

# 2023

*Annual Report*

igniting  
*hope*  
multiplying  
*impact*





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IMAGE (COVER):  
Amadou, the first patient  
to receive surgery on  
the *Global Mercy*, and his  
caregiver, Mariatou, board  
the ship.

IMAGE (OPPOSITE PAGE):  
Khadidiatou, maxillofacial  
patient, before surgery.  
Read her inspiring story on  
page 14.

Our two-ship fleet | The world's largest civilian hospital ships



- The Global Mercy**
- 6 operating theatres
  - 102 acute care beds
  - 7 ICU/isolation beds
  - 90 self-care beds
  - 6.1m draft
  - 174m length
  - 28.6m breadth
  - 37,000 gross tonnage



- The Africa Mercy**
- 5 operating theatres
  - 80 patient beds including recovery, intensive care and low dependency wards
  - 6.0m draft
  - 152m length
  - 23.7m breadth
  - 16,572 gross tonnage



### Mission

Mercy Ships follows the 2,000-year-old model of Jesus, bringing hope and healing to people facing poverty.



### Vision

Mercy Ships uses hospital ships to transform individuals and serve nations.



### Values

- Love God
- Love and serve others
- Be people of integrity
- Strive for excellence in all we say and do.



### Impact

Each year, 16.9 million people around the world die due to lack of access to surgical care. Mercy Ships deploys hospital ships to provide free surgeries. Since 1990, Mercy Ships has conducted 44 healthcare services in 14 African countries, most of which are ranked by the United Nations Development Index as the least developed in the world. In addition to surgical care, Mercy Ships creates lasting impact by providing education and training across the surgical ecosystem.

IMAGE:  
The Global Mercy and the Africa Mercy sail side by side for the first time on their way to Senegal and South Africa, respectively.

Friends,

What an immense blessing 2023 has been for us here at Mercy Ships! As I think of the last year, I'm reminded of the countless moments that have touched our hearts and fuelled our mission – children who can now walk without pain, families that have reunited because of life-saving surgery, and communities that have been strengthened through access to healthcare and education. These moments are testimonies to what hope and healing can do.

Stories like these span our 45-year history. Since our beginning in 1978, Mercy Ships has had the honour of following the 2,000-year-old model of Jesus by bringing hope and healing to those in need. Throughout these years, we have remained true to living out our core values of loving and serving others with integrity and excellence. This year, as we mark our 45th year in service, we look back with immense gratitude at all that has been accomplished.

More than 2.8 million lives have been impacted through free surgeries and medical care. More than 42,000 medical and non-medical volunteers from around the world have contributed their expertise and skills to change lives. Thousands of healthcare professionals in developing nations have received vital training and mentorship, creating a sustainable, long-lasting impact. And finally, more than 56 countries have been served, leaving a wave of compassion and healing. But our journey is just beginning!

I am so thankful to share the many accomplishments that you helped make a reality in 2023 and hope as you read through testimonies of compassion, you know how vital you are to our mission.

As we celebrate our 45th anniversary, let us look back with thankfulness at what God has done in us and through us – and let us look ahead with renewed determination. Together, we can create a legacy that will endure for generations.

Thank you for being a part of this incredible journey. Together, we have achieved so much, and together, we can achieve so much more.

Following the model of Jesus,

*Don Stephens*

Don Stephens

## Letter from the Founder



Discover more about Mercy Ships' 45th anniversary here!

## Letter from the Chair of Mercy Ships UK



It is truly wonderful to witness the life-changing impact of our work in this, our 45th year. As I look back on an incredible 12 months, it is inspiring to see the dedication and hard work across our Mercy Ships family.

It was a joy when the first surgeries were performed onboard the *Global Mercy* at the start of the year, treating patients from Senegal and The Gambia. The ship then moved to Sierra Leone in August for a 10-month stay.

With the refit of the *Africa Mercy* nearly complete as I write, 2024 will be an exciting year. We will have two modern hospital ships at sea, and this will mean we will be able to reach so many more lives than before. Excitingly, not only are we delivering healthcare and surgery, but we are also able to teach more healthcare professionals.

Teaching, healing and caring are themes that are emphasised throughout the New Testament as ways in which we serve Jesus himself. I thank everyone whose deep conviction and belief in our work enable us to share his love.

I am delighted to share so many inspirational stories in this year in review. In the pages that follow, you will meet a few of the many people who have been given renewed hope for their futures with surgery that would not otherwise have been available to them.

The year also saw an expansion of our healthcare education programme, which means that in the years to come many more clinicians will be receiving the skills they need to improve healthcare in their own countries.

Mercy Ships UK is an integral part of the global Mercy Ships family. We are pleased to be able to recruit, nurture and support so many of the dedicated people who give their time to serve on our ships. We are blessed to have a wonderful supporter base in the UK, with thousands of you kindly donating to our life-saving and life-changing work. Thank you.

As Chair of Trustees, it remains a huge privilege to take part in our mission, and to work with staff, volunteers and donors. It is humbling to see the passion and commitment that you bring, enabling us to increase the number of people with whom we can share much-needed care in the year ahead.

I hope you enjoy reading this report and seeing the difference that your support has made.

Dr Michael Spence  
Chair, Mercy Ships UK

## Letter from the CEO



This past year has been exciting and fulfilling as we celebrated our 45th anniversary. It is humbling to look back at the history of Mercy Ships and see the many ways in which love and compassion have transformed lives over the decades.

In 2023, The *Global Mercy* had its first full year at sea, while the *Africa Mercy* refit will allow the ship to provide life-saving care for many years to come.

The first surgeries were carried out on the *Global Mercy* in February 2023 – a landmark moment for us as the world's first purpose-built hospital ship moved into full service. Over five months in Senegal, 736 people were treated. We also continued our vital work with local healthcare staff, training 658 clinicians – a legacy that lasts long after our ships have left port.

Closer to home, the UK team marked our 45th anniversary with a dinner attended by our international patron, HRH The Princess Royal. Princess Anne spoke about the role of volunteers in delivering the life-changing work onboard our hospital ships. At this dinner, we launched our new Volunteer Support Fund, which will enable more volunteers to become involved in our work.

I am very grateful for all of our faithful donors who are so steadfast in their support for this life-changing work, and for the dedicated volunteers who offer their time and professional skills to Mercy Ships. It's thanks to you that we are able to continue our work to change more lives, delivering surgery and healthcare to so many people.

Our UK supporters continue to do an incredible job spreading the word about our work and I'm constantly amazed by the creative ways in which you raise funds. Two examples that stood out for me are Emma Le Teace from the website *Emma Cruises*, who raised thousands of pounds selling her soft toys, while Stephen Chitty shared our message with millions of people thanks to breakfast TV coverage of his epic bus journey around England.

As we look forward to another year, it will be exciting to see the *Africa Mercy* return to service in Madagascar, where we expect to perform more than 1,150 surgeries. The *Global Mercy* will continue life-saving work in Sierra Leone.

I hope that this report will show you the impact of your support and continue to inspire you. Your generosity brings hope and healing to individuals and families facing desperate need – thank you for joining us on this journey.

Joanne Balaam  
Chief Executive Officer, Mercy Ships UK

2023 in review:  
*Igniting hope; multiplying impact*

For Mercy Ships, 2023 was a year of renewed hope and impact reverberating through decades. In just one year, we launched two healthcare services in two different ports, serving patients from three different nations.

We started off the year by returning the *Global Mercy* to Dakar to begin her first surgeries, where she welcomed patients from both Senegal and The Gambia. A moment years in the making took place as 4-year-old Amadou climbed the gangway in search of healing – the first patient to receive surgery onboard the purpose-built new vessel.

Weeks later, Amadou walked down the same gangway – this time with straightened legs, a joyful smile and confidence for the future.

For crew onboard and our Mercy Ships community around the world, Amadou’s journey was a special celebration of thanks and praise. It marked not only one life transformed, but the first of many to come on the *Global Mercy*.

After five months of work in Senegal, where 736 patients received healing and approximately 600 healthcare professionals were trained across Senegal and The Gambia, the *Global Mercy* sailed to Sierra Leone. Her arrival in Freetown was a true homecoming, marking the sixth Mercy Ships healthcare service over the course of 30 years to this partner nation.

Meanwhile, hope continues to build as even more impact awaits. The *Africa Mercy* spent this year undergoing an extensive refit in South Africa, preparing to bring life-changing care to Madagascar in 2024. In Guinea, continued training and mentoring, as well as the ongoing construction of an expanded dental training facility, have made safe surgical care more accessible to many.

Thank you for being part of a truly monumental year, filled with both new beginnings and treasured reunions.



See the monumental impact just one year can make in our 2023 Year in Review video!

IMAGE:

Amadou, the first patient onboard the *Global Mercy*, during his final discharge.



8

COUNTRIES WITH  
ACTIVE PROGRAMMES

1,382

VOLUNTEER CREW FROM  
71 COUNTRIES

661

NATIONAL CREW FROM  
SENEGAL, THE GAMBIA  
AND SIERRA LEONE

3,136

SURGICAL PATIENTS

4,804

SURGICAL PROCEDURES

56

DENTISTS TRAINED

11,223

DENTAL PROCEDURES

1,522

HEALTHCARE PROFESSIONALS  
TRAINED

105,123

HOURS OF HEALTHCARE  
EDUCATION AND TRAINING



## Bringing transformation home | David Kpakiwa

The critical need for surgical care in David Kpakiwa's home country of Sierra Leone has always felt tangible.

"When I was a kid, my mum got sick and she needed surgery... but in our community, they could not provide that."

David began working long hours on the farm to support his family at the age of eight. Although his mother was finally able to get the help she needed, David never forgot the experience: "The memories are there. They're fresh."

David's family is not unique. With fewer than three surgeons for every 100,000 people, estimates of the unmet surgical need in Sierra Leone reach as high as 91%.

That's why years later, as David prepared the way for the *Global Mercy* to arrive in Freetown, his job felt personal.

David first joined Mercy Ships as a volunteer in the housekeeping department in 2020. After learning that the *Global Mercy* would be traveling to Sierra Leone, he asked to join the Country Engagement Team as operations liaison. As part of the team paving the way for the ship to come to Sierra Leone, David's journey home had now begun.

"I honestly cannot express how much happier I am that I could actually serve my country. I look back and say, 'Oh, God has been faithful.'"

Most of all, he's excited to see lives transformed, for many more patients just like his mother.

*"I honestly cannot express how much happier I am that I could actually serve my country."*

## Meet the surgeon behind the *Global Mercy's* first surgery



Around 100 years ago, Rachel Buckingham's grandmother became a doctor at a time when some universities in the UK still barred women from qualifying as physicians. A century later, her granddaughter Rachel was the lead orthopaedic surgeon who performed the first-ever surgery on the *Global Mercy*.

While mother-of-three Dr Buckingham performed her surgeries, she also trained a Moroccan orthopaedic surgeon alongside her, Dr Mohamed Sabounji, who is committed to staying in Senegal to treat the Senegalese people.

"To our knowledge, Senegal does not have a paediatric orthopaedic surgeon. I am hopeful he will be their first," shared Dr Buckingham.

Just as her grandmother did before her, Dr Buckingham's determination and courage are seeing her help change the lives of those in the most urgent need.

IMAGE: Dr Buckingham mentoring Dr Mohamed Salsabil Sabounji.



## Finding his place and purpose onboard

David Sandberg spent a year working on fishing boats in his home country of Sweden, so he was accustomed to the maritime life. But stepping onboard the *Global Mercy* was like entering a different world: "It's another life at sea here."

Onboard, David found a life rich with friendship, songs, prayer and praise. "People of all different personalities, people of all different outlooks on life," he said. "That's what I think makes Mercy Ships great." Through the community, he's also found a greater purpose in his daily work as a mariner.

"When you do the job, think about what this will accomplish," he said. "Even if you work as a deckie, and maybe don't get seen a lot ... you will save lives."



Donate to bring more hope and healing.



## One port, two nations

In February 2023, the *Global Mercy* sailed into the Port of Dakar to begin her very first surgical work. Arriving in Africa and welcoming patients onboard meant the realisation of years of hoping, praying and planning for this ship. Finally, this purpose-built hospital ship was fulfilling her lifesaving mission.

During the five months of healthcare service in Dakar, Mercy Ships served two nations – Senegal and The Gambia – through one port, leading to many unforgettable life transformations.

As the *Global Mercy* departed in June 2023, it was a bittersweet goodbye. Senegal has been a tremendous partner to Mercy Ships through the years. It was in this partner nation that we christened the *Global Mercy* and hosted the Africa Celebration in 2022. It was also the site of the agreement of the Dakar Declaration, a commitment of African nations to strengthening access to surgical, obstetric and anaesthetic care in the coming years.

We celebrate not only our enduring partnership with Senegal, but also the collaborative spirit of the government to enable Mercy Ships to serve The Gambia this year.

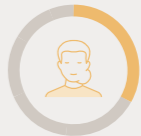
*“It [surgery] is life-changing. It has a ripple effect in the individual’s life, in the community and in the family’s life.”*

– Dr Ahmadou Lamin Samateh,  
Minister of Health of The Gambia

See the story behind  
our work in Senegal and  
The Gambia here.



1,564  
TOTAL  
SURGICAL  
PROCEDURES



519  
MAXILLOFACIAL



294  
OPHTHALMIC



260  
ORTHOPAEDIC



238  
GENERAL



160  
RECONSTRUCTIVE  
PLASTIC



93  
PAEDIATRIC  
SPECIALISED  
GENERAL

IMAGE (OPPOSITE PAGE):  
Satou, plastics patient,  
with Debz Kefford, ward  
nurse, on the dock.



*Two hours of surgery,  
a lifetime of transformation*

Malang was 2 years old when his legs started curving outward.

"I was very sad when I saw Malang walking like that. Sometimes his friends would run and leave him behind and he'd cry," said his father, Sadio.

However, a glimmer of hope appeared when Sadio learned Malang could receive help onboard the *Global Mercy*.

Surgery was the first step of many in Malang's transformation journey as intensive rehabilitation stretched before him. Yet Sadio's support remained unwavering. They celebrated together when Malang's casts were finally removed and he stood tall. Malang's journey toward a limitless future had begun!

*Starting to recognise herself*

"It's been almost eight years... I don't remember how my face looked without it," said 35-year-old Khadidiatou about the pear-sized tumour on her jaw. As a wife and mother of seven, the growing tumour began affecting her ability to care for her family and she withdrew into herself.

But after surgery on the *Global Mercy*, Khadidiatou's subdued personality began to change and blossom.

"I can start to recognise myself. I compared my photo from before and compared it to the one after... they are not the same," she said, celebrating her restored beauty.



*Saikou, the first patient from The Gambia*

In 2023, 79 patients from The Gambia walked up the gangway of the *Global Mercy*. It all started with healing the knocked knees of 4-year-old Saikou, whose mother Jainaba brought him on a gruelling 14-hour journey to the ship. Although he plays football and is an energetic little boy, Jainaba explained, "Pain is coming from inside. He is disturbed about it and he is worrying about it."

"My son is going to have surgery. I am grateful for that," celebrated Jainaba as they arrived for what would be a successful orthopaedic surgery for her son.

*The long-awaited journey to healing*



Samba waited 56 years for cleft lip surgery. At long last, he found hope and healing with Mercy Ships.

His cleft lip had brought Samba unwanted attention his whole life, so he had learned to live in the shadows. But since his healing onboard the *Global Mercy*, he shared that neighbours and friends have begun to rally around him in a way he'd never experienced. "It changed a lot - I've changed. I don't look like the man I used to be," he celebrated after returning home to his farm in rural Senegal.

"There is undoubtedly a change in his eyes," marvelled Dr David Chong, the volunteer surgeon from Australia who performed Samba's cleft lip surgery. "It's just the soul coming from his eyes as he realises who he is - maybe not even who he is, but who people can see him to be now."



*"Working on the ship really feels like, to a much greater degree, medicine as it's supposed to be. You can see more directly the impact on patients, and on their families, and on their communities."*

*— Dr Mark Shrim, Mercy Ships International Chief Medical Officer*



Watch Samba's story here!



658

PARTICIPANTS



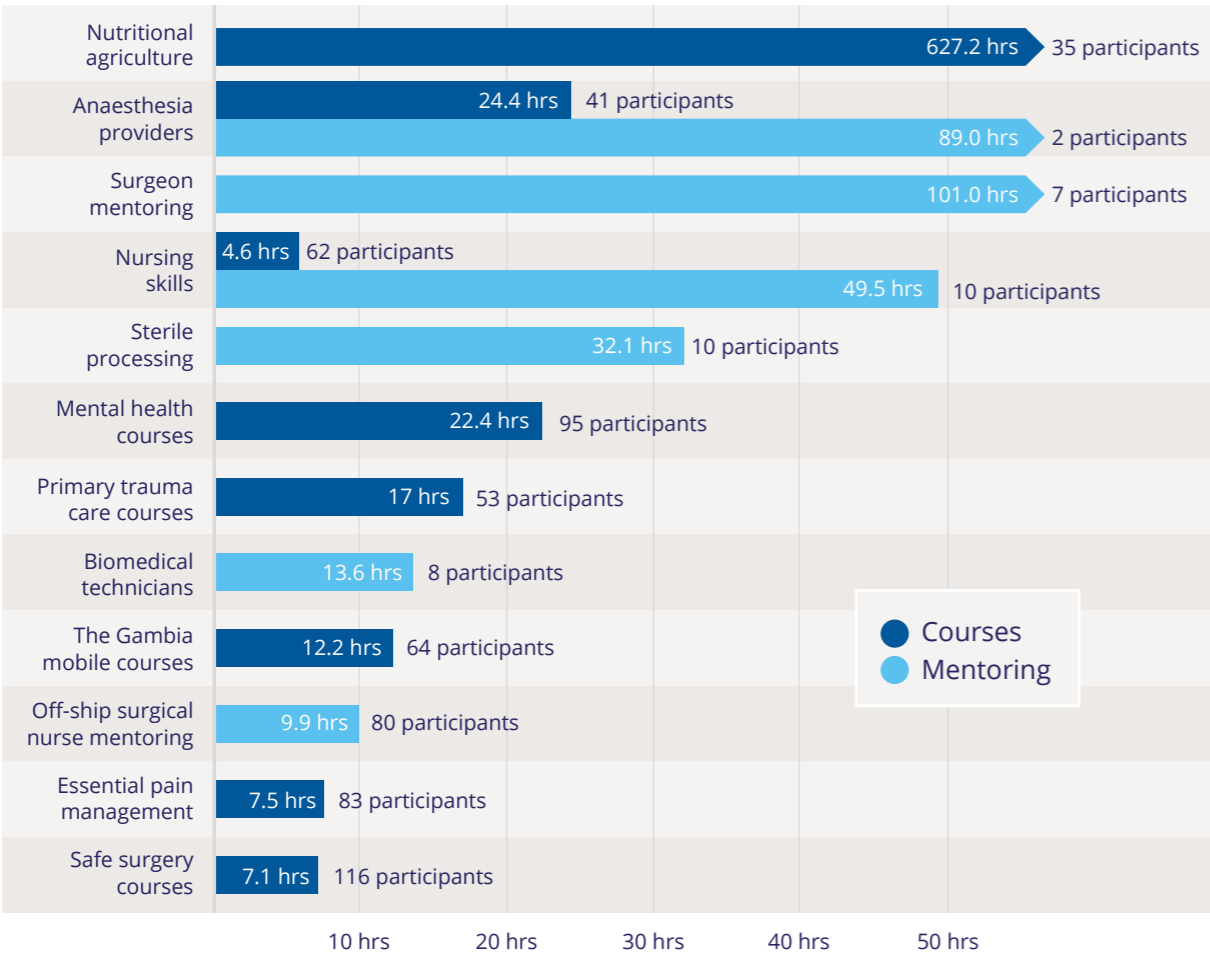
31,087

TOTAL  
HOURS OF  
TRAINING

Bringing Education, Training,  
and Advocacy to Senegal  
and The Gambia

We are grateful for the Education, Training, and Advocacy (ETA) programmes in 2023. Valuable training programmes took place in Senegal and The Gambia, with more than 600 healthcare professionals strengthening skills and learning new ones. This focus on long-term education and individual growth ensures a lasting impact and sustainable development for surgical systems in Senegal and The Gambia.

Average participant hours per project



Training that saves lives:  
Dr Camara’s story



As a young boy, Dr Abraham Camara was puzzled when neighbours came to seek medical help from his father, a high school teacher.

“He was the only person who had gone to university and he worked for the government... so they thought he would know a lot about healthcare,” explained Dr Camara.

His father embraced the responsibility, offering help and guidance. Watching his father in action planted a dream to go into medicine: “I wanted to change lives and help, just like my father.”

For the past 12 years, Dr Camara has been working toward becoming a specialised surgeon. But first, he needed more training.

He connected with the Pan-African Academy of Christian Surgeons (PAACS), an organisation Mercy Ships partners with to provide an opportunity for PAACS residents to experience specialised residency rotations onboard the hospital ships.

Through this partnership, Dr Camara boarded the *Global Mercy* to train with South African reconstructive plastics surgeon Dr Tertius Venter in the operating room over the course of six weeks. Scrubbing in alongside Dr Venter was an opportunity to learn from an expert in the field and expand his understanding of quality patient care.

He departed the ship confident about the future impact he can make as a surgeon, armed with skills honed through years of training – and the compassion he first learned from his father.

IMAGE: Dr Abraham Camara (right) operates alongside reconstructive plastic surgeons Dr Tertius Venter (centre) and Dr Guido Köhler (left).



“Building strong relationships with surgical providers in Senegal, we were able to support providers previously trained as trainers to be the lead facilitators on several courses.”

– Erin Muyres, Senior Director for Education, Training, and Advocacy



“There is so much we can accomplish together as we build towards a future of safe and affordable surgery for all. Creating meaningful partnerships... can go a long way to addressing the immediate needs of the people.”

– Dr Serigne Gueye Diop, Minister Advisor to the President of Senegal



Watch Dr Diop's full video here!



## A special homecoming to Sierra Leone

Thanks to an invitation from the government of Sierra Leone, Mercy Ships arrived in the Port of Freetown in August 2023 to begin a 10-month period of service. This marked the sixth Mercy Ships visit to Sierra Leone over the course of 30 years – and the very first visit for the *Global Mercy*.

As we close 2023 at the halfway point of our service, we are on our way to accomplishing our goal of providing more than 2,000 safe, free surgeries in Sierra Leone. In 2023, Mercy Ships’ volunteer crew welcomed 736 patients onboard for a total of 1,132 surgical procedures. Hope and healing came to life in the wards as patients recovered from long-awaited surgeries. This year, surgical specialties included maxillofacial and ENT, reconstructive plastics, ophthalmic, paediatric specialised general and general. In 2024, we are excited to complete this field service in Sierra Leone and make surgical care accessible to many more people.

Every single surgery that takes place onboard is more than just a number. It represents a new beginning in someone’s life – and means restored hope and freedom for their families and communities.

*“It’s a privilege for us to be able to host the president and the ministers of cabinet that we had today... it signifies a partnership between Mercy Ships and the people in the nation of Sierra Leone. It’s wonderful to be together on this mission.”*

– Joff Williams  
Global Mercy Managing Director

Watch the *Global Mercy*’s exciting welcome to Sierra Leone!



### SO FAR IN SIERRA LEONE



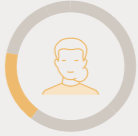
1,132  
TOTAL  
SURGICAL  
PROCEDURES



353  
OPHTHALMIC



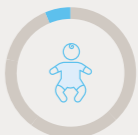
213  
GENERAL



298  
MAXILLOFACIAL



212  
RECONSTRUCTIVE  
PLASTIC



56  
PAEDIATRIC  
SPECIALISED  
GENERAL

IMAGE (OPPOSITE PAGE):  
Harry Kargbo, a Country Engagement Team member from Sierra Leone, celebrates on the dock as the *Global Mercy* arrives in Freetown.



*“The formidable challenges we face are matched only by our resolute determination to overcome them. The docking of the Global Mercy will mark a transformative milestone on this journey, a before and an after, but our voyage will continue from there.”*

— Dr Mustapha S Kabba, Deputy Chief Medical Officer for Clinical Services, Ministry of Health and Sanitation



*“God with us”:  
Emmanuel’s story*

Emmanuel, the first patient to come onboard the *Global Mercy* in Sierra Leone, walked up the gangway hopeful that surgery would remove his tumour and forever change his life. With his 43rd birthday taking place days earlier, Emmanuel celebrated his “double portion of blessings”.

After four years of struggle, the surgery to remove Emmanuel’s tumour took just 48 minutes. He had kept the surgery a surprise – but one look at himself afterwards left him calling his family to share the good news!

IMAGES:  
Emmanuel before and after surgery.



IMAGE: Martha Kailondo, ETA participant, during a simulation in an operating room on the *Global Mercy*.

*Expanding Sierra Leone’s surgical capacity  
through Education, Training, and Advocacy*

*New hope for Naserry*

Naserry was a joyful child, even after her arm was severely burned in a farming accident. Her aunt Salamatu has high hopes for her niece, who dreams of becoming a lawyer one day, but school has been tough – not academically, but socially. Other kids tease her about her disability, although Salamatu contends that Naserry can do more with one hand than they can with two.

After finally receiving healing, one can only imagine how much Naserry will be able to light up a room!

IMAGE:  
Naserry in rehab after her surgery.



In addition to providing surgical care onboard, Mercy Ships was committed to helping strengthen Sierra Leone’s surgical and anaesthetic systems. In 2023, 54 healthcare professionals received in-depth training and mentoring across areas such as nurse anaesthesia and peri-operative nursing. We welcomed all the surgical and anaesthesia residents in Sierra Leone on board for training alongside our hospital teams. Mercy Ships worked in collaboration with the leadership of Sierra Leone, as well as partners such as Connaught Hospital in Freetown, the Pan-African Academy of Christian Surgeons and the West African College of Surgeons, to make these educational opportunities possible. An ongoing partnership with Connaught Hospital in Freetown opened the doors to 43 local healthcare professionals receiving hands-on training onboard.

Mercy Ships is sponsoring five Sierra Leonean dental students to study at a partner dental school, Université Gamal Abdel Nasser de Conakry in Guinea, in order to bring dental care and education back home.



*“I’m excited that we will be able to be a part of training Sierra Leoneans and enabling them to provide surgery for their people. This is what multiplying impact looks like.”*

— Dr Sandra Lako, Mercy Ships Sierra Leone Country Director



## Education, Training, and Advocacy

In 2023, we adapted our programme strategy to focus our work on developing relationships with key partners in Africa, formalising educational opportunities onboard our vessels, and designing projects to measure impact. Mercy Ships has long been committed to training and education, so this foundation was already in place, but this year we deepened our focus on long-term surgical education in our African partner nations.

This includes establishing lasting partnerships with universities in host nations to offer joint programmes, such as the Guinean students currently earning specialised dental degrees in Morocco. We are also working toward providing 6-month to 1-year fellowships on specialised surgical training in areas not available in the host country. In Sierra Leone, these residencies are underway, with professionals participating in surgical and medical anaesthesia residencies.

Mercy Ships' direct advocacy activities include peer-reviewed scientific publications about the work that we do and having a presence at international meetings, such as the G4 Alliance, the UN General Assembly and the World Health Assembly, with the solemn aim to activate and further develop surgical education and surgical ecosystems. We also support the rollout and adoption of the Dakar Declaration by the African Union, as spearheaded by signatory countries.

*“Using the ship as the catalyst, we are going to grow our investments in land-based, long-term projects and are looking forward to seeing how Mercy Ships can partner to see each country’s vision for surgical care realised.”*

— Erin Muyres, Senior Director  
of Education, Training, and Advocacy

Hear from Mercy Ships ICMO Dr Shrima about the new programme strategy.



**IMAGE:**  
Students from Université Gamal Abdel Nasser de Conakry in Guinea are currently gaining their dental specialisations at a partnering institution, Mohamed VI University, in Morocco.

# Christmas appeal match success



The Mercy Ships UK Christmas appeal was given a substantial boost, thanks to a generous offer by a supporter to match every pound donated. This meant that all of our donors' gifts were doubled at no extra cost to them.

Our incredible supporters gave so generously, donating £343,056. Thanks to the match funding donation, we could double our impact, raising £686,112 to bring hope and healing to more children and families.

The Christmas story of little Umu in Sierra Leone touched hearts across the UK and gained national media attention, with stories in newspapers reaching millions of readers.

Umu was born with a large tumour on her face, and as she grew, her tumour did too. Umu found it hard to swallow food and was often sick. Her mother Yei was deeply worried for her little one, growing more and more afraid that her beautiful baby would die.

She visited many hospitals, desperately looking for help for baby Umu. But there was not a single surgeon who was able to treat Umu's condition in Sierra Leone.

Yei bravely held onto hope. After three long years, she heard that Umu could be helped onboard the *Global Mercy*. When our Mercy Ships surgeons saw Umu, they operated straight away.

*"When Umu's surgery was successful, I cried tears of joy. I feel like a burden has been lifted from my shoulders."*

— Yei, Umu's mother

Help Mercy Ships perform more surgeries for children like Umu.

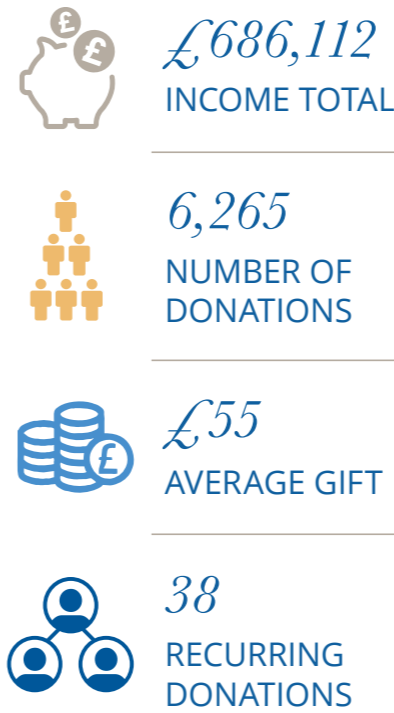


The tumour was growing dangerously close to her airway – there was no time to waste.

Umu woke up from surgery to see her mum smiling down at her. As Umu looked in the mirror, she beamed. Her tumour was gone.

After her surgery, Umu is able eat much more than she could before. She's already grown taller and stronger. Now back at home, Umu has started school. Her family are full of hope for her future.

Thanks to our generous supporters, we can share hope with many other patients who are eagerly waiting to receive free, life-changing surgery just like little Umu.



IMAGES:  
Umu with her mother Yei and before surgery.



## Dr Keith Thomson: A life well-lived

It is with great sadness that we heard of the passing of Dr Keith Thomson in April 2023. A man of great passion and generosity of spirit, 'Dr Keith', a British anaesthetist, initially signed-up to volunteer with Mercy Ships for three weeks. He went on to volunteer as an anaesthetist 24 times from 1991 to 2007 and became involved in medical training to strengthen African health systems. His tireless work has helped ensure the transfer of skills and improved care for generations to come.

When Dr Keith was honoured for his work with Mercy Ships by the Association of Anaesthetists, he explained his motivation.

"The most rewarding aspect is seeing the patients after surgery and realising that their lives have literally changed overnight," he said. "Their surgeries aren't just operations – they give them back hope and a chance to lead a normal life. My experiences with Mercy Ships have been the most rewarding of my life."

Dr Keith was often joined by his family, with his wife Fiona, son and daughter all volunteering together.

Dr Keith generously donated several Land Rovers so our medics could reach remote hospitals. He raised funds for seven new anaesthesia machines for our onboard operating theatres, and he forged many lifelong friendships through Mercy Ships.

After he retired in 2014, Dr Keith continued to play a vital role as a Mercy Ships International and Mercy Ships UK Board member.

Mercy Ships UK Chief Executive Officer Joanne Balaam said: "It is hard not to be inspired by Dr Keith's insatiable desire to help people. He has faithfully mentored the next generation of surgical and medical professionals. The impact he has left will continue to be his legacy."

It is with a depth of gratitude that we remember our friend Dr Keith, and we continue to build upon his lasting legacy of hope.

# Impact and partnership across Africa

Mercy Ships’ programmes, partnerships and projects across Africa this year led to lives transformed and lasting impact. While our hospital ships were actively serving Senegal, The Gambia and Sierra Leone through the course of the year, the work didn’t stop there. With approximately 9 in 10 people lacking access to safe, timely and affordable surgical care in sub-Saharan Africa, we aim to make a difference for as many as we can through our country engagement model. In 2023, this included...

**Senegal**  
With the *Global Mercy* ending her field service in Dakar in June, 657 Senegalese patients received surgery and 518 healthcare participants were trained in 2023.

**The Gambia**  
A total of 79 patients from The Gambia received surgery through the Port of Dakar, as well as 140 healthcare professionals receiving training.

**Guinea**  
Partnerships with Université Gamal Abdel Nasser de Conakry in Guinea flourished in 2023, allowing us to invest in programmes such as dental education, anaesthesia provider training, biomedical engineering training and more.

**Sierra Leone**  
In August, the *Global Mercy* arrived in Freetown for a 10-month field service, beginning with 1,132 surgical procedures in the latter half of the year.

**Liberia**  
Anaesthesia machine donations and anaesthesia training for 354 participants will lead to safer surgical practices in Liberia, while follow-up nutritional agriculture training for 24 Food for Life participants promotes healthier futures for their communities.

“Since I was 12, I have been dreaming about a place where people can come to have surgery or other treatments... I want to have a place like that in Africa where if I go there, I’m sure that things will be good. The goal is not just doing something but doing something at the best level.”

– Dr Alida Ngandjio Sidi, mentee surgeon



**Togo**  
Partnerships with two cataract-focused NGOs allowed us to fund 1,974 surgeries, restoring sight to 1,688 people.

**Benin**  
34 Food for Life participants received training in nutritional agriculture, and 101 participants expanded their skills through an Essential Pain Management course and Training of Trainers course.

**Madagascar**  
In Madagascar, the Country Engagement Team paved the way for next year’s field service, including organising upcoming patient assessment and selection.

**South Africa**  
Eight SAFE obstetrics and paediatric courses for 223 participants, as well as the refit of the *Africa Mercy*, took place in South Africa this year.



IMAGE:  
A surgical skills training at CHU Hospital in Antananarivo, led by 2015-2016 Mercy Ships trainee Prof Fanjandriny Rasoaherinomejanahary.



*“I hope that one day, we will have equipment in Madagascar to enable us to better treat patients and to carry out all the treatments here. That applies to training too. I dream of being able to have a fully equipped faculty of medicine with simulation labs; a place where we can teach to standard and where we can really teach with pleasure. That is my dream for Madagascar.”*

– Prof Fanjandriny Rasoaherinomejanahary

In 2023, Mercy Ships activated a Country Engagement Team based in Madagascar to prepare the way for the *Africa Mercy*’s arrival in February 2024. This long-term country engagement model is part of Mercy Ships’ approach of building lasting relationships and modifying our approach to fit the unique needs and goals of each partner nation. A key piece of our engagement in Madagascar included laying the foundation for upcoming patient assessment and selection across different regions of the country once the ship arrives.

In collaboration with the Ministry of Health, Mercy Ships aims to provide free surgeries for a range of surgical specialties, as well as targeted training for healthcare professionals.

This will build upon a legacy of impact in the country. Over the course of our three previous healthcare services, more than 6,425 surgical procedures and 52,397 dental procedures were performed in Madagascar. More than 2,000 healthcare professionals have received training.



IMAGE:  
VAST training participants at the Simulation Centre at Cheikh Anta Diop University.

The 2023 healthcare service of the *Global Mercy* was the latest chapter in a five-year-long journey with Senegal – but it’s not the end. Mercy Ships is deeply grateful for the strong partnership we have built with the Senegalese government over this season, and we believe Senegal will continue to be a leader for improving access to surgical, obstetric and anaesthetic care in the region. While our hospital ships have departed Senegal for the time being, our relationship with this nation will continue in exciting new ways.

Our long-term commitment to West and Central Africa will be further cemented through the establishment of the Africa Service Center (ASC), a long-term operational Mercy Ships office in Dakar, Senegal. The ASC will serve as a hub for Mercy Ships programmatic activity in Africa and strategically support the implementation through teams on the ground. Along with Mercy Ships country engagement teams, the ASC will enable Mercy Ships to work faster and more efficiently across the continent. It will serve as a constant, physical presence to strengthen relationships with the nations who host our hospital ships and teams.



*“The Africa Service Center is set up to have a regional presence in Africa, which also supports the Country Engagement Teams. In the coming year we hope to build out the ASC further.”*

– Bernard van den Bosch, Africa Service Center Director



IMAGE (OPPOSITE PAGE):  
Dental students at the Gamal Abdel Nasser  
University of Conakry (UGANC) in Guinea.



Guinea

Since 2018, Mercy Ships has sustained a long-term partnership with Université Gamal Abdel Nasser de Conakry (UGANC) dental school. This initially involved supporting the renovation and equipping of the dentistry department, including building a dental simulation room, training lab and clinical suite. This partnership also includes direct training and mentoring of dental students, supporting dental school graduates to open their own clinics in rural areas of Guinea and partnering with NGO Hope Ignited to open the first paediatric centre of excellence in the country.

In 2023, Mercy Ships continued partnering with UGANC to support a variety of programmes in the university, including biomedical technician and nurse anaesthesia training, as well as sponsoring nine dental graduates to obtain specialised degrees at a partner university in Morocco. Once these residents complete their studies, they will return to Guinea to become teachers and leaders, passing on their specialised education to the next generation of dentists.

This year, our partnership with UGANC added an exciting new dimension, as we facilitated a new partnership with the University of Sierra Leone (USL), as well. We began supporting five Sierra Leonean dental students to learn French and gain their dental degrees in an exchange programme between USL and UGANC. Once they have obtained their diplomas, these five dentists will return to Sierra Leone, a nation with only six current practising dentists, to expand its workforce.

In 2023, Mercy Ships also invested in the construction of a new clinical training centre on the UGANC dental school's campus. Once completed, this building will more than double the current capacity for students to learn, observe and practise, enabling even more dentists to reach a higher level of dental expertise.



*“You need to first put your resources into the people and then allow them to develop, allow them to mature, allow them to grow, allow them to be the leaders. And then you expand the dental school and now all of a sudden, you have people that are wanting to come and you’re making fantastic dentists throughout the country.”*

– Dr David Ugai,  
Mercy Ships Guinea Country Director



*“When you are specialised, you have a field in which you can excel. That is what motivated me: to have a field where I can use my competencies. Currently, we are at the bottom of the ladder - but if we have more specialists... It will change dentistry in Guinea.”*

– Dr Adama Tounkara,  
UM6SS Dental Resident

IMAGE (RIGHT):  
New clinical training centre  
under construction at the  
UGANC dental school.

IMAGE (FAR RIGHT):  
A nurse anaesthesia training  
held at a renovated classroom  
on the UGANC campus.



Discover how a partnership with one university is transforming the future of dental care in Guinea.





Togo

IMAGE:  
A patient cheers after her sight has been restored with surgery in Elavagnon, Togo.

Mercy Ships continued building upon strategic partnerships in Togo with a focus on ophthalmic surgery and training, contributing to sight restored for 1,688 people. These partnerships include supporting Sight.org, a Togo-based NGO, where we contributed to 843 cataract surgeries in 2023.

Mercy Ships also continued supporting the cataract surgical training institute of Dr Wodome, a former Mercy Ships surgical trainee who has become the nation's leading ophthalmic surgeon. He is now also serving as Mercy Ships Ophthalmic Specialty Consultant. This year, we funded 1,131 cataract surgeries at his clinic, as well as supporting the ongoing training of 10 surgical residents.



Benin

In Benin, Mercy Ships provided over 26,869 hours of nutritional agriculture training to 34 participants through the Food for Life programme. Later in the year, 101 participants expanded their surgical care skills through an Essential Pain Management course. Both courses included a corresponding Training of Trainers component, allowing new knowledge to be passed forward.



South Africa

Mercy Ships conducted eight Safer Anaesthetics from Education (SAFE) courses across South Africa this year. Led by Mercy Ships crew and staff, in tandem with partnering hospitals around the country, these courses included both SAFE Obstetrics and SAFE Paediatrics. Several of the courses included a Training of the Trainer component, equipping course participants to pass on their knowledge and train others in the same material.



Liberia

IMAGE:  
Participants during a Safe Surgery course in Liberia.

In partnership with the Ministry of Health, Mercy Ships worked alongside the healthcare system in Liberia to provide anaesthesia machine donations and train 354 training participants in 2023. These included a range of courses such as Safe Surgery, Neonatal Resuscitation, Primary Trauma Care, Nurse Training, Nutritional Agriculture and Mental Health.

As part of its long-term country engagement model, Mercy Ships also conducted a series of follow-up visits to evaluate and monitor the ongoing impact of previous training courses. In 2023, these follow-ups included revisiting previous participants in Nurse Training,, Mental Health, Primary Trauma Care and Food for Life training.

We continued to partner with Lifebox to implement their CleanCut programme, which empowers surgical teams in partner hospitals to monitor and evaluate patient outcomes, and also ran a leadership training programme in partnership with VID, a Norwegian university.

*“Mercy Ships has always been there for the people of Liberia. You’ve made a lot of sacrifices ensuring safe healthcare delivery. You’ve conducted workshops, trainings, and immense donations. Look around the entire country and see how many Glostavent Anaesthesia System machines have been donated for safe surgeries!”*

– Dr Wiyatta Diggs,  
Physician Anaesthesia Provider

# Extending the lifespan of the Africa Mercy



IMAGE:  
Volunteer Polynice Gnimassou makes use of new galley additions, including a separate bakery and hospital galley area, as well as brand new ovens to maximize efficiency and food quality.

IMAGE BELOW RIGHT:  
Dining room renovation included new booths and sound-dampening panels.

From March to December 2023, the *Africa Mercy* underwent a transformation in Durban, South Africa. During this time, the *Africa Mercy* was refitted to extend her lifespan, allowing her to continue serving as a vessel bringing hope and healing for years to come.

The refit improved areas across the entire ship. The hospital was remodelled, and the new radiology, lab, pharmacy and sterilisation equipment set up. These key hospital updates will allow Mercy Ships to provide an even higher standard of care to patients who come onboard the *Africa Mercy* in the future.

Other primary projects included maintenance and repair of the hull and rudders, as well as a complete renovation of the dining room and galley.

The information technology system was also upgraded, enhancing the ship's functionality and performance within her operating theatres.



Your gifts can help us deliver more surgeries on board the transformed *Africa Mercy*.



IMAGE:  
The installation of new X-ray and CT machines will enable advanced diagnostic photos, allowing medical crew on board to respond with enhanced speed and accuracy.



*“God has blessed us with an amazing vessel with which to serve as his hands and feet. With regular maintenance, the Africa Mercy is equipped to serve the people of Africa into the 2030s. We are overwhelmed by the amazing partnerships in South Africa that allowed us to continue the rich legacy of the Africa Mercy!”*

– Robert Corley,  
Mercy Ships Chief  
Operating Officer



IMAGE:  
The *Africa Mercy* spent a month in dry dock for propeller, shaft, hull and rudder repairs and cleaning.

## *Mercy Ships' environmental, social and governance initiatives*

In 2023, Mercy Ships continued building upon its commitment to leaving a lasting impact on the health of people and communities in sub-Saharan Africa, using its state-of-the-art hospital ships and in close collaboration with local partners and stakeholders. In the spirit of our core values to strive for excellence across all areas of operations, we are committed to upholding the highest environmental, social and governance (ESG) standards.

Each Mercy Ships vessel meets or exceeds all international environmental standards and regulations, including those relative to the environment, in particular the International Convention for the Prevention of Pollution from Ships (MARPOL), the main international convention covering prevention of pollution of the marine environment by ships from operational or accidental causes. Mercy Ships' newest hospital ship, the *Global Mercy*, was purpose-built with energy efficiency as a major component of her design. It lays a roadmap for Mercy Ships' commitment to designing future eco-friendly vessels with energy efficiency in mind, expanding our positive impact on African partner nations while minimising our impact on the environment. To maintain optimum safety and efficiency levels, ship operations are surveyed annually by Lloyd's Register.

Key features on board the vessel include modern and efficient systems that provide reliable power, clean water and air conditioning for the hospital and crew, all of which reduce the ship's total energy consumption relative to earlier generation vessels. Additionally, filtering and treating air conditioning condensate water for technical uses on board reduces total potable water use by approximately 50 per cent.

From a social perspective, the core of Mercy Ships' mission is tangibly improving the lives of individuals and communities through the delivery of direct surgical services and education, training and

advocacy programmes to its partner African nations. Since 1978, the organisation has used its model of hospital ships to provide more than 117,000 life-changing and lifesaving surgical procedures across a range of surgical specialties that are often inaccessible, unaffordable, or unsafe in the countries we serve. In tandem with these direct medical services, Mercy Ships has trained over 54,300 local professionals in their area of expertise, leading to stronger surgical care systems in the long term.

This transformative work is made possible by a crew of volunteers serving on board as well as staff working around the world, all of whom Mercy Ships is dedicated to supporting as they live out their mission. In 2023, Mercy Ships continued to invest time and resources to assess the workplace culture and ensure staff and volunteers are represented and heard, allowing us to better fulfil our mission and create a work environment where everyone feels valued.

Mercy Ships' governance model includes oversight from the Mercy Ships International Board of Directors consisting of men and women with diverse profiles from around the world. The Mercy Ships brand represents our hospital ships operating in host countries in Africa, 16 affiliated independent charities around the world under the name Mercy Ships that raise funds and recruit volunteers to staff and run our hospital ships and related operations, our headquarters in Texas, USA, and an Africa Service Center headquartered in Dakar, Senegal. Each national office is an independent charity organised under the laws of its respective country, has its own Board of Directors and complies with each country's specific legislation for non-profit, non-governmental organisations. Mercy Ships currently operates a two-ship fleet consisting of the *Africa Mercy* and the *Global Mercy*, each of which is led by a managing director and management team that reports directly to Mercy Ships' executive leadership.



## *Looking forward: Bringing hope and healing*

As we close another impactful year, we look ahead with anticipation toward the future. In 2024, we activate an operational two-ship fleet working across Africa to make hope and healing tangible for more lives than ever before.

In early 2024, upon the invitation of the government, the *Africa Mercy* sailed to Toamasina, Madagascar, to begin an initial 10-month period of work. During this time, we look forward to providing safe, free, specialised surgeries onboard as well as providing training to healthcare professionals across the surgical ecosystem. We are honoured to be welcomed to build upon years of incredible partnership with Madagascar and continue strengthening the nation's surgical system together.

Meanwhile the *Global Mercy* will complete the remainder of her work in Sierra Leone in the first half of 2024. Patients will come onboard to receive their long-awaited surgeries and experience compassionate care from volunteers and national day crew as they recover. Residencies onboard, as well as training and mentoring opportunities, will continue to take place, paving the way for an

equipped and empowered Sierra Leonean healthcare workforce. We are grateful to have been invited by the President of Sierra Leone to return to Freetown after a brief maintenance period for an additional healthcare service in 2024, allowing us to further build upon education, training and advocacy efforts and provide even more surgeries to answer the nation's great surgical needs. In Guinea, we eagerly anticipate the opening of the expanded dental training facility at the Université Gamal Abdel Nasser de Conakry, and seeing how this partner school will continue influencing many even beyond its borders.

As we look to the future with excitement and hope, we ask you to join us in praying for all that is to come. For the volunteer professionals needed to staff a two-ship fleet, for the ongoing development of five-year country engagement plans for next year and beyond, and for all the lives who will come onboard for healing.

A gift today will mean  
whole communities can  
look forward to healthier,  
happier futures.



## Taking Mercy Ships to the big screen

Mercy Ships has a new way to engage supporters and recruit volunteers by taking the cinema to them.

A portable 100-seat cinema at the UK's biggest Christian festival, *The Big Church Festival*, screened an inspiring film created with Christian television channel TBN. The moving film shows life onboard and follows a little girl, Sira, through surgery and recovery, and her return home.

Cinemagoers scanned a QR code on entry; this generated an email with a link to the film they could share, along with ways to contact Mercy Ships, resulting in a highly successful recruitment of new supporters.

A smaller cinema was used for the *New Wine* festival. The Mercy Ships cinema will continue in 2024 with a new film.



IMAGE:  
The pop-up cinema



Watch the inspiring Mercy Ships film that captivated audiences throughout the summer.

## Creative fundraising by sea, bus and plane



Emma Le Teace and her rescue cat Hudson have a huge social media following for her cruise travel reviews website *Emma Cruises*, with nearly 300,000 people subscribing to her YouTube channel.

When Emma first released a plush version of her cat dressed as 'Captain Hudson', she donated all the money to Mercy Ships. She has now sold more than 5,000 toys and raised £45,000. Emma plans to create a new version in 2024. She explained: "My followers know that by buying a Captain Hudson they are changing lives."

Adventurous grandfather Stephen Chitty decided to raise awareness of Mercy Ships by travelling to every corner

of England entirely by public buses. During his epic 40-day journey, Stephen travelled on 117 buses and slept in 30 beds.

His story gained national media attention, and his BBC interview reached millions of people. Stephen was inspired by his daughter, Lizzie, who has volunteered with Mercy Ships as a nurse seven times.

Not to be outdone, John Dawson took to the skies, with a wing walk on a vintage biplane, which was an impressive way to celebrate his 80th birthday.

He said: "Mercy Ships for me is the epitome of what we should do as people, helping those who are in such need."



IMAGES (LEFT, TOP TO BOTTOM):  
Emma Le Teace's popular 'Captain Hudson' soft toys alongside the real cat who inspired them.  
Stephen Chitty during his epic bus journey around the country.



## Celebrating our 45th anniversary and the new Volunteer Support Fund

At the Mercy Ships 45th anniversary dinner, HRH The Princess Royal celebrated the role of volunteers in delivering the life-changing work onboard our two hospital ships. Princess Anne, who became the Patron of Mercy Ships International in 2020, is a long-term supporter of the charity.

HRH The Princess Royal launched our new Volunteer Support Fund, to pave the way for more volunteers to get involved in the life-saving work of bringing surgical care to those who need it most.

She spoke about the work of the many volunteers who have played a vital role in enabling Mercy Ships to change lives over the past 45 years and the opportunity the new fund will bring. Princess Anne explained that the fund aims to bring a new generation of volunteers from across the globe onboard and give them

the opportunity to learn alongside international colleagues and bring those skills back to their own countries.

It is hoped the fund will remove the financial burden and make the opportunity to volunteer more accessible to everyone who has the desire to use their expertise and skills for Mercy Ships. The fund is imperative to our success as our volunteer needs will double in 2024, with two ships in service. This will require approximately 3,000 volunteers.

Dr Rachel Buckingham, Consultant Paediatric Orthopaedic Surgeon at the Oxford University Trust, also spoke at the dinner. She explained why she gives up her annual leave to volunteer onboard and what a privilege and joy it is for her to see the lasting legacy left to the patients and in-country professionals she mentors and trains.

IMAGE:  
HRH The Princess Royal meets Fiona Thomson and Dr Rachel Buckingham at the event.



# Financial Review and Strategic Report

## Summary

Mercy Ships UK income held up in 2023 in what was a challenging year for fundraising. The charity saw an increase in regular supporters and has seen continued success with donors committing to support our future work. This was fuelled by integrated campaigns, events and conferences to share the compelling stories of the transformed lives of both our patients and volunteer crew.

The five-year trend has seen growth of 40% (2019: £7.0m; 2023: £9.8m); this achieved during a turbulent period globally and in the UK.

## Income

Total income for the year was just over 1% down on the previous year (2022: £9.9m 2023:

£9.8m). Legacy income of £1.9m (2023: £2.4m) represented 20% of income (2022: 25%), highlighting 9% growth in non-legacy income to £7.9m (2022: £7.5m).

Once again, the response to fundraising campaigns remained strong, with many regular supporters giving additional gifts. In 2023, we gained more donors than we lost. Our Summer Match fundraising appeal was our best ever, generating just over £280k. Corporate fundraising and support from shipping companies through our Cargo Day partners continues to grow, making a significant contribution for the year. In September, we were delighted to have HRH Princess Anne, our International Patron, as the guest of honour at a successful fundraising event.

In 2023, our new ship the *Global Mercy* commenced its first field service in Senegal before moving on to Sierra Leone in August. The *Africa Mercy* underwent a 10-month refit ahead of its deployment to Madagascar in 2024.

## Expenditure

This year, total charitable expenditure increased by 9% to £7.2m (2022: £6.6m) and was used for supporting our hospital ships, crew and volunteers in delivering vital free healthcare to people facing desperate need in some of the world's poorest countries.

2023 expenditure included £1m of capital grants (2022: £24k) reflecting MSUK's commitment to our ships and operational infrastructure.

## Reserves Policy

The Directors review the reserves policy annually. In recognition of the increased responsibilities the UK is undertaking towards the expanded fleet, the Directors require Mercy Ships UK to hold reserves to cover a minimum of six months' total expenditure, based on the annual budget as agreed by the Board (these should be covered by unrestricted reserves). Restricted funds are not included in the reserves policy, as the Directors have no discretion over how they are spent. If the Directors choose to designate funds, these will not be included in the reserves policy, as they are held for a designated purpose.

## Funds

At the end of 2023, total funds stood at £6.9m (2022: £6.7m). Restricted funds amounted to £0.03m at the end of 2023 (2022: £0.74m) and are subject to conditions imposed by donors or the nature of the appeal.

On 31 December 2023, unrestricted funds are £6.9m, of which £6.6m are free reserves. This represents 7.6 months' operating costs for the 2024 total budget. Therefore, the excess of free reserves over our reserve policy allowed the Board to approve an additional grant of £750,000 on 14 March 2024.

## Going concern

We have set out above a review of the financial performance during the financial year and our reserves position at the year end. We have adequate financial resources and have the structures in place to manage the business risks. In addition, our budgeting and forecasting processes have taken into consideration the current economic climate and its potential impact on both our various sources of income and our expenditure. We have a reasonable expectation that we have adequate resources and control mechanisms to continue in operational existence for the foreseeable future. Further, we believe that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern. Therefore, we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

## Risk management

The risks which face the charity are detailed in its consolidated risk register, which the Directors keep under active review. Headline Risks in 2023:

**1.** Uncertainty brought about by the insecure economic climate and its potential impact on donors and donor acquisition.

**Mitigation:** Uncertainty has been factored into our planning and budgeting process for 2024. Regular monitoring of actual expenditure against budget is undertaken by the management team with corrective action plans, as necessary, overseen by the relevant Board Committee.

**2.** Cyber security has become a significant risk, especially in relation to online activities – of which MSUK has a full range, including our website, donor database, online donations and accounting systems.

**Mitigation:** MSUK employs a third-party IT service to provide specialist expertise. All staff received training, with frequent reminders to promote an attitude of 'everyone is responsible'. They also undertook a full review and risk assessment with recommendations that have subsequently been actioned.

## Corporate Structure and Governance

Mercy Ships UK is part of the global family of charities under the Mercy Ships banner and values. The International Support Centre of Mercy Ships Operations manages the charity's marine and medical operations internationally. Alongside the UK, 15 other nations have a registered Mercy Ships charity. These partnerships are governed by an Association Agreement, which defines the operational and strategic links between the organisations, safeguarding the independence of the UK charity and its responsibilities for data protection, financial management, safeguarding and strategic operation.

Mercy Ships UK, company number 03147724 (England & Wales), is a company limited by guarantee and not having a share capital. Our registration number with the Charity Commission for England and Wales is 1053055 and with the Office of the Scottish Charity Regulator SC039743. The charity is governed by its Memorandum and Articles of Association dated 11 December 1995, and it was incorporated on 17 January 1996. The Memorandum and Articles of Association were revised in 2007. Under the conditions of the guarantee, members' liability is restricted to £1 each. The number of members in 2023 was 11 (2022: 12).

### Mercy Ships UK's charitable objects

The Board has ongoing regard to the public benefit guidance published by the Charity Commission when reviewing the charity's activities and future plans. Mercy Ships continues to make a significant impact in numerous communities and on thousands of individual lives in Africa, through surgical interventions carried out on the *Global Mercy* and the *Africa Mercy*, in onshore facilities, and through the lasting legacies left behind through extensive training and capacity building, and as such funding provided by the UK is utilised exclusively to this end. Regular monitoring and reporting of projects is carried out to ensure

that Mercy Ships continues to deliver world-class healthcare and is utilising funds in line with the wishes of donors in the UK.

### Safeguarding

Mercy Ships UK appointed a Principal Safeguarding Officer in 2020 who oversees the implementation of safeguarding measures across the whole organisation. Alongside this, we have a Safeguarding Lead on the Board, as well as external support from a specialist Safeguarding organisation. The Safeguarding Policy and procedures were reviewed in 2023, resulting in updated policies and procedures across the UK operation and globally. These are reviewed annually, along with all Board policies. The Board are confident these measures will continue to maintain the high standards of protecting vulnerable people and putting quality of care at the centre of all we do.

### Board and management roles

The Mercy Ships UK Board of Trustees is legally responsible for the overall control of the charity and for ensuring that it is properly managed.

The Board's principal roles are:

- Approving the mission, vision, strategies, high-level policies and annual business plan
- Appointing and overseeing the Chief Executive Officer
- Monitoring performance and risk management
- Reporting performance with integrity and transparency
- Ensuring compliance with UK law and Charity Commission regulations
- Managing its governance processes
- Adding value by advising management
- Representing the interests of Mercy Ships UK's stakeholders.

The Board delegates responsibility for operational management to the Chief Executive Officer (the Principal Officer), who is responsible for developing the organisation's plans, policies and processes, following Board advice and approval. The Executive Leadership Team, made up of Finance Director, Director of Engagement, Director of Philanthropy and the Chief Executive Officer, supports the leadership of the organisation's strategic growth. Salaries of key personnel are benchmarked annually with external research and agreed by the Board of Directors.

Mercy Ships UK complies with Fundraising Standards Board requirements and is registered with the Fundraising Regulator, only utilising agencies that are compliant with these standards.

Mercy Ships does not solicit gifts by door-to-door acquisition methods, has received no complaints from any regulator and ensures that all donors receive only the communications they request.

### Board composition

The Board comprises independent, unremunerated, non-executive directors (trustees) who have a broad range of skills and experience. Recognising the international collaboration of charities, Mercy Ships UK provides two Board members to the Mercy

Ships International Board (total 34 members), and in return receives up to two members from the International Board as full Mercy Ships UK directors. As the Board continues to be strengthened and expanded, the directors are committed to the highest standards and encouraging applications from a diverse range of individuals.

Director recruitment, induction and training are overseen by the Nominations and Governance Committee.

### Board expenses

No fees or remuneration are paid for serving as a Mercy Ships UK Board member. Mercy Ships UK reimburses reasonable expenses incurred while acting as a director. This includes travel and accommodation expenses required to attend meetings, training and orientation costs. Every effort is made to ensure costs are at a minimum.

### Board meetings

The Board meets four times a year, with additional meetings as required. The Board has three subcommittees:

- Finance, Audit and Risk
- Nominations and Governance
- Income Strategy.



IMAGE:

As a child, Hawa was a patient on the *Anastasis*, where Dr Gary Parker successfully removed a tumour that was affecting her ability to eat and breathe. Hawa is now studying to become a nurse and hopes that she will serve with Mercy Ships herself.

Statement  
of Directors’  
Responsibilities

The Directors are responsible for preparing the Directors’ Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in the UK (United Kingdom Accounting Standards and applicable law). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company, and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions, and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and that the assets are properly applied in accordance with charity law hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have taken all steps that they ought to have taken in order to make themselves aware of any information relevant to the audit, establish that auditors are aware of that information and that there is no information relevant to the audit of which the charitable company’s auditors are unaware.

The Directors have prepared this report in accordance with the provisions applicable to companies subject to the small companies regime.

By order of the Board of Directors,

*M Spence*

Dr Michael Spence  
Chair of Trustees

Statement of Financial Activities

for the year ended 31 December 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Income from generated funds</b>							
Donations and legacies	2	8,791,946	837,308	9,629,254	7,848,009	2,036,558	9,884,567
<b>Other income</b>							
Investments	3	16,168	–	16,168	10,112	–	10,112
GIK		1,833	–	1,833	33,399	–	33,399
Interest		113,965	–	113,965	–	–	–
<b>Total income</b>		<b>8,923,912</b>	<b>837,308</b>	<b>9,761,220</b>	<b>7,891,520</b>	<b>2,036,558</b>	<b>9,928,078</b>
<b>Expenditure</b>							
Cost of generating funds	4	2,344,071	–	2,344,071	2,136,524	–	2,136,524
Cost of trading		–	–	–	–	–	–
Charitable activities	5,6	5,651,593	1,549,247	7,200,840	5,318,692	1,303,828	6,622,520
<b>Total expenditure</b>		<b>7,995,664</b>	<b>1,549,247</b>	<b>9,544,911</b>	<b>7,455,216</b>	<b>1,303,828</b>	<b>8,759,044</b>
<b>Net income/ expenditure before other recognised gains and losses</b>		<b>928,248</b>	<b>(711,939)</b>	<b>216,309</b>	<b>436,304</b>	<b>732,730</b>	<b>1,169,034</b>
Net realised gains/(loss) on investments	15	(5,761)	515	(5,246)	(28,628)	–	(28,628)
<b>Net movement in funds before transfers</b>		<b>922,487</b>	<b>(711,939)</b>	<b>211,063</b>	<b>407,676</b>	<b>732,730</b>	<b>1,140,406</b>
Transfers between funds		–	–	–	–	–	–
<b>Net movement in funds</b>		<b>922,487</b>	<b>(711,424)</b>	<b>211,063</b>	<b>407,676</b>	<b>732,730</b>	<b>1,140,406</b>
Total funds brought forward	19	5,961,197	740,000	6,701,197	5,553,521	7,270	5,560,791
<b>Total funds carried forward</b>		<b>6,883,684</b>	<b>28,576</b>	<b>6,912,260</b>	<b>5,961,197</b>	<b>740,000</b>	<b>6,701,197</b>

Balance Sheet

for the year ended 31 December 2023

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	13	–	–
Tangible assets	14	12,127	9,909
Investments	15	308,868	300,947
		<b>320,995</b>	<b>310,856</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	16	406,184	457,730
Cash at bank and in hand		6,613,910	6,143,811
		<b>7,020,094</b>	<b>6,601,541</b>
Creditors: amounts falling due within one year	17	(428,829)	(211,200)
<b>Net current assets</b>		6,591,265	6,390,341
<b>Net assets</b>		6,912,260	6,701,197
<b>The funds of the charity:</b>			
Unrestricted funds	19	6,883,684	5,961,197
Restricted funds	19	28,576	740,000
<b>Total charity funds</b>		<b>6,912,260</b>	<b>6,701,197</b>

The financial statements of Mercy Ships UK, company number 03147724, were approved by the Board of Directors on 21 March 2024.

Dr Revd Michael Spence, Director

D M Zuydam, Director

Statement of Cash Flows

for the year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities:		
<b>Net cash provided by operating activities</b>	<b>361,911</b>	<b>1,111,316</b>
Cash flows from investing activities:		
Purchase of fixed assets	(10,612)	(11,460)
Dividends, interest and rents from investments	131,967	43,511
Purchase of investments	(22,572)	(113,601)
Disposal of investments	9,409	106,490
<b>Net cash provided by investing activities</b>	<b>108,192</b>	<b>24,940</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>470,103</b>	<b>1,136,256</b>
Cash and cash equivalents at the beginning of the reporting period	6,143,807	5,007,555
Change in cash and cash equivalents due to exchange rate movements	–	–
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>6,613,910</b>	<b>6,143,811</b>
<b>Reconciliation of net income to net cash flow from operating activities</b>		
	<b>2023 £</b>	<b>2022 £</b>
Net income for the reporting period	211,063	1,140,405
Adjustments for:		
Depreciation charges	8,392	5,141
Unrealised gains in investments	5,246	28,628
Dividends, interest and rents from investments	(131,967)	(43,511)
Decrease/(increase) in debtors	51,547	(64,913)
(Decrease)/increase in creditors	217,630	45,567
<b>Net cash provided by operating activities</b>	<b>361,911</b>	<b>1,111,316</b>
<b>Analysis of cash and cash equivalents</b>		
	<b>2023 £</b>	<b>2022 £</b>
Cash in hand	6,613,910	6,143,811
<b>Total cash and cash equivalents</b>	<b>6,613,910</b>	<b>6,143,811</b>

Notes to the Accounts

for the year ended 31 December 2023

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the charity's financial statements are as follows:

a. Basis of preparation

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

After making enquiries, the Trustees have reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

b. Income

All income is recognised in the Statement of Financial Activities when the charity is entitled to the income, has certainty of receipt and the amount can be quantified with reasonable accuracy.

Donated goods and services of medical equipment which are intended to be used to further Mercy Ships objectives are valued at market value and included in income when distributed or utilised.

Legacies are included as income when the charity is notified of an impending distribution or the date of receipt. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where a legacy has been notified to the charity and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

c. Expenditure

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Where expenditure cannot be directly attributed to particular headings, it is allocated on a basis consistent with the use of the relevant resources measured by reference to staff time.

Costs of generating funds relates to activities that are intended to generate income. The cost of fundraising campaigns is expensed in the year in which it is incurred although income derived from the initiatives may arise in future years.

Charitable activities comprise of the following:

- Grants payable from restricted and unrestricted funds for Mercy Ships' programmes
- Direct costs and programme support costs incurred by UK-based staff in assisting programmes overseas, including staffing, volunteers and procurement
- Governance costs relate to the direct management functions and support costs inherent in the activities of the charity. They provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability, and include the strategic planning processes that contribute to the future development of the charity.

d. Tangible fixed assets and depreciation

Except for laptops and computer peripherals which are expensed on acquisition, tangible fixed assets costing more than £1,000 (exc VAT)

are capitalised.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its estimated useful life as follows:

- Leashold improvements 33%
- Office equipment and computers 33%
- Fixtures & fittings 20%
- Motor vehicles 20%.

e. Intangible fixed assets and amortisation

Amortisation is provided on all intangible assets at 33% per annum to write off the cost evenly over its estimated useful life.

f. Investments

Investments are initially recognised at their transaction value and subsequently stated at their fair value at the balance sheet date using the closing quoted market price. Income arising from investments is recognised as it arises. The statement of financial activities includes the net gains and losses arising on revaluation throughout the year.

g. Funds

Restricted funds are subject to conditions imposed by donors.

Designated funds are amounts which have been put aside at the discretion of the Trustees.

The General fund comprises of accumulated surpluses less deficits after transfers to designated funds. It allows the charity to budget for anticipated commitments in the short- and medium-term and to provide adequate working capital.

h. Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

i. Stock

Merchandise stock is stated at the lower of cost and net realisable value.

j. Foreign exchange

Transactions denominated in foreign currency are translated into Sterling and recorded at the exchange rates ruling at the date of the transactions. Monetary assets and liabilities denominated in a foreign currency are translated into Sterling at the exchange rates at the balance sheet date. Translation differences are dealt with in the Statement of Financial Activities.

k. Leasing commitments

Rentals paid under operating leases are charged to income as incurred.

l. Irrecoverable Value Added Taxation

The company is unable to recover the majority of Value Added Taxation charged on its purchases which is included in the related expense or asset in the accounts.

m. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. The key estimate and assumption made in these accounts are considered to be the recognition of legacy income as set out in note 1.b.

2. Income from donations and legacies

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Gifts and grants	6,897,751	837,308	7,735,059	5,713,690	1,051,047	6,764,737
Institutional funding	9,965	–	9,965	–	685,511	685,511
Legacies	1,884,230	–	1,884,230	2,134,319	300,000	2,434,319
	8,791,946	837,308	9,629,254	7,848,009	2,036,558	9,884,567

Gifts and grants include related Gift Aid.

3. Other income

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Investments	16,168	–	16,168	10,112	–	10,112
GfK income	1,833	–	1,833	33,309	–	33,309
Interest	113,965	–	113,965	90	–	90
	131,966	–	131,966	43,511	–	43,511

4. Cost of generating funds

	Cost of generating funds £	Cost of trading £	2023 Total £	2022 Total £
Staff costs	779,296	–	779,296	824,065
Direct costs	1,377,202	–	1,377,202	1,087,126
Support costs (see note 7)	187,573	–	187,573	225,333
	2,344,071	–	2,344,071	2,136,524

5. Charitable activities

	2023 Total £	2022 Total £
Staff costs	1,385,415	967,380
Direct costs	384,894	433,875
Support costs (see note 7)	266,225	296,690
Grants (see note 6)	5,164,306	4,924,576
	7,200,840	6,622,521

The cost of the statutory audit was £16,800 (2022: £13,230) which is shown within direct costs.

6. Charitable activities (grants breakdown)

Grants made for Mercy Ships International programmes	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Mercy Ships programmes	3,615,059	69,747	3,684,806	3,742,776	811,361	4,554,137
Crew support	–	115,298	115,298	–	105,480	105,480
Financial aid for crew	–	24,089	24,089	–	31,027	31,027
Medical	–	26,046	26,046	–	164,902	164,902
Community	–	562	562	–	7,499	7,499
Capacity building	–	284,625	284,625	–	37,005	37,005
Vehicles	–	–	–	–	–	–
New ship		1,028,880	1,028,880		24,526	24,526
Total grants made	3,615,059	1,549,247	5,164,306	3,742,776	1,181,800	4,924,576

All grants made for Mercy Ships International programmes are made directly to Mercy Ships International or Mercy Ships Global Association.

7. Support costs

	Fundraising for donations	Charitable activities £	2023 Total £	2022 Total £
Staff costs	53,982	109,601	163,583	257,095
Training	3,462	7,029	10,491	18,496
Travel and subsistence	15,607	8,920	24,527	31,450
Motor vehicle	820	1,664	2,484	822
Facilities and supplies	71,046	95,961	167,007	131,721
Communications	3,271	6,641	9,912	12,215
Equipment maintenance and rental	561	1,139	1,700	10,161
Bank charges	34,675	18,482	53,157	52,205
Legal and professional	1,379	11,165	12,544	2,717
Depreciation	2,770	5,623	8,393	5,141
	187,573	266,225	453,798	522,023

Charitable expenditure includes total governance costs of £31,943 (2022: £20,900). This includes the cost of the statutory audit which was £16,800 (2022: £13,230).

8. Net income for the year

	2023 £	2022 £
Depreciation of owned assets	1,631	1,958
Amortisation of owned intangible assets	–	–
Directors’ indemnity insurance	7,733	7,035
Operating lease rentals – land and buildings	42,395	48,360
Operating lease rentals – plant and machinery	–	–
Operating lease rentals – motor vehicles	–	–
Auditors’ remuneration – audit	16,800	13,230
Auditors’ remuneration – non audit services	5,174	4,596

At 31 December 2023 the charitable company had commitments under non-cancellable operating leases for buildings which expire:

	2023 £ Within one year	2023 £ Between two and five years	2022 £ Within one year	2022 £ Between two and five years
Land and buildings	53,678	44,854	53,676	98,258
	53,678	44,854	53,676	98,258

9. Directors’ remuneration

The Directors received no remuneration for their services.  
No directors received payment for professional or other services provided to the charitable company.  
Michael Spence was reimbursed for Scotland MSI board meeting travel and related costs £472.38 (2022: £0).

10. Staff costs

	2023 £	2022 £
Gross wages and salaries	1,874,239	1,547,270
Employers’ NI	201,523	166,860
Pension costs	98,116	77,315
SMP reclaimed	(10,316)	–
	2,163,562	1,791,445

The number of employees whose actual emoluments (including benefits in kind, but excluding pension contributions) fell in the following bands:

	2023 Number	2022 Number
£60,001 – £70,000	3	1
£70,001 – £80,000	0	1
£80,001 – £90,000	2	2

Key personnel salaries for 2023 totalled £378,871 for 5 people (2022: £180,240 for 4 people).

The average number of employees in 2023 was 45.50 (2022: 37.35).  
The number of employees, calculated on a full time equivalent basis, analysed by activity was:

	2023 Number	2022 Number
Fundraising	16.8	17.5
Charitable programmes – UK	8.8	6.3
Charitable programmes – direct	19.0	13.3
Governance	0.9	0.5
	45.5	37.6

11. Volunteer costs

	2023	2022
Total number of UK volunteers	47	157
Contributed services valuation	£2,720,832	£2,464,977

12. Related party transactions

Mercy Ships International Board members: Dr Michael Spence, Lois Boyle, Dr Michelle White.

Mercy Ships Operations (MSO), MSO transactions: MSUK recharged costs amounting to £1,013,942 (2022: £878,295) in respect of salaries for seconded staff. £131,621 (2022: £0) was recharged by MSO.

Grants given to MSO programmes £5,164,306 (2022: £4,924,576).

Mercy Ships Global Association (MSGA): Joanne Balaam, Delegate to the General Assembly.

MSGA: Grants made to MSGA amounted to £51,389 (2022: £46,564).

Personal donations amounting to £14,835 (2022: £8,523) were received from seven directors (2022: seven) in the year.

## 13. Intangible fixed assets

	Software £	
<b>Cost</b>		
At 1 January 2023	30,000	
Additions	–	
At 31 December 2023	<b>30,000</b>	
<b>Accumulated amortisation</b>		
At 1 January 2023	30,000	
Charge for the year	–	
At 31 December 2023	<b>30,000</b>	
<b>Net book value</b>		
At 31 December 2023	–	
At 31 December 2022	–	

## 14. Tangible fixed assets

	Leasehold improvements £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2023	43,603	16,468	13,825	73,896
Additions	2,230	8,381	–	10,611
Disposals	–	–	–	–
At 31 December 2023	<b>45,833</b>	<b>24,849</b>	<b>13,825</b>	<b>84,507</b>
<b>Accumulated depreciation</b>				
At 1 January 2023	35,326	14,836	13,825	63,987
Charge for the year	4,006	4,387	–	8,393
Disposals	–	–	–	–
At 31 December 2023	<b>39,332</b>	<b>19,223</b>	<b>13,825</b>	<b>72,380</b>
<b>Net book value</b>				
At 31 December 2023	<b>6,500</b>	<b>5,627</b>	–	<b>12,127</b>
At 31 December 2022	8,277	1,632	–	9,909

## 15. Investments

	2023 £	2022 £
Market value at 1 January 2023	300,947	322,462
Additions	22,576	113,604
Transfers	1,948	(3,467)
Disposals	(11,357)	(103,024)
Gain on revaluation	(5,246)	(28,628)
<b>Market value at 31 December 2023</b>	<b>308,868</b>	<b>300,947</b>

The investments held are in UK government stocks and collective UK and global investments. They are managed by Rathbone Investment Management Ltd.

## 16. Debtors

	2023 £	2022 £
Income tax recoverable	132,203	158,463
Other debtors	24,838	9,645
Prepayments and accrued income	249,143	289,622
	<b>406,184</b>	<b>457,730</b>

## 17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	331,775	99,284
Taxation and social security	64,702	42,615
Accruals	32,352	69,301
	<b>428,829</b>	<b>211,200</b>

18. Analysis of charitable funds between net assets

	Fixed assets £	Net current assets £	Total £
<b>Unrestricted funds</b>			
General fund	320,995	6,562,688	6,883,683
	<b>320,995</b>	<b>6,562,688</b>	<b>6,883,683</b>
<b>Restricted funds</b>			
Mercy Ships programmes	-	-	-
Crew support	-	28,577	28,577
Financial aid for crew	-	-	-
Medical programmes	-	-	-
Community programmes	-	-	-
Capacity building	-	-	-
Vehicles	-	-	-
Global Mercy construction	-	-	-
	-	<b>28,577</b>	<b>28,577</b>
<b>Total charitable funds</b>	<b>320,995</b>	<b>6,591,265</b>	<b>6,912,260</b>

19. Analysis of movements in charitable funds

	Balance at 01-Jan 2023 £	Income (including gains on investments) £	Expenditure (including losses on investments) £	Balance at 31-Dec 2023 £
<b>Unrestricted funds</b>	5,961,197	8,918,151	7,995,664	6,883,684
General fund	<b>5,961,197</b>	<b>8,918,151</b>	<b>7,995,664</b>	<b>6,883,684</b>
<b>Restricted funds</b>	-	69,747	69,747	-
Mercy Ships programmes	-	143,874	115,298	28,576
Crew support	-	24,089	24,089	-
Financial aid for crew	-	26,046	26,046	-
Medical programmes	-	563	563	-
Community programmes	-	284,625	284,625	-
Capacity building	-	288,880	288,880	-
Global Mercy construction	<b>740,000</b>	<b>837,824</b>	<b>1,549,248</b>	<b>28,576</b>
<b>Total funds</b>	<b>6,701,197</b>	<b>9,755,975</b>	<b>9,544,912</b>	<b>6,912,260</b>

20. Taxation

As a registered charity, Mercy Ships UK Limited is exempt from taxation on its income and gains to the extent that they are applied for its charitable purposes.

Independent Auditor’s Report

to the Members of Mercy Ships - UK Limited

Opinion

We have audited the financial statements of Mercy Ships UK Limited (the ‘charity’) for the year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 31 December 2023 and of its Income and Expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the financial statements” section of our report. We are independent of the charity 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 charity’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Strategic report and Report of the Trustees, other than the financial statements and our auditor’s report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 strategic report and the Trustees’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Trustees’ report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Trustees’ report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- 1 adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- 2 the financial statements are not in agreement with the accounting records and returns; or
- 3 certain disclosures of Trustees’ remuneration specified by law are not made; or
- 4 we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees’ responsibilities statement set out on page 44, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation and non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006, the Charities Act 2011 and the Charities Statement of Recommended Practice.

In addition, we evaluated the Trustees’ and management’s incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor’s report.

Use of the audit report

This report is made solely to the charity’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 charity’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 anyone other than the charity and the charity’s members as a body for our audit work, for this report, or for the opinions we have formed.



Jonathan Marchant (Senior Statutory Auditor) for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
90 Victoria Street, Bristol, BS1 9DP  
Date: 21st March 2024

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