

THE SEQUAL TRUST
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

THE SEQUAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Jackie Cheetham Robert Clarke (<i>died 24th January 2023</i>) Nigel Driver Keith Ford Patricia Redfern Jeremy Sowter
Chair	Robert Clarke (<i>died 24th January 2023</i>)
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 2023

The Trustees present their report and accounts for the year ended 31 March 2023. 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 (*died 24 January 2023*)

Nigel Driver

Keith Ford

Patricia Redfern

Jeremy Sowter

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 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 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 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 2023 – *(continued)*

Review of the Year

During the year we have experienced an increase in applications for our help in our mission to provide adults and children throughout the UK with amazing technology that completely transforms their lives by giving them the ability to communicate in one form or another. Most people are lucky enough to be able to take this for granted but when this is not the case, we help those who do not have this ability by raising funds to provide them with this vital equipment should they not be able to obtain it by other means.

During lockdown diagnosis was difficult as there was an inevitable delay in assessments that slowed down the whole process. We are pleased to see that this seems to be improving now, and cases are coming through to us. We know from the enquiries we receive in our office that there are many people who still do not have the technological equipment specific to their needs. We also meet many more at the disability roadshows we attend throughout the UK during the year to ensure people know about The Sequal Trust. Thank you to all Staff and Trustees who manned our stands at these exhibitions and were able to discuss communication problems with those needing help and their families and health care support. We try to help wherever we can, and if the problems experienced do not fit our criteria, we try to point people in the right direction. We also advertise in disability magazines and use social media via Facebook and Twitter to maintain our profile.

During the year, we are very proud to say that we have provided 32 people with communication equipment that really has revolutionised their lives, with a financial cost of £131k. However, at the end of the year we still have a list consisting of 19 members waiting for equipment, with a total cost of £78k. Our sole income, apart from investment income which is used to finance the overheads of the charity, is the donations that we receive. This year has been particularly difficult as grant giving organisations and personal donors have found themselves with a reduced capacity to give due to the cost-of-living crisis and high rates of inflation. We have been tirelessly applying to potential donors, both old and new, and would like to thank all those who have been able to help us financially this year and also in previous years. In addition, we have received legacies of £22,831 during the year and are very grateful to those who remember The Sequal Trust in that way.

Sadly during the year, we have lost our Chair, Rob Clarke, who passed away in January. Rob had been involved with Sequal for over 30 years, was appointed as a Trustee in 1997 and held the role of Chair for the last 6 years. Rob suffered from a disability himself which made him very empathetic to the problems and needs of others, and he was a much-respected Chair, both by his fellow trustees and by the Sequal staff. Covid was a particularly difficult time for Rob due to his vulnerabilities, but he carried on in his duties, doing what he could to ensure Sequal was doing everything possible to alleviate the problems of its members. Rob will be very much missed by everyone, and our sympathies are extended to his family.

The Sequal office has been installed in our new accommodation for just over a year now and have noticed a reduction in the running costs of the office in the current year. Our office is open from Monday to Thursday each week and our staff always do their best to help all those who reach out to us – sometimes just having someone at the end of the phone who will listen can make a huge difference, and we always try to provide a helping hand.

Thank you to our President, Nigel Havers, and also to all of our Patrons for their continued support. It is really appreciated that you spend your valuable time in promoting The Sequal Trust. With social media in particular, a mention by a well-known name can make their followers aware of our charity.

Thank you to all our supporters and donors – without your help we would not be able to continue providing people who cannot communicate with the technology that can give them new horizons, enable them to further their education, pursue employment, 'speak' with their family and friends, and to follow their dreams. The Sequal Trust has been providing communication equipment for over 50 years and was originally known as 'The Possum Users Association'. Possum has a Latin meaning of 'I am able' and we are determined to help our members to prove they are able by giving them a voice to demonstrate this.

All of our Trustees and Staff are committed to continue providing those who need it with 'a voice' and we thank you all for your continuing support.

THE SEQUAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023 – (continued)

Financial Review

Total income of The Sequal Trust for the year was £170,294 (2022: £204,528), made up of donations of £125,383 (2022: £172,622), legacies were £22,831 (2022: £9,200), subscriptions of £1,386 (2022: £1,386), investment income of £20,694 (2022: £16,069) and no monies were received from the Government under the Covid-19 job retention scheme (2022: £5,251).

Charitable expenditure for the year was £183,326 (2022: £152,685) of which £130,930 was spent on equipment for members (2022: £102,171). Costs of generating funds totalled £30,482 (2022: £33,149) and governance costs totalled £1,201 (2022: £1,176). Overall total expenditure was £215,009 (2022: £187,010), resulting in a deficit for the year of £44,715 (2022: excess of £17,518). The deficit in the year is a result of using funds received towards the end of the previous year to purchase equipment for the benefit of our members during the current year.

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 decreased in value in the year by £26,255 to £527,859, which is in line with the decrease in value of stock markets during the year.

As at 31 March 2023 we are holding £30,612 (2022: £47,831) on behalf of members, pending completion of fundraising, trials, further assessments or delivery of equipment. This is made up of transfers from general donations of £9,761 received by Sequal and allocated for future provision of communication devices for members, £6,936 of donations received from grant giving organisations, and £13,915 received for specific cases and held until fundraising has been completed. All these amounts will be used to purchase equipment for members in the first few months of the next financial 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



Jackie Cheetham
Trustee

10th October 2023

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 2023, 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 18 October 2023

THE SEQUAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
<u>Incoming resources from generated funds</u>						
Donations and legacies	2	54,475	93,739	-	148,214	181,822
Subscriptions	3	1,386	-	-	1,386	1,386
Investment income	4	238	55	20,401	20,694	16,069
Grant income	5	-	-	-	-	5,251
		<u>56,099</u>	<u>93,794</u>	<u>20,401</u>	<u>170,294</u>	<u>204,528</u>
<u>Resources expended</u>						
Costs of generating funds						
Costs of generating donations and legacies	6	30,482	-	-	30,482	33,149
Charitable activities						
Charitable expenditure		52,396	130,930	-	183,326	152,685
Governance costs						
		1,201	-	-	1,201	1,176
Total resources expended		<u>84,079</u>	<u>130,930</u>	<u>-</u>	<u>215,009</u>	<u>187,010</u>
Net incoming/(outgoing) resources before transfers		(27,980)	(37,136)	20,401	(44,715)	17,518
Net transfers between funds	11	484	19,917	(20,401)	-	-
Net incoming/(outgoing) resources		<u>(27,496)</u>	<u>(17,219)</u>	<u>-</u>	<u>(44,715)</u>	<u>17,518</u>
Other recognised gains and losses						
Net realised gains/(losses) on investment assets		-	-	-	-	-
Net unrealised gains / (losses) on investment assets		-	-	(26,255)	(26,255)	13,490
Net movement in funds		<u>(27,496)</u>	<u>(17,219)</u>	<u>(26,255)</u>	<u>(70,970)</u>	<u>31,008</u>
Fund balances at 1 April 2022		<u>70,634</u>	<u>47,831</u>	<u>554,114</u>	<u>672,579</u>	<u>641,571</u>
Fund balances at 31 March 2023		<u>43,138</u>	<u>30,612</u>	<u>527,859</u>	<u>601,609</u>	<u>672,579</u>

THE SEQUAL TRUST

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	12		1,072		1,404
Investments	13		556,441		607,564
			<hr/>		<hr/>
			557,513		608,968
Current assets					
Debtors	14	3,574		6,850	
Cash at bank and in hand		46,333		63,437	
		<hr/>		<hr/>	
		49,907		70,287	
Creditors: amounts falling due within one Year	15	(5,811)		(6,676)	
		<hr/>		<hr/>	
Net Current assets			44,096		63,611
			<hr/>		<hr/>
Total assets less current liabilities			601,609		672,579
			<hr/>		<hr/>
Capital funds					
Endowment funds	16		527,859		554,114
Income funds					
Restricted funds	17		30,612		47,831
Unrestricted funds			43,138		70,634
			<hr/>		<hr/>
			601,609		672,579
			<hr/>		<hr/>

The accounts were approved by the Trustees on

10th October 2023

J Cheetham

Jackie Cheetham
Trustee

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

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 2023

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 2023 £	Total 2022 £
Donations and gifts	54,475	93,739	148,214	181,822
Donations and gifts			2023 £	2022 £
Unrestricted funds:				
General donations			29,911	62,481
Bequests			22,831	9,200
Gift aid tax reclaimed			985	1,101
100 Club income			748	1,172
			54,475	73,954

3. Subscriptions

	2023 £	2022 £
Ordinary subscriptions	-	-
Life membership	1,386	1,386
	1,386	1,386

4. Investment income

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Income from listed investments	-	-	20,401	20,401	16,036
Interest receivable	238	55	-	293	33
	238	55	20,401	20,694	16,069

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2023

5. Government Grants Received

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
HMRC Covid19 Job Retention Scheme	-	-	-	-	5,251
	-	-	-	-	5,251

6. Resources expended

	Depreciation £	Staff costs £	Other costs £	Total 2023 £	Total 2022 £
Costs of generating funds					
Costs of generating donations and legacies	332	17,404	12,746	30,482	33,149
Charitable activities					
<i>Charitable expenditure</i>					
Activities undertaken directly	-	34,808	148,518	183,326	152,685
Governance costs	-	-	1,201	1,201	1,176
	332	52,212	162,465	215,009	187,010

7. Costs of generating donations and legacies

	2023 £	2022 £
<i>Other costs comprise:</i>		
Rent, rates & electricity	7,325	8,639
Insurance	409	826
Printing and stationery	2,881	3,109
Postage and carriage	25	533
Telephone	364	351
Committee expenses	195	25
Committee meetings costs	120	-
Administrative expenses	362	324
Sundry expenses	1,065	1,340
	12,746	15,147

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2023

8. Activities undertaken directly

	2023	2022
	£	£
<i>Other costs relating to charitable expenditure comprise:</i>		
Information materials	12,312	12,588
Equipment purchases	130,930	102,171
Repairs to equipment	5,276	2,579
	<u>148,518</u>	<u>117,338</u>

9. Trustees

None of the Trustees received any remuneration during the year. The Trustees, together with connected persons, had re-imbursed expenses of £195 (2022: £Nil).

10. Employees

Number of employees

	2023	2022
	Number	Number
The average monthly number of employees during the year was:		
Management and Administration staff	4	3

Employment costs

	2023	2022
	£	£
Wages and salaries	52,212	53,020

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 £20,401 has been transferred to general funds. Unrestricted funds of £19,917 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 2023

12. Tangible fixed assets

Fixtures, fittings & equipment £

Cost

At 1 April 2022	3,293
Additions	0
Disposals	0

At 31 March 2023	3,293
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Depreciation

At 1 April 2022	1,889
Disposals	0
Charge for the year	332

At 31 March 2023	2,221
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Net book value

At 31 March 2023	1,072
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At 31 March 2022	1,404
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13. Fixed asset investments

£

Market value at 1 April 2022	607,564
Decrease in investments	(24,868)
Change in value in the year	(26,255)

Market value at 31 March 2023	556,441
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14. Debtors

	2023 £	2022 £
Prepayments and accrued income	3,574	6,850
	3,574	6,850

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2023

15. Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	2,003	3,314
Accruals	3,808	3,362
	<u>5,811</u>	<u>6,676</u>

16. Endowment funds

	Balance at 1 April 2022	Incoming resources	Movement in funds			Balance at 31 March 2023
	£	£	Resources expended	Transfers	Investment gains / losses	£
The Robert Bowell Endowment Fund						
M&G Charibond	90,272	2,256	-	(2,256)	(6,486)	83,786
M&G Charifund	190,529	10,111	-	(10,111)	(11,644)	178,885
CAF Bond Income Fund	85,898	3,112	-	(3,112)	(8,814)	77,084
CAF UK Equity Growth Fund	187,415	4,922	-	(4,922)	689	188,104
	<u>554,114</u>	<u>20,401</u>	<u>-</u>	<u>(20,401)</u>	<u>(26,255)</u>	<u>527,859</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 2022	Incoming resources	Movement in funds		Balance at 31 March 2023
	£	£	Resources expended	Transfers gains / losses	£
Specific bank account	47,831	93,794	(130,930)	19,917	30,612

THE SEQUAL TRUST

NOTES TO THE ACCOUNTS - (continued)

FOR THE YEAR ENDED 31 MARCH 2023

18. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £
<i>Fund balances at 31 March 2023 are represented by:</i>				
Tangible fixed assets	1,072	-	-	1,072
Investments	28,582	-	527,859	556,441
Current assets	19,295	30,612	-	49,907
Creditors: amounts falling due within one year	(5,811)	-	-	(5,811)
	<u>43,138</u>	<u>30,612</u>	<u>527,859</u>	<u>601,609</u>
<i>Net unrealised gains / (losses) included above</i>				
Investments	-	-	80,992	80,992
	<u>-</u>	<u>-</u>	<u>80,992</u>	<u>80,992</u>
<i>Reconciliation of movements in net unrealised gains / (losses)</i>				
Net unrealised gains at 1 April 2022	-	-	107,247	107,247
Net realised gains / (losses) in year	-	-	-	-
Net unrealised gains / (losses) in year	-	-	(26,255)	(26,255)
	<u>-</u>	<u>-</u>	<u>80,992</u>	<u>80,992</u>
Net unrealised gains at 31 March 2023	-	-	80,992	80,992

