

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2024
FOR
SCOTT MORGAN FOUNDATION**

Livesey Spottiswood Ltd
Chartered Accountants
17 George Street
St Helens
Merseyside
WA10 1DB

SCOTT MORGAN FOUNDATION
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FOR THE YEAR ENDED 5 APRIL 2024

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SCOTT MORGAN FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 5 APRIL 2024

The trustees present their report with the financial statements of the charity for the year ended 5 April 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's aims and objectives are the advancement of science, health and education by carrying out, promoting and publishing research into the ethical use of artificial intelligence, virtual reality, enhanced reality, robotics and other high technology systems to augment the capabilities and wellbeing of those restricted by age, ill-health, disability, or other physical or mental disadvantage.

Public benefit

The Trustees confirm they have regard for the Public Benefit guidance issued by the Charity Commission as the Charities Act 2011 requires the Charity to demonstrate the Public Benefit of our aims and objectives.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This year, The Scott-Morgan Foundation has made significant strides in advancing assistive technologies that empower individuals with severe disabilities, particularly those living with ALS/MND.

wFree Professional Voices for People with ALS

In partnership with ElevenLabs, we launched a global initiative to provide individuals with ALS access to free, professional-quality voice cloning. This allows users to preserve their unique vocal identities, enabling natural communication even as speech becomes impaired.

Hyper-Realistic Avatars for Personal Expression

Working with D-ID, we introduced hyper-realistic digital avatars capable of conveying nuanced facial expressions and emotions. These avatars help users maintain a visual presence and strengthen emotional connection in communication, supporting their independence and dignity.

Integrated AAC Solutions with Lenovo

Our deepening collaboration with Lenovo led to the debut of a comprehensive AI-powered communication platform, showcased at Lenovo Tech World '24. The solution integrates personalised voice replicas (via ElevenLabs), realistic avatars (via D-ID), eye-tracking (via Irisbond), and predictive AI to deliver a seamless, intuitive communication experience for people with profound physical disabilities. We are also working closely with Lenovo on the development of a next-generation, freely available AAC (Augmentative and Alternative Communication) solution. The aim is to provide an accessible and customisable platform that supports users with complex communication needs worldwide.

These efforts form part of our ongoing mission to make cutting-edge technologies more inclusive, affordable and accessible. We continue to collaborate with key partners globally to develop and open-source innovative tools, helping redefine what it means to be disabled in the 21st century.

FINANCIAL REVIEW

Financial position

At 5 April 2024, the charity's reserves were £81,586 (2023 - £112,276). The reduction in reserves being entirely due to the expenditure of a grant received in the previous year for the development of assistive technology that had been entirely spent by the year end.

Unrestricted funds at the year end amounted to £81,586 (2023 - £41,816).

SCOTT MORGAN FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 5 APRIL 2024

FINANCIAL REVIEW

Reserves policy

The Scott-Morgan Foundation is redefining human potential through technology. We pioneer human-centric, AI-driven assistive solutions, focusing on ALS/MND to create innovations that serve the broadest spectrum of disabilities. Our "design for all" approach ensures no one is left behind. Through collaboration, we develop integrated, accessible technologies that empower millions to communicate, create, and fully participate in society. By democratising cutting-edge innovation, we challenge perceptions of disability and foster an inclusive future where everyone, regardless of physical limitations, actively shapes our shared world. As with many other small charities who are mainly dependent on grants for its income, The Scott-Morgan Foundation needs to protect its financial position. This reserves policy is intended to set out the agreement on the level of its reserves required that will ensure the time is available to make necessary changes if the charity's reserves reduce.

Without the high levels of resources to be able to create income-generating investments, the trustees agreed that the charity's funds would be held as cash and stay within the day-to-day operating bank account. The reserves are likely to be required for projects and/or individual support requests received by the charity which means a swift response can be necessary.

Considering the size of the organisation and its key activities, the trustees for the Scott-Morgan Foundation agreed that they wish to maintain a minimum level of reserves, equivalent to 9 months running costs. This would give sufficient time to seek additional funding to support the ongoing growth of the charity.

Reserves at 5 April 2024 were £81,586 - equivalent to approximately 17 months' running costs. If the level of reserves falls below 9 months, the trustees will make a joint decision as to how much of these reserves can be earmarked for future proposals and how much should remain available to support the charity's running costs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Induction and training of new trustees

All trustees received appropriate induction and training to understand the objectives for the Scott-Morgan Foundation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1187386

Principal address

5 Plantation Way
Torquay
TQ2 7SR

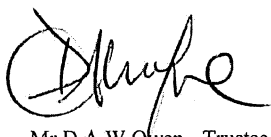
Trustees

Ms E M D Duran Fernandez
Ms A F Darby (resigned 15.5.24)
Mr P A Younge (resigned 15.5.24)
Mr F P Scott-Morgan
Mr M P Aylett (resigned 20.11.24)
Mr D A W Owen
Mr J A Overton (resigned 15.5.24)

Independent Examiner

Andrew McMinnis ACA FCCA
Livesey Spottiswood Ltd
Chartered Accountants
17 George Street
St Helens
Merseyside
WA10 1DB

Approved by order of the board of trustees on 30 April 2025 and signed on its behalf by:



Mr D A W Owen - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
SCOTT MORGAN FOUNDATION**

Independent examiner's report to the trustees of Scott Morgan Foundation

I report to the charity trustees on my examination of the accounts of Scott Morgan Foundation (the Trust) for the year ended 5 April 2024.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

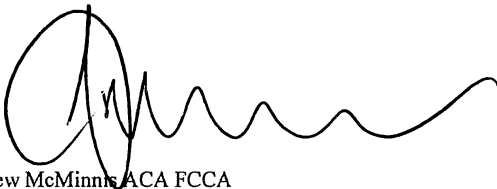
I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Andrew McMinnis ACA FCCA
The Institute of Chartered Accountants in England and Wales

Livesey Spottiswood Ltd
Chartered Accountants
17 George Street
St Helens
Merseyside
WA10 1DB

Date:

1/5/2025

SCOTT MORGAN FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	50,124	-	50,124	51,302
Charitable activities	3				
Technology development		29,318	-	29,318	111,255
Other income		-	-	-	50
Total		<u>79,442</u>	<u>-</u>	<u>79,442</u>	<u>162,607</u>
EXPENDITURE ON					
Raising funds	4	289	-	289	551
Charitable activities	5				
Technology development		<u>39,383</u>	<u>70,460</u>	<u>109,843</u>	<u>49,780</u>
Total		<u>39,672</u>	<u>70,460</u>	<u>110,132</u>	<u>50,331</u>
NET INCOME/(EXPENDITURE)		39,770	(70,460)	(30,690)	112,276
RECONCILIATION OF FUNDS					
Total funds brought forward		41,816	70,460	112,276	-
TOTAL FUNDS CARRIED FORWARD		<u><u>81,586</u></u>	<u><u>-</u></u>	<u><u>81,586</u></u>	<u><u>112,276</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

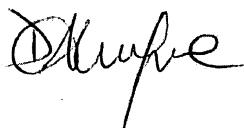
The notes form part of these financial statements

SCOTT MORGAN FOUNDATION

BALANCE SHEET
5 APRIL 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
CURRENT ASSETS					
Cash at bank		93,575	-	93,575	129,238
CREDITORS					
Amounts falling due within one year	9	(11,989)	-	(11,989)	(16,962)
NET CURRENT ASSETS		<u>81,586</u>	<u>-</u>	<u>81,586</u>	<u>112,276</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		81,586	-	81,586	112,276
NET ASSETS		<u>81,586</u>	<u>-</u>	<u>81,586</u>	<u>112,276</u>
FUNDS	10				
Unrestricted funds				81,586	41,816
Restricted funds				-	70,460
TOTAL FUNDS				<u>81,586</u>	<u>112,276</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 April 2025 and were signed on its behalf by:



Mr D A W Owen - Trustee

The notes form part of these financial statements

SCOTT MORGAN FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The charity meets the definition of a public benefit entity under FRS102. The financial statements are prepared in Sterling which is the functional currency of the charity.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	50,124	51,302

SCOTT MORGAN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2024

3. INCOME FROM CHARITABLE ACTIVITIES

		2024	2023
	Activity	£	£
Grants	Technology development	29,318	111,255

4. RAISING FUNDS

Raising donations and legacies

	2024	2023
	£	£
Fundraising costs	289	551

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Technology development	49,603	60,240	109,843

6. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Technology development	57,338	2,902	60,240

Activity	Basis of allocation
Management	Wholly charitable
Governance costs	Wholly charitable

Governance costs includes accountancy fees in respect of the independent examination of £1,700 (2002 - £3,900).

All expenditure in relation to support costs was unrestricted.

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2024 nor for the year ended 5 April 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2024 nor for the year ended 5 April 2023, however, £1,991 (2023 - £Nil) was reimbursed to two trustees in respect of expenditure made on the charity's behalf.

8. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	54,503	38,333
Social security costs	1,335	4,767
Other pension costs	1,500	1,150
	57,338	44,250

The average monthly number of employees during the year was as follows:

	2024	2023
	1	1
Management and administration		

No employees received emoluments in excess of £60,000.

The total employee benefits of the key management personnel were £56,003 (2023: £39,483).

SCOTT MORGAN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2024

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Social security and other taxes	9,089	12,793
Other creditors	-	269
Accruals and deferred income	2,900	3,900
	<u>11,989</u>	<u>16,962</u>

10. MOVEMENT IN FUNDS

	At 6/4/23 £	Net movement in funds £	At 5/4/24 £
Unrestricted funds			
General fund	41,816	39,770	81,586
Restricted funds			
EntServ UK Limited	70,460	(70,460)	-
TOTAL FUNDS	<u>112,276</u>	<u>(30,690)</u>	<u>81,586</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	79,442	(39,672)	39,770
Restricted funds			
EntServ UK Limited	-	(70,460)	(70,460)
TOTAL FUNDS	<u>79,442</u>	<u>(110,132)</u>	<u>(30,690)</u>

Comparatives for movement in funds

	At 6/4/22 £	Net movement in funds £	At 5/4/23 £
Unrestricted funds			
General fund	-	41,816	41,816
Restricted funds			
EntServ UK Limited	-	70,460	70,460
TOTAL FUNDS	<u>-</u>	<u>112,276</u>	<u>112,276</u>

SCOTT MORGAN FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2024

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	51,352	(9,536)	41,816
Restricted funds			
EntServ UK Limited	111,255	(40,795)	70,460
TOTAL FUNDS	<u>162,607</u>	<u>(50,331)</u>	<u>112,276</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 6/4/22 £	Net movement in funds £	At 5/4/24 £
Unrestricted funds			
General fund	-	81,586	81,586
TOTAL FUNDS	<u>-</u>	<u>81,586</u>	<u>81,586</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	130,794	(49,208)	81,586
Restricted funds			
EntServ UK Limited	111,255	(111,255)	-
TOTAL FUNDS	<u>242,049</u>	<u>(160,463)</u>	<u>81,586</u>

Funds received from EntServ UK Limited are towards the development of technology to assist individuals diagnosed with motor neurone disease.

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2024.