

KIDS OPERATING ROOM

*(A company limited by guarantee
and not having share capital)*

(Company Number: SC585374)

(Charity Number: SC048523)

TRUSTEES ANNUAL REPORT AND ACCOUNTS

31 DECEMBER 2020

KIDS OPERATING ROOM
TRUSTEES ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

CONTENTS	PAGE
LEGAL AND ADMINISTRATIVE INFORMATION	3
TRUSTEES ANNUAL REPORT	4
TRUSTEES ANNUAL REPORT & STATEMENT OF TRUSTEES RESPONSIBILITIES	14
REPORT OF THE AUDITORS	15
STATEMENT OF FINANCIAL ACTIVITIES	19
BALANCE SHEET	20
CASH FLOW STATEMENT	21
NOTES ON THE FINANCIAL STATEMENTS	22

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
Sarah T Masiyiwa (appointed on 24/03/2020)
Lili Buffett (appointed on 17/09/2020)

SECRETARY

Turcan Connell Company Secretaries Limited

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AB15 8PU

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Queens Cross Branch
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Chairman's Statement

We have all been through a year of great uncertainty, anxiety and fear for the health of ourselves, loved ones, friends and colleagues.

Just over a year ago we asked our staff to start working from home and I am very proud of how they have responded to this new way of working. None of us anticipated such a long period of home-working and we launched several initiatives during the year to support both their physical and mental health. Throughout the pandemic we have prioritised their safety and wellbeing, recognising that keeping our team safe at home was essential to ensuring we continued to deliver our important work.

We have responded at home this year too, and in response to the rapidly developing pandemic here in the UK we donated 10 intensive care beds with all the associated patient monitors to the National Health Service. And abroad, as well as supplying more equipment to our partner hospitals, we also responded to desperate calls for PPE from partner surgeons, sending more than 25,000 high quality face masks to keep them safe.

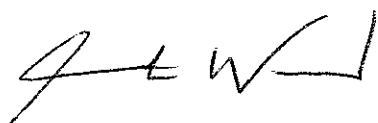
Throughout 2020 we have continued to install record numbers of Operating Rooms across low-income countries, we have funded surgical training scholarships at a record level, and we have continued to support our existing surgical partners with new equipment with a record level of investment in minimally invasive surgery. Our Africa30 Strategy has been officially launched and following the completion of a detailed country-by-country review, we now have a working plan of where our 120 new Operating Rooms across 40 countries will be created.

We have undertaken a review of children's surgery in Latin America too, as we look to create a strategy for development across the region. Building on our existing work there, we see the potential for our plans to have huge impact for children across many of the world's most unequal societies.

While our team have been adapting to new norms, they have been busy building ongoing relationships with governments, securing new partnerships, sustaining income while also attracting new fundraising partners and delivering ongoing support to existing surgical teams.

Nicola and I firmly believe that access to surgery is a basic human right and that every child should have access to safe surgery and the KidsOR team are helping to ensure these children have the opportunity not just 'to life' but also 'in life'.

I am inspired every year by those surgical teams we support across the world, often working in incredibly challenging environments. But I want to thank all our staff this year for simply doing what they do best; they have all shown grit, perseverance and resilience in incredibly challenging times. We all share a vision: A world where every child has equal access to safe surgery. Thank you to all of our team and partners for keeping that vision at the heart of what we all do.



Garreth Wood
Chairman

Kids Operating Room – 2020 accounts

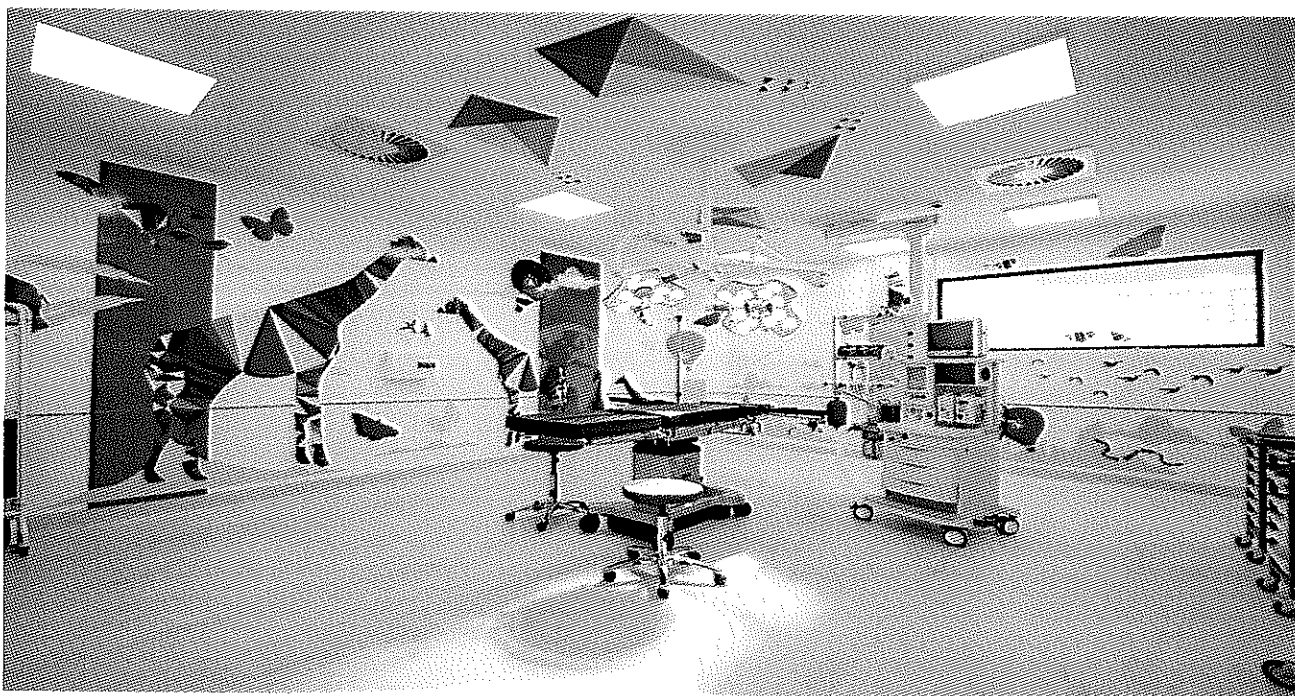
The Trustees present their report and accounts for the year ended 31 December 2020.

Legal and administrative information set out earlier forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association, '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) - (Charities SORP (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 low-income and middle-income countries.

The focus of our work is to provide local surgeons and their teams with the necessary skills and equipment they need to maximise their potential impact.



Picture 1: An example of a KidsOR project – this was an empty room in Malawi that we transformed into a high-quality, fully equipped operating room for children's surgery.

We collaborate with University of California, San Francisco (UCSF) to record and assess the impact of this approach. By providing our partner surgeons with regular patient data we support them to monitor quality, audit activity and plan for anticipated case load.

Achievements and Performance

2020 was not the year anyone expected. However, our teams in Edinburgh, Dundee and Nairobi rose to the challenge and continued to deliver high-quality facilities with an increasing number of new partners.

Achievements and Performance - continued

As the pandemic spread, we prepared our team for an anticipated period of home-working and ensured they were fully prepared for this both in terms of equipment and team connectivity. We were subsequently able to transition to homeworking with minimal disruption to our activities while also sustaining a high degree of team morale.

This smooth transition to a new-normal allowed us to maintain high levels of activity and also enabled us to respond to the developing pandemic in Scotland, where we donated 10 intensive care beds, with all associated patient monitoring equipment, to NHS Scotland. This equipment was put into use within 24 hours of being donated and, throughout 2020, helped save lives and maintain an expanded capacity for intensive care within the NHS.

Elsewhere, we sustained delivery of much-needed medical equipment throughout Africa, opening new Operating Rooms, sending more equipment to existing facilities and responding to calls for help to provide PPE from partner surgeons, supplying 25,000 high-quality face masks during the year.

At the Global Initiative for Children's Surgery in Johannesburg in January, our Chair provided a keynote speech on the urgency for investment in children's surgery and this was followed by a presentation at the World Economic Forum in Davos, Switzerland later that month. Alongside His Royal Highness, Prince Jaime de Bourbon Parme of the UNHCR, our founders Garreth and Nicola Wood announced that KidsOR would create the world's first ever dedicated Operating Room for children in a refugee setting. The new facility will be in the Kakuma Camp in Kenya, opening in spring 2021.

At the East Central and Southern Africa Health Minister's meeting in Lusaka, Zambia in February, Mr Wood also secured the support of every Health Minister for our work, leading to the first ever joint declaration of commitment to investing in children's surgery towards the provision of safe surgery to every child who needs it. This landmark success was overshadowed by the looming pandemic, but firmly places our work at the heart of Health Ministries across this region when the world starts to recover from Covid-19.

In 2020 we also finalised the detailed planning for implementation of our Africa 2030 Strategy. This country-by-country review included an analysis of existing and potential capacity for children's surgery. The plan detailed where our 120 new Operating Rooms across 40 countries will be created, identifying the need for 98 surgical scholarships to also be funded in order to ensure safe surgery in each of them.

With this new plan complete, we secured a successful partnership with Smile Train that would see funding for 20 of the new Operating Rooms across Africa put in place. We also appointed the Royal College of Surgeons of Ireland to create our e-learning platform to support any trainees in paediatric surgery. This world first south-to-south training platform merged the curriculum for paediatric surgery across Africa for the first time and is a resource that will support every surgical trainee to graduate while maximising quality and helping improve patient safety.

Beyond Africa, we launched a review of children's surgery in Latin America as we now work towards the creation of a strategy for development in this region. Building on our existing work and better understanding the culture, inequalities, indigenous populations and potential for impact in the region, we plan to focus our efforts for growth of high-quality surgical services for children in Latin America.

Achievements and Performance - continued

As we responded to the Black Lives Matter movement, we looked inwards to ensure we never let our guard down against potential racism or discrimination. In our bid to be truly anti-racist, we appointed a Trustee to oversee an internal review and development of an evolved Equality, Diversity and Inclusion policy. This work will remain on-going and will continue to be Trustee led.

Thinking ahead to staff returning to office working, we completed a refurbishment of our head office in Edinburgh allowing for expected new working requirements and office norms. We also developed and then launched our new website in 2020, making a significant improvement to our on-line profile and we increased our social media presence across all channels, including the publication of a video to mark what would have been our presentation at the World Health Assembly in May and our first social-media takeover on St Andrews Day.

Throughout 2020 our team have adapted to new norms, secured important government support, developed new partnerships and sustained delivery despite all the challenges of working through a pandemic. We responded to calls for help at home and abroad, we developed new fundraising activities and major donors and we refused to forget the children who rely upon us for urgent help.

2020 was, for everyone, a year like no other. At Kids Operating Room we are proud to have delivered for our partner surgeons and hospitals while sustaining income throughout this most challenging time.

Impact

Independent analysis suggests that by the end of 2020 we had provided the following impact. For every operation carried out we can attribute an average of 17.1 years of disability prevented (based on analysis of a year's activity in a standard Operating Room in Africa). We can further extrapolate an economic benefit to the host nation by calculating what that child will grow up to contribute in terms of GDP rather than not contribute (due to early death or very significant disability).

29,780	Operations provided in our Operating Rooms
509,238	Years of disability prevented from ever happening
\$1.071b	Estimated economic benefit of our work to the end of 2020, achieved by children surviving or having disabilities, such as deafness or clubfoot removed, and now being able to grow up and contribute to society.

From these wider figures, and from individual case studies that bring the data to life, we believe it is clear that our work is saving and transforming lives.

Looking ahead, we have strong funding partners in place and an ambitious plan for development that will see us significantly increase surgical capacity in the early part of this decade.

Structure and Governance

KidsOR was formed in January 2018, securing charity status later in the year, to support the creation and development of surgical services for children in low-income and middle-income countries.

Structure and Governance - continued

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 also 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.

In 2020 the Board had reviewed how it secured expert advice on clinical and/or regional matters. The Board recognised that with the formation of long-term strategies and national plans, the advice that was required had now evolved to be more country specific.

A review chaired by a Trustee (Prof George Youngson) recommended the creation of Global Advisors who would convene annually but would be available to the Board and staff for ad hoc advice.

The Global Advisors include former International Advisory Board members but will also include country representatives. This important step sees our advisors increasingly come from the countries we support and from people with a lived experience of what we are trying to achieve. An executive function to support the advisors has been created in Nairobi and the new Global Advisors are expected to commence their work in early 2021.

Charitable Expenditure Policy

Kids Operating Room has a focused grant making policy centred on children's surgery in low- and middle-income countries. We will not normally 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 to deliver greater access to care or for trainee paediatric surgeons or anaesthesia providers to complete specialised training. We do not fund other organisations to deliver infrastructure projects on our behalf.

Hospitals can apply to us for an infrastructure investment through our application process (available in English, French and Spanish) although we mostly identify hospitals for investment through discussion with the relevant Ministry of Health and local surgical society.

KIDS OPERATING ROOM

TRUSTEES ANNUAL REPORT

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

Although opportunities were significantly restricted in 2020, the charity normally enjoys the support of a number of volunteers who make an important and significant contribution to our work. Volunteer opportunities can be in our Head Office, Dundee Centre for Global Operations, Nairobi office or on overseas trips.

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.

In 2020 we were delighted to welcome two new Trustees to our Board. Sarah Masiyiwa joined in March 2020 and Lili Buffett joined in September 2020.

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, where possible, 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.

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 2020, and up to the date of signing, the following served as Trustees of the charity and as directors of the company. Those who serve as Global Advisors are also shown.

Trustee	March Board	September Board	Global Advisor
Garreth Wood	✓ *	✓ *	
Nicola Wood	✓	✓	
Graham Good	✓	✓	
George Youngson	✓	✓	✓ *
Sarah Masiyiwa	✓	✓	
Lili Buffett		✓	

* Chair

KIDS OPERATING ROOM

TRUSTEES ANNUAL REPORT

Trustees - continued

In 2020, 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), Sarah Masiyiwa (2), Lili Buffett (1 – Lili was appointed in September 2020 and was only eligible to attend one meeting).

2020 Financial Performance

Despite the challenges of the year, in 2020 our financial performance was strong and largely sustained previous years' levels, dropping only slightly on the 2019 total due to adverse exchange rates.

We benefited from gifts-in-kind support primarily from DC Thomson who kindly donated warehouse space to the charity and from The Speratus Group Limited (owned by our chairman), the use of office space.

Our expenditure was up on 2019 but remained below expected levels largely due to foreign travel being restricted for most of the year.

2020 Financial Review

In-line with expectations, Kids Operating Room diversified income streams in 2020 while sustaining income levels.

Total income for the financial year was £4,471,000, (2019 - £4,591,755). This income level was in-line with expectations for 2020 and highlighted our capacity to deliver on stated aims to broaden our income streams, even during a challenging fundraising climate. Income is derived from a number of sources in the form of restricted and unrestricted funds. During the year new restricted funds were opened as a result of donations received from SmileTrain with all of these restricted funds used for the installation of Operating Rooms in hospitals across Africa. Restricted funds were also received from a number of other donors. At 31 December 2020 restricted funds totalled £1,590,356 (2019 - £NIL) and unrestricted funds £6,193,353 (2019 - £6,307,137).

Our expenditure equalled £2,994,428 (2019 - £1,872,942), which was in-line with revised expectations as the year developed; having previously budgeted for higher levels of travel and overseas activity.

As a result, in 2020 there was an increase in net assets of £1,476,572 (2019 - £2,718,813).

Total funds at 31 December 2020 were £7,783,709 (2019 - £6,307,137). Our expectation is that this will remain stable in 2021 before reducing in 2022 as we see project delivery, overseas travel and trainee scholarships increase.

During 2020 there were no significant events that influenced income generation and the Trustees note their thanks to The Speratus Group Limited, The Wood Foundation and 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.

Reserves Policy - continued

The Trustees are satisfied that the level of reserves at 31 December 2020 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 pandemic exposed risks relating to inability to travel that led to some roles being recruited in Africa rather than in the UK. The opening of our Nairobi office has allowed growth of our Africa-based team and this is now extending to include engineering support and project installers. The lesson learned through this process, and the development of more local teams, are set to provide cost savings to the charity well beyond the existing pandemic.

Outwith this, the primary risk facing the charity remains loss or injury to a team or individual working overseas in a low-resource and/or hostile setting. The charity ensures staff travelling to such places are suitably prepared and deploys significant security systems and training to ensure staff 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.

An increasing number of US-based donors, donating or granting in USD\$ and a number of overseas suppliers who are paid in USD\$ presents risk to the charity as exchange rates vary and levels are monitored to negate impact in this area.

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.

Failure to appoint to key roles and retain key staff as the charity goes through a period of growth is a risk that is constantly monitored and re-assessed as demand continues to rise.

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

Investment Policy

The Board continue to opt for funds to remain available for use and has not deployed an investment policy. In 2020 work began to review this approach with outcomes of this review expected to be implemented in 2021.

The investment performance of £3,031 (2019 - £952) relates solely to interest achieved from the charity bank account.

KIDS OPERATING ROOM

TRUSTEES ANNUAL REPORT

Plans for the Future

Our objectives for 2021 are:

- To increase capacity for 18,000 more children to be able to access the emergency or essential care they need.
- To open at least 30 new Operating Rooms to enable this increase to happen.
- To fund 13 new surgical training scholarships in Africa.
- To launch our e-learning platform for children's surgery in Africa.
- To complete our review of work in Latin America and launch a new strategy for the region.
- To expand our fundraising and communications team to further broaden our income streams and develop our profile.
- To explore advocacy and campaigning activities on behalf of children without access to safe surgery.

Connected Bodies

Garreth Wood and Graham Good are Trustees of The Wood Foundation and Directors of The Speratus Group Limited. The Speratus Group Limited own the building where our head office is based, some of which was provided as gift-in-kind support to the charity.

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.

KIDS OPERATING ROOM

TRUSTEES ANNUAL REPORT

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 trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that each trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing their report and to establish that the charitable company's auditor is 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 report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

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

Chairman - Garreth Wood

Date

15-4-21

KIDS OPERATING ROOM

TRUSTEES ANNUAL REPORT & STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of the charitable company for company law) are responsible for preparing the Trustees 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 Trustees 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 Trustees 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 Trustees 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 AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF KIDS OPERATING ROOM

Opinion

We have audited the financial statements of Kids Operating Room (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow 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 2020 and of its incoming resources and application of resources, including its 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 Auditor's 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's 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.

KIDS OPERATING ROOM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF KIDS OPERATING ROOM

Other information - continued

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' 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 Trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees 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 trustees 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

KIDS OPERATING ROOM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF KIDS OPERATING ROOM

Auditor's 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 Auditor's 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 Auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Anti-fraud, bribery and corruption legislation, Taxation legislation, Health and safety legislation and Charity regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

KIDS OPERATING ROOM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF KIDS OPERATING ROOM

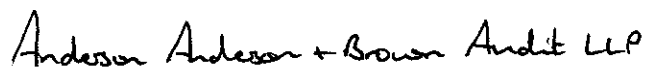
Extent to which the audit was considered capable of detecting irregularities, including fraud - continued

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to this risk included enquiries of management, about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Office of the Scottish Charity Regulator and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 trustees 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.



Andrew Shaw (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: 15 April 2021

KIDS OPERATING ROOM**STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	1,046,890	3,421,079	4,467,969	4,590,803
Investments	4	3,031	-	3,031	952
TOTAL		<u>1,049,921</u>	<u>3,421,079</u>	<u>4,471,000</u>	<u>4,591,755</u>
EXPENDITURE ON:					
Raising funds	5	65,837	-	65,837	44,591
Charitable activities	6	1,097,868	1,830,723	2,928,591	1,828,351
TOTAL		<u>1,163,705</u>	<u>1,830,723</u>	<u>2,994,428</u>	<u>1,872,942</u>
NET MOVEMENT IN FUNDS	8	(113,784)	1,590,356	1,476,572	2,718,813
RECONCILIATION OF FUNDS					
Total funds brought forward		6,307,137	-	6,307,137	3,588,324
Total funds carried forward	16	<u>6,193,353</u>	<u>1,590,356</u>	<u>7,783,709</u>	<u>6,307,137</u>

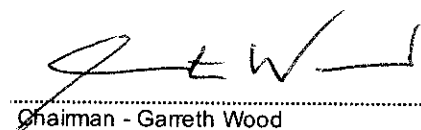
The charity has made no gains or losses other than as reported above.

The notes on pages 22 to 30 form part of these financial statements.

KIDS OPERATING ROOM
COMPANY NUMBER: SC585374
BALANCE SHEET - 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	11	<u>127,779</u>	<u>15,021</u>
		<u>127,779</u>	<u>15,021</u>
CURRENT ASSETS			
Stock	12	995,780	1,017,076
Debtors	13	1,855,718	5,103,735
Cash at bank and in hand		<u>4,954,941</u>	<u>209,076</u>
		7,806,439	6,329,887
CREDITORS: <i>amounts falling due within one year</i>	14	<u>(150,509)</u>	<u>(37,771)</u>
NET CURRENT ASSETS		<u>7,655,930</u>	<u>6,292,116</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		7,783,709	6,307,137
NET ASSETS			
		<u>7,783,709</u>	<u>6,307,137</u>
FUNDS			
Unrestricted funds	16	6,193,353	6,307,137
Restricted funds	16	<u>1,590,356</u>	<u>-</u>
		<u>7,783,709</u>	<u>6,307,137</u>

Signed on behalf of the Board of Trustees


 Chairman - Gareth Wood
 15.4.21
 Date

The notes on pages 22 to 30 form part of these financial statements.

KIDS OPERATING ROOM
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Net cash flow from operating activities			
Net income for the year		1,476,572	2,718,813
Interest receivable & income on fixed asset investments		(3,031)	(952)
Depreciation of tangible fixed assets		23,919	6,438
Loss on disposal of tangible fixed assets		1,647	-
Decrease/(increase) in stock		21,296	(704,432)
Decrease/(increase) in debtors		3,248,017	(1,853,969)
Increase/(decrease) in creditors		112,738	3,227
Net cash provided by operating activities		<u>4,881,158</u>	<u>169,125</u>
Cash flow from investing activities			
Interest receivable & income on fixed asset investments		3,031	952
Purchase of fixed assets		<u>(138,324)</u>	<u>(16,035)</u>
Net cash used in investing activities		<u>(135,293)</u>	<u>(15,083)</u>
Increase in cash and cash equivalents	17	<u><u>4,745,865</u></u>	<u><u>154,042</u></u>

The notes on pages 22 to 30 form part of these financial statements.

KIDS OPERATING ROOM

NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

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 2019) - (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 Trustees, 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 Trustees, 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 Trustees have continued to adopt the going concern basis of accounting in preparing the financial statements.

The COVID-19 pandemic developed rapidly in 2020 with a significant number of cases in the UK and across the globe. Measures taken by various governments to contain the virus have affected economic and other activities including the ability to travel to these countries.

We have taken a number of measures to monitor and mitigate the effects of COVID-19, including safety and health measures for our people such as social distancing, working from home and ensuring our premises meet all government guidance and regulations. With regard to the supply of equipment and materials that are essential to our activities at the start of the pandemic we quickly assessed our future needs and have been able to secure all required materials for current and future operations through ordering in advance and in bulk. Travel restrictions imposed by governments have forced us to change to some extent how we install operating rooms in overseas locations but going forward this will be beneficial as we are now utilising more local resources to complete these tasks.

At this stage, the impact on our business and results has therefore not been significant and based on our experience to date we expect this to remain the case. Although many charities have been adversely impacted, especially in their ability to fundraise, this has not been the case for us and we have maintained income at prior year levels and do not expect any adverse impact to our ability to hit our income targets in the upcoming year. At the year end we are in a very strong cash position and in line with our forecasts for income we expect this to continue in 2021.

We will continue to follow the various government policies and advice and, in parallel, we will continue our operations in the best and safest way possible without jeopardising the health of our people.

(c) Income

i) Donations and legacies

Donations and legacies are included in the Statement of Financial Activities in the year in which the charity has entitlement to the funds and it is probable that the income will be received and the amount can be measured reliably. Income includes:

Grant funding included in this category provides funding to support activities and is recognised where there is entitlement, probability of receipt, and the amount can be measured with sufficient reliability.

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.

KIDS OPERATING ROOM

NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

(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.

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 256 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, straight line 5-years for office furniture and 3-years for other fixed assets.

(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.

KIDS OPERATING ROOM

NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

(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 such as 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.

KIDS OPERATING ROOM**NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020****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

	2020 £	2019 £
Donations - Restricted Funds		
Donated Facilities	97,188	90,000
SmileTrain	2,942,463	-
Others	381,428	-
	<u>3,421,079</u>	<u>90,000</u>
Donations - Unrestricted Funds		
Donations	1,046,890	4,500,803
	<u>1,046,890</u>	<u>4,500,803</u>
	<u>4,467,969</u>	<u>4,590,803</u>

During the year the charitable company benefited from donated facilities which were deemed to have a market value of £97,188 (2019 - £90,000). Income and a corresponding cost (Note 6) have been recognised in respect of these donations for the year ending 31 December 2020.

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.

During the year new restricted funds were opened as a result of donations received from SmileTrain. All SmileTrain restricted funds are for the installation of Operating Room facilities in hospitals across Africa.

Others - a number of other grants were received which were used for the provision of equipment to hospitals in Africa. In these hospitals various types of new equipment was provided, including personal protection equipment, along with maintenance updates for existing equipment.

KIDS OPERATING ROOM
NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

4	INCOME FROM INVESTMENTS		2020 £	2019 £
	Bank interest receivable		<u>3,031</u>	<u>952</u>
5	EXPENDITURE ON RAISING FUNDS		2020 £	2019 £
	Fundraising agents		44,905	17,329
	Staging fundraiser events		<u>20,932</u>	<u>27,262</u>
			<u>65,837</u>	<u>44,591</u>
6	EXPENDITURE ON CHARITABLE ACTIVITIES			
		Surgical facilities	2020 Total £	2019 Total £
	Direct costs:			
	Unit costs	1,325,770	1,325,770	1,080,814
	Head Office costs	579,025	579,025	319,236
	Warehouse costs	420,548	420,548	206,777
	Africa costs	102,817	102,817	-
	Security	-	-	13,647
		<u>2,428,160</u>	<u>2,428,160</u>	<u>1,620,474</u>
	Support costs:			
	Staff	29,235	29,235	35,067
	Insurance	9,113	9,113	7,711
	Press & publicity	2,801	2,801	13,906
	Research/Data development	152,334	152,334	114,819
	COSECSA Scholarship	46,400	46,400	-
	Overseas Training	92,047	92,047	-
	Miscellaneous expenses	29,846	29,846	13,100
	Depreciation	23,919	23,919	6,438
	Exchange losses	90,725	90,725	3,747
	Governance costs	24,011	24,011	13,089
		<u>500,431</u>	<u>500,431</u>	<u>207,877</u>
		<u>2,928,591</u>	<u>2,928,591</u>	<u>1,828,351</u>

In 2019, of the total expenditure on charitable activities, £1,738,351 was to unrestricted funds and £90,000 was to restricted funds.

KIDS OPERATING ROOM
NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

7 GOVERNANCE COSTS

	2020 £	2019 £
Auditors' remuneration - UK	12,076	10,428
Legal	11,935	2,661
	<u>24,011</u>	<u>13,089</u>

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

	2020 £	2019 £
Auditors' remuneration - audit fees	<u>9,240</u>	<u>8,400</u>

9 STAFF COSTS AND NUMBERS

	2020 £	2019 £
Staff costs		
Wages and salaries	660,775	295,289
Social security	60,461	32,225
Other pension costs	39,837	22,394
	<u>761,073</u>	<u>349,908</u>

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

	2020 No.	2019 No.
Directors	4	4
Management & administration	10	7
	<u>14</u>	<u>11</u>

During the year 4 employees within the group received emoluments of over £60,000 (2019: 1). Pension contributions totalling £24,000 were paid into direct contribution pension schemes in respect of 3 of these individuals (2019: £8,000, 1 individual). The Trustees consider that it would be operationally sensitive to disclose any further remuneration information in respect of these individuals.

10 TRUSTEES EMOLUMENTS AND EXPENSES

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

No Trustees received or waived any expenses from the charity during the current period.

KIDS OPERATING ROOM
NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

11 TANGIBLE FIXED ASSETS

	Plant & equipment Total	Total
	2020	2019
	£	£
COST		
At 1 January 2020	23,783	7,748
Additions	138,324	16,035
Disposals	(2,314)	-
At 31 December 2020	<u>159,793</u>	<u>23,783</u>
DEPRECIATION		
At 1 January 2020	8,762	2,324
Charge for year	23,919	6,438
Disposals depreciation	(667)	-
At 31 December 2020	<u>32,014</u>	<u>8,762</u>
NET BOOK VALUES		
At 31 December 2020	<u>127,779</u>	<u>15,021</u>
At 1 January 2020	<u>15,021</u>	<u>5,424</u>

12 STOCK

	2020	2019
	£	£
Medical equipment	<u>995,780</u>	<u>1,017,076</u>

13 DEBTORS

	2020	2019
	£	£
Amounts due from related undertakings	-	4,912,026
Other debtors	1,135,975	26,611
Prepayments and accrued income	<u>719,743</u>	<u>165,098</u>
	<u>1,855,718</u>	<u>5,103,735</u>

Amounts due from related undertakings includes £NIL (2019 - £4,912,026) of grant funding committed by The Wood Foundation.

14 CREDITORS: *amounts falling due within one year*

	2020	2019
	£	£
Trade creditors	99,817	15,100
Social security and other taxes	17,311	12,008
Accruals and deferred income	<u>33,381</u>	<u>10,663</u>
	<u>150,509</u>	<u>37,771</u>

An amount totalling £3,793 (2019 - £429) is accrued at the year end in relation to pension contributions.

KIDS OPERATING ROOM
NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

15 FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through profit or loss	4,954,941	209,076
Financial assets measured at amortised cost	<u>1,135,975</u>	<u>4,938,637</u>
	<u>6,090,916</u>	<u>5,147,713</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>133,198</u>	<u>25,763</u>

16 MOVEMENT IN FUNDS

	Brought forward £	Income £	Expenditure £	2020 Carried forward £
General fund - unrestricted	<u>6,307,137</u>	<u>1,049,921</u>	<u>(1,163,705)</u>	<u>6,193,353</u>
Restricted funds				
Donated facilities	-	97,188	(97,188)	-
SmileTrain	-	2,942,463	(1,493,928)	1,448,535
Others	-	381,428	(239,607)	141,821
	<u>-</u>	<u>3,421,079</u>	<u>(1,830,723)</u>	<u>1,590,356</u>
Total funds	<u>6,307,137</u>	<u>4,471,000</u>	<u>(2,994,428)</u>	<u>7,783,709</u>

Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2020 £
Tangible fixed assets	127,779	-	127,779
Current assets	6,216,083	1,590,356	7,806,439
Current liabilities	<u>(150,509)</u>	<u>-</u>	<u>(150,509)</u>
At 31 December 2020	<u>6,193,353</u>	<u>1,590,356</u>	<u>7,783,709</u>

KIDS OPERATING ROOM

NOTES ON THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

16 MOVEMENT IN FUNDS (continued)

The comparative figures for 2019 were:

	Brought forward	Income	Expenditure	2019 Carried forward
	£	£	£	£
General fund - unrestricted	3,588,324	4,501,755	(1,782,942)	6,307,137
Restricted funds				
Donated facilities	-	90,000	(90,000)	-
	-	90,000	(90,000)	-
Total funds	3,588,324	4,591,755	(1,872,942)	6,307,137

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

	Unrestricted Funds	Restricted Funds	2019
	£	£	£
Tangible fixed assets	15,021	-	15,021
Current assets	6,329,887	-	6,329,887
Current liabilities	(37,771)	-	(37,771)
At 31 December 2019	6,307,137	-	6,307,137

17 ANALYSIS OF CHANGES IN CASH IN YEAR

	2020 £	2019 £
Cash at bank and in hand at 1 January 2020	209,076	55,034
Increase/(decrease) in cash and cash equivalents	4,745,865	154,042
At 31 December 2020	4,954,941	209,076

18 RELATED PARTY TRANSACTIONS

Control

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

Transactions

During the year, the charitable company benefited from donated office facilities valued at £17,188 (2019 - £10,000) and paid £20,500 in respect of these office facilities to The Speratus Group Limited, a company of which Garreth Wood and Graham Good are Trustees.

During the year, the charity paid £68,667 (2019 - £NIL) to The Wood Foundation, a charity of which Garreth Wood and Graham Good are also Trustees. A further payment of £39,006 is due at the year-end 30th Dec 2020. These payments were for Kids OR Africa office rents and staff salaries.

During the year the charitable company was awarded grants amounting to £NIL (2019 - £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 £NIL (2019 - £4,912,026).

19 OPERATING LEASE COMMITMENT

At 31 December 2020 the charity had future minimum lease payments under non-cancellable operating leases of £127,100 (2019 - £NIL).