

THE SEQUAL TRUST
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

THE SEQUAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Jackie Cheetham Robert Clarke Nigel Driver Keith Ford Patricia Redfern Jeremy Sowter Amy Wilson (<i>resigned 30th September 2021</i>)
Chair	Robert Clarke
Chief Executive Officer	Judy Ford
Charity number	260119
Principal address	2c Wharf Road Ellesmere Shropshire SY12 0EL
Independent Examiner	Morris Cook 6 Salop Road Oswestry Shropshire SY11 2NU
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Martineau Johnson No. 1 Colmore Square Birmingham B4 6AA

THE SEQUAL TRUST

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THE SEQUAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report and accounts for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Structure, governance and management

The Sequal Trust evolved from the "Possum Users Association" which was founded in 1969 by a group of severely disabled people who were determined to prove that the lack of coherent speech and limited facial expression did not mean lack of intelligence. Since that date, the rapid advancement of technology has made it possible to provide equipment which gives a means of communication and therefore greater independence to many people with communication difficulties and/or restricted physical ability.

The charity was established by a charitable trust deed, as amended on 1 February 2003 which may be exercised only to promote charitable objects.

The Sequal Trust is governed by a team of Trustees, elected at the AGM. All nominations for the appointment of a trusteeship must be made to the governing body of Trustees and is open to all members of The Sequal Trust.

The Trustees who served during the year were:

Jackie Cheetham
Robert Clarke
Nigel Driver
Keith Ford
Patricia Redfern
Jeremy Sowter
Amy Wilson (*resigned 30th September 2021*)

The Trustees are in regular consultation with the Chief Executive Officer and the Finance Officer to review financial matters and to oversee the general day to day running of the charity. As over half of the Trustees themselves have some disability, meetings and therefore travel are kept to a minimum. Four meetings a year are held including the AGM but there is a regular line of contact with the office to ensure that any matters which need their attention in the intervals between meetings can be dealt with.

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to these risks.

Objectives and activities

The charity's main objective is to provide relief to anyone who is severely disabled and depends on electronic communication aids to alleviate their disability.

The aim of the charity is to fundraise to provide communication aids for severely disabled people in order to promote independence and to enable each person to reach his or her full potential. The Sequal Trust is membership based and open to disabled people of all ages and from all social and cultural backgrounds.

Funds are raised from general and specific donations, legacies and investment income.

Public Benefit Requirement

The Trustees confirm that the public benefit guidance given by the Charity Commission has been adhered to in the activities undertaken during the year in line with The Charities Act 2011. Electronic equipment has been provided which has been beneficial to members who have communication problems, and this help has been available to any member of the general public throughout the UK who has difficulty in communicating in one form or another.

THE SEQUAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022 – *(continued)*

Review of the Year

It has been another difficult year for The Sequal Trust, with the worldwide Covid-19 epidemic continuing to affect the number of applications for help that are coming through to us, and consequently the amount of communication devices we are able to supply to people who need our help.

We started the year in a lockdown situation, and throughout the year restrictions have continued at various levels. Although the office has been fully operational throughout the year, the speech and language therapists and other healthcare personnel who apply to us for help on behalf of their cases have been working from home for part of the time, and have also been unable to make the home visits and trials on which they base their applications to us for help. The whole process of our provision of communication equipment to those who need it can only commence once these assessments have been made by an expert and as this has not been possible it has considerably reduced the number of new cases we have had during the year. It is only in the last few months that we have noticed an increase in the number of new applications being received.

Throughout lockdown we have been able to maintain our service to our existing members' and help them with any problems they may have. We have also been available to any prospective new members and their support teams and have been able to advise them on the best way forward. Quite often people are not aware of the communication devices available that could make such a big difference to their quality of life. Also, we have used the time made available by the reduction in applications to research potential new donors to whom we can apply when new cases do come in. Our staff have been committed to keeping the office open and to ensure that there is always someone there for our members to talk to when the need arises, and we are very grateful to them for their diligence and empathy.

We have been holding regular Trustee Meetings online rather than meeting in person in line with the medical advice given to people who are vulnerable, but the hope is that we will be able to get back to face to face meetings in the near future. The Trustees are in regular contact with the CEO and Charity Manager to discuss any matters concerning the day to day running of the charity. Amy Wilson has resigned as a Trustee during the year, and we would like to thank her for her involvement and wish her well for the future.

We have been pleased with the amount of donations, both specific and general, we have received during the year and would like to thank all donors for the help they have given to us this year and previously. Our regular supporters, both corporate and personal, have given so generously to us for a long period of time and are very grateful to them. It is also really encouraging to get new donors on board. The donations you make enable us to supply communication equipment to our members so that they are able to interact with friends and family, to further their education, and to follow their dreams. Your donations really do make a difference and are so appreciated. Thank you also to those who remember Sequal in their wills. We regularly receive legacies from those who want to leave a lasting memory for Sequal, and we are very grateful for these too.

We continue to make people aware of The Sequal Trust by social media and by advertising in disability journals.

The Sequal office has relocated during the year – but only to the opposite side of the road! The new property became available during the year and as it gave a better working environment for our staff and also reduced our overheads, it was an obvious decision to make. The quiet period in the office on the applications front provided the time to sort through all the paperwork that had accumulated during the 30 years spent in the old office, and, and so we have had a complete clean out and only taken with us the records we need to keep. A huge thank you to our staff in the office for their organisational powers and for making this happen with the minimum amount of disruption, and also for their hard work on moving day in early March.

Thank you to everyone who has helped the Sequal Trust during the year. With your continuing help we look forward to being able to provide the life changing equipment that makes it possible for everyone to be able to communicate in one form or another. All the Trustees of The Sequal Trust either have communication problems or have first-hand experience of the difficulties and frustrations this can cause and are in a perfect position to understand what a difference giving someone a 'voice' can make to the quality of life of that person and their family. We remain committed to our aims and will continue to provide adults and children of all ages throughout the UK with the electronic devices that is capable of revolutionising their lives.

THE SEQUAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022 – (continued)

Financial Review

Total income of The Sequal Trust for the year was £204,528 (2021: £243,550), made up of donations of £172,622 (2021: £114,920), legacies were £9,200 (2021: £86,690), subscriptions of £1,386 (2021: £1,386), investment income of £16,069 (2021: £16,090) and £5,251 received from the Government under the Covid-19 job retention scheme (2021: £24,464).

Charitable expenditure for the year was £152,685 (2021: £141,159) of which £102,171 was spent on equipment for members (2021: £94,930). Costs of generating funds totalled £33,149 (2021: £30,639) and governance costs totalled £1,176 (2021: £1,047). Overall total expenditure was £187,010 (2021: £172,845), resulting in an excess for the year of £17,518 (2021: £70,705). Legacies received in 2021 have not been completely utilised during 2022 due to a slowdown in applications as a result of speech and language therapists and healthcare professionals having to work from home and not able to visit client's homes to make assessments due to lockdowns and social distancing regulations during Covid 19.

The Robert Bowell Endowment Fund was set up in the 1990s to provide a guaranteed income to cover our general overheads, and therefore ensure the continuance of the charity. The Trustees regularly review the fund's investments to satisfy themselves that the best decisions are being made and the return maximised. Thanks to tight control, costs of generating funds have been kept to a minimum, but because of the level of investment return, it has not been possible to finance this expense entirely from investment income this year, but it is hoped that in the future, investment return will improve and be sufficient to cover ongoing administrative expenses.

The fund's investments have increased in value in the year by £13,490 to £554,114, which is in line with the increase in value of stock markets during the year.

As at 31 March 2022 we are holding £47,831 (2021: £18,240) on behalf of members, pending completion of fundraising, trials, further assessments or delivery of equipment. This is a larger amount than we would normally hold, but £36,948 of this is made up of transfers from general donations received by Sequal and allocated for future provision of communication devices for members. New cases have started to come through in the past few months, and we will be using these specific funds to purchase equipment for these new members in the coming year.

Plans for the Future

We pledge to our members that we will:

- raise funds as speedily as we can to provide communication equipment to as many people as we can who so desperately need our help;
- support members through our experienced office staff and provide a caring, helpful voice at the end of the phone; reach out and help as many people as we can and so improve their quality of life and give personal fulfilment; and
- fight against prejudice and discrimination and allow disabled people to reach their full potential.

There are so many means of communication these days, and there is equipment to help everyone, no matter what their needs. At The Sequal Trust we intend to do all we can to give people that basic right to communicate and to set lively minds free!

Going concern

The Coronavirus pandemic has affected the way that The Sequal Trust operates. Its ability to help members is, in part, determined by the level of donations and legacies received. There has been a fall in donations, but it is hoped that these will start to pick up. At present, members continue to be helped on a timely basis. The Trustees are confident that The Sequal Trust will be able to meet its future financial obligations and continue to help members as and when needed.

On behalf of the board of Trustees



Robert Clarke
Trustee

THE SEQUAL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE SEQUAL TRUST

I report on the accounts of the charity for the year ended 31 March 2022, which are set out on pages 5 to 13.

Respective responsibilities of Trustees and Examiner

As the charity's Trustees, you are responsible for the preparation of the accounts; you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the 2011 Act) does not apply.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act;have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Andrew Clarke (FCA)

Morris Cook

6 Salop Road
Oswestry
Shropshire
SY11 2NU

Dated

31 October 2022

THE SEQUAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
<u>Incoming resources from generated funds</u>						
Donations and legacies	2	73,954	107,868	-	181,822	201,610
Subscriptions	3	1,386	-	-	1,386	1,386
Investment income	4	33	-	16,036	16,069	16,090
Grant income	5	5,251	-	-	5,251	24,464
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		80,624	107,868	16,036	204,528	243,550
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Resources expended</u>						
	6					
Costs of generating funds						
Costs of generating donations and legacies		33,149	-	-	33,149	30,639
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Charitable activities						
Charitable expenditure		50,514	102,171	-	152,685	141,159
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Governance costs						
		1,176	-	-	1,176	1,047
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended						
		84,839	102,171	-	187,010	172,845
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources before transfers						
		(4,215)	5,697	16,036	17,518	70,705
Net transfers between funds	11	(7,858)	23,894	(16,036)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources						
		(12,073)	29,591	-	17,518	70,705
Other recognised gains and losses						
Net realised gains/(losses) on investment assets						
		-	-	-	-	-
Net unrealised gains / (losses) on investment assets						
		-	-	13,490	13,490	80,703
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds						
		(12,073)	29,591	13,490	31,008	151,408
Fund balances at 1 April 2021		82,707	18,240	540,624	641,571	490,163
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 31 March 2022		70,634	47,831	554,114	672,579	641,571
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE SEQUAL TRUST

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	12		1,404		1,733
Investments	13		607,564		604,043
			<hr/>		<hr/>
			608,968		605,776
Current assets					
Debtors	14	6,850		6,118	
Cash at bank and in hand		63,437		37,674	
		<hr/>		<hr/>	
			70,287		43,792
Creditors: amounts falling due within one Year	15	(6,676)		(7,997)	
		<hr/>		<hr/>	
Net Current assets			63,611		35,795
			<hr/>		<hr/>
Total assets less current liabilities			672,579		641,571
			<hr/>		<hr/>
Capital funds					
Endowment funds	16		554,114		540,624
Income funds					
Restricted funds	17		47,831		18,240
Unrestricted funds			70,634		82,707
			<hr/>		<hr/>
			672,579		641,571
			<hr/>		<hr/>

The accounts were approved by the Trustees on 13-10-22



Robert Clarke
Trustee

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

1.1. Basis of preparation

The accounts have been prepared under the historical cost convention, and then modified to include gifted investments at market value at time of receipt and investments on the balance sheet revalued to market value at each balance sheet date.

These 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) issued on 16 July 2014 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

1.2. Incoming resources

Incoming resources from endowment funds, i.e., investment income, is unrestricted and transferred to unrestricted funds.

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

General Donations include corporate and individual donations, gift aid and tax reclaimed.

Specific Donations represent monies raised specifically for the provision of equipment for individual members.

Life subscriptions are recognised as incoming resources over a ten-year period, on a straight-line basis.

1.3. Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	10% straight-line
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1.5. Investments

Investments are valued at market value at the balance sheet date.

1.6. Accumulated funds

The charity has one capital fund and two income funds. The capital fund is made up of The Robert Howell Endowment Fund. It was set up to maintain the long-term future of The Sequal Trust. The aim is that it realises sufficient income to cover administration costs and non-charitable expenditure. The income received therefore is transferred to unrestricted funds.

The two income funds are a restricted fund and an unrestricted fund. The restricted fund represents monies raised from specific donations, specifically for the provision of equipment for individual members and therefore only used for this purpose. The unrestricted fund represents the remaining balance of the funds of the charity.

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2022

1.7. Going concern

The Coronavirus pandemic has affected the way that The Sequal Trust operates. Its ability to help members is, in part, determined by the level of donations and legacies received. There has been a fall in donations, but it is hoped that these will start to pick up. At present, members continue to be helped on a timely basis. The Trustees are confident that The Sequal Trust will be able to meet its future financial obligations and continue to help members as and when needed. On this basis, they believe the going concern basis is appropriate.

2. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and gifts	73,954	107,868	181,822	201,610
Donations and gifts			2022 £	2021 £
Unrestricted funds:				
General donations			62,481	56,636
Bequests			9,200	86,690
Gift aid tax reclaimed			1,101	1,181
100 Club income			1,172	683
			73,954	145,190

3. Subscriptions

	2022 £	2021 £
Ordinary subscriptions	-	-
Life membership	1,386	1,386
	1,386	1,386

4. Investment income

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Income from listed investments	-	-	16,036	16,036	16,038
Interest receivable	33	-	-	33	52
	33	-	16,036	16,069	16,090

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2022

5. Government Grants Received

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
HMRC Covid19 Job Retention Scheme	5,251	-	-	5,251	24,464
	<u>5,251</u>		<u>5,251</u>	<u>5,251</u>	<u>24,464</u>

6. Resources expended

	Depreciation £	Staff costs £	Other costs £	Total 2022 £	Total 2021 £
Costs of generating funds					
Costs of generating donations and legacies	329	17,673	15,147	33,149	30,639
Charitable activities					
<i>Charitable expenditure</i>					
Activities undertaken directly	-	35,347	117,338	152,685	141,159
Governance costs	-	-	1,176	1,176	1,047
	<u>329</u>	<u>53,020</u>	<u>133,661</u>	<u>187,010</u>	<u>172,845</u>

7. Costs of generating donations and legacies

	2022 £	2021 £
<i>Other costs comprise:</i>		
Rent, rates & electricity	8,639	7,568
Insurance	826	803
Printing and stationery	3,109	2,099
Postage and carriage	533	107
Telephone	351	535
Committee expenses	25	-
Committee meetings costs	-	-
Administrative expenses	324	96
Sundry expenses	1,340	602
	<u>15,147</u>	<u>11,810</u>

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2022

8. Activities undertaken directly

	2022 £	2021
<i>Other costs relating to charitable expenditure comprise:</i>		
Information materials	12,588	8,122
Equipment purchases	102,171	94,930
Repairs to equipment	2,579	1,106
	<u>117,338</u>	<u>104,158</u>

9. Trustees

None of the Trustees received any remuneration during the year. The Trustees, together with connected persons, had no expenses to be re-imbursed as all meetings were held virtually (2021: £Nil).

10. Employees

Number of employees

	2022 Number	2021 Number
The average monthly number of employees during the year was:		
Management and Administration staff	<u>3</u>	<u>3</u>

Employment costs

	2022 £	2021 £
Wages and salaries	<u>53,020</u>	<u>55,501</u>

There were no employees whose annual emoluments were £60,000 or more.

11. Transfers

Transfers have been made between the funds during the year. Investment income of £16,036 has been transferred to general funds. Unrestricted funds of £23,894 have been transferred to restricted funds; these funds are released to cover the purchase of equipment not funded by specific donations.

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2022

12. Tangible fixed assets

Fixtures, fittings & equipment £

Cost

At 1 April 2021	13,056
Additions	0
Disposals	(9,763)

At 31 March 2022	3,293
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Depreciation

At 1 April 2021	11,323
Disposals	(9,763)
Charge for the year	329

At 31 March 2022	1,889
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Net book value

At 31 March 2022	1,404
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At 31 March 2021	1,733
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13. Fixed asset investments

£

Market value at 1 April 2020	604,043
Increase in investments	(9,969)
Change in value in the year	13,490

Market value at 31 March 2022	607,564
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14. Debtors

	2022 £	2021 £
Prepayments and accrued income	6,850	6,118
	6,850	6,118

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2022

15. Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	3,314	4,797
Accruals	3,362	3,200
	<u>6,676</u>	<u>7,997</u>

16. Endowment funds

	Balance at 1 April 2021 £	Incoming resources £	Movement in funds Resources expended £	Transfers £	Investment gains / Losses £	Balance at 31 March 2022 £
The Robert Bowell Endowment Fund						
M&G Charibond	94,471	1,720	-	(1,720)	(4,199)	90,272
M&G Charifund	177,587	8,755	-	(8,755)	12,942	190,529
CAF Bond Income Fund	92,377	2,674	-	(2,674)	(6,479)	85,898
CAF UK Equity Growth Fund	176,189	2,887	-	(2,887)	11,226	187,415
	<u>540,624</u>	<u>16,036</u>	<u>-</u>	<u>(16,036)</u>	<u>13,490</u>	<u>554,114</u>

17. Trustees

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021 £	Incoming resources £	Movement in funds Resources expended £	Transfers gains / losses £	Balance at 31 March 2022 £
Specific bank account	18,240	107,868	(102,171)	23,894	47,831