

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

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED OFFICE

7-14 Great Dover Street
London
SE1 4YR

Company no. 00174262
Registered Charity no. 207292

BANKERS

Santander Commercial Bank
250 Stanley Road
Bootle
Merseyside
L20 3PQ

INVESTMENT ADVISORS

Rathbone Investment Management Ltd
8 Finsbury Circus
London
EC2M 7AZ

AUDITORS

Xeinadin Auditing
Chartered Accountants and Statutory
Auditors
Becket House
36 Old Jewry
London
EC2R 8DD

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 2023

The Board presents the report and financial statements of the Professionals Aid Council (PAC) for the year ended 31 December 2023. The Statements appear in the format required by the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019). The Report and Statements also comply with the Companies Act 2006 as the Professionals Aid Council is a company limited by guarantee and has no share capital (No. 00174262). It is a Registered Charity (No. 207292). PAC is governed by its Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

EXECUTIVE COMMITTEE AND DIRECTORS

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

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

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

Mr J Aisher	Chair (Resigned as Chair and Trustee 05/10/23)
Mrs R Whitehorn	Vice Chair (Resigned 05/10/23) Chair (Appointed 05/10/23)
Mr L J Wilson	Honorary Treasurer
Mrs L Carmichael	
Mr N Davidson	Co-opted (16/09/23)
Mrs N Dewhurst	Appointed (22/05/23) Resigned (16/11/23)
Mr P Edwards	
Mrs L Keenan	
Mrs A Legge	
Mrs A Parry	Co-opted (07/12/23)
Dr M G Springham, BSc, FCA	

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 Chairs 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 918 hours per annum to administer the charity; other volunteers devote a combined total of approximately 588 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 2023

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:

Mr L J Wilson	Chair
Mr J Aisher	(Resigned 05/10/23)
Mr N Davidson	(Appointed 09/11/23)
Mr P Edwards	
Mrs L Keenan	(Resigned 09/11/23)
Mrs A Legge	
Dr M G Springham, BSc, FCA	
Mrs R Whitehorn	

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 a one-off gift or grant.

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

Case Committee members serving for the year were:

Mrs L Carmichael	Chair
Mrs R Whitehorn	Deputy Chair
Mrs V Barrow	
Mrs P Crosthwaite	
Mr P Edwards	
Mrs L Fincham	(Appointed 05/10/2023)
Mrs A Legge	

EDUCATION COMMITTEE

Members of the Education Committee met four 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, through no fault of their own, since starting essential courses. The Committee usually assists students towards the completion of their course. However, they can sometimes help throughout the course also. The Education Committee can contribute towards course fees, course expenses, dissertation costs etc.

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

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

EDUCATION COMMITTEE

Education Committee members serving for the year were:

Mrs C Legge	Chair
Ms F McNicholl	Deputy Chair
Mrs L Carmichael	
Mrs S C Cooper	
Ms N Uddin	
Mr R Cashman	

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 unrestricted reserves, to cover anticipated net expenditure for a 10-year period and this equates to approximately £2.0 million. At 31 December 2023, the total funds were approximately £2.8 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 2023.

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 because 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.

Children's Education

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

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 can also sometimes help students throughout their course. 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 813 (2022: 780) initial enquiries for financial help for general assistance and for costs towards education. There were 372 (2022: 173) applicants considered by the Committee and 204 (2022: 132) beneficiaries assisted. In addition, PAC assisted approximately 316 (2022: 125) people with requests for further help, 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)	496	234	106
Further Education	206	70	52
Children's Education	111	68	46
Total	<u>813</u>	<u>372</u>	<u>204</u>

The total amount awarded during the year was £257,536 (General assistance £215,480, Education £42,056). The average grant awarded per beneficiary for general assistance was £2,032.83 (2022: £2,449.64). The average grant awarded towards further education costs was £565.38 (2022: £530.30) and for children education grants the average grant awarded was £293.48 (2022: £307.76).

The Case Committee makes awards of 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 46 families and one-off grants to 52 Higher/Further Education students.

FUNDRAISING

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

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 the same as PAC.

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 (£97,083) after net realised and unrealised gains on investments in the year of £148,171. A deficit is expected in 2024 unless there are significant investment gains.

During the year PAC received income from various sources totalling £212,571 (2022: £223,798 excluding sale of an office lease, £1,199,141 including sale of an office lease). Expenditure during the year was £457,825 (2022: £438,574), comprising Charitable Activities of £421,562 (2022: £397,670), (General Advice and Financial Help £352,720 (2022: £344,570), Education Advice and Financial Help £68,842 (2022: £53,100)), and Raising Funds (cost of generating donations and legacies and Investment Manager's fees) £36,263 (2022: £40,904).

The assets available are adequate to fulfil the obligations of the charity, with net current assets of £71,006 (2022: £262,083) and fixed assets (including investments) of £5,564,921 (2022: £5,470,927). It should be noted that, in accordance with the requirements of Charities SORP FRS102, investments are quoted at fair value at the balance sheet date and their value may fluctuate.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

PROFESSIONALS AID COUNCIL
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DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

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:

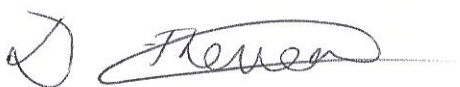
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution to reappoint Xeinadin Auditing 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
21 March 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

PROFESSIONALS AID COUNCIL

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

Report of the Independent Auditors to the Members of Professionals Aid Council (Registered number: 00174262)

Opinion

We have audited the financial statements of Professionals Aid Council (the 'charitable company') for the year ended 31 December 2023 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 (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 2023 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

PROFESSIONALS AID COUNCIL

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

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors 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 Report of the Directors.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors (who are also the trustees of the charitable company for the purposes of charity law) 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

PROFESSIONALS AID COUNCIL

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and the related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the financial statements or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



H M Day (Senior Statutory Auditor)
for and on behalf of Xeinadin Auditing
Chartered Accountants and Statutory Auditors
Becket House
36 Old Jewry
London
EC2R 8DD

Date: 24 May 2024

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 2023

		<u>Unrestricted funds</u>		<u>Restricted funds</u>	<u>Total Funds</u>	<u>Total Funds</u>
		<u>General Funds</u>	<u>Annual Grant Funds</u>	<u>Guild Fund</u>	<u>2023</u>	<u>2022</u>
	Notes	£	£	£	£	£
INCOME FROM:						
Donations and legacies:	1(b)					
Donations and Gifts		260	-	205	465	8,131
Legacies		11,527	-	-	11,527	38,000
Investments	1(g)/2	90,626	3,276	106,677	200,579	177,667
Other income:						
Sale of assets		-	-	-	-	975,343
Total income		<u>102,413</u>	<u>3,276</u>	<u>106,882</u>	<u>212,571</u>	<u>1,199,141</u>
EXPENDITURE ON:						
Raising Funds						
Cost of generating donations and legacies	3	7,502	-	-	7,502	9,043
Investment managers' fees		14,402	610	13,749	28,761	31,861
Charitable Activities:	4					
General advice and financial help		128,995	5,362	218,363	352,720	344,570
Educational advice and financial help		68,842	-	-	68,842	53,100
Total expenditure		<u>219,741</u>	<u>5,972</u>	<u>232,112</u>	<u>457,825</u>	<u>438,574</u>
Net income/(expenditure) before investment (losses)/gains	6	(117,328)	(2,696)	(125,230)	(245,254)	760,567
Net (losses)/gains on investments:						
Realised (losses)/gains		31,752	-	70,947	102,699	(35,712)
Unrealised (losses)/gains on revaluation	9	74,279	(2,170)	(26,637)	45,472	(524,550)
Net income/(expenditure) before transfers		<u>(11,297)</u>	<u>(4,866)</u>	<u>(80,920)</u>	<u>(97,083)</u>	<u>200,305</u>
Transfers of funds		(2,041)	2,041	-	-	-
Net movement in funds		<u>(13,338)</u>	<u>(2,825)</u>	<u>(80,920)</u>	<u>(97,083)</u>	<u>200,305</u>
Reconciliation of Funds:						
Funds at 1 January 2023		2,789,563	123,785	2,819,662	5,733,010	5,532,705
Funds at 31 December 2023	13	<u>2,776,225</u>	<u>120,960</u>	<u>2,738,742</u>	<u>5,635,927</u>	<u>5,733,010</u>

Except for the sale of assets (principally the lease), all amounts relate to continuing operations.
The Statement of Financial Activities includes all gains and losses recognised in the year.
The 2022 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 2023

	Notes	£	2023	£	£	2022	£
FIXED ASSETS							
Tangible assets	8			228			1,813
Investments	9			5,564,693			5,469,114
				<u>5,564,921</u>			<u>5,470,927</u>
CURRENT ASSETS							
Debtors	10		13,859			11,381	
Cash at bank and in hand			78,755			68,731	
Short term deposits			48,574			248,709	
			<u>141,188</u>			<u>328,821</u>	
CREDITORS							
Amounts falling due within one year	11		<u>(70,182)</u>			<u>(66,738)</u>	
NET CURRENT ASSETS				71,006			262,083
NET ASSETS				<u>5,635,927</u>			<u>5,733,010</u>
FUNDS							
Unrestricted funds:							
General Funds	12&13			2,776,225			2,789,563
Annual Grant Funds	12&13			120,960			123,785
Restricted funds:							
Guild Funds	12&13			2,738,742			2,819,662
				<u>5,635,927</u>			<u>5,733,010</u>

The financial statements were approved and authorised for issue by the Executive Committee on 21st March 2024 and were signed below on its behalf by:

R Whitehorn

R Whitehorn
Chair

L J Wilson

L J Wilson
Honorary Treasurer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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 the volatility of equity markets affecting the carrying value of investments. The Directors do not feel there will be any other effects on income and expenditure.

(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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

(d) Depreciation and Fixed Assets

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

(e) Finance leases

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

(f) Investment gains and losses

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

(g) Investments

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

(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 office 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 operates a defined contribution pension scheme. The company uses NEST for those staff for whom pension contributions are made through auto-enrolment. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

(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 2023

2. INVESTMENT INCOME				2023	2022
				£	£
Bank interest				813	200
Dividends and interest from securities				199,766	177,467
				<u>200,579</u>	<u>177,667</u>
3. COST OF GENERATING DONATIONS AND LEGACIES				2023	2022
				£	£
Staff costs				5,913	5,703
Office expenses				1,589	3,340
				<u>7,502</u>	<u>9,043</u>
4. CHARITABLE ACTIVITIES					
2023	General Fund	Annual Grant Fund	Guild Fund	Educ-ation Fund	Total Funds 2023
	£	£	£	£	£
Grants to Individuals	78,804	3,276	133,400	42,056	257,536
Staff costs*	34,379	1,429	58,197	18,347	112,352
Office expenses	9,271	385	15,693	4,948	30,297
Governance costs	6,541	272	11,073	3,491	21,377
Total Charitable Expenditure	<u>128,995</u>	<u>5,362</u>	<u>218,363</u>	<u>68,842</u>	<u>421,562</u>
2022	General Fund	Annual Grant Fund	Guild Fund	Educ-ation Fund	Total Funds 2022
	£	£	£	£	£
Grants to Individuals	62,337	2,863	106,275	26,425	197,900
Staff costs*	34,133	1,568	58,193	14,470	108,364
Office expenses	20,045	921	34,174	8,497	63,637
Governance costs	8,747	402	14,912	3,708	27,769
Total Charitable Expenditure	<u>125,262</u>	<u>5,754</u>	<u>213,554</u>	<u>53,100</u>	<u>397,760</u>

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

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NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

5. GOVERNANCE COSTS	2023	2022
included in charitable activities	£	£
Audit	10,080	9,600
Accountancy fees	9,519	9,015
Legal costs	1,154	8,536
Trustee indemnity insurance	624	618
	<u>21,377</u>	<u>27,769</u>

6. NET EXPENDITURE	2023	2022
is stated after charging:	£	£
Auditors' remuneration	10,080	9,600
Depreciation	1,585	1,836
Bank charges and interest	235	218
	<u>11,900</u>	<u>11,654</u>

7. TOTAL STAFF COSTS

Average staff numbers during 2023 were 3 (2022: 3).

Directors received no remuneration in the year (2022: nil). No expenses were reimbursed to directors in the year (2022: nil). No employees earned over £60,000 in the year (2022: nil). Total employment benefits of Key Management Personnel amounted to £102,509 (2022: £86,181).

Total staff costs were:

	2023	2022
	£	£
Salaries	109,168	105,106
Social security costs	6,392	6,241
Pension costs	2,705	2,572
Benefits	-	171
	<u>118,265</u>	<u>114,070</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 2023

8.	TANGIBLE FIXED ASSETS	Office furniture, equipment and software £	Total £
	Cost		
	At 1 January 2023	16,054	16,054
	Additions	-	-
	Disposals	(823)	(823)
	At 31 December 2023	15,231	15,231
	Depreciation		
	At 1 January 2023	14,241	14,241
	Charge for the year	1,585	1,585
	Disposals	(823)	(823)
	At 31 December 2023	15,003	15,003
	Net Book Value		
	At 31 December 2023	228	228
	At 1 January 2023	1,813	1,813

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

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 2023

9. FIXED ASSET INVESTMENTS

	General Funds £	Annual Grant Funds £	Guild Fund £	Total 2023 £
2023				
Analysis of movements in the year				
Fair value at 1 January 2023	2,635,071	121,453	2,712,590	5,469,114
Additions	575,665	-	49,398	625,063
Disposals	(487,225)	-	(87,731)	(574,956)
Net gain/(loss) on revaluation	74,279	(2,170)	(26,637)	45,472
	<u>2,797,790</u>	<u>119,283</u>	<u>2,647,620</u>	<u>5,564,693</u>
Fair value at 31 December 2023	<u>2,797,790</u>	<u>119,283</u>	<u>2,647,620</u>	<u>5,564,693</u>
Historic cost at 31 December 2023	<u>2,376,848</u>	<u>89,502</u>	<u>1,996,426</u>	<u>4,462,776</u>
The investments at fair value comprise:				
UK Government stock and other interest-bearing investments	714,694	3,380	513,248	1,231,322
Quoted equity investments	2,083,096	115,903	2,134,372	4,333,371
Total at 31 December 2023	<u>2,797,790</u>	<u>119,283</u>	<u>2,647,620</u>	<u>5,564,693</u>
2022				2022
Analysis of movements in the year				
Fair value at 1 January 2022	2,258,670	126,533	3,055,064	5,440,267
Additions	2,327,822	35,452	237,672	2,600,946
Disposals	(1,638,490)	(39,948)	(369,111)	(2,047,549)
Net gains on revaluation	(312,931)	(584)	(221,035)	(524,550)
	<u>2,635,071</u>	<u>121,453</u>	<u>2,712,590</u>	<u>5,469,114</u>
Fair value at 31 December 2022	<u>2,635,071</u>	<u>121,453</u>	<u>2,712,590</u>	<u>5,469,114</u>
Historic cost at 31 December 2022	<u>2,289,142</u>	<u>89,501</u>	<u>2,051,806</u>	<u>4,430,449</u>
The investments at fair value comprise:				
UK Government stock and other interest-bearing investments	601,982	3,505	457,414	1,062,901
Quoted equity investments	2,033,089	117,948	2,255,176	4,406,213
Total at 31 December 2022	<u>2,635,071</u>	<u>121,453</u>	<u>2,712,590</u>	<u>5,469,114</u>

At 31 December 2023, 22% (2022: 19%) was invested in Government and Corporate bonds (6% relates to United Kingdom Government stock, 16% relates to other Corporate and other bonds) and 78% (2022: 81%) in equities (36% relates to United Kingdom equities and 42% to foreign equities). Net realised and unrealised gains in the year were 2.7%, compared with a fall of 3.8% in the FTSE All Share Index.

Dividends and interest from securities totalled £199,766, a yield of 3.6%, which is satisfactory.

PROFESSIONALS AID COUNCIL

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NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

10. DEBTORS	2023	2022
	£	£
Trade Debtors (unpaid legacy income)	2,394	-
Prepayments and accrued income	8,416	8,332
Security deposit	3,049	3,049
	<u>13,859</u>	<u>11,381</u>

11. CREDITORS:	2023	2022
	£	£
Amounts falling due within one year:		
Tax and social security payable	2,866	2,741
Owed to the Guild of Aid	250	250
Accruals	21,423	23,110
Trade creditors	342	7,012
Allocated and unpaid grants	45,301	33,625
	<u>70,182</u>	<u>66,738</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Annual Grant Funds	Guild Restricted Funds	Total Funds 2023
	£	£	£	£
Fund balances at 31 December 2023 represented by:				
Tangible fixed assets	228	-	-	228
Fixed asset investments	2,797,790	119,283	2,647,620	5,564,693
Net current assets	(21,793)	1,677	91,122	71,006
Total net assets	<u>2,776,225</u>	<u>120,960</u>	<u>2,738,742</u>	<u>5,635,927</u>

				2022
Fund balances at 31 December 2022 represented by:				
Tangible fixed assets	1,813	-	-	1,813
Fixed asset investments	2,635,071	121,453	2,712,590	5,469,114
Net current assets	152,679	2,332	107,072	262,083
Total net assets	<u>2,789,563</u>	<u>123,785</u>	<u>2,819,662</u>	<u>5,733,010</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 2023

13. MOVEMENT IN FUNDS

	At 1 January 2023 £	Income £	Expen- diture £	Investment (Losses)/ Gains £	Transfers £	At 31 December 2023 £
Restricted funds	-	-	-	-	-	-
- Guild	2,819,662	106,882	(232,112)	44,310	-	2,738,742
Unrestricted funds						
- General	2,789,563	102,413	(219,741)	106,031	(2,041)	2,776,225
- Annual grant funds	123,785	3,276	(5,972)	(2,170)	2,041	120,960
	<u>5,733,010</u>	<u>212,571</u>	<u>(457,825)</u>	<u>148,171</u>	<u>-</u>	<u>5,635,927</u>
Total funds						
	<u>5,733,010</u>	<u>212,571</u>	<u>(457,825)</u>	<u>148,171</u>	<u>-</u>	<u>5,635,927</u>
	2022					2022
Restricted funds	-	-	-	-	-	-
- Guild	3,182,135	106,493	(229,637)	(239,329)	-	2,819,662
Unrestricted funds						
- General	2,222,597	1,089,785	(202,458)	(317,389)	(2,972)	2,789,563
- Annual grant funds	127,973	2,863	(6,479)	(3,544)	2,972	123,785
	<u>5,532,705</u>	<u>1,199,141</u>	<u>(438,574)</u>	<u>(560,262)</u>	<u>-</u>	<u>5,733,010</u>
Total funds						
	<u>5,532,705</u>	<u>1,199,141</u>	<u>(438,574)</u>	<u>(560,262)</u>	<u>-</u>	<u>5,733,010</u>

The purposes of the restricted funds are to distribute funds contributed by other charities in accordance with their wishes. The transfer of £2,041 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

There were no related party transactions in the year. There were no other related party transactions in 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 2023

15. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	<u>Unrestricted funds</u>		<u>Restricted funds</u>	Total Funds 2022
	General Funds	Annual Grant Funds	Guild Fund	
	£	£	£	£
INCOME FROM:				
Donations and legacies:				
Donations and Gifts	7,875	-	256	8,131
Legacies	38,000	-	-	38,000
Investments	68,567	2,863	106,237	177,667
Other income:				
Sale of assets	975,343	-	-	975,343
Total income	<u>1,089,785</u>	<u>2,863</u>	<u>106,493</u>	<u>1,199,141</u>
EXPENDITURE ON:				
Raising Funds:				
Cost of generating donations and legacies	9,043	-	-	9,043
Investment managers' fees	15,053	725	16,083	31,861
Charitable Activities:				
General advice and financial help	125,262	5,754	213,554	344,570
Educational advice and financial help	53,100	-	-	53,100
Total expenditure	<u>202,458</u>	<u>6,479</u>	<u>229,637</u>	<u>438,574</u>
Net expenditure before investment losses	<u>887,327</u>	<u>(3,616)</u>	<u>(123,144)</u>	<u>760,567</u>
Net losses on investments				
Realised gains	(4,458)	(2,960)	(28,294)	(35,712)
Unrealised gains on revaluation	(312,931)	(584)	(211,035)	(524,550)
Net income before transfers	<u>569,938</u>	<u>(7,160)</u>	<u>(362,473)</u>	<u>200,305</u>
Transfers of funds	(2,972)	2,972	-	-
Net movement in funds	<u>566,966</u>	<u>(4,188)</u>	<u>(362,473)</u>	<u>200,305</u>
Reconciliation of Funds:				
Funds as at 1 January 2022	2,222,597	127,973	3,182,135	5,532,705
Funds at 31 December 2022	<u>2,789,563</u>	<u>123,785</u>	<u>2,819,662</u>	<u>5,733,010</u>