KIDS OPERATING ROOM

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

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Company Number: SC585374
Charity Number: SC048523

KIDS OPERATING ROOM
DIRECTORS' CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

CONTENTS **PAGE**

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 Trustees are:

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
Scotland
EH2 3ES

AUDITOR

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

Report of the Trustees (including Directors' Report) for the year ended 31 December 2024

The Trustees present their annual report and consolidated financial statements for the year ended 31 December 2024. The consolidated financial statements consist of the charity Kids Operating Room and its trading subsidiary, Global Hospital Limited.

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)' and the Companies Act 2006.

Chairman's Statement

I am delighted to present the Annual Report and Financial Statements of Kids Operating Room.

Kids Operating Room has had another busy and productive year as we continue to deliver the five-year strategy we launched in 2023. During the second year of this strategy, we achieved some key milestones:

- We opened 19 new operating rooms across 13 countries in 2024, creating capacity for an additional 37,440 children to receive life changing care.
- We officially opened our first operating room in Asia at the Ataturk Hospital in Afghanistan when I visited in April. This operating room is our busiest in the world, with more than 2,000 life-changing operations taking place during its first 12 months.
- We were delighted to win the Health and Healing award at the prestigious .ORG impact awards in Washington D.C.
- We engaged with world famous artist, Romero Britto, who has since hosted an event in early 2025 at his studios in Miami where we raised money and awareness for a first operating room in Brazil.
- Kids Operating Room USA continues to grow - adding three staff members and establishing a robust board. We are grateful to them for helping us achieve our ambitious goals.
- We hosted John Swinney, the First Minister of Scotland, at our Centre for Global Operations in Dundee to share the impact of our work and collaboration with the Scottish Government.
- Our Solar Surgery system continued to win multiple awards recognising the innovation and the massive impact it brings to improving safe surgery in hospitals which experience frequent black-outs.
- In 2023 we had supported the government of Botswana to prepare a detailed plan for the development of paediatric surgery and during 2024 we received funding and started to deliver this plan.

Nicola and I continue to be hugely grateful to the entire team at Kids Operating Room for the relentless passion and commitment they display towards our mission: a world where every child can access surgery when they need it. The continued success the team achieves is why we have renewed our commitment to the organisation with a donation of £6 million over 6 years, helping cover the running costs of the charity so every pound or dollar donated goes even further and making an even greater difference.

By the end of 2024 we had installed 95 operating rooms across 34 countries. During the year, alongside local practitioners and advisers, we reviewed the evidence base for the capacity created when we install an operating room. We found that, on a prudent basis, each operating room creates capacity for 2,080 safe surgeries per year. This means that we have created safe capacity for over 197,000 operations every year and over half a million in total since we started this work. Those operations have prevented more than 9 million years of disability from ever happening and what's more, because these children can grow up and contribute to their nations' futures, the impact of these operations has added $17.8 Billion of economic value over the lifetimes of those children.

Nicola and I could not be prouder of the charity and the wonderful team behind it, and we extend our grateful thanks to the funding partners who share our vision of a world where children don't die unnecessary deaths or live their lives in pain and disability. Together we are changing these children's stories, helping them go to school and enjoy their childhoods in ways they never imagined were possible.

Looking ahead, we look forward to creating even more change as we continue to drive our five-year strategy forward into 2025.

DocuSigned by:

E8FC423112E34F6...

GARRETH WOOD
CHAIRMAN & CO-FOUNDER

Objectives and activities - the role of Kids Operating Room

Kids Operating Room is a global health charity focused entirely on the provision of safe surgical services for children in low- and middle-income countries.

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

During 2024 we continued our collaboration with University of California, San Francisco (UCSF) in assessing the impact of this approach. We also conducted a root and branch review of our impact assessment to ensure it remains fit for purpose as we grow. As we move into 2025, we will be piloting new methods of data collection.

Achievements and Performance

In 2024 Kids Operating Room continued to make strides towards delivering our vision to ensure children have access to safe surgery when they need it.

By the end of 2024 we had installed 95 operating rooms with a further 3 in transit - each one comprising of more than 3,000 individual items of brand-new surgical equipment and each individually designed to suit the local team, the local hospital and to create an environment suitable for local children.

Our Solar Surgery system continued to win multiple awards recognising the innovation and the massive impact it brings to improving safe surgery in hospitals which experience frequent blackouts.

During 2024 we reviewed the evidence base for the capacity created when we install an operating room, alongside local practitioners and advisers. We found that, on a prudent basis, each operating room creates capacity for 2,080 safe surgeries per year. This means that we have already created safe capacity for over 197,000 operations every year.

In 2023 we had supported the government of Botswana to prepare a detailed plan for the development of paediatric surgery and during 2024 we have received funding and started to deliver this plan. In 2024 we also started to support the government and healthcare teams in Malawi to develop a country plan, which will conclude in 2025.

During 2024, the Pan African Paediatric Surgery E-Learning Platform (PAPSEP) continued to grow with over 170 users now regularly accessing the programme. This important project entered its second 3-year cycle, with partners at the Royal College of Surgeons of Ireland (RCSI) and both main Colleges of Surgeons in Africa. It is the world's first e-learning platform for paediatric surgery that is designed for, and written by, low-income country surgeons with the objective of helping drive up the skill set and overall quality of graduating surgeons. Work continued during 2024 on the development of an e-learning platform for paediatric anaesthesia, supported by Smile Train and Kids Operating Room and in collaboration with RCSI.

12 more trainees started on paediatric surgery scholarships during 2024, and we worked closely with our partners Smile Train and The Elma Philanthropies to continue to grow the numbers of surgeons delivering care in Africa. By the end of 2024, 23 scholars had graduated through our programmes. We delivered our impactful District Hospital Training Programme in Ethiopia during 2024, in partnership with University of Oxford, which provides valuable surgical training for District Hospitals, enhancing the provision of safe surgery.

We continue to pursue initiatives to ensure we are socially responsible in how we do our work. During 2024 we continued to measure our Carbon Footprint and implemented initiatives to reduce our carbon impact such as reduced packaging for shipments. During 2024 we were reaccredited as a Living Wage employer and achieved Disability Confident accreditation.

Structure and Governance

Kids Operating Room is a charity registered in Scotland (charity number SC048523) and a company limited by guarantee (company number SC585374). The charity was formed 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 has one subsidiary, Global Hospital Limited (company number SC754485) whose results are included in these statements.

The Board have set strategic direction for the charity with the overarching aim to create capacity for an additional 200,000 safe operations for children each year by the end of 2027. The Board of Trustees devolve day-to-day management of the charity to the Chief Executive, David Cunningham.

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, considering the recommendations made to them by management and any advisors.

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 and delivery of safe 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 bring a need for infrastructure investment to our attention directly although we mostly identify hospitals for investment through discussion with the relevant Ministry of Health, key partners, and local surgical societies.

Remuneration Policy

The pay of the charity's staff is reviewed annually by the Board. While recognising the on-going challenges of recruitment in the sector, the salary levels of staff are benchmarked against similar organisations working in global health and local markets 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.

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, 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 continually reviews its processes and over the course of 2024 updated the Scheme of Delegation and the Conflict of Interest Policy. The Board has a mix of clinical and non-clinical representation.

During 2024, and up to the date of signing, the following individuals served as Trustees of the charity and as directors of the company, and their attendance at Board is set out below.

Trustee	Board April	Board November
Garreth Wood	✓*	✓*
Nicola Wood	✓	
Graham Good	✓	✓
George Youngson	✓	✓
Sarah Masiyiwa	✓	✓

*Chair

2024 Financial Performance

Kids Operating Room had budgeted for a small surplus in 2024 due to the delivery of projects with funding recognised in 2023 being balanced by new funding prospects. Our actual performance in 2024, reported a surplus of £3.1m.

This result was driven by the fact that during 2024 we received funding for several significant programmes where the delivery of the project has not yet started. New income for the year was £10.7m compared to £5.8m in 2023, reflecting increased fundraising activity, coupled with a major multi-year donation to support the charity's work around solar powered operating rooms. The group continued to benefit from existing and new gift-in-kind support from The Speratus Group (of which our Chairman is a Director) relating to the head office premises and new warehouse premises. The group plan to vacate the existing warehouse during 2025, which is currently provided as a gift-in-kind from DC Thomson.

Total reserves increased by £3.1m, with charitable expenditure in 2024 of £7.6m (2023 - £7.8m) as we delivered on our funded programmes of activity and recognised multi-year funding agreements for both surgical capacity and solar surgery programmes. At 31 December 2024, the group had reserves totalling £11.8m, of which £2.3m is unrestricted and £9.4m is restricted funds.

Reserves Policy

Our aim is to generate a level of surplus that maintains sufficient reserves to ensure liquidity, provides headroom for strategic investment and ensures resilience against financial risks. Given the specifics of accounting rules for revenue that require recognition in the year when a commitment is secured this means that there can be significant variations in reported results where projects cross years. Our aim therefore is to ensure we maintain reserves over the medium-term taking account of cross year variations. The Board have considered the reserves required, assessing current and future liabilities, and have agreed that a target minimum cash balance of £2m should be maintained. This will be reviewed during 2025 to consider the growth of the organisation.

Risk

The Board has considered its risk appetite, and the organisation maintains a risk register that is frequently reviewed and updated by the Senior Management Team and considered by the Board.

Kids Operating Room is exposed to external risks to funding arising from the economic climate, the ongoing impact of global conflicts and global volatility. To mitigate the risks of funding volatility, the charity has invested in growing the fundraising team and continues to pursue efforts to diversify the income sources.

In terms of our operations, 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, and we recognise the heightened volatility in many areas of the world where we work. The charity ensures staff travelling to such places are suitably prepared and deploys significant security systems and training to ensure staff remain safe. Beyond this, risks associated with general health and safety activities in our warehouse remain a risk we focus on 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 relevant staff.

Risks associated with reputational damage remain high in our awareness. All staff and volunteers receive safeguarding training which 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, presents a risk to the charity as exchange rates vary and these are monitored to manage impact in this area, whilst an element of purchasing in USD helps to mitigate this risk.

We are cognisant of the growth in AI and this is prominent in our awareness as both a risk and an opportunity. We spent time as a staff team during 2024 to start thinking carefully about the potential, with the emphasis being to ensure that we consider the possible applications strategically and ethically.

As we continue to grow, we are alert to the risks of a challenging recruitment market and the importance of retention. During 2024 we have continued to focus on maintaining a competitive remuneration position in the market and have invested time into growing our staff engagement and feedback mechanisms.

Investment Policy

The Board continued to opt for funds to remain available for use during 2024 and has not deployed an investment policy at this time. As the organisation grows Kids Operating Room will continue to monitor options for putting an investment policy in place.

Plans for the Future

The Board have defined an ambitious strategy to move closer to our vision of a world where every child has access to safe surgery, which we continued to deliver going into 2025.

We have set out four key strategic objectives to deliver the strategy. By 2027 we will:

- Create capacity for 200,000 children a year to access safe surgery.
- Deliver 1,000 training opportunities.
- Collect data in selected new partner hospitals for at least 3 years followed by a transition to locally led data control.
- Publish peer reviewed publications, in high-impact journals.
- Continue to advocate for a funding shift towards wider health system strengthening (including surgery) from donor nations.

We have set out our 2025 Business Plan with clear targets and performance indicators at team and individual levels, defining the steps we will take in the year to drive these strategic objectives forward.

KIDS OPERATING ROOM
DIRECTORS' ANNUAL REPORT

During 2024 we continued to explore the potential for commercial opportunities around our areas of expertise as part of our strategy for the diversification of revenue through our trading subsidiary Global Hospital Limited, which is consolidated in these financial statements.

Kids Operating Room USA Inc, a charitable body in the USA who work with Kids Operating Room are raising funds to deliver high impact projects in low-resource settings. During 2024, Kids Operating Room worked in close partnership with Kids Operating Room USA Inc as they expanded their fundraising efforts.

Connected Bodies

Graham Good and Garreth Wood were Trustees of The Wood Foundation during 2024 and Garreth Wood became a Chair of The Wood Foundation in the early part of 2025. Garreth Wood and Graham Good are Directors of the Speratus Group. The Speratus Group owns the building where our head office is based and the warehouse in Dundee, some of which is 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 reviewed the risks to the charity and its ability to continue to raise funds in the future.

The group recognise that its trading subsidiary, Global Hospital Limited, is in a net liability position as at 31 December 2024. The company is being funded by, and continues to have access to, a significant loan from one of its Directors, further details of which are disclosed within the notes to the financial statements. The company is considered to be in the start-up phase and is expected to grow over the next 12 months, generating future profitability which will support the charity.

Provision of Information to the Auditor

Each of the persons who are directors at the time when the Directors' report is approved has confirmed that:

- As far as that director is aware, there is no relevant audit information of which the company and the group's auditor is 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 auditor in connection with preparing its report and to establish that the company and the group's auditor is aware of that information.

Auditor

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

Chairman - Garreth Wood

DocuSigned by:

E8FC423112E34F8...

Date

9 June 2025

KIDS OPERATING ROOM

STATEMENT OF DIRECTORS' RESPONSIBILITES

The Directors (who are also the Trustees of Kids Operating Room for the purposes of charity law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and financial statements have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company and charity law in Scotland require 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the financial statements of Kids Operating Room (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprises the consolidated statement of Financial Activities, the Charity statement of financial activities, the Consolidated Balance Sheet, the Charity balance sheet, the Consolidated Statement of cash flows and the related notes, including a summary of significant accounting policies. 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 Group's and of the parent charitable company's affairs as at 31 December 2024 and of the Group's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 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 charity 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 of the financial statements, we have concluded that the directors' 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 charitable 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 directors with respect to the going concern are described in the relevant sections of this report.

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 Auditor 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.

Auditor 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations, we design procedures in line with our responsibilities outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities including fraud, is detailed below.

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, 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 the 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;

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the charity's key performance indicators to meet targets.
- Timing and completeness of revenue recognition; and
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the charity needs to comply with the purpose of trading.

Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing judgements made by management in their calculations of accounting estimates for potential management bias.
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations.
- Testing a sample of income transactions to source documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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 report.

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.

Anderson Anderson and Brown Audit LLP

Graeme Penman (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:

10 June 2025

KIDS OPERATING ROOM
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating consolidated income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted Funds	Restricted Funds	2024	2023
INCOME AND ENDOWMENTS FROM:	Note	£	£	£	£
Donations and legacies	3	423,346	10,172,576	10,595,922	5,650,788
Investment Income		83,706	-	83,706	9,764
Other trading activities	4	24,771	-	24,771	144,436
TOTAL		531,823	10,172,576	10,704,399	5,804,988
EXPENDITURE ON:					
Raising funds	5	397,875	-	397,875	358,610
Charitable activities	6	3,233,536	3,999,629	7,233,165	7,430,493
TOTAL		3,631,411	3,999,629	7,631,040	7,789,103
NET MOVEMENT IN FUNDS	17	(3,099,588)	6,172,947	3,073,359	(1,984,115)
RECONCILIATION OF FUNDS					
Total funds brought forward		5,445,878	3,272,130	8,718,008	10,702,123
Total funds carried forward	17	2,346,290	9,445,077	11,791,367	8,718,008

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

The notes on pages 20 to 32 form part of these financial statements.

KIDS OPERATING ROOM
PARENT STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2024

INCOME AND ENDOWMENTS FROM:	Note	Unrestricted Funds £	Restricted Funds £	2024 £	2023 £
Donations and legacies	3	361,495	10,172,576	10,534,071	5,650,788
Investment Income		81,507	-	81,507	9,765
Other trading activities	4	6,915	-	6,915	115,774
TOTAL		449,917	10,172,576	10,622,493	5,776,327
EXPENDITURE ON:					
Raising funds	5	397,875	-	397,875	358,610
Charitable activities	6	2,798,810	3,999,629	6,798,439	7,407,239
TOTAL		3,196,685	3,999,629	7,196,314	7,765,849
NET MOVEMENT IN FUNDS	17	(2,746,768)	6,172,947	3,426,179	(1,989,522)
RECONCILIATION OF FUNDS					
Total funds brought forward		5,440,471	3,272,130	8,712,601	10,702,123
Total funds carried forward	17	2,693,703	9,445,077	12,138,780	8,712,601

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

The notes on pages 20 to 32 form part of these financial statements.

KIDS OPERATING ROOM
COMPANY NUMBER: SC585374
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible fixed assets	12	565,507	77,617
		565,507	77,617
CURRENT ASSETS			
Stock	13	4,524,600	4,913,344
Debtors	14	3,532,084	1,235,767
Cash at bank and in hand	18	3,938,010	2,882,127
		11,994,694	9,031,238
CREDITORS: *amounts falling due within one year*	15	(530,683)	(390,847)
NET CURRENT ASSETS		11,464,011	8,640,391
TOTAL ASSETS LESS CURRENT LIABILITIES		12,029,518	8,718,008
CREDITORS: *amounts falling due after one year*	15	(238,151)	-
NET ASSETS		11,791,367	8,718,008
FUNDS			
Unrestricted funds	17	2,346,290	5,445,878
Restricted funds	17	9,445,077	3,272,130
		11,791,367	8,718,008

The notes on pages 20 to 32 form part of these financial statements.

Signed on behalf of the Board of Directors

DocuSigned by:

Gareth Wood, Chairman

9 June 2025

Date

KIDS OPERATING ROOM
COMPANY NUMBER: SC585374
BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible fixed assets	12	563,156	76,611
Investments	11	1	1
		563,157	76,612
CURRENT ASSETS			
Stock	13	4,524,600	4,913,344
Debtors	14	3,780,365	1,262,904
Cash at bank and in hand	18	3,796,775	2,831,173
		12,101,740	9,007,421
CREDITORS: *amounts falling due within one year*	15	(526,117)	(371,432)
NET CURRENT ASSETS		11,575,623	8,635,989
TOTAL ASSETS LESS CURRENT LIABILITIES		12,138,780	8,712,601
NET ASSETS		12,138,780	8,712,601
FUNDS			
Unrestricted funds	17	2,693,703	5,440,471
Restricted funds	17	9,445,077	3,272,130
		12,138,780	8,712,601

The notes on pages 20 to 32 form part of these financial statements.

Signed on behalf of the Board of Directors

DocuSigned by:

Garreth Wood, Chairman

9 June 2025

Date

KIDS OPERATING ROOM
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Net cash flow from operating activities			
Net income for the year		3,073,359	(1,984,115)
Interest income		(83,706)	-
Loss on disposal of tangible fixed assets		5,509	-
Depreciation of tangible fixed assets	12	66,414	52,241
Donation in kind - loan		(61,849)	-
Decrease/(Increase) in stock	13	388,744	(712,239)
(Increase)/Decrease in debtors	14	(2,296,317)	1,944,325
Increase in creditors	15	139,836	118,011
Net cash generated/(used) in operating activities		1,231,990	(581,777)
Cash flow from investing activities			
Interest income		83,706	-
Purchase of fixed assets	12	(559,813)	(23,865)
Net cash used in investing activities		(476,107)	(23,865)
Cash flow from financing activities			
Drawdown of loan	15	300,000	-
Net cash provided by financing activities		300,000	-
Increase/(Decrease) in cash and cash equivalents	18	1,055,883	(605,642)

The notes on pages 20 to 32 form part of these financial statements.

KIDS OPERATING ROOM
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1 ACCOUNTING POLICIES

(a) Basis of 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) - (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 have evaluated the Group's ability to continue as a going concern after reviewing the projected income and expenditure for the next twelve months from the date of approval of these financial statements and have concluded that the company has sufficient resources to continue its operations in the foreseeable future.

The charity has an agreed strategy and business plan and continues to invest in fundraising resources to secure funding through donations, grants, and other sources.

There will be risks and challenges due to changes in the economic climate and inflationary pressures, which could affect our performance and projected cash flow. Therefore, management continually monitors its financial position and has stress tested the projected cash flow for adverse scenarios.

(c) Group financial statements

The financial statements consolidate the results of the charity, Kids Operating Room, and its wholly owned trading subsidiary Global Hospital Limited on a line-by-line basis.

(d) 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.

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.

Donations and grant funding received for capital expenditure items are recognised in full where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Items purchased with capital grant funding are capitalised at cost and depreciated over the expected useful life of the item, with depreciation being charged to the relevant restricted fund.

ii) Donated facilities
Donated facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met and the economic benefit from the use of the item by the charity is probable and can be measured reliably.

On receipt the donated facilities are recognised on the basis of the value of the gift to the charity, which is the equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of use.

iii) Investment income
Income from investments is included in the Statement of Financial Activities in the year in which it is receivable. This primarily represents bank interest receivable.

(e) Expenditure

i) Expenditure is recognised when the group has a constructive or legal obligation to make a payment to a third party, it is probably that settlement will be required, and the amount of the obligation can be measured reliably. 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.

ii) 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.

ACCOUNTING POLICIES (continued)

Conditional grants where the conditions are out with 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.

iii) Direct costs relating to the core activities.
Direct costs are charged to the Statement of Financial Activities as expenses incurred.

iv) Support costs of the charity.
Support costs are charged to the Statement of Financial Activities as expenses incurred.

(f) 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.

(g) Tangible fixed assets and depreciation

Fixed assets are capitalised at cost and depreciated over their estimated useful economic lives on a straight-line basis as follows:

Asset Category	*Useful life*
Plant & equipment – office furniture	5 years
Plant & equipment – other	3 years
Medical equipment	20 years

(h) Stock

Stock is included 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. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

i) 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.

(j) Funds

Unrestricted funds include incoming resources receivable or generated for the objects of the charity/group 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 directors.

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

(k) 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 Group in the year.

(l) Financial instruments

The Group only enters into basic financial instrument 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.

ACCOUNTING POLICIES (continued)

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.

(m) Debtors

Trade and other debtors are recognised and valued at the settlement amount after any applicable provisions. Prepayments are recognised at the amount prepaid.

(n) Cash at bank and in hand

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

(o) 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 Group anticipates it will pay to settle the debt.

2 JUDGEMENTS 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

	2024 (KidsOR)	2024 (Group)	2023 (KidsOR)	2023 (Group)
Donations - Restricted Funds	£	£	£	£
Donated Facilities	200,000	200,000	100,000	100,000
Donations for Surgical Capacity Programmes	5,817,320	5,817,320	2,864,412	2,864,412
Donations for Solar Surgery Programme	3,132,969	3,132,969	578,883	578,883
Other	1,022,287	1,022,287	395,857	395,857
	10,172,576	10,172,576	3,939,152	3,939,152
Donations - Unrestricted Funds				
Donations Equipment	-	-	1,475,888	1,475,888
Donations Others	361,495	423,346	235,748	235,748
	361,495	423,346	1,711,636	1,711,636
	10,534,071	10,595,922	5,650,788	5,650,788

The charity benefited from donated facilities from DC Thomson and The Speratus Group Ltd which were deemed to have a market value of £200,000 (2023 - £100,000). Income and a corresponding cost (note 6) have been recognised in respect of these donations for the year ended 31 December 2024.

KIDS OPERATING ROOM
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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

The charity received £5,817,320 (2023- £2,864,412) in donations and grants for programmes to develop surgical capacity. These programmes are to support the development of operating rooms and training of surgeons across a range of Low and Middle Income Countries (LMICs). The charity also received £3,132,969 (2023 - £578,883) in donations and grants for programmes to install solar panels for hospitals to power surgery during times of outages. The prior year categorisation has been restated to reflect income received in 2023 for Solar projects. Other restricted donations received during the year primarily funded individual operating room projects.

Donations of equipment to support healthcare in LMICs were received in 2024 to the value of £nil (2023 - £1,475,888) and other unrestricted donations included donations from fundraising events and individual donors.

4 OTHER TRADING ACTIVITIES

	2024 (KidsOR)	2024 (Group)	2023 (KidsOR)	2023 (Group)
	£	£	£	£
Income received from recharges	-	-	115,774	-
Other trading income	6,915	24,771	-	144,436
	6,915	24,771	115,774	144,436

5 EXPENDITURE ON RAISING FUNDS

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Fundraising Team	376,600	376,600	317,382	317,382
Fundraising Events	21,275	21,275	41,228	41,228
	397,875	397,875	358,610	358,610

In 2024, the total unrestricted expenditure within the group and the parent company was £397,875 (2023 £358,610) and in 2024 - £nil (2023 - £nil) was for restricted funds.

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Direct costs:				
Infrastructure Costs	4,633,773	4,633,773	5,396,224	5,396,224
Covid-19 PPE	-	-	48,961	48,961
Research & Advocacy Costs	543,482	543,482	395,797	395,797
Trainee & Scholarship Costs	366,058	366,058	553,432	553,432
	5,543,313	5,543,313	6,394,414	6,394,414
Support costs:				
Head Office Costs	924,460	924,460	410,942	410,942
Conferences & Seminars	181,031	181,031	155,773	155,773
Professional Fees & Other Costs	170,285	605,011	292,991	316,245
Exchange Loss/(Gain)	(20,650)	(20,650)	153,119	153,119
	1,255,126	1,689,852	1,012,825	1,036,079
	6,798,439	7,233,165	7,407,239	7,430,493

In 2024, the total expenditure on unrestricted charitable activities within the group was £3,433,537 (2023 £2,196,815) and £3,799,629 (2023 £5,233,678) was for restricted funds.

In 2024, the total expenditure on unrestricted charitable activities within the parent company was £2,998,809 (2023 £2,173,561) and £3,799,629 (2023 £5,233,678) was for restricted funds.

The costs belonging to Global Hospital Limited are included within 'Professional Fees & Other Costs' line. These costs have been incurred during the start-up phase of the trading subsidiary and will be further categorised in future periods as the business continues to progress.

During 2024, the charity incurred large one-off costs which are included within 'Head Office Costs'. The largest of these costs being c.£148,000 relating to expenditure on a new warehouse premises, partly offset by £100,000 of deemed rental income - see Note 3 for more details of donated premises. The charity also incurred £142,290 of redundancy costs during 2024, following the closure of the Africa office.

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
7 GOVERANCE COSTS				
Audit and Accountancy Services	27,974	28,344	16,200	20,396
Legal	38,346	38,346	47,337	47,337
	66,320	66,690	63,537	67,733

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
8 NET MOVEMENT IN TOTAL FUNDS FOR THE YEAR				
is stated after charging:				
Operating lease rentals	53,105	53,105	86,676	86,676
Depreciation	66,027	66,414	52,189	52,241
Auditor's Remuneration - Statutory Audit	18,304	22,870	16,200	20,396

9 STAFF COSTS AND NUMBERS

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Wages & Salaries	1,827,169	1,985,475	1,596,614	1,596,614
Social Security	188,818	188,818	159,038	159,038
Pension Costs	111,700	111,700	117,014	117,014
	2,127,687	2,285,993	1,872,666	1,872,666

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

	2024 (KidsOR) No.	2024 (Group) No.	2023 (KidsOR) No.	2023 (Group) No.
Senior Management	6	6	6	6
Management & Administration	26	26	27	27
	32	32	33	33

During the year 8 employees within the group received emoluments of over £60,000 (2023 - 3). Pension contributions totalling £64,431 were paid into direct contribution pension schemes in respect of 7 of these individuals (2023 - c.£30,000 in respect of 3 individuals). The Trustees consider that it would be operationally sensitive to disclose any further remuneration information.

The charity employs several employees who work across the group. In 2024, £158,306 (2023 - £nil) of KidsOR staff time was recharged to Global Hospital.

Redundancy costs totalling £142,290 were incurred during the year.

10 TRUSTEES' EMOLUMENTS AND EXPENSES

The Trustees received no remuneration from the charity or group during 2024 (2023: nil).

During the year, expenses of £40,953 were paid directly to third parties on behalf of Trustees to carry out their duties for the charity (2023 - £34,952). No out-of-pocket expenses were reimbursed to any Trustees.

11 INVESTMENTS

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Investment in Global Hospital Limited	1	-	1	-

The investment is a shareholding of 100% ordinary shares in Global Hospital Limited, with the registered office being C/O Turcan Connell, Princes Exchange, 1 Earl Grey Street, Edinburgh, United Kingdom, EH3 9EE.

12 TANGIBLE FIXED ASSETS

	Plant & equipment 2024 (KidsOR) £	Plant & equipment 2024 (Group) £	Plant & equipment 2023 (KidsOR) £	Plant & equipment 2023 (Group) £
COST				
At 1 January 2024	262,366	263,444	240,000	240,000
Additions	558,081	559,813	22,787	23,865
Disposals	(11,810)	(11,810)	(421)	(421)
At 31 December 2024	808,637	811,447	262,366	263,444
DEPRECIATION				
At 1 January 2024	185,755	185,827	134,007	134,007
Charge for the year	66,027	66,414	52,169	52,241
Depreciation on disposal	(6,301)	(6,301)	(421)	(421)
At 31 December 2024	245,481	245,940	185,755	185,827
NET BOOK VALUE				
At 31 December	563,156	565,507	76,611	77,617
At 1 January	76,611	77,617	105,993	105,993

13 STOCK

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Medical equipment	4,524,600	4,524,600	4,913,344	4,913,344

14 DEBTORS

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Other debtors	388,410	388,410	986,009	986,009
Prepayments and accrued income	3,012,561	3,012,561	181,290	181,290
Amounts due from group undertakings	248,281	-	27,137	-
VAT Recoverable	131,113	131,113	68,468	68,468
	3,780,365	3,532,084	1,262,904	1,235,767

15 CREDITORS: amounts falling due within one year

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Trade creditors	264,229	264,229	297,004	297,004
Social security and other taxes	57,965	57,965	31,095	31,095
Accruals and deferred income	203,923	208,489	43,333	62,748
	526,117	530,683	371,432	390,847

No amount in relation to pension contributions is accrued at the year end (2023 - £nil).

CREDITORS: amounts falling due after one year

	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Loan from Director	-	238,151	-	-

Global Hospital was granted an interest free loan facility of £1m to be repaid by the company before July 2027. During the year, Global Hospital executed two drawdowns totalling £300,000. The initial measurement of the loan has been discounted using 8% which is considered a market rate of interest available to financing transactions of companies comparable to Global Hospital. The difference in initial measurement of the loan and the face value has been presented as a donation in kind through the group Statement of Financial Activities.

16 FINANCIAL INSTRUMENTS

Financial assets	2024 (KidsOR) £	2024 (Group) £	2023 (KidsOR) £	2023 (Group) £
Financial assets measured at fair value through profit or loss	3,796,775	3,938,010	2,831,173	2,882,127
Financial assets measured at amortised cost	388,410	388,410	986,009	986,009
	4,185,185	4,326,420	3,817,182	3,868,136
Financial liabilities				
Financial liabilities measured at amortised cost	468,152	710,869	340,337	359,752

Financial assets measured at fair value through profit or loss comprises cash at bank and in hand.
Financial assets measured at amortised cost comprises other debtors.
Financial liabilities measured at amortised cost comprises trade creditors, accruals and deferred income and directors' loan.

17 PARENT MOVEMENT IN FUNDS

	Brought forward £	Income £	Expenditure £	2024 Carried forward £
General Fund - Unrestricted	5,440,471	449,917	(3,196,685)	2,693,703
Restricted Funds				
Donated Facilities	-	200,000	(200,000)	-
Donations for Surgical Capacity Programmes	2,433,241	5,817,320	(2,492,877)	5,757,684
Donations for Solar Surgery Programmes	325,966	3,132,969	(796,767)	2,662,168
Others	512,923	1,022,287	(509,985)	1,025,225
	3,272,130	10,172,576	(3,999,629)	9,445,077
Total Funds	8,712,601	10,622,493	(7,196,314)	12,138,780

Restricted funds include a fund for specific projects, office and warehouse facilities donated to the charity and the related deemed costs (Note 3).

The brought forward funds for 'Others' have been restated to show 'Donations for Solar Surgery Programmes' separately due to the material nature of the income and expenditure for this type of fund.

PARENT MOVEMENT IN FUNDS (continued)

Analysis of Parent net assets between funds

	Unrestricted Funds £	Restricted Funds £	2024 £
Tangible fixed assets	54,981	508,176	563,157
Current assets	3,164,839	8,936,901	12,101,740
Current liabilities	(526,117)	-	(526,117)
At 31 December 2024	2,693,703	9,445,077	12,138,780

The comparative figures for 2023 were:

	Brought forward £	Income £	Expenditure £	2023 Carried forward £
General funds- unrestricted	6,135,467	1,837,175	(2,532,171)	5,440,471
Restricted funds				
Donated Facilities	-	100,000	(100,000)	-
Donations for Surgical Capacity Programmes	3,660,584	2,864,412	(4,091,755)	2,433,241
Covid 19 PPE	48,962	-	(48,962)	-
Others	857,110	974,740	(992,961)	838,889
	4,566,656	3,939,152	(5,233,678)	3,272,130
Total funds	10,702,123	5,776,327	(7,765,849)	8,712,601

Restricted funds include a fund for specific projects, office and warehouse facilities donated to the charity and the related deemed costs (Note 3).

KIDS OPERATING ROOM
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

PARENT MOVEMENT IN FUNDS (continued)

Analysis of parent net assets between funds

	Unrestricted Funds £	Restricted Funds £	2023 £
Tangible fixed assets	76,612	-	76,612
Current assets	5,735,291	3,272,130	9,007,421
Current liabilities	(371,432)	-	(371,432)
At 31 December 2023	5,440,471	3,272,130	8,712,601

GROUP MOVEMENT IN FUNDS

	Brought forward £	Income £	Expenditure £	2024 Carried forward £
General Fund - Unrestricted	5,445,878	531,823	(3,631,411)	2,346,290
Restricted Funds				
Donated Facilities	-	200,000	(200,000)	-
Donations for Surgical Capacity Programmes	2,433,241	5,817,320	(2,492,877)	5,757,684
Donations for Solar Surgery Programme	325,966	3,132,969	(796,767)	2,662,168
Others	512,923	1,022,287	(509,985)	1,025,225
	3,272,130	10,172,576	(3,999,629)	9,445,077
Total Funds	8,718,008	10,704,399	(7,631,040)	11,791,367

Restricted funds include a fund for specific projects, office and warehouse facilities donated to the charitable company and the related deemed costs (Note 3).

Analysis of Group net assets between funds

	Unrestricted Funds £	Restricted Funds £	2024 £
Tangible fixed assets	57,331	508,176	565,507
Current assets	3,057,793	8,936,901	11,994,694
Current liabilities	(530,683)	-	(530,683)
Non-current liabilities	(238,151)	-	(238,151)
At 31 December 2024	2,346,290	9,445,077	11,791,367

GROUP MOVEMENT IN FUNDS (continued)

The comparative figures for 2023 were:

	Brought forward	Income	Expenditure	2023 Carried forward
	£	£	£	£
General funds- unrestricted	6,135,467	1,865,836	(2,555,425)	5,445,878
Restricted funds				
Donated Facilities	-	100,000	(100,000)	-
Donations for Surgical Capacity Programmes	3,660,584	2,864,412	(4,091,755)	2,433,241
Covid 19 PPE	48,962	-	(48,962)	-
Others	857,110	974,740	(992,961)	838,889
	4,566,656	3,939,152	(5,233,678)	3,272,130
Total funds	10,702,123	5,804,988	(7,789,103)	8,718,008

Restricted funds include a fund for specific projects, office and warehouse facilities donated to the Group and the related deemed costs (Note 3).

Analysis of Group net assets between funds

	Unrestricted Funds	Restricted Funds	2023
	£	£	£
Tangible fixed assets	77,617	-	77,617
Current assets	5,759,108	3,272,130	9,031,238
Current liabilities	(390,847)	-	(390,847)
At 31 December 2023	5,445,878	3,272,130	8,718,008

18 ANALYSIS OF PARENT CHANGES IN CASH IN YEAR

	2024	2023
	£	£
Cash at bank and in hand at 1 January 2023	2,831,173	3,487,769
Increase / (Decrease) in cash and cash equivalents	965,602	(656,596)
At 31 December 2024	3,796,775	2,831,173

ANALYSIS OF GROUP CHANGES IN CASH IN YEAR

	2024	2023
	£	£
Cash at bank and in hand at 1 January 2023	2,882,127	3,487,769
Increase / (Decrease) in cash and cash equivalents	1,055,883	(605,642)
At 31 December 2024	3,938,010	2,882,127

19 RELATED PARTY TRANSACTIONS

Control

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

Transactions

During the year, the charity benefited from donated office facilities valued at £200,000 (2023 - £10,000) and paid £96,376 (2023 - £86,676) in respect of these office facilities to The Speratus Group Ltd, a company of which Garreth Wood and Graham Good are Directors.

During the year, the charity paid £300,068 (2023 - £203,626) to The Wood Foundation Africa, a charity of which Graham Good and Garreth Wood are Trustees. A balance of £53,560 (2023 - £68,266) is due at the year ended 31 December 2024. The charges relate to reimbursement of staff costs relating to both KidsOR and Global Hospital.

During the year, the charity reimbursed £25,627 (2023 - £24,322) to J W Holdings Ltd, a company of which Graham Good is a Director. These payments were for the KidsOR staff's private medical and death-in-service policies.

The company has taken advantage of the exemption given by Section 1AC.35 of Financial Reporting Standard 102 which allows exemption from disclosure of related party transactions with other wholly owned group entities.

20 OPERATING LEASE COMMITMENT

At 31 December 2024 the parent company had future minimum lease payments under non-cancellable operating leases of £105,937 (2023 - £86,676).