



Faustina, Ghana

# TRUSTEES' ANNUAL REPORT & ACCOUNTS 2022







# GIVING SMILES, SAVING LIVES

Operation Smile is a global charity specialising in expert cleft surgery and care.

**Supported by our generous donors, our dedicated staff, medical and student volunteers provide medical expertise, research and care, working alongside local governments and health systems all around the world.**

While one cleft surgery can transform a child's life in as little as 45 minutes, Operation Smile is committed to providing patients with health that lasts. We offer patients additional surgeries, dentistry, psychological services, speech therapy and other essential cleft treatments.

Our training and education programmes elevate local surgical standards and entire health systems, enabling our global network to bring safe surgery to more people, earlier in their lives.

**Lilia, Mexico**










Lilia, Mexico

“

***‘I know that I’m not alone; I know that my daughter counts on people, special angels who support her, that love her. I thank Operation Smile for how wonderful you are.’***

Valeria, Lilia’s Mother





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# CHAIR'S WELCOME

## ***Dear Supporters and Friends,***

*Another year has swiftly passed, and we are once again thankful for the dedication and commitment of our local teams and medical volunteers across the world during the last twelve months. Even in the face of the COVID-19 pandemic, which brought travel restrictions and unprecedented additional pressure to health systems, we have continued to strive to bring the highest quality care to those patients who need it most.*

*Once again, our teams have risen to the challenge, adapted and innovated to support patients even while operating theatres were closed. Their efforts have brought virtual speech therapy programmes to patients waiting for surgery, vital medical equipment to local hospitals, and life-saving ready-to-use therapeutic food (RUTF) to families struggling with food shortages. We have also provided crucial medical supplies and training to prevent infection and enhance safe surgery.*

*As we enter our 40th year of bringing high quality surgical care to patients all over the world, during our next decade we have made an ambitious commitment to reach one million patients who need cleft care and other essential surgeries. Now more than ever we must focus our efforts on supporting and strengthening health care systems, building trust and fostering relationships with local partners and organisations. Our ultimate aim is to forge a new global safe surgery infrastructure which is*

*vital to ensuring that all children born with cleft conditions receive treatment. This infrastructure will also benefit patients beyond those with cleft conditions, to ensure more equitable access to healthcare for all.*

*We are confident that our global network of 6,000 medical volunteers is equipped with the skills and expertise to meet this challenge and bring a million more new smiles to patients and families living with cleft lip and cleft palate around the world.*

*As always, it is important to note that none of this life-changing work would have been possible without the kindness of our supporters. It is your generosity that has helped make this world a kinder, more compassionate place, and ensures that we can continue to change lives and save lives, for patients and families in some of the world's most vulnerable communities.*

*Our global Operation Smile family relies on your unwavering support and our volunteers and staff send their heartfelt thanks to you for making our work possible. I would also like to thank you on behalf of all the children and their families to whom you have given the lasting gift of happiness and health.*

*We hope that this report demonstrates just how much we have been able to achieve thanks to you, and on behalf of the Board of Trustees and all whose lives have been changed forever this year, thank you.*



**Dr Maria Moore, BDS (Hons)**

Chair OSUK Board of Trustees





***'Every 3 minutes, a child is born somewhere in the world with a cleft lip or cleft palate. That statistic doesn't change – even in a global pandemic.'***

Kathy Magee

Operation Smile Co-Founder & President





Ramata, Ghana





# THE LIVES WE TOUCH, THE PEOPLE WE HEAL

Millions of children living with untreated cleft conditions have difficulties eating, breathing, speaking and being accepted by many of their peers and communities.

**In the UK, cleft conditions 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 after-care is out of reach for many children and their families. That's where Operation Smile comes in. We make it possible for children with cleft conditions 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. They may be unable to eat, speak, socialise or smile. In many cases, their parents can't afford to give them the medical care they need.

## Health that lasts

While one cleft surgery can transform a child's life in as little as 45 minutes, Operation Smile is committed to providing patients with health that lasts by being there to offer them additional surgeries, dentistry, psychological services, speech therapy and other essential cleft care.

## Our global family

With more than 6,000 active medical volunteers from all around the world, Operation Smile is one of the world's largest volunteer-based non-profit organisations. Our global movement is made up of people from all walks of life who share our belief that anyone born with a cleft condition deserves safe surgery and comprehensive cleft care, regardless of where they live.

## 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 aren't enough trained medical professionals to meet the growing need and backlog of cleft cases. That's why we prioritise training doctors, providing medical equipment and educating local medical professionals on the best surgical practices.



A photograph of a young girl in a hospital setting. She is wearing a white paper crown and a clear medical mask held by a person in blue gloves. A male doctor in blue scrubs and a white surgical mask stands behind her. The background is a green operating room with medical equipment.

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***‘In hospitals across Kenya, we have been able to replicate the same standards of care that we use for Operation Smile. This has benefited the patients, the trainees and the medical facilities where we operate.’***

Dr Charles Kabetu

Anaesthetist, Kenya, Volunteer & Regional Medical Officer

## ABOUT OPERATION SMILE

Operation Smile is an international medical charity, founded in 1982. For four decades, we have provided free surgery and comprehensive care to children and young adults born with cleft conditions across the world.





## A global alliance

**Operation Smile United Kingdom is part of the worldwide alliance of Operation Smile Inc (OSI) based in Virginia Beach, US. With 42 partners and foundations, we collaborate and fund-raise so we can implement global strategies to address the issues of cleft and safe surgery throughout the world.**

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

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, based in the US, and its team of Regional Medical Officers based in Africa, Latin America and Asia.

## Operation Smile United Kingdom

Operation Smile United Kingdom (OSUK) is a registered UK charity with objectives which include fundraising within the UK for our global cleft care, safe surgery and education 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 risk register.

With the utmost respect for our donor interests, we select programmes to support and disburse funds for their execution through OSI. Our impact and programme reports are compiled with in-country staff and OSI programme and finance teams. These are then reviewed by OSUK as part of our accountability process. We contribute to the global organisational direction by meeting with global colleagues on a regular basis.

With guidance from the OSUK Medical Subcommittee, we support the recruitment of medical volunteers by attracting a wide range of UK medical professionals, placing them on surgical programmes around the world. At the end of FY2022, we have over 95 active medical volunteers within the UK.

## Measuring our impact

Our reporting incorporates both quantitative and qualitative impact measurements to allow us to measure direct surgical and social impact.

We always report on direct surgical programme 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 surgical programme.

As results go beyond surgery, these outputs are also supported by qualitative reports around patients' lives. We don't have the resources to track every patient, but we follow selected individuals who will have been operated upon during a surgical programme.

We also report on other components such as our local partners' participation, how the medical programme has positively contributed to the country strategy and note challenges and successes of each surgical programme.

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



# DELIVERING SAFE SURGERY AND COMPREHENSIVE CARE

Our priority is performing safe surgery and ensuring patients receive exceptional care. Often, that means holding medical programmes and establishing care centres in resource-limited settings.

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

**We believe that where you live shouldn't determine if you live. This commitment can present challenges, but they are challenges we overcome every day.**

## We focus on:

**Safe, sterile surgical environments:** When parents arrive with their children at one of our medical programmes, they receive care at a facility where the highest standards of surgical safety are practiced.

**A team approach:** We provide the highest quality, multidisciplinary cleft care, with generous doses of love and empathy from our certified nurses, anaesthetists, paediatricians, surgeons, speech therapists, dentists and other specialists.

**Setting the stage for future success:** During health screenings, we sometimes find that children require nutritional assistance or additional medical care. We provide this treatment so they can become healthy enough to receive surgery.

**Centres of ongoing care:** The comprehensive care needed by children with cleft conditions is provided year-round by a team of trained, dedicated, compassionate local volunteers and staff at our 35 care centres in 20 countries. We help patients live more fulfilling lives by providing speech therapy, dentistry, psychosocial care and more.

## Our COVID-19 response

**During the past year, our teams around the world have continued adapting to new waves of COVID-19 in their communities while continuing to care for the health and well-being of our patients and families.**

Two years after the start of the pandemic, we resumed surgical programmes in 28 countries. Our teams around the world worked with OS Medical Oversight and our partner hospitals to safely resume surgery. Thanks to their hard work, in FY2022 we provided care to more than 20,000 patients.

## Lasting health and happiness

While cleft surgery can transform a child's life in as little as 45 minutes, Operation Smile is committed to addressing our patients' cleft care needs throughout their childhood and adolescence so that they can realise happier and healthier futures.

Children born with cleft conditions often require multiple surgical procedures, dentistry, orthodontics, speech therapy and psychosocial care throughout their youth. Our teams encompass a wide range of medical specialists, all professionally certified and committed to providing excellent care for our patients at every stage of their treatment.

We provide this comprehensive cleft care, free of charge, to the families we serve.



### SURGERY

Timely cleft surgery is essential to a patient's long-term health and well-being.



### NUTRITION

A cleft condition can cause malnutrition. Our nutritional support helps patients grow healthy for surgery.



### SPEECH

Speech therapists help patients speak more clearly and teach parents feeding techniques for their babies.



### DENTISTRY

Dentists provide specialised procedures and create devices that improve patients' surgical results and overall health.



### ORTHODONTICS

Orthodontic care is also crucial to a patient's healthy oral development and personal confidence.



### PSYCHOSOCIAL CARE

Certified psychosocial care providers help patients and families throughout the course of their treatment.



“

***‘We need to reach these patients as early as possible, whenever a patient is born with cleft, they should know that Operation Smile exists.’***

Charlotte Stepling  
Operation Smile Director of Nutrition



# SAVING LIVES THROUGH STRATEGIC PARTNERSHIPS

## Training and education

We're proud that over 80% of our medical volunteers are healthcare professionals from the low-and middle-income countries we serve. A majority have received education and training from Operation Smile.

We're investing in strengthening healthcare systems and partnering with universities, charities and governments with one mission in mind: delivering safe surgery to people where it's needed most.

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

A combination of these training programmes is carried out in all the countries we work in 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 2,096 trainees participated in an AHA course, of which 805 were fully credentialed Operation Smile volunteers.

## Cleft research

We're 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 grants us the opportunity to promote scientific research in heavily understudied populations to ultimately promote scientific discovery and methods for global health improvement.

## Year-round cleft care

Our patients' need for care doesn't stop when a surgical programme ends. That's why we've partnered with local medical institutions, ministries of health and local organisations to establish 35 centres in 20 countries that provide year-round solutions for those who require more complex treatment than a single surgical programme can provide. At these centres, patients receive free services including dentistry, orthodontics, speech therapy, nutritional counselling, psychosocial care, and cleft and orthognathic surgeries from our dedicated staff and volunteers.

Our long-term goal is to establish year-round centres in every country we work in. The multidisciplinary care we provide at our centres in Colombia and Morocco represents the standard of services we are working to make available to every patient.

## G4 Global Alliance

Operation Smile is a member of The Global Alliance for Surgical, Obstetric, Trauma and Anaesthesia Care (The G4 Alliance). The alliance exists to increase global political priority for surgical and anaesthesia care and to mobilise resources to help provide access to safe surgical care for patients in need. It is composed of more than 60 organisations united in advocating for the neglected surgical patient.









# OUR NEXT DECADE: A MILLION MORE SMILES

At Operation Smile, we believe that all children deserve access to high-quality health care and through our work, we have provided free life-changing cleft surgery and care for more than 300,000 patients. But more is needed. In the countries where we work, we estimate that five million people with cleft need our help, most of whom live beyond the reach of existing hospital care.

**As we approach the 40th anniversary of Operation Smile, we have made a pledge to increase access to care for one million patients, bringing safe, affordable cleft care and other essential surgeries to more children and adults, in some of the world's most hard-to-reach places.**

Thanks to continued investment and support, our network of local volunteers is equipped with the skills and resources to meet this ambitious goal and help us launch our next decade of commitment by:

- Expanding our existing partnerships with local hospitals and care centres
- Increasing opportunities for women in medicine
- Developing more training programmes for surgeons and other medical professionals
- Investing in research and innovation to identify and treat causes of cleft conditions

We will continue to work alongside our local partners including ministries of health, donors, hospitals, organisations and academic institutions to scale up our investments and increase access to safe surgery.

Through strengthening existing health systems and empowering local health teams we bring safe surgery within reach of more of the people who need it most. It also means patients can still get the comprehensive cleft care they need, both before and after a surgical programme.





A photograph showing a group of children and adults. In the foreground, a young child with a cleft lip looks directly at the camera. To their right, a woman looks on with a concerned expression. In the background, other children are visible, some looking away. The scene appears to be outdoors or in a well-lit indoor space.

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***‘The child with a cleft took us back to the community, to show us the need, and get us to pay attention to the health system.’***

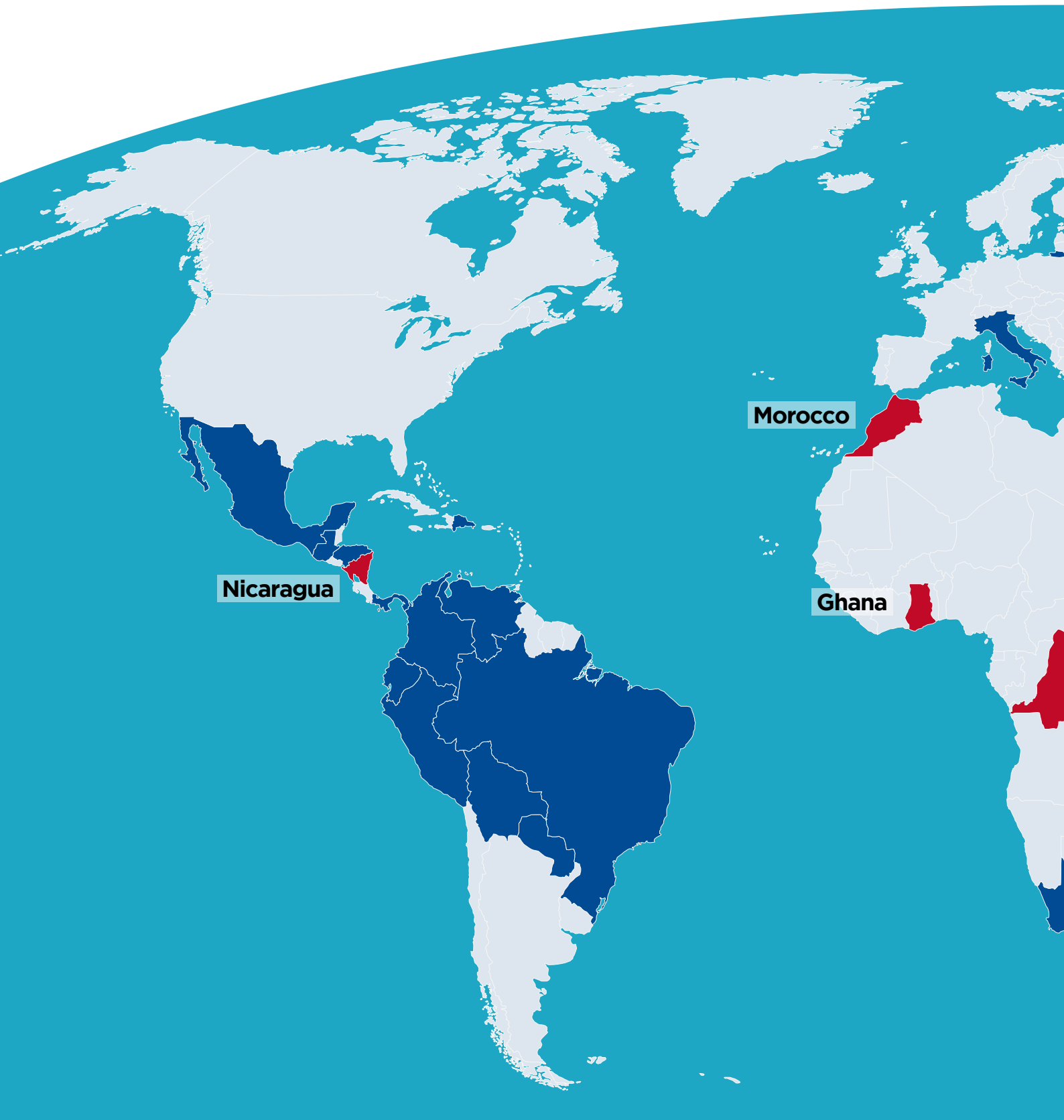
Dr. Bill Magee

Operation Smile Co-Founder and CEO



# WHERE WE WORK

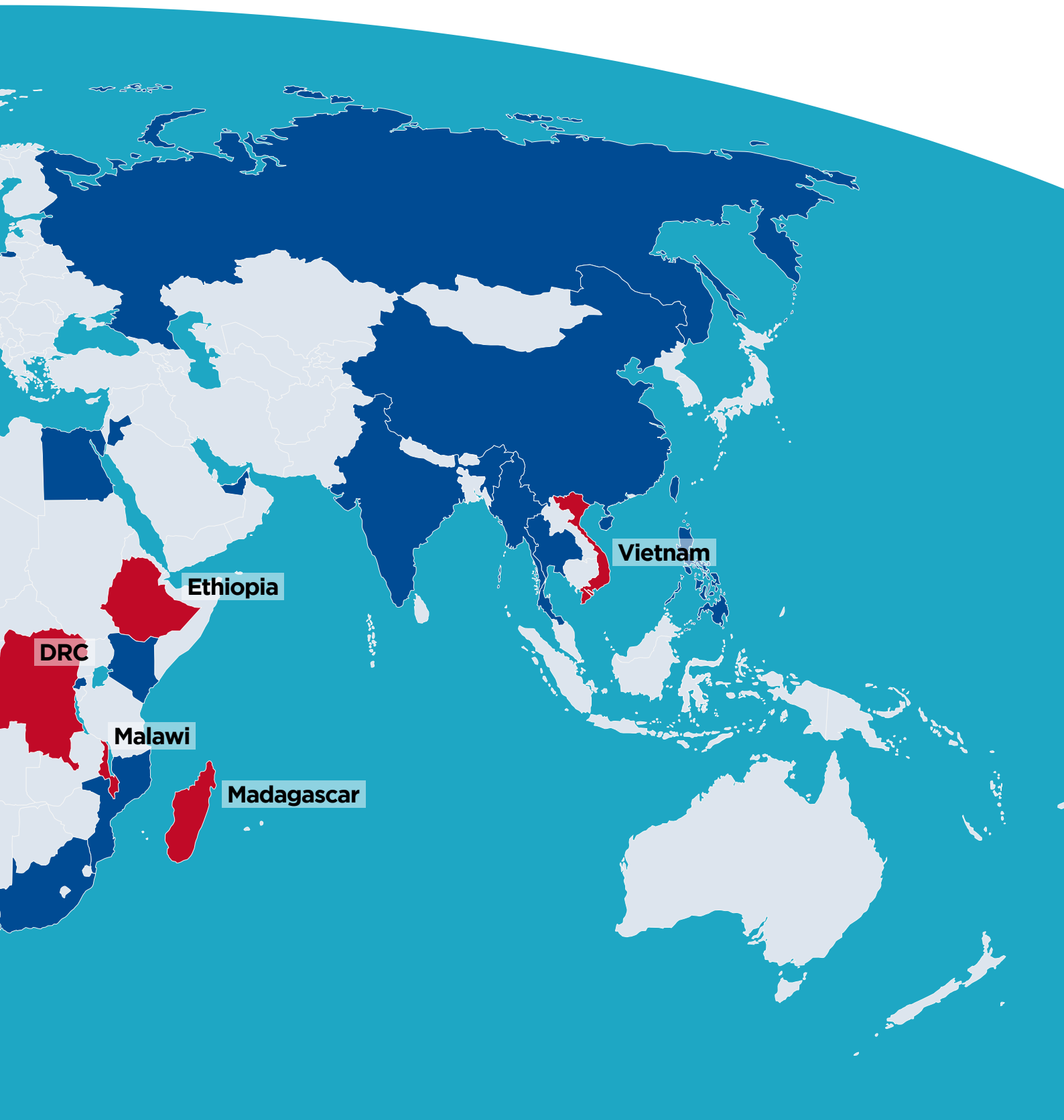
Our mission to deliver safe surgery to people, wherever it's needed most, drives us to expand our global reach and make a difference in the lives of more children and their families.







Operation Smile programmes are currently active in 35 countries. We have been a global leader in the delivery of high-quality surgical services in these low- and middle-income countries for 40 years.





# GLOBAL ESSENTIAL SURGERY

In order to meet the needs of those depending on us, Operation Smile takes a multi-faceted approach. We provide surgery and comprehensive care, so that patients who need treatment will receive it and have a fair chance at life.

**At the same time, we are also looking to the future, and the generations of children who will be born with cleft conditions and will need surgery. One of the main aims of our work is to ensure that while we are providing surgery and care in the here and now, we are also investing in the education and training of doctors in the countries where we work, as well as upgrading health infrastructure so we play our part in creating strong health systems, capable of treating their own populations into the future.**

We are fortunate in the UK to have the NHS, but in many countries there aren't enough local surgeons, anaesthetists, nurses and other specialists to deliver care. For the teams that are in place they often don't have access to the tools and spaces they need. Even when a team and location are available to patients, in many countries they may not be able to afford the surgery, may not be aware of it, or may have a distrust in the health system which prevents them from seeking help.

At Operation Smile United Kingdom we are incredibly proud to partner with the UBS Optimus Foundation to deliver 'Global Essential Surgery' a project across three diverse geographic locations – Nicaragua, Madagascar, and Vietnam – which aims to address the root causes of why people have a lack of access to surgery.

This year, on the conclusion of the project in Nicaragua, we were incredibly proud to see significantly more people seeking, and receiving surgery, especially more infants and children under five.

Work in Vietnam and Madagascar is ongoing into next year with infrastructure projects aiming to update theatre space and medical equipment. We also have education and training projects aimed at increasing the number and efficacy of medical teams.

This project has significantly advanced our understanding of how to bring about impactful change in health systems to create conditions where children will receive surgery as a matter of course. As a right, not a privilege.







**Patients waiting for surgery  
during a surgical programme  
in Madagascar, April 2022**



# CLEFT FREE MALAWI

In Malawi, no stone is being left unturned to ensure those living with cleft conditions have access to care. Thanks to the incredible partnership and support of the Kentown Wizard Foundation, the Cleft Free Malawi project is bringing world-class comprehensive care to 'the warm heart of Africa'.

## **Bringing patients to care...**

Without specialist support, caring for a baby born with a cleft condition can be daunting. All too often, loving parents don't know where to turn for support. In Malawi, our team of community outreach volunteers travel on foot and by bicycle to find babies with cleft conditions and deliver life-saving assistance. These volunteers are known, trusted and respected in the areas they cover. When they speak, people listen. As a result, families who might have been too afraid of hospitals and doctors to seek treatment, feel more confident about coming to surgical programmes.

## **Preparing for surgery...**

Often babies with cleft conditions struggle to feed, and need to become stronger and healthier before they can safely receive surgery. Operation Smile Malawi's nutrition programme works with parents to ensure that babies are getting the right kind of nutrition for their growth and development and to prepare them to receive their life-changing surgery.

## **A new smile and a fair chance at life...**

Providing surgery for children with cleft conditions saves and transforms lives. In Malawi, a thriving base of local volunteers and strong hospital partnerships form the backbone of the surgical care we provide.

From the nurses and paediatricians who care for our patients as they are prepped for surgery; the child-life specialists who use songs and therapeutic play to keep children calm; to the surgeons and anaesthetists who make sure every child receives surgery in accordance with our Global Medical Standards. It's the incredible skill, and collaboration of these teams that brings new smiles to children throughout the year.

## **A hopeful future...**

The patient-focused comprehensive care and surgery provided by Operation Smile Malawi is vital to helping patients who need surgery now, but ensuring that future generations of children receive care is a vital pillar of our work. We deliver training and education programmes for medical professionals to bolster the local health system and create infrastructure that will enable children to be treated in the future. With three surgeons currently in training through our partnership with the College of Surgeons of East, Central and Southern Africa, creating a workforce that can deliver even more surgery means the future of healthcare in Malawi is bright.







Yohane, Malawi



# GHANA

Among the many initiatives Operation Smile United Kingdom supports in Ghana, one deserving of special mention is the incredible patient outreach and support delivered by our patient coordinator Clement Ofosuhenmeng.

**Clement has helped to bring hundreds of potential patients to each programme in Ghana since he joined the organisation, going above and beyond to reach patients in the most remote areas.**

“There are places that when I go, cars don’t go there. So if I have to walk, I will walk. If I have to crawl, I will crawl. If I have to swim to that place, I will swim,” Clement says with stern conviction. “My mission is to go as far as I can go to spread the message wide, so that we will be able to help patients with cleft lip and cleft palate.”

Particularly in these remote, rural areas there is a huge stigma and lack of understanding around cleft. When a child is born with a cleft condition it can be viewed as a curse, or untreatable. Unaware that cleft conditions are treatable and having never heard of Operation Smile, families are often sceptical that help is truly available.

Convincing hesitant families and patients that they can trust Operation Smile is where Clement excels. Utilising his persistent yet kind-hearted nature, he explains that the organisation performs this work across Africa and around the world by showing them several Operation Smile foundations’ websites and before-and-after photos of past patients.

He says that many conversations begin with patients and caregivers. They often think it all sounds too good to be true, as the medical care is free and Operation Smile Ghana covers the expenses of travel to and from the surgical programme, as well as lodging and food during it. But most of the time, he’s eventually able to break through.

“I try my best to establish a very good rapport with them, so that they feel comfortable coming

to me, comfortable calling me. I always call them – numerous calls, numerous counselling sessions so they feel that we are here for them,” Clement says. “We are with them to go through the procedure before the surgery, during the surgery and after the surgery. So it’s not only the surgery.”

Once patients and their caregivers arrive at the programme’s patient shelter, Operation Smile Ghana takes special care to create a supportive community atmosphere among the families.

At the shelter during a recent programme, Clement called for a group of patients and their families to gather in a circle. He asked for each of them to share their stories. Clement said that the sharing of these experiences resonates far beyond the patient shelter and into the communities from where they came. “When they come to the shelter and then they see so many people with cleft, it strengthens them. They may have thought that they were the only one with a cleft, but now what are they seeing? People with various degrees of cleft. So at the shelter, it’s like a family.

“When they return to their villages, I see them to be potential ambassadors to help erase the stigma. Now that they have received education about cleft, they can spread the information, the good news and the truth, so that it will remove the negative perception that people have about cleft. So when I’m able to recruit more than 300 potential patients, I see them all as people that can help make the job work – to make information about Operational Smile go viral.”

In this financial year Operation Smile United Kingdom supported patient outreach and awareness in Ghana, as well as surgery delivered through our partnership with Korle Bu Teaching Hospital in Accra.







Clement, Ghana





# DRC

In the Democratic Republic of Congo where just under 200 patients received surgery and comprehensive care this year, Operation Smile United Kingdom is supporting work with Cliniques Universitaires de Lubumbashi in the south east of the country. Through this hospital based partnership we are delivering care directly to patients, and also investing in education and training to ensure our patients receive care to global standards, and to ensure treatment pathways will exist into the future.









# ETHIOPIA

In Ethiopia OSUK continues to support direct patient care through the delivery of surgery and comprehensive care at Jimma University Specialised Hospital in the South West of the country. In financial year 2022 Operation Smile Ethiopia treated more than 500 patients either through surgery or comprehensive care like speech therapy and nutritional support. We also support education and training initiatives such as life support training where 32 medical professionals underwent training through our partnership with the American Heart Association.







# MOROCCO

In Morocco, where Operation Smile United Kingdom funds direct patient care through surgery and dentistry, We have launched a signature initiative to empower women by providing educational pathways for them to become global leaders in health care.

**The all-female 'Women In Medicine' programme offers a unique opportunity for female medical professionals to teach, learn, connect and change the lives of the patients in a setting of friendship and cooperation.**

On March 5, 2022, more than 80 female volunteers from 15 countries and diverse specialties and backgrounds arrived in Marrakech, Morocco, to bring life-changing surgery to 70 patients.

In low- and middle-income countries like Morocco, the rate of women entering medical school and medical professions is low across all specialties, particularly among surgical specialties. In fact, most low- and middle-income countries struggle to staff an adequate surgical workforce to meet the recommended 20 surgeons

per 100,000 population. Expanding the participation of women in surgery is a powerful – and necessary – way to help bring surgical treatment to those who need it, especially when 70% of the global healthcare workforce is female, but only 25% of leadership positions in healthcare institutions are held by women.

Mentorship is a cornerstone of the Women In Medicine initiative. In Morocco, surgical and dental residents received training through cleft surgery simulation and oral health workshops, in addition to performing transformational surgeries and procedures.

Educating and empowering female healthcare workers will strengthen health workforces globally and elevate the surgery and comprehensive care we provide for our patients.









# OUR GLOBAL ACHIEVEMENTS

A close-up portrait of a young girl with dark hair tied back, looking directly at the camera. She has a cleft lip and is wearing a pink and white patterned top. The background is dark and out of focus.

**Kiran, India**





**20,776**

Patients who  
received care



**28**

Countries visited



**151**

Short-term surgical and  
Dental programmes



**151,000**

Medical consultations  
in our programmes



**35**

Care centres in  
20 countries



**6,000+**

Medical volunteers in  
67 countries





# THANK YOU

Our life-changing work is made possible by our partners, supporters and volunteers. Operation Smile is extremely grateful that our valued Corporate and Trust and Foundation partners Partners have continued to provide essential support to our patients and their families. Many thanks to each of our donors and to their employees for this inspiring commitment.

## **Generous Individuals, Charitable Trusts and Foundations**

The G F Eyre Charitable Trust  
The Gisela Graham Foundation  
The Grace Charitable Trust  
The Kentown Wizard Foundation  
The Mackintosh Foundation  
Nelsons Trust  
R U B White Charitable Trust  
UBS Optimus Foundation  
The Zochonis Charitable Trust

## **Corporate Partners**

Acquisition Aesthetics  
Align Technology  
The AS Watson Group  
The Bannatyne Group

EMEA Recruitment  
Expert Recruits  
FMC  
ICI Paris XL  
Johnson & Johnson  
Mediterranean Shipping Company  
MiSmile Network  
Molnlycke Healthcare  
Pest UK  
The Perfume Shop  
Savers  
Secret Aesthetics  
Stryker  
Superdrug

## **Smile Ambassadors**

Anthony Andrews  
Duncan Bannatyne







Aime, Rwanda



# FUNDRAISING STATEMENT

Thanks to the kindness and generosity of our diverse supporters, we have achieved an income of £6.7M. Our expenditure was £3.2M on raising funds and £2.7M on charitable activities giving us a net position of £819K in financial year 2022, a decrease of 7% on the previous year after accounting for realised gains on £1K (2021: £6K unrealised gains) on donated shares.

**At Operation Smile, we hold ourselves accountable to the trust our supporters place in our work. We are committed to being the best steward of the gifts we receive, directing funds to programmes that bring the highest standards of care to people living with cleft and other facial and dental conditions, investing in strengthening the health systems of the countries where we work so that future generations of children will be taken care of, and engaging in research that will allow us to work better and more efficiently to achieve our vision of a future where health and dignity are improved through safe surgery.**

Most importantly, we pride ourselves on following the highest standards of accountability, effectiveness and efficiency. Our codes of conduct set out a global standard for all Operation Smile offices to comply with and are bolstered by our adherence to local regulations and best practices in the UK.

When connecting with our patients to understand the impact of the care they received, we use their authentic voices to portray their stories, preserving their dignity. These stories are used for fundraising and marketing purposes, to connect our supporters in the UK with the children they help. With almost 40 years of experience, we have strict guidelines and policies, including a global policy for child protection, that is implemented across all our offices. This policy is reviewed annually.

Our supporter base comprises individuals, schools, companies, and trusts and foundations. We engage with this supporter base through direct marketing (direct mail, email, press inserts and ads, television advertising, online advertising) or via direct

contact with one of the employees on our fundraising team.

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 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. The Head of Data, Technology & Supporter Care is the first point of contact for any queries or complaints made via the above regulators and the Chief Operating Officer is notified of any queries or complaints made. Any complaints will be communicated to the Executive Director who will then update the Board of Trustees regarding the current status of the complaint with the complainant and/or regulator.

People carrying out fundraising activities on our behalf are provided with a fundraising pack, which stipulates their responsibilities and liabilities. There is an ongoing stewardship and reporting process in place for accountability.

Agents working on our behalf are contracted and provided with guidance, through training, for reporting complaints to Operation Smile. Some subscribe to the Institute of Fundraising, DM Associations and Telephone Preference Service Assured. With regards to PCI compliance our agents are requested to submit on an annual basis confirmation of their security status/vulnerability reports if any.

For the last financial year, Operation Smile has not received any complaints via either of the above regulators.







**Fabiano, Peru**





# STRATEGY FOR THE YEAR

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 2022-2023 therefore remains consistent with last year's goals.

## **To support**

Operation Smile's global cleft and safe surgery programme initiatives

## **To maintain and expand**

our programme support in Africa, Asia & Central America

## **To grow**

both our unrestricted and restricted income to support our aims





## To provide

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

## To raise

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



# BOARD OF TRUSTEES

DR MARIA MOORE **BDS Hons, Chair**



“

***‘It’s extraordinary to witness the impact of Operation Smile. Not just on the children themselves, but their family members and all those around them. It’s amazing.’***

**Maria 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 fund-raiser. She became chair of Operation Smile United Kingdom in December 2015. Having

graduated with honours in dentistry from Birmingham University in 1988, Maria’s 32 year career spanned both the NHS and the private sector. After 22 years, Maria has recently sold her dental practice in Virginia Water and gives her time to Operation Smile United Kingdom in her capacity as chair of the board.

**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.’s Chief Executive Officer at our global headquarters. For nearly 40 years, Dr Magee has not only trained and mentored physicians worldwide, but has taken Operation Smile into over 60 countries. Relying on the skill, passion, and dedication of over 6,000 medical volunteers, Operation Smile has become a highly-respected and leading organisation in cleft care provision for infants, children and young adults all over the world.

DR WILLIAM P MAGEE JR **D.D.S., M.D.**



“

***‘Love by definition is self-sacrifice. Love is a decision to make someone else’s problem your problem.’***



## ANDREW BRUCE BSc, MBA

“

*‘As the world changes, Operation Smile adapts. We have recently focused on safe surgery and health systems strengthening, especially in countries where access to surgery is a privilege. We work hard to change it.’*



**Andrew 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 United Kingdom in September 2018 and brings operational, fundraising and leadership skills and his knowledge of the investment and asset management industries.

**Christopher has spent his career managing global communications agencies,** specialising in advertising, digital, PR, media and direct marketing. 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 United Kingdom'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.

## CHRISTOPHER PINNINGTON BA



“

*‘At Operation Smile, we take nothing for granted and we appreciate all donors and partners, whose support helps us to provide life-changing surgeries without cost to our patients. We cannot work alone and help those children and adults without our caring supporter base.’*

## DR PHIL MCDONALD MB ChB, FRCA

“

*‘Whenever we go to a site we keep going back again to treat everyone with a cleft. We also train the local medical professionals, so they can provide surgeries to their people in the future.’*



**Phil graduated from Liverpool University in Medicine.**

He is a consultant in anaesthetics and intensive care at St Richard's Hospital, Chichester. Phil has been medical director and a trustee on the board of Operation Smile United Kingdom 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.



# MEDICAL SUBCOMMITTEE

Our medical subcommittee sets the standards for recruiting and credentialing medical volunteers within the UK. They provide oversight and guidance for Operation Smile United Kingdom supported programmes to the board and senior leadership.

## MEMBERS

**The medical subcommittee is comprised of experts in their fields, who attend surgical programmes regularly and are in contact with fellow Operation Smile volunteers.**

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



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

Phil has been medical director and a trustee on the board of Operation Smile United Kingdom since it was registered in 2002. 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.

**Per has been a consultant plastic surgeon working at Addenbrooke's University Hospital in Cambridge UK since 1996.** He set up the Cleft Service in Cambridge but has now handed over the management of the East Anglian Cleft Lip and Palate service so he can concentrate more on working with Operation Smile.

Per became a volunteer surgeon with Operation Smile in 2009 – his first mission was in Jimma, Ethiopia. He has been to 15 medical missions. However, since 2012 Per has focussed his energy on Jimma, Ethiopia where he has returned on many occasions. There he has been helping the skilled local surgeons to develop their own plastic and reconstructive surgery service and a curriculum for training the next generation of plastic surgeons. Jimma is becoming established as a reconstructive and cleft centre for the south of Ethiopia serving a population of approximately 20 million people who have until now lived without any access to reconstructive surgery.

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





**Qualifications: MBBS, MS, MCh, Dip.Nat.Board(Gen)(Plast), FRCS(Ed), FRCS(Glas) Eur.Dip.Hand Surg, FRCS (Plast), DMCC, OStJ., RAF.**

Ankur is a consultant plastic, hand & reconstructive surgeon, working both within the NHS and a full time Officer in the Royal Air Force Medical Services.

He has been a volunteer with Operation Smile since 2006 and has completed 43 international medical missions all over the world. He was the regional medical officer for Operation Smile in the Central Region (2008-2010), the Deputy Chief Medical Officer worldwide in charge of Governance and Quality Assurance (2010-2015) and has concentrated on volunteering and teaching on Operation Smile missions in cleft and post burn conditions.

**Wg Cdr Ankur Pandya** Consultant Plastic & Reconstructive Surgeon Portsmouth Hospitals NHS Trust and Royal Air Force Medical Services



**Dr Annemieke Miedema** Consultant Paediatrician and Paediatric Intensivist



**Annemieke graduated from Maastricht University Medical School in the Netherlands and went on to train as a paediatric intensive care doctor.** Having spent time in Australia and Canada she came to the United Kingdom in 2012 to work as a consultant in the paediatric intensive care department at Birmingham Women's and Children's Hospital, where she focussed on education and improving patient pathways.

Since 2009 Annemieke has volunteered as an intensivist and team leader for Operation Smile, joining numerous surgical programmes around the world, including Cambodia, Vietnam, Philippines, China, Jordan, India, Ethiopia, Kenya, South Africa, Namibia, Madagascar, Malawi, and Paraguay.

In 2020 Annemieke returned to work in the Netherlands where she continues to support Operation Smile as a consultant, medical volunteer and member of the UK Medical Subcommittee.

**Jackie Matthews works as a cleft clinical nurse specialist (CNS) for South Thames cleft service, at St Thomas's Hospital.** She is an outreach CNS, covering Kent, East and West Sussex; she assesses new-borns, establishes feeding and supports patients through the cleft pathway to surgery, and beyond, as part of the wider multidisciplinary team. Her experience is as a surgical nurse, theatre recovery and health visitor (public health).

Jackie has volunteered with Operation Smile since 2011 and is part of the UK Medical Subcommittee. She attended five medical missions in Mexico, Dominican Republic, Ghana and Malawi. She is involved with teaching and representing the charity at fundraising events. She is passionate about giving everyone the healthcare and support they deserve to live their life to the full.

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







Jindan, Philippines

## REFERENCE AND ADMINISTRATION

**Registered Charity Name:**  
**Operation Smile United Kingdom**

**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.operationsmile.org.uk](http://www.operationsmile.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

**Dr Philip McDonald, MBChB, FRCA**

Chair – Medical Subcommittee  
and UK Medical Director

**Christopher Pinnington, BA**

Board Member

**ED & COMPANY SECRETARY**

**Margaret (Mairéad) O’Callaghan AB**





Jinden, Philippines

## SUBCOMMITTEES, AMBASSADORS, BANKERS, AND PRINCIPAL ADVISORS

### KEY MANAGEMENT PERSONNEL:

**Margaret (Mairéad) O'Callaghan AB**  
Executive Director

**Jean Leigh FCIS (FCG)**  
Chief Finance & Operating Officer

### SMILE AMBASSADORS:

**Anthony Andrews**  
**Duncan Bannatyne, OBE**

### 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,  
9 Appold Street  
London EC2A 2AP

### SOLICITORS:

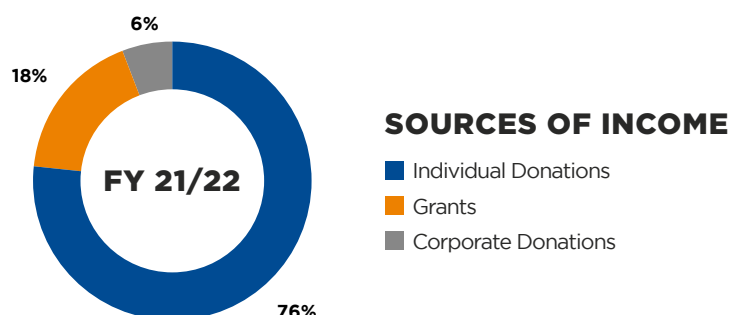
**Russell Cooke Solicitors**  
2 Putney Hill, London, SW15 6AB



# FINANCIAL OVERVIEW

## FINANCIAL YEAR 2021-2022

In 2022 Operation Smile United Kingdom generated a total income of £6.7M (2021: £6.2M) including gifts in kind of £120K (2021: £66K) and investment income of £4K (2021: £1K). Total Expenditure for the year was £5.9M.



**With thanks to our dedicated and newly acquired donors, in one of the most daunting periods of the world – emerging from the COVID-19 pandemic, Operation Smile United Kingdom reports reaching distance of £7m; an ambition held for a long time.**

Why £7m? In our mind this meant that we would increase the proportion of charitable activities to total income year on year, making use of reserves held whilst feeling comfortable in meeting our ongoing costs. Our medical volunteers have done us proud by giving so much of their time this year than at any other time, and we are grateful to all. For this to happen in Operation Smile United Kingdom's 20th Anniversary year

makes it even more special – reflecting on the ambitions of the founding trustees – providing safe all round cleft care for those born with a cleft condition.

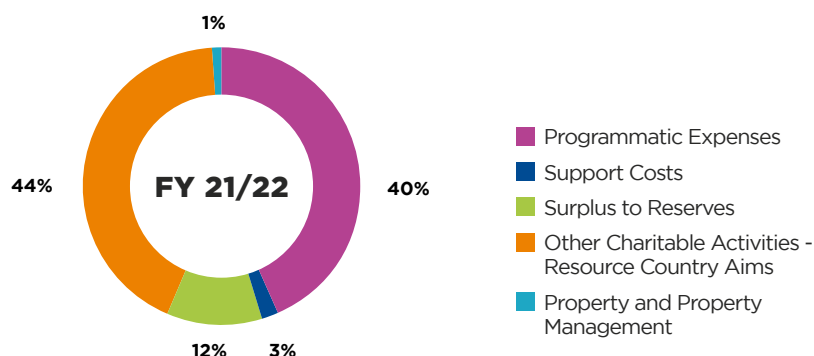
In FY21/22 for every £1 raised £0.84 (£2021: 0.82) was spent on our charitable aims and £0.04 (2021: £0.04) on property and administration and £0.12 (2021: £0.14) retained as surplus to reserves.







## USE OF FUNDS



### Income

Although only a modest 9% (2021: 64%) increase in total income when compared to last year's income level, we note appreciatively the phenomenal increase (91%) in legacy Income. The interpretation as this income category grows year on year is that the cleft care services we provide are appreciated and impactful; donors even in death want us to continue our work. We will endeavour to carry out their wishes and bring about even more smiles. Direct marketing income also increased as we continue to invest in this area of fundraising. Grants for multiyear programmes was much reduced based on agreement criteria and the impact of delivering services in a recovering covid environment.

### Expenditure

Total expenditure for the year increased by 11% with the greater proportion of the increase being increase in fundraising costs. The strategy to reach out to a wider audience to facilitate increase in donations over time continues. Although results sometimes fluctuate downwards, we intend to carry on with this plan, monitoring and adjusting expenditure as necessary.

### Net Income Generated

Net income generated during the year £819K (2021: £881K) transferred to reserves. This together with

that generated in previous years helps boost our confidence that in challenging times we will be able to meet our objectives of continuing with cleft care until we recover financially.

### Balance Sheet

As at 30 June 2022, total net assets were £3.8M (2021: £2.9M). Cash held was £3.7M (2021: £2.6M). Restricted fund balance included was £109K (2021: 273K)

### Reserves Policy

**The trustees have determined an appropriate level of reserves to be six months of projected operating costs – which in FY22/23 is budgeted to be £783K.** This liquidity-based approach allows the charity to maintain sufficient funds to enable it to continue its work during any adverse fundraising periods. At 30th June 2022, the free reserves of the charity amounted to £3.6M (2021: £2.6M). Free reserves represent the total assets available for use to the charity less restricted and designated funds, and fixed assets.

The trustees acknowledge the increase in cash liquidity over and above its six-month liquidity level and continues to monitor this and noting opportunities to increase spend on charitable activities as the challenging economic and pandemic climate continues. Revision will be made as applicable with the aim of minimizing volatility in cleft service delivery.



# LEGAL STRUCTURE AND GOVERNANCE



Getrude, Malawi



## Governance

Operation Smile United Kingdom is a registered charity with the Charity Commission and Companies House in England and Wales; charity registration no: 1091316 and company registration no: 4317039. It is a charitable company limited by guarantee.

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

Operation Smile United Kingdom 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 (CEO)/Executive Director (ED) 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 or charities with similar objects as OSUK. 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/Executive Director. 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 is asked to meet with 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. Relevant checks are made and supporting documentations to the appointment are requested and filed. Trustees are appointed for a rolling three-year term; re-appointed is possible and should be proposed at the first board meeting of the year in which the term expires.

## 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/Executive director to discuss feedback and any other queries/questions.

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

## 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. Minutes are circulated to the Board.

## Remuneration of all Staff

The governing principles of Operation Smile United Kingdom'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 United Kingdom considers the potential impact of remuneration levels and structures of senior executives on the wider OSUK workforce. The 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 2021 was comprised of salary and pension contributions. There are no other pecuniary benefits for senior or other staff at Operation Smile United Kingdom.

## Risk Management

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

The Finance and Audit Subcommittee reviews the risk register at least once a year 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/ED 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 and cyber security are 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 Charity Commission whistle-blowing 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/UK GAAP).

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 £724 (2021: £706) 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 44-45 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 on an ongoing basis and service delivery is reviewed annually. They have indicated their willingness to continue in office as such. 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

Date: 01/12/22



Anisa, India







# INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF OPERATION SMILE UNITED KINGDOM

**Divine, Rwanda**

## **Opinion**

We have audited the financial statements of Operation Smile United Kingdom ('the company') for the year ended 30 June 2022 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 and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

### **In our opinion the financial statements:**

- Give a true and fair view of the state of the charitable company's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

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

## **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 financial statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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

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

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

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

## Other information

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

auditor's report thereon. 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 thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## 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; and
- 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 of 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; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 50, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant



are the Companies Act 2006, the Charities Act 2011, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## 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.

*Moore Kingston Smith LLP*

Neil Finlayson (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith  
LLP, Statutory Auditor  
9 Appold Street, London, EC2A 2AP  
Date: 03/01/2023



Florine, Madagascar



# STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2022

		Unrestricted Funds £	Restricted Funds £	2022 £	Unrestricted Funds £	Restricted Funds £	2021 £
<b>INCOME AND ENDOWMENTS:</b>	Note						
<b>Donations and Legacies</b>	2	5,322,557	1,269,883	6,592,440	4,046,241	2,015,800	6,062,041
<b>Charitable Activities</b>	2a	123,487	-	123,487	109,821	-	109,821
<b>Interest</b>		3,577	-	3,577	800	-	800
Total Income and Endowments		5,449,621	1,269,883	6,719,504	4,156,862	2,015,800	6,172,662
<b>EXPENDITURE:</b>							
<b>Raising Funds</b>	3	3,029,434	212,989	3,242,423	1,715,431	234,485	1,949,916
<b>Charitable Activities</b>	3a	1,437,994	1,220,748	2,658,742	1,549,490	1,797,328	3,346,818
Total Expenditure		4,467,428	1,433,737	5,901,165	3,264,921	2,031,813	5,296,734
<b>Net Unrealised (Losses) on Investments</b>		-	-	-	-	-	-
<b>Net Realised Gains on Investments</b>		708	-	708	5,785	-	5,785
<b>Prior year adjustment</b>							
Net Income for the Year		982,901	(163,854)	819,047	897,726	(16,013)	881,713
<b>Transfer between Funds</b>	9	-	-	-	-	-	-
Net movement in funds		982,901	(163,854)	819,047	897,726	(16,013)	881,713
Reconciliation of funds							
<b>Total funds brought forward</b>		2,663,060	273,009	2,936,069	1,765,334	289,022	2,054,356
Total funds carried forward	9	3,645,961	109,155	3,755,116	2,663,060	273,009	2,936,069

There are no recognised gains or losses other than those disclosed above. All results derive from continuing operations. The notes form part of these financial statements.





**Sebastian, Mexico**



## BALANCE SHEET AS AT 30 JUNE 2022

			2022	2021
	Note	£	£	£
<b>Investments</b>	7			22,724
<b>Tangible Fixed Assets</b>	6		13,476	17,958
<b>CURRENT ASSETS</b>				
<b>Debtors</b>	8	367,334		495,235
<b>Cash at bank and in hand</b>		3,672,875		2,581,170
<b>Total Current Assets</b>		4,040,209		3,076,405
<b>CURRENT LIABILITIES</b>				
<b>Creditors:</b>				
<b>Amounts falling due within one year</b>	9	(286,961)		(138,838)
<b>Net Current Assets</b>			3,753,248	2,937,567
<b>LONG TERM LIABILITIES</b>				
<b>Amounts falling due after one year</b>	10		(11,608)	(42,180)
<b>NET ASSETS</b>			3,755,116	2,936,069
<b>REPRESENTED BY:</b>				
<b>Restricted Funds</b>			109,155	273,009
<b>General (Unrestricted) Funds</b>	11		3,645,961	2,663,060
<b>Total</b>			3,755,116	2,936,069

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. The notes on pages 60-67 form an integral part of these financial statements.

Approved by the Board of Trustees on 01/12/22 and authorised on their behalf by:



**Dr Maria Moore**  
Chair

Company Registration No: 04317039



## CASH FLOW STATEMENT FOR THE YEAR TO 30 JUNE 2022

		2022 (£)	2021 (£)
<b>Net cash provided by operating activities</b>	Note A	1,105,882	662,223
<b>Cashflows from investing in activities:</b>			
<b>Cost of purchasing tangible fixed assets</b>		(14,177)	(2,975)
<b>Change in cash and cash equivalents at 30 June</b>		1,091,704	659,428
<b>Cash and cash equivalents at the beginning 01 July</b>		2,581,170	1,921,742
<b>Total Cash held at 30 June</b>		3,672,875	2,581,170

### Note A

#### Reconciliation of Net Expenditure to Net Cash Provided by Operating Activities

	2022 (£)	2021 (£)
<b>Net Income/(Expenditure) for the year</b>	819,047	882,899
<b>Depreciation of Tangible Assets</b>	18,659	15,959
<b>Increase/(Decrease) in investment</b>	22,724	(5,785)
<b>Increase/(Decrease) in debtors</b>	127,901	(167,575)
<b>Increase/(Decrease) in creditors</b>	117,550	(63,274)
<b>Net cash inflow from Operating activities</b>	1,105,882	662,224





# NOTES TO THE ACCOUNTS

## Accounting Policies

### BASIS OF PREPARATION

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared and with Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) including update bulletin 2, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice (UK GAAP).

### GOING CONCERN

The trustees have assessed whether the use of going concern is appropriate and have considered events or conditions that may cast significant doubt on the ability of OSUK to continue as a going concern.

The Trustees have given due consideration for the effects of the continuing impact of the COVID-19 outbreak in 2019. This assessment has also included a probable loss of income as an added consequence of the prevailing economic climate.

The trustees have made this assessment in respect of a period of at least a year from the date of approval of the financial statements. The trustees have considered the charitable company's forecasts and projections and are cautiously optimistic following the results of this financial year.

The charity is largely sheltered from the expected effects of COVID-19 due to its loyal donor base and a significant legacy pipeline. Projects have been curtailed significantly as a result of the restrictions on travel because of the continuing impact of COVID-19 and emerging variants. However, as vaccinations help with dampening down the impact worldwide there is hope that local missions would be delivered and international programmes resume in earnest. The charity continues to hold significant reserves to meet downturns in income and has liquid assets in the form of cash held in short term deposits.

The Trustees have concluded that with the reserves policy and cash liquidity requirements of the charity, there is a 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.

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.

Raising funds relating to direct marketing has been allocated between charitable activities and fundraising costs based on an allocation process which analyses the cost between direct fundraising, raising awareness of the need and educating on cleft conditions. Currently this analysis allocates 27% (2021: 24%) of costs towards charitable activities as content relating to education and raising awareness of cleft and 73% (2021:74%) towards cost of raising funds. We have continued to sustain the investment in fundraising and PR Communications and digital as we seek to raise awareness and funds. PR and Communications expenses are accounted for within raising funds though they may have add value in the provision of other services.

## Charitable activities

All cost relating to medical mission programmes are recognised in the year in which they are agreed upon and a commitment made. Total cost of charitable activities also include a proportion of direct marketing costs relating to charitable activities as above.

### b) 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.

### c) Tax Status

Operation Smile United Kingdom is a registered charity in England and Wales with the Charity Commission and Companies House. It is a charitable company limited by guarantee. It is not registered for value added tax (VAT) and this position is reviewed on an annual basis for any possible change in status.

It is therefore 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; costs are recorded gross of VAT.

### d) Fund accounting

The general unrestricted reserve comprises net accumulated unrestricted surpluses. Restricted funds are subject to restrictions imposed by the donor stipulating the way donation should be used. Interest earned on such donations are not subject to the same restrictions. Designated funds represent amounts which the trustees have allocated to specific 'projects' from general unrestricted reserves. Designated funds may at the discretion of the trustees be brought back into general reserves.





Léasy, Madagascar

## e) 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 using a straight-line method for both office equipment and fixture and fittings. The cost of an asset, less its estimated residual value if appropriate, will be written off 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 but collectively costs £1,000, then complements are capitalised at the time of purchase. Costs related to maintenance and repairs are treated as expenses as incurred.

## f) Investments

OSUK has a policy of selling donated shares upon receipt of donation. However, where for any reason donated shares are not sold at balance sheet date these are listed as investments, at their market value at date. Realised and unrealised gains or losses for the period are accounted for through the Statement of Financial Activities as net of investment value

## g) Gifts in kind

Gifts in kind may include donated equipment, goods, or services.

The charity measures and records these in the financial statements on the basis of the value of the gift to the charity. The value is the amount the charity would pay on the open market for an alternative item that would provide a benefit to the charity equivalent to the donated item.

## h) 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.

## i) 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.

## j) Foreign currencies

Assets and liabilities in foreign currencies are translated into the appropriate sterling equivalent as at the balance sheet date. Exchange gains/(losses) are reviewed periodically and accounted for if deemed material.

## k) 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. Deposits are made into reputable financial institutions and risk exposure is kept to a minimum.





Fatema, India

## 2. DONATIONS AND LEGACY INCOME

	Unrestricted Funds (£)	Restricted Funds (£)	2022 (£)	Unrestricted Funds (£)	Restricted Funds (£)	2021 (£)
<b>Donations</b>	4,104,500	404,567	4,509,067	3,569,033	9,262	3,578,295
<b>Legacies</b>	695,318	5,950	701,268	367,937	170	368,107
<b>Grants</b>	522,739	738,870	1,261,609	109,231	1,940,840	2,050,071
<b>Sub-totals</b>	5,322,557	1,149,387	6,471,944	4,046,201	1,950,272	5,996,473
<b>Gifts in Kind</b>	-	120,496	120,496	-	65,528	65,528
	5,322,557	1,269,883	6,592,440	4,046,201	2,015,800	6,062,001

### 2(A). CHARITABLE ACTIVITIES

	Unrestricted Funds (£)	Restricted Funds (£)	2022 Total (£)	Unrestricted Funds (£)	Restricted Funds (£)	2021 Total (£)
<b>Community Events</b>	123,487	-	123,487	109,821	-	84,162
<b>Special Event &amp; Merchandise</b>	-	-	-	-	-	12,671
<b>Sub-total</b>	123,487	-	123,487	109,821	-	109,821



### 3. RAISING FUNDS

	Unrestricted Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total Unrestricted Funds 2022	Unrestricted Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total Unrestricted Funds 2021
<b>Direct Expenses</b>	2,588,561	-	212,989	2,801,550	1,308,775	-	234,485	1,543,260
<b>Staff Recruitment Cost</b>	38,520	-	-	38,520	14,135	-	-	14,135
<b>Property and Management Cost</b>	43,665	-	-	43,665	90,821	-	-	90,821
<b>Administration Cost</b>	358,688	-	-	358,688	301,700	-	-	301,700
	3,029,434	-	212,989	3,242,423	1,715,431	-	234,485	1,949,916

### 3(A). CHARITABLE ACTIVITIES

	Unrestricted Funds (£)	Designated Funds (£)	Restricted Funds (£)	2022 Total (£)	Unrestricted Funds (£)	Designated Funds (£)	Restricted Funds (£)	2021 Total (£)
<b>Programme / Mission Expenses</b>	1,104,079	-	1,220,748	2,324,827	1,308,536	-	1,797,328	3,105,864
<b>Support Costs:</b>								
<b>Property &amp; Management</b>	17,408	-	-	17,408	20,518	-	-	20,518
<b>Office Administration</b>	96,438	-	-	96,438	27,612	-	-	27,612
<b>Other Support Costs</b>	116,428	-	-	116,248	137,152	-	-	137,152
<b>Governance Costs:</b>								
<b>Audit and Accounting</b>	38,338	-	-	38,338	11,700	-	-	11,700
<b>Legal/Filing &amp; Consulting Fees</b>	6,394	-	-	6,394	2,019	-	-	2,019
<b>Trustees Liability Insurance</b>	724	-	-	724	707	-	-	707
<b>Allocated Support Costs</b>	58,185	-	-	58,185	41,246	-	-	41,246
	1,437,994	-	1,220,748	2,658,742	1,549,490	-	1,797,328	3,346,818

### Cost allocation/recovery

Support costs including governance costs which are not directly attributable to raising funds or charitable activities are allocated to the programmes/services benefiting from them based on staff time and department headcount.

Currently there are no cost recovery on restricted funds by OSUK; costs are monitored and covered by general unrestricted funds.

### 4. STAFF NUMBER AND COSTS

	2022 (£)	2021 (£)
<b>Staff Salaries</b>	808,018	720,288
<b>Employer's NIC</b>	82,437	72,356
<b>Employer's Pension Contribution</b>	43,624	38,213
	934,079	830,857
<b>Staff Recruitment</b>	38,520	22,775
<b>Training and Development</b>	3,349	1,188
<b>Total</b>	41,869	23,963

Two employee received payment above £60K.



## Trustees And Key Management Personnel

During the year no trustee received reimbursement for expenses (2021: NIL). £724 (2021: £706) 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 45, and Trustees received remuneration £166K; (2021: £180K).

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

	2022	2021
	19	18
<b>Employees Earning:</b>		
<b>£60K - £70K</b>	-	-
<b>£70K - £80K</b>	2	1
<b>£80K - £90K</b>	-	1
The Employer's pension contribution in respect of the above amounted to £8.6K (2021: 9.2K)		

## 5. NET INCOME FOR THE YEAR IS STATED AFTER CHARGING

	2022 (£)	2021 (£)
<b>Auditor's Remuneration in Respect of Current Year</b>	9,750	8,500
<b>Other</b>	28,588	1,700
<b>Depreciation of Tangible Assets</b>	18,659	15,959
<b>Operation Lease Rentals - Building</b>	38,276	106,168

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

	Office Equipment (£)	Furniture & Fittings (£)	Total 2022 (£)
<b>Cost at 1st July 2021</b>	57,909	14,752	72,661
<b>Additions</b>	14,177	-	14,177
<b>Cost on 30th June 2022</b>	72,086	14,752	86,838
<b>Depreciation on 1st July 2021</b>	42,309	12,394	54,703
<b>Depreciation Charge for the Year</b>	16,831	1,828	18,659
<b>Depreciation on 30th June 2022</b>	59,140	14,222	73,362
<b>Net Book Values:</b>			
<b>30th June 2021</b>	15,600	2,358	17,958
<b>30th June 2022</b>	12,946	530	13,476

## 7. LISTED INVESTMENTS

	2022 (£)	2021 (£)
<b>Donated Shares / Investment Assets</b>	22,724	16,939
<b>Disposal/Sales Proceeds</b>	(23,432)	-
<b>Realised Gains</b>	708	-
<b>Unrealised Loss</b>	-	5,785
<b>Total Investment at 30th June</b>	-	22,724



## 8. DEBTORS

	2022 (£)	2021 (£)
HMRC - Gift Aid Reclaims	36,172	55,897
Prepayments	58,928	98,094
Receivables	42,336	80,640
Lease Deposit	25,000	25,000
Due from Operations Smile Inc/Partners	1,905	-
Other Debtors	202,993	235,604
	367,334	495,235

All debtors are financial instruments measured at present value.

## 9. CREDITORS

	2022 (£)	2021 (£)
Trade Creditors	178,397	51,308
HMRC - Tax and NIC Due	31,044	20,482
Deferred Income	26,794	30,161
Accrued Expenses	30,203	31,887
Other Creditors	20,523	5,000
	286,961	138,838

All creditors, excluding accruals, are financial instruments measured at present value.

### Deferred Income

(Deferred income comprises donations received in advance of community events taking place in the financial year FY21/22.

	2022 (£)	2021 (£)
Balance as of 1st July	30,161	74,175
Amount Released to Income Earned from Charitable Activities	(30,161)	(73,555)
Amount Received and Deferred after One Year	11,245	22,537
Amount received and deferred in the year	15,549	7,004
Balance as of 30th June	26,794	30,161

## 10. CREDITORS (Amounts falling due after 1 year)

	2022 (£)	2021 (£)
Amounts Falling Due After One Year	11,608	42,180



## 11. STATEMENT OF FUNDS

	Balance at 1st July 2021 (£)	Income (£)	Expenditure (£)	Transfers between Funds (£)	Balance at 30th June 2022 (£)	Balance at 1st July 2020 (£)	Income (£)	Expenditure (£)	Transfers between Funds (£)	Balance at 30th June 2021 (£)
<b>General Funds</b>	2,663,060	5,450,329	(4,467,428)	-	3,645,961	1,765,334	4,162,647	(3,264,921)	-	2,663,060
<b>Restricted Funds</b>	273,009	1,269,883	(1,433,737)	-	109,155	289,022	2,015,800	(2,031,813)	-	273,009
	2,936,069	6,720,212	(5,901,165)	-	3,755,116	2,054,356	6,178,447	(5,296,734)	-	2,936,069

### Restricted Funds

These are donations and grants received for specific purposes as requested by the donors. The funds have been grouped into geographic area's to better represent the regions where the organisation conducts its charitable activities, as described on page 13 of the Trustee Report.

	Balance at 1st July 2021 (£)	Income (£)	Expenditure (£)	Balance at 30th June 2022 (£)	Balance at 1st July 2020 (£)	Income (£)	Expenditure (£)	Balance at 30th June 2021 (£)
<b>Africa</b>	587	486,077	(444,091)	42,573	4,541	296,519	(300,473)	587
<b>South / Central America</b>	1,410	7,149	-	8,559	-	1,410	-	1,410
<b>North America</b>	-	175,368	(175,368)	-	-	-	-	-
<b>Asia</b>	58,023	-	-	58,023	50,001	8,022	-	58,023
<b>Europe</b>	-	-	-	-	6,694	1,431,327	(1,438,021)	-
<b>OSI Global Surgery</b>	-	480,793	(480,793)	-	-	-	-	-
<b>Other</b>	212,989	120,496	(333,485)	-	227,786	278,522	(293,319)	212,989
	273,009	1,269,883	(1,433,737)	109,155	289,022	2,015,800	(2,031,813)	273,009

## 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General / Unrestricted Funds (£)	Restricted Funds (£)	2022 Total (£)	General / Unrestricted Funds (£)	Restricted Funds (£)	2021 Total (£)
<b>Fixed Asset &amp; Investment</b>	13,476	-	13,476	40,682	-	40,682
<b>Current Assets</b>	3,931,054	109,155	4,040,209	2,803,396	273,009	3,076,405
<b>Current Liabilities</b>	(260,167)	-	(260,167)	(103,677)	-	(103,677)
<b>Deferred Income</b>	(26,794)	-	(26,794)	(30,161)	-	(30,161)
<b>Other / Long Term liabilities</b>	(11,608)	-	(11,608)	(47,180)	-	(47,180)
<b>At 30th June</b>	3,645,961	109,155	3,755,116	2,663,060	273,009	2,936,069

## 13. OPERATING LEASES

The company entered into a new lease for its office premises from 21 August 2019 for a lease term of 3 years. In March 2021 it renegotiated the lease for the full 5 year term revoking the break-clause in year three for a rent reduction to the end of term.

Amounts payable to end of lease:	2022 (£)	2021 (£)
<b>Within 1 Year</b>	58,323	58,323
<b>Between 2 - 5 Years</b>	70,225	128,548
	128,548	186,871



## 14. RELATED PARTIES

**During the year:** OSUK's chair is a close friend of a major donor who is closely connected to UBS Foundation which gave OSUK a grant of £480K (2021:£1.4m) towards a 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.

At Balance Sheet date OSI and other partners had a liability of £1,905 to OSUK 2021 (NIL) for expenses primarily relating to purchase of office equipment.

## 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 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. At 30 June there were six (2021: five).

## PHOTO CREDITS

We work with an incredible group of visual artists who connect our global audiences to the heart of each story we tell.

**Their approach to portraying the beauty and dignity of patients, the passion of volunteers and supporters, and the orchestration of our medical programmes allows us to experience an indelible memory in the moment that the photo is captured, no matter where we are in the world.**

Marc Ascher  
Henry Cuicas  
Jörgen Hildebrandt  
Zute Lightfoot  
Erin Lubin  
Rohanna Mertens  
Margherita Mirabella  
Will Moffit  
Lorenzo Monacelli  
Mariam Moummade  
Henitsoa Rafalia  
Carlos Rueda  
Jasmin Shah  
Peter Stuckings  
Camilo Zapata



Islam, Morocco





Faustina, Ghana

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

