

Company registration number: CE020318
Charity registration number: 1187386

**THE SCOTT-MORGAN FOUNDATION
TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2025**

**The Scott-Morgan Foundation
Contents**

| | Page |
|--|-------------|
| Trustees' Report | 1—4 |
| Independent Examiner's Report | 5 |
| Statement of Financial Activities (including Income and Expenditure Account) | 6 |
| Comparative Statement of Financial Activities (including Income and Expenditure Account) | 7 |
| Balance Sheet | 8 |
| Notes to the Financial Statements | 9—12 |
| The following pages do not form part of the statutory accounts: | |
| Detailed Statement of Financial Activities (including Income and Expenditure Account) | 13 |

The trustees present their report and the financial statements for the year ended 5 April 2025.

Objectives and Activities

Aims and Objectives

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.

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Achievements and Performance

Main Achievements

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.

Other Achievements

Free 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

**The Scott-Morgan Foundation
Trustees' Report (continued)
For The Year Ended 5 April 2025**

Financial Position

At 5 April 2025, the charity's reserves were £70,673 (2024 - £81,586).

Unrestricted funds at the year end amounted to £70,673 (2024 - £81,586).

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 2025 were £70,673 - equivalent to approximately 14 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.

Trustee Selection Methods

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

Reference and Administrative Details

Trustees

Francis Scott-Morgan
David Owen
Esther Fernandez

Charity Number

1187386

**The Scott-Morgan Foundation
Trustees' Report (continued)
For The Year Ended 5 April 2025**

Company Number

CE020318

Principal Address

5 Plantation Way
Torquay
Devon
TQ2 7SR

Independent Examiner

Nicholas Millard FMAAT
Accounting 4 Everything SW Limited
13 Hyde Road
Paignton
Devon
TQ4 5BW

**The Scott-Morgan Foundation
Trustees' Report (continued)
For The Year Ended 5 April 2025**

Small Company Rules

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The trustees' report was approved by the board of trustees and signed on its behalf by:

David Owen

Trustee

2 February 2026

The Scott-Morgan Foundation
Independent Examiner's Report to the Trustees of The Scott-Morgan Foundation
For The Year Ended 5 April 2025

I report to the charity trustees on my examination of the accounts of the Company for the year ended 5 April 2025.

Responsibilities and Basis of Report

As the charity trustees of the Company (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Nicholas Millard FMAAT

2 February 2026
13 Hyde Road
Paignton
Devon
TQ4 5BW

The Scott-Morgan Foundation
Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 5 April 2025

| | | 2025 | 2024 |
|------------------------------------|--------------|----------------------|----------------------|
| | | Unrestricted | Total |
| | Notes | funds | funds |
| | | £ | £ |
| INCOME AND ENDOWMENTS FROM: | | | |
| Donations and legacies | 3 | 180,885 | 50,124 |
| Charitable activities: | | | |
| Technology development | | 8,840 | 29,318 |
| | | <u>189,725</u> | <u>79,442</u> |
| EXPENDITURE ON: | | | |
| Raising funds | 4 | - | (289) |
| Charitable activities: | 4 | | |
| Technology development | | (200,636) | (109,843) |
| | | <u>(200,636)</u> | <u>(110,132)</u> |
| NET EXPENDITURE | | <u>(10,911)</u> | <u>(30,690)</u> |
| NET MOVEMENT IN FUNDS | | <u>(10,911)</u> | <u>(30,690)</u> |
| RECONCILIATION OF FUNDS: | | | |
| Total funds brought forward | | 81,586 | 112,276 |
| TOTAL FUNDS CARRIED FORWARD | 10 | <u><u>70,675</u></u> | <u><u>81,586</u></u> |

The notes on pages 9 to 12 form part of these financial statements.

The Scott-Morgan Foundation
Comparative Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 5 April 2025

| | | | | 2024 |
|------------------------------------|--------------|---------------------|-------------------|--------------|
| | | Unrestricted | Restricted | Total |
| | Notes | funds | funds | funds |
| | | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM: | | | | |
| Donations and legacies | 3 | 50,124 | - | 50,124 |
| Charitable activities: | | | | |
| Technology development | | 29,318 | - | 29,318 |
| | | 79,442 | - | 79,442 |
| EXPENDITURE ON: | | | | |
| Raising funds | 4 | (289) | - | (289) |
| Charitable activities: | 4 | | | |
| Technology development | | (39,383) | (70,460) | (109,843) |
| | | (39,672) | (70,460) | (110,132) |
| NET EXPENDITURE | | 39,770 | (70,460) | (30,690) |
| NET MOVEMENT IN FUNDS | | 39,770 | (70,460) | (30,690) |
| RECONCILIATION OF FUNDS: | | | | |
| Total funds brought forward | | 41,816 | 70,460 | 112,276 |
| TOTAL FUNDS CARRIED FORWARD | 10 | 81,586 | - | 81,586 |

The notes on pages 9 to 12 form part of these financial statements.

**The Scott-Morgan Foundation
Balance Sheet
As At 5 April 2025**

| | | | | 2025 | 2024 |
|---|--------------|---------------------------|-------------------------|--------------------|--------------------|
| | | Unrestricted funds | Restricted funds | Total funds | Total funds |
| | Notes | £ | £ | £ | £ |
| CURRENT ASSETS | | | | | |
| Cash at bank and in hand | | 78,850 | - | 78,850 | 93,575 |
| | | <u>78,850</u> | <u>-</u> | <u>78,850</u> | <u>93,575</u> |
| Creditors: Amounts Falling Due Within One Year | 8 | (8,175) | - | (8,175) | (11,989) |
| | | <u>(8,175)</u> | <u>-</u> | <u>(8,175)</u> | <u>(11,989)</u> |
| NET CURRENT ASSETS (LIABILITIES) | | 70,675 | - | 70,675 | 81,586 |
| | | <u>70,675</u> | <u>-</u> | <u>70,675</u> | <u>81,586</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 70,675 | - | 70,675 | 81,586 |
| | | <u>70,675</u> | <u>-</u> | <u>70,675</u> | <u>81,586</u> |
| NET ASSETS | | <u>70,675</u> | <u>-</u> | <u>70,675</u> | <u>81,586</u> |
| FUNDS OF THE CHARITY | | | | | |
| Unrestricted Funds | | | | 70,675 | 81,586 |
| | | | | <u>70,675</u> | <u>81,586</u> |
| TOTAL FUNDS | 10 | | | <u>70,675</u> | <u>81,586</u> |

For the year ending 5 April 2025 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

On behalf of the board

David Owen

Trustee

2 February 2026

The notes on pages 9 to 12 form part of these financial statements.

1. General Information

The Scott-Morgan Foundation is a company limited by guarantee, incorporated in England & Wales, registered number CE020318 and registered charity number 1187386. The registered office is .

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements 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 Companies Act 2006.

The charitable company is a Public Benefit Entity as defined by FRS 102.

2.2. Going Concern Disclosure

The trustees have not identified any material uncertainties related to events or conditions that may cast significant doubt about the charitable company's ability to continue as a going concern.

2.3. Fund Accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for a specific purpose.

Restricted funds are to be used for specific purposes as laid down by the donor.

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

2.4. Incoming Resources

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.

2.5. Resources Expended

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.

2.6. Cash and Cash Equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks, other short-term highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to a known amount of cash with insignificant risk of change in value, and bank overdrafts.

2.7. Taxation

The charity is exempt from tax as all its income is charitable and applied for charitable purposes.

The Scott-Morgan Foundation
Notes to the Financial Statements (continued)
For The Year Ended 5 April 2025

| | 2024 |
|------------------|-------------------------------|
| | Technology development |
| | £ |
| Employee costs | 57,338 |
| Governance costs | 2,902 |
| | <u>60,240</u> |

6. Staff Costs

Staff costs were as follows:

| | 2025 | 2024 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Wages and salaries | 55,000 | 54,503 |
| Social security costs | 1,335 | 1,335 |
| Other pension costs | 1,313 | 1,500 |
| | <u>57,648</u> | <u>57,338</u> |

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

7. Average Number of Employees

Average number of employees during the year was: 1 (2024: 1)

8. Creditors: Amounts Falling Due Within One Year

| | 2025 | 2024 |
|------------------------------|--------------|---------------|
| | £ | £ |
| Other creditors | 292 | 292 |
| Taxation and social security | 4,463 | 8,797 |
| Accruals and deferred income | 3,420 | 2,900 |
| | <u>8,175</u> | <u>11,989</u> |

9. Pension Commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

During the year the charge to the statement of financial activities in respect of defined contribution schemes was £1,313 (2024: £1,500).

At the balance sheet date contributions of £292 (2024: £292) were due to the fund and are included in creditors.

The Scott-Morgan Foundation
Notes to the Financial Statements (continued)
For The Year Ended 5 April 2025

10. Movement in Funds

| | As at 6 April 2024 | Income | Expenditure | As at 5 April 2025 |
|---------------------------|-----------------------|----------------|------------------|-----------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General: | | | | |
| General unrestricted fund | 81,586 | 189,725 | (200,636) | 70,675 |
| Total funds | <u>81,586</u> | <u>189,725</u> | <u>(200,636)</u> | <u>70,675</u> |
| | | | | |
| | As at 6 April 2023 | Income | Expenditure | As at 5 April 2024 |
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General: | | | | |
| General unrestricted fund | 41,816 | 79,442 | (39,672) | 81,586 |
| Restricted funds | | | | |
| EntServ UK Limited | 70,460 | - | (70,460) | - |
| Total funds | <u>112,276</u> | <u>79,442</u> | <u>(110,132)</u> | <u>81,586</u> |

11. Transactions with Trustees

None of the trustees received any remuneration or any other benefits from an employment with the charity or a related entity during the current or previous year.

No trustee expenses have been incurred.

12. Related Party Disclosures

There have been no related party transactions in the reporting period that require disclosure.

13. Company limited by guarantee

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

The Scott-Morgan Foundation
Detailed Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 5 April 2025

| | 2025 | 2024 |
|---|--------------------|--------------------|
| | Total funds | Total funds |
| | £ | £ |
| INCOME AND ENDOWMENTS FROM: | | |
| Donations and legacies | | |
| Donations and gifts | 180,885 | 50,124 |
| | <hr/> 180,885 | <hr/> 50,124 |
| Charitable Activities: | | |
| Technology development | | |
| Income from charitable activities | 8,840 | 29,318 |
| | <hr/> 8,840 | <hr/> 29,318 |
| | 189,725 | 79,442 |
| EXPENDITURE ON: | | |
| Raising funds | | |
| Cost of raising funds | - | (289) |
| | <hr/> - | <hr/> (289) |
| Charitable Activities: | | |
| Technology development | | |
| Subcontractor costs | (127,768) | (42,000) |
| Travel and subsistence expenses | (8,335) | (3,972) |
| Computer software, IT consumables and maintenance | (1,573) | (262) |
| Marketing and advertising costs | (4,244) | (2,750) |
| Other direct costs | (499) | (569) |
| Bank charges | (49) | (50) |
| Wages and salaries | (55,000) | (54,503) |
| Employers NI | (1,335) | (1,335) |
| Employers pensions - defined contributions scheme | (1,313) | (1,500) |
| Accountancy fees | (520) | (2,902) |
| | <hr/> (200,636) | <hr/> (109,843) |
| | (200,636) | (110,132) |
| NET EXPENDITURE | <hr/> (10,911) | <hr/> (30,690) |