



Sisters Jheleen and Andrea before surgery

TRUSTEES' ANNUAL REPORT & ACCOUNTS 2019

Operation  Smile
United Kingdom

GIVING SMILES, SAVING LIVES

Operation Smile has provided hundreds of thousands of safe surgeries for those born with cleft lip and cleft palate worldwide. With more than three decades of expertise, Operation Smile delivers free, safe surgery to people where it's needed most. We are one of the largest medical volunteer-based organisations dedicated to improving the lives of children and young adults in developing countries who could not otherwise access or afford medical care.

In addition to mobilising our highly accredited medical volunteers, we train local medical personnel and partner with hospitals, governments and ministries of health in order to ensure that safe surgery is a right for everyone in need, not a privilege.



Brunel before surgery



Brunel after surgery




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CHAIR'S WELCOME

Dear Supporters and Friends,

We are so grateful that you are part of our Operation Smile family. Thanks to you, this year we have spent over £2 million in charitable activities restoring smiles, changing lives and giving families around the world a better future.

It is with a great sense of pride that we present our Annual Trustees Report 2019 and accounts for the past year's activities for Operation Smile UK. Our accomplishments have only been possible through your kindness and generosity. Yours is a generosity that goes beyond a single donation – it is a catalyst for a greater change and brings us together as a charitable family that endeavors to do the right thing to restore health and dignity to all those in need.

We feel it every day when we work tirelessly to find patients who need our support and expertise. When we see a mother's face light up at her child's new smile, we have all helped lift a great burden making that family's life a little easier.

Operation Smile UK has primarily supported programmes in Ghana, Malawi, Morocco, Ethiopia, Madagascar, Vietnam and Nicaragua, as well as other countries. Through these activities we provided cleft care and training to local medical professionals whilst investing in their healthcare systems and infrastructures. These combined activities will benefit many patients in the future.

Our medical volunteers tell us that a large reason they keep donating their time is because they feel they are an important part of the Operation Smile family, a family that is firmly built on trust and commitment. We honour and value all those dedicated to our organisation. Individuals, corporate partners, trusts & foundations, students and community volunteers – your contributions enable us to do what we do with the utmost medical integrity and the greatest devotion to finding and caring for children with cleft conditions across the globe.

We hope that this report will show you how much your support has enabled us to achieve. For that, we say a heartfelt thank you. On behalf of the board of trustees and those whose lives have been changed this year, thank you again.



A handwritten signature in black ink, appearing to read 'Maria Moore'.

Dr Maria Moore, BDS (Hons)
Chair OSUK Board of Trustees



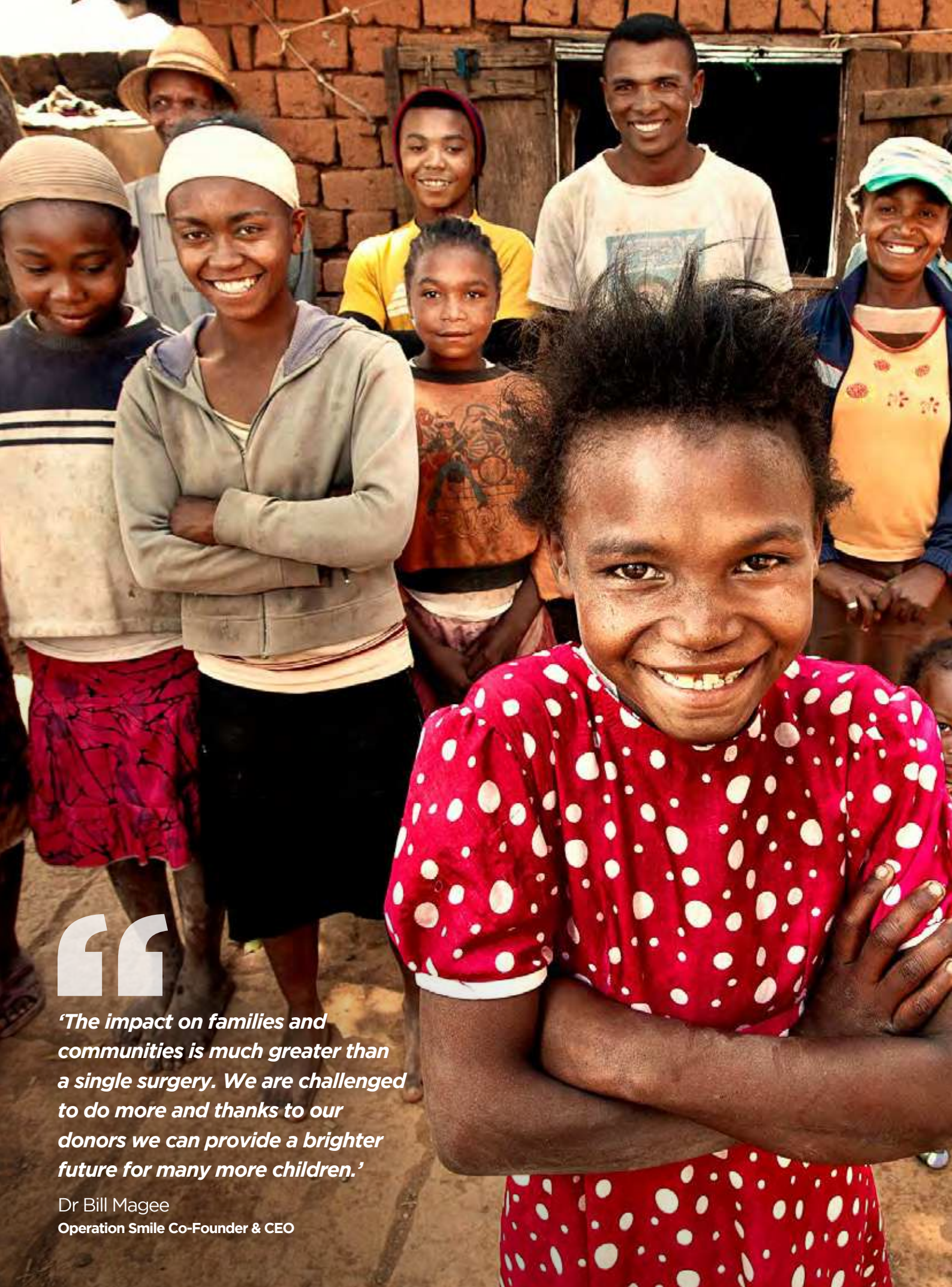
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‘Every three minutes a child is born with a cleft lip or a cleft palate and may suffer from hunger & thirst, difficulty with speech and social isolation.’

Kathy Magee

Operation Smile Co-Founder & President





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‘The impact on families and communities is much greater than a single surgery. We are challenged to do more and thanks to our donors we can provide a brighter future for many more children.’

Dr Bill Magee
Operation Smile Co-Founder & CEO



THE LIVES WE TOUCH, THE PEOPLE WE HEAL

In the UK, cleft lip and cleft palate are operated on within the first three to six months of a child being born. However, in many countries medical resources are scarce and, even when available, the cost of surgery and aftercare is out of reach for many children and families affected. That's where Operation Smile comes in. We make it possible for children with a cleft condition to smile again.

Children suffer around the world

It is estimated that every three minutes a child is born with a cleft lip or cleft palate. Without surgery, 9 in 10 children born with cleft conditions could die. Those who do survive may be unable to eat, speak, socialise or smile. In many cases, their parents can't afford to give them the surgeries they need.

A 45 minute surgery can change a life

It takes as little as 45 minutes to perform a safe, effective reconstructive surgery that can change a child's life forever. Our patients receive a thorough medical screening to ensure they are healthy enough for surgery, as well as critical follow-up care.

100% volunteer based medical expertise

Surgeons, nurses, anaesthetists and other medical volunteers give hundreds of thousands of hours to travel to more than 150 medical mission sites each year to provide free surgeries and transform lives of patients born with cleft lip or cleft palate.

A vision towards sustainable health services

We believe that safe, effective, well-timed surgery is a fundamental human right that should be accessible to all families. In many countries where we work, there are not enough trained medical professionals to handle the growing need and backlog of cleft cases. That is why training doctors, providing medical equipment and educating local medical professionals on the best surgical practices are high organisational priorities.



ABOUT OPERATION SMILE UK

We are part of the worldwide alliance of Operation Smile Inc (OSI). With 39 Partners and Foundations, we collaborate and fundraise to enable the implementation of the global strategies designed to address the issues of cleft conditions and safe surgery throughout the world.

The Operation Smile Global Alliance

Our global volunteer network is managed through this alliance with a robust process of credentialing our global pool of surgeons, anaesthetists, paediatricians, nurses, speech therapists, nutritionists and other volunteers through OSI. Alongside our international credentialed volunteers, we have a portfolio of credentialed resident volunteers within the countries where we work who organise local missions for Operation Smile in addition to their everyday caseloads.

OSI manage our cleft care programmes globally through the Programme and Finance Departments who work directly with our country partners. Our medical standards are managed by the Medical Oversight Committee and its team of Resident Medical Officers (RMO) based in Africa, South and Central America and Asia.



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‘We celebrate our diversity as a multi-cultural group, taking the opportunity to learn from each other while communicating in the common languages of love and smiles.’

Ann Campbell
OSI Senior Director of Nursing Practice

Operation Smile UK

OSUK is a registered UK charity with objectives which include fundraising within the UK for our global cleft care and surgical teaching programmes. With an independent board and medical subcommittee, we adhere to the UK legal framework which includes company and charity specific laws and regulations.

Our board of trustees meets quarterly to review our finances, operations, medical programmes and our risk register. With the utmost respect for our donor interests, we select programmes to support and disburse funds for them via OSI. Our impact and programme reports are compiled with in-country staff and OSI programme and finance teams. We contribute to the

global organisational direction by meeting with global colleagues on a regular basis.

We attract and support the recruitment of medical volunteers from the UK, placing them on medical missions and programmes around the world. At the end of FY2019, we have 106 active medical volunteers within the UK.



OUR GUIDING PRINCIPLES

‘We envision a future where health and dignity are improved through safe surgery.’

Through our expertise in treating cleft lip and cleft palate, we create solutions that deliver safe surgery to people where it’s needed most. As we grow and evolve, we must stay true to the principles at the heart of our identity and approach to surgical care. These are five guiding principles that inspire and motivate our staff, our volunteers, and our donors. They are the core of who we are.

1. The quality of a child’s care comes first

We make sure that every person we have the privilege to treat receives the same quality of care we would expect for our family members. We enforce our standards of care so we may improve the quality of care in all of our programme countries around the world.

2. Our staff, volunteers and donors are the lifeblood of our organisation

We have been able to treat hundreds of thousands of people only through the commitment, passion, and generosity of the Operation Smile family of supporters.

3. A network of collaborative, sustainable healthcare organisations fuels our success and expansion

As our medical missions have led to the establishment and staffing of indigenous healthcare facilities, we have fostered long-term collaboration with organisations that share our commitment to providing permanent access to safe surgical care.



4. We invest in youth because they will champion the future

We have always embraced and cultivated youth volunteerism worldwide, and we have always included youth on our surgical missions and within the organisation as a whole. Young people embody a contagious 'can-do spirit' and creativity that inspires and renews all of us.

5. When we help children and their families, we transform these families, their communities and ultimately, our world

A single life-changing surgery can be a catalyst for socio-economic transformation: that individual no longer faces a future of isolation and pain. A family and their community find hope as we work side by side using the power of caring to mobilise our fellow human beings.



SAFE SURGERY FOR BRIGHTER FUTURES

One of our guiding principles is that the quality of a child's care always comes first. This principle has pioneered a global movement over the past 37 years, advocating 'Safe Surgery' in resource-poor environments where the lack of safe surgery accounts for 11% of all death and disability.

Through an integrated, patient centred approach, we use our experience and expertise to bring surgical and preventive treatment to those with cleft conditions who are in need of our care. We work to alleviate the bottlenecks and barriers to care such as educational, financial, social and geographic obstacles that block families from accessing healthcare.

We believe that where you live shouldn't determine if you live

Our model of safe surgery is in alignment with the World Health Organisation and the United Nations' Sustainable Development Goals and underpins the belief that safe surgical care is an essential service that every country's healthcare system should have.

Sustainable Solutions In Action

Volunteerism is at the heart of our organisation. Our skilled network of medical professionals generously give their time for free. They educate, mentor and contribute on medical missions, to surgical rotations and other teaching programmes. They advocate and speak out on our behalf, contributing to our organisational development and strategy.

This year, 5,520 hours were volunteered by UK medical volunteers including surgeons, paediatricians, anaesthetists, operating theatre and recovery room nurses, medical record assistants and educators.

International medical missions spearhead and establish the relationships with Ministries of Health, medical teams and partner hospitals, making long term multi-year approaches and activity possible.

Local missions are executed by resident teams who had supplementary training from Operation Smile medical professionals and were credentialed by OSI. Over 85% of our mission work is now managed by local teams which is testament to our commitment to training. Last year, we conducted 111 local missions in 20 countries.



Staff

The doctors, nurses and administrators who see patients and run the hospitals.

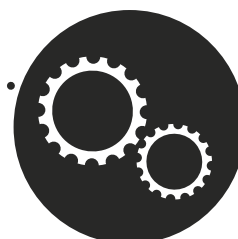
Stuff

The equipment needed to do the work, from simple things like scalpels and rubber gloves to sophisticated devices like x-ray machines.



SAFE CLEFT SURGERY

Following our Global Standards of Care means that we can provide patients with surgery results that are consistent with the world's finest hospitals.



Space

The wards, operating theatres and outpatient clinics where patients are treated.

Systems

The underlying structures like access to training and proper administration that allows staff and equipment to work for the best outcomes of patients.

SAVING LIVES THROUGH STRATEGIC PARTNERSHIPS

Training & Education

We have a long-standing partnership with the American Heart Association (AHA) that has enabled thousands of trainings to healthcare providers globally. This includes: Basic Life Support, Paediatric Advanced Life Support, Advanced Cardiac Life Support and Paediatric Emergency Assessment, Recognition and Stabilisation and Advanced Cardiac Life Support.

A combination of these trainings are carried out in all countries where we work to refresh or teach life saving techniques and practises to our colleagues all over the world. AHA training is part of a safe surgery package of training interventions.

Last year we coordinated 73 trainings in 23 countries, providing a total of 2,367 certifications.

Cleft Research

We are currently conducting medical research to determine the causes of and find cures for cleft conditions. This project, known as the International Family Study, is led by our academic partners at the University of Southern California and Children's Hospital Los Angeles. The research uses genetic analysis, maternal and paternal questionnaires on environmental exposures and lifestyle habits. More than 15,000 individual saliva samples from a vast array of ethnicities and more than 7,000 families have been collected.

We believe this study allows us the opportunity to promote scientific research in heavily understudied populations, allowing them representation in the emerging field of genetic research to ultimately promote scientific discovery and methods for global health improvement.

Comprehensive Cleft Care Centres

We have established and support 31 cleft care centres in 16 countries which provide year round care for patients. The centres are a focal point for families with cleft conditions and form part of the referral pathway into the existing healthcare system. They also provide care for patients who may need comprehensive or more complex treatments than a single medical mission can provide.

Measuring Our Impact

Our reporting incorporates both quantitative and qualitative impact measurements to allow us to measure direct surgical impact and social impact. We always report on direct mission outcomes for patient numbers, screening and surgical outputs, number of surgical procedures performed by case, age and gender and the number of volunteers attending the mission.

As results go beyond surgery, these outputs are also supported by qualitative reports around patients' lives. We do not have the resources to track every patient, but we follow selected individuals who will have been operated upon during a mission. We also report on other components such as our local partner's participation, how the mission has positively contributed to the country strategy and note challenges and successes of the mission.

Our Medical Oversight Committee reviews all the surgical outcomes and evaluates the quality of the surgeries performed. This is a key evaluation for us as we pride ourselves on following our Global Standards of Care and will not compromise on this aspect of our work.





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‘Training and education isn’t just something we do - it’s at the heart of everything we do. Together we have the same goal: improve how surgical care is delivered while empowering local communities.’

Ruben Ayala
Chief Medical Officer OSI



‘Teaching children about what to expect when they go in the operation room is our priority, but without trust, this can’t be done.’

Kelly Raymond
Volunteer Child Life Specialist

TAKING A HOLISTIC APPROACH

Reinforced by more than three decades of leadership in performing safe surgery in resource-limited environments, we know that a single surgical procedure is a small part of a larger, multi-tiered process that is focused on the entire well-being of the patient.

Our compassion for those we serve is put into action well before the surgeon makes the first incision and long after the final suture is closed. This commitment to the completeness of patient care doesn’t only ensure the best possible outcomes; it’s the right thing to do.

Child Life Specialists

These certified professionals provide psychosocial care and educate patients and their families about the entire surgical experience, easing their fears and anxieties through therapeutic play and activities. This way, they can build trust between children, families and the medical mission or care centre team.

Nutritionists

Malnutrition is a dire health hazard and a significant barrier to surgical intervention for many young patients in need of cleft surgery. Patients receive health evaluations on screening day during medical missions to determine if they are healthy enough to undergo surgery. Those who are malnourished are given support to reach a healthy weight and are invited to join the next medical mission.



Speech Therapists

Our speech therapists have a wide range and depth of educational and clinical experiences in cleft and other craniofacial disorders. They partner with the medical team to provide insight into which types of procedures or non-surgical options ensure the best speech outcome for every individual patient. They additionally work with patients and families on nutrition and general speech and language education.

Dentistry

Our dentists focus on oral health, providing care to surgical and non-surgical patients. This may include extractions, creation of obturators and other strategies that improve the intra-oral function, speech and aesthetics of our patients. Throughout the programme, they also provide preventative and home-care instructions to patients and their families.



UK FAMILY GIVES BACK

Dr Clive Duke is a husband, father and consultant anaesthetist. He's also one of 106 medical professionals in the UK who gives their time to Operation Smile for free. He's completed 15 missions using his annual leave and volunteers because he wants to give something back.

'I'm lucky to have a very supportive wife and daughter who believe in what I'm doing and know that it's for the greater good. A few years ago, my daughter Evie was upset about me leaving for a trip, so we decided that her toy bunny Flowery would come with me on the mission. Now Flowery comes with me on every trip, we take pictures and videos of her with the children we're treating, that way Evie is connected to the work that I'm doing. She's proud of her dad.'

When you understand the situation that many of these children are in, you can't do anything but volunteer your time. The light goes out in their eyes. It's not just the physical impact but the mental and social consequences too. I've talked to teenagers who have contemplated suicide,

I've heard of a baby that was buried alive by its parents, only to be rescued and given surgery by Operation Smile, and a father that didn't attend his daughter's wedding because of the shame associated with his cleft lip. In some countries, the cost of the operation is a year's salary, there's just no way that they can afford it. Operation Smile gives these children - and their families - hope and a chance to live without shame.

It's not just a one way thing, I get as much from volunteering with Operation Smile as I give. Going on a mission refreshes my soul and makes me ready to come back and work in the NHS.

Seeing how grateful people can be and realising how lucky we are to have the health service we have: it helps to give me perspective, that's for sure.'





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come back and work in the NHS.’***

Dr Clive Duke
Volunteer Consultant Anaesthetist OSUK

Operation Smile programmes are currently active in 33 countries. We have been a global leader in the delivery of high-quality surgical services in these low and middle-income countries for more than 35 years.



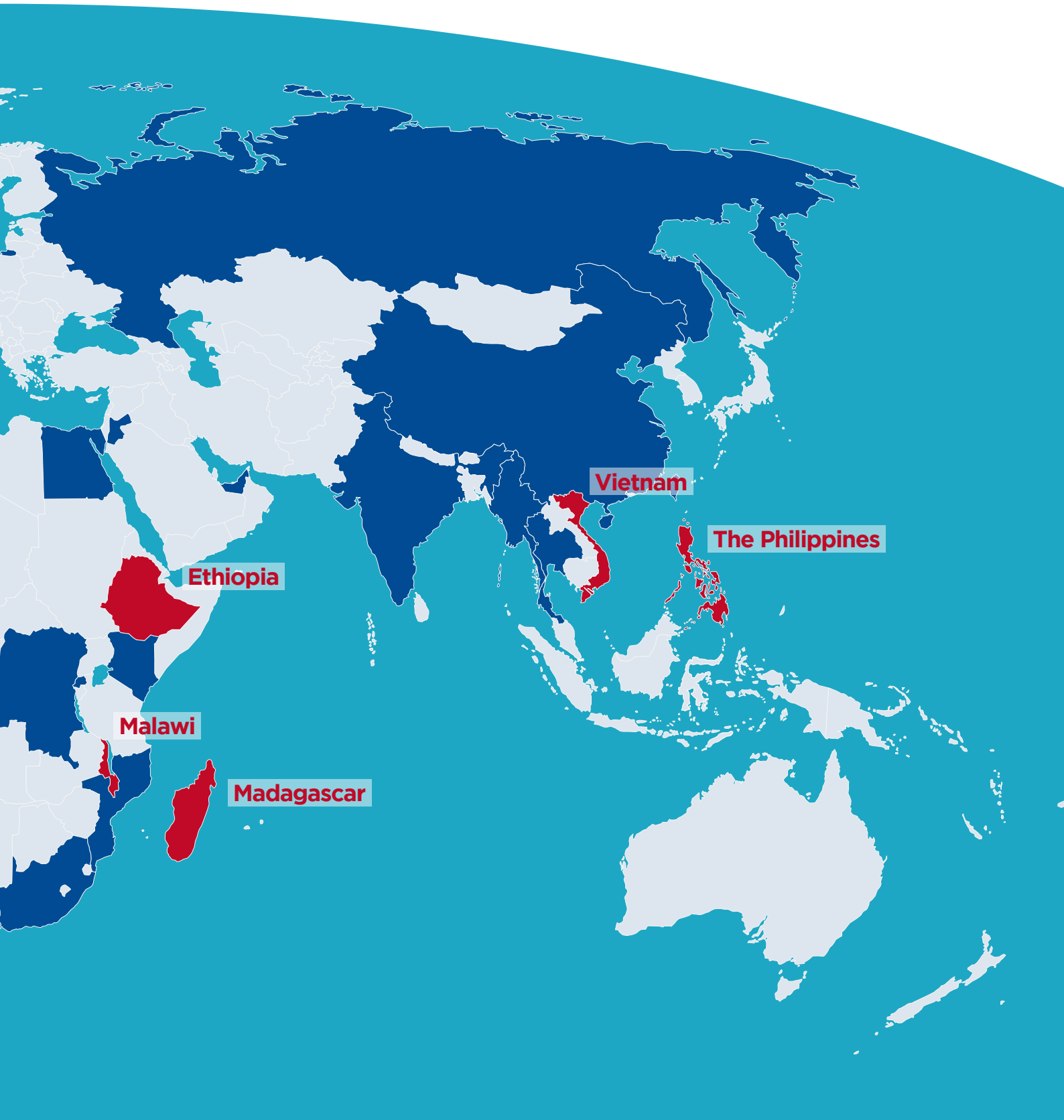
‘We’ve learned that while conditions can be radically different from one country to the next, the virtue of trust is universal. And the only way to earn that trust is by building relationships with the people who are on the front lines. The reality is that children unite us all.’

Dr Bill Magee
Operation Smile Co-founder and CEO



The largest programme investment focuses on countries with large populations and associated prevalence of cleft. These will be low-income countries with under-developed health systems where OSI feels it can have the greatest impact.

Our focus at Operation Smile UK is to fundraise in order to support our programmes globally. Within the global alliance network, OSUK focuses on certain countries, many where we have had significant grants on a multi-year basis. This allows us to plan ahead and manage complex and large projects.





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‘We believe that this is an effective and well-managed charity where highly skilled professionals give their time for the benefit of others so when the opportunity arose for us to provide multi-year funding to achieve a cleft free Malawi, we were delighted to say yes.’

Margaret Ingram
The Kentown Wizard Foundation CEO

ACHIEVEMENTS

2018-19

4 international missions

805 patient medical evaluations

430 patient operations



MALAWI

We are working to see every adult and child living with an unrepaired cleft condition in Malawi provided with free, safe surgery. 'Cleft Free Malawi', which is being supported by the Kentown Wizard Foundation, will see medical missions taking place across the country alongside increased community engagement and education efforts, local capacity-building and training programmes.

A national cleft registry is essential to identify the estimated 2,700 people living with a cleft in the country. This will be integrated with the Malawian Ministry of Health's existing patient data to ensure all new cleft births are recorded.

To deliver surgery in Malawi, we have to overcome many challenges. Malawi has one of the highest rates of malnutrition in sub-Saharan Africa, resulting in many children not being strong enough to undergo surgery. To remove malnutrition as a barrier to care, we have implemented a nutrition programme that identifies patients in need of nutritional support and gives them Ready-to-Use Therapeutic Food (RUTF). We also teach their guardians alternative feeding techniques.

To ensure that patients arriving at mission sites are candidates for surgery, we conduct pre-screening assessments, visiting potential patients in their own communities to determine whether they are eligible for surgery. Those who are not eligible are referred to their district hospital and any who are malnourished are placed on the nutrition programme. This helps build trust amongst our patients and their families, educates them on how cleft is treated and avoids needless travel to a mission site. We take a similar approach to post-operative care, conducting roaming post-ops across the country to ensure as many of our patients as possible are seen in their own districts and own communities.



ETHIOPIA

We conducted our first medical mission in Ethiopia in 2005 as there was a critical lack of local plastic surgery providers. The country has a population of more than 100 million people yet just 23 plastic surgeons, the majority of whom work in the capital Addis Ababa. In 2012 Operation Smile partnered with Jimma University Medical Centre (JUMC) in southwestern Ethiopia to provide a comprehensive training programme in plastic surgery, anaesthesia and nursing - the only one of its kind outside of Addis Ababa.

British volunteers Per Hall (plastic surgeon) and Dr Phil McDonald (anaesthetist) played a major role in shaping the training programme in Jimma.

Twice a year we conduct surgical training rotations at JUMC, which see local surgeons, anaesthetists and nurses working alongside international volunteers, treating patients requiring

a varied range of plastic procedures. These are not limited to patients with cleft, but also those with other birth defects, those who have suffered extreme burns and those who have suffered serious trauma injuries. The focus of these rotations is training.

The team work through the caseload at a slower pace to ensure local surgeons and anaesthetists can learn

new skills and techniques to increase their knowledge and competencies.

We also conduct quarterly visiting professorships at JUMC. This has helped establish a plastic and reconstructive unit at the hospital and coordinates plastic surgical and Anaesthesia Residency Programmes. Additionally, we run a Plastic Surgery Training



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‘By returning year after year to the same place, one develops friendships and trust. It is wonderful to work with such talented and devoted people and to be involved in the explosion in education that Ethiopia is hungry for.’

Per Hall
Volunteer Consultant Plastic Surgeon

ACHIEVEMENTS

2018-19

164 patient medical evaluations
77 patient operations

Programme which educates general surgeons who want to specialise in plastic surgery. They will receive training at JUMC, in Addis Ababa and at other international partner hospitals over a three-year period.

The Anaesthesia Residency Programme at JUMC is thriving, with 18 residents currently enrolled across three years. The residency programme follows a

centralised national curriculum, and attracts student anaesthetists from all over Ethiopia.

JUMC has a total of nine operating theatres where 20 graduate anaesthetists take on much of the work; two tables are however reserved for residents. First year residents administer anaesthetics under the supervision of JUMC staff, including Dr Yemane Ayele,

Head of Department of Anaesthesia, whilst second year residents are able to work more independently.

There are only two other Anaesthesia Residency Programmes in Ethiopia, both of which are held at hospitals in Addis Ababa. The programme at JUMC is vital and ensures that the 15 million people who live in the hospital's catchment area can safely undergo surgery.

MADAGASCAR

In Madagascar, patient management starts with efficient and effective recruitment through a national awareness campaign. This year we saw an increase in the activities of our patient coordinator as he travelled to new provinces to find patients and developed a referral system with the provincial health systems to direct newborn and other cleft patients to Operation Smile.

The patient registry currently has 2,000 patients and will continue to grow through these efforts. Additionally, thanks to the outreach of the patient coordinator, Madagascar is reaching patients of a wider age range from just days old to more than 60 years old.

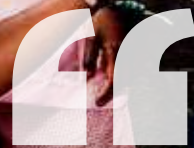
Alongside this outreach, a feeding programme is designed to support mothers who give birth to a baby who has a cleft lip or cleft palate and are struggling to successfully feed and nourish their baby. This programme is still growing and will increase in importance as we implement nutrition boot camps that offer solutions that patients can utilise throughout their lives.

The final aspect of patient management in Madagascar is the continuation of our

relationships with patients and their families after they receive surgery. We partner with the guardians of three patients who act as patient advocates and help us connect and engage with new patients across the country. In 2019, they supported the patient coordinator by recruiting more than 50% of the patients attending screening medical evaluations.

Throughout this year, patients received care through three international missions and a dental programme. The programmes planned in Madagascar took us to a new height. After successfully building a local volunteer base, we can now focus on education and training local medical professionals. At the same time, we are able to increase the number of surgeries provided in the country.





'Through our outreach, Operation Smile in Madagascar is creating a strong family between patients, volunteers and staff members. In this way, families affected by cleft can understand that they are not alone and that we'll be there to support them and others in need of safe surgical care for as long as it takes.'

Morgan Bober
OSI Programme Officer

ACHIEVEMENTS

2018-19

4 international missions
944 patient medical evaluations
385 patient operations



NICARAGUA

The Operation Smile Grace McGregor centre at Hospital Aleman is Nicaragua's largest cleft centre and in FY19 it conducted 20,076 consultations with children and adult patients suffering with cleft conditions.

Consultations covered the areas of nutrition, speech therapy, psychology, paediatrics, surgery, anaesthesia and dentistry. The centre is the hub for Operation Smile Nicaragua's activities as it serves as the long-term office space for its robust staff and regularly offers education and training opportunities to volunteers.

This year we conducted two international cleft missions and one international dental mission in partnership with Hospital Aleman and Hospital La Mascota. Hundreds of cleft patients received surgery and extensive medical training took place. Monthly orthognathic and craniofacial surgical programmes aimed to meet the more complex

surgical needs of existing patients and to provide an educational space for Nicaraguan doctors to become skilled orthognathic and craniofacial care providers. To support growth in Nicaragua, we work alongside partners such as the American Heart Association, to provide a diverse range of training.



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‘As we followed children with cleft back to their villages, we’ve gotten to know their family members and we’ve identified a whole lot of other suffering – many of it due to surgical conditions. It’s hard to stand by and say, Look, we’ll treat patients with clefts but there is nothing we can do for anybody else. That was the origin of the Surgery for the People Project in Nicaragua.’

Jordan Swanson

Director of Surgical Innovation & Special Programmes,
Operation Smile Nicaragua

ACHIEVEMENTS

2018-19

3 international missions

8 local missions

276 patient operations

In addition to these comprehensive surgical efforts, Operation Smile has been implementing the ‘Surgery for the People’ project in Nicaragua with the goal of increasing access to safe and effective surgical care in two primary hospitals in Nicaragua’s North Caribbean Coast Autonomous Region (RACCN). Funded by a grant from the UBS Optimus Foundation,

the activities undertaken in this initiative will provide improved care within the RACCN region through the motivated human talent, ongoing maintenance capabilities, and support of the Nicaraguan Ministry of Health. In FY20 Operation Smile, MINSA, UBS Optimus Foundation and other partners will replicate this programme in a new site in Nicaragua.

VIETNAM

In April 2019, Operation Smile and the Vietnam Ministry of Health announced that new Guidelines for Patient Safety and Safe Surgical Care were ready for adoption across Vietnam, covering 1,450 medical facilities in 63 provinces.

'This day has been 30 years in the making, dating back to 1989, when the Vietnamese government welcomed Operation Smile as the first U.S.-based non-governmental organisation to enter the country following the conflict in Vietnam,' stated Operation Smile Co-Founder Dr Bill Magee. 'The collaboration with the Ministry of Health has built an incredible bond of trust, and we're honoured that the Ministry invited us to join in creating a model to provide safe, effective and timely surgical care to improve the health and dignity of its people that, in time, can be replicated in other countries around the world.'

The World Health Organisation's 'Safe Surgery Saves Lives' as well as Operation Smile's 'Global Standards of Care' were references for development of the Standards. Our next step, supported by UBS Optimus Foundation, is the development of a

demonstration hospital where stakeholders could come to observe standards in action and identify pathways for implementation at their home hospitals. The adoption of the Safe Surgery Standards will have potential to impact three million surgeries annually throughout Vietnam.

In FY19, Operation Smile Vietnam held over 30 local surgical missions with a patient target of more than 2,000. A key goal was the expansion into more provinces. Patient mapping is currently conducted through the government, in conjunction with the National Fund for Vietnamese Children, and with private sector partners.

Operation Smile has been present in Vietnam since 1989, engaging more than 200 Vietnamese medical volunteers in delivery of their programmes that have provided life-changing surgery to over 44,000 patients to date.





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‘My thanks to Operation Smile over the past many years. You have brought a lot of humanitarian support to children all over Vietnam. We look forward to continuing our work together for safe surgery.’

Professor Dr Nguyen
Vice Minister, Ministry of Health Vietnam

ACHIEVEMENTS

18 local cleft missions

3 local dental missions

1,542 patient operations

GHANA

Operation Smile Ghana is one of Operation Smile's fastest growing foundations. Our first medical mission in Ghana took place in 2011 and today Operation Smile is the country's largest provider of cleft care.

In 2018 Operation Smile Ghana conducted its first local medical mission. The coordination was overseen by Operation Smile Ghana staff and the majority of the medical volunteers came from within Ghana. In 2019, the Foundation increased its programmatic activity further still and conducted three local surgical missions alongside two large-scale international missions.

This rapid increase in activity has been supported by a great patient recruitment team. Ghana is a country in which roaming post-ops ensure the majority of patients access post-operative care, and patient coordinators tirelessly travel the country seeking out new patients and educating communities about cleft.

Workshops are hosted at the patient shelter throughout the duration of medical missions, teaching skills such as soap making and disease prevention. Patients and their families have the opportunity to design and create items which they can then go on to sell, intended to make up for any lost income they might have incurred whilst they are away from their home.

In Ghana many people believe cleft conditions to be a curse from God. Our programme will not only continue to give our patients hope for a brighter future but will help to dispel some of the many myths that exist in the country. They bring about an understanding that cleft conditions are not only treatable but also very common.





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'I have my family, my siblings and parents but I have no friends and I feel sad. I know that if I have the surgery I will make friends.'

Faustina, age 17
Ghana

ACHIEVEMENTS

2018-19

2 international missions

1st local mission

268 patient operations

MOROCCO

Operation Smile expanded its reach to Morocco in 1998 and Operation Smile Morocco was officially founded a year later. Since then the Foundation has established care centres in Casablanca and El Jadida that provide the following services on a daily basis to patients: dentistry, obturators, speech therapy, orthodontia and psychology. In 2019, Operation Smile Morocco opened its third centre in Oujda, in the east of the country.

Patient numbers continue to increase in Morocco due to ongoing centre support and cleft awareness campaigns done on dental missions. On its missions,

Operation Smile Morocco operated on more than 450 patients and provided dental treatment to

another 3,500 patients.

Operation Smile Morocco held its third orthognathic mission in January 2019. This was an important step for Operation Smile globally as we hope to share these experiences with other foundations, such as Nicaragua and Brazil.





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‘These parents have confidence in us. These parents have put their hope in our hands, and we do not have the right to let them down.’

Medical volunteer
Morocco

ACHIEVEMENTS

2018 - 19

3 international missions

7 local missions

502 patient operations

THE PHILIPPINES

The Philippines is stricken with some of the highest rates of cleft incidence in the world – about one in 500 children born here suffer from cleft conditions compared to the global average of one in 700 births.

The Philippines has an immense estimated backlog of cleft patients. Operation Smile is continuing its investment on a multi-year basis to tackle this issue.

Multi-site missions have become a key component of our programme activity in the Philippines, significantly increasing the amount of surgical care delivered to patients each year. In FY18 Operation Smile created a new position and hired its first patient coordinator. With additional staff focusing directly on patient engagement and recruitment, patient focused care was at the forefront of Operation Smile programmes.

In FY19 Operation Smile hosted three international missions and six local missions which provided surgical care to more than 1,000 patients. Additionally, care centres in Manila, Davao and Pampanga provided ongoing surgical intervention, as well as consultations and access to other services, such as speech pathology and dental care. Through these programmes, Operation Smile provided 1,480 surgeries and consultations for patients.

As the organisation looks ahead there will be a focus on public-private partnerships to increase surgical capacity and the development of a flagship initiative such as 'Cleft Free Manila'.





“

‘I have never worked in a context where a group of strangers from all over the world can come together and make such a great impact in a short amount of time.’

Salmah Kola
Volunteer Speech Therapist

ACHIEVEMENTS

2018-19

- 3 international missions
- 6 local missions
- 677 patient operations

FUNDRAISING STATEMENT

Thanks to the kindness and generosity of our diverse supporters, we have achieved an income of £4M. Our expenditure was £1.4M on raising funds and £2.4M on charitable activities giving us a net position of £229K in FY19, a decrease of 29% on the previous year.

Since 2016, there has been significant media attention on how charities are run and how they manage themselves and their fundraising activities.

Our Codes of Conduct set out a global standard for all Operation Smile offices to comply with.

With over 35 year experience of looking after children, we have a global policy for child protection, which is implemented across all our offices. This policy is reviewed annually.

OSUK's fundraising approach is primarily through consented and/or legitimate interest or solicitations.

OSUK has voluntarily signed up to the Fundraising Regulator and Information Commissioner's Office (ICO) code of conduct which covers fundraising practices and the use of donor's data respectively.

As a member of the Fundraising Regulator, we hold ourselves accountable to our donors and have the utmost respect for our donor base. We work to remain compliant to the General Data Protection Regulations (GDPR) and Data Protection Act 2018. During this FY all staff had refresher training on data management and data security, GDPR and its compliance.

The Head of Data & Insight is the first point of contact for any queries or complaints made via the above regulators and the Chief Operating Officer (COO) is notified of any queries or complaints made.

Agents working on our behalf are contracted and provided with guidance through training for reporting complaints to Operation Smile. Some, not all, subscribed to the Institute of Fundraising, DM Associations and Telephone Preference Service Assured.

Fundraising activities carried out by people acting on our behalf are provided with a fundraising pack, which stipulate responsibilities and liabilities. There is an ongoing stewardship and reporting process in place for accountability.

For the last FY from the 1st July 2018 to 30th June 2019 Operation Smile have had no official complaints via the Information Commissioner's Office (ICO).

We remain committed to the care of our donors, supporting their requests for contact and privacy, communicating with them only as appropriate.

Fundraising activity

Throughout the year, we raised funds through our generous donor base, which include individual donors, corporates, students, community fundraisers, trusts and foundations.

Our diversified direct marketing fundraising activities included:

- Appeals
- Newsletters
- Email solicitations
- Regular monthly giving
- Digital campaigns (pay-per-click)
- Facebook for Charity

We also partnered with third party agencies to recruit new supporters, and communicate with current supporters through the following activities:

- Press Inserts/Press Ads – recruitment of single gift donors.
- Warm Direct Mail – postal communication and fundraising from database of supporters.
- Telemarketing – recruitment of regular donors.
- DRTV - recruitment of single gift and regular donors.
- Digital Acquisition - recruitment of single gift and regular donors.

Communications

As the fundraising landscape continues to change, in 2018-19, we increased our activity within the digital space with a goal of increasing our online communications and online fundraising.

Over the year we implemented a content and communication strategy that allowed us to plan ahead and to develop consistent and cohesive communications across the teams, using different offline and online tools. This also ensured that our communications are more donor centric and relevant.





OUR ACHIEVEMENTS



OUR GLOBAL ACHIEVEMENTS



11,999

Patients healed



32

Countries visited



175

Medical missions



30,346

Patients receiving
medical evaluation



31

Care centres in
16 countries



85%

Of all missions
conducted by local teams



OUR UK ACHIEVEMENTS



106

Active UK
medical volunteers



27

Medical missions with
UK medical volunteers



12,445

Supporters
in the UK



5,520 hrs

Volunteered by UK
medical volunteers



£2.4M

Given to medical
programmes



£215,775

Value of donated
medical care



CORPORATE PARTNERSHIPS

Our partners include both global and UK-based companies that enable our impact to reach more people in more remote places than ever before.

“

‘Our partnership this year brought our Property Entrepreneurs together like nothing else has. Working with Operation Smile has been an emphatic win-win; we raised record breaking funds for a fantastic cause and at the same time generated the most positive and collaborative atmosphere within our network as we promote both mental and physical well being in all of our Property Entrepreneurs. To top it all off, many of us got into the best shape in over a decade and we each lost a few pounds too!’

Mark Barrett
Property Entrepreneur



VALUABLE COLLABORATIONS WITH OUR CORPORATE PARTNERS THIS YEAR INCLUDE:

Superdrug and Johnson and Johnson: Smile with Listerine

We are delighted to announce that during this FY, Superdrug and Johnson & Johnson Limited partnered together to raise money for Operation Smile. From 19th September to 16th October 2018, for every LISTERINE® product sold at Superdrug stores across UK, Superdrug and Johnson & Johnson Limited made a combined donation of 10p to Operation Smile. Operation Smile are the global partner of both Johnson & Johnson and Superdrug's parent company A.S.Watson. We are incredibly grateful to Superdrug and Johnson & Johnson Limited for partnering to raise smiles for Operation Smile. Donations from Listerine products have helped change the lives of over 130 children.

Property Entrepreneurs' Get Up and Give Back

This year Operation Smile UK was very excited to announce that we were nominated as Property Entrepreneurs' first official charity partner. Property Entrepreneur launched an annual charity fundraising initiative 'Get Up & Give Back™' to promote the mental and physical wellbeing of entrepreneurs whilst raising funds for Operation Smile. This programme has generously raised £73,878. Their vision was to fundraise for 365 smiles, however, due to their fantastic efforts they over achieved and raised an amazing 493 cleft repair operations.

STEP's Private Client Awards

For the past three years Operation Smile has been the chosen Charity of the Year, for STEP's annual Private Client Awards. The annual prestigious awards ceremony takes place in September and celebrates excellence among private client lawyers, accountants, bankers and financial advisors. Each year the evening raises funds through the award nominations and a fun charity casino. With a contribution of £73,409 for this year, the three year STEP partnership has now raised an incredible total of over £215,000 to support the life-changing work of Operation Smile around the world.

THANK YOU

Our life-changing work is made possible by our partners, supporters and volunteers.

Generous Individuals, Charitable Trusts And Foundations

Allergan International Foundation
Dalegarth Trust
Haleon Trust
Jon Wood
R & H Woods Charitable Trust
R U B White Charitable Trust
The Chelsea Square 1994 Trust
The Dr William Eric Gibb Trust
The Duncan Bannatyne Charitable Trust
The Girdlers' Company Charitable Trust
The Kentown Wizard Foundation
The Imago Trust
The Ione Vassiliou Charitable Trust
The Nicka Vassiliou Charitable Trust
The Patricia Routledge Charitable Trust
The Traynor Foundation
The Whitcombe Family Charitable Trust
UBS Optimus Foundation
Ardfoyle Trust
Blandford Lake Trust
The Columba Charitable Trust
Dorothy Bayles Trust
The Fulmer Charitable Trust
Mackintosh Foundation

The Nichols Charitable Trust
The Roger Vere Foundation
The Rufford Foundation
The John Beckwith Charitable Trust
The Tom Morris & Toby Black
Ribbonfield Memorial Trust

Corporate Partners

Johnson & Johnson
Align Tech
AS Watson
Superdrug
Savers
The Perfume Shop
Mediterranean Shipping Company
Property Entrepreneur
The Bannatyne Group
STEP Private Client Awards
MiSmile Network
The Harley Medical Group
West End Office Agents Society
WSM Partners LLP

Smile Ambassadors

Anthony Andrews
Duncan Bannatyne
Tom Burke
David Webb







LOOKING AHEAD

As a fundraising office for Operation Smile Inc, our overarching goal is to grow our net income for disbursement to our life-changing programmes. Our focus for 2019-2020 therefore remains consistent with last year's goals.

TO SUPPORT

Operation Smile's global cleft and safe surgery programme initiatives

TO MAINTAIN & EXPAND

our programme support primarily in Africa, Asia & central America

TO PROVIDE

excellent care and service delivery through our medical and non-medical volunteers

TO GROW

both our unrestricted and restricted income to support the above



TO RAISE

our national profile through use of mixed communication channels and donor-centric communications

As part of a global organisation, we plan to conduct 151 local medical missions and 58 international medical missions with a goal to provide free, safe and effective surgery to more than 10,900 children and adults.



BOARD OF TRUSTEES

CHAIR OF THE BOARD OF TRUSTEES

Dr Maria Moore, BDS Hons, Chair

Dr Maria Moore has been involved with Operation Smile since 1999, first as a donor and then as a dental volunteer in Guwahati, India. Maria has attended international missions to India, Panama, Colombia and The Philippines and is an active and dedicated fundraiser. She became chair of Operation Smile United Kingdom in December 2015. Having graduated with Honours in Dentistry from Birmingham University in 1988, Maria's career spans both the NHS and the private sector. Maria now owns and manages a successful dental practice in Virginia Water and gives her time to Operation Smile in her capacity as chair of the board.

TRUSTEES

Dr William P Magee Jr

Dr William P Magee Jr co-founded Operation Smile in 1982 with his wife Kathy in Norfolk, Virginia, USA. He is a plastic and craniofacial surgeon and serves as Operation Smile Inc chief executive officer at our global headquarters. Over three and half decades, Dr Magee has not only trained and mentored physicians worldwide but he has taken Operation Smile into over 60 countries globally, building Operation Smile into a highly respected and leading organisation in cleft care provision for infants, children and young adults across the world.

Andrew Bruce, BSc, MBA

Andrew Bruce is a successful and experienced international investor.

He is the chief investment officer of Caledonian Advisory with global industry experience in organisations including, Société Générale, Macquarie Bank and D.B. Zwirn. He joined Operation Smile UK in September 2018 and brings operational, fundraising and leadership skills and his knowledge of the investment and asset management industries.

Catherine de Maid, LLB

Catherine is a UK qualified solicitor, specialising in private client work, philanthropy advice and charity law.

She works for independent law firm Burges Salmon LLP. Her expertise in the area of governance contributes significantly to the Operation Smile board. Whilst working in South Africa, Catherine helped establish Operation Smile South Africa, our regional hub for Sub-Saharan programmes, and was an active member of their board for eight years until October 2017. Catherine has attended a mission to the DRC, has assisted World Care patients in Cape Town and attended a Cape Town mission which took place on a US navy ship. On her return to England, Catherine became a member of the board of trustees of Operation Smile UK in February 2018. In addition to her legal expertise, Catherine brings her knowledge of Africa to our board.

Dr Phil McDonald, MB ChB, FRCA (UK)

Dr McDonald graduated from Liverpool University in Medicine. He is a consultant in anaesthetics and intensive care at St Richard's Hospital, Chichester.

Dr McDonald has been medical director and a trustee on the board of Operation Smile UK since it was registered in 2002. He was featured in the BBC1 documentary about Operation Smile, 'The Facemakers', in June 2000 and in the 2009/10 Blue Peter Charity Appeal, 'Send a Smile', which also supported the charity. He has been an anaesthesia volunteer with Operation Smile since 1995 and has been on numerous medical projects in Colombia, the West Bank, Romania, India, China, the Philippines, Kenya and Ethiopia. Phil is committed to the provision of sustainable healthcare solutions in developing countries and has worked tirelessly to develop the anaesthesia capacity of Jimma University Medical Centre, Jimma, Ethiopia through the establishment of their Anaesthesia Residency Programme.

Christopher Pinnington, BA

Christopher has spent his career managing global communications agencies, specialising in advertising,

digital, PR, media and direct marketing. He is an expert in managing communications agencies globally, overseeing advertising, digital, data, PR, media and direct mail agencies around the world. He worked for 32 years at Havas, most recently as global chief operating officer. He is now a non-executive director, investor and adviser helping companies to realise their true potential. He joined Operation Smile UK's board of trustees in February 2018. Christopher brings a wealth of communication expertise to Operation Smile and works with us to ensure an appropriate and relevant mix of communications across diverse channels.



MEMBERS

The Medical Subcommittee is comprised of experts in their fields, who attend medical projects regularly and are in contact with fellow Operation Smile volunteers.



Dr Phil McDonald
Chair
Consultant Anaesthetist,
St. Richard's Hospital,
Chichester



Per Hall FRCS (Plast)
Consultant Plastic
Surgeon, Lead Clinician
Cleft Network,
East Addenbrookes,
Cambridge



Dr Juliet Hull
Consultant Anaesthetist,
Global Fellow
Operation Smile Malawi
(Resigned May 2019)

OSUK MEDICAL SUBCOMMITTEE

Operation Smile's Medical Subcommittee sets the standards for recruiting and credentialing medical volunteers within the UK. They provide oversight and guidance for Operation Smile UK supported programmes to the board and to the CEO.



Jackie Matthews

RN-Specialist Nurse,
South Thames Cleft
Team, Guy's and
St Thomas' NHS
Foundation Trust



**Dr Annemieke
Miedema**

Consultant PICU,
Birmingham Children's
Hospital NHS
Foundation Trust



**Wg Cdr Ankur
Pandya**

Consultant
Plastic Surgeon,
Portsmouth
Hospitals NHS Trust



Louise Edwards

Advanced Specialist
Speech & Language
Therapist, Addenbrookes
Hospital, Cambridge
(Resigned May 2019)



REFERENCE AND ADMINISTRATION

Registered Charity Name: Operation Smile UK

Charity Registration Number: 1091316

Company Registration Number: 04317039

Registered Address: Unit A, Genoa House,
Juniper Drive, London SW18 1FY

For more information about the charity,
please visit: www.operationssmile.org.uk

BOARD OF TRUSTEES:

Dr Maria Moore, BDS (Hons)

Chair – Board of Trustees

Dr William Magee, Jr, DDS, MD

Co Founder and CEO
of Operation Smile Inc

Andrew John Bruce, BSc, MBA

Chair – Finance & Audit
Subcommittee, Board Member

Catherine de Maid, LLB

Board Member

Dr Philip McDonald, MBChb, FRCA

Chair – Medical Subcommittee
and UK Medical Director

Christopher Pinnington, BA

Board Member

CEO & COMPANY SECRETARY:

Karen Jaques, BA, MA, RN



SUBCOMMITTEES, AMBASSADORS, BANKERS, AND PRINCIPAL ADVISORS

KEY MANAGEMENT PERSONNEL:

Karen Jaques, BA, MA, RN
Chief Executive Officer

Jean Leigh, FCIS
Chief Finance & Operating Officer

SMILE AMBASSADORS:

Anthony Andrews
Duncan Bannatyne, OBE
Tom Burke
David Webb

BANKERS AND ADVISERS:

CAF Bank Limited
25 Kings Hill Avenue, Kings Hill,
West Malling, Kent, ME19 4JQ

Barclays Bank Plc
Leicester, LE7 2BB

Virgin Money
Jubilee House, Gosforth,
Newcastle upon Tyne, NE3 4PL

AUDITORS:

Moore Kingston Smith LLP
Chartered Accountants,
Devonshire House,
60 Goswell Road,
London, EC1M 7AD

SOLICITORS:

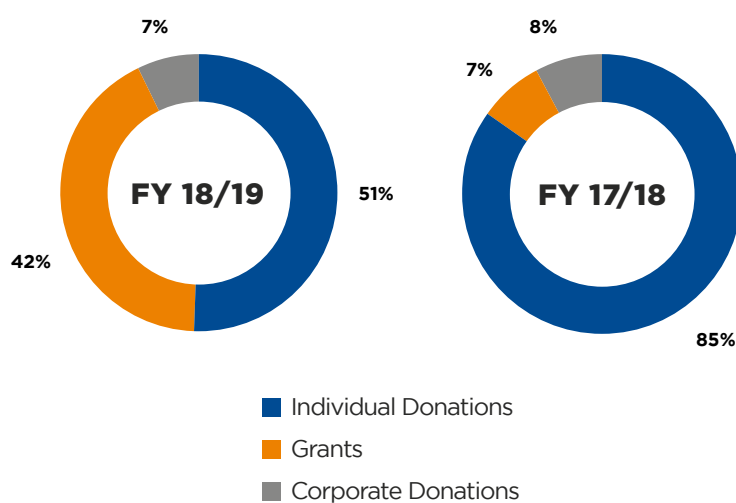
Russell Cooke Solicitors
2 Putney Hill, London, SW15 6AB

FINANCIAL OVERVIEW

FINANCIAL YEAR 2018-2019

In 2019 Operation Smile UK generated a total income of £4M (2018: £3.1M) including gifts in kind of £225K (2018: £202K) and investment income of £28K (2018: £41K).

SOURCES OF INCOME

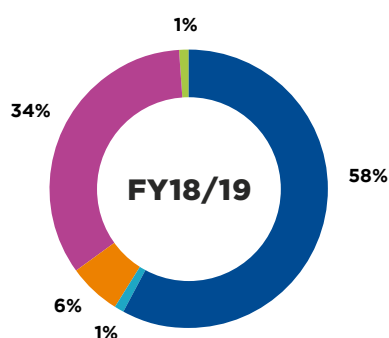


The yearly increase in income has been primarily due to restricted grant income received for long term projects in Africa, Asia and South America. The unexpected increase in legacy income in 2018 did not continue in 2019. Restricted income increased from 28% of total income to 46% in FY2018/19.

As a result of further investment in direct marketing in recent years, income from direct marketing increased substantially in 2019 with levels reaching the £1M mark for the first time with the incredible support of our donors. The unpredictability of legacy income is marked this year as this source decreased by 86%. Investment income of £28K (2018: £41K) decreased by 32%; this is directly related to donated shares received and sold during the year as current policy dictates.



EXPENDITURE AS % OF INCOME



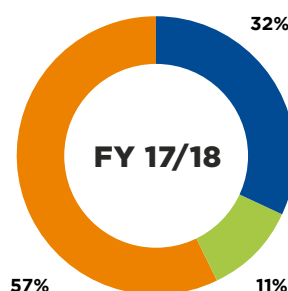
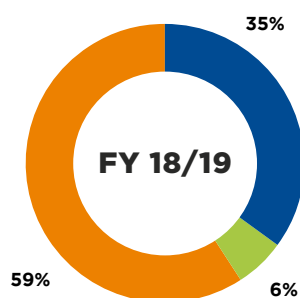
- Programmatic Expenses
- Support Costs
- Surplus to Reserves
- Other Charitable Activities - Resource Country Aims
- Property and Property Management

Our total expenditure for the year was **£3.77M** (2018: **£2.73M**). We spent **£2.38M** (2018: **£1.75M**) on charitable expenditure in our mission to treat cleft lip and cleft palate around the world and create solutions that deliver safe surgery to people where this is needed most. This included £223K (2018: £208K) in restricted income towards creating a cleft free Malawi and £1.1M (2018: £346K) to extend our pilot project in Global Essential Surgery in Nicaragua and into Vietnam and Madagascar. OSUK's medical volunteers provided £215K worth of time (2018: £193K) towards wider Operation Smile activities and projects. £1.4M was spent on raising funds (2018: £986K). We remain very conscious of the need to spend wisely all funds entrusted to us by our supporters whilst ensuring that we continue to invest to grow our income to fulfil our mission towards accomplishing our vision. For every £1 raised £0.92 is spent on our charitable aims and £0.08 on property, administration and retained surplus.

Comparing spending ratios in 2019 and 2018, there is no significant change between the proportions spent on raising funds and charitable activities as a percentage of total spend in each year.

USE OF FUNDS 2018 & 2019

INCOME APPLICATION



- Raising Funds
- Charitable Activities
- Surplus to Reserves

Balance Sheet

At 30th June 2019, total net assets were **£1.58M** (2018: **£1.35M**). Cash held was **£1.46M** (2018: **£1.54M**). There was no significant decrease in cash held as income was being retained in anticipation of an office move with the current office lease ending in January 2020. Furthermore, cash held provides a buffer for our long term grant funded projects should this be required.

Debtors decreased in line with legacy income; the greater proportion of debtors in FY17/18 was related to accrued legacy income. Creditors similarly decreased in FY18/19 because there was no commitment payable towards programmes at the year end as was the case in FY17/18.

Reserves Policy

The trustees have determined an appropriate level of reserves to be **six months of projected operating costs** – which in FY19/20 is budgeted to be £579K. This liquidity based approach would allow the charity to maintain sufficient funds to enable it to continue its work during any adverse fundraising periods. At 30th June 2019, the free reserves of the charity amounted to **£1.41M** (2018: **£1.2M**). The trustees are pleased with the result achieved as it will assist us in achieving our long term aims of eradicating cleft in low- and middle-income countries.



GOVERNANCE AND STATEMENT OF TRUSTEES RESPONSIBILITIES

Virgilio before surgery

Governance

Operation Smile UK is a registered charity with the Charity Commission in England and Wales and a Charitable Company Limited by Guarantee registered with Company House.

Under charity law, trustees have legal duties and responsibilities and under company law the board act as company directors of the charity.

Operation Smile UK works collaboratively and in partnership with Operation Smile Inc in the United States. They are separately registered organisations with different management teams and boards of trustees.

The board reviewed its organisation and workings in the year with regard to the Charity Code of Governance and its Terms of Reference (ToR). This makes clear the responsibilities of the board and where there are clearly delegated authorities to act on behalf of the board. The delegated authorities are discharged through the subcommittees, the chief executive officer and the chief finance & operating officer. The Charity Code of Governance and the ToR are reviewed periodically regarding fit for purpose and changing circumstances.

Governing Document

OSUK is governed by its Memorandum and Articles of Association. The Memorandum and Articles of Association restrict the liability of members on winding up to £1. In the case of a winding up, none of the accumulated funds is distributable to the members but shall be given or transferred to Operation Smile Inc for its charitable purposes. Under the powers within its Articles of Association, the trustees delegate the day to day management/responsibilities of the charity to the chief executive officer. She is accountable to the trustees and is guided by approved business plans, budgets, policies and supporting procedures.

Appointment and Retirement of Trustees

Potential OSUK trustee candidates are nominated at a trustee's meeting by a serving member of the board. If the trustees present agree to pursue the proposed nomination, the candidate would then be met by at least two active trustees to discuss the activities and goals of the charity. Following these meetings, the serving trustees report

back to the board. If the consensus is to move forward with the nomination, the nominee is invited to attend the next trustee's meeting where he/she would be formally appointed as an active trustee on the board. Trustees are appointed for a rolling three-year term, re-appointed at the first board meeting of the year in which the third year expires if they are recommended for re-election/appointment.

Trustee Induction and Training

New trustees undergo an induction at their first quarterly meeting where they are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision-making process, the business plan and financial performance of the charity, and the charity's programmatic goals and strategy. Following this meeting, new trustees get the opportunity to meet OSUK staff members. The new trustee's induction concludes with a meeting with the chief executive officer to discuss feedback and any other queries/questions.

Ongoing development and training is addressed through making available opportunities for external training. Trustees can request at any time to attend any of these training courses.

Subcommittees

The Medical Subcommittee meets annually with ad hoc communication as required throughout the year, reporting to the board as required. Minutes are circulated to the board.

The Finance and Audit (F&A) Subcommittee meets at least three times a year but primarily before any scheduled board meeting to review the finances and related policies and make recommendations to the board for approval.

Remuneration of all Staff

The governing principles of Operation Smile UK's remuneration policy is to ensure the delivery of OSUK's objectives by attracting and retaining a motivated workforce with the skills and expertise necessary for organisational effectiveness.

OSUK takes every step possible to ensure that remuneration should be equitable and coherent across the organisation. It accepts the need to balance pay levels and pay increases

appropriately within the context of our charitable purposes but also believe salaries must be realistic when set in the London work context.

In relation to deciding remuneration for OSUK's senior executives, Operation Smile UK considers the potential impact of remuneration levels and structures of senior executives on the wider OSUK workforce. The wider employment offer made to senior employees considers pay as one part of a package that also includes personal development, personal fulfilment and association with the public benefit delivered. It also recognises that it is, on occasion, possible to attract senior executives at a discount to public sector or private sector market rates.

Remuneration for the year ended 30th June 2019 was comprised of salary and pension contributions. There are no other pecuniary benefits for senior or other staff at Operation Smile UK.

Risk Management

A record of all risks is maintained in the risk register.

The Finance and Audit Subcommittee reviews the risk register biannually and takes appropriate action to mitigate or reduce the risk to OSUK. It is not deemed necessary at the present time for more frequent reviews as there are adequate policies and procedures in place to minimise adverse effect of risks envisaged. The CEO has the responsibility to bring any new or increased risk to the attention of the board at any time. Any threats are reported to the chair and/or the responsible board member based on materiality as defined by the board from time to time and to the wider board at board meetings.

As part of its annual review, the board discusses recommendations from the F&A Subcommittee and ratifies recommendations as they see fit, noting any major risks to the organisation. The board is satisfied that OSUK's current systems and procedures are sufficient to manage the likelihood and impact of assessed risks.

Charity & financial regulatory compliance and law remain a priority for the charity with required policies and procedures regularly under review. In line with this, data protection is reviewed with staff regularly and staff are reminded of the need for confidentiality and compliance with general data protection regulation and data security.

GOVERNANCE AND STATEMENT OF TRUSTEES RESPONSIBILITIES...

Code of Practice and Vulnerable Persons Policy

OSUK has in place a code of practice and vulnerable persons policy to oversee its interactions with the public whilst fundraising and during service delivery. There is a reporting procedure in place and operationally OSUK has noted the new Charity Commission whistleblowing hotline.

Trustees Responsibility in Relation to the Financial Statements

The trustees who are also directors of OSUK for the purposes of company law are responsible for preparing the Trustees Annual Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company, and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice on Accounting and Reporting (SORP).
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets

of the charitable company and hence take reasonable steps for the prevention and detection of fraud and other irregularities.

None of the trustees have any beneficial interest in any contract to which the charity was party during the year.

Trustees Indemnity Insurance

As permitted by the Memorandum and Articles of Association, the trustees have the benefit at a cost of £600 (2018: £553) of trustees liability insurance which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006.

The indemnity was in force throughout the last financial year and continues into the current financial year. All of the trustees shown on page 51 of the Trustees Annual Report, even those who have retired, are covered by this policy.

Statement as to Disclosure to Auditors

Insofar as the trustees are aware at the time of approving the Trustees Annual Report:

There is no relevant audit information of which the charitable company's auditor is unaware.

The trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of any such information.

The maintenance and integrity of OSUK's website is the responsibility of the trustees. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Public Benefit

The trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit

guidance published by the Charity Commission. Resources expended seek to prevent poverty in the countries in which they are spent by transforming the lives of children with cleft conditions and other facial deformities. Cleft and facial deformities can inhibit food intake and cause malnutrition; each successful treatment increases the advancement of health for these children and increases their chances of being socially accepted.

We are also required to describe how significant activities undertaken by the organisation further our charitable purpose for the public benefit. In response, the trustees hereby clarify that the benefits that we have provided and will continue to provide directly relates to our aims and objectives of improving healthcare in developing countries. Furthermore, we can confirm that:

- Feedback from beneficiaries and 'partner countries' affirms that we are reaching our intended beneficiaries with life-changing results.
- Feedback from our partners and our country offices indicates safe surgical practises and up-skilling of healthcare workers and their care of cleft patients.
- Our volunteers from across the UK and the world feedback to us that they benefit from the exposure to different operating environments and cross practice contact.
- Any private benefit gained from the work of the charity (in particular salaries of its employees, and fees paid to consultants) is a necessary part of its cost of operations.

Auditors

Moore Kingston Smith LLP were re-appointed auditors in the previous financial year and they have indicated their willingness to continue in office. They are deemed to be re-appointed in accordance with Section 487(2) of the Companies Act 2006.

Approved by the board of trustees

Signed on their behalf by:

Dr Maria Moore
Chair

13/11/19.





INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF OPERATION SMILE UK

Opinion

We have audited the financial statements of Operation Smile United Kingdom ('the company') for the year ended 30 June 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 in United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as of 30th June 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.

- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK. This includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and

our auditor's report. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion.

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.

Opinions 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 annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The trustees annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees annual report.

We have nothing to report in respect to the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.
- Certain disclosures of trustees remuneration specified by law are not made.
- 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 set out on page 60, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 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

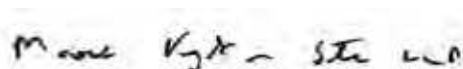
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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. Our audit work has been undertaken so that we might state to the company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Finlayson (Senior Statutory Auditor) for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House, 60 Goswell Road, London, EC1M 7AD

Date: 25/11/19



STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2019

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	2019 Total Funds £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2018 Total Funds £
INCOME AND ENDOWMENTS:	Note								
Donations and Legacies	2	2,008,211	-	1,825,039	3,833,250	2,013,095	-	853,904	2,866,999
Charitable Activities	2a	119,405	-	15,500	134,905	141,897	-	3,138	145,035
Interest/Investments		27,889	-	-	27,889	40,775	-	-	40,775
Total Income and Endowments		2,155,505	-	1,840,539	3,996,044	2,195,767	-	857,042	3,052,809
EXPENDITURE:									
Raising Funds	3	1,386,349	-	-	1,386,349	986,363	-	-	986,363
Charitable Activities	3a	543,717	-	1,837,339	2,381,056	828,035	47,866	869,218	1,745,119
Total Expenditure		1,930,066	-	1,837,339	3,767,405	1,814,398	47,866	869,218	2,731,482
Net Gains/(Losses) on Investments		842	-	-	842	2,055	-	-	2,055
Net Income for the Year		226,281	-	3,200	229,481	383,424	(47,866)	(12,176)	323,382
Transfer Between Funds	9	-	-	-	-	(100,000)	100,000	-	-
Net Movement in Funds		226,281	-	3,200	229,481	283,424	52,134	(12,176)	323,382
Reconciliation of Funds									
Total Funds Brought Forward		1,201,971	150,000	-	1,351,971	918,547	97,866	12,176	1,028,589
Total Funds Carried Forward	9	1,428,252	150,000	3,200	1,581,452	1,201,971	150,000	-	1,351,971

There are no recognised gains or losses other than those disclosed above. All results derive from continuing operations.



BALANCE SHEET AS AT 30 JUNE 2019

		2019 Total	2018 Total
	Note	£	£
FIXED ASSETS	6	15,266	4,596
CURRENT ASSETS			
Debtors	8	261,542	450,831
Cash at Bank and in Hand		1,460,609	1,539,980
Total Current Assets		1,722,151	1,990,811
CURRENT LIABILITIES			
Creditors:			
Amounts Falling Due Within One Year	9	(155,965)	(643,436)
Net Current Assets		1,566,186	1,347,375
NET ASSETS		1,581,452	1,351,971
REPRESENTED BY:			
Restricted Funds	11	3,200	-
Designated Funds	11	150,000	150,000
General (Unrestricted) Funds	11	1,428,252	1,201,971
		1,581,452	1,351,971

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 and with Financial Reporting Standard 102 effective 01 January 2015. The notes on pages 70-76 form an integral part of these financial statements.

Approved, and authorised for distribution by the board of trustees:

And signed on their behalf on:



Dr Maria Moore

Chair

13/11/19

Company Registration No: 04317039

Charity Registration No: 1091316

CASH FLOW STATEMENT FOR THE YEAR TO 30 JUNE 2019

		2019 Total £	2018 Total £
Net Cash Provided by Operating Activities	Note A	(65,353)	491,199
Cashflows from Investing in Activities:			
Cost of Purchasing Tangible Fixed Assets		(14,018)	(1,365)
Change in Cash and Cash Equivalents on 30th June		(79,371)	489,834
Cash and Cash Equivalents on 1st July		1,539,980	1,050,146
Total Cash Held on 30th June		1,460,609	1,539,980

Note A

Reconciliation of Net Expenditure to Net Cash Provided by Operating Activities			
		2019 Total £	2018 Total £
Net Income/(Expenditure) for the Year		229,481	323,382
Depreciation of Tangible Assets		3,348	4,223
Increase/(Decrease) In Debtors		189,289	(293,303)
Increase/(Decrease) In Creditors		(487,471)	456,897
Net Cash Inflow from Operating Activities		(65,353)	491,199



NOTES TO THE ACCOUNTS

Accounting Policies

STATEMENT OF COMPLIANCE

The accounts for the charity have been prepared under the historical cost convention. The Charitable Company is a public benefit company for the purposes of FRS 102. Therefore, the charity also prepared its financial statements in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102 Charities SORP), Companies Act 2006 and Charities Act 2011.

The functional currency of the charity is pound sterling. All amounts have been rounded to the nearest whole pound.

BASIS OF PREPARATION

The trustees have assessed whether the use of the going concern basis is appropriate and have considered likely events or conditions that might cast significant doubt on the ability of OSUK to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of financial statements. In particular, the trustees have considered the budget and forecasts and have concluded that with the reserves policy and cash liquidity requirements there is reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below:

a) Income and expenditure

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to (or has physically received) the income and the amount can be quantified with reasonable accuracy.

Gift Aid income is accrued when there is a valid declaration from the donor or HMRC small donations rule is applicable.

For legacy income, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to OSUK that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and OSUK has been notified of the executor's intent to make a distribution. Where legacies have been notified to the charity, or where OSUK is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

For event income, entitlement is counted at the date of the event. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received, the income is accrued.

Expenditure is accounted for on an accrual basis. Support costs including governance costs which are not directly attributable to raising funds or charitable activities are allocated based on staff time and department headcount.

Raising funds

Raising funds relating to direct marketing has been allocated between charitable activities and fundraising costs based on an allocation process which analyses the use of staff time in the various direct marketing cost areas. Currently this analysis allocates 30% (2018: 28%) of costs towards charitable activities as the content relates to education and raising awareness of cleft and 70% (2018: 72%) towards cost of raising funds.

Charitable activities

All cost relating to medical mission programmes are recognised in the year in which they are agreed upon. Total cost of charitable activities also includes a proportion of direct marketing costs relating to charitable activities as above. Proposals for funding which are in the final stages of the approval process are recorded as commitments.

Allocation of support costs (including governance costs)

These are costs of providing strategic direction and ensuring public accountability; these are recognised as part of support costs. All support costs have been allocated between cost of raising funds and expenditure on charitable activities and on the basis of staff time.

Critical accounting estimates and areas of judgement

In view of the trustees applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Tax

Costs are recorded gross of VAT; the charity is a registered charity and is not liable for income tax or corporation tax on income or gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

b) Fund accounting

The general unrestricted reserve comprises accumulated unrestricted surpluses and deficits. Restricted funds are subject to restrictions imposed by the donor. The amounts in designated funds represent amounts which the trustees have allocated to specific 'projects' from general unrestricted reserves, and which may at the discretion of the trustees be brought back into general reserves. Amounts recorded relate to our commitment to relocation costs and the expiration of current office premise lease in January 2020.

c) Fixed assets

Tangible assets are stated at cost which includes its purchase price and the cost attributable to bringing it to its working condition for its intended use. Depreciation is calculated on a straight-line basis for both office equipment and fixture and fittings. We will write off the cost of an asset, less its estimated residual value if appropriate, over the estimated economic life of that asset.

- Office equipment – over 3 years
- Furniture, fixtures and fittings (including IT hardware) – over 3 years

The charity currently adopts a minimum capitalisation limit of £1,000. However, where complements of furniture and equipment are acquired with individual unit costs below the stated capitalisation threshold and collectively costs £1,000, then complements are capitalised at the time of purchase. There is no policy to review for impairment.

d) Gifts in kind

The charity values gifts in kind (donated goods/services) against equivalent commercial value on the open market where these can be quantified. Medical volunteers have been valued using the relevant mid-band of NHS pay scale for time given during the project.

e) Pensions

The charity operates a contributory group personal pension scheme and therefore has no pension liability. The amount charged to the Statement of Financial Activities in respect of pension costs is the total of contributions payable in the year.

f) Leases

Rentals under operating leases are charged as per agreement; any benefit received/receivable as an incentive to sign an operating lease is spread over the lease term on a straight-line basis. However, where the period to review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term then the shorter period is used.

Other financial instruments

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.





2. DONATIONS AND LEGACY INCOME

	Unrestricted Funds (£)	Restricted Funds (£)	2019 Total (£)	Unrestricted Funds (£)	Restricted Funds (£)	2018 Total (£)
Donations	1,854,387	3,550	1,857,937	1,325,480	146,602	1,472,082
Legacies	86,776	-	86,776	627,996	-	627,996
Grants	67,048	1,596,596	1,663,644	59,619	504,866	564,485
Sub-total	2,008,211	1,600,146	3,608,357	2,013,095	651,468	2,664,563
Gifts in Kind	-	224,893	224,893	-	202,436	202,436
	2,008,211	1,825,039	3,833,250	2,013,095	853,904	2,866,999

2(A). CHARITABLE ACTIVITIES

	Unrestricted Funds (£)	Restricted Funds (£)	2019 Total (£)	Unrestricted Funds (£)	Restricted Funds (£)	2018 Total (£)
Community Events	107,798	15,500	123,298	130,702	1,860	132,562
Special Events & Merchandise	11,607	-	11,607	11,195	-	11,195
Sub-total	119,405	15,500	134,905	141,897	1,860	143,757
Gifts in Kind	-	-	-	-	1,278	1,278
	119,405	15,500	134,905	141,897	3,138	145,035

3. RAISING FUNDS

	2019 Total (£)	2018 Total (£)
Direct Expenses	1,168,107	766,243
Staff Recruitment Cost	7,764	6,705
Property and Management Cost	32,215	30,911
Administration Cost	178,263	182,504
	1,386,349	986,363

3(A). CHARITABLE ACTIVITIES

	Unrestricted Funds (£)	Designated Funds (£)	Restricted Funds (£)	2019 Total (£)	Unrestricted Funds (£)	Designated Funds (£)	Restricted Funds (£)	2018 Total (£)
Programme / Mission Expenses	464,319	-	1,837,339	2,301,658	768,820	47,866	869,218	1,685,905
Support Costs:								
Property & Management	861	-	-	861	1,726	-	-	1,726
Office Administration	24,022	-	-	24,022	13,016	-	-	13,016
Other Support Costs	23,599	-	-	23,599	28,679	-	-	28,679
Governance Costs:								
Audit and Accounting	10,032	-	-	10,032	8,121	-	-	8,121
Legal/Filing & Consulting Fees	2,426	-	-	2,426	-	-	-	-
Trustees Liability Insurance	600	-	-	600	553	-	-	553
Allocated Support Costs	17,858	-	-	17,858	7,119	-	-	7,119
	543,717	-	1,837,339	2,381,056	828,034	47,866	869,218	1,745,119

4. STAFF NUMBER AND COSTS

	2019 Total (£)	2018 Total (£)
Staff Salaries	532,548	499,763
Employer's NIC	55,570	51,476
Employer's Pension Contribution	29,392	26,354
Other Staff Cost - Volunteers	-	-
	617,510	577,593
	£	£
Staff Recruitment	7,764	6,705
Training and Development	8,319	5,188
Total	16,083	11,893

Trustees And Key Management Personnel

During the year no trustee received reimbursement for expenses (2018: £3,415). £600 (2018: £553) was paid out in respect of trustees liability insurance as permitted by the Charity's Memorandum & Association. Key management personnel (SMT) as listed on page 55 and trustees received remuneration £158K; (2018: £159K)

Total average number of staff on a full-time basis employed in the year was:

	2019	2018
	14.65	14.04
Employees Earning:		
£60K - £70K	1	1
£70K - £80K	-	1
£80K - £90K	1	
The employer's pension contribution in respect of the above amounted to £9.1K (2018: 8.7K)		

5. NET INCOME FOR THE YEAR IS STATED AFTER CHARGING

	2019 (£)	2018 (£)
Auditor's Remuneration	8,250	8,121
Depreciation of Tangible Assets	3,348	4,223
Operation Lease Rentals - Building	20,000	20,000

6. TANGIBLE FIXED ASSETS (Office Equipment and Furniture & Fixtures)

	Office Equipment (£)	Furniture & Fittings (£)	2019 Total (£)
Cost on 1st July 2018	14,140	6,132	20,272
Additions	14,018	-	14,018
Cost on 30th June 2019	28,158	6,132	34,290
Depreciation on 1st July 2018	9,544	6,132	15,676
Depreciation Charge for the Year	3,348	-	3,348
Depreciation on 30th June 2018	12,892	6,132	19,024
Net Book Values:			
30th June 2018	4,596	-	4,596
30th June 2019	15,266	-	15,266

7. LISTED INVESTMENTS

	2019 (£)	2018 (£)
Donated Shares/Investment Assets	23,063	35,602
Disposal/Sales Proceeds	23,901	37,657
Realised Gains	842	2,055
Total Investment on 30th June	-	-

Operation Smile received one (2018: two) donation(s) of shares and sold these during the year to 30th June in line with current policy.

8. DEBTORS (All debtors are financial instruments measured at present value)

	2019 (£)	2018 (£)
Due from Operation Smile Inc	-	12,069
HMRC - Gift Aid Reclaims	17,573	17,777
Prepayments	102,653	110,243
Accrued Income	2,150	1,050
Lease Deposit	12,000	12,000
Other Debtors	127,166	297,692
	261,542	450,831

9. CREDITORS (All creditors, excluding accruals, are financial instruments measured at present value.)

	2019 (£)	2018 (£)
Trade Creditors	116,941	38,482
Due to Operation Smile Inc	427	558,971
HMRC - Tax and NIC Due	14,482	15,995
Deferred Income	4,623	9,415
Accrued Expenses	19,492	20,573
	155,965	643,436

Deferred Income (Deferred income comprises donations received in advance of community events taking place in the financial year FY19/20)

	2019 (£)	2018 (£)
Balance as of 1st July	9,415	12,095
Amount Released to income Earned from Charitable Activities	(9,415)	(12,095)
Amount Received and Deferred in the Year	4,623	9,415
Balance as of 30th June	4,623	9,415

10. STATEMENT OF FUNDS

	Balance on 1st July 2018 (£)	Income (£)	Expenditure (£)	Transfers between Funds (£)	Balance on 30th June 2019 (£)	Balance on 1st July 2017 (£)	Income (£)	Expenditure (£)	Transfers between Funds (£)	Balance on 30th June 2018 (£)
General Funds	1,201,971	2,156,347	(1,930,066)	-	1,428,252	918,547	2,197,822	(1,814,398)	(100,000)	1,201,971
Designated Funds	150,000	-	-	-	150,000	97,866	-	(47,866)	100,000	150,000
Restricted Funds	-	1,840,539	(1,837,339)	-	3,200	12,176	857,042	(869,218)	-	-
	1,351,971	3,996,886	(3,767,405)	-	1,581,452	1,028,589	3,054,864	(2,731,482)	-	1,351,971

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General / Unrestricted Funds (£)	Designated Funds (£)	Restricted Funds (£)	2019 Total (£)	General / Unrestricted Funds (£)	Designated Funds (£)	Restricted Funds (£)	2018 Total (£)
Fixed Asset	15,266	-	-	15,266	4,596	-	-	4,596
Current Assets	1,568,951	150,000	3,200	1,722,151	1,840,811	150,000	-	1,990,811
Current Liabilities	(151,342)	-	-	(151,342)	(634,021)	-	-	(634,021)
Deferred Income	(4,623)	-	-	(4,623)	(9,415)	-	-	(9,415)
On 30th June	1,428,252	150,000	3,200	1,581,452	1,201,971	150,000	-	1,351,971

Restricted Funds by Region

	Balance on 1st July 2018 (£)	Income (£)	Expenditure (£)	Transfers in/out (£)	Balance on 30th June 2019 (£)	Balance on 1st July 2017 (£)	Income (£)	Expenditure (£)	Transfers in/out (£)	Balance on 30th June 2018 (£)
Africa	-	690,110	(687,410)	-	2,700	9,903	303,105	(313,008)	-	-
South Central America	-	31,440	(30,940)	-	500	-	513,372	(513,372)	-	-
North America	-	3,845	(3,845)	-	-	2,000	8,122	(10,122)	-	-
Asia	-	32,520	(32,520)	-	-	273	19,694	(19,967)	-	-
Europe	-	-	-	-	-	-	12,749	(12,749)	-	-
Other	-	9,117	(9,117)	-	-	-	-	-	-	-
OSI Global Surgery	-	1,073,507	(1,073,507)	-	-	-	-	-	-	-
	-	1,840,539	(1,837,339)	-	3,200	12,176	857,042	(869,218)	-	-

Designated Funds

	Balance on 1st July 2018 (£)	Income (£)	Expenditure (£)	Transfers in/out (£)	Balance on 30th June 2019 (£)	Balance on 1st July 2017 (£)	Income (£)	Expenditure (£)	Transfers in/out (£)	Balance on 30th June 2018 (£)
Jimma Training Rotation	-	-	-	-	-	47,866	-	(47,866)	-	-
Office Relocation	150,000	-	-	-	150,000	50,000	-	-	100,000	150,000
	150,000	-	0	-	150,000	97,866	-	(47,866)	100,000	150,000

12. OPERATING LEASES

On 30th June OSUK had an annual operating lease commitment of £20K under a signed agreement (2018:£20K)

Amounts payable to end of lease:	2019 (£)	2018 (£)
Within 1 Year	-	19,014
Between 2 - 5 Years	-	-
	-	19,014

13. POST BALANCE SHEET EVENT

After the balance sheet date the charity signed a new lease on premises they moved into in September 2019. The rent for the new premises is £56,667 per annum and the charity incurred £42,221 in moving costs.

14. RELATED PARTIES

During the year: OSUK's chair is a close friend of a major donor who is closely connected to UBS Optimus Foundation which gave OSUK a grant of £1.1M towards Operation Smile's global surgery projects in Nicaragua, Vietnam and Madagascar. These projects are being funded over a three (3) year period as per agreement.

On the Balance Sheet date, OSUK had a liability of £427 (2018: £559K) to Operation Smile Inc in respect of missions/cleft surgery expenses. Operation Smile Inc had no debts owing to OSUK (2018: £12K - in respect to expenses relating to unallocated funds received and miscellaneous mission expenses).

15. COMPANY LIMITED BY GUARANTEE

OSUK is a company limited by guarantee and has no share capital.

By virtue of Section 30 of Companies Act 1958 (revised 2006) under which the company is incorporated, the company is not required to use the word 'Limited' in its name.

In the event of winding up, the members are liable to contribute towards any deficiency up to a maximum value of £1 each. On 30th June there were six (2018: four) registered members.





Sisters Jheleen and Andrea after surgery

WE ARE FOREVER COMMITTED TO CHANGING
THE WORLD, ONE SMILE AT A TIME

Operation  Smile
United Kingdom