<table>
<thead>
<tr>
<th>CONTENTS</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEGAL AND ADMINISTRATIVE INFORMATION</td>
<td>1</td>
</tr>
<tr>
<td>DIRECTORS' ANNUAL REPORT</td>
<td>2</td>
</tr>
<tr>
<td>STATEMENT OF DIRECTORS' RESPONSIBILITIES</td>
<td>13</td>
</tr>
<tr>
<td>REPORT OF THE AUDITORS</td>
<td>14</td>
</tr>
<tr>
<td>STATEMENT OF FINANCIAL ACTIVITIES</td>
<td>17</td>
</tr>
<tr>
<td>BALANCE SHEET</td>
<td>18</td>
</tr>
<tr>
<td>CASH FLOW STATEMENT</td>
<td>19</td>
</tr>
<tr>
<td>NOTES ON THE FINANCIAL STATEMENTS</td>
<td>20</td>
</tr>
</tbody>
</table>
KIDS OPERATING ROOM
LEGAL AND ADMINISTRATIVE INFORMATION

DIRECTORS AND CHARITY TRUSTEES

The directors of the charitable company ("Kids OR") are known as its Trustees for the purposes of charity law. The Directors are:

Garreth R C Wood  Executive Chairman
Nicola J C Wood
Graham Good
George G Youngson

SECRETARY

Turcan Connell Company Secretaries Limited

REGISTERED OFFICE

c/o Turcan Connell
Princes Exchange
1 Earl Grey Street
EDINBURGH
Scotland
EH3 9EE

PRINCIPAL ADDRESS

4th Floor
107 George Street
EDINBURGH
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EH2 3ES

AUDITORS

Anderson, Anderson & Brown Audit LLP
Kingshill View
Prime Four Business Park
Kingswells
ABERDEEN
Scotland
AB15 8PU

BANKERS

Bank of Scotland
Queens Cross Branch
39 Albyn Place
ABERDEEN
Scotland
AB10 1YN

SOLICITORS

Turcan Connell
Princes Exchange
1 Earl Grey Street
EDINBURGH
Scotland
EH3 9EE
Chairman’s Statement

Access to healthcare is a basic human right.

That statement has possibly never been more poignant than it is now as we face the global pandemic of Covid-19. And worryingly, it appears likely that low- and middle-income countries, with the most fragile healthcare systems, may well go on to carry the heaviest burden of the disease. Looking ahead, there are clearly exceptionally challenging and turbulent times to come.

Looking back on 2019, it is with great pride that Nicola and I note our progress and increasingly important role in helping develop surgical services for children in many of these same countries.

With our first projects delivered in the Americas, we have opened world-class facilities in Haiti, Ecuador and Peru. We are committed to sustaining investment in this region and to further investing in these initial projects too.

In West Africa meanwhile, we delivered in Burkina Faso and Nigeria; developing nationally significant facilities to help develop children’s care. In East Africa we opened in Ethiopia and we returned to the home of our first project, Uganda, to open three new Operating Rooms in the newly refurbished National Referral Hospital in Kampala. We also launched our ten-year strategy for Africa this year, setting ambitious targets for growth in the continent.

All of this together has created exceptional capacity for children to access care of the highest standard. With 25 Operating Rooms now open, we remain committed to doing all we can to help children everywhere have access to essential care when they need it most.

Garreth Wood
Chairman
KIDS OPERATING ROOM
DIRECTORS' ANNUAL REPORT

The Directors submit their strategic report and the audited financial statements of Kids Operating Room for the year ended 31 December 2019.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Objectives and activities - the role of Kids Operating Room

Kids Operating Room (KidsOR) is a global health charity focused entirely on the provision of safe surgical services for children in the developing world.

The focus of our work is to provide surgeons and their teams, who live and work in low- and middle-income countries, with the necessary equipment they need to maximise their potential. In other words, to give them the tools they need to do their jobs. The impact of this is transformational for the children who benefit.

The focus of our work is to provide surgeons and their teams, who live and work in low- and middle-income countries, with the necessary equipment they need to maximise their potential. In other words, to give them the tools they need to do their jobs.

Picture 1: This is 3-year-old Gerber-Michael. He and his father travelled from their home in the North of Ethiopia for three days, using a network of different buses, to get to our partner hospital in Addis Ababa. Suffering from a problem with his urinary tract, he couldn't go to the toilet properly and was in pain and distress. If a boy starts school with this defect it creates isolation and bullying as they can't urinate like their friends and often have accidents.

Before our Operating Room opened there were no facilities in Ethiopia with surgical instruments small enough to do the operation.

Dad, Eshetu told us he is so relieved that his precious boy will now have a chance to have a normal life and concentrate on just being a little boy. Gerber loves to play with his friends, he loves his Dad and is now looking forward to starting school.
KIDS OPERATING ROOM
DIRECTORS’ ANNUAL REPORT

Objectives and activities - the role of Kids Operating Room - continued

We continued to collaborate with Yale Medical School in 2019 to monitor and assess the impact of our work and we significantly increased investment and activity in research. Recruiting a Health Program Evaluation Specialist, securing national and local research approvals and recruiting local data collectors has allowed us to work towards the creation of a world-leading data set looking at the impact of providing access to surgery for children.

Our chair, Garreth Wood, spoke at both the Yale Global Surgery Symposium and provided a lecture at the University of Oxford’s Global Surgery Course on our work and on our world-leading research developments.

We also continued to work closely with regional surgical colleges and the Global Initiative for Children’s Surgery as we developed a ten-year strategy for our work in Africa.

Launched at the World Health Assembly in Geneva in May, and backed by key nation and College partners, our Africa 2030 strategy has brought a focus to our work in the region that is galvanising support and activities around children’s surgery in a way that has never previously been achieved.

With an end goal of creating 120 new Operating Rooms in Africa by 2030, all of them staffed with a qualified paediatric surgeon and paediatric anaesthesia providers, the strategy is ambitious in its scale and potential impact.

This new focus has allowed the charity to move from a position of reaction and immediate (12 month) planning to one of long-term development and proactive service delivery. It has allowed us to forge stronger partnerships with Ministries of Health and to embed our work in their surgical plans.

This focus in Africa, which ought to be replicated in Latin America and SE Asia in the years ahead, positions the charity to deliver a clear service, securing funding for a defined goal and achieve ambitious targets that will save lives and transform lifetimes for hundreds of thousands of children.

Achievements and performance

2019 was an exceptional year of activity for the charity. Our objectives were to move from an ‘establishing’ phase to one where we were delivering impact and making a meaningful, welcome difference for surgeons and children in our partner nations. We also sought to define our role, making it clear how we complemented national health services and to provide clarity on how that would look in the long-term.

On these ambitious objectives we are pleased to report that all were achieved, and the charity is fully embedded with nation states and surgical colleges.

New Operating Rooms

We opened an unprecedented 16 Operating Rooms in 2019, taking our total to 25. These included our first projects outside of Africa, with projects successfully completed in Haiti, Ecuador and Peru.

The following projects were completed in 2019:

Ethiopia

In Ethiopia we opened a new Operating Room in the Menelik II Referral Hospital in Addis Ababa. The project was the first step in a planned long-term support package developed with the Ministry of Health and leading national surgeons to help them train new surgeons and create new facilities.
Burkina Faso
Delivering three new Operating Rooms in the Hospital Centre University Paediatric Charles De Gaulle, in the capital Ouagadougou, represented a logistical challenge but the project was delivered on time and created a world-class facility in the heart of one of the world’s poorest nations.

Picture 2: One of the three new Operating Rooms in Burkina Faso

Ecuador
Our first project in Latin America was in Ecuador. We supported the Hospital de Los Valles to create two new Operating Rooms in the hospital to support a Government funded project to provide free access to surgery for children from remote and rural communities in the high Andes and in the Amazon.

Peru
Our third project in the Americas saw the creation of two new Operating Rooms and a further Room that will house a specialist C-Arm imaging service created in the Instituto Nacional de Salud del Niño in Lima. This public children’s hospital, which celebrated its 100th birthday recently, was the perfect location for our first investment in the country.
Achievements and performance - continued

New Operating Rooms - continued

Picture 3: One of the new Operating Rooms in Lima, Peru

Nigeria
In the National Hospital, Abuja we opened two new Operating Rooms in the first of an expected large-scale investment in the West African nation.

Haiti
Our two new Operating Rooms in the capital, Port Au Prince, are the first dedicated facilities for children in the country and are based in the St Damian Hospital.

Uganda
We returned to the country where we first started and created three world-class children’s Operating Rooms in the Mulago National Referral hospital. This takes our total activity in Uganda to five Operating Rooms and places KidsOR as the national government’s key partner in developing surgical infrastructure for children.

Picture 4: One of the three new Operating Rooms in Uganda, where we now have five Operating Rooms delivering care in the public health service.
KIDS OPERATING ROOM
DIRECTORS’ ANNUAL REPORT

Achievements and performance - continued

Impact

All of this work has had a significant impact in the countries where we have worked during 2019. In-line with the previous year, analysis of the operations carried out shows that roughly half continue to be immediately life-saving while the other half prevented a life of disability.

Continuing to use figures relating to the relevant country’s GDP and life-expectancy, we are able to project the impact in terms of years of disability prevented and financial impact for the local economy of our work.

Independent analysis (from Yale Medical School) suggests the impact of our work to the end of 2019 is as follows:

- 15,003 Operations provided in our Operating Rooms
- 255,051 Years of disability prevented from ever happening
- $539,658,402 Estimated economic benefit of our work to the end of 2019. Achieved by children surviving or having disabilities, such as deafness or clubfoot, removed and now being able to grow up and contribute to society as a result.

From these wider figures, and from individual case studies, we believe it is clear that our work is saving and transforming lives. It is also strengthening economies and helping make a clear financial argument for wider investment in healthcare and surgery in particular. Looking ahead, we are confident that our Africa 2030 strategy, as well as our developing profile elsewhere in the world, is creating the infrastructure necessary for thousands more children to access the care they need and deserve.

Structure and Governance

KidsOR was formed in January 2018 to support the creation and development of surgical services for children in low- and middle-income countries.

The Articles of Association reflect the current activities of the charity and the Trustees are responsible for reviewing the Articles, the strategy of the charity, governance systems and monitoring performance in line with the strategic objectives. Kids Operating Room is a charity registered in Scotland number SC048523 and a company limited by guarantee number SC585374.

The Board of Trustees devolve day-to-day management of the charity to the Chief Executive, David Cunningham. Mr Cunningham is also a Board member of the UK Fundraising Regulator and a member of their Standards Committee. He is a member of the Organizing Committee of the Global Initiative for Children’s Surgery and a member of the Scottish Government’s Global Health Executive Committee.

The Trustees are required to disclose all relevant interests and register them with the Chief Executive. Trustees will withdraw from decisions where a conflict of interest arises.

The Board of Trustees ultimately make decisions relating to the activity of the charity, taking into account the recommendations made to them by staff and any advisory committees/groups.
KIDS OPERATING ROOM
DIRECTORS' ANNUAL REPORT

Structure and Governance - continued

In 2019 the Board had one advisory board reporting to it:

- The International Advisory Board

The International Advisory Board, which has non-trustees as members, reviews all overseas work and helps set minimum standards of delivery by the charity. All members of the Advisory Board have experience of working in low-resource settings, with the majority of members coming from a clinical background.

The Advisory Board is well placed to review applications for support, recommend areas of investment to the Board and to review activity to ensure patient safety is always prioritised, new and/or best practice is deployed, and investments are made in suitable locations.

Charitable expenditure policy

Kids Operating Room has a focused charitable expenditure policy centred on developing children’s surgery in low- and middle-income countries through a combination of infrastructure projects and medical training. We will not fund projects that do not directly relate to the development of surgery for children in these countries.

Our funding is typically provided to support existing surgeons provide greater access to care. We do not fund other organisations to deliver infrastructure projects on our behalf. We may give an individual surgeon and/or anaesthesia provider a grant to access training where this will result in more children accessing safe surgery.

Hospitals can apply to us for an infrastructure investment through our application process (available in English, French and Spanish). These applications are reviewed by the International Advisory Board who make recommendations to the Board.

Looking ahead, we plan to move hospital selection processes in Africa to be more proactive, rather than reactive, to ensure our growing activities in the continent align with national surgical plans. We will open an office in Nairobi and appoint an Africa Director to lead on this process.

Remuneration policy

The pay of the charity’s staff is reviewed annually by the Board. While recognising the challenges of recruitment in the sector, the salary levels of staff are benchmarked against similar organisations working in global health to ensure that the remuneration set is fair and not significantly out of line with that generally paid for similar roles and levels of responsibility.

Volunteers

The charity enjoys the support of a growing number of volunteers who make an important and significant contribution to our work. Although most volunteer opportunities are within our warehouse, we do plan to develop volunteering opportunities within our administration team and in fundraising.

Trustees

Trustees are appointed for three-year terms with an option to stand for re-election at the end of each three-year period. Trustees are generally invited to join the board following identification of a required skill-set and subsequent identification of a suitable individual. This could follow open advertisement or recommendation of an individual.

Once appointed, Trustees receive an induction from the Chief Executive with new Trustees required to enhance their knowledge through meetings with other members of the Board and tours of the charity’s UK facilities. The Chief Executive will also spend time with the Trustees during their first year to ensure they are fully informed of the work of the charity and able to access all the information they wish to.
Structure and Governance - continued

Trustees - continued

The terms of office, appointment process and wider governance of the charity were reviewed in 2018 as part of the formation of the charity. The Board has a mix of clinical and non-clinical representation.

During 2019, and up to the date of signing, the following served as Trustees of the charity and as directors of the company. Those who serve on the International Advisory Board are also shown.

<table>
<thead>
<tr>
<th>Trustee</th>
<th>Board</th>
<th>International Advisory</th>
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<tbody>
<tr>
<td>Garreth Wood</td>
<td>✔</td>
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<tr>
<td>Nicola Wood</td>
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<td>Graham Good</td>
<td>✔</td>
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<tr>
<td>George Youngson</td>
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* Chair

In 2019, there were 2 Board meetings with the Trustees attending the following number of meetings: Garreth Wood (2), Nicola Wood (2), Graham Good (2), Professor George Youngson (2).

2019 Financial Performance

In 2019 our financial performance was strong, thanks primarily to funding from The Wood Foundation (the foundation of our founders' family). Our total income remained in excess of £4.5m this year.

We continued to benefit from gifts-in-kind support from DC Thomson who kindly donated warehouse space to the charity and from The Speratus Group (owned by our Chairman), who donated office space.

Our expenditure was in-line with expectations as we continued a sustained growth in activity, rising to £1.87m with the balance of funds being carried forward for use in coming years.

2019 Financial Review

Kids Operating Room was largely funded by The Wood Foundation and did not actively seek funding from other sources in 2019. The charity intends to diversify funding in 2020 and has sufficient funds in place to allow this strategy to progress.

Total income for the financial year was £4,591,755 (2018 - £4,590,956) and expenditure equalled £1,872,942 (2018 - £1,002,632). This income level was in-line with expectations for 2019 and allowed for the sustained growth and planning for long-term development of the charity. An increase in charitable activity resulted in 16 new Operating Rooms being opened in 2019.

At the end of 2019 there were net assets of £6,307,137 (2018 - £3,588,324), which was in-line with expectations and puts the charity in a robust position to withstand the exceptional and unprecedented risks associated with the Coronavirus pandemic while continuing to prepare for growth once the outbreak is over.

Total funds at 31 December 2019 totalled £6,307,137 (2018 - £3,588,324) all of which are unrestricted.

During 2019 there were no significant events that influenced income generation and the Trustees note their thanks to our founders, Garreth and Nicola Wood, and The Wood Foundation for this financial support and to DC Thomson for their support in-kind.
Reserves Policy

It is the reserves policy of Kids Operating Room to retain a reasonable level of reserves sufficient to meet short-term liabilities. The actual level of reserves held at any point in time may vary depending on the timing of future donor commitments and the charitable activities of KidsOR.

The Directors are satisfied that the level of reserves at 31 December 2019 is in line with the reserves policy, and will be used for ongoing project expenditure.

Risk

The charity maintains a risk register that is frequently reviewed and up-dated by senior staff.

The primary risk facing the charity is the Coronavirus pandemic. The scale of the global impact of this virus is only starting to be understood at the time of writing. A complete cessation of international travel; delays to future supply chains; risks of staff shortages through illness or worse – there could be no greater threat to the charity, and we continue to work tirelessly to mitigate risks.

To that end, we implemented measures ahead of the curve to prepare for home working and potential supply chain disruptions. This allowed us to fully prepare our team with both equipment and procedures; plans for new working methods; an increase in stock; and a move of certain core functions to our Nairobi office.

Our previous focus on building a highly skilled but relatively small team also helps position us well for a period of reduced overseas activity. Processes to employ new team members have been paused, but we are otherwise well positioned to mitigate the impact of the pandemic for a sustained period.

Otherwise, risks relating to loss or injury to a team working overseas in a low-resource and/or hostile setting remain a primary risk. The charity ensures staff travelling to such places are suitably prepared and deploys significant security systems to ensure team members remain safe.

Risk associated with reputational damage resulting from a staff member or volunteer exploiting their position for personal gain (either in terms of sexual misconduct, mistreatment of vulnerable individuals or for financial gain) is a serious consideration for the charity and all staff and volunteers receive safeguarding training. This is repeated frequently and staff are required to embed safeguarding into their daily duties, especially those working overseas.

Beyond this, risks associated with general health and safety activities in our warehouse remain a constant threat and all staff/volunteers working for the charity are required to undertake training courses before being allowed to commence their duties. Investment has also been made in advanced training for key staff.

All risks associated with operating the charity are overseen by the Board and managed by the Chief Executive.

Investment Policy

The Board has opted to ensure funds are available for use and has not deployed an investment policy. The Board will continue to review this as the organisation grows.

The investment performance of £952 (2018 – £956) relates solely to interest achieved from the charity bank account.
KIDS OPERATING ROOM
DIRECTORS' ANNUAL REPORT

Structure and Governance - continued

Plans for the Future

Our objectives for 2020 are:

- To secure external funding and commence wider fundraising activities.
- To open an office in Nairobi, with an Africa Director located there, to lead on our ten-year Africa strategy.
- To continue to open new Operating Rooms in Africa, in line with our strategy, in East, Central, Southern and West Africa.
- To commence activity in our scholarship program for surgeons and anaesthesia providers, in-line with our Africa strategy.
- To further investigate and develop an on-line education platform to support our scholarship program as part of our Africa strategy.
- To continue to expand activities in Latin America. Further developing existing units and opening at least one new one.
- To further develop our stock control and shipping facilities based in our Centre for Global Operations in Dundee.
- To expand our Head Office to allow for new team members to join as we grow the team to meet demand.

Connected Bodies

Garreth Wood and Graham Good are Trustees of The Wood Foundation, our single largest donor. They are also Directors of the Speratus Group, who provide in-kind office accommodation in Edinburgh.

Going Concern

The Trustees are satisfied that the accounts should be prepared on a going concern basis. They have reviewed the level of reserves, the budget for both income and expenditure for the next 12 months and also reviewed the risks to the charity and its ability to continue to raise funds in the future.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and

- that each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information.
AUDITORS

Anderson, Anderson & Brown Audit LLP have expressed their willingness to continue in office and a resolution proposing their re-appointment will be submitted at the annual general meeting.

The director's and strategic report was approved by the board of directors and signed on its behalf.

[Signature]
Chairman - Garreth Wood

Date 6.4.90
KIDS OPERATING ROOM
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors (who are also Trustees of Kids Operating Room 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 and charity in Scotland 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 income and expenditure, of the charitable company for that period. 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
KIDS OPERATING ROOM
INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF
KIDS OPERATING ROOM

Opinion

We have audited the financial statements of Kids Operating Room (the 'charitable company') for the year ended 31 December 2019 which comprises the Statements of Financial Activities, Balance Sheet, Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 2019 and of its incoming resources and application of resources, including it's 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, Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis of 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.
Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Directors' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of our 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 Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns 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.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the directors (who are also the directors of the charitable company for the purposes of company 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the companies Act 2006 report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an Auditors' report 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.

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 Auditors' report.
KIDS OPERATING ROOM
INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF
KIDS OPERATING ROOM

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, and to the charitable company's Trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and directors those matters we are required to state to them in an Auditor's 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, its members, as a body, and its trustees, as a body for our audit work, for this report, or for the opinions we have formed.

[Signature]

John Black (Senior statutory auditor)
for and on behalf of
Anderson Anderson & Brown Audit LLP
Statutory Auditor
Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU
Date: 23 April 2020
## KIDS OPERATING ROOM

**STATEMENT OF FINANCIAL ACTIVITIES** (incorporating income and expenditure account)

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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<td>4,590,956</td>
</tr>
<tr>
<td><strong>EXPENDITURE ON:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raising funds</td>
<td>5 44,591</td>
<td>-</td>
<td>44,591</td>
<td>-</td>
</tr>
<tr>
<td>Charitable activities</td>
<td>6 1,738,351</td>
<td>90,000</td>
<td>1,828,351</td>
<td>1,002,632</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,782,942</td>
<td>90,000</td>
<td>1,872,942</td>
<td>1,002,632</td>
</tr>
<tr>
<td><strong>NET MOVEMENT IN FUNDS</strong></td>
<td>8 2,718,813</td>
<td>-</td>
<td>2,718,813</td>
<td>3,588,324</td>
</tr>
<tr>
<td><strong>RECONCILIATION OF FUNDS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds brought forward</td>
<td>3 588,324</td>
<td>-</td>
<td>3,588,324</td>
<td>-</td>
</tr>
<tr>
<td>Total funds carried forward</td>
<td>16 6,307,137</td>
<td>-</td>
<td>6,307,137</td>
<td>3,588,324</td>
</tr>
</tbody>
</table>

The charity has made no gains or losses other than as reported above.

The notes on pages 20 to 27 form part of these financial statements.
KIDS OPERATING ROOM  
COMPANY NUMBER: SC585374  
BALANCE SHEET - 31 DECEMBER 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>FIXED ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>11</td>
<td>15,021</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15,021</td>
</tr>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock</td>
<td>12</td>
<td>1,017,076</td>
</tr>
<tr>
<td>Debtors</td>
<td>13</td>
<td>5,103,735</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>13</td>
<td>209,076</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6,329,887</td>
</tr>
<tr>
<td>CREDITORS: amounts falling due within one year</td>
<td>14</td>
<td>(37,771)</td>
</tr>
<tr>
<td>NET CURRENT ASSETS</td>
<td></td>
<td>6,292,116</td>
</tr>
<tr>
<td>TOTAL ASSETS LESS CURRENT LIABILITIES</td>
<td></td>
<td>6,307,137</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td></td>
<td>6,307,137</td>
</tr>
<tr>
<td>FUNDS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>16</td>
<td>6,307,137</td>
</tr>
<tr>
<td>Restricted funds</td>
<td>16</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6,307,137</td>
</tr>
</tbody>
</table>

Signed on behalf of the Board of Directors

Chairman - Garreth Wood  
6.4.20

The notes on pages 20 to 27 form part of these financial statements.
KIDS OPERATING ROOM  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Net cash flow from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income for the year</td>
<td>2,718,813</td>
<td>3,588,324</td>
</tr>
<tr>
<td>Interest receivable &amp; income on fixed asset investments</td>
<td>(952)</td>
<td>(956)</td>
</tr>
<tr>
<td>Depreciation of tangible fixed assets</td>
<td>6,438</td>
<td>2,324</td>
</tr>
<tr>
<td>Increase in stock</td>
<td>(704,432)</td>
<td>(312,644)</td>
</tr>
<tr>
<td>Decrease/(increase) in debtors</td>
<td>(1,853,969)</td>
<td>(3,249,766)</td>
</tr>
<tr>
<td>Increase in creditors</td>
<td>3,227</td>
<td>34,544</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>169,125</td>
<td>61,826</td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest receivable &amp; income on fixed asset investments</td>
<td>952</td>
<td>956</td>
</tr>
<tr>
<td>Purchase of fixed assets</td>
<td>(16,035)</td>
<td>(7,748)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(15,083)</td>
<td>(6,792)</td>
</tr>
<tr>
<td><strong>Increase in cash and cash equivalents</strong></td>
<td>17</td>
<td>55,034</td>
</tr>
<tr>
<td></td>
<td>154,042</td>
<td>55,034</td>
</tr>
</tbody>
</table>

The notes on pages 20 to 27 form part of these financial statements.
KIDS OPERATING ROOM
NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

1. ACCOUNTING POLICIES

(a) Basis of accounts preparation

The financial statements are prepared under the historical cost convention, in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The company constitutes a public benefit entity as defined by FRS 102.

(b) Going concern

The Directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The Directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the financial statements.

(c) Income

i) Donations and legacies

Donations and legacies are included in the Statement of Financial Activities in the year in which they are receivable.

ii) Investment income

Income from investments is included in the Statement of Financial Activities in the year in which it is receivable.

iii) Donated facilities

Donated facilities are recognised when the charitable company has control over the item and the economic benefit can be measured reliably. On receipt the donated facilities are recognised on the basis of the value of the gift to the charitable company, which is the equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(d) Expenditure

Liabilities are recognised when the charity has an obligation to make a payment to a third party.

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any irrecoverable VAT.

Expenditure is directly attributed to the relevant category in the Statement of Financial Activities where practical.

i) Grants to third parties predominantly related to medical training

Grants or instalments of grants offered in connection with projects with institutions are charged to the Statement of Financial Activities in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional and the conditions are within the control of the charity, such grants being recognised as expenditure when payment is made.

Conditional grants where the conditions are outwith the control of the charity are charged to the Statement of Financial Activities in full in the year in which the offer is conveyed.

Grants which have been conveyed in the year but not recognised as expenditure are disclosed as contingent liabilities in the financial statements.
1. ACCOUNTING POLICIES (continued)

(d) Expenditure - continued

ii) Direct costs relating to the set up of surgical facilities
Direct costs are charged to the Statement of Financial Activities as costs are incurred, with the
exception of equipment purchased for setting up surgical facilities. Such equipment is charged to the
Statement of Financial Activities on completion of the installation.

iii) Support costs of the charity.
Support costs are those incurred directly in support of expenditure on the objects of the charity and
include central overhead costs. The costs are charged to the Statement of Financial Activities in the
period to which they relate.

(e) Taxation

Kids Operating Room is considered to pass the tests set out in Schedule 6, Part 1 of the Finance Act 2010 and
therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the
Company is potentially exempt from taxation in respect of income or capital gains received within categories
covered by Part II, Chapter 3 of the Corporation Tax Act 2010 or Section 258 of the Taxation of Chargeable
Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(f) Tangible fixed assets and depreciation

Fixed assets are capitalised at cost and written off over their expected useful lives as follows:

Plant and equipment 30% reducing balance

(g) Stock

Stocks are stated at the lower of cost and net realisable value. Net realisable value represents the estimated
amount which would currently be obtained from disposal of an asset after deducting estimated costs of
disposal.

(h) Foreign currencies

Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rates of exchange
ruling at the dates of the transactions; monetary assets and liabilities at the balance sheet date are translated
at the year-end rate of exchange. The resulting profits or losses are dealt with in the Statement of Financial
Activities.

(i) Funds

Unrestricted funds include incoming resources receivable or generated for the objects of the charity without
further specified purpose and are available as general funds. These funds can be used in accordance with the
charitable objects at the discretion of the trustees.

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

(j) Pensions

Eligible employees are members of defined contribution pension schemes. Pension costs charged to the
Statement of Financial Activities represents the contributions payable by the company in the year.
(k) Financial Instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related and third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(l) Debtors

Debtors are recognised and valued at the settlement amount after any applicable provisions. Prepayments are recognised at the amount prepaid.

(m) Cash at bank and in hand

Cash at bank and at hand includes cash and short term highly liquid investments.

(n) Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of past events, it is probable a transfer of economic resource will be required in settlement and the amount can be reliably measured. Liabilities are recognised at the amount the charitable company anticipates it will pay to settle the debt.

2 JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements, requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported during the year for income and expenditure. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.
3 DONATIONS AND LEGACIES

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Donations - Restricted Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donated facilities</td>
<td>90,000</td>
<td>90,000</td>
</tr>
<tr>
<td><strong>Donations - Unrestricted Funds</strong></td>
<td>4,500,803</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Donations</td>
<td>4,500,803</td>
<td>4,500,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,590,803</td>
<td>4,590,000</td>
</tr>
</tbody>
</table>

During the year the charitable company benefited from donated facilities which were deemed to have a market value of £90,000 (2018 - £90,000). Income and a corresponding cost (Note 6) have been recognised in respect of these donations for the year ending 31 December 2019.

In addition to the above the charity benefited from certain administrative functions from The Wood Foundation which were provided without charge. The Trustees consider the value of these donations to be immaterial, therefore have not recognised this in the accounts.

4 INCOME FROM INVESTMENTS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank interest receivable</td>
<td>952</td>
<td>956</td>
</tr>
</tbody>
</table>

5 EXPENDITURE ON RAISING FUNDS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fundraising agents</td>
<td>17,329</td>
<td>-</td>
</tr>
<tr>
<td>Staging fundraiser events</td>
<td>27,262</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>44,591</td>
<td>-</td>
</tr>
</tbody>
</table>

6 EXPENDITURE ON CHARITABLE ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surgical facilities</td>
<td>1,080,814</td>
<td>1,080,814</td>
</tr>
<tr>
<td>Total</td>
<td>1,080,814</td>
<td>563,023</td>
</tr>
<tr>
<td>Direct costs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit costs</td>
<td>1,080,814</td>
<td>1,080,814</td>
</tr>
<tr>
<td>Head Office costs</td>
<td>319,236</td>
<td>319,236</td>
</tr>
<tr>
<td>Warehouse costs</td>
<td>206,777</td>
<td>206,777</td>
</tr>
<tr>
<td>Security</td>
<td>13,647</td>
<td>13,647</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,620,474</td>
<td>884,755</td>
</tr>
</tbody>
</table>

Support costs:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>35,067</td>
<td>35,067</td>
</tr>
<tr>
<td>Insurance</td>
<td>7,711</td>
<td>7,711</td>
</tr>
<tr>
<td>Press &amp; publicity</td>
<td>13,906</td>
<td>13,906</td>
</tr>
<tr>
<td>Research/Data development</td>
<td>114,819</td>
<td>114,819</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>13,100</td>
<td>13,100</td>
</tr>
<tr>
<td>Depreciation</td>
<td>6,438</td>
<td>6,438</td>
</tr>
<tr>
<td>Exchange losses</td>
<td>3,747</td>
<td>3,747</td>
</tr>
<tr>
<td>Governance costs</td>
<td>13,089</td>
<td>13,089</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>207,877</td>
<td>117,877</td>
</tr>
</tbody>
</table>

In 2018, of the total expenditure on charitable activities, £912,632 was to unrestricted funds and £90,000 was to restricted funds.
7 GOVERNANCE COSTS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditors’ remuneration - UK</td>
<td>10,428</td>
<td>6,900</td>
</tr>
<tr>
<td>Legal</td>
<td>2,661</td>
<td>3,724</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,089</strong></td>
<td><strong>10,624</strong></td>
</tr>
</tbody>
</table>

8 NET MOVEMENT IN TOTAL FUNDS FOR THE YEAR is stated after charging:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditors' remuneration - audit fees</td>
<td>8,400</td>
<td>6,900</td>
</tr>
</tbody>
</table>

9 STAFF COSTS AND NUMBERS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>295,289</td>
<td>147,022</td>
</tr>
<tr>
<td>Social security</td>
<td>32,225</td>
<td>17,785</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>22,394</td>
<td>13,492</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>349,908</strong></td>
<td><strong>178,299</strong></td>
</tr>
</tbody>
</table>

The average number of persons employed during the year was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Management &amp; administration</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11</strong></td>
<td><strong>6</strong></td>
</tr>
</tbody>
</table>

During the year 1 employee considered to be key management received emoluments of over £60,000 including pension contributions paid into a defined contribution pension scheme in respect of this individual (2018 - 1). The Directors consider that it would be operationally sensitive to disclose any further remuneration information in respect of this individual.

10 DIRECTORS’ EMOLUMENTS AND EXPENSES

The Directors received no remuneration from the charity during the current period.

No Director received or waived any expenses from the charity during the current period.
KIDS OPERATING ROOM  
NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2019

11 TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Plant &amp; equipment £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2019</td>
<td>7,748</td>
<td>7,748</td>
</tr>
<tr>
<td>Additions</td>
<td>16,035</td>
<td>16,035</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>23,783</td>
<td>23,783</td>
</tr>
<tr>
<td><strong>DEPRECIATION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2019</td>
<td>2,324</td>
<td>2,324</td>
</tr>
<tr>
<td>Charge for year</td>
<td>6,438</td>
<td>6,438</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,762</td>
<td>8,762</td>
</tr>
</tbody>
</table>

**NET BOOK VALUES**

|                      |                     |         |
| At 1 January 2019    | 5,424               | 5,424   |
| At 31 December 2019  | 15,021              | 15,021  |

12 STOCK

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical equipment</td>
<td>£1,017,076</td>
<td>£312,644</td>
</tr>
</tbody>
</table>

13 DEBTORS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts due from related undertakings</td>
<td>4,912,026</td>
<td>2,905,876</td>
</tr>
<tr>
<td>Other debtors</td>
<td>26,611</td>
<td>1,625</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>165,098</td>
<td>342,265</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,103,735</td>
<td>3,249,766</td>
</tr>
</tbody>
</table>

Amounts due from related undertakings includes £4,912,026 (2018 - £2,905,876) of grant funding committed by The Wood Foundation. In accordance with the agreed funding schedule £Nil (2018 - £1,500,000) of this amount is expected to be received in more than one year.

14 CREDITORS: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>15,100</td>
<td>13,725</td>
</tr>
<tr>
<td>Social security and other taxes</td>
<td>12,008</td>
<td>6,588</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>10,663</td>
<td>14,231</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>37,771</td>
<td>34,544</td>
</tr>
</tbody>
</table>

An amount totalling £429 (2018 - £3,752) is accrued at the year end in relation to pension contributions.
15 FINANCIAL INSTRUMENTS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets measured at fair value through profit or loss</td>
<td>209,076</td>
<td>55,034</td>
</tr>
<tr>
<td>Financial assets measured at amortised cost</td>
<td>4,938,637</td>
<td>2,907,501</td>
</tr>
<tr>
<td></td>
<td><strong>5,147,713</strong></td>
<td><strong>2,962,535</strong></td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial liabilities measured at amortised cost</td>
<td>25,763</td>
<td>27,956</td>
</tr>
</tbody>
</table>

16 MOVEMENT IN FUNDS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brought forward</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carried forward</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

General fund - unrestricted

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brought forward</td>
<td>3,588,324</td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>4,501,755</td>
<td></td>
</tr>
<tr>
<td>Expenditure</td>
<td>(1,782,942)</td>
<td></td>
</tr>
<tr>
<td>Carried forward</td>
<td>6,307,137</td>
<td></td>
</tr>
</tbody>
</table>

Restricted funds

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donated facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>90,000</td>
<td>(90,000)</td>
</tr>
<tr>
<td></td>
<td>90,000</td>
<td>(90,000)</td>
</tr>
</tbody>
</table>

Total funds

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brought forward</td>
<td>3,588,324</td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>4,591,755</td>
<td></td>
</tr>
<tr>
<td>Expenditure</td>
<td>(1,872,942)</td>
<td></td>
</tr>
<tr>
<td>Carried forward</td>
<td>6,307,137</td>
<td></td>
</tr>
</tbody>
</table>

Restricted funds relate to office and warehouse facilities donated to the charitable company and the related deemed costs (Note 3).

Analysis of net assets between funds

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>15,021</td>
<td>0</td>
<td>15,021</td>
</tr>
<tr>
<td>Current assets</td>
<td>6,329,887</td>
<td>-</td>
<td>6,329,887</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>(37,771)</td>
<td>-</td>
<td>(37,771)</td>
</tr>
<tr>
<td>At 31 December 2019</td>
<td>6,307,137</td>
<td>0</td>
<td>6,307,137</td>
</tr>
</tbody>
</table>
16  MOVEMENT IN FUNDS (continued)

The comparative figures for 2018 were:

<table>
<thead>
<tr>
<th>Brought forward</th>
<th>Income</th>
<th>Expenditure</th>
<th>2018 Carried forward</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>General fund - unrestricted</td>
<td>4,500,956</td>
<td>(912,632)</td>
<td>3,588,324</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donated facilities</td>
<td>90,000</td>
<td>(90,000)</td>
<td>-</td>
</tr>
<tr>
<td>Total funds</td>
<td>4,590,956</td>
<td>(1,002,632)</td>
<td>3,588,324</td>
</tr>
</tbody>
</table>

Restricted funds relate to office and warehouse facilities donated to the charitable company and the related deemed costs (Note 3).

Analysis of net assets between funds

<table>
<thead>
<tr>
<th>Funds</th>
<th>2018</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Restricted</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>5,424</td>
<td>5,424</td>
</tr>
<tr>
<td>Current assets</td>
<td>3,617,444</td>
<td>3,617,444</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>(34,544)</td>
<td>(34,544)</td>
</tr>
<tr>
<td>At 31 December 2018</td>
<td>3,588,324</td>
<td>3,588,324</td>
</tr>
</tbody>
</table>

17  ANALYSIS OF CHANGES IN CASH IN YEAR

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand at 1 January 2019</td>
<td>55,034</td>
<td>-</td>
</tr>
<tr>
<td>Increase/(decrease) in cash and cash equivalents</td>
<td>154,042</td>
<td>55,034</td>
</tr>
<tr>
<td>At 31 December 2019</td>
<td>209,076</td>
<td>55,034</td>
</tr>
</tbody>
</table>

18  RELATED PARTY TRANSACTIONS

Control

Throughout the year the company was controlled by the Board of Directors.

Transactions

During the year the charitable company benefited from donated office facilities valued at £10,000 (2018 - £10,000) from The Speratus Group Limited, a company of which Garreth Wood and Graham Good are Directors.

During the year the charitable company was awarded grants amounting to £4,500,000 (2018 - £4,500,000) from The Wood Foundation, a charity of which Garreth Wood and Graham Good are also Trustees. The total amounts outstanding in relation to the grant transactions at the year end is £4,912,026 (2018 - £2,905,877).