



**PAG**

Professionals Aid Guild

# Annual Review and Report 2017



## PROFESSIONALS AID GUILD

*Patrons:*

His Eminence the Cardinal Archbishop of Westminster  
Master of the Queen's Music: Judith Weir CBE  
The Free Churches Moderator  
President of the Royal Academy of Arts: Christopher Le Brun  
The Rt Hon the Lord Mayor of London  
President of the Royal College of Physicians  
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](mailto:admin@professionalsaid.org.uk)

Website: [www.professionalsaid.org.uk](http://www.professionalsaid.org.uk)

Registered under the Charities Act 1960 No: 207292  
Company No: 00174262

## MEMBERS OF COUNCIL

Actors' Benevolent Fund – Mr J Ellicot  
Mr J Aisher  
Mrs J Anderson  
Architects' Benevolent Society – Mr K Bingham  
Artists' General Benevolent Institution – Mr S Burton  
Association of Chartered Certified Accountants – Mr H McCash  
Association of Teachers' and Lecturers' Trust Fund – Mr A Brown  
Mrs L Carmichael  
Catholic Education Service – Mr P Barber  
Chartered Accountants Benevolent Association – Ms K Haines  
Chartered Institute of Journalists – Mr D Cooper  
Chartered Society of Physiotherapy Charitable Trust – Mrs S Begum  
Chemists' Community Fund – Ms S-L Tomlin  
College of Podiatry – Mrs D Delves  
Mrs P Crosthwaite  
Mr C H D Everett  
Free Churches Group – Revd P Rochester  
Friends of the Elderly – Mrs R Lomas  
Futures for Women – Ms J Murray  
Mrs B Greenslade  
Headmasters' and Headmistresses' Conference – Dr W Richardson  
Help Musicians – Mr R Robinson  
ICE Benevolent Fund – Mrs K L Barnett  
IET Connect – Miss C Hobden  
Incorporated Society of Musicians Members' Fund – Mrs C Aldred  
Institute and Faculty of Actuaries – Mr D Cribb  
Institute of Mechanical Engineers – Ms A Broadhead  
Institution of Structural Engineers Benevolent Fund – Mr M Powell  
Mrs L Keenan  
Mrs A Legge  
Mrs A Lewis  
Lionheart – Ms D Goodchild  
Mary Feilding Guild – Ms M McGloin  
Medical Women's Federation – Dr C Gerada  
Officers' Association – Mr N Hare  
Royal Aeronautical Society – Mr S C Luxmoore  
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 – Mrs R Whitehorn  
Society of Authors – Ms S Baxter  
Society of Schoolmasters and Schoolmistresses – Ms Judith Smith  
Solicitors' Benevolent Association – Mr T Martin

Dr M G Springham  
Teaching Staff Trust – Ms Judith Smith  
The Chartered Secretaries' Charitable Trust – Mr R C Grigg  
The Edridge Fund of Napo – Ms C Dunkley  
The Guild of Aid  
The Law Society – Ms D Topolski  
The Members' Benevolent Trust – Dr B Rickinson  
Vetlife – Mr G Little



## **PAC AND THE GUILD OF AID – TRANSFER OF FUNDS**

In 2015, the boards of the Professionals Aid Council (PAC) and its associated charity, The Guild of Aid, began to consider merging the two funds for the practical advantages that would accrue to the administration and ultimately for the benefit of applicants. Following legal advice, the model was to transfer the major part of the Guild's assets from the Guild to PAC, leaving a small balance in the Guild, therefore ensuring the continued existence of the Guild as a legal entity to facilitate collection of any future donations to the Guild.

The process was completed on October 31, 2016, when the Deed of Transfer of Charitable Undertaking between the Professionals Aid Council and The Guild of Aid was signed by the chairmen of both charities.

The boards agreed to change the name of the Professionals Aid Council (PAC) to the Professionals Aid Guild (PAG). However, the Professionals Aid Council retains its original company name on the register at Companies House. Hence, the Report and Financial Statements will continue to use the name PAC.

## **ANNUAL GENERAL MEETING 2017**

The Chairman, Mr Johnny Aisher, opened the meeting by welcoming members of Council, guests and friends to the first meeting of the Professionals Aid Guild following the merger with the Guild of Aid. He also noted that this was his first meeting as Chairman and he thanked the outgoing chairman, Mr Everett, for his dedication to the charity. He also thanked the CEO, Ms McNicholl, who was retiring after seven years with the charities, for all her hard work and noted the many accomplishments that had been achieved in that time.

Mr Aisher expressed his thanks to all of those who were involved in the activities of PAG, specifically the trustees and those who served on the committees, staff and supporters. He also highlighted the importance of the members of council and the relationships between PAG and the organisations and their representatives. He hoped that these relationships would be nurtured in years to come, with the ideology that these links would strengthen the individual organisations and the charitable field itself. He then introduced the speaker as the outgoing Chairman, Mr Everett.

## THE BEGINNING

At its founding in 1914, the aim of the Professionals Aid Guild was to help members of various professions and their dependents, for whom such help was not otherwise available. Then, as now, there were many occupational funds offering advice and financial aid to their members. PAG differs in that it has a more “open” policy and is able to assist individuals and families from any professional background who hold a degree or equivalent qualification, rather than being restricted to a particular profession.

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. Where appropriate, PAG advises applicants to contact their own professional body. However, there are still many applicants who are regarded as professionals, but who do not qualify for help from a specific professional fund. For these individuals, PAG can frequently offer advice and support – and may be the only organisation which can help at a time of financial hardship.

## CURRENT WORK

PAG and its specialist committees consider each case in detail. Grants and gifts are tailored to individual needs. PAG is able to help in a number of ways, for example:

- a monthly grant to assist with living expenses
- a contribution towards essential household furniture
- help with the cost of school uniforms, stationery or travel costs
- grants for university students towards fees, books or dissertation costs
- assistance towards the cost of essential repairs to the home
- 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 person involved. PAG collaborates with a number of organisations and professional bodies to achieve a more satisfactory result. On occasions, applicants may be referred to other agencies for more specialist advice.

## PAG ANNUAL REVIEW 2017

In 2017, the number of enquiries for assistance increased by about 20% on the previous year. Some of the factors contributing towards this include:

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

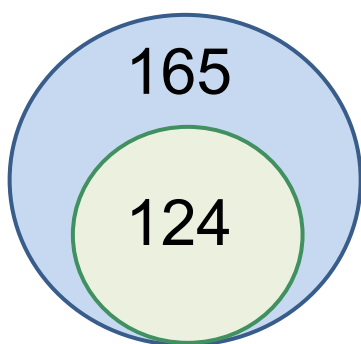
One of PAG’s major strengths is its ability to network with a number of similar funds to achieve a better result for the beneficiary. Funds which no longer give weekly grants frequently refer eligible applicants to PAG. In other situations, like care home fees, PAG works in partnership with other charities to contribute towards these costs.

Help given by PAG may include financial support for children at school, or enable university students to complete their studies. It may involve either short-term assistance for someone temporarily unemployed, or continuing support for those with long term illness. Many of the beneficiaries are in regular contact with the charity and on pages 7- 9 we give a brief account of how the support from PAG has affected some of those individuals.

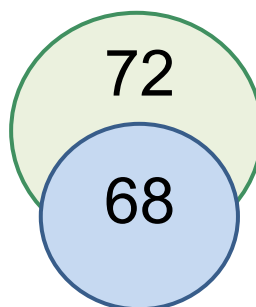
# THE PROFESSIONALS AID GUILD 2017

In 2017 PAG provided assistance, advice, financial support and information to a range of professionals in need.

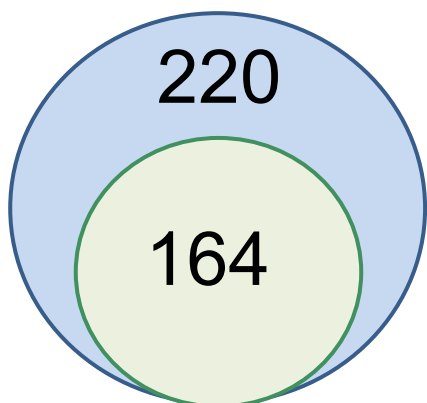
○ PAC    ○ THE GUILD OF AID FUND



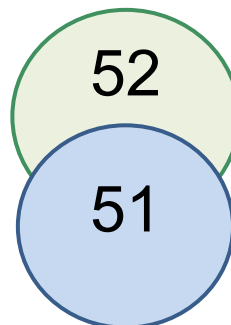
**Total beneficiaries assisted in 2017**



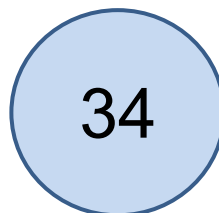
**Beneficiaries awarded weekly/monthly grants**



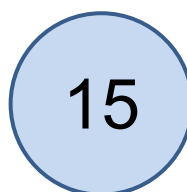
**Total applicants considered by Committee**



**New beneficiaries awarded gifts and grants**



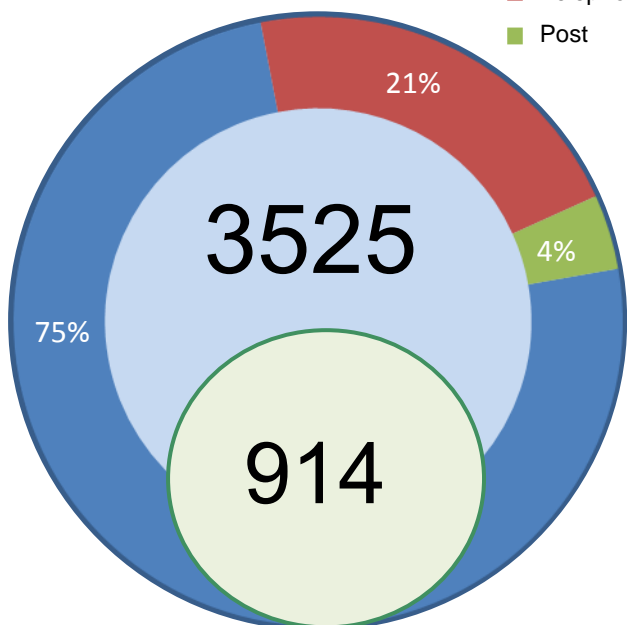
**Students granted assistance towards further education**



**Families granted assistance towards children's education**

**Total enquiries received**

- Website/ email
- Telephone
- Post



Total amount awarded in 2017:

**£211,276\***

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



**In 2017, the Professionals Aid Guild helped a number of beneficiaries including:**

Mrs A, 58, came to the UK after leaving her home country due to the political situation. She is a widow with two sons; however one committed suicide when young. Mrs A's other son is her carer. She suffers from severe clinical depression, chronic fatigue syndrome and fibromyalgia. She has suffered a number of mental health breakdowns and been referred a number of times to the community health team for psychiatric treatment. Mrs A receives a monthly grant from PAG to assist with general living expenses.

In August Mrs A wrote "I would like to thank the Guild of Aid for all their past financial support which has helped to give me a 'Ray of Hope' in my troubled and despairing life. Unfortunately, there has been no change in my circumstances and my current situation is exacerbated by increasing financial pressure. I have become more incapacitated for work due to my diminished mental and physical state. May God continue to bless the Guild of Aid charity."

Ms B, 59, has had a difficult few years due to ill health and the death of several close friends and family. During this time, Ms B has also suffered with her own ill health. She has struggled financially during this time as ill health has prevented her from working. Ms B was awarded a monthly grant from PAG to assist with living expenses.

Ms B wrote "I am writing to say how extremely grateful I am for the very generous grants which were awarded to me by the Professionals Aid Council and The Guild of Aid. Although I'm a writer, I am struggling to describe what a tremendous difference the generosity that the committee has shown will make to my life. For the first time, for as long as I can recently remember, I feel that the dark clouds have lifted and this has led to a huge reduction in my stress levels, which is already having a beneficial effect on my mental and physical health. Although I used some of the money to pay for essential items, it is my intention to put the rest of the money aside and award myself a monthly allowance, so that I don't need to worry about having enough money to cover the necessary living expenses for the next few months. Hopefully, this will provide me with the opportunity to really build up my self-employment income and focus on my work and health, without needing to try and deal with such a stressful hand to mouth existence at the same time. Many thanks once again."

Mr C, 51, states that due to chronic ill-health, he and his wife have been forced to leave their normal employment. They have no savings and have a significant debt resulting from a previous failed business. They believe themselves to be significantly below the poverty threshold and often have to choose between food and heating. Mr C was awarded a monthly grant from PAG.

Mr C wrote “Thank you so much for the offer of a grant. You may be interested to learn that – in my case at least, your methods of calculating the value of any awards made appear to be accurate. The amount of the grant is almost exactly equal to the amount I had calculated was sort of making it through this year. Please pass on my heartfelt thanks to all those involved in this decision. This has given me a genuine window of opportunity to turn around my fortune. I now intend to use my time constructively, in the hope that I can get myself back to a position whereby I am once again able to stand on my own two feet financially.”

Mrs D, aged 100, had been a beneficiary of the funds for over ten years until she passed away recently. Mrs D was awarded a weekly grant from PAG towards her care home fees.

Her daughter, Ms D wrote “I am writing to thank PAC & the Guild of Aid for the kind help and generosity they extended to my mother, who was a beneficiary for some years until her death. Their contribution towards her care home fees made a significant difference to her quality of life and peace of mind and she was able to remain in an environment where she felt happy and safe. I am so grateful to you for this - with many thanks again.”

Ms E, 54, is a full-time postgraduate student. Ms E’s mother died last year following long-term illness, and her funeral arrangements depleted Ms E’s resources which meant she accrued debts. Ms E states that she cannot work because her course is too time consuming. PAG granted her £500 towards books and living expenses for final year of MSc Management in Health and Social Care.

Ms E wrote “I am very grateful to the trustees for the financial assistance award given to me. I am yet to come to terms with the arrival of the cheque and completely overwhelmed. Thank you so much for this opportunity. I hope that I can assist other students by contributing to their future aspirations. Please let me know if there is anything that I can do to further show my appreciation now, or in the future. My sincere gratitude goes to everyone who made this possible. I will cherish this award and look forward to graduating soon.”

Mrs F, 50, was employed until she became ill with kidney failure. She has “essentially been living in poverty trying to make ends meet”. Mrs F says that due to her own ill health, her daughter G is a boarder at a private school on a scholarship. The PAG Education Committee has been helping Mrs F with £100 per term for her daughter G.

Mrs F wrote “I wish to acknowledge receipt of G's spring term instalment of £100. I wish to take this opportunity to thank the committee for the continued support you've rendered towards G's education over the past two years. She will be finishing her A-levels this summer and got a conditional offer at University to read Journalism and English literature as she wants to pursue a career in journalism. I am giving her all the push and support to excel at her grades so that she gets in her first university choice. Your support has greatly contributed to her achievements so far and to that I will ever be grateful.”

Mr H, 40, is in prison serving a life sentence for committing a crime that he deeply regrets and for which he feels remorse. He completed an Open University BSc degree in Mathematics and Astronomy, and subsequently modules of an MSc in Mathematics. Mr H wishes to pursue a career in either operational research or archiving and hopes to undergo training when he is eligible for parole. He received a grant of £300 towards tuition fees for one module of his Open University MSc in Mathematics.

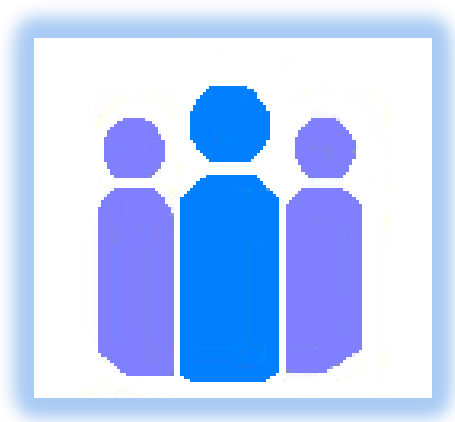
Mr H wrote in October “I am writing to express my gratitude for the grant you gave for my studies. If I had studied English instead of maths I may be better equipped to say how this feels. I have begun the course and it is fascinating. The role that your organisation is playing in helping to transform my future is phenomenal and I will remember you in the future.”

## WITH GRATEFUL THANKS

Throughout the year, a number of individuals and organisations have supported the work of the Professionals Aid Guild. We would like to express our gratitude to them and to committee members and staff.

"You cannot hope to build a better world without improving individuals. We all must work for our own improvement and at the same time share a general responsibility for all humanity."

**Marie Curie**



In 2017, PAG spent over £211,000 in supporting beneficiaries. You can help PAG to continue this work through a donation, legacy or Gift Aid - see website [www.professionalsaid.org.uk](http://www.professionalsaid.org.uk) for full details or contact the charity at [admin@professionalsaid.org.uk](mailto: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 2017**

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 2017**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**REGISTERED OFFICE**

10 St Christopher's Place  
London  
W1U 1HZ

Company no. 00174262  
Registered Charity no. 207292

**BANKERS**

Coutts & Co.  
440 Strand  
London  
WC2R 0QS

Cater Allen Private Bank  
9 Nelson Street  
Bradford  
BD1 5AN

Santander Commercial Bank  
Bootle  
Merseyside  
G1R 0AA

**INVESTMENT ADVISORS**

Rathbone Investment Management Ltd  
8 Finsbury Circus  
London  
EC2M 7AZ

**AUDITORS**

haysmacintyre  
10 Queen Street Place  
London  
EC4R 1AG

**SOLICITORS**

RadcliffesLeBrasseur  
85 Fleet Street  
London  
EC4Y 1AE

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

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The Board presents the report and financial statements of the Professionals Aid Council (PAC) for the year ended 31 December 2017. The Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) - Charities SORP FRS102 (effective 1 January 2015). The Report and Statements also comply with the Companies Act 2006 as the Professionals Aid Council is a Company limited by guarantee and has no share capital (No. 00174262). It is a Registered Charity (No. 207292). PAC is governed by its Articles of Association.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

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

**EXECUTIVE COMMITTEE AND DIRECTORS**

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

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

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

Mr Johnny Aisher	Chairman
Mrs A Lewis	Deputy Chairman
Dr M G Springham, BSc, FCA	Honorary Treasurer
Mrs J Anderson	
Mrs L Carmichael	
Mr C H D Everett, CBE	
Mrs L Keenan	

Staff in attendance:

Ms F McNicholl	Chief Executive Officer (resigned 14/07/2017)
Miss D Trevers	Head of Operations (appointed 01/07/2017)

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 yearly 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 605 hours per annum to administer the charity; other volunteers devote a combined total of approximately 418 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 2017**

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**INVESTMENT COMMITTEE**

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

Those Committee members serving for the year were:

Dr M G Springham, BSc, FCA	Chairman
Mr J Aisher	
Mrs J Anderson	
Mr C H D Everett, CBE	
Mrs L Keenan	
Mrs A Legge	
Mrs A Lewis	

**CASE COMMITTEE**

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

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

Case Committee members serving for the year were:

Mrs L Carmichael	Chairman
Mrs R Whitehorn	Deputy Chairman (resigned as Deputy Chairman 21/09/2017)
Mrs A Lewis	Deputy Chairman (appointed as Deputy Chairman 21/09/2017)
Mrs P Crosthwaite	
Mrs A Legge	
Mrs V Barrow	

**EDUCATION COMMITTEE**

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

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

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

Those given regular help are subject to an annual review.



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

**DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**EDUCATION COMMITTEE**

Education Committee members serving for the year were:

Mrs J Anderson	Chairman
Mrs B Greenslade	Deputy Chairman
Mrs C Bogle	(resigned 09/11/2017)
Mr J A Davison	
Mrs A Legge	
Mrs A Lewis	

**SELECTION OF DIRECTORS AND INDUCTION TRAINING**

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

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

**RISK MANAGEMENT**

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

**RESERVES POLICY AND PERFORMANCE**

The Executive Committee regularly reviews the charity's reserves policy. The level of reserves held is influenced by the annual budget, grant commitments, economic factors and investment returns. The policy is to maintain sufficient reserves to cover anticipated net expenditure for a 15 year period and this equates to approximately £4.5 million. At 31 December 2017, 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 four times a year with its stockbrokers and the performance and policy are reviewed annually.

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

**DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**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 2017.

**PUBLIC BENEFIT**

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

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

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

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

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

**STRATEGIES**

**General Advice and Financial Help**

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

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

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

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

**DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Educational Advice and Financial Help**

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

The Education Committee also supports students by providing information and advice. This may include referring applicants to appropriate sources of help, including other funds. The Education Committee normally assists students towards the completion of their course by offering grants to those 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 (except in special circumstances) given the fact that beneficiaries are located throughout the United Kingdom.

**ACHIEVEMENTS**

During the year PAC received 3525 (2016: 2940) initial enquiries for financial help for general assistance and for costs towards education. There were 94 new beneficiaries, the charity continued to assist 71 existing beneficiaries, total beneficiaries 165 (2016: 163). In addition, PAC dealt with a substantial number of re-applications, requests for further help from beneficiaries, and enquiries that resulted in referrals to other funds or organisations.

	<b>Enquiries</b>	<b>New Applicants</b>	<b>New Beneficiaries</b>
General Fund (including Annual Grant Funds and Restricted Funds and Guild of Aid Funds)	1977	78	51
Further Education	1288	40	34
Children's Education	260	11	9
Total	<u>3525</u>	<u>129</u>	<u>94</u>

The total amount awarded during the year was £211,276 (General assistance £191,276, Education £20,000).

During the year, help was awarded as follows:

The Case Committee gave weekly/monthly grants to 68 beneficiaries. Other beneficiaries received help towards TV licences, household insurance, road tax and car insurance, and one-off grants, which included help towards the purchase of clothing, beds, cookers, household items, travel and central heating.

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

The Education Committee awarded grants and gifts towards children's education to 15 families and one-off grants to 34 Higher/Further Education students.

**FUTURE DEVELOPMENTS**

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

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

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

**DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**RELATED CHARITY AND MERGER**

PAC is associated with The Guild of Aid (the Guild), with which it shared office accommodation and expenses, including staff costs. Further details are given in Note 14 to the accounts. The Guild is a Friendly Society and Exempt Charity (No. FS 31/BEN) and its principal aims are similar to those of PAC. The Guild's registered address is 10 St Christopher's Place, London W1U 1HZ.

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

**FINANCIAL REVIEW**

The charity had net income in the year of £251,085 after net realised and unrealised gains on investments in the year of £284,550. A deficit is expected in 2018 unless there are further significant investment gains.

During the year PAC received income from various sources totalling £346,410 (2016: £117,823). Expenditure during the year was £379,875 (2016: £222,529), comprising Charitable Activities of £349,917 (2016: £206,509), (General Advice and Financial Help £316,793 (2016: £175,274), Education Advice and Financial Help £33,124 (2016: £31,235), and Raising Funds (cost of generating donations and legacies and Investment Manager's fees) £29,958 (2016: £16,020). The charity's net expenditure was £33,465 (2016: £104,706), before taking into account net gains on investments of £284,550 (2016: £316,099).

The assets are available and adequate to fulfil the obligations of the charity, with net current assets of £184,237 (2016: £33,818) and fixed assets (including investments) of £5,357,615 (2016: £5,256,949). 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. 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.

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

**DIRECTORS' REPORT (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

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

**AUDITORS**

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

By order of the Executive Committee

D Trevers  
Company Secretary  
15 March 2018

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
PROFESSIONALS AID COUNCIL  
(A Company Limited by Guarantee not having a Share Capital)**

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**Opinion**

We have audited the financial statements of Professionals Aid Council for the year ended 31 December 2017 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).

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.

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 2017 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Responsibilities of Directors for the financial statements**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
PROFESSIONALS AID COUNCIL  
(A Company Limited by Guarantee not having a Share Capital)**

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**Conclusions relating to going concern**

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

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

**Other information**

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

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

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to the small companies' exemption from the requirement to prepare a strategic report.

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

10 Queen Street Place  
London  
EC4R 1AG

15 March 2018



**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 2017**

	Notes	Unrestricted funds		Restricted funds		Total Funds 2017	Total Funds 2016
		General Funds	Annual Grant Funds	Guild Fund	Other Funds		
		£	£	£	£	£	£
<b>INCOME FROM:</b>							
Donations and legacies:	1(b)						
Donations and Gifts		2,830	-	305	-	3,135	5,062
Legacies		55,604	-	79,703	-	135,307	2,000
Other Trading Activities:							
Rent receivable		-	-	-	-	-	15,000
Investments	1(g)/2	76,135	3,605	128,228	-	207,968	95,761
<b>Total income</b>		<u>134,569</u>	<u>3,605</u>	<u>208,236</u>	<u>-</u>	<u>346,410</u>	<u>117,823</u>
<b>EXPENDITURE ON:</b>							
Raising Funds							
Cost of generating donations and legacies	3	6,310	-	-	-	6,310	3,844
Investment managers' fees		10,102	529	13,017	-	23,648	12,176
Charitable Activities:	4						
General advice and financial help		129,404	5,971	181,418	-	316,793	175,274
Educational advice and financial help		33,124	-	-	-	33,124	31,235
<b>Total expenditure</b>		<u>178,940</u>	<u>6,500</u>	<u>194,435</u>	<u>-</u>	<u>379,875</u>	<u>222,529</u>
<b>Net expenditure before investment gains/(losses)</b>	6	(44,371)	(2,895)	13,801	-	(33,465)	(104,706)
Net gains/(losses) on investments							
Realised gains/(losses)		(9,838)	-	19,323	-	9,485	(4,946)
Unrealised gains on revaluation	9	179,809	5,547	89,709	-	275,065	321,045
<b>Net income before transfers</b>		<u>125,600</u>	<u>2,652</u>	<u>122,833</u>	<u>-</u>	<u>251,085</u>	<u>211,393</u>
Transfers of funds		(2,372)	2,372	-	-	-	2,945,487
<b>Net movement in funds</b>		<u>123,228</u>	<u>5,024</u>	<u>122,833</u>	<u>-</u>	<u>251,085</u>	<u>3,156,880</u>
<b>Reconciliation of Funds:</b>							
Funds as at 1 January 2017		2,169,086	113,054	3,002,652	5,975	5,290,767	2,133,887
Funds at 31 December 2017	13	<u>2,292,314</u>	<u>118,078</u>	<u>3,125,485</u>	<u>5,975</u>	<u>5,541,852</u>	<u>5,290,767</u>

All amounts relate to continuing operations.

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

The 2016 comparative funds were all unrestricted except for £5,975 of restricted funds brought forward and £3,008,358 carried forward to 2017. The increase of restricted funds in 2016 was due to the addition of the Guild Fund (See Note 14).



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

**BALANCE SHEET**

**AS AT 31 DECEMBER 2017**

	Notes	2017		2016	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	8		10,577		4,917
Investments	9		5,347,038		5,252,032
			<u>5,357,615</u>		<u>5,256,949</u>
<b>CURRENT ASSETS</b>					
Debtors	10	38,848		10,252	
Cash at bank and in hand		95,851		53,231	
Short term deposits		117,309		49,472	
		<u>252,008</u>		<u>112,955</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	(67,771)		(79,137)	
			<u>184,237</u>		<u>33,818</u>
<b>NET CURRENT ASSETS</b>					
			<u>5,541,852</u>		<u>5,290,767</u>
<b>NET ASSETS</b>					
<b>FUNDS</b>					
<b>Unrestricted funds:</b>					
General Funds	12&13		2,292,314		2,169,086
Annual Grant Funds	12&13		118,078		113,054
<b>Restricted funds</b>					
Guild Funds	12&13		5,975		5,975
			3,125,485		3,002,652
			<u>5,541,852</u>		<u>5,290,767</u>

The financial statements were approved and authorised for issue by the Executive Committee on 15 March 2018 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 2017

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1. ACCOUNTING POLICIES

(a) Basis of Accounting

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

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

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

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

(b) Income

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

- Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.
- Legacies are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably 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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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

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

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

The charity makes certain grants to beneficiaries on the understanding that they are repaid without interest out of the estate on death or if the beneficiary comes into money or moves house. These grants are written off when paid and any repayment received is deducted from grants made in the year of receipt. Grants are accounted for when approved and notified to the beneficiary.

**(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.

**ACCOUNTING POLICIES (Continued)**

**(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.

**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 2017**

**(o) Cash Flow Statement**

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

<b>2. INVESTMENT INCOME</b>					<b>2017</b>	<b>2016</b>
					<b>£</b>	<b>£</b>
Bank interest					51	56
Dividends and interest from securities					207,917	95,705
					<u>207,968</u>	<u>95,761</u>
					<u><u>207,968</u></u>	<u><u>95,761</u></u>
<b>3. COST OF GENERATING DONATIONS AND LEGACIES</b>					<b>2017</b>	<b>2016</b>
					<b>£</b>	<b>£</b>
Staff costs					4,851	3,001
Office expenses					1,459	843
					<u>6,310</u>	<u>3,844</u>
					<u><u>6,310</u></u>	<u><u>3,844</u></u>
<b>4. CHARITABLE ACTIVITIES</b>						
	<b>General Fund</b>	<b>Annual Grant fund</b>	<b>Guild Fund</b>	<b>Education Fund</b>	<b>Total Funds 2017</b>	<b>Total Funds 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grants to Individuals	78,133	3,605	109,538	20,000	211,276	107,297
Staff costs*	34,082	1,573	47,781	8,724	92,160	57,014
Office expenses	10,642	491	14,921	2,724	28,778	16,848
Governance costs	6,547	302	9,178	1,676	17,703	25,350
	<u>129,404</u>	<u>5,971</u>	<u>181,418</u>	<u>33,124</u>	<u>349,917</u>	<u>206,509</u>
<b>Total charitable Expenditure</b>	<u><u>129,404</u></u>	<u><u>5,971</u></u>	<u><u>181,418</u></u>	<u><u>33,124</u></u>	<u><u>349,917</u></u>	<u><u>206,509</u></u>
*Staff costs include time spent on the extensive enquiry and research work needed to support individual applicants and beneficiaries.						
<b>5. GOVERNANCE COSTS included in charitable activities</b>					<b>2017</b>	<b>2016</b>
					<b>£</b>	<b>£</b>
Audit					8,160	6,073
Accountancy fees					6,375	4,087
Legal costs					1,152	14,021
Directors' expenses					649	274
Trustee indemnity insurance					1,367	895
					<u>17,703</u>	<u>25,350</u>
					<u><u>17,703</u></u>	<u><u>25,350</u></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 2017**

<b>6. NET EXPENDITURE is stated after charging:</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Auditors remuneration	8,160	6,073
Depreciation	5,334	3,382
Bank interest and similar charges	(1,057)	536
	<u>          </u>	<u>          </u>

**7. TOTAL STAFF COSTS**

Average staff numbers during 2017 were 3 (2016: 3). These employees were shared between PAC and its associated charity, the Guild of Aid during the first 10 months of 2016. These costs were shared in the ratio 50:50 until the merger on 31 October 2016 and thereafter borne entirely by PAC. The figures below represent PAC's portion of the costs.

Directors received no remuneration in the year (2016: nil) Four directors were reimbursed expenses of £649 (2016: £274). No employees earned over £60,000 in the year (2016: nil). Total employment benefits of Key Management Personnel amounted to £93,312 (2016: £58,642).

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Salaries	89,684	55,293
Social security costs	4,507	4,038
Pension costs	472	81
	<u>          </u>	<u>          </u>
	<u>94,663</u>	<u>59,412</u>

**8. TANGIBLE FIXED ASSETS**

	<b>Leasehold improvements</b>	<b>Office furniture, equipment and software</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2017	19,015	29,182	48,197
Additions	-	10,994	10,994
Disposals	-	(10,013)	(10,013)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2017	19,015	30,163	49,178
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>			
At 1 January 2017	16,525	26,755	43,280
Charge for the year	249	5,085	5,334
Disposals	-	(10,013)	(10,013)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2017	16,774	21,827	38,601
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net Book Value</b>			
At 31 December 2017	2,241	8,336	10,577
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2016	2,490	2,427	4,917
	<u>          </u>	<u>          </u>	<u>          </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 retained 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 2017**

<b>9. FIXED ASSET INVESTMENTS</b>	<b>General Funds</b>	<b>Annual Grant Funds</b>	<b>The Guild Funds</b>	<b>Total 2017</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Analysis of movements in the year</b>					
Market value at 1 January 2017	2,185,859	110,873	2,955,300	5,252,032	2,127,640
Transfer from the Guild			-	-	2,937,498
Additions	302,737	-	357,617	660,354	359,344
Disposals	(422,929)	-	(417,484)	(840,413)	(493,495)
Net gains on revaluation at 31 December 2017	179,809	5,547	89,709	275,065	321,045
Market value at 31 December 2017	<u>2,245,476</u>	<u>116,420</u>	<u>2,985,142</u>	<u>5,347,038</u>	<u>5,252,032</u>
Historic cost at 31 December 2017	<u>1,679,492</u>	<u>81,658</u>	<u>2,143,052</u>	<u>3,904,202</u>	<u>3,812,886</u>
The investments at fair value comprise:					
UK Government stock and other interest bearing investments	242,160	7,513	519,684	769,357	937,156
Quoted equity investments	2,003,316	108,907	2,465,458	4,577,681	4,314,876
Market value at 31 December 2017	<u>2,245,476</u>	<u>116,420</u>	<u>2,985,142</u>	<u>5,347,038</u>	<u>5,252,032</u>

At 31 December 2017, 14% was invested in Government and Corporate bonds (1% relates to United Kingdom Government stock and 13% to other Corporate and other bonds) and 86% in equities (52% relates to United Kingdom equities and 34% to foreign equities). Net realised and unrealised gains in the year were 5.4%, compared with a rise of 8.7% in the FTSE All Share Index.

Dividends and interest from securities totalled £207,917, a yield of 3.9%, which is satisfactory.

<b>10. DEBTORS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	38,848	10,252
Repayable grants, net of amortisation	-	-
	<u>38,848</u>	<u>10,252</u>
Repayable grants are fully amortised	<u><u>38,848</u></u>	<u><u>10,252</u></u>

<b>11. CREDITORS:</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Tax and social security payable	2,322	3,919
Owed to the Guild of Aid	250	250
Accruals	17,767	19,746
Trade creditors	2,024	427
Allocated and unpaid grants	45,408	54,795
	<u>67,771</u>	<u>79,137</u>
Unclaimed allocated and unpaid grants are cancelled.	<u><u>67,771</u></u>	<u><u>79,137</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>General Funds</b>	<b>Annual Grant Funds</b>	<b>Guild/ Restricted Funds*</b>	<b>Total Funds 2017</b>
	£	£	£	£
Fund balances at 31 December 2017 represented by:				
Tangible fixed assets	10,577	-	-	10,577
Fixed asset investments	2,239,501	116,420	2,991,117	5,347,038
Net current assets	42,236	1,658	140,343	184,237
<b>Total net assets</b>	<u>2,292,314</u>	<u>118,078</u>	<u>3,131,460</u>	<u>5,541,852</u>
Fund balances at 31 December 2016 represented by:				<b>2016</b>
Tangible fixed assets	4,917	-	-	4,917
Fixed asset investments	2,179,884	110,873	2,961,275	5,252,032
Net current assets	(15,715)	2,181	47,352	33,818
<b>Total net assets</b>	<u>2,169,086</u>	<u>113,054</u>	<u>3,008,627</u>	<u>5,290,767</u>

\*Non-Guild restricted were £5,975 in all years.

**13. MOVEMENT IN FUNDS**

	<b>At 1 January 2017</b>	<b>Income</b>	<b>Expen- diture</b>	<b>Investment Gains</b>	<b>Transfers</b>	<b>At 31 December 2017</b>
	£	£	£	£	£	£
Restricted funds	5,975	-	-	-	-	5,975
- Guild	3,002,652	208,236	(194,435)	109,032	-	3,125,485
Unrestricted funds						
- General	2,169,086	134,569	(178,940)	169,971	(2,372)	2,292,314
- Annual grant funds	113,054	3,605	(6,500)	5,547	2,372	118,078
<b>Total funds</b>	<u>5,290,767</u>	<u>346,410</u>	<u>(379,875)</u>	<u>284,550</u>	<u>-</u>	<u>5,541,852</u>
	<b>2016</b>					<b>2016</b>
Restricted funds	5,975	-	-	-	-	5,975
- Guild (see Note 14)	-	20,370	(21,165)	57,960	2,945,487	3,002,652
Unrestricted funds						
- General	2,030,099	94,259	(194,740)	239,938	(470)	2,169,086
- Annual grant funds	97,813	3,194	(6,624)	18,201	470	113,054
<b>Total funds</b>	<u>2,133,887</u>	<u>117,823</u>	<u>(222,529)</u>	<u>316,099</u>	<u>2,945,487</u>	<u>5,290,767</u>

The purposes of the restricted funds are to distribute funds contributed by other charities in accordance with their wishes. The transfer of £2,372 partly covers the excess of expenditure (other than investment management fees) over income for the Annual Grant Funds.



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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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**14. RELATED CHARITY**

The charitable company is associated with the Guild of Aid (the Guild), with which it shared office accommodation and expenses, including staff costs in 2016. The Guild's share of these items in 2016 was £53,165 up to 31 October 2016. Rental income of £15,000 was received from the Guild for the use of office premises in 2016.

At 31 October 2016 the Guild merged into PAC and it thereafter ceased operations and transferred all its assets, liabilities and reserves to PAC except for £250, which was later paid to PAC as a loan to be held on trust for the Guild and is recognised in these accounts as owing to the Guild. The activities formerly carried out by the Guild have been carried out by PAC since the beginning of November 2016 and so have been included in PAC's financial records for the final two months of 2016 and for the whole of 2017.

**Income of the Guild in the 10 months to 31 October 2016:**

<b>INCOME AND ENDOWMENTS FROM:</b>	<b>£</b>
Donations & Legacies	335
Investments	<u>104,450</u>
<b>Total Income &amp; Endowments</b>	<b><u>104,785</u></b>
<b>EXPENDITURE ON:</b>	
Raising Funds:	
Cost of Generating Donations & Legacies	3,262
Investment managers' costs	10,218
Charitable Activities – General Advice & Financial Help	<u>174,038</u>
<b>Total Expenditure</b>	<b><u>187,518</u></b>
<b>Net Expenditure before Investment Gains</b>	<b>(82,733)</b>
Gains on Investments	<u>210,180</u>
<b>Net Movements in Funds</b>	<b>127,447</b>
<b>Reconciliation of Funds</b>	
Fund Balances at 1 January 2016	2,818,290
Transfer from the Guild	<u>(2,945,487)</u>
Fund Balances at 31 December 2016	<u>250</u>

Assets transferred from the Guild net of liabilities and reserves on 31 October 2016 were as follows:

**Transferred from the Guild:**

	<b>£</b>
Investments	2,937,498
Prepayments and Accrued Income	3,637
Cash in Bank	54,894
Less: Commitments to Beneficiaries	(44,673)
Accruals	(5,869)
Reserves	<u>(2,945,487)</u>
	<u>-</u>

At the year-end £250 was owed by PAC to the Guild (2016: £250).

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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<b>15. FINANCIAL INSTRUMENTS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Financial assets measured by fair value	5,347,038	5,252,032
Financial liabilities measured by amortised cost	47,432	55,222
Financial assets measured at fair value include investments		
Financial liabilities include trade and other creditors including unpaid grants		