wrote “Thank you very much from the bottom of my heart for the money. You have given me a lifeline. I will never forget what you have done for me and will try & give back the money if I’m ever in a position to do so, to help someone else like myself. God bless you and thank you very much.”

Mr H has been unable to find work. He was studying towards an MSc and completed an IT course, but is unable to afford the cost of the exam. He has also completed CCTV and door supervisor courses, but is unable to afford the cost of the badges. He was granted one-off monetary gifts towards living expenses, badges and clothes to enable him to find employment from the Case Committee.

Mr H wrote “Thank you for granting me the cheques. Your help will support me greatly in this time when I don’t have a job. I would like to take the time to thank you for your whole team for the generosity to grant this cheque, words will never express the gratitude I feel for this amazing gift.”

Mr I is a serving prisoner. He comes from an academic background, where education is a priority. He states that he would like to further improve himself through studying and that he is deeply remorseful and ashamed of his actions, which resulted in his imprisonment. He initiated and managed the compilation of an instruction manual in the education computer department and is responsible for mentoring and assisting dozens of prisoners. He was awarded a one-off grant towards stationery and text books from PAG’s Education Committee.

Mr I wrote “First and foremost, please extend my sincere gratification to all those at PAG for this extremely generous grant. I can assure you it will be well used. I will continue to send you updates as to the progress of this course. Last semester with a generous grant from you I received a Distinction. There is no doubt that with your assistance an ordinary pass became a distinction and I am eternally grateful to you and your colleagues.”

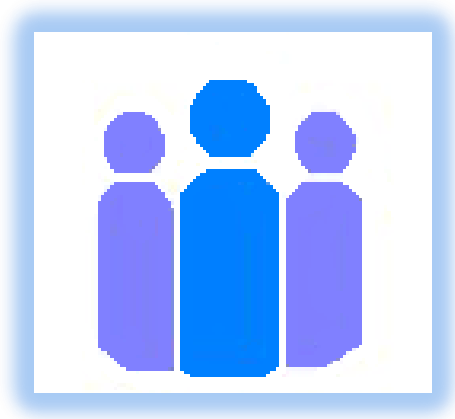
WITH GRATEFUL THANKS

Throughout the year, a number of individuals and organisations have supported the work of the Professionals Aid Guild.

We would like to express our gratitude to them and to committee members and staff.

“Overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life”

Nelson Mandela



In 2018, PAG spent over £234,000 in supporting beneficiaries. You can help PAG to continue this work through a donation, legacy or Gift Aid - see our website www.professionalsaid.org.uk for full details or contact the charity at admin@professionalsaid.org.uk

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Company no. 00174262

Registered Charity no. 207292

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED OFFICE

10 St Christopher's Place
London
W1U 1HZ

Company no. 00174262
Registered Charity no. 207292

BANKERS

Santander Commercial Bank
Bootle
Merseyside
G1R 0AA

INVESTMENT ADVISORS

Rathbone Investment Management Ltd
8 Finsbury Circus
London
EC2M 7AZ

AUDITORS

haysmacintyre
10 Queen Street Place
London
EC4R 1AG

SOLICITORS

RadcliffesLeBrasseur
85 Fleet Street
London
EC4Y 1AE

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Board presents the report and financial statements of the Professionals Aid Council (PAC) for the year ended 31 December 2018. The Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) - Charities SORP FRS102 (effective 1 January 2015). The Report and Statements also comply with the Companies Act 2006 as the Professionals Aid Council is a Company limited by guarantee and has no share capital (No. 00174262). It is a Registered Charity (No. 207292). PAC is governed by its Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

PAC is a membership organisation whose members are collectively known as the Council. The Members of the Council are as listed in the Annual Review obtainable from the registered office.

EXECUTIVE COMMITTEE AND DIRECTORS

PAC's strategic activities are managed by the Executive Committee, whose members are the directors of the charitable company and act as the trustees for the charitable activities of the charitable company, and which may empower other Committees to act. Members of the Executive Committee are elected from members of Council. Members of the Executive Committee serve for a term of three years and may be appointed to serve for further terms. The Executive Committee meets four times during the year and may hold additional meetings if necessary.

In fulfilling their activities the Executive Committee are assisted by the staff team, headed by the Chief Executive Officer (CEO). A scheme of delegation is in place and day-to-day responsibility for management of the organisation is delegated to the CEO and in her absence, the Grants and Information Manager.

Members of the Executive Committee are all volunteers, those serving for the year were:

Mr J Aisher	Chairman
Mrs A Lewis	Deputy Chairman
Dr M G Springham, BSc, FCA	Honorary Treasurer
Mrs J Anderson	(Resigned 20/09/2018)
Mrs L Carmichael	
Mr C H D Everett, CBE	
Mrs L Keenan	
Mrs A Legge	(Appointed 20/09/2018)
Mrs R Whitehorn	(Appointed 20/09/2018)

Staff in attendance:

Miss D Trevers	Chief Executive Officer
----------------	-------------------------

The Executive Committee empowers other Committees to act. Each Committee has its own Terms of Reference. Investment matters are dealt with by the Investment Committee which meets four times per year and its reports are presented to the subsequent Executive Committee meeting. Welfare matters are dealt with by the Case Committee and the Education Committee. The Chairmen present the respective Committee reports to the Executive Committee meetings.

All Committee members are volunteers and attend meetings regularly throughout the year. Trustees commit a combined total of approximately 674 hours per annum to administer the charity; other volunteers devote a combined total of approximately 420 hours each year to the work of the Professionals Aid Council.

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

INVESTMENT COMMITTEE

Members of the Investment Committee met four times during the year to oversee the management of the investments to ensure that funds are available to maintain the charity and provide financial support to beneficiaries.

Those Committee members serving for the year were:

Dr M G Springham, BSc, FCA	Chairman
Mr J Aisher	
Mrs J Anderson	(Resigned 20/09/2018)
Mr C H D Everett, CBE	
Mrs L Keenan	
Mrs A Legge	
Mrs A Lewis	

CASE COMMITTEE

Members of the Case Committee met eight times during the year. Members decide upon requests for financial assistance and where applicants are not eligible for help from PAC, every effort is made to refer them to alternative sources of help. Where applicants are eligible for support, the Committee members agree on the help to be awarded, which could be in the form of a regular grant or one-off gift.

Those given regular help are subject to an annual review and their situation is monitored throughout the year.

Case Committee members serving for the year were:

Mrs L Carmichael	Chairman
Mrs A Lewis	Deputy Chairman (resigned as Deputy Chair 12/07/2018)
Mrs R Whitehorn	Deputy Chairman (appointed as Deputy Chair 06/09/2018)
Mrs V Barrow	
Mrs P Crosthwaite	
Mrs A Legge	
Ms A Gryff	(appointed 15/11/2018)

EDUCATION COMMITTEE

Members of the Education Committee met four times during the year. Members decide on requests for financial help from students and families to support certain educational costs.

The Committee supports Further Education students by offering grants to those whose expected funding has broken down since starting essential courses. The Committee usually assists students towards the completion of their course. However, they sometimes help throughout the course if the family is receiving help from PAC. The Education Committee can contribute towards course fees, course expenses, dissertation costs etc.

PAC provides support to children from low income families. This is done primarily by offering termly grants. The Committee will sometimes consider helping towards school uniform expenses or meeting the cost of essential school trips, or a combination of these.

Those given regular help are subject to an annual review.

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

EDUCATION COMMITTEE

Education Committee members serving for the year were:

Mrs J Anderson	Chairman (resigned 20/09/2018)
Mrs A Lewis	Chairman (appointed 20/09/2018)
Mrs B Greenslade	Deputy Chairman
Mrs A Legge	
Mrs S C Cooper	
Mr J A Davison	

SELECTION OF DIRECTORS AND INDUCTION TRAINING

Induction and training of new committee members is implemented by the CEO through informal meetings and the provision of relevant documents including PAC's Articles of Association and the Charity Commission publication 'The Essential Trustee'. Opportunities exist for new members to meet with staff members to familiarise themselves with the day to day operation of the charity. Committee members are kept informed, by email and at meetings, of new relevant information and legislation, and of opportunities for further training,

PAC's Articles of Association do not prescribe an age limit or term of office for membership of the Executive Committee.

RISK MANAGEMENT

During the year the Executive Committee reviewed the major strategic, business and operational risks that the charity faces. The Executive Committee has assessed the key risks which may impact on the charity and is ensuring that systems and procedures exist to minimise these risks. The Executive Committee reviews risks on an annual basis, to ensure that risk management is kept up to date.

RESERVES POLICY AND PERFORMANCE

The Executive Committee regularly reviews the charity's reserves policy. The level of reserves held is influenced by the annual budget, grant commitments, economic factors and investment returns. The policy is to maintain sufficient reserves to cover anticipated net expenditure for a 15 year period and this equates to approximately £4.5 million. At 31 December 2018, the total funds were approximately £4.9 million. These funds were held mainly as investments in order to guarantee a sustainable continuation of the charity's work. These funds should allow the charity to continue its current activities and ensure a sound financial basis for the future.

INVESTMENT POLICY

The investment objectives are to achieve long-term capital appreciation at least sufficient to offset the impact of inflation, to generate a reasonable income yield and to ensure that an appropriate level of accessible funds is maintained.

Discretionary investment powers, subject to certain conditions, have been granted to PAC's stockbrokers, Rathbone Investment Management Ltd. The Investment Committee meets four times a year with its stockbrokers and the performance and policy are reviewed annually.

OBJECTIVES, STRATEGIES, ACHIEVEMENTS AND FUTURE DEVELOPMENTS

OBJECTIVES AND ACTIVITIES

The Professionals Aid Council is a charity, founded in 1914 to help members of the various professions and their dependants, for whom such help was not otherwise available. More than one hundred years later, PAC continues to offer advice and financial support to individuals and families in need.

The Professionals Aid Council also sets aside a budget for educational purposes and this is aimed at helping children and students. PAC also has an additional fund, "The Guild of Aid", the objects of which are: the relief of poverty in those of good educational background.

These aims remained the same in 2018.

PUBLIC BENEFIT

The Executive Committee confirms that it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit Guidance published by the Charity Commission in determining the activities undertaken by the charity. The Executive Committee confirms that in planning the activities of the Professionals Aid Council it has given careful consideration to how the charity has fulfilled its charitable objectives. The Aims and Achievements sections of this report clearly set out the activities which the charity undertakes for the public benefit.

The policy of the Professionals Aid Council is to support residents of the United Kingdom from a professional background who are in genuine need, irrespective of age. Where appropriate, applicants are referred to other occupational funds.

Benefits are in the form of regular monthly grants, and/or gifts towards day-to-day living expenses, and/or single grants for specific immediate needs.

PAC does not exclude or give priority to applicants on the basis of their gender, nationality, religious or ethnic background.

PAC welcomes applications from professionals living in the United Kingdom. The charity advertises on its own website and other charity websites and search engines. PAC distributes leaflets to individuals and organisations and makes presentations on its charity work at appropriate events.

STRATEGIES

General Advice and Financial Help

General Funds including Annual Grant Funds and Restricted Funds including the Guild funds: PAC provides support to applicants by offering advice as appropriate. This may be by referring individuals to occupational or other benevolent funds or to other agencies that can meet their needs more appropriately.

Applicants whose needs are not met by their own trade or professional fund, or do not have one to call on and who meet the criteria for PAC, will have their request considered by the Case Committee.

The Case Committee decides the level of assistance to be awarded. This could be a regular grant, one-off gifts or a combination of these payable to the applicant. PAC also works with other funds and pays grants and/or gifts for an applicant via other organisations.

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

Educational Advice and Financial Help

Education Funds: PAC supports children from low income families who come within scope of the fund, mainly by the provision of termly grants. The Education Committee will sometimes consider helping towards school uniform expenses or meeting the cost of essential school trips, or a combination of these.

The Education Committee also supports students by providing information and advice. This may include referring applicants to appropriate sources of help, including other funds. The Education Committee normally assists students towards the completion of their course by offering grants to those students whose expected funding has broken down since starting their course. However they sometimes help students throughout their course if the family is receiving help from PAC. The Education Committee can contribute towards fees, course expenses, dissertation costs, etc.

It is the opinion of the trustees/directors that visiting applicants and beneficiaries is not practical given the fact that beneficiaries are located throughout the United Kingdom.

ACHIEVEMENTS

During the year PAC received 6130 (2017: 3525) initial enquiries for financial help for general assistance and for costs towards education. There were 92 new beneficiaries, the charity continued to assist 54 existing beneficiaries, total beneficiaries 146 (2017: 165). In addition, PAC dealt with a substantial number of re-applications, requests for further help from beneficiaries, and enquiries that resulted in referrals to other funds or organisations.

	Enquiries	New Applicants	New Beneficiaries
General Fund (including Annual Grant Funds and Restricted Funds and Guild of Aid Funds)	4061	89	50
Further Education	1862	34	25
Children's Education	207	18	17
Total	<u>6130</u>	<u>141</u>	<u>92</u>

The total amount awarded during the year was £234,872 (General assistance £215,437, Education £19,435).

During the year, help was awarded as follows:

The Case Committee gave monthly grants to 73 beneficiaries. Other beneficiaries received one-off grants, which included help towards the purchase of clothing, beds, cookers, household items, travel and central heating.

These grants significantly improved the quality of life for PAC's beneficiaries.

The Education Committee awarded grants and gifts towards children's education to 22 families and one-off grants to 25 Higher/Further Education students.

FUNDRAISING

The charity does not carry out any fundraising with the public. No complaints were received with regard to fundraising activities in the year.

FUTURE DEVELOPMENTS

The charity intends to continue offering support and financial assistance to eligible individuals in need.

PAC seeks beneficiaries by advertising appropriately in the media, on its website and by circulating leaflets about the charity to organisations and at appropriate events.

RELATED CHARITY AND MERGER

PAC is associated with The Guild of Aid (the Guild), with which it used to share office accommodation and expenses, including staff costs. The Guild is a Friendly Society and Exempt Charity (No. FS 31/BEN) and its principal aims are similar to those of PAC. The Guild's registered address is 10 St Christopher's Place, London W1U 1HZ.

Following an extended review process, agreement was reached with the Guild to merge the operations of the Guild into those of PAC with effect from 31 October 2016. Although the Guild has very similar objectives to PAC, its funds are being kept separate as restricted funds for the time being as the objectives do differ slightly. PAC now carries out the charitable activities of the Guild which is now dormant.

FINANCIAL REVIEW

The charity had net deficit in the year of £636,203 after net realised and unrealised losses on investments in the year of £407,838. A deficit is expected in 2019 unless there are significant investment gains.

During the year PAC received income from various sources totalling £183,150 (2017: £346,410). Expenditure during the year was £411,515 (2017: £379,875), comprising Charitable Activities of £381,788 (2017: £349,917), General Advice and Financial Help £350,195 (2017: £316,793), Education Advice and Financial Help £31,593 (2017: £33,124), and Raising Funds (cost of generating donations and legacies and Investment Manager's fees) £29,727 (2017: £29,958). The charity's net expenditure was £228,365 (2017: £33,465), before taking into account net losses on investments of £407,838 (2017: £284,550 gains).

The assets are available and adequate to fulfil the obligations of the charity, with net current assets of £85,402 (2017: £184,237) and fixed assets (including investments) of £4,820,247 (2017: £5,357,615). It should be noted that, in accordance with the requirements of Charities SORP FRS102, investments are quoted at fair value at the balance sheet date and their value may fluctuate.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors who served on the Executive Committee during the year are shown in the preceding section headed 'Executive Committee and Directors'.

The directors (who are also trustees of the Professionals Aid Council for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP FRS102;
- Make judgements and 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution to reappoint haysmacintyre as auditors will be proposed at the next Annual General Meeting.

By order of the Executive Committee

D Trevers
Company Secretary
13 March 2019

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

PROFESSIONALS AID COUNCIL

(A Company Limited by Guarantee not having a Share Capital)

Opinion

We have audited the financial statements of Professionals Aid Council for the year ended 31 December 2018 which comprise the statement of Financial Activities, the Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of the charitable company's net movement in funds, including the income and expenditure, 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors for the financial statements

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

PROFESSIONALS AID COUNCIL

(A Company Limited by Guarantee not having a Share Capital)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the directors were not entitled to the small companies' exemption from the requirement to prepare a strategic report.

Use of our report

This report is made solely to the charitable 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 charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Murtaza Jessa
Senior Statutory Auditor
for and on behalf of haysmacintyre
Chartered Accountants and Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

13 March 2019

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES (including an Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	<u>Unrestricted funds</u>		<u>Restricted funds</u>		Total Funds 2018	Total Funds 2017
		General Funds	Annual Grant Funds	Guild Fund	Other funds		
		£	£	£	£	£	£
INCOME FROM:							
Donations and legacies:	1(b)						
Donations and Gifts		3,738	-	370	-	4,108	3,135
Legacies		-	-	50	-	50	135,307
Other Trading Activities:							
Investments	1(g)/2	63,963	3,392	111,637	-	178,992	207,968
Total income		<u>67,701</u>	<u>3,392</u>	<u>112,057</u>	<u>-</u>	<u>183,150</u>	<u>346,410</u>
EXPENDITURE ON:							
Raising Funds							
Cost of generating donations and legacies	3	6,855	-	-	-	6,855	6,310
Investment managers' fees		9,880	523	12,469	-	22,872	23,648
Charitable Activities:	4						
General advice and financial help		148,358	5,514	196,323	-	350,195	316,793
Educational advice and financial help		31,593	-	-	-	31,593	33,124
Total expenditure		<u>196,686</u>	<u>6,037</u>	<u>208,792</u>	<u>-</u>	<u>411,515</u>	<u>379,875</u>
Net expenditure before investment losses	6	(128,985)	(2,645)	(96,735)	-	(228,365)	(33,465)
Net losses on investments							
Realised (losses)/gains		(8,530)	(278)	(10,145)	-	(18,953)	9,485
Unrealised (losses)/gains on revaluation	9	(167,638)	(9,369)	(211,878)	-	(388,885)	275,065
Net (loss)/gain before transfers		<u>(305,153)</u>	<u>(12,292)</u>	<u>(318,758)</u>	<u>-</u>	<u>(636,203)</u>	<u>251,085</u>
Transfers of funds		10,108	2,112	(12,220)	-	-	-
Net movement in funds		<u>(295,095)</u>	<u>(10,180)</u>	<u>(330,978)</u>	<u>-</u>	<u>(636,203)</u>	<u>251,085</u>
Reconciliation of Funds:							
Funds as at 1 January 2018		2,292,314	118,078	3,125,485	5,975	5,541,852	5,290,767
Funds at 31 December 2018	13	<u>1,997,269</u>	<u>107,898</u>	<u>2,794,507</u>	<u>5,975</u>	<u>4,905,649</u>	<u>5,541,852</u>

All amounts relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The 2017 comparative Statement of Financial Activities is shown in note 16.

PROFESSIONALS AID COUNCIL (Company registered no. 00174262)
(A Company Limited by Guarantee not having a Share Capital)

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		9,095		10,577
Investments	9		4,811,152		5,347,038
			<u>4,820,247</u>		<u>5,357,615</u>
CURRENT ASSETS					
Debtors	10	6,864		38,848	
Cash at bank and in hand		62,940		95,851	
Short term deposits		80,115		117,309	
		<u>149,919</u>		<u>252,008</u>	
CREDITORS					
Amounts falling due within one year	11	(64,517)		(67,771)	
			<u>85,402</u>		<u>184,237</u>
NET CURRENT ASSETS					
			<u>4,905,649</u>		<u>5,541,852</u>
NET ASSETS					
FUNDS					
Unrestricted funds:					
General Funds	12&13		1,997,269		2,292,314
Annual Grant Funds	12&13		107,898		118,078
Restricted funds	12&13		5,975		5,975
Guild Funds	12&13		2,794,507		3,125,485
			<u>4,905,649</u>		<u>5,541,852</u>

The financial statements were approved and authorised for issue by the Executive Committee on 13 March 2019 and were signed below on its behalf by:

J Aisher
Chairman

M G Springham
Honorary Treasurer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

(a) Basis of Accounting

These accounts are prepared under the historic cost convention. The accounts have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015 (Charities SORP FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Professionals Aid Council (PAC) is a public benefit entity under FRS102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). As a smaller charity, exemption has been taken not to produce a statement of cash flows.

The directors consider there are no material uncertainties about PAC's ability to continue as a going concern. In the directors' opinion, the main financial uncertainties facing PAC are the uncertainty of investment return and the volatility of equity markets affecting the carrying value of investments.

(b) Income

Income is included in the Statement of Financial Activities when the charity has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably. The following specific policies are applied to specific categories of income:

- Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.
- Legacies are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measureable with a degree of reasonable accuracy with the title of the asset having been transferred to the charity.
- Investment income is credited to income when it is receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(c) Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

Charitable activities comprise mainly the provision of grants given out in respect of general advice and financial help and educational advice and financial help. Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside the control of the charity.

Support costs have been allocated to charitable activities. Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

(d) Depreciation and Fixed Assets

Depreciation is calculated to write off the cost of leasehold improvements, office furniture, software and equipment over its estimated useful life. In the case of owned equipment, furniture and software this is at the rate of 25% of cost. Leased items are depreciated over the initial lease term. For leasehold improvements it is at the rate of 10% of the reducing balance. Purchases of items costing less than £200 are expensed in the year of purchase.

(e) Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets. These assets are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charges allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligations outstanding in each period.

(f) Investment gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and the opening market value (or purchased date if later).

(g) Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

(h) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement date.

(i) Significant judgements and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Charity's accounting policies. The key judgements that have been applied by management relate to:

- Accrued expenses, where bills have not been received before the accounts were finalised;
- Specifically, the anticipated charges for external repairs, which are under the control of the freeholder of the offices premises, are periodically recharged to the charity.

(j) Debtors

Other debtors are recognised at the settlement amount due less provision for doubtful amounts. They comprise prepayments, accrued income and repayable grants. The repayable grants were made to certain individuals on the understanding they would be repaid when a condition was met in the future, for example, sale of the beneficiary's house. These repayable grants are not recognised at full value and instead are fully amortised, because of the uncertainty of recovery of the debt at an unknown future date.

(k) Cash at hand and in bank

Cash at bank and in hand includes bank accounts, cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(m) Pension Scheme

The company uses NEST for those staff for whom pension contributions are made through auto-enrolment.

(n) Fund Accounting

The charitable company's unrestricted funds consist of those funds which may be used to meet any of the charity's objectives. These consist of a General Fund and an Annual Grant Fund. The charitable company administers funds on behalf of other parties and under a scheme approved by the Charity Commissioners. These funds are therefore regarded as restricted. The fund arising from the transfer of net assets from the Guild is also regarded as restricted.

(o) Cash Flow Statement

The Trustees have taken advantage of the provision set out in the Charities SORP (FRS102) Update Bulletin 1 in which smaller charities are no longer required to prepare a cash flow statement, and therefore no cash flow statement is included within the financial statements.

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

2. INVESTMENT INCOME				2018	2017	
				£	£	
Bank interest				295	51	
Dividends and interest from securities				178,697	207,917	
				<u>178,992</u>	<u>207,968</u>	
3. COST OF GENERATING DONATIONS AND LEGACIES				2018	2017	
				£	£	
Staff costs				5,058	4,851	
Office expenses				1,797	1,459	
				<u>6,855</u>	<u>6,310</u>	
4. CHARITABLE ACTIVITIES						
	2018	General Fund	Annual Grant Fund	Guild Fund	Educ-ation Fund	Total Funds 2018
		£	£	£	£	£
Grants to Individuals		91,269	3,392	120,776	19,435	234,872
Staff costs*		37,341	1,388	49,415	7,952	96,096
Office expenses		13,659	508	18,075	2,909	35,151
Governance costs		6,089	226	8,057	1,297	15,669
Total Charitable Expenditure		<u>148,358</u>	<u>5,514</u>	<u>196,323</u>	<u>31,593</u>	<u>381,788</u>
	2017	General Fund	Annual Grant Fund	Guild Fund	Educ-ation Fund	Total Funds 2017
		£	£	£	£	£
Grants to Individuals		78,133	3,605	109,538	20,000	211,276
Staff costs*		34,082	1,573	47,781	8,724	92,160
Office expenses		10,642	491	14,921	2,724	28,778
Governance costs		6,547	302	9,178	1,676	17,703
Total Charitable Expenditure		<u>129,404</u>	<u>5,971</u>	<u>181,418</u>	<u>33,124</u>	<u>349,917</u>

*Staff costs include time spent on the extensive enquiry and research work needed to support individual applicants and beneficiaries.

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

5. GOVERNANCE COSTS included in charitable activities	2018 £	2017 £
Audit	8,400	8,160
Accountancy fees	5,963	6,375
Legal costs	372	1,152
Directors' expenses	53	649
Trustee indemnity insurance	882	1,367
	<u>15,670</u>	<u>17,703</u>

6. NET EXPENDITURE is stated after charging:	2018 £	2017 £
Auditors remuneration	8,400	8,160
Depreciation	3,589	5,334
Bank interest and similar charges	547	(1,057)
	<u>12,536</u>	<u>12,437</u>

7. TOTAL STAFF COSTS

Average staff numbers during 2018 were 3 (2017: 3).

Directors received no remuneration in the year (2017: nil). Four directors were reimbursed expenses of £53 (2017: £649). No employees earned over £60,000 in the year (2017: nil). Total employment benefits of Key Management Personnel amounted to £76,080 (2017: £93,312).

	2018 £	2017 £
Salaries	94,247	91,538
Social security costs	5,683	4,507
Pension costs	1,225	472
	<u>101,155</u>	<u>96,517</u>

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

8. TANGIBLE FIXED ASSETS	Leasehold improvements £	Office furniture, equipment and software £	Total £
Cost			
At 1 January 2018	19,015	30,163	49,178
Additions	-	2,107	2,107
Disposals	-	(1,661)	(1,661)
	<u>19,015</u>	<u>30,609</u>	<u>49,624</u>
At 31 December 2018	19,015	30,609	49,624
Depreciation			
At 1 January 2018	16,774	21,827	38,601
Charge for the year	224	3,365	3,589
Disposals	-	(1,661)	(1,661)
	<u>16,998</u>	<u>23,531</u>	<u>40,529</u>
At 31 December 2018	16,998	23,531	40,529
Net Book Value			
At 31 December 2018	<u>2,017</u>	<u>7,078</u>	<u>9,095</u>
At 1 January 2018	<u>2,241</u>	<u>8,336</u>	<u>10,577</u>

The above fixed assets are all used for direct charitable purposes.

The freehold property, 10 St. Christopher's Place, London W1U 1HZ, was sold by the charitable company on 18 October 1978. The charitable company retains a leasehold interest in the property for a term of 125 years free of rent.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

9. FIXED ASSET INVESTMENTS	General Funds £	Annual Grant Funds £	Guild Fund £	Total 2018 £
2018				
Analysis of movements in the year				
Market value at 1 January 2018	2,245,476	116,420	2,985,142	5,347,038
Additions	170,747	-	433,079	603,826
Disposals	(283,007)	(7,513)	(460,307)	(750,827)
Net losses on revaluation at 31 December 2018	(167,638)	(9,369)	(211,878)	(388,885)
	<u>1,965,578</u>	<u>99,538</u>	<u>2,746,036</u>	<u>4,811,152</u>
Market value at 31 December 2018	<u>1,965,578</u>	<u>99,538</u>	<u>2,746,036</u>	<u>4,811,152</u>
Historic cost at 31 December 2018	<u>1,599,354</u>	<u>73,348</u>	<u>2,122,767</u>	<u>3,795,469</u>
The investments at fair value comprise:				
UK Government stock and other interest bearing investments	125,132	-	411,284	536,416
Quoted equity investments	1,840,446	99,538	2,334,752	4,274,736
Market value at 31 December 2018	<u>1,965,578</u>	<u>99,538</u>	<u>2,746,036</u>	<u>4,811,152</u>
2017				2017
Analysis of movements in the year				
Market value at 1 January 2017	2,185,859	110,873	2,955,300	5,252,032
Additions	302,737	-	357,617	660,354
Disposals	(422,929)	-	(417,484)	(840,413)
Net gains on revaluation at 31 December 2017	179,809	5,547	89,709	275,065
	<u>2,245,476</u>	<u>116,420</u>	<u>2,985,142</u>	<u>5,347,038</u>
Market value at 31 December 2017	<u>2,245,476</u>	<u>116,420</u>	<u>2,985,142</u>	<u>5,347,038</u>
Historic cost at 31 December 2017	<u>1,679,492</u>	<u>81,658</u>	<u>2,143,052</u>	<u>3,904,202</u>
The investments at fair value comprise:				
UK Government stock and other interest bearing investments	242,160	7,513	519,684	769,357
Quoted equity investments	2,003,316	108,907	2,465,458	4,577,681
Market value at 31 December 2017	<u>2,245,476</u>	<u>116,420</u>	<u>2,985,142</u>	<u>5,347,038</u>

At 31 December 2018, 11% (2017: 14%) was invested in Government and Corporate bonds (1% relates to United Kingdom Government stock and 10% to other Corporate and other bonds) and 89% (2017: 86%) in equities (53% relates to United Kingdom equities and 36% to foreign equities). Net realised and unrealised losses in the year were 8.0%, compared with a fall of 12.7% in the FTSE All Share Index.

Dividends and interest from securities totalled £178,697, a yield of 3.5%, which is satisfactory.

10. DEBTORS	2018 £	2017 £
Prepayments and accrued income	6,894	38,848
	<u>6,894</u>	<u>38,848</u>

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

11. CREDITORS:	2018	2017
	£	£
Amounts falling due within one year:		
Tax and social security payable	2,553	2,322
Owed to the Guild of Aid	250	250
Accruals	19,282	17,767
Trade creditors	1,315	2,024
Allocated and unpaid grants	41,117	45,408
	<u>64,517</u>	<u>67,771</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Annual Grant Funds	Guild Restricted Funds	Other Restrict- ed Funds	Total Funds 2018
	£	£	£	£	£
Fund balances at 31 December 2018 represented by:					
Tangible fixed assets	9,095	-	-	-	9,095
Fixed asset investments	1,959,603	99,538	2,746,036	5,975	4,811,152
Net current assets	28,571	8,360	48,471	-	85,402
Total net assets	<u>1,997,269</u>	<u>107,898</u>	<u>2,794,507</u>	<u>5,975</u>	<u>4,905,649</u>
Fund balances at 31 December 2017 represented by:					2017
Tangible fixed assets	10,577	-	-	-	10,577
Fixed asset investments	2,239,501	116,420	2,985,142	5,975	5,347,038
Net current assets	42,236	1,658	140,343	-	184,237
Total net assets	<u>2,292,314</u>	<u>118,078</u>	<u>3,125,485</u>	<u>5,975</u>	<u>5,541,852</u>

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

13. MOVEMENT IN FUNDS

	At 1 January 2018 £	Income £	Expen- diture £	Investment (Losses)/ Gains £	Transfers £	At 31 December 2018 £
Restricted funds	5,975	-	-	-	-	5,975
- Guild	3,125,485	112,057	(208,792)	(222,023)	(12,220)	2,794,507
Unrestricted funds						
- General	2,292,314	67,701	(196,686)	(176,168)	10,108	1,997,269
- Annual grant funds	118,078	3,392	(6,037)	(9,647)	2,112	107,898
Total funds	<u>5,541,852</u>	<u>183,150</u>	<u>(411,515)</u>	<u>(407,838)</u>	<u>-</u>	<u>4,905,649</u>
	2017					2017
Restricted funds	5,975	-	-	-	-	5,975
- Guild	3,002,652	208,236	(194,435)	109,032	-	3,125,485
Unrestricted funds						
- General	2,169,086	134,569	(178,940)	169,971	(2,372)	2,292,314
- Annual grant funds	113,054	3,605	(6,500)	5,547	2,372	118,078
Total funds	<u>5,290,767</u>	<u>346,410</u>	<u>(379,875)</u>	<u>284,550</u>	<u>-</u>	<u>5,541,852</u>

The purposes of the restricted funds are to distribute funds contributed by other charities in accordance with their wishes. The transfer of £12,220 is the balance of the re-allocation of funds from the Guild Fund to General Purposes. The transfer of £2,112 partly covers the excess of expenditure (other than investment management fees) over income for the Annual Grant Funds.

14. RELATED CHARITY

The charitable company is associated with the Guild of Aid (the Guild). At 31 October 2016 the Guild merged into PAC and it thereafter ceased operations and transferred all its assets, liabilities and reserves to PAC except for £250, which was later paid to PAC as a loan to be held on trust for the Guild and is recognised in these accounts as owing to the Guild. The activities formerly carried out by the Guild have been carried out by PAC since the beginning of November 2016 and are dealt with in the Guild Fund, a restricted fund.

15. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured by fair value	<u>4,811,152</u>	<u>5,347,038</u>
Financial liabilities measured by amortised cost	<u>42,432</u>	<u>47,432</u>

Financial assets measured at fair value include investments

Financial liabilities include trade and other creditors including unpaid grants

PROFESSIONALS AID COUNCIL
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

16. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted funds		Restricted funds		Total Funds 2017
		General Funds	Annual Grant Funds	Guild Fund	Other Funds	
		£	£	£	£	£
INCOME FROM:						
Donations and legacies:	1(b)					
Donations and Gifts		2,830	-	305	-	3,135
Legacies		55,604	-	79,703	-	135,307
Other Trading Activities:						
Investments	1(g)/2	76,135	3,605	128,228	-	207,968
Total income		<u>134,569</u>	<u>3,605</u>	<u>208,236</u>	<u>-</u>	<u>346,410</u>
EXPENDITURE ON:						
Raising Funds						
Cost of generating donations and legacies	3	6,310	-	-	-	6,310
Investment managers' fees		10,102	529	13,017	-	23,648
Charitable Activities:	4					
General advice and financial help		129,404	5,971	181,418	-	316,793
Educational advice and financial help		33,124	-	-	-	33,124
Total expenditure		<u>178,940</u>	<u>6,500</u>	<u>194,435</u>	<u>-</u>	<u>379,875</u>
Net expenditure before investment gains/(losses)	6	(44,371)	(2,895)	13,801	-	(33,465)
Net gains/(losses) on investments						
Realised gains/(losses)		(9,838)	-	19,323	-	9,485
Unrealised gains on revaluation	9	179,809	5,547	89,709	-	275,065
Net income before transfers		<u>125,600</u>	<u>2,652</u>	<u>122,833</u>	<u>-</u>	<u>251,085</u>
Transfers of funds		(2,372)	2,372	-	-	-
Net movement in funds		<u>123,228</u>	<u>5,024</u>	<u>122,833</u>	<u>-</u>	<u>251,085</u>
Reconciliation of Funds:						
Funds as at 1 January 2017		2,169,086	113,054	3,002,652	5,975	5,290,767
Funds at 31 December 2017	13	<u>2,292,314</u>	<u>118,078</u>	<u>3,125,485</u>	<u>5,975</u>	<u>5,541,852</u>