



PAG

Professionals Aid Guild

**WE
HELP**

Annual Review & Report 2021

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: Rebecca Salter

The Rt Hon the Lord Mayor of London: Alderman Vincent Keaveny

President of the Royal College of Physicians: Dr A Goddard

President of the Royal Society: Sir A Smith

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

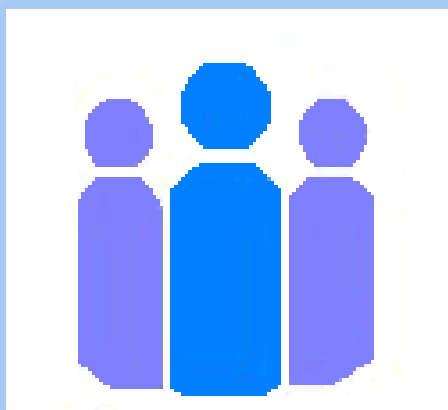
Registered under the Charities Act 1960 No: 207292

Company No: 00174262

MEMBERS OF COUNCIL

Actors' Benevolent Fund – Mr J Ellicott
Mr J Aisher
Architects Benevolent Society
Association of Chartered Certified Accountants Benevolent Fund – Mr H McCash
Mrs V Barrow
Mrs L Carmichael
Catholic Education Service – Mr P Barber
Chartered Accountants Benevolent Association – Dr C Holmes
Chartered Institute of Journalists – Mr D Cooper
Chemists' Community Fund – Ms A Dearden
Mrs S Chen Cooper
The Royal College of Podiatry – Ms J Schofield
Mrs P Crosthwaite
Mr P Edwards
Mr C H D Everett
Foothold – Ms J Petit
Free Churches Group – Revd P Rochester
Friends of the Elderly – Mr M Wilson
Futures for Women – Ms R Parr
Mrs B Greenslade
Headmasters' and Headmistresses' Conference – Dr S Hyde
Help Musicians – Mr J Ainscough
ICE Benevolent Fund – Mrs K L Barnett
Institute and Faculty of Actuaries – Mr S Mann
Institute of Mechanical Engineers – Dr A Bunn
Institution of Structural Engineers Benevolent Fund – Dr K Macdonald
Mrs L Keenan
Mrs A Legge
Mrs A Lewis
Lionheart – Ms D Goodchild
Mary Feilding Guild – Mr D John
Ms F McNicholl
Medical Women's Federation – Dr A Mowat
National Education Union – Ms A Brown
Officers' Association – Mrs N Malik
Royal Aeronautical Society – Mr D Edwards
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 Navy 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
The Solicitors' Charity – Mr N Gallagher
Dr M G Springham
Teaching Staff Trust – Ms Judith Smith
The Chartered Secretaries' Charitable Trust – Mr R C Grigg
The Edridge Fund of Napo – Mr A Goode
The Guild of Aid
The Law Society Charity – Ms D Topolski
The Members' Benevolent Trust – Dr C Church
Vetlife – Mr G Dick
Mrs R Whitehorn

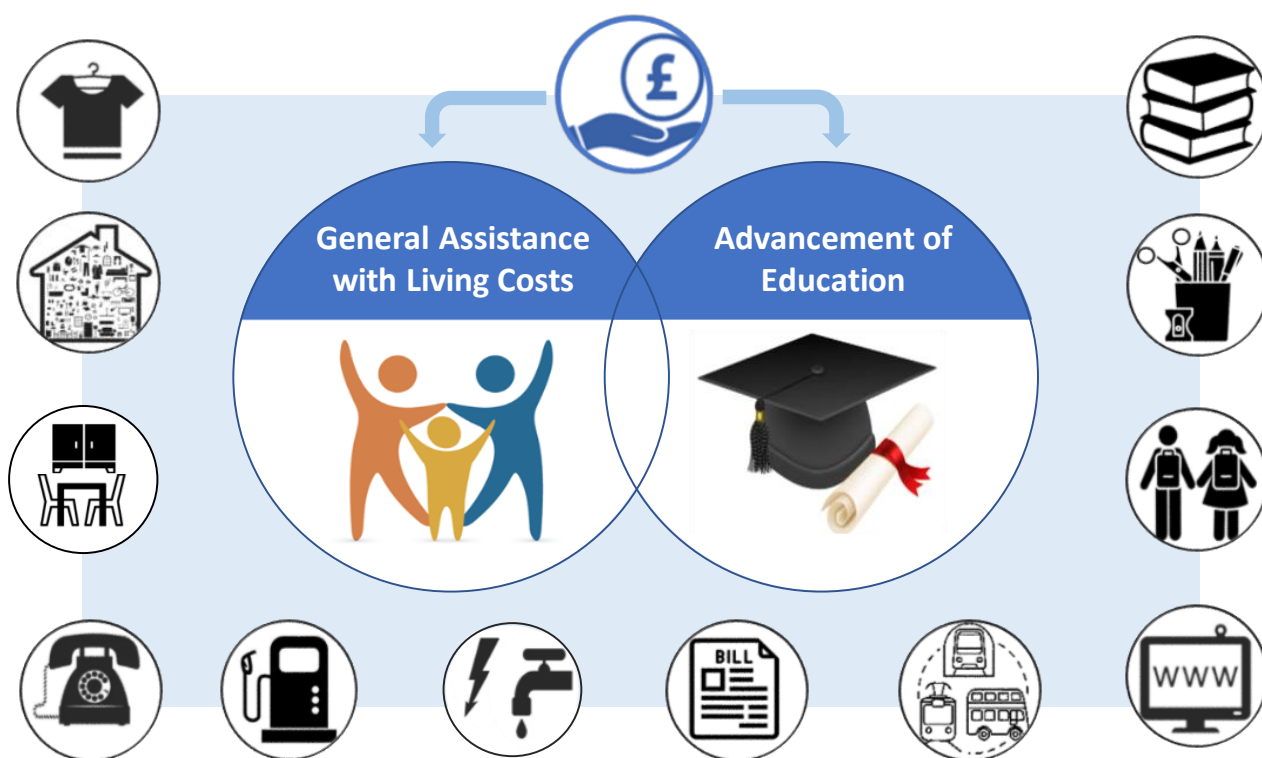


PAG CURRENT WORK & STRATEGIC OBJECTIVES

The Professionals Aid Guild is a benevolent fund targeting the relief of poverty and the advancement of education among professionals, regardless of their specific profession. The Professionals Aid Council and The Guild of Aid were two benevolent funds with a long history of cooperation, and after the Guild of Aid transferred its funds and activity to the Professionals Aid Council, the name was subsequently 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 of financial hardship.

PAG can help in several ways, for example, a one-off 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, or a combination of these.

Professionals Aid Guild (PAG) provides advice and financial assistance to eligible professionals and graduates in the UK towards:



Whilst grants are often quite small, they frequently make a substantial difference to the beneficiaries. In 2020, due to a large increase in applications received, we unfortunately had to close to new applications for part of the year to enable staff to process and give proper attention to the applications we had already accepted. Some of the factors contributing towards this increased number of applications include:

- the economic climate, redundancies, and increased cost of living.
- PAG website listed on a greater number of 'search engines'.
- increasing number of graduates, meaning larger number of eligible beneficiaries.
- the benefit cap and the reduction of these caps in 2016.
- more extensive marketing of the charity to other organisations.
- high university fees, with more students chasing fewer resources.
- increased growth in referrals from other benevolent funds.
- other charities limiting support to a fixed period.
- wider use of the internet by applicants.

In November 2020 we made the decision to alter our eligibility criteria by changing the requirement of a graduate level six qualification, to a postgraduate level 7 qualification. Our charitable objectives are consistently re-examined, as the definition of 'professional' can change over time. Fundamentally, we wanted to ensure that we interpreted the contemporary definition accurately, whilst ensuring that we delivered our charitable funds to make as much of a positive impact as possible to the lives of our eligible beneficiaries. We are very pleased to report that we were able to remain open to applications in 2021. Some of our beneficiaries are in contact with the charity, and on pages 8 – 9 we give some examples of how the support from PAG has directly assisted some of these individuals in 2021.

PAG is dedicated to providing financial grants and advice to professionals who meet our eligibility criteria. We are committed to a completely anonymous decision-making process to ensure fairness and equal opportunities for all applicants who apply, regardless of race, gender, disability, or sexual orientation. We regularly review our processes to see if there are ways to make them fairer and more efficient. In recent years we have eliminated the need to submit an enquiry form, made our application form clearer and easier to access, and improved the timeframe from application to award. In the future we hope to be able to monitor the impact of our grants more and make further improvements where necessary.

REPORT FROM THE CHAIR OF THE BOARD, MR J AISHER

Last year's report hoped that the silver lining from a year of disruption would be a renewed focus on what PAG stands for and how best we can deliver that in a changing society. It would be an exaggeration to claim that a *second* year of the pandemic has resulted in a *doubling* of that focus, but it has certainly enabled us to envisage more clearly how we can operate more efficiently in the future. Indeed, the Charity was able to assist 72% of the applicants who applied to us. The first exciting step forward is the long-awaited move to more suitable offices, after over half a century in our "townhouse" premises in St Christopher's Place. Equally important, though, are the accompanying changes that the team will thereby cement in terms of moving to a more digital way of processing and filing all our applications, committee papers and other records. Nor will our new premises allow us to retain most of the historic records accumulated over the last century, some of which are now properly housed in archive, and others of which turned out to be of rather less interest even to a keen historian!

We're keen to continue to develop our links with other small charities, as well as with other longstanding members of our Council, in the knowledge that helpful advice and redirection are often useful additions to the limited funds we have. Some of the documents we have rediscovered whilst preparing our archives for the office move have also reminded us of our founders' clarity of purpose in who they were seeking to help and how they sought to raise funds. Whilst we no longer actively engage in fundraising, I hope we still share their determination to make a meaningful difference - a "hand up" rather than just a "hand out" - to those who come to us a hundred years later. As ever, I am extremely grateful to the dedication of the staff and my fellow trustees in keeping the charity in fine shape through such difficult times and very much hope that the gradual return to a new normality will give us a renewed strength for the years ahead.

THE HISTORY OF PAG: A CENTURY OF RELIEVING POVERTY FOR PROFESSIONALS

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 can assist applicants from a wide variety of professional backgrounds who hold a postgraduate 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.

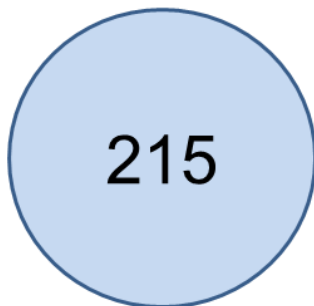
ANNUAL GENERAL MEETING 2021

The Chair of the Board, Mr Johnny Aisher, opened the 98th AGM and explained that this was our second virtual AGM. He acknowledged the challenges of a virtual meeting, but also stated he was pleased to see so many familiar faces and extended a warm welcome to any unfamiliar ones. Conversations were held around the difficulties of the impact of the last year on income streams, both on investment streams and on fundraising. Charities were having to be very resilient, by taking on new practices and moving towards a more digital process. Some charities used emergency funds or changed the direction of their grant expenditure. Resilience and flexibility were key. Many charities were looking at new ways of working such as sharing collaborative space, hotdesking, hybrid working, and flexible working as a much more viable solution moving forward. Charities have been fundamental and as relevant as ever during the pandemic and served a critical need. We have been resilient and offered support and been there when we have been most needed. Benevolence is as needed as ever, and many charities are there for their beneficiaries when they are required. Mr Aisher agreed and hoped that the hardships of the past year lead to a kinder, and more benevolent society. Mr Aisher offered thanks to the team, Mr Hodson and his fellow trustees for the work over the past year. He expressed his hope for an in-person AGM next year.

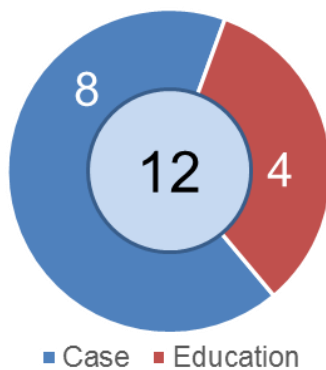
THE PROFESSIONALS AID GUILD 2021

In 2021 PAG provided assistance, advice, financial support, and information to a range of professionals in need.

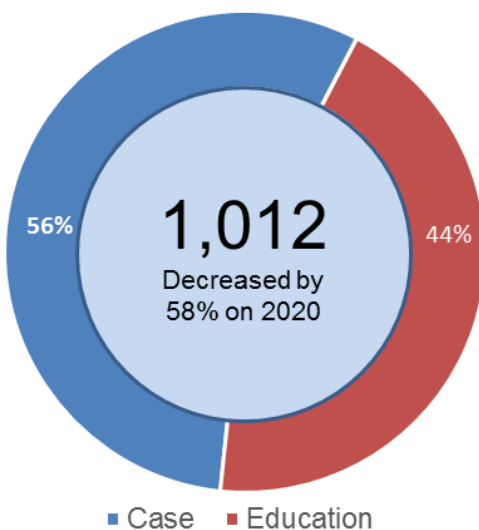
Total applicants considered by Committee:



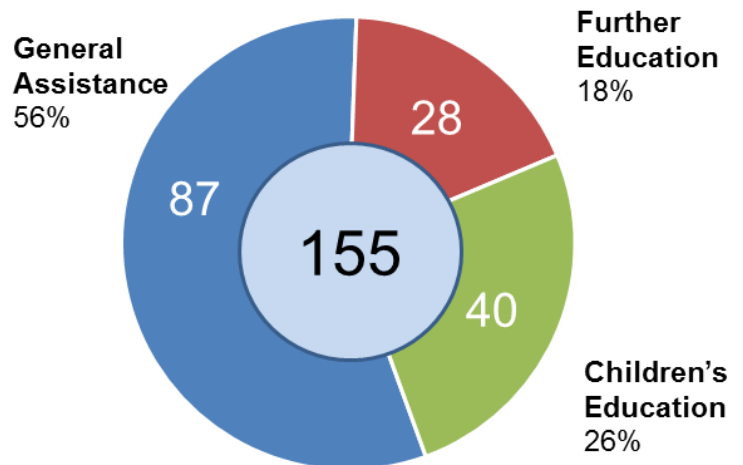
Total Committee meetings held:



Total enquiries received:



Total beneficiaries assisted:



3 members of staff



We have around a 72% rate of assisting applicants

Total amount awarded in 2021:

£175,570*

* figure includes amounts awarded both for general assistance and education

Amount awarded per beneficiary (mean average):

General assistance - £1,738

Further Education - £314

Children Education - £390

In 2021, the Professionals Aid Guild helped several beneficiaries in a variety of ways:

Mr A is a serving prisoner. He applied for assistance towards his further education course which he was studying whilst in prison. The funds assisted him with a grant towards his distance learning.



"I am pleased to advise you that I successfully passed the course. Please forward this result to the education committee with my thanks again for their assistance. I have already been able to utilise some of knowledge to assist other prisoners with queries and the modules themselves will remain as useful reference material going forwards. This qualification, along with my master's degree that I recently commenced, will be proudly featured on my CV post release, and hopefully assist in my search for employment. My thanks also to you for your handling and preparing of my application for the committee, it is much appreciated."

Ms B was made redundant. She was then self-employed but has been unable to work due to ill health. Her daughter was struggling mentally and emotionally with conventional schooling, so she home schooled her. Home-schooling has dramatically improved her daughter's wellbeing. She is passionate about learning, but a lack of study materials had hindered her. PAG assisted with children's education grants and a one-off grant towards general living expenses.

"I was completely brought to tears. It has been very difficult for us these past couple of years and seeing your gift lifted a weight off our shoulders. Words cannot express our gratitude and appreciation. This could not have come at a better time. My daughter can now focus on her studies without worrying about the cost of it all. Thank you all from the bottom of our hearts. We have been truly blessed and are forever grateful."



Ms C is a single mother of a son at university. She left her family home due to domestic violence. She is a teacher but had been made redundant due to the recent pandemic. She became bankrupt and was struggling financially. She and her son suffer from long Covid and are currently unable to work. The funds helped her with a one-off grant.



"It was such fantastic news to receive my award letter and I am so very grateful to you all. These gifts will make a huge difference to how things are financially and it's such a relief to know I can stop panicking in the short term and know things are going to be alright. I was feeling completely exhausted today and it's really lifted my spirits to receive this news, so thank you very much."

Ms D is studying towards a MBBS in Medicine. Because of the pandemic she encountered unforeseen financial challenges which impacted her planned funding. She was also struggling to find work due to the lack of recruitment during the pandemic and around the demands of her course. She was awarded grants towards her further education costs and general living expenses.



"Can't thank you enough. Thank you for offering me assistance this year. your generosity has alleviated my financial pressures and allowed me to focus on my studies. I am humbled, grateful and honoured to receive this award."

Ms E is an overseas qualified doctor, with a son who has just started university, her current home is unfurnished. She worked as a cleaner and care assistant and language teacher, but she lost her job due to lockdown. She is not able to afford the fees to get a license to practice as a doctor in the UK. She was awarded a one-off grant towards her general living expenses.

"Many thanks for your email. I'm very happy with the outcome. Moreover, I want to thank the PAG Committee for having granted me as it is priceless for me. Yes, I will keep you updated about my process to get a license to work as a doctor in the UK. Many thanks again."



Mrs F has one daughter and is a full-time carer for her disabled mother. She had to postpone her business development plans due to ill health and the pandemic. She wanted to rebuild her self-confidence by replacing damaged furniture, household appliances and decorating her home. She was assisted with a one-off grant towards general living expenses.



"I would like to take this time to express my sincere gratitude for the help that I received from the Professionals Aid Guild. I bought some clothing, but I was able to use most of the money to make improvements on my home. This in turn has made a very big impact on my motivation to make improvements on myself. I was able to decorate my house, get carpeting, a new bed for my daughter, along with bedding for both of us; I started courses which have motivated me, and will inspire me to make my business successful. Once again, I would like to thank you from the bottom of my heart, as your generous gift has made a very big difference to me. Thank you."

Mr G moved in with his mother and two small children after a difficult divorce. He had been made redundant due to the pandemic, then lost his new job due to stress. He was awarded a one-off grant towards general living expenses and one towards his children's education.



"Thank you.... I've not heard or felt an ounce of hope for a very long time and just reading something so kind and charitable made me break down into tears. I am full of emotions and cannot thank you enough for how supportive and prompt the Professionals Aid Guild and yourself have been since I have reached out.

I was initially feeling very low and reluctant to seek help as I have never had to make this sort of an application...you have acted very quickly in dealing with my application for assistance after I sent you the requested information which in itself is such a relief and reassuring to know that someone is actually taking what I am going through seriously and willing to help.

From the bottom of my heart, THANK YOU SO MUCH. Before all of this came about in my life, I was always a person who believed in giving to charity and even if I did not have much, I would always give to people less fortunate than me...and I feel like now being at a low point in my life from various aspects (emotionally, physically, financially and in my career), and receiving this sort of support from yourself/the PAG, I understand the happiness and hope that those same people must have felt.

I am trying my best to slowly build myself up mentally and physically and deal with the situation I'm in but one thing I am trying to hold on to is faith and hope that one day I will come out of this. And when I do, I will do all that I can to raise awareness of the Charity. Thank you SO much and to the Committee Board. People like yourself are the reason my faith in humanity is restored! "

WITH GRATEFUL THANKS

Throughout the year, several 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.

“Extreme poverty anywhere is a threat to human security everywhere”

Kofi Annan

“Overcoming poverty is not a gesture of charity. it is an act of justice.”.

Nelson Mandela



In 2021, PAG spent over £175,000 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 2021

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 LLP
10 Queen Street Place
London
EC4R 1AG

SOLICITORS

RadcliffesLeBrasseur
85 Fleet Street
London
EC4Y 1AE

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Board presents the report and financial statements of the Professionals Aid Council (PAC) for the year ended 31 December 2021. The Statements appear in the format required by the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019). 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	Chair
Mrs R Whitehorn	Deputy Chair
Dr M G Springham, BSc, FCA	Honorary Treasurer
Mrs L Carmichael	
Mr P Edwards	
Mrs L Keenan	
Mrs A Legge	

Staff in attendance:

Miss D Trevers	Chief Executive Officer
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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 twice annually 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 756 hours per annum to administer the charity; other volunteers devote a combined total of approximately 436 hours each year to the work of the Professionals Aid Council.

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

INVESTMENT COMMITTEE

Members of the Investment Committee met twice 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	Chair
Mr J Aisher	
Mr P Edwards	
Mrs L Keenan	
Mrs A Legge	
Mrs R Whitehorn	

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 is in the form of a one-off gift or grant. Ongoing monthly grants ceased to be awarded from July 2020 and were replaced by one-off grants for all.

PAC also provides support to children from low income families. This is done primarily by offering one-off grants towards school uniform expenses, books and equipment, or meeting the cost of essential school trips, or a combination of these.

Case Committee members serving for the year were:

Mrs L Carmichael	Chair
Mrs R Whitehorn	Deputy Chair
Mrs V Barrow	
Mrs P Crosthwaite	
Mr P Edwards	
Mrs A Legge	

EDUCATION COMMITTEE

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

The Committee supports Further Education students by offering grants to those applicants 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.

EDUCATION COMMITTEE

Education Committee members serving for the year were:

Mrs A Legge	Chair
Mrs B Greenslade	Deputy Chair (resigned 28/01/21)
Ms F McNicholl	Deputy Chair(appointed 20/05/21)
Mrs L Carmichael	
Mrs S C Cooper	
Mrs C MacKenzie	

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,

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 at every Executive Committee meeting 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, including Guild funds as restricted, to cover anticipated net expenditure for a 15 year period and this equates to approximately £4.5 million. At 31 December 2021, the total funds were approximately £5.5 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 twice 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 2021.

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 one-off grants, and/or gifts towards day-to-day living expenses, and/or specific immediate needs.

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

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 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 is primarily in the form of a one-off grant, payable to the applicant. PAC also works with other funds and pays grants and/or gifts for an applicant via other organisations.

Children's Education

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

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Further Education - Advice and Financial Help

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 1012 (2020: 2387) initial enquiries for financial help for general assistance and for costs towards education. There were 215 (2020: 270) applicants considered by the Committee and 155 (2020: 182) beneficiaries assisted. In addition, PAC dealt with a substantial number of requests for further help from beneficiaries, and enquiries that resulted in referrals to other funds or organisations.

	Enquiries	Total Applicants	Total Beneficiaries
General Fund (including Annual Grant Funds and Restricted Funds and Guild of Aid Funds)	562	116	87
Further Education	273	52	40
Children's Education	177	47	28
Total	<u>1012</u>	<u>215</u>	<u>155</u>

The total amount awarded during the year was £175,570 (General assistance £151,170, Education £24,400).

The Case Committee has replaced monthly grants with one-off grants. 87 beneficiaries received one-off grants, which included help with general living expenses, help towards the purchase of clothing, beds, cookers, essential 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 40 families and one-off grants to 28 Higher/Further Education students.

The worldwide pandemic has had far-reaching implications and PAC has not been immune to these. PAC had to close the office for some of the year, with all staff continuing to work, but from home. Hybrid working was gradually introduced towards the latter part of the year, with much success. Despite these challenges. PAC adapted, and continued to provide crucial financial support and advice to many applicants and beneficiaries.

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 information 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 a net surplus in the year of £300,507 after net realised and unrealised gains on investments in the year of £465,981. A deficit is expected in 2022 unless there are significant investment gains or a successful sale of the lease of the office premises.

During the year PAC received income from various sources totalling £189,337 (2020: £163,909). Expenditure during the year was £354,811 (2020: £342,784), comprising Charitable Activities of £324,593 (2020: £314,952), (General Advice and Financial Help £279,482 (2020: £273,068), Education Advice and Financial Help £45,111 (2020: £41,884)), and Raising Funds (cost of generating donations and legacies and Investment Manager's fees) £30,218 (2020: £27,832). The charity's net expenditure was £165,474 (2020: £178,875), before taking into account net gains on investments of £465,981 (2020: £81,805 losses).

The assets available are adequate to fulfil the obligations of the charity, with net current assets of £87,672 (2020: £74,919) and fixed assets (including investments) of £5,445,033 (2020: £5,157,279). 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 2021

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 LLP as auditors will be proposed at the next Annual General Meeting].

In preparing this report the Directors have taken advantage of the small companies exemptions provided by Part 15 of the Companies Act 2006.

By order of the Executive Committee

D Trevers
Company Secretary
24 March 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

PROFESSIONALS AID COUNCIL

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

Independent auditor's report to the members of Professionals Aid Council

Opinion

We have audited the financial statements of Professionals Aid Council for the year ended 31 December 2021 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 2021 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

PROFESSIONALS AID COUNCIL

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

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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on pages 8 and 9, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of minutes of meetings to identify expected material income or expenditure items;
- Identifying and testing journals, in particular journal entries posted at the year-end and those with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

PROFESSIONALS AID COUNCIL

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

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.

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 LLP, Statutory Auditors
Date 24 March 2022

10 Queen Street Place
London
EC4R 1AG

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 2021

		<u>Unrestricted funds</u>		<u>Restricted funds</u>		<u>Total</u>	<u>Total</u>
		<u>General</u>	<u>Annual</u>	<u>Guild</u>	<u>Other</u>	<u>Funds</u>	<u>Funds</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>2021</u>	<u>2020</u>
INCOME FROM:							
Donations and legacies:	1(b)						
Donations and Gifts		600	-	319	-	919	4,176
Legacies		5,000	-	18,000	-	23,000	10,133
Investments	1(g)/2	56,644	2,165	103,630	-	162,439	149,600
Other income:							
Coronavirus Job Retention		2,979	-	-	-	2,979	-
Scheme grants							
Total income		<u>65,223</u>	<u>2,165</u>	<u>121,949</u>	<u>-</u>	<u>189,337</u>	<u>163,909</u>
EXPENDITURE ON:							
Raising Funds							
Cost of generating donations and legacies	3	6,805	-	-	-	6,805	6,428
Investment managers' fees		10,112	549	12,752	-	23,413	21,404
Charitable Activities:	4						
General advice and financial help		115,854	4,002	159,626	-	279,482	273,068
Educational advice and financial help		45,111	-	-	-	45,111	41,884
Total expenditure		<u>177,882</u>	<u>4,551</u>	<u>172,378</u>	<u>-</u>	<u>354,811</u>	<u>342,784</u>
Net expenditure before investment gains/(losses)	6	(112,659)	(2,386)	(50,429)	-	(165,474)	(178,875)
Net gains/(losses) on investments:							
Realised gains/(losses)		24,089	-	4,116	-	28,205	(101,931)
Unrealised gains on revaluation	9	194,729	16,696	226,351	-	437,776	20,126
Net income/(expenditure) before transfers		<u>106,159</u>	<u>14,310</u>	<u>180,038</u>	<u>-</u>	<u>300,507</u>	<u>(260,680)</u>
Transfers of funds		2,507	1,855	-	(4,362)	-	-
Net movement in funds		<u>108,666</u>	<u>16,165</u>	<u>180,038</u>	<u>(4,362)</u>	<u>300,507</u>	<u>(260,680)</u>
Reconciliation of Funds:							
Funds as at 1 January 2021		2,113,931	111,808	3,002,097	4,362	5,232,198	5,492,878
Funds at 31 December 2021	13	<u>2,222,597</u>	<u>127,973</u>	<u>3,182,135</u>	<u>-</u>	<u>5,532,705</u>	<u>5,232,198</u>

All amounts relate to continuing operations.

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

The 2020 comparative Statement of Financial Activities is shown in note 15.

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

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	8		4,766		7,104
Investments	9		5,440,267		5,150,175
			<u>5,445,033</u>		<u>5,157,279</u>
CURRENT ASSETS					
Debtors	10	4,590		4,418	
Cash at bank and in hand		76,368		80,893	
Short term deposits		65,149		60,819	
		<u>146,107</u>		<u>146,130</u>	
CREDITORS					
Amounts falling due within one year	11	(58,435)		(71,211)	
NET CURRENT ASSETS					
			<u>87,672</u>		<u>74,919</u>
NET ASSETS					
			<u><u>5,532,705</u></u>		<u><u>5,232,198</u></u>
FUNDS					
Unrestricted funds:					
General Funds	12&13		2,222,597		2,113,931
Annual Grant Funds	12&13		127,973		111,808
Restricted funds					
	12&13		-		4,362
Guild Funds	12&13		3,182,135		3,002,097
			<u><u>5,532,705</u></u>		<u><u>5,232,198</u></u>

The financial statements were approved and authorised for issue by the Executive Committee on 24 March 2022 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 2021

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 the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), 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 returns and especially during the coronavirus pandemic, the volatility of equity markets affecting the carrying value of investments. The Directors do not feel there will be any other affects on income and expenditure as a result of the pandemic.

(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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

(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 Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2020), and therefore no cash flow statement is included within the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

2. INVESTMENT INCOME				2021 £	2020 £
Bank interest				26	336
Dividends and interest from securities				162,413	149,264
				<u>162,439</u>	<u>149,600</u>
3. COST OF GENERATING DONATIONS AND LEGACIES				2021 £	2020 £
Staff costs				5,285	5,016
Office expenses				1,520	1,412
				<u>6,805</u>	<u>6,428</u>
4. CHARITABLE ACTIVITIES					
2021	General Fund £	Annual Grant Fund £	Guild Fund £	Educ- ation Fund £	Total Funds 2021 £
Grants to Individuals	62,665	2,165	86,340	24,400	175,570
Staff costs*	35,841	1,238	49,384	13,956	100,419
Office expenses	10,308	356	14,202	4,014	28,880
Governance costs	7,040	243	9,700	2,741	19,724
Total Charitable Expenditure	<u>115,854</u>	<u>4,002</u>	<u>159,626</u>	<u>45,111</u>	<u>324,593</u>
2020	General Fund £	Annual Grant Fund £	Guild Fund £	Educ- ation Fund £	Total Funds 2020 £
Grants to Individuals	59,990	2,667	89,003	23,262	174,922
Staff costs*	32,681	1,453	48,489	12,673	95,296
Office expenses	9,199	409	13,648	3,567	26,823
Governance costs	6,143	273	9,113	2,382	17,911
Total Charitable Expenditure	<u>108,013</u>	<u>4,802</u>	<u>160,253</u>	<u>41,884</u>	<u>314,952</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 2021

5. GOVERNANCE COSTS included in charitable activities	2021 £	2020 £
Audit	12,000	10,500
Accountancy fees	7,030	6,825
Legal costs	108	-
Trustee indemnity insurance	586	586
	<u>19,724</u>	<u>17,911</u>

6. NET EXPENDITURE is stated after charging:	2021 £	2020 £
Auditors remuneration	12,000	10,500
Depreciation	2,338	5,105
Bank charges and interest	144	457
	<u>14,482</u>	<u>16,062</u>

7. TOTAL STAFF COSTS

Average staff numbers during 2021 were 3 (2020: 3).

Directors received no remuneration in the year (2020: nil). No expenses were reimbursed to directors in the year (2020: nil). No employees earned over £60,000 in the year (2020: nil). Total employment benefits of Key Management Personnel amounted to £85,301 (2020: £80,402).

Total staff costs were:

	2021 £	2020 £
Salaries	96,853	91,959
Social security costs	5,733	5,200
Pension costs	2,349	2,228
Benefits	770	926
	<u>105,705</u>	<u>100,313</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office furniture, equipment and software £	Total £
Cost			
At 1 January 2021	19,015	33,456	52,471
Additions	-	-	-
Disposals	-	-	-
	<u>19,015</u>	<u>33,456</u>	<u>52,471</u>
At 31 December 2021	19,015	33,456	52,471
Depreciation			
At 1 January 2021	17,381	27,986	45,367
Charge for the year	163	2,175	2,338
Disposals	-	-	-
	<u>17,544</u>	<u>30,161</u>	<u>47,705</u>
At 31 December 2021	17,544	30,161	47,705
Net Book Value			
At 31 December 2021	<u>1,471</u>	<u>3,295</u>	<u>4,766</u>
At 1 January 2021	<u>1,634</u>	<u>5,470</u>	<u>7,104</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.

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 2021

9. FIXED ASSET INVESTMENTS	General Funds £	Annual Grant Funds £	Guild Fund £	Total 2021 £
2021				
Analysis of movements in the year				
Fair value at 1 January 2021	2,140,182	85,544	2,924,449	5,150,175
Additions	341,214	24,293	419,545	785,052
Disposals	(417,455)	-	(515,281)	(932,736)
Net gains on revaluation	194,729	16,696	226,351	437,776
	<u>2,258,670</u>	<u>126,533</u>	<u>3,055,064</u>	<u>5,440,267</u>
Fair value at 31 December 2021	2,258,670	126,533	3,055,064	5,440,267
Historic cost at 31 December 2021	<u>1,544,578</u>	<u>81,140</u>	<u>2,126,562</u>	<u>3,752,280</u>
The investments at fair value comprise:				
UK Government stock and other interest bearing investments	247,224	3,895	426,140	677,259
Quoted equity investments	2,011,446	122,638	2,628,924	4,763,008
Total at 31 December 2021	<u>2,258,670</u>	<u>126,533</u>	<u>3,055,064</u>	<u>5,440,267</u>
2020				2020
Analysis of movements in the year				
Fair value at 1 January 2020	2,030,552	119,050	3,099,334	5,248,936
Additions	446,382	-	323,805	770,187
Disposals	(454,974)	(30,015)	(404,085)	(889,074)
Net gains/(losses) on revaluation	118,222	(3,491)	(94,605)	20,126
	<u>2,140,182</u>	<u>85,544</u>	<u>2,924,449</u>	<u>5,150,175</u>
Fair value at 31 December 2020	2,140,182	85,544	2,924,449	5,150,175
Historic cost at 31 December 2020	<u>1,524,868</u>	<u>56,847</u>	<u>2,122,359</u>	<u>3,704,074</u>
The investments at fair value comprise:				
UK Government stock and other interest bearing investments	165,041	-	466,973	632,014
Quoted equity investments	1,975,141	85,544	2,457,476	4,518,161
Total at 31 December 2020	<u>2,140,182</u>	<u>85,544</u>	<u>2,924,449</u>	<u>5,150,175</u>

At 31 December 2021, 12% (2020: 12%) was invested in Government and Corporate bonds (1% relates to United Kingdom Government stock, 11% relates to other Corporate and other bonds) and 88% (2020: 88%) in equities (54% relates to United Kingdom equities and 34% to foreign equities). Net realised and unrealised gains in the year were 8.8%, compared with a rise of 14.5% in the FTSE All Share Index. Dividends and interest from securities totalled £162,413, a yield of 3.1%, which is satisfactory.

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 2021

10. DEBTORS					
		2021	2020		
		£	£		
Prepayments and accrued income		4,590	4,418		
		<u>4,590</u>	<u>4,418</u>		
11. CREDITORS:		2021	2020		
		£	£		
Amounts falling due within one year:					
Tax and social security payable		2,665	2,353		
Owed to the Guild of Aid		250	250		
Accruals		21,690	20,658		
Trade creditors		1,065	1,214		
Allocated and unpaid grants		32,765	46,736		
		<u>58,435</u>	<u>71,211</u>		
12. ANALYSIS OF NET ASSETS BETWEEN FUNDS					
	General Funds	Annual Grant Funds	Guild Restricted Funds	Other Restricted Funds	Total Funds 2021
	£	£	£	£	£
Fund balances at 31 December 2021 represented by:					
Tangible fixed assets	4,766	-	-	-	4,766
Fixed asset investments	2,258,670	126,533	3,055,064	-	5,440,267
Net current assets	(40,839)	1,440	127,071	-	87,672
Total net assets	<u>2,222,597</u>	<u>127,973</u>	<u>3,182,135</u>	<u>-</u>	<u>5,532,705</u>
Fund balances at 31 December 2020 represented by:					2020
Tangible fixed assets	7,104	-	-	-	7,104
Fixed asset investments	2,135,820	85,544	2,924,449	4,362	5,150,175
Net current assets	(28,993)	26,264	77,648	-	74,919
Total net assets	<u>2,113,931</u>	<u>111,808</u>	<u>3,002,097</u>	<u>4,362</u>	<u>5,232,198</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

13. MOVEMENT IN FUNDS

	At 1 January 2021 £	Income £	Expen- diture £	Investment Gains/ (Losses) £	Transfers £	At 31 December 2021 £
Restricted funds	4,362	-	-	-	(4,362)	-
- Guild	3,002,097	121,949	(172,378)	230,467	-	3,182,135
Unrestricted funds						
- General	2,113,931	65,223	(177,882)	218,818	2,507	2,222,597
- Annual grant funds	111,808	2,165	(4,551)	16,696	1,855	127,973
	<u>5,232,198</u>	<u>189,337</u>	<u>(354,811)</u>	<u>465,981</u>	<u>-</u>	<u>5,532,705</u>
Total funds	<u>5,232,198</u>	<u>189,337</u>	<u>(354,811)</u>	<u>465,981</u>	<u>-</u>	<u>5,532,705</u>
	2020					2020
Restricted funds	4,362	-	-	-	-	4,362
- Guild	3,214,739	97,237	(172,052)	(137,827)	-	3,002,097
Unrestricted funds						
- General	2,150,411	64,005	(165,441)	67,078	(2,122)	2,113,931
- Annual grant funds	123,366	2,667	(5,291)	(11,056)	2,122	111,808
	<u>5,492,878</u>	<u>163,909</u>	<u>(342,784)</u>	<u>(81,805)</u>	<u>-</u>	<u>5,232,198</u>
Total funds	<u>5,492,878</u>	<u>163,909</u>	<u>(342,784)</u>	<u>(81,805)</u>	<u>-</u>	<u>5,232,198</u>

The purposes of the restricted funds are to distribute funds contributed by other charities in accordance with their wishes. The transfer of £4,362 corresponds to release to general funds of restricted funds which have been used for their restricted purposes. The transfer of £1,855 covers the excess of expenditure (other than investment management fees) over income for the Annual Grant Funds.

At 31 October 2016 the Guild merged into PAC and it thereafter ceased operations and transferred all its assets, liabilities and reserves to PAC. 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.

14. RELATED PARTY TRANSACTIONS

One director has donated £50 (2020: £50) to the Guild Fund. There were no other related party transactions in this or the previous year.

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 2021

15. STATEMENT OF FINANCIAL ACTIVITIES FOR THE
YEAR ENDED 31 DECEMBER 2020

	<u>Unrestricted funds</u>		<u>Restricted funds</u>		<u>Total Funds</u>
	<u>General Funds</u>	<u>Annual Grant Funds</u>	<u>Guild Fund</u>	<u>Other Funds</u>	<u>2020</u>
	£	£	£	£	£
INCOME FROM:					
Donations and legacies:					
Donations and Gifts	3,850	-	326	-	4,176
Legacies	10,000	-	133	-	10,133
Investments	50,155	2,667	96,778	-	149,600
Total income	<u>64,005</u>	<u>2,667</u>	<u>97,237</u>	<u>-</u>	<u>163,909</u>
EXPENDITURE ON:					
Raising Funds:					
Cost of generating donations and legacies	6,428	-	-	-	6,428
Investment managers' fees	9,116	489	11,799	-	21,404
Charitable Activities:					
General advice and financial help	108,013	4,802	160,253	-	273,068
Educational advice and financial help	41,884	-	-	-	41,884
Total expenditure	<u>165,441</u>	<u>5,291</u>	<u>172,052</u>	<u>-</u>	<u>342,784</u>
Net expenditure before investment losses	(101,436)	(2,624)	(74,815)	-	(178,875)
Net losses on investments					
Realised losses	(51,144)	(7,565)	(43,222)	-	(101,931)
Unrealised gains/(losses) on revaluation	118,222	(3,491)	(94,605)	-	20,126
Net expenditure before transfers	<u>(34,358)</u>	<u>(13,680)</u>	<u>(212,642)</u>	<u>-</u>	<u>(260,680)</u>
Transfers of funds	(2,122)	2,122	-	-	-
Net movement in funds	<u>(36,480)</u>	<u>(11,558)</u>	<u>(212,642)</u>	<u>-</u>	<u>(260,680)</u>
Reconciliation of Funds:					
Funds as at 1 January 2020	2,150,411	123,366	3,214,739	4,362	5,492,878
Funds at 31 December 2020	<u>2,113,931</u>	<u>111,808</u>	<u>3,002,097</u>	<u>4,362</u>	<u>5,232,198</u>

