



PAG

Professionals Aid Guild

Annual Review & Report 2020



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

Architects' Benevolent Society – Mr K Bingham

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

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 – Ms A Kendrick

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 C Brown

Institution of Structural Engineers Benevolent Fund – Dr K Macdonald

Mrs L Keenan

Mrs A Legge

Mrs A Lewis

Lionheart – Ms D Goodchild

Mrs C Mackenzie

Mary Feilding Guild – Ms M McGloin

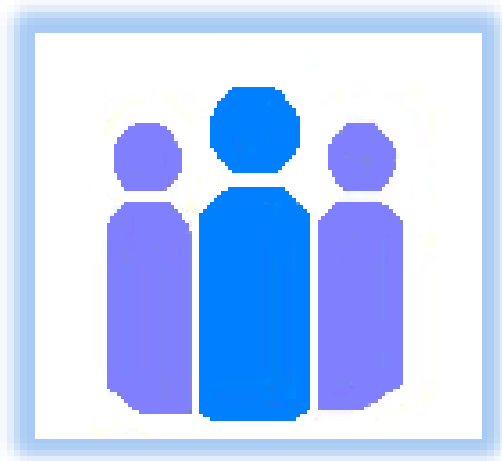
Medical Women's Federation – Dr A Mowat

National Education Union – Ms A Brown

Officers' Association – Mrs N Malik

Royal Aeronautical Society – Sir 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
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



REPORT FROM THE CHAIR OF THE BOARD, MR J AISHER

Much will be written elsewhere about the extraordinary challenges of 2020, but the silver lining may well have been the added impetus for the charity to re-examine its raison d'être and ways of working. Our relaunched website last year had resulted in a surge of applications which regrettably led to us having to pause the processing of new applications until after our AGM. Happily, we achieved that aim, though partly because our AGM was delayed until the autumn when we finally realised that an in person gathering was not after all going to be possible. As it turned out, remote attendance seemed more popular and the general discussion and sharing of experiences and best practice amongst a greater number of our Council members and guests was a welcome boost as we headed into further lockdown. Inevitably we have had to put on hold the possibility of relocating to more purpose-built offices, but our experience of homeworking throughout the pandemic will hopefully give us useful input into that major decision. In the meantime, we have been extremely fortunate in two respects. Firstly, in the way that all of those involved in the charity - the staff team, members of our committees, our auditors etc. - have adapted so readily to remote working. And secondly, our income is not dependent on fundraising and so we have been less affected than many other charities, though cost control and maximising our giving is as important as ever. It has certainly been a year of teamwork and I am grateful for the hard work, experience and advice that has enabled us to make a meaningful difference at a time when charity is more important than ever.

ANNUAL GENERAL MEETING 2020

The Chair of the Board, Mr Johnny Aisher, opened the 97th AGM and noted that this was the first one to be held online. Mr Aisher acknowledged the difficulties and challenges that we as a charity, and the benevolent sector, had faced due to the COVID-19 pandemic. He noted that it had been a difficult time, but that the charity had been surmounting those challenges, and had continued to provide the same important role that it had done over the last 100 years. Later in the meeting several council members contributed to the discussion around maintaining the balance between assisting beneficiaries, and sustainability of income. Income for benevolent funds has been impacted by the economic implications of the pandemic, from funds who have not been able to fundraise to a general reduction in donations and legacy income. Mr Aisher then expressed his thanks to all attendees, colleagues, and the staff team.

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 can 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 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
- 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. In late 2019, we updated our processes by removing the online enquiry form, and instead allowing applicants to access the application form directly on the website. The aim of this was to make our system more efficient for applicants, and to assist in reducing the timescale of processing applications. The number of enquiries for assistance therefore decreased accordingly from the previous year. However, 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:

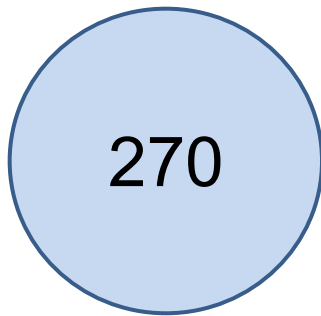
- the economic climate, redundancies, and increased cost of living.
- PAG website listed on a greater number of 'search engines'.
- the benefit cap and the reduction of these caps in 2016.
- more extensive marketing of the charity to other organisations.
- high university fees, with more students chasing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

We are very pleased to report that we were also able to assist a larger number of applicants in 2020, with an increase of over 16% on the previous year, despite having fewer committee meetings, staff working from home, and interruptions to work due to the COVID pandemic. Some of our beneficiaries are in contact with the charity and on pages 8 – 9 we give a brief account of how the support from PAG has directly assisted some of these individuals.

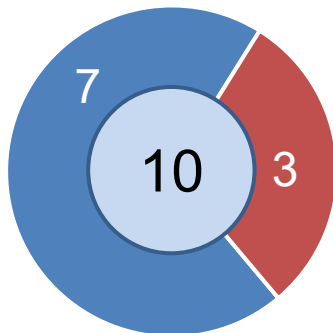
THE PROFESSIONALS AID GUILD 2020

In 2020 PAG provided assistance, advice, financial support, and information to a range of professionals in need.

Total applicants considered by Committee:

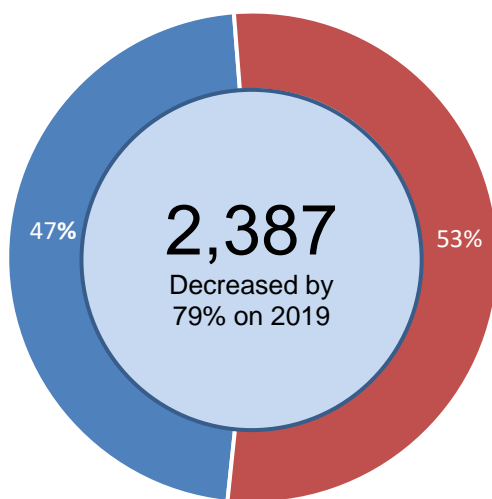


Total Committee meetings held:



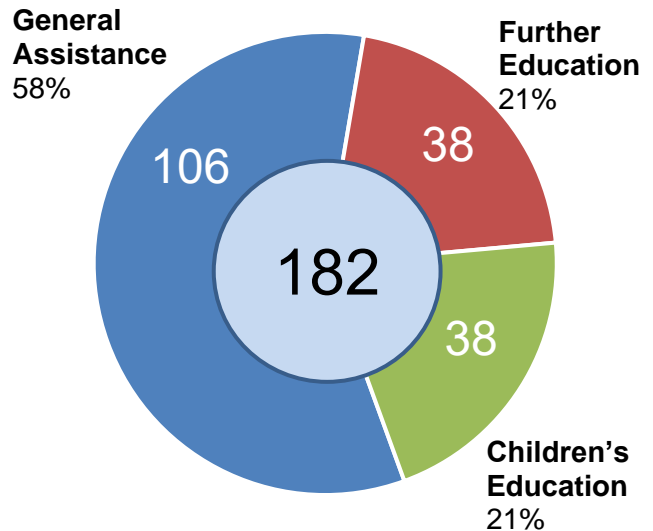
■ Case ■ Education

Total enquiries received:



■ Case ■ Education

Total beneficiaries assisted:



3 members of staff



We have around a 67% rate of assisting applicants.

Total amount awarded in 2020:

£174,922*

* figure includes amounts awarded both for general assistance and education.

Amount awarded per beneficiary (mean average):

General assistance - £1,431

Further Education - £305

Children Education - £307

In 2020, the Professionals Aid Guild helped a number of beneficiaries in a variety of ways:

Mrs A separated from her ex-partner after financial, emotional, and physical abuse. She filed for bankruptcy, then was evicted. She has been working but is struggling to manage financially. She hopes to get a further degree when her daughter starts school to improve her employment prospects. She was awarded a one-off grant towards general living expenses.

Mrs A wrote "Thank you simply isn't enough. You've all brought me to tears with the support you and the Professionals Aid Guild have given to myself and my daughter. Thank you for all that you are and all that you give to help others in need."

Mr B was awarded an educational grant towards his PhD costs in 2010. In 2020 he wrote to update us on his career progress

Mr B wrote "I am currently working as a research scientist. I am writing to express my deep gratitude for your generous support during my PhD studies. When I was writing my PhD thesis, I was going through an incredibly difficult financial crisis. Your timely help was the reason I could continue to focus on my writing, for which I will remain thankful to you, forever."

Ms C had to have several operations. Whilst in hospital she suffered from abuse, which left her feeling depressed and impacted her self-confidence. She has since had more operations, and she is now recovering. She is very anxious about her finances, as she has no support network. She was awarded a one-off grant towards her general living expenses.

Ms C wrote "I am so happy to receive such a generous response to my appeal for help. I was trying to be strong, brave, and positive amidst this unprecedented pandemic that has affected the whole world. The kindness and generosity that you and PAG has shown me has moved me to tears. I can't stop crying! It has fully restored my faith in people. I know that you have understood my suffering and have responded with great magnanimity. I will forever be grateful for your help. Thanks a million. With deep gratitude. A hundred million thanks! I so very thankful that people such as you exist."

Mr & Mrs D have three children. Mrs D was made redundant, then took on various roles until the premature birth of her baby, subsequently finding new employment. Mr D had restricted ability to work until his visa issue was resolved. He later found employment, but was furloughed, then made redundant. During this time, they had accrued substantial debts. PAG assisted with children's education grants and a one-off grant towards general living expenses, as well as advice on further organisations to alleviate their debt concerns.

Mrs D wrote "I'd like to thank the Committee for considering our application, it's been much appreciated. The award will certainly make a huge difference in supporting my children's educational expenses. If you can advise the Committee that as per their advice, I have contacted StepChange and have completed a financial review with them over the phone. They've assisted me in setting up payment plans for my debts. Many thanks."

Mr E 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 degree.

Mr E wrote "First & foremost, many thanks for your generous grant... According to my tutor I received one of the top 5 results for economics in the country, the generosity and assistance of PAG has in no small part played a major role in the eventual awarding of this degree. I hope that eventually on release that I can contribute small donations to PAG in order to be able to pay it forward."

Ms F suffers from Fibromyalgia and Chronic Fatigue Syndrome. She has regular flare-ups which can make work difficult. She wants to study for a MA in the hope of producing income remotely, in case her condition deteriorates further. She moved from living with parents to her own flat nearer her work, but her parents assist her when she has flare ups. The funds helped her with a one-off grant.

Ms F wrote "I cannot thank you and the PAG enough for this monetary gift, I cried with joy when I received your email. This is a truly life changing moment for me and I will never be able to thank you enough. This money will give me the opportunity to better myself which I might never have been able to achieve otherwise. The world is a very dark place at the moment, and you have made mine so much brighter."

Ms G was studying towards a PhD in music, whilst working as a singing teacher and tutor to support her studies. She passed the teaching qualification component of her degree early with high commendation and was nominated for an award. Due to a cancerous lesion on her lip, it became increasingly difficult for her to speak and sing, so she was unable to work or save sufficiently as intended. She had two operations to remove the tumour. She was awarded a grant towards her further education costs.

Ms G wrote "I am writing to say a very heartfelt thank-you for the very generous gift to help with the costs of completing my degree. Particularly at this time where work available to support students is more rare than it has ever been, I cannot tell you what a difference this has made to my ability to prepare thoroughly for this exam, and to say I am immensely grateful is an understatement. Please pass on my thanks to everyone involved in the decision-making process and let them know that their generosity will be acknowledged in the final thesis, and of course, when I am at a point in my career where I am able to contribute, I will most certainly do so."

Mrs H is recovering from health issues after losing her job. She is now volunteering and retraining as a nurse. After both her and her son's PIP was stopped, she was in a desperate financial situation. Although they have now been reinstated, she accrued debt. She was assisted with a one-off grant towards general living expenses.

Mrs H wrote "I know that this is a difficult time for everyone at the moment but when you live it, it becomes so stressful which causes no end in worry and things, but I cannot thank you enough for your help. Thank you again for your help, I really do appreciate it."

WITH GRATEFUL THANKS

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

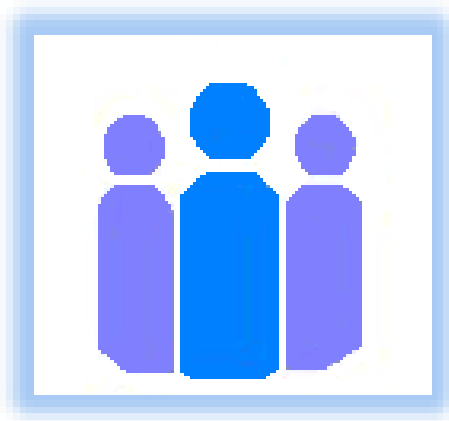
We would like to express our gratitude to them,
and to committee members and staff.

“No one is useless in this world who lightens the burden of another”.

Charles Dickens

“Charity sees the need, not the cause”.

German Proverb



In 2020, PAG spent over £174,000 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 2020

Company no. 00174262

Registered Charity no. 207292

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

FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Board presents the report and financial statements of the Professionals Aid Council (PAC) for the year ended 31 December 2020. 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	Chairman
Mrs R Whitehorn	Deputy Chairman
Dr M G Springham, BSc, FCA	Honorary Treasurer
Mrs L Carmichael	
Mr P Edwards	(Appointed 02/04/20)
Mr C Everett	(Resigned 17/06/20)
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 681 hours per annum to administer the charity; other volunteers devote a combined total of approximately 428 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 2020

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	Chairman
Mr J Aisher	
Mr C H D Everett, CBE	(Resigned 17/06/20)
Mr P Edwards	(Appointed 29/10/20)
Mrs L Keenan	
Mrs A Legge	
Mrs R Whitehorn	(Appointed 17/06/20)

CASE COMMITTEE

Members of the Case Committee met seven 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 either a monthly grant or a one-off gift. 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	Chairman
Mrs R Whitehorn	Deputy Chairman
Mrs V Barrow	
Mrs P Crosthwaite	
Mr P Edwards	(Appointed 19/11/20)
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	Chairman
Mrs B Greenslade	Deputy Chairman
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 2020, the total funds were approximately £5.2 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 2020.

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.

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 2387 (2019: 11428) initial enquiries for financial help for general assistance and for costs towards education. Applicants were previously required to submit an enquiry form prior to a full application. In 2019 we updated our website, and streamlined the application process, by making our application form available for download. As predicted, this has contributed in a significant decrease in enquiries, as demonstrated above. There were 270 (2019: 309) applicants considered by the Committee and 182 (2019: 156) beneficiaries assisted. Due to the pandemic, there were slightly fewer committee meetings held in 2020 than in previous years. In addition, PAC dealt with a substantial number 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)	1123	182	106
Further Education	871	43	38
Children's Education	393	45	38
Total	<u>2387</u>	<u>270</u>	<u>182</u>

The total amount awarded during the year was £174,922 (General assistance £151,660, Education £23,262).

The Case Committee has replaced monthly grants with one-off grants. 106 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 38 families and one-off grants to 38 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, with all staff continuing to work, but from home. No staff were furloughed. Additionally large numbers of applications received meant a closure to new applicants for part of the year. 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 deficit in the year of £260,680 after net realised and unrealised losses on investments in the year of £81,805. A deficit is expected in 2021 unless there are significant investment gains.

During the year PAC received income from various sources totalling £163,909 (2019: £286,749). Expenditure during the year was £342,784 (2019: £402,503), comprising Charitable Activities of £314,952 (2019: £372,741), General Advice and Financial Help £273,068 (2019: £340,318), Education Advice and Financial Help £41,884 (2019: £32,423), and Raising Funds (cost of generating donations and legacies and Investment Manager's fees) £27,832 (2019: £29,762). The charity's net expenditure was £178,875 (2019: £115,754), before taking into account net losses on investments of £81,805 (2019: £702,983 gains).

The assets are available and adequate to fulfil the obligations of the charity, with net current assets of £74,919 (2019: £238,324) and fixed assets (including investments) of £5,157,279 (2019: £5,254,554). 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.

There was a substantial reduction in value of investments attributable to the widespread retrenchment in the stock market in February 2020 due to the pandemic of coronavirus, Covid-19. It has been followed by a general recovery of values.

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 2020

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
25 March 2021

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 2020 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 2020 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 with unusual account combinations, postings by unusual users or 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 25 March 2021

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 2020

	Notes	<u>Unrestricted funds</u>		<u>Restricted funds</u>		Total Funds 2020	Total Funds 2019
		General Funds	Annual Grant Funds	Guild Fund	Other funds		
		£	£	£	£	£	£
INCOME FROM:							
Donations and legacies:	1(b)						
Donations and Gifts		3,850	-	326	-	4,176	3,890
Legacies		10,000	-	133	-	10,133	102,826
Other Trading Activities:							
Investments	1(g)/2	50,155	2,667	96,778	-	149,600	180,033
Total income		<u>64,005</u>	<u>2,667</u>	<u>97,237</u>	<u>-</u>	<u>163,909</u>	<u>286,749</u>
EXPENDITURE ON:							
Raising Funds							
Cost of generating donations and legacies	3	6,428	-	-	-	6,428	6,559
Investment managers' fees		9,116	489	11,799	-	21,404	23,203
Charitable Activities:	4						
General advice and financial help		108,013	4,802	160,253	-	273,068	340,318
Educational advice and financial help		41,884	-	-	-	41,884	32,423
Total expenditure		<u>165,441</u>	<u>5,291</u>	<u>172,052</u>	<u>-</u>	<u>342,784</u>	<u>402,503</u>
Net expenditure before investment gains/(losses)	6	(101,436)	(2,624)	(74,815)	-	(178,875)	(115,754)
Net gains/(losses) on investments							
Realised (losses)/gains		(51,144)	(7,565)	(43,222)	-	(101,931)	33,746
Unrealised gains/(losses) on revaluation	9	118,222	(3,491)	(94,605)	-	20,126	669,237
Net (expenditure)/income before transfers		<u>(34,358)</u>	<u>(13,680)</u>	<u>(212,642)</u>	<u>-</u>	<u>(260,680)</u>	<u>587,229</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>	<u>587,229</u>
Reconciliation of Funds:							
Funds as at 1 January 2020		2,150,411	123,366	3,214,739	4,362	5,492,878	4,905,649
Funds at 31 December 2020	13	<u>2,113,931</u>	<u>111,808</u>	<u>3,002,097</u>	<u>4,362</u>	<u>5,232,198</u>	<u>5,492,878</u>

All amounts relate to continuing operations.

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

The 2019 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 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		7,104		5,618
Investments	9		5,150,175		5,248,936
			<u>5,157,279</u>		<u>5,254,554</u>
CURRENT ASSETS					
Debtors	10	4,418		3,949	
Cash at bank and in hand		80,893		158,110	
Short term deposits		60,819		147,395	
		<u>146,130</u>		<u>309,454</u>	
CREDITORS					
Amounts falling due within one year	11	(71,211)		(71,130)	
NET CURRENT ASSETS					
			<u>74,919</u>		<u>238,324</u>
NET ASSETS					
			<u><u>5,232,198</u></u>		<u><u>5,492,878</u></u>
FUNDS					
Unrestricted funds:					
General Funds	12&13		2,113,931		2,150,411
Annual Grant Funds	12&13		111,808		123,366
Restricted funds					
Guild Funds	12&13		4,362		4,362
	12&13		3,002,097		3,214,739
			<u>5,232,198</u>		<u>5,492,878</u>

The financial statements were approved and authorised for issue by the Executive Committee on 25 March 2021 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 2020

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 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 measurable 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. Grant's 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.

(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 2019), 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 2020

2. INVESTMENT INCOME				2020	2019
				£	£
Bank interest				336	307
Dividends and interest from securities				149,264	179,726
				<u>149,600</u>	<u>180,033</u>
3. COST OF GENERATING DONATIONS AND LEGACIES				2020	2019
				£	£
Staff costs				5,016	4,932
Office expenses				1,412	1,627
				<u>6,428</u>	<u>6,559</u>
4. CHARITABLE ACTIVITIES					
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>
2019	General Fund	Annual Grant Fund	Guild Fund	Educ-ation Fund	Total Funds 2019
	£	£	£	£	£
Grants to Individuals	86,305	3,490	120,100	19,997	229,892
Staff costs*	35,180	1,423	48,957	8,152	93,712
Office expenses	11,995	485	16,692	2,779	31,951
Governance costs	6,452	261	8,978	1,495	17,186
Total Charitable Expenditure	<u>139,932</u>	<u>5,659</u>	<u>194,727</u>	<u>32,423</u>	<u>372,741</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 2020

5. GOVERNANCE COSTS included in charitable activities	2020 £	2019 £
Audit	10,500	9,240
Accountancy fees	6,825	6,912
Legal costs	-	216
Directors' expenses	-	58
Trustee indemnity insurance	586	760
	<u>17,911</u>	<u>17,186</u>

6. NET EXPENDITURE is stated after charging:	2020 £	2019 £
Auditors remuneration	10,500	9,240
Depreciation	5,105	3,477
Bank charges and interest	457	469
	<u>16,062</u>	<u>13,186</u>

7. TOTAL STAFF COSTS

Average staff numbers during 2020 were 3 (2019: 3).

Directors received no remuneration in the year (2019: nil). No expenses were reimbursed to directors in the year (2019: £58). No employees earned over £60,000 in the year (2019: nil). Total employment benefits of Key Management Personnel amounted to £80,402 (2019: £79,251).

Total staff costs were:

	2020 £	2019 £
Salaries	91,959	90,686
Social security costs	5,200	5,965
Pension costs	2,228	1,993
Benefits	926	-
	<u>100,313</u>	<u>98,644</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 2020

8. TANGIBLE FIXED ASSETS	Leasehold improvements £	Office furniture, equipment and software £	Total £
Cost			
At 1 January 2020	19,015	30,609	49,624
Additions	-	6,591	6,591
Disposals	-	(3,744)	(3,744)
	<u>19,015</u>	<u>33,456</u>	<u>52,471</u>
At 31 December 2020	19,015	33,456	52,471
Depreciation			
At 1 January 2020	17,199	26,807	44,006
Charge for the year	182	4,923	5,105
Disposals	-	(3,744)	(3,744)
	<u>17,381</u>	<u>27,986</u>	<u>45,367</u>
At 31 December 2020	17,381	27,986	45,367
Net Book Value			
At 31 December 2020	<u>1,634</u>	<u>5,470</u>	<u>7,104</u>
At 1 January 2020	<u>1,816</u>	<u>3,802</u>	<u>5,618</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 2020

9. FIXED ASSET INVESTMENTS	General Funds £	Annual Grant Funds £	Guild Fund £	Total 2020 £
2020				
Analysis of movements in the year				
Market 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 at 31 December 2020	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>
Market value at 31 December 2020	<u>2,140,182</u>	<u>85,544</u>	<u>2,924,449</u>	<u>5,150,175</u>
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
Market value at 31 December 2020	<u>2,140,182</u>	<u>85,544</u>	<u>2,924,449</u>	<u>5,150,175</u>
2019				2019
Analysis of movements in the year				
Market value at 1 January 2019	1,965,578	99,538	2,746,036	4,811,152
Additions	68,626	3,973	244,152	316,751
Disposals	(271,476)	(437)	(276,291)	(548,204)
Net gains on revaluation at 31 December 2019	267,824	15,976	385,437	669,237
	<u>2,030,552</u>	<u>119,050</u>	<u>3,099,334</u>	<u>5,248,936</u>
Market value at 31 December 2019	<u>2,030,552</u>	<u>119,050</u>	<u>3,099,334</u>	<u>5,248,936</u>
Historic cost at 31 December 2019	<u>1,423,492</u>	<u>76,933</u>	<u>2,155,528</u>	<u>3,655,953</u>
The investments at fair value comprise:				
UK Government stock and other interest bearing investments	69,389	-	442,499	511,888
Quoted equity investments	1,961,163	119,050	2,656,835	4,737,048
Market value at 31 December 2019	<u>2,030,552</u>	<u>119,050</u>	<u>3,099,334</u>	<u>5,248,936</u>

At 31 December 2020, 12% (2019: 10%) was invested in Government and Corporate bonds (none relates to United Kingdom Government stock, all 12% relates to other Corporate and other bonds) and 88% (2019: 90%) in equities (52% relates to United Kingdom equities and 36% to foreign equities). Net realised and unrealised gains in the year were 1.6%, compared with a fall of 12.5% in the FTSE All Share Index.

Dividends and interest from securities totalled £149,264, a yield of 2.9%, 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 2020**

10. DEBTORS	2020	2019
	£	£
Prepayments and accrued income	4,418	3,949
	<u>4,418</u>	<u>3,949</u>

11. CREDITORS:	2020	2019
	£	£
Amounts falling due within one year:		
Tax and social security payable	2,353	2,301
Owed to the Guild of Aid	250	250
Accruals	20,658	21,475
Trade creditors	1,214	812
Allocated and unpaid grants	46,736	46,292
	<u>71,211</u>	<u>71,130</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Annual Grant Funds	Guild Restricted Funds	Other Restrict- ed Funds	Total Funds 2020
	£	£	£	£	£
Fund balances at 31 December 2020 represented by:					
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>
Fund balances at 31 December 2019 represented by:					2019
Tangible fixed assets	5,618	-	-	-	5,618
Fixed asset investments	2,026,190	119,050	3,099,334	4,362	5,248,936
Net current assets	118,603	4,316	115,405	-	238,324
Total net assets	<u>2,150,411</u>	<u>123,366</u>	<u>3,214,739</u>	<u>4,362</u>	<u>5,492,878</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 2020

13. MOVEMENT IN FUNDS

	At 1 January 2020 £	Income £	Expen- diture £	Investment Gains/ (Losses) £	Transfers £	At 31 December 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>
	2019					2019
Restricted funds	5,975	-	-	-	(1,613)	4,362
- Guild	2,794,507	203,241	(207,576)	424,567	-	3,214,739
Unrestricted funds						
- General	1,997,269	80,018	(188,719)	262,415	(572)	2,150,411
- Annual grant funds	107,898	3,490	(6,208)	16,001	2,185	123,366
	<u>4,905,649</u>	<u>286,749</u>	<u>(402,503)</u>	<u>702,983</u>	<u>-</u>	<u>5,492,878</u>

The purposes of the restricted funds are to distribute funds contributed by other charities in accordance with their wishes. The transfer of £1,613 corresponds to release to general funds of restricted funds which have been used for their restricted purposes. The transfer of £2,122 largely 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 (2019: £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 2020

15. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>Unrestricted funds</u>		<u>Restricted funds</u>		<u>Total Funds 2019</u>
	<u>General Funds</u>	<u>Annual Grant Funds</u>	<u>Guild Fund</u>	<u>Other Funds</u>	
	£	£	£	£	£
INCOME FROM:					
Donations and legacies:					
Donations and Gifts	3,571	-	319	-	3,890
Legacies	13,310	-	89,516	-	102,826
Other Trading Activities:					
Investments	63,137	3,490	113,406	-	180,033
Total income	<u>80,018</u>	<u>3,490</u>	<u>203,241</u>	<u>-</u>	<u>286,749</u>
EXPENDITURE ON:					
Raising Funds					
Cost of generating donations and legacies	6,559	-	-	-	6,559
Investment managers' fees	9,805	549	12,849	-	23,203
Charitable Activities:					
General advice and financial help	139,932	5,659	194,727	-	340,318
Educational advice and financial help	32,423	-	-	-	32,423
Total expenditure	<u>188,719</u>	<u>6,208</u>	<u>207,576</u>	<u>-</u>	<u>402,503</u>
Net expenditure before investment gains/(losses)	(108,701)	(2,718)	(4,335)	-	(115,754)
Net gains/(losses) on investments					
Realised gains/(losses)	(5,409)	25	39,130	-	33,746
Unrealised gains on revaluation	267,824	15,976	385,437	-	669,237
Net income before transfers	<u>153,714</u>	<u>13,283</u>	<u>420,232</u>	<u>-</u>	<u>587,229</u>
Transfers of funds	(572)	2,185	-	(1,613)	-
Net movement in funds	<u>153,142</u>	<u>15,468</u>	<u>420,232</u>	<u>(1,613)</u>	<u>587,229</u>
Reconciliation of Funds:					
Funds as at 1 January 2019	1,997,269	107,898	2,794,507	5,975	4,905,649
Funds at 31 December 2019	<u>2,150,411</u>	<u>123,366</u>	<u>3,214,739</u>	<u>4,362</u>	<u>5,492,878</u>

