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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 2025

Company Number: SC585374

Charity Number: SC048523

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LEGAL AND ADMINISTRATIVE DETAILS

TRUSTEES	Garreth R C Wood Nicola J C Wood Graham Good George G Youngson Sarah T Masiyiwa
SECRETARY	Turcan Connell Company Secretaries Limited
CHARITY NUMBER (SCOTLAND)	SC048523
COMPANY NUMBER	SC585374
PRINCIPAL ADDRESS	4th Floor 107 George Street EDINBURGH Scotland EH2 3ES
REGISTERED ADDRESS	c/o Turcan Connell Princes Exchange 1 Earl Grey Street EDINBURGH Scotland EH3 9EE
AUDITOR	AAB Audit & Accountancy Limited 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

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FOUNDERS' STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

We are delighted to present the Annual Report and Financial Statements of Kids Operating Room for 2025.

Kids Operating Room has had another busy and productive year as we continue to deliver our long-term strategy. At the World Health Assembly, back in 2020 we set a bold goal – to install 100 operating rooms by 2030. In May 2025, we returned to Geneva to report we had completed that goal, 5 years ahead of schedule and announced our commitment to deliver a further 100 operating rooms by 2030. On returning to the UK, we immediately set out to redevelop our strategic plan on how we will deliver those next 100 operating rooms and continue to create capacity for life saving surgery globally.

We are proud to have opened 30 new operating rooms across 9 countries, creating capacity in 2025 for an additional 33,280 children to receive life changing care. In June, Nicola travelled to East Africa, where Kids Operating Room opened our 100th Operating Room in Botswana and the very next day, our 101st in Ethiopia. Our team continued to deliver life-saving projects under the most challenging conditions, with Garreth leading a team last November to Ukraine, that delivered 6 much needed operating rooms to care for children there.

We have been excited to continue to innovate in our pursuit of bringing safe care to as many children as possible. Along with our commercial subsidiary, Global Hospital, we are able to now rapidly deploy modular health care facilities and have plans already underway to roll these out in much needed locations over 2026 including South Sudan and the West Bank.

We are hugely proud and excited to have partnered with NASA during 2025 to carry out trials on innovative technology producing medical grade oxygen. And with the help of the Scottish Government, we established a Field Readiness Hub which will allow us to test and prepare for deployment of infrastructure to support the children of Gaza when conditions permit.

Kids Operating Room now creates safe capacity for over 200,000 operations every year and more than 850,000 in total since we started this work. Those operations have prevented more than 14 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 $26 Billion of economic value over the lifetimes of those children.

We were delighted with the announcement during 2025 that we would be awarded MBEs in recognition of our work founding Kids Operating Room, which we have since been proud to receive in 2026. We are hugely grateful for this recognition which is testament to the work of our entire team, and we are thankful for the relentless passion and commitment they display towards our mission: a world where every child can access surgery when they need it.

During 2025 we donated the first of our commitment to donate £6 million over 6 years to help cover the running costs of the charity, helping ensure the generosity of our donors goes further.

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FOUNDERS' STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

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

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GARRETH WOOD MBE & NICOLA WOOD MBE
FOUNDERS OF KIDS OPERATING ROOM

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The Trustees present their annual report and group financial statements for the year ended 31 December 2025. 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.

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 2025 we met the key milestones set out in our five-year strategy early and so we spent time updating our strategy to reflect refreshed and extended ambitions to continue to extend our impact.

Achievements and Performance

In 2025 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 2025 we had installed 125 operating rooms with a further 5 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. During 2025 we extended our range of infrastructure solutions to include District Hospital appropriate equipment and solar, supporting rural areas in providing surgery close to their communities and safe referrals.

Our Solar Surgery system expanded significantly bringing transformative impact to improving safe surgery in hospitals which experience frequent blackouts.

In 2023 we had supported the government of Botswana to prepare a detailed plan for the development of paediatric surgery, we received funding to deliver this plan in 2024 and 2025 has seen the roll out of the country plan, including our 100th operating room. This programme demonstrates the long-term commitment and impact our model brings in strengthening health systems.

The Pan African Paediatric Surgery E-Learning Platform (PAPSEP) continued to go from strength to strength. 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. During 2025 we completed work translating this important resource into French to extend its impact.

56 trainees continued paediatric surgery scholarships during 2025 and by the end of the year, a total of 81 scholars began training through our programmes. We delivered our impactful District Hospital Training Programme in Botswana during 2025, 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 2025 we continued to measure our Carbon Footprint and we were reaccredited as a Living Wage employer and continued our 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 spent time during 2025 renewing our strategic objectives and announced our ambition to deliver a further 100 operating rooms by 2030 at the World Health Assembly in Geneva. 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 charitable expenditure 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. We undertake detailed assessments of potential sites to help us prioritise where we direct our funds.

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 for improvement areas. The Board has a mix of clinical and non-clinical representation.

During 2025, 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		

2025 Financial Performance

Kids Operating Room group had budgeted for a small deficit in 2025 due to the delivery of projects with funding recognised in 2024 being balanced by new funding prospects. Our actual group performance in 2025 reported a deficit of £1.2m.

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. Total income for the year was £9.6m compared to £10.7m in 2024, reflecting challenges in fundraising activity, coupled with a major multi-year donation which had been recognised fully when pledged in a prior year 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 co-founder and Trustee is a Director) relating to the office and new warehouse premises.

Total group reserves decreased by £1.2m (2024: increase £3.1m), with total expenditure in 2025 of £10.7m (2024: £7.6m) 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 2025, the group had reserves totalling £10.6m (2024: £11.8m), of which £3.5m is unrestricted funds (2024: £2.3m) and £7.1m is restricted funds (2024: £9.5m).

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, with a medium-term objective to increase this benchmark to £3m. The 2026 budget was set with the increased reserves benchmark in mind.

Risk

We take a robust approach to risk management. The Board considers risk at every meeting and has delegated day to day responsibility for operating the risk management framework, managing and mitigating risks to the Senior Management.

The Senior Management Team embed consideration of risk in their decision making and regularly review and update the risk register.

We have considered risk appetite and have minimal appetite for risks as they relate to safety and security, compliance and the reputation of the organisation. We have a more open appetite for risk in relation to developing and investing in how we grow the organisation and create impact.

The table below sets out the principal risks and mitigations.

Principal Risk	Mitigations
Geopolitical volatility Risks arising from an uncertain economic climate and a changing international aid landscape, which could impact availability of funding and our ability to meet our strategic objectives.	-Investment in fundraising resource and strategies to diversify income sources -close working with key partners -advocate for investment in children's surgery -consideration of currency volatility in our financial strategies
Operations Risks arising from the nature of our work in low resource and /or hostile settings, and our work can be impacted by global volatility. Within the UK we are cognisant of the safety risks in a warehouse environment.	-Investment in preparation, security systems and safe practices -robust safeguarding framework and training -emphasis on training and safe working -Investment in premises and equipment

Principal Risk	Mitigations
Technology We recognise the risk of disruption or loss from the growing global threat of cyber-attacks or data breaches. We are cognisant of the growth in AI as both a risk and an opportunity.	-investment in cyber security system protections -extensive information security and data policies -mandatory training
People We are alert to the recruitment environment and the importance of recruitment & retention in a competitive market.	-maintaining competitive remuneration & a sector leading benefits package -modern flexible working offerings and investment in wellbeing strategy -investment in staff engagement & feedback -Investment in staff training and development

Investment Policy

The Board continued to opt for funds to remain available for use during 2025 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 2026. Our strategy sets out our goals -

- By 2035 we aim to have created sufficient capacity for one million children per year to access care.
- We aim to have increased access to safe surgery by 300,000 over the next 3 years.
- We aim to have increased capacity for high quality care by 70,000, 12 months from now.

We have set out our 2026 Annual 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.

During 2025 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.

Connected Bodies

Graham Good and Garreth Wood were Trustees of The Wood Foundation during 2025 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 buildings where the office in Edinburgh and the warehouse in Dundee are based, some of the costs of which are 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 2025. 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.

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Auditor

AAB Audit & Accountancy Limited 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.

Chair -Nicola Wood

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Date 6/29/2026

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of Kids Operating Room for the purposes of 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 law 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing the 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 (as amended). 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.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Opinion

We have audited the financial statements of Kids Operating Room (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2025 which comprises the group statement of financial activities, the group balance sheet, the group statement of cash flows and notes to the financial statements, 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 2025 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 group and 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 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor report thereon. The Trustees are responsible for the other information contained within the annual report. 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 Trustees' Report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and the directors' report included within 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 group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 by the parent charitable company, 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 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 Trustees are responsible for assessing the group and parent charitable company'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 parent charitable company or to cease operations or have no realistic alternative but to do so.

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 Acts 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 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's members, as a body, and the charitable company's trustees, as a body for our audit work, for this report, or for the opinions we have formed.

AAB Audit and Accountancy Limited

Graeme Penman (Senior statutory auditor) for and on behalf of

AAB Audit & Accountancy Limited
Statutory Auditor
Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

6 July 2026

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GROUP STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account) FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted Funds £	Restricted Funds £	2025 £	2024 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	3,848,148	5,574,141	9,422,289	10,595,922
Investment Income	4	128,623	-	128,623	83,706
Other trading activities	4	33,550	-	33,550	24,771
		4,010,321	**5,574,141**	**9,584,462**	**10,704,399**
EXPENDITURE ON:					
Raising funds	5	940,182	-	940,182	832,602
Charitable activities	6	1,892,925	7,880,710	9,773,635	6,798,440
		2,833,107	7,880,710	10,713,817	7,631,042
Net losses on investments	11	39,342	-	39,342	-
NET INCOME/(EXPENDITURE)		**1,137,872**	**(2,306,569)**	**(1,168,697)**	**3,073,357**
Transfers between funds		(179,420)	179,420	-	-
NET MOVEMENT IN FUNDS	18	**958,452**	**(2,127,149)**	**(1,168,697)**	**3,073,357**
RECONCILIATION OF FUNDS					
Total funds brought forward		2,346,290	9,445,077	11,791,367	8,718,010
Total funds carried forward	18	**3,304,742**	**7,317,928**	**10,622,670**	**11,791,367**

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

The notes on pages 25 to 41 form part of these financial statements.

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PARENT STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted Funds £	Restricted Funds £	2025 £	2024 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	3,823,066	5,574,141	9,397,207	10,534,071
Investment income	4	122,912	-	122,912	81,507
Other trading activities	4	525	-	525	6,915
		3,946,503	**5,574,141**	**9,520,644**	**10,622,493**
EXPENDITURE ON:					
Raising funds	5	538,054	-	538,054	397,875
Charitable activities	6	1,892,925	7,880,710	9,773,635	6,798,440
		2,430,979	**7,880,710**	**10,311,689**	**7,196,315**
Net losses on investments	11	39,342	-	39,342	-
NET INCOME/(EXPENDITURE)		**1,476,182**	**(2,306,569)**	**(830,387)**	**3,426,178**
Transfers between funds		(179,420)	179,420	-	-
NET MOVEMENT IN FUNDS	17	**1,296,762**	**(2,127,149)**	**(830,387)**	**3,426,178**
RECONCILIATION OF FUNDS					
Total funds brought forward		2,693,703	9,445,077	12,138,780	8,712,602
Total funds carried forward	17	**3,990,465**	**7,317,928**	**11,308,393**	**12,138,780**

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

The notes on pages 25 to 41 form part of these financial statements.

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GROUP BALANCE SHEET AS AT 31 DECEMBER 2025

Company number: SC585374

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible fixed assets	12	698,877	565,507
		698,877	**565,507**
CURRENT ASSETS			
Stock	13	4,961,120	4,524,600
Debtors	14	1,651,277	3,532,084
Cash at bank and in hand	19	4,199,425	3,938,010
		10,811,822	11,994,694
CREDITORS: *amounts falling due within one year*	15	(416,908)	(530,683)
NET CURRENT ASSETS		**10,394,914**	**11,464,011**
TOTAL ASSETS LESS CURRENT LIABILITIES		11,093,791	12,029,518
CREDITORS: *amounts falling due after one year*	15	(471,121)	(238,151)
NET ASSETS		**10,622,670**	**11,791,367**
FUNDS			
Unrestricted funds	18	3,304,742	2,346,290
Restricted funds	18	7,317,928	9,445,077
TOTAL FUNDS		**10,622,670**	**11,791,367**

The notes on pages 25 to 41 form part of these financial statements.

signed on behalf of the Board of Directors

DocuSigned by:

18F37F3ED60D498...

Nicola Wood, Chair

Date 6/29/2026

KidsOR
surgery for children

PARENT BALANCE SHEET AS AT 31 DECEMBER 2025

Company number: SC585374

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible fixed assets	12	892,518	563,156
Investments	11	1	1
		892,519	**563,157**
CURRENT ASSETS			
Stock	13	4,961,120	4,524,600
Debtors	14	1,889,294	3,780,365
Cash at bank and in hand	19	4,170,092	3,796,775
		11,020,506	12,101,740
CREDITORS: *amounts falling due within one year*	15	(604,632)	(526,117)
NET CURRENT ASSETS		**10,415,874**	**11,575,623**
TOTAL ASSETS LESS CURRENT LIABILITIES		11,308,393	12,138,780
NET ASSETS		**11,308,393**	**12,138,780**
FUNDS			
Unrestricted funds	17	3,990,465	2,693,703
Restricted funds	17	7,317,928	9,445,077
TOTAL FUNDS		**11,308,393**	**12,138,780**

The notes on pages 25 to 41 form part of these financial statements.

Signed on behalf of the Board of Directors

DocuSigned by:

18F37F3ED60D498...

Nicola Wood, Chair

Date 6/29/2026

KidsOR
surgery for children

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
Net cash flow from operating activities			
Net (expenditure)/income for the year		(1,168,697)	3,073,359
Interest payable	8	19,052	-
Interest income		(128,623)	(83,706)
Depreciation of tangible fixed assets	12	77,678	66,414
Loss on disposal of tangible fixed assets		-	5,509
Donation in kind - loan		(25,082)	(61,849)
(Increase)/decrease in stock	13	(436,520)	388,744
Decrease/(increase) in debtors	14	1,880,807	(2,296,317)
(Decrease)/Increase in creditors	15	(113,775)	139,836
Net cash used in operating activities		**104,840**	**1,231,990**
Cash flow from investing activities			
Purchase of tangible fixed assets	12	(211,048)	(559,813)
Interest income		128,623	83,706
Net cash used in investing activities		**(82,425)**	**(476,107)**
Cash flows from financing activities			
Drawdown of loan	15	239,000	300,000
Net cash provided by financing activities		**239,000**	**300,000**
Increase in cash and cash equivalents	19	**261,415**	**1,055,883**

The notes on pages 25 to 41 form part of these financial statements.

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.

1. ACCOUNTING POLICIES continued

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

All expenditure is accounted for under the accruals basis and recognised when Kids Operating Room has a legal or constructive obligation to make a payment. Kids Operating Room has various expenditure streams:

i) **Raising funds:** this relates to the costs incurred in attracting voluntary income such as running fundraising events. Donated services that are consumed immediately are recognised as income, with an equivalent amount recognised as an expense under the 'raising funds' heading.

ii) **Charitable activities expenditure** relates to costs associated with the provision of donations and grants for programmes to develop surgical capacity and install solar panels to power surgery in times of outage and support the development of operating rooms across a range of Low and Middle Income Countries (LMICs). It also includes costs relating to education and advocacy, as part of our core activities.

iii) **Support costs:** these relate to the cost of providing support to Kids Operating Room strategy by staff, as well as central costs such as Finance, IT, People (including pension costs) and governance. These costs are allocated proportionally, where staff duties span across the charitable activities of Kids Operating Room.

1. ACCOUNTING POLICIES continued

(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
Leasehold improvements	10 years
Mock Operating Rooms	10 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.

1. ACCOUNTING POLICIES continued

(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 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.

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 because 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

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Donations - Restricted Funds				
Donated Facilities	441,667	441,667	200,000	200,000
Donations for Infrastructure Programmes	4,952,836	4,952,836	7,501,868	7,501,868
Donations for Training	123,530	123,530	1,716,662	1,716,662
Donations for Research	56,108	56,108	754,046	754,046
Others	-	-	-	-
	5,574,141	5,574,141	10,172,576	10,172,576
Donations - Unrestricted Funds				
Donations of Equipment	1,943,041	1,943,041	-	-
Donations others	1,880,025	1,905,107	361,495	423,346
	3,823,066	3,848,148	361,495	423,346
	9,397,207	9,422,289	10,534,071	10,595,922

The charity benefited from donated facilities from DC Thomson and The Speratus Group Ltd which were deemed to have a market value of £441,667 (2024: £200,000). Income and a corresponding cost (note 6) have been recognised in respect of these donations for the year ended 31 December 2025.

In addition to the above the charity benefited from certain administrative functions from The Wood Foundation that 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 £6,829,168 (2024: £7,717,002) from both restricted and unrestricted sources which were used for programmes to develop surgical capacity and install solar panels to power surgery in times of outage and support the development of operating rooms across a range of Low and Middle Income Countries (LMICs).

3. DONATIONS AND LEGACIES continued

Donations of equipment to support healthcare in LMICs were received in 2025 to the value of £1,943,041 (2024: £nil) and other unrestricted donations included donations from fundraising events and individual donors.

4. OTHER INCOME

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Investment Income	122,912	128,623	81,507	83,706
Other trading activities	525	33,550	6,915	24,771
	123,437	162,173	88,422	108,477

All other income received in both 2025 and 2024 is unrestricted.

5. EXPENDITURE ON RAISING FUNDS

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Cost of raising funds through donations	331,389	733,517	323,101	757,828
Support costs	206,665	206,665	74,774	74,774
	538,054	940,182	397,875	832,602

In 2025, the total unrestricted expenditure relating to raising funds within the group was £940,182 (2024: £832,602) and in Kids Operating Room was £538,054 (2024: £397,875). There was no restricted expenditure in either year.

Costs of £402,128 incurred by Global Hospital Limited (2024: £434,727) are classified as fundraising expenditure, reflecting the intention to gift future income to Kids operating Room.

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly £	Support Costs £	2025 (KidsOR) £	Activities undertaken directly £	Support Costs £	2024 (KidsOR) £
Infrastructure	6,117,540	1,083,465	7,201,005	3,634,860	959,458	4,594,318
Training	828,962	146,816	975,778	760,049	83,008	843,057
Advocacy	420,575	74,487	495,062	326,865	6,271	333,136
Research	426,830	75,594	502,424	619,088	27,841	646,929
Others	599,366	-	599,366	381,000	-	381,000
	8,393,273	1,380,362	9,773,635	5,721,862	1,076,578	6,798,440

KidsOR
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6. EXPENDITURE ON CHARITABLE ACTIVITIES continued

SUPPORT COSTS EXPENDITURE ON RAISING FUNDS AND CHARITABLE ACTIVITIES

	Raising Funds £	Infrastructure £	Training £	Advocacy £	Research £	2025 (KidsOR) £
Finance	15,239	79,892	10,826	5,492	5,574	101,784
People	78,290	410,446	55,618	28,218	28,637	522,919
Property	87,535	458,912	62,185	31,550	32,019	584,666
Communications	16,164	84,740	11,483	5,826	5,912	107,961
Governance	9,437	49,475	6,704	3,401	3,452	63,032
	206,665	1,083,465	146,816	74,487	75,594	1,380,362

	Raising Funds £	Infrastructure £	Training £	Advocacy £	Research £	2024 (KidsOR) £
Finance	2,677	34,395	2,976	225	998	38,594
People	40,758	522,881	45,237	3,417	15,173	586,708
Property	23,501	301,602	26,093	1,971	8,752	338,418
Communications	3,119	46,367	3,465	262	1,162	51,256
Governance	4,718	54,213	5,237	396	1,756	61,602
	74,774	959,458	83,008	6,271	27,841	1,076,578

In 2025 the total expenditure on unrestricted charitable activities within Kids Operating Room and group was £1,892,925 (2024: £2,798,811) and £7,880,710 (2024: £3,999,629) was restricted funds.

The charity benefited from donated facilities from DC Thomson and The Speratus Group Ltd which were deemed to have a market value of £441,667 (2024: £200,000). The cost and corresponding income (note 3) have been recognised for the year ended 31 December 2025.

Other Charitable activity represents donations made to Kids Operating Room USA Inc to support start up costs. Kids Operating USA Inc is an independent charitable body in the USA, set up to raise funds to give every child in low- and middle-income countries access to the surgical care they need. During 2025 Kids Operating USA Inc donated £1,255,795 (2024: £461,156) to Kids Operating Room to further its charitable work.

Following a review, expenditure classifications have been revised to better align with the charity's strategic priorities.

7. GOVERNANCE COSTS

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Audit and Accountancy Services	27,909	36,821	27,974	28,344
Legal	35,123	39,853	38,346	38,346
	63,032	76,674	66,320	66,690

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

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Operating lease rentals	157,348	157,348	53,105	53,105
Depreciation	81,007	77,678	66,027	66,414
Interest payable	-	19,052	-	-
Auditor Remuneration - Statutory Audit	20,086	24,750	18,304	22,870

9. STAFF COSTS AND NUMBERS

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Staff costs				
Wages & Salaries	2,014,266	2,282,176	1,827,169	1,985,475
Social Security	244,525	274,959	188,818	188,818
Pension Costs	109,137	119,480	111,700	111,700
	2,367,928	2,676,615	2,127,687	2,285,993

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

	2025 (KidsOR) No.	2025 (Group) No.	2024 (KidsOR) No.	2024 (Group) No.
Senior Management	4	5	6	6
Management & Administration	36	36	26	26
	40	41	32	32

9. STAFF COSTS AND NUMBERS continued

During the year 14 employees within the group received emoluments of over £60,000 (2024: 8). Pension contributions totalling £101,958 were paid into direct contribution pension schemes in respect of 14 of these individuals (2024: £64,431 in respect of 7 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 2025, £265,087 (2024: £158,306) of KidsOR staff time was recharged to Global Hospital.

No redundancy costs were incurred during the year (2024: £142,290).

10. TRUSTEES' EMOLUMENTS AND EXPENSES

The Trustees received no remuneration from the charity or group during 2025 (2024: nil).

During the year, expenses of £34,809 were paid directly to third parties on behalf of Trustees to carry out their duties for the charity (2024: £40,953). No out-of-pocket expenses were reimbursed to any Trustees.

11. INVESTMENTS

	2025 (KidsOR) No.	2025 (Group) No.	2024 (KidsOR) No.	2024 (Group) No.
Investment in subsidiary	1	-	1	-
	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.

During the year Kids Operating Room received a donation from Garreth Wood in the form of shares which was liquidated in the year.

KidsOR and Group	2025 £	2024 £
Market value at 1 January	-	-
Acquisitions at cost	1,300,000	-
Disposal proceeds	(1,260,658)	-
Realised losses in the year	(39,342)	-
Fair value at 31 December	-	-

12. TANGIBLE FIXED ASSETS

	Plant & equipment 2025 (KidsOR) £	Leasehold Improvements 2025 (KidsOR) £	Assets under construction 2025 (KidsOR) £	Total 2025 (KidsOR) £	Plant & equipment 2024 (KidsOR) £	Total 2024 (KidsOR) £
COST						
At 1 January 2025	808,637	-	-	808,637	262,366	262,366
Additions	153,317	49,153	207,900	410,370	558,081	558,081
Disposals	-	-	-	-	(11,810)	(11,810)
At 31 December 2025	961,954	49,153	207,900	1,219,007	808,637	808,637
DEPRECIATION						
At 1 January 2025	245,481	-	-	245,481	185,755	185,755
Charge for the year	78,986	2,021	-	81,007	66,027	66,027
Depreciation on disposal	-	-	-	-	(6,301)	(6,301)
At 31 December 2025	324,467	2,021	-	326,488	245,481	245,481
NET BOOK VALUE						
At 31 December 2025	637,487	47,132	207,900	892,519	563,156	563,156
At 1 January 2025	563,156	-	-	563,156	76,611	76,611

	Plant & equipment 2025 (Group) £	Leasehold Improvements 2025 (Group) £	Assets under construction 2025 (Group) £	Total 2025 (Group) £	Plant & equipment 2024 (Group) £	Total 2024 (Group) £
COST						
At 1 January 2025	811,447	-	-	811,447	263,444	263,444
Additions	98,326	49,153	63,569	211,048	559,813	559,813
Disposals	-	-	-	-	(11,810)	(11,810)
At 31 December 2025	909,773	49,153	63,569	1,022,495	811,447	811,447
DEPRECIATION						
At 1 January 2025	245,940	-	-	245,940	185,827	185,827
Charge for the year	75,657	2,021	-	77,678	66,414	66,414
Depreciation on disposal	-	-	-	-	(6,301)	(6,301)
At 31 December 2025	321,597	2,021	-	323,618	245,940	245,940
NET BOOK VALUE						
At 31 December 2025	588,176	47,132	63,569	698,877	565,507	565,507
At 1 January 2025	565,507	-	-	565,507	77,617	77,617

Additions in the year include an intra group sale of modular operating rooms. For consolidation purposes, these assets have been recognised at cost, excluding any intragroup profit, resulting in a lower carrying value than in Kids Operating Room. The assets under construction were completed in January 2026.

13. STOCK

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Medical equipment	4,961,120	4,961,120	4,524,600	4,524,600

14. DEBTORS

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Other debtors	436,837	436,837	388,410	388,410
Prepayments and accrued income	1,118,659	1,118,659	3,012,561	3,012,561
Amounts due from group undertakings	252,704	-	248,281	-
VAT Recoverable	81,094	95,781	131,113	131,113
	1,889,294	1,651,277	3,780,365	3,532,084

15. CREDITORS

Amounts falling due within one year	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Trade creditors	126,072	129,528	264,229	264,229
Amounts due to group undertakings	207,900	-	-	-
Social security and other taxes	78,520	90,576	57,965	57,965
Accruals and deferred income	192,140	196,804	203,923	208,489
	604,632	416,908	526,117	530,683

No amount in relation to pension contributions is accrued at the year end (2024 - £nil).

Amounts falling due after one year	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Loan from Director	-	471,121	-	238,151
	-	471,121	-	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 £239,000. The initial measurement of the loan has been discounted using 5.7% 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

16. FINANCIAL INSTRUMENTS

	2025 (KidsOR) £	2025 (Group) £	2024 (KidsOR) £	2024 (Group) £
Financial assets				
Financial assets measured at fair value through profit or loss	4,170,092	4,199,425	3,796,775	3,938,010
Financial assets measured at amortised cost	436,837	436,837	388,410	388,410
	4,606,929	4,636,262	4,185,185	4,326,420
Financial liabilities				
Financial liabilities measured at amortised cost	318,212	797,453	468,152	472,718

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 £	Transfers £	2025 Carried forward £
General Fund - Unrestricted	2,693,703	3,946,503	(2,470,321)	(179,420)	3,990,465
Restricted Funds					
Donated Facilities	-	441,667	(441,667)	-	-
Infrastructure Funds	6,701,682	4,952,836	(6,262,922)	(112,180)	5,279,416
Training Funds	2,035,832	123,530	(953,827)	291,600	1,497,135
Research Funds	648,645	56,108	(222,294)	-	482,459
Others	58,918	-	-	-	58,918
	9,445,077	5,574,141	(7,880,710)	179,420	7,317,928
Total Funds	12,138,780	9,520,644	(10,351,031)	-	11,308,393

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

Analysis of Parent net assets between funds	Unrestricted Funds £	Restricted Funds £	2025 £
Tangible fixed assets	410,742	481,777	892,519
Current assets	4,184,355	6,836,151	11,020,506
Current liabilities	(604,632)	-	(604,632)
At 31 December 2025	3,990,465	7,317,928	11,308,393

17. PARENT MOVEMENT IN FUNDS

The comparative figures for 2024:

	Brought forward £	Reclassification £	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)	-
Infrastructure Funds	-	2,311,794	7,501,868	(3,111,980)	6,701,682
Donations for Surgical Capacity Programr	2,433,241	(2,433,241)	-	-	-
Donations for Solar Surgery Programme	325,966	(325,966)	-	-	-
Training Funds		901,413	1,716,662	(582,243)	2,035,832
Research Funds	-	-	754,046	(105,401)	648,645
Others	512,918	(454,000)	-	-	58,918
	3,272,125	-	10,172,576	(3,999,624)	9,445,077
Total Funds	8,712,596	-	10,622,493	(7,196,309)	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).

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

During the year, a further review was performed of the classification of the funds included in the restricted funds. These have been reclassified to the categories that align with the charity's strategy.

18. GROUP MOVEMENT IN FUNDS

	Brought forward £	Income £	Expenditure £	Transfers £	2025 Carried forward £
General fund - Unrestricted	2,346,290	4,010,321	(2,872,449)	(179,420)	3,304,742
Restricted Funds					
Donated Facilities	-	441,667	(441,667)		-
Infrastructure Funds	6,701,682	4,952,836	(6,262,922)	(112,180)	5,279,416
Training Funds	2,035,832	123,530	(953,827)	291,600	1,497,135
Research Funds	648,645	56,108	(222,294)	-	482,458
Others	58,918	-	-	-	58,918
	9,445,077	5,574,141	(7,880,710)	179,420	7,317,928
Total funds	11,791,367	9,584,463	(10,753,159)	-	10,622,670

Analysis of Group net assets between funds	Unrestricted Funds £	Restricted Funds £	2025 £
Tangible fixed assets	217,100	481,777	698,877
Current assets	3,975,671	6,836,151	10,811,822
Current liabilities	(416,908)	-	(416,908)
Non current liabilities	(471,121)	-	(471,121)
At 31 December 2025	3,304,742	7,317,928	10,622,670

18. GROUP MOVEMENT IN FUNDS continued

The comparative figures for 2024:

	Brought forward £	Reclassification £	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)	-
Infrastructure Funds	-	2,311,794	7,501,868	(3,111,980)	6,701,682
Donations for Surgical Capacity Programr	2,433,241	(2,433,241)	-	-	-
Donations for Solar Surgery Programme	325,966	(325,966)	-	-	-
Training Funds	-	901,413	1,716,662	(582,243)	2,035,832
Research Funds	-	-	754,046	(105,401)	648,645
Others	512,918	(454,000)	-	-	58,918
	3,272,125	-	10,172,576	(3,999,624)	9,445,077
Total Funds	8,718,003	-	10,704,399	(7,631,035)	11,791,367

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

Analysis of Parent 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

During the year, a further review was performed of the classification of the funds included in the restricted funds. These have been reclassified to the categories that align with the charity's strategy.

19. ANALYSIS OF CHANGES IN CASH IN YEAR

PARENT	2025 £	2024 £
Cash at bank and in hand at 1 January	3,796,775	2,831,173
Increase in cash and cash equivalents	373,317	965,602
At 31 December	4,170,092	3,796,775

GROUP	2025 £	2024 £
Cash at bank and in hand at 1 January	3,938,010	2,882,127
Increase in cash and cash equivalents	261,415	1,055,883
At 31 December	4,199,425	3,938,010

20. RELATED PARTY TRANSACTIONS

Control

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

Transactions

During the year, the charity paid £174,690 (2024: £96,376) to The Speratus Group Ltd, a company of which Garreth Wood and Graham Good are Directors. The charity also benefited from office facilities donated by The Speratus Group Ltd valued at £400,000 (2024: £200,000). The charges relate to rent and insurance on the office in Edinburgh and warehouse in Dundee.

During the year, the charity paid £303,392 (2024: £300,068) to The Wood Foundation Africa, a charity of which Graham Good and Garreth Wood are Trustees. A balance of £55,406 (2024: £53,560) is outstanding at the year end. The charges relate to reimbursement of staff costs incurred on behalf of Kids Operating Room.

During 2024, the charity paid £25,627 to J W Holdings Ltd, a company of which Graham Good is a Director. These payments were for the Kids Operation Room staff's private medical and death-in-service policies. These policies are now directly held.

During 2025 Garreth and Nicola Wood donated £1.3m to help cover the running costs of the charity.

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.

21. OPERATING LEASE COMMITMENT

At 31 December 2025 the parent company had future minimum lease payments under non-cancellable operating leases of £372,965 (2024 - £105,937).