



Celebrating Hope



Company No: 3147724 (England & Wales)
Registered Charity No: 1053055
Registered Charity in Scotland No: SC039743



2022 Annual Report



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Image: Coumba, before surgery to release a burn contracture on her hand and arm. Coumba was burned at age 4, rescuing her brother from a cooking fire.



MISSION

Mercy Ships follows the 2,000-year-old model of Jesus, bringing hope and healing to the world's forgotten poor.



VISION

Mercy Ships uses hospital ships to transform individuals and serve nations one at a time.



VALUES

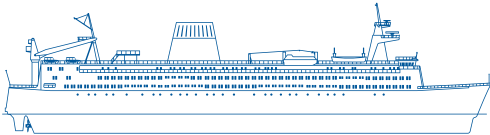
- Love God
- Love and serve others
- Be people of integrity
- Strive for excellence in all we say and do



IMPACT

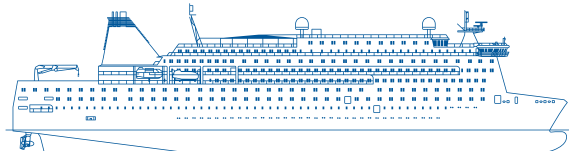
Each year, 16.9 million people around the world die due to lack of access to surgical care. Mercy Ships deploys hospital ships to provide free surgeries. Since 1990, Mercy Ships has conducted 42 field services in 14 African countries, most of which are ranked by the United Nations Development Index as the least developed in the world. In addition to surgical care, Mercy Ships creates lasting impact by training local medical professionals and strengthening in-country healthcare systems.

Our ships



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



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

Letter from the Founder

When Deyon and I began pursuing our dream of using hospital ships to reach people in need of hope and healing over 40 years ago, I never could have dreamed of what the future would hold. This previous year, in particular, has been one of great hope. Throughout 2022, I had the privilege of seeing promises fulfilled and hope and healing in action. From the return of the *Africa Mercy* to Senegal, to the fulfillment of our longtime dream of launching the *Global Mercy* with our African partner countries we have been in a season of blessing.

I will never forget standing on the bow of the *Global Mercy* last summer, as it sailed in to join the *Africa Mercy* in Dakar, Senegal, and thinking, "God is good. Mercy Ships and Africa together have the greatest future ahead."

*"God is good.
Mercy Ships and
Africa together have
the greatest
future ahead."*

That future of Mercy Ships is possible because of the partnerships with the countries we serve, the compassion of our volunteer crew, and the generosity of our friends and partners. And for that, I am grateful.

As you read the following pages of our annual report, it is our hope that the stories of transformation and partnership continue to fuel your passion. You make these stories — from our efforts on board our hospital ships to our efforts around the continent — a possibility. Thank you.

Following the model of Jesus,



Don Stephens
Founder, Mercy Ships



From the Chair of Mercy Ships UK



"It is a huge privilege to support the staff, volunteers and donors whose passionate commitment is rapidly expanding our reach and the number of people to whom we can bring much-needed care".

It is a huge privilege for me to write this, my first letter as Chair of Mercy Ships UK, and to reflect on a year that saw the launch of the *Global Mercy*. How incredible to have two ships at sea!

We now have an opportunity to save and improve so many more lives, and I thank each and every one of you, whether staff, supporter or volunteer, who has enabled us to be in this position. Thank you.

At our wonderful Southwark Cathedral Carol Service - so joyfully filled with so many of you thanks to the end of Covid restrictions - we celebrated the work of Mercy Ships in bringing healing, and training medical and health professionals in the tradition that started with the child Jesus.

Our humanity has extraordinary value, and throughout the New Testament there are hints that in serving human beings, we are serving Jesus himself. What makes people give up a salary, indeed pay for the privilege, to work on a hospital ship? It is a deep conviction that every individual is a creature of inestimable worth, worthy of the deepest care and respect.

In the pages that follow, you will read examples of that deepest care and respect, in our partnership with African countries, in our fundraising, and in our volunteering. As you well know, with two ships to staff, our need to continue finding volunteers and funding our work is greater than ever.

Mercy Ships UK is a crucial part of the global Mercy Ships family - we recruit, nurture and support a large number of the incredible professionals who give their time and money to serve on our ships, or who give up their finances to fund life-saving and life-changing work. Thank you.

I follow in the big footsteps of Henry Clarke, whose 40 years of service as a founding trustee of Mercy Ships UK stood us in such good stead. Henry moved on to become an international director of the Mercy Ships Foundation Board, and we are glad to still have him onboard with his expertise.

It is a huge privilege to be able to play a part in our work as Chair of Trustees and to support the staff, volunteers and donors whose passionate commitment is rapidly expanding our reach and the number of people to whom we can bring much-needed care.

May you enjoy reading the pages that follow and seeing the incredible impact that your support enables.

A handwritten signature in black ink that reads "M Spence". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Dr Michael Spence
Chair, Mercy Ships UK

From the Chief Executive Officer



This past year has brought both celebration and reflection; thank you for your support throughout another year of change.

We welcomed the launch of the *Global Mercy*, increasing our ability to save and improve lives globally. We also celebrated the strengthened partnership with the continent of Africa through the Dakar Celebration in May, as you will read in these pages.

This is an exciting time for the future of global healthcare.

And yet we were also deeply saddened by the passing of Her Majesty Queen Elizabeth II. She led a life of faith and hope, inspiring countless people through her seven decades of unwavering service and leadership. In times of chaos, her presence was steadfast and true.

As we remember her with great fondness, we commit to living out the values she inspired, and are delighted that her daughter HRH The Princess Royal, is our international patron. Seeing Princess Anne greet and thank our incredible volunteers at the launch of the *Global Mercy* in Rotterdam this March reminded me just how brilliant our UK volunteers are.

I am filled with admiration and gratitude for each volunteer who offered their time and professional skills so generously and with such dedication, and for every faithful supporter who helped to make our work possible and during another challenging year.

Whether medical or administrative, teacher or electrician, our UK volunteers are critical to the safety of our ships and the life-changing work they deliver – see p36-37.

Mercy Ships UK staff also continue to inspire me every day with their resilience and impressive performance. I am delighted that we have been able to strengthen our staff team and continue to build relationships with our many supporters.

Together, we ensure that Mercy Ships continues to work in partnership with local healthcare professionals across Africa. This year 1,774 surgical patients received 2,313 surgeries, plus 1,435 dental patients and over 90,000 hours were spent on medical capacity building.

As we move into 2023, I trust that this report will inspire you and that you will continue to support us. Through your donations and your partnership, you help empower nations to provide better healthcare, and you share hope and healing with women, men and children facing real need.

Thank you!

Joanne Balaam
Chief Executive Officer, Mercy Ships UK



2022 in Review

For Mercy Ships, 2022 was a year filled with unique challenges, yet overflowing with restored hope and fresh opportunities for transformation. Our programmes remained active in sub-Saharan Africa throughout the pandemic, but when the *Africa Mercy* resumed work in Senegal in February 2022, we were able to provide more life-changing surgeries to the patients who needed them the most.

The year also marked many milestones in the journey of the *Global Mercy*, including finishing a season of equipping in Antwerp, Belgium, and making a two-week visit to Rotterdam, the Netherlands. There more than 25,000 visitors journeyed through her decks — both in person (12,300-plus) and virtually (13,000-plus) — in an unparalleled tour experience. We even welcomed some very special guests, including corporate partners from around the world, HRH Princess Anne of the UK, and world-renowned opera singer Andrea Bocelli, who performed a concert on board.

Overall, the events led to more than £34.8 million in earned media value and thousands of new volunteer leads, paving the way for more opportunities for impact.

In June we operated a two-ship fleet side-by-side in Africa. The *Global Mercy's* first opportunity to participate in programmatic work resulted in training opportunities for 245 Senegalese healthcare professionals.

We worked together with Africa in new and profound ways, paving a path for monumental change. From the findings of an African-led International Symposium to the commitment to the Dakar Declaration for greater access to safe surgery, hope is on the horizon.

All the while, programmes spanning Guinea, Liberia, Togo, Benin, and beyond continued to transform lives. Thank you for being a part of this story — and for celebrating hope together with Mercy Ships this year.

Image: The *Africa Mercy* and the *Global Mercy* together in Dakar, Senegal.



7 Countries
with Active Programmes



2,335
Total Surgical Patients



1,200+
Volunteers



3,201
Total Surgeries



200+
National Crew
in Senegal



1,920
Total Dental Patients



2,545
Total Medical Capacity
Building Participants



186 Local
Partners



224,459
Total Medical Capacity
Building Participant Hours

Images: Daouda, age 13, before and after surgery on the Africa Mercy in Senegal.



The Journey of the *Global Mercy* in 2022

From shipyard to service and back again — the *Global Mercy* sailed quite the journey in 2022. At the beginning of the year the world's largest civilian hospital ship underwent equipping projects in ❶ Antwerp, Belgium before spending two weeks welcoming visitors in the ❷ Port of Rotterdam, the Netherlands.

Next, the *Global Mercy* continued a series of projects in ❸ the Canary Islands, from equipping the operating rooms to refining the information systems.

In June 2022 we celebrated a long-awaited sight: the organisation's first purpose-built vessel arriving where she was made to be. ❹ In Africa.

Welcomed by H.E. President Macky Sall of Senegal, the *Global Mercy* joined the *Africa Mercy* in Dakar and was officially inaugurated into the Mercy Ships

fleet. The celebration included a symbolic torch ceremony signaling unity between the two ships.

During her season in Dakar more than 245 healthcare professionals came on board for a series of eight medical capacity building courses. Of the 37 course facilitators, 27 were African.

The *Global Mercy* returned to the ❺ Canary Islands to finish equipping projects and prepare for her first full field service scheduled for early 2023.

"This is history in the making . . . More lives and communities transformed, and more opportunities to stand alongside our partners in Africa to train and mentor the healthcare workers here and strengthen surgical systems."

— *Nathan Claus, Senior Director of Clinical Services*

Image: The *Global Mercy* arrives in Dakar, Senegal.

Watch
the Rotterdam
visit recap



"This is history in the making and the difference is lives changed..."

Working in partnership to change lives

During the pandemic, Mercy Ships was able to work on the ground in multiple African nations, deepening and developing new partnerships to provide crucial capacity building, training and mentoring, infrastructure projects, and investing in people and equipment across the continent – as well as direct patient care.

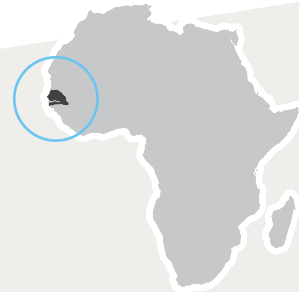
In 2022 with COVID 19 health and safety measures in place, we have been able to provide operations to 695 people on board the *Africa Mercy* this year. Meanwhile, 764 healthcare professionals received training through a variety of Medical Capacity Building courses in

Senegal, from safe surgery and sterile processing to palliative care, mental health and more.

All of this life-changing work has been made possible through our partnerships, not least of all with the Senegalese government.

“On behalf of Mercy Ships, I would like to extend a special thank you to President Macky Sall for his friendship and support, which enabled us to once again bring hope and healing to Senegal.”

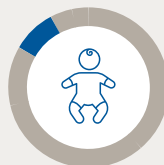
—Gert van de Weerdhof, Mercy Ships Interim Global Chief Executive Officer



765
Total Surgeries



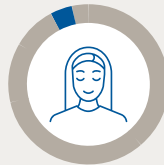
296
General Surgeries



68
Paediatric Specialised General Surgeries



252
Maxillofacial Surgeries



34
Women's Health Surgeries



90
Reconstructive Plastic Surgeries



25
Orthopaedic Surgeries

Watch
our first
patients arrive
on board

Image: Aissatou, 4 years old, after surgery to repair her cleft lip.



Medical Capacity Building in Senegal

We are grateful both ships served in Senegal in 2022. Lives continued to be changed through surgeries and training on the *Africa Mercy*. Valuable training programmes were also conducted on board the *Global Mercy*.

More than 1,000 Senegalese healthcare professionals participated in courses including SAFE Obstetric Anaesthesia, safe surgery, palliative care, nurse mentoring, and mental health, equipping them with the skills to strengthen their systems from within.

See the first MCB Courses on the *Global Mercy!*



1,006

Unique Medical Capacity Building Course Participants

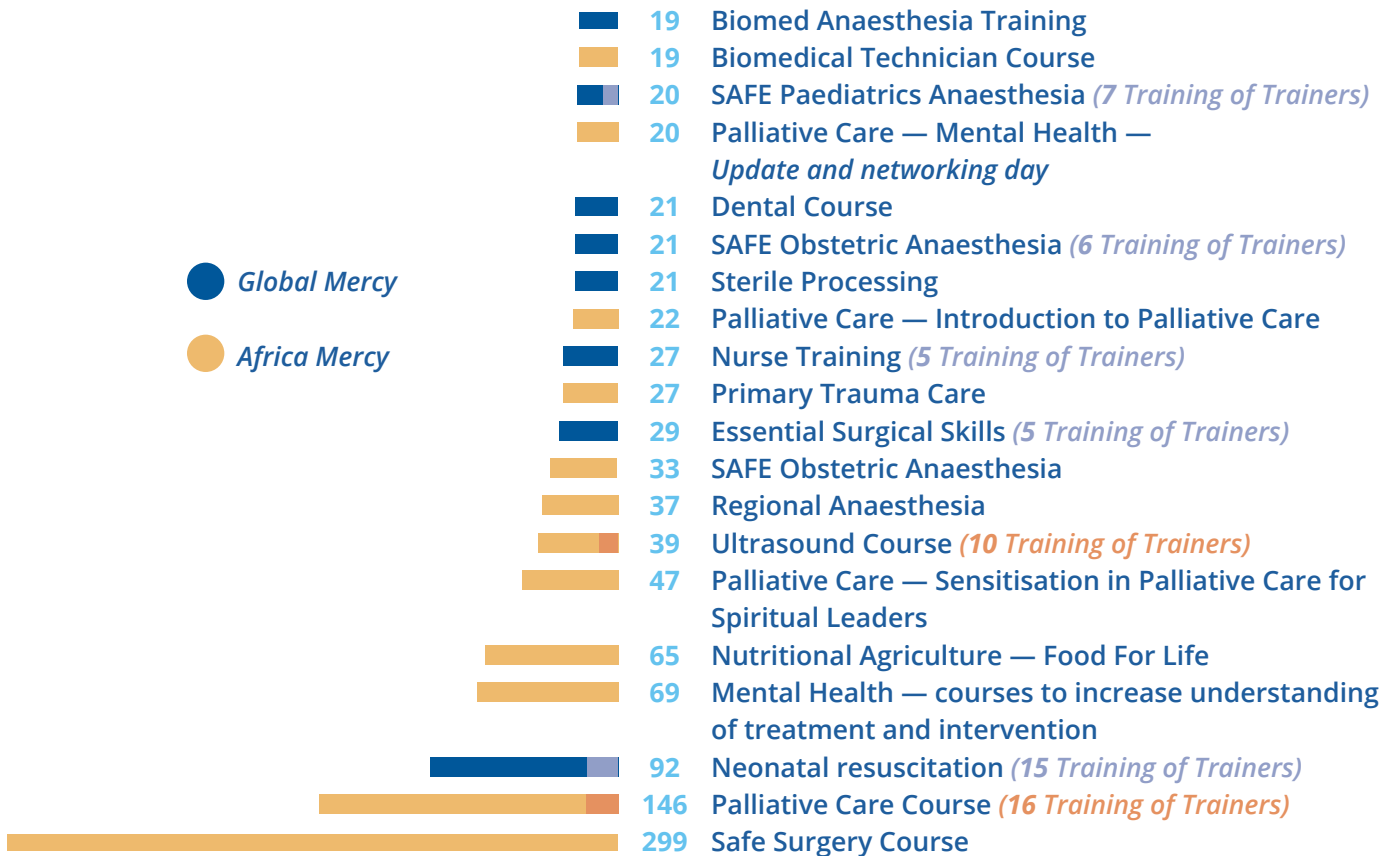


49,368

Participant Course Hours

PARTICIPANTS

- *Global Mercy*
- *Africa Mercy*

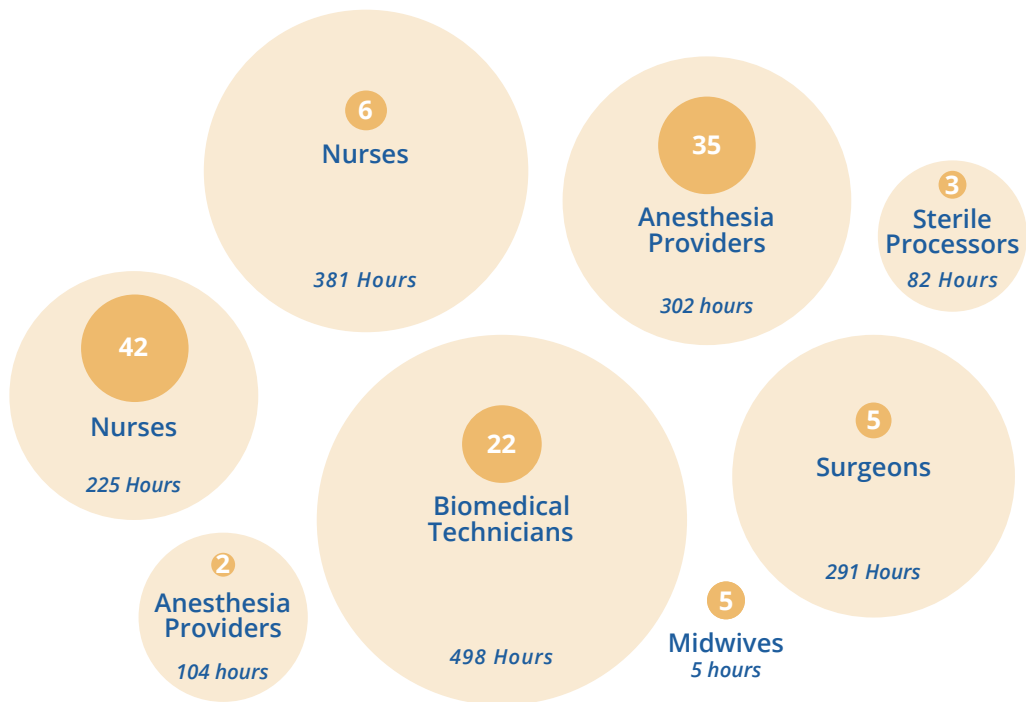




115
Unique Mentoring
Participants



1,887
Participant
Mentoring Hours



Mentoring Participants



Participant Hours

Image: Senegalese surgeons during the Essential Surgical Skills training course on board the Global Mercy.



Medical Capacity Building Stories: Lasting Impact in Action

On the heels of the Dakar Declaration we saw a growing focus on the future of sustainable, safe surgical care. On both the *Global Mercy* and the *Africa Mercy*, as well as across Africa, training continues to transform communities. Here are just two stories of surgeons who received training and now mentor others in their respective fields.

Dr Mohamed Sabounji

The Journey to Becoming Senegal's First Paediatric Orthopaedic Surgeon

In Senegal, children with lower-limb conditions have struggled to find local specialists who can help. In a country of 16 million, there is not one paediatric orthopaedic surgeon. Dr Mohamed Sabounji aimed to be the first.

In 2019, he received training from Mercy Ships on the Ponseti method. It's the gold standard in correcting clubfoot, a treatable condition in which the foot is turned in or under, making walking difficult. Dr Sabounji called the training "a life-changing experience, both personally and professionally."

He then partnered with Mercy Ships to develop a free clubfoot clinic in Dakar. Over five months, he treated 18 young patients, watching cast changes and rehab exercises correct twisted feet until they could walk with ease. When the *Africa Mercy* left Senegal in

2020, Dr Sabounji continued the clinic, building it up to treat over 50 cases a year.

In 2022, he resumed his mentorship on board the *Africa Mercy*.

"I got really lucky to be in the mentorship because it allowed me to be part of the whole treatment of clubfoot" said Dr Sabounji. "I was afforded ample opportunity to get the training I need to improve my competence and my confidence."

He dreams of a future where children with a treatable condition will be able to access care quickly. On his path to becoming Senegal's first paediatric orthopaedic surgeon, he is already making that dream come true.

Image: Dr. Sabounji with a clubfoot patient.

"Thanks to you,
today Aicha can
walk to school
and her future
looks bright"



Image above: Aicha, a little girl in Guinea, can now walk and jump freely thanks to surgery on the *Africa Mercy* to correct her bowed legs. *Image right:* Aicha at home before surgery.

Summer Match Appeal Success

The generous offer by a Mercy Ships supporter to match every pound given to our summer appeal meant that we raised almost half a million pounds for our work.

When one of our legacy supporters contacted us to let us know they wanted to make our summer appeal money go further, we could not have imagined the success.

Focusing on the story of little Aicha in Guinea, our summer appeal brought in £273,000. Once matched, this meant that more than half a million pounds were raised to bring hope and healing to even more children and families.

This included around £50,000 raised through our digital channels, by far the most we have ever received via this route for an appeal. It also brought 37 new regular supporters on board.

In total, over four and a half thousand people responded to our letters and emails, donating an average gift of £60.

This generosity enables us to stock up our medicine cabinets, fund our training programmes for local medical professionals, and get us closer to our goal of making a lasting impact on healthcare provision in Senegal.

The story of Aicha is very powerful. When other children in her village were learning how to read and write, Aicha was learning how to walk. With her legs bowed at 45-degree angles, walking anywhere was a big struggle and a painful reminder that she was not like most other children.

School was out of the question for Aicha. She was also still mourning her mother, who had died young. Her grandmother, Mymoona, had tried and failed many times to find doctors who could help. Then, a traveller came to Aicha's village and told Mymoona about our floating hospital and the chance of free surgery.

Unsure whether this could really be true, Mymoona brought the little girl to the *Africa Mercy*, and there, her life changed.

Thanks to our generous supporters, we can give hope to the many other patients who are eagerly waiting to receive free, life-saving surgery just like Aicha.

"We didn't dare to believe what we heard. Could this news be true? We had already taken Aicha to hospitals many times, but they said that they did not have the equipment to do anything about her legs."

Mymoona, Aicha's Grandmother.



Income total
= **£273,000**



Number of donations
= **4,500**



Average gift
= **£60**



Recurring donations
= **37**



Together with Africa

The International Symposium was a culmination of months of planning and deliberation. It started with a critical baseline assessment study on the state of surgical, obstetric, and anaesthetic (SOA) care access in Africa by the scientific committee in partnership with participating countries and other partners. The study, the first of its kind in Africa, collected data on factors related to the provision, access, and operation of surgical, obstetric, and anaesthetic healthcare systems in 28 of the 47

nations of sub-Saharan Africa, as defined by the World Health Organization (WHO).

During sessions held throughout the Symposium, there was a push for greater collaboration and partnership to help address the complex issues and challenges plaguing SOA care access in Africa.

This culminated in Ministers of Health, country delegates, and health experts confirming and forming the Dakar Declaration: an historic roadmap to accelerate safe surgical, obstetric, and anesthetic care in Africa over the next decade.

“It’s a great day for the people of Senegal. We have been waiting for this day for the last two years... it’s a huge opportunity for us to help our people in need of free surgery. We would like to really thank Mercy Ships for your trust, and also for your friendship.”

—Dr Serigne Diop, Senegal’s Presidential Advisor



Images: (top) The Ministerial Summit during the International Symposium. *(above)* Dr Serigne Gueye Diop, Presidential Advisor, is greeted by Gert van de Weerdhof, Mercy Ships CEO, at the Inauguration of the *Global Mercy*.

*"I'm so happy.
She looks so
beautiful."*

Watch
Kadidja's
Story

Kadidja's New Smile

At first glance, Kadidja is just like any other child. The four-year-old girl is happy and energetic. She loves to dance, play, and eat good food. But something was holding her back.

Kadidja was born with a cleft lip and palate. For four years, she endured the shame of looking different to other children. This was painful for both Kadidja and her mother, Ramata. "Since she was born, I refused to take her into the village, because the other children would look at her and try to touch her nose and lips," Ramata said.

After three long years of waiting, hope was finally on the horizon. Ramata heard that Mercy Ships would sail to Senegal, so the mother and daughter journeyed to Dakar for surgery.

A week after Kadidja's successful operation, Ramata saw her daughter's new smile in the mirror for the first time. In that moment, she was overflowing with love and delight.

"I am so happy. She looks so beautiful. When we go back to our village, everyone will treat her like a normal person. She can interact with other children again and she can go to school."



Images: Kadidja and her mother, before and after surgery.



Our Remarkable Volunteers and Staff

Operating a hospital ship in a pandemic environment has created exceptional challenges, felt most deeply by the volunteer crew on board.

A complex matrix of COVID-19 health and safety measures, designed to protect patients and crew alike, meant a field service that looked unlike any before. Volunteers found themselves continually adjusting plans in the face of an ever-changing healthcare landscape. Recurring on-ship lockdowns, last-minute quarantines, and thorough COVID prevention policies required tremendous flexibility and sacrifice.

Yet despite the mental, emotional, and physical challenges, hope prevailed. Experienced and new volunteers found themselves forming a community and celebrating hope and healing as

patients returned to the *Africa Mercy*, bringing new life to the ship. They remained eager to carry out their field service well, even at great personal sacrifice. Without their dedication, the transformations we saw this year would never have been possible. Thank you.

“God designed and equipped a unique group of people who stepped into the unknown world of COVID, surgeries, and a renewed field service.”

“Despite the complications and challenges of the 2022 field service, the crew and day crew of the Africa Mercy enjoyed pouring the love of God into the people of Senegal.”

—John Mark Bray, Africa Mercy Managing Director



“You can keep experiencing the same, safe mundane world or you can take a leap of faith”

Matthieu Bhoyroo

Serving as assistant to the director of Medical Capacity Building in Senegal.

Matthieu Bhoyroo struggled during COVID-19; isolated at home, working as a recruitment consultant, he began to reflect on life.

Originally from Mauritius, Matt moved to the UK when he was five and became a Christian as a teenager. Whilst studying at the London School of Theology he went to the Christian festival Spring Harvest and met people from Mercy Ships.

Recalling their friendliness, he applied to volunteer on the *Africa Mercy* and joined the housekeeping and dining room team.

‘It is like a village on a ship and there is always life, which I love. Everyone is there with the same mentality and there is a real vibrancy.’

Matt found his purpose and is now in Senegal with our Medical Capacity Building Programme.

Image left: Denise Clarke, volunteer preoperative nurse, during the patient admission process. *Image inset:* Matt Bhoyroo.



Dr Mark Shrime

In 2022, Mercy Ships welcomed a new International Chief Medical Officer, Dr Mark Shrime. His robust background in global health has equipped him in profound ways for his new role.

He previously served as the O'Brien Chair of Global Surgery at the Royal College of Surgeons in Ireland, as the founder and Director of the Centre for Global Surgery Evaluation at the Massachusetts Eye and Ear Infirmary, and as Research Director for the Programme in Global Surgery and Social Change at Harvard.

He is the author of seminal papers on the global burden of surgical disease, the financial burden facing surgical patients, and the number of people who cannot access safe surgery worldwide. He has also served as a co-author on the Lancet Commission on Global Surgery.

He first encountered Mercy Ships in 2008 while volunteering as a surgeon in Liberia. Although he had worked in Mexico and Jordan during his earlier training, this was his first exposure to surgical care in post-conflict regions. Ever since, Dr Shrime has been committed to serving on the *Africa Mercy* twice a year. He had long left his mark on the community—and he was ready to celebrate hope in a whole new way through this role.

“To overcome injustice and inequity in health, safe, affordable, and timely surgical care must be an indispensable part of any healthcare system. I look forward to working even more closely with the dedicated professionals in Mercy Ships, and in the countries with which we partner, to decrease the burden of unmet surgical need and to improve outcomes for patients.”

Image: Dr. Mark Shrime in an operating theatre on board the *Africa Mercy*.

"It felt like getting an extra gift."



Cire's Life-Changing Birthday Gift

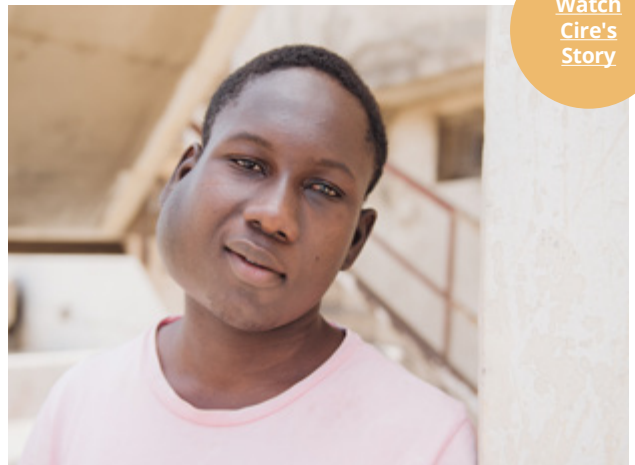
On the morning of his 20th birthday, Cire celebrated in an unusual way: being wheeled into the sterile operating room of the *Africa Mercy*. The moment had been years in the making for Cire, who was just 16 when a facial tumour started growing. His family could only wait and hope for a miracle.

"It (the tumour) wasn't beautiful; no one would want to have it on their face," says Cire, who constantly felt uncomfortable in public.

So, he travelled the distance across Senegal to the ship, where his birthday gift awaited as he finally received a life-changing surgery.

A few days later, volunteer nurses threw him a belated birthday party to mark the new year. *"It felt like getting an extra gift. I was grateful for the surgery and then they gave me this celebration. I was so happy,"* Cire recalled.

During his recovery, the main thing he looked forward to was simple: going back home and showing off the change in his face.



Watch
Cire's
Story



Images: (top) Cire, during his birthday party in the wards. (above) Cire before and after surgery.

Celebrating Hope

While the focus of the field service this year was on Senegal, Mercy Ships remained active in bringing hope and healing throughout Africa.



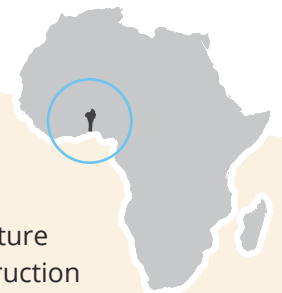
Niger

Dr Tertius Venter returned to Niger, where he performed 134 plastic reconstructive surgeries. Doing so fulfilled our 2020 commitment with CURE International to provide surgeries during the pandemic.



47

Plastic Reconstructive Surgeries



Benin

The Benin-based Food for Life infrastructure project began its second phase of construction towards providing a permanent space for students to learn about nutritional agriculture. Food for Life courses continued, training 34 participants in 2022. Participants receive training and tools, whilst also learning how to train others, creating a ripple effect of transformation across Benin.



88

Medical Capacity Building Participants



68,561

Participant Hours

PARTICIPANTS

- 24** Essential Surgical Skills Course
- 64** Nutritional Agriculture —Food For Life

Image: Abraham, former Food for Life trainee and now staff member at Phaz Compassion in Benin.

Guinea



Mercy Ships continued its partnership with Hope Ignited to build a paediatric centre of excellence, the first of its kind in Guinea. We hope it will be the site of life-changing surgical care for many years to come.

A partnership with Gamal Abdel Nasser University that has been in place since 2018 was strengthened by a Memorandum of Agreement to invest in an expansion of the dental clinic. This will enable even more dental students to receive hands-on experience and education.



36

Maxillofacial Surgeries



147

Medical Capacity Building Participants



55,894

Participant Hours

PARTICIPANTS

- 13** Medical Education Sponsorship
- 24** Biomedical Technician Mentoring
- 110** Dental Partner Unit Mentoring Programme



Togo

It's been an exciting year of growth in Togo as we continued to partner with Dr Wodomé's ophthalmic clinic and cataract surgical training programme. We also supported the ongoing Cataract Campaign Togo Project, bringing free surgeries to patients around the country.

This also marks a second year of partnership with Sight.org, a Togo-based ophthalmic surgical charity whose lead cataract surgeon was originally trained by Dr Wodomé. In 2022, Mercy Ships funded 2,353 cataract surgeries for rural patients, many of whom otherwise lacked access to care.



2,353

Ophthalmic Surgeries



5

Medical Capacity Building Mentoring Participants



695

Participant Hours

PARTICIPANTS

- 5** Surgeon Mentoring

Image: Dental student Francois training in the simulation lab at Gamal Abdel Nasser University in Conakry, Guinea.



Liberia

In Liberia, work continued through Mercy Ships' partnership with Lifebox. The collaborative Clean Cut Programme helped hospital surgical teams set up quality assurance systems. We also ran a series of SAFE Obstetric Anaesthesia courses both online and in person.

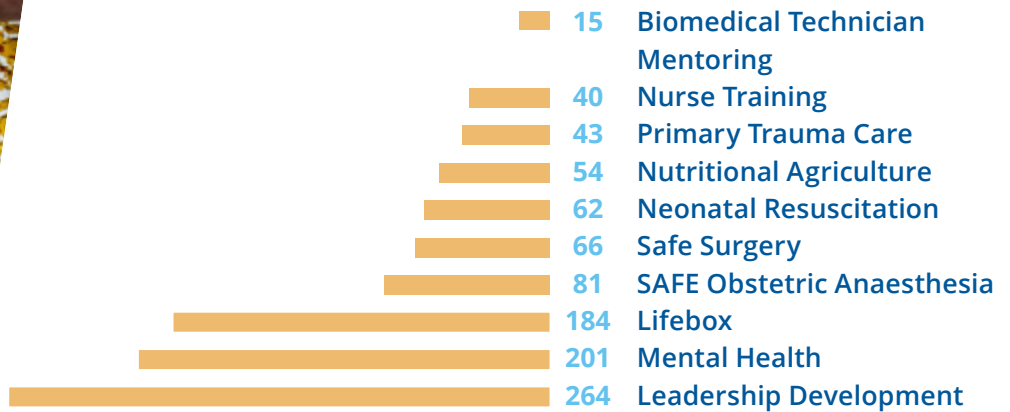


998
Medical Capacity
Building Participants



42,433
Participant Hours

PARTICIPANTS



South Africa

According to the World Bank, sub-Saharan Africa has an estimated maternal mortality rate of 547 deaths per 100,000 live births.

In response to this, Mercy Ships has trained 132 medical professionals in paediatric anaesthesia, imparting skills and knowledge to them, and teaching them how to share skills with others.



132
Medical Capacity
Building Participants




3,948
Participant Hours

PARTICIPANTS



Image: Local trainer and anaesthesia provider, Perry, teaches his fellow anaesthesia nurses in SAFE Obstetric Anaesthesia in Liberia.



"...I cannot wait to dance in my village and walk around to show that God is faithful..."

Twice the Hope, Twice the Healing for Maman

When Maman stepped on board ship in March 2022, it wasn't the first time. She first encountered Mercy Ships more than 20 years earlier when the *Anastasis* was in The Gambia. Then 46 years old, Maman had long been living with the effects of a condition called noma, a bacterial infection that removed the skin on one side of her face. It was a condition that she'd contracted as a child.

Long-term volunteer and maxillofacial surgeon Dr Gary Parker performed her first surgery all those years ago. And in 2022, he was back on board working in the operating room when he encountered Maman again. They

recognised each other right away in a reunion that amazed him: "When I saw Maman again, it was great to see what impact our work here has on people's lives. Maman has a seat at the table of the human race again!"

This beautiful reunion was the start of Maman's second journey to hope and healing, as she received follow-up surgery.

"Once I am home, my children will be so happy to see me in good health. I cannot wait to dance in my village and walk around to show that God is faithful by bringing the ship back."

"He's back to being the real Diongnima."



Diongnima's Childhood Restored

Fourteen-year-old Diongnima spent most of his childhood with a tumour growing over his left eye. For nine years, the tumour brought physical challenges, obstructing his vision, but it took an even greater toll on him psychologically.

He loved to play soccer—but because of his limited sight, peers would tell him, "You can't play. Sit on the bench!"

"There were a lot of things I could not do because of the tumour," said Diongnima. Yet he always had his sights set on playing his favorite sport professionally.

Diongnima and his family learned about the free surgeries available on the *Africa Mercy* and decided to take a step of faith. They received a surgery appointment and came on board the ship.

After a successful surgery to remove the tumour, his family could tell that the healing went far beyond the physical. "He's back to being the real Diongnima," said his cousin, Mamadou.

Diongnima might have always dreamed of being an athlete, but after his time with Mercy Ships, he sees another path.

"I like the way they take care of the patients on the ship. It gives me great pleasure. Apart from becoming a professional soccer player, being a doctor is what I would like to become."



Images: Diongnima before and after surgery.



One Port, Two Nations

For many reasons, 2022 was very special. Now, Mercy Ships is poised and ready, anticipating a great year ahead.

In early 2023, the *Global Mercy* begins the next field service in Senegal and welcomes patients on board for the very first time. This will be an opportunity to continue meeting the need in Senegal, providing both surgical care to patients and medical training to local healthcare professionals.

While docked in Senegal, we are excited to serve in a new way—by welcoming patients from The Gambia to receive care on board. Up to 25 percent of patients in the next field service will come from The Gambia.

Then, in the second half of 2023, the *Global Mercy* will open the next chapter in a 20-year history with Sierra Leone by sailing there for the following field service.

We also prepare to build a more permanent presence in Africa through the creation of the new Africa Service Centre. This will support the execution of our international programmes by acting as a hub for local country engagement teams. We are well positioned for a

future of collaboration and partnership with Africa, with Bernard van den Bosch as Director, Dr Juliette Tuakli as Diplomatic Ambassador of Africa, and continued support from Dr Pierre M'Pele.

Meanwhile, the *Africa Mercy* will take a period of refit in Durban, South Africa, to receive maintenance and updates that will extend her lifespan for years to come.

"In order to run a two-ship fleet in a simplified and sustainable operating rhythm, it is crucial to have fully equipped vessels. The refit of the Africa Mercy is pivotal to us bringing even more hope and healing as the hands and feet of Jesus," said Robert Corey, chief operating officer.

"During the refit, we will be replacing the main elevator, installing functional dining and galley services, while also upgrading our technology platforms throughout the ship. Not only will the work ensure compliance and long-term viability of the Africa Mercy, but it will also ensure we have an environment fully capable of serving our patients and crew on board."

We look forward to continuing to bring hope and healing in new ways in 2023!

Image: The Global Mercy in Dakar, Senegal.

Direct Medical Services

SURGERIES		TOTAL: 3,201	
AFRICA MERCY	Totals	765	
	Totals	765	
	General Surgery	296	
	Maxillofacial Surgery	252	
	Orthopaedic Surgery	25	
	Paediatric Specialised General Surgery	68	
	Plastics Surgery	90	
	Women's Health Surgery	34	
OFF-SHIP	Totals	2,436	
	Guinea	Totals	36
		Maxillofacial Surgery - Dr Diallo Surgeries	36
	Niger	Totals	47
		CURE International Children's Hospital of Niger	47
	Togo	Totals	2,353
		Ophthalmic Surgery - Cataract Surgery Campaign	1,229
		Ophthalmic Surgery - Sight.org Partnership	188
		Ophthalmic Surgery - Togo Cataract Surgery	936
		Teaching Institute Investment	

SURGICAL PROCEDURES		TOTAL: 3,936	
AFRICA MERCY	Totals	1,271	
	Totals	1,271	
	General Surgery	312	
	Maxillofacial Surgery	554	
	Orthopaedic Surgery	92	
	Paediatric Specialised General Surgery	108	
	Plastics Surgery	170	
	Women's Health Surgery	35	
OFF-SHIP	Totals	2,665	
	Guinea	Totals	72
		Maxillofacial Surgery - Dr Diallo Surgeries	72
	Niger	Totals	134
		CURE International Children's Hospital of Niger	134
	Togo	Totals	2,459
		Ophthalmic Surgery - Cataract Surgery Campaign	1,278
		Ophthalmic Surgery - Sight.org Partnership	188
		Ophthalmic Surgery - Togo Cataract Surgery	993
		Teaching Institute Investment	



UNIQUE SURGICAL PATIENTS		TOTAL: 2,335	
AFRICA MERCY	Totals	695	
	Senegal	Totals	695
		General Surgery	291
		Maxillofacial Surgery	222
		Orthopaedic Surgery	25
		Paediatric Specialised General Surgery	68
		Plastics Surgery	67
		Women's Health Surgery	32
OFF-SHIP	Totals	1,640	
	Guinea	Totals	36
		Maxillofacial Surgery - Dr Diallo Surgeries	36
	Niger	Totals	47
		CURE International Children's Hospital of Niger	47
	Togo	Totals	1,557
		Ophthalmic Surgery - Cataract Surgery Campaign	790
		Ophthalmic Surgery - Sight.org Partnership	176
Ophthalmic Surgery - Togo Cataract Surgery Teaching Institute Investment		591	

DENTAL PATIENTS		TOTAL: 1,920
OFF-SHIP	Totals	1,920
	Guinea	Totals
		Gamal Dental Clinic

DENTAL ENCOUNTERS		TOTAL: 4,083
OFF-SHIP	Totals	4,083
	Guinea	Totals
		Gamal Dental Clinic

DENTAL PROCEDURES		TOTAL: 9,465
OFF-SHIP	Totals	9,465
	Guinea	Totals
		Gamal Dental Clinic

BASIC ORAL HEALTH INSTRUCTION		TOTAL: 1,826
OFF-SHIP	Totals	1,826
	Guinea	Totals
		Gamal Dental Clinic

Definition of terms related to Dental

- **Unique Dental Patients:** counts each unique dental patient only once even if they receive more than one procedure.
- **Dental Procedures:** counts each procedure (ie. extractions, white fillings, amalgam fillings, etc.). Normally there are multiple dental procedures during one dental patient encounter.
- **Dental Patient Encounter:** some individuals might be counted twice if they return for separate treatments.

Definition of terms related to Surgical Areas

- **Unique Surgical Patients:** counts each unique surgical patient only once even if they receive more than one surgery.
- **Surgical Procedures:** a medical service provided to a patient. During one surgery, there may be more than one surgical procedure. *Example: Cataract Surgery — 1 surgical procedure to remove the cataract and 1 surgical procedure to insert the IOL (intraocular lens) = 2 surgical procedures*
- **OR Visits/Surgeries:** counts each visit to the operating room/theatre as a surgery/OR visit. *Example: a maxillofacial patient receives 1 surgery with 5 surgical procedures = 1 unique patient, 1 surgery and 5 surgical procedures. If the same patient goes back for his Iliac Crest Bone Graft surgery, and during that surgery there were 2 surgical procedures, then our records reflect 1 unique patient, 2 surgeries, and 7 surgical procedures for the Maxillofacial Surgical Project.*

Images: (Left) Dr. Rachel Buckingham, paediatric surgeon, and Dr. Mohamed Sabounji, MCB paediatric surgeon, during his orthopaedic clubfoot mentoring experience in the OR. (Right) Sangone Diene, ward day crew, carries a patient's sleeping baby in the hospital.

Medical Capacity Building

		Number of MCB Participants	Participant Hours
		TOTAL: 2,545	224,459
AFRICA MERCY	Totals	51	937
	Totals	51	937
	Anaesthesia Mentoring	2	104
	Nurse Mentoring	6	381
	Sterile Processor Mentoring	3	82
	Surgeon Mentoring	5	291
	Regional Anaesthesia Course	37	80
GLOBAL MERCY	Totals	245	4,592
	Totals	245	4,592
	Biomed Anaesthesia Training	19	665
	Dental Course	21	294
	Essential Surgical Skills	29	390
	Essential Surgical Skills — Training of Trainers	5	60
	Nurse Training	27	813
	Nurse Training — Training of Trainers	5	172
	Neonatal resuscitation	92	633
	Neonatal resuscitation — Training of Trainers	15	116
	SAFE Obstetric Anaesthesia	21	411
	SAFE Obstetric Anaesthesia — Training of Trainers	6	39
	SAFE Paediatrics Anaesthesia	20	441
	SAFE Paediatrics Anaesthesia — Training of Trainers	7	35
	Sterile Processing	21	525



Definition of terms related to Medical Capacity Building (MCB)

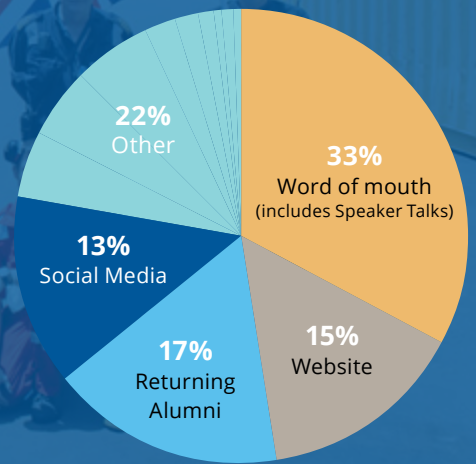
- Participants:** anyone who actively participates in any training programme offered by Mercy Ships Medical Capacity Building programmes. Only counts the nationals attending in the above charts, not Mercy Ships crew or volunteers.
- Training of Trainers:** MCB course and mentoring participants who receive additional instruction for the purpose of teaching others.
- Mentoring:** Delivered training tailored to individual needs; may or may not include curriculum. The goal is an increase in knowledge, skills, and aptitude as measured by mentor's evaluation of participant.
- Number of MCB Courses:** counts each training course provided. *Example: Essential Surgical Skills — 6 two-day courses + 3 Training-of-Trainers one-day courses = 9 courses.*
- MCB Course Hours:** total number of actual course hours. *Example: Essential Surgical Skills — 7 course hours per day x 2 days = 14 course hours.*
- MCB Participant:** the confirmed attendance of participants attending MCB courses and MCB mentoring — not unique MCB training participants. One may be mentored and also attend a course(s) and thus be counted twice. They are counted if they attended, even if they did not attend the entire course for all days.
- MCB Participant Hours:** counts actual number of training hours, rounded to the quarter hour (not including breaks), completed by MCB course and mentoring participants. *Example: Essential Surgical Skills — 9 participants perfect attendance for 14 hours (Two days x 7 hours/day) = 126 participant hours.*



		Number of MCB Participants	Participant Hours
Totals		2,276	218,929
Benin	Totals	88	68,561
	Essential Surgical Skills Course	24	348
	Nutritional Agriculture — Food For Life	64	68,213
Guinea	Totals	147	55,894
	Biomedical Technician Mentoring	24	2,467
	Dental Partner Unit Mentoring Programme	110	42,667
	Specialised Medical Education Sponsorship	13	10,760
Liberia	Totals	998	42,433
	Biomedical Technician Mentoring	15	418
	Leadership Development	264	3,190
	Lifebox	184	1,591
	Mental Health	201	5,694
	Nurse Training	40	3,144
	Neonatal Resuscitation Courses	62	315
	Nutritional Agriculture – Food for Life	54	25,675
	Primary Trauma Care Courses	43	1,422
	SAFE Obstetric Anaesthesia Courses	81	575
	Safe Surgery	66	410
Senegal	Totals	861	45,725
	Anaesthesia Providers Mentoring	35	302
	Biomedical Technician Mentoring	22	498
	Midwives Mentoring	5	5
	Nurse Mentoring	42	225
	Biomedical Technician Courses	19	4,003
	Mental Health Course	69	2,661
	Nutritional Agriculture - Food for Life	65	29,860
	Palliative Care Course	146	1,170
	Palliative Care Course — Training of Trainers	16	287
	Palliative Care — Intro to Palliative Care	22	658
	Palliative Care — Sensitisation for Spiritual Leaders	47	497
	Palliative Care — Update and Networking Day	20	80
	Primary Trauma Care Courses	27	588
SAFE Obstetric Anaesthesia	33	1064	
Safe Surgery	299	1964	
Ultrasound Courses	39	951	
Ultrasound Courses - Training of Trainers	10	170	
South Africa	Totals	132	3,948
	SAFE Paediatrics Anaesthesia	32	3,948
Togo	Totals	5	695
	MCB Surgeon Mentoring - Togo Cataract Surgery	5	695
	Teaching Institute Investment		



How UK applicants hear about Mercy Ships



Our Invaluable Community of Volunteers

Mercy Ships couldn't function without our invaluable community of volunteers, both on our ships and on land, raising awareness and donations in the UK to keep our ships afloat. We thank them all and celebrate just a few highlights from their wonderful work this year.

We need everyone from medical experts to HR facilitators to bring hope and healing on board. Among the 120 UK crew who served on the *Global Mercy* and *Africa Mercy* this year were a baker, a Chaplain, paediatric nurses, the Chief Medical Officer and a Second Officer.

Many of our crew are recruited via word of mouth, but we also run recruitment campaigns including this year's 'Set Sail' to reach a wider audience. Throughout 2022, we recruited an additional 250 people via the campaign, which advertised on social media, at Christian festivals like New Wine and Elim, through Rotary conferences and churches, and in the media.

For over 20 years, Dr Leo has given up his holidays to volunteer as a Maxillofacial, Thyroid and Reconstructive Surgeon on board our ships. He also travels around the UK speaking

at medical and Christian conferences to inspire other medical colleagues to donate their time on board, often commenting that it takes a village to run our ships.



'I am humbled and blessed to see first-hand the life-changing impact of free-surgery, for the families who need it most', Dr Leo says. 'Alongside hundreds of other volunteer crew members, I invest my time with wonderful men, women and children from countries across sub-Saharan Africa, who wouldn't otherwise have access to surgical care.'

Dr Leo is clinical lead in oral, maxillofacial, head and neck surgery at Homerton University Hospital and leads the surgical skill course in the London Deanery for Oral & Maxillofacial Surgery. Each year, he and his team train 60 core trainees from Greater London and surrounding areas.

Image above: Dr Leo Cheng, Maxillofacial Surgeon, doing his rounds in the wards before surgery. *Image top:* A handful of our UK Crew, pictured in Senegal in June 2022 when the *Global Mercy* and *Africa Mercy* were docked together.

HRH The Princess Royal celebrates our volunteers

HRH The Princess Royal, Patron of Mercy Ships International, celebrated the work of our volunteers in March 2022, when she travelled to Rotterdam to meet those preparing to sail to Africa on the *Global Mercy*. This was her first engagement since taking on the role in 2021 after a long history supporting the charity. She previously visited the *Africa Mercy* in Sierra Leone in November 2011.

"It's an honour to be Patron of Mercy Ships International and be part of the celebrations for the very first, purpose-built, teaching hospital ship in Mercy Ships' fleet and family. A mixture of volunteers brings brilliant surgery, knowledge and medical skills, from countries all over the world – but everybody who comes here has a skill and is happy to serve in whatever capacity will help the whole. The success Mercy Ships has had training doctors, dentists and medics to carry out the work in the future in their own countries – that is a real legacy."

HRH The Princess Royal

One of the volunteers Princess Anne met was Kathryn Dunworth, who left her home in Lancashire to volunteer as a teacher on the *Africa Mercy*, and now the *Global Mercy*. Kathryn was moved by the way Mercy Ships treats all people, no matter who they are or where they come from. She was delighted this year when her Grade 1 class wrote a Jubilee letter to the late Queen as part of their history topic and received a response from Buckingham Palace.

Kathryn said, *"We posted it to the palace and received a reply in the crew mail. There was much excitement as we opened the envelope to find a personal letter and a card from the Queen! It was definitely a special moment for some of our youngest crew members."*



Image above: Kathryn and her Year 1 Class on the *Global Mercy* with their letter from The Queen. *Image top:* HRH The Princess Royal speaks with UK Volunteers onboard the *Global Mercy* in March 2022.



Financial Review and Strategic Report

Summary

Mercy Ships UK saw another successful year with income at the highest level for the fourth consecutive year. Volunteer crew applications saw a moderate reduction in line with reduced need in 2022. Mercy Ships UK saw an increase in regular supporters and has seen continued success with supporters committing to support our future work. This was fuelled by focused and integrated campaigns, working with new broadcast partnerships that bring the compelling story of the volunteer crew and the passion and bravery of our patients to come to the fore.

Over the last six years, Mercy Ships UK has increased its income by 74% (2016: £5.7m 2022: £9.9m) with underlying non-legacy income growing 88% (2016: £4.0m, 2022: £7.5m).

Income

Overall income for the year increased by 6% to £9.9m (2021: £9.3m). Legacy income increased by 33% to £2.4m (2021: £1.8m) representing 25% of income (2021: 19%); pointing to stability in the non-legacy income of £7.5m (2021: £7.5m).

Response to fundraising campaigns remained strong with many existing supporters giving additional or uplifted gifts across the year. Recovering from the negative impact of the pandemic, we have seen income from churches and community groups grow by £150K, up to £466K in 2022 (2021: £318K). New donor acquisition from broadcast and digital platforms saw a reduced number of individuals respond in 2022: 4,423 (2021: 4,624), but we were encouraged by a higher average gift of £229 (2021: £134).

2022 saw our new ship the *Global Mercy*, sail to Africa for the first time. Whilst passing through Europe, HRH Princess Anne, our International Patron, hosted a special launch event on board in Rotterdam. This was followed by a welcome celebration held in Dakar, Senegal attended by four African presidential delegates. We received the penultimate capital donation amounting to £0.44m (2021: £0.8m).

Expenditure

Mercy Ships UK spent a total of £6.6m (2021: £6.7m) in charitable expenditure to help bring accessible, free surgical care and medical treatment to those in unjust poverty and urgent need. The stability of charitable

expenditure is aligned with the delivery of programmes in 2022 compared to 2021. The UK office has added additional resources to support volunteer recruitment and support, as well as provided staff to support the programmatic work led by our Global office, with a slight reduction of programmatic grants.

In preparation for the expansion of the Mercy Ships fleet, the Directors have retained a portion of the income to be spent on increasing operational delivery over the next field services. Supporting the increased services of the *Global Mercy* and the refit of the *Africa Mercy*.

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' expenses, 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.

Free reserves of £6.0m represent c.6.9 months' operating costs for the 2023 budget year.

Funds

At the end of 2022, total funds stood at £6.7m (2021: £5.6m). Restricted funds amounted to £0.74m at the end of 2022 (2021: £0.007m) and are subject to conditions imposed by donors or implied by the nature of an appeal.

Unrestricted funds are £6.0m of which £5.7m are free reserves.

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 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 2022 include:

1. Continued uncertainty about the impact of the COVID-19 demic and the cost-of-living rise will have on donations and new donor acquisition

Mitigation – We have not yet seen a significant impact on revenue or ability to perform our charitable activities within the UK. However, the uncertainty for 2023 has been factored into the planning and budgeting process, adopting a cautious approach to the budget, while encouraging the team toward stretch targets.

2. A significant infectious outbreak in West Africa resurfaces causing a sudden change in operational plans.

Mitigation – Mercy Ships now works with up to 10 countries at a time developing future programmatic delivery, mentoring and training, as well as our surgical programmes. These plans are communicated to Mercy Ships UK regularly to ensure funding sources for various projects are in progress to ensure delivery is funded.

The Directors believe that appropriate policies to mitigate lower-level day-to-day risks have been adopted. They also believe that key financial systems are in place and appropriate internal controls are maintained for an organisation of the charity's size and complexity. The overall financial and operational control environment is kept under regular review by the Chief Executive Officer and the Finance Director, with regular reports provided to the finance, audit and risk committee.

Image: Maxillofacial patients Teneng, left, and Ibrahima, sit with their mother Fatoumata.

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 2021 was 9 (2020: 13).

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, both through surgical interventions carried out on 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 overhauled in 2020, 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 the vulnerable and putting quality of care at the centre of all we do.

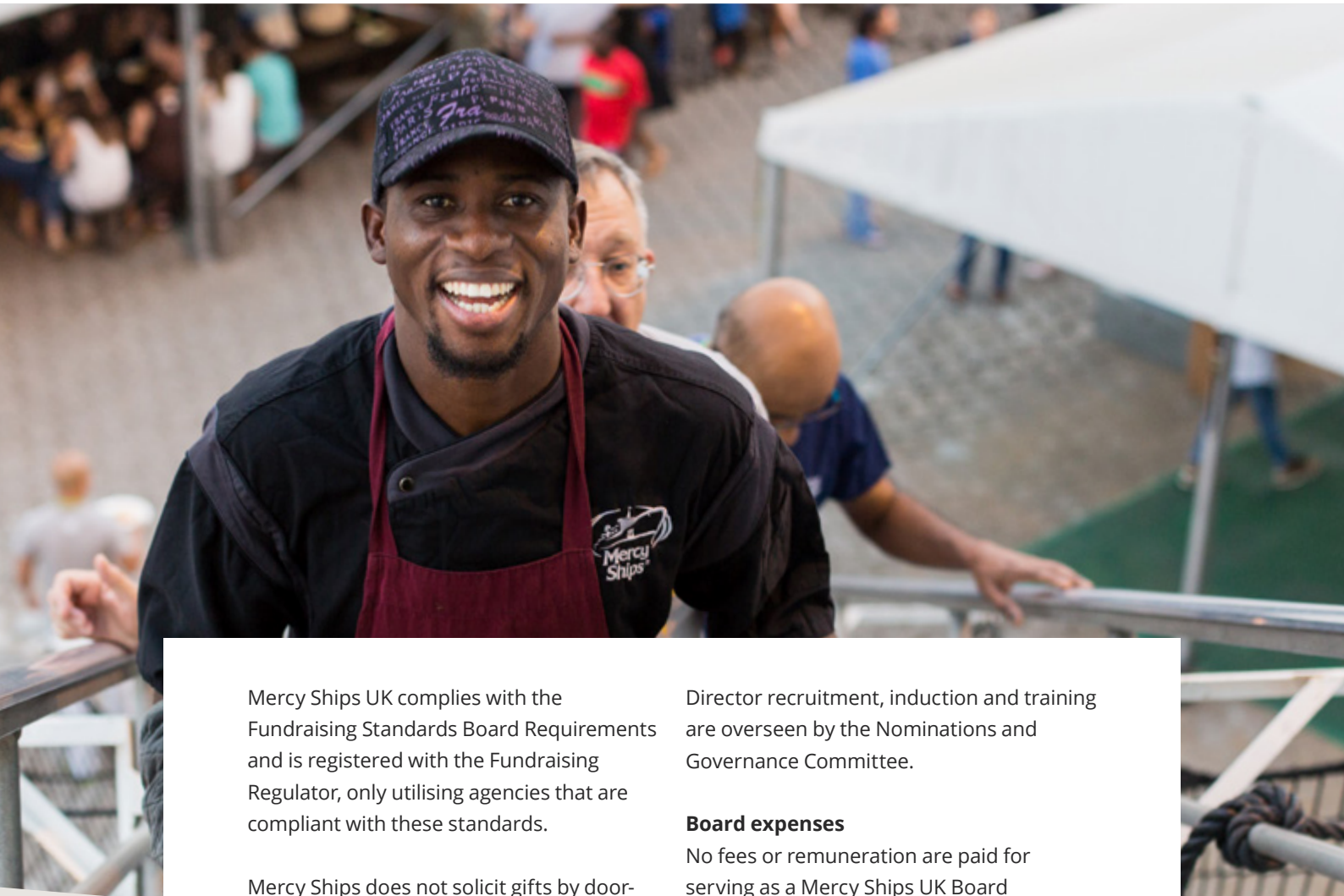
Board and management roles

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 the 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: Abdulai Sesay, Dining Room Staff.

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,



Dr Michael Spence
Chair of Trustees

Statement of Financial Activities

for the year ended 31 December 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Income from generated funds							
Donations and legacies	2	7,848,009	2,036,558	9,884,567	6,341,150	2,995,232	9,336,382
Other income							
Investments	3	10,112	-	10,112	6,981	-	6,981
GIK		33,399		33,399			
Total income		7,891,520	2,036,558	9,928,078	6,348,131	2,995,232	9,343,363
Expenditure							
Cost of generating funds	4	2,136,524	-	2,136,524	1,927,813	-	1,927,813
Cost of Trading		-	-	-	-	-	-
Charitable activities	5,6	5,318,692	1,303,828	6,622,520	3,451,555	3,211,708	6,663,263
Total expenditure		7,455,216	1,303,828	8,759,044	5,379,368	3,211,708	8,591,076
Net income/ expenditure before other recognised gains and losses		436,304	732,730	1,169,034	968,763	(216,476)	752,287
Net realised gains/(loss) on investments	15	(28,628)	-	(28,628)	21,777	-	21,777
Net movement in funds before transfers		407,676	732,730	1,140,406	990,540	(216,476)	774,064
Transfers between funds		-	-	-	-	-	-
Net movement in funds		407,676	732,730	1,140,406	990,540	(216,476)	774,064
Total funds brought forward		5,553,521	7,270	5,560,791	4,562,981	223,746	4,786,727
Total funds carried forward	19	5,961,197	740,000	6,701,197	5,553,521	7,270	5,560,791

Balance Sheet

for the year ended 31 December 2022

	Notes	2022 £	2021 £
Fixed assets			
Intangible assets	13	-	-
Tangible assets	14	9,909	3,590
Investments	15	300,947	322,462
		310,856	326,052
Current assets			
Debtors: amounts falling due within one year	16	457,730	392,817
Cash at bank and in hand		6,143,811	5,007,555
		6,601,541	5,400,372
Creditors: amounts falling due within one year	17	(211,200)	(165,633)
Net current assets		6,390,341	5,234,739
Net assets		6,701,197	5,560,791
The funds of the charity:			
Unrestricted funds	19	5,961,197	5,553,521
Restricted funds	19	740,000	7,270
Total charity funds		6,701,197	5,560,791

The financial statements of Mercy Ships UK, company number 03147724, were approved by the Board of Directors on 16th March 2023.



Dr Revd Michael Spence, Director



D M Zuydam, Director

Statement of Cash Flows

for the year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided by operating activities	1,111,316	645,380
Cash flows from investing activities:		
Purchase of fixed assets	(11,460)	–
Dividends, interest and rents from investments	43,511	6,981
Purchase of investments	(113,606)	(29,149)
Disposal of investments	106,490	25,457
Net cash provided by investing activities	24,936	3,289
Change in cash and cash equivalents in the reporting period	1,136,252	648,669
Cash and cash equivalents at the beginning of the reporting period	5,007,555	4,358,886
Change in cash and cash equivalents due to exchange rate movements	–	–
Cash and cash equivalents at the end of the reporting period	6,143,807	5,007,555
Reconciliation of net income to net cash flow from operating activities	2022 £	2021 £
Net income for the reporting period	1,140,405	774,064
Adjustments for:		
Depreciation charges	5,141	1,957
Unrealised gains in investments	28,628	(21,777)
Dividends, interest and rents from investments	(43,511)	(6,981)
Decrease/(increase) in debtors	(64,913)	(9,672)
(Decrease)/increase in creditors	45,567	(92,211)
Net cash provided by operating activities	1,111,316	645,380
Analysis of cash and cash equivalents	2022 £	2021 £
Cash in hand	6,143,811	5,007,555
Total cash and cash equivalents	6,143,811	5,007,555

Notes to the Accounts

for the year ended 31 December 2022

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 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Gifts and grants	5,713,690	1,051,047	6,764,737	4,555,552	2,653,564	7,209,116
Institutional funding	–	685,511	685,511	–	290,511	290,511
Legacies	2,134,319	300,000	2,434,319	1,785,598	51,157	1,836,755
	7,848,009	2,036,558	9,884,567	6,341,150	2,995,232	9,336,382

Gifts and grants include related Gift Aid.

3. Other income

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Investments	10,112	–	10,112	6,692	–	6,692
GIK Income	33,309	–	33,309	–	–	–
Interest	90	–	90	289	–	289
	43,511	–	43,511	6,981	–	6,981

4. Cost of generating funds

	Cost of Generating Funds £	Cost of Trading £	2022 Total £	2021 Total £
Staff costs	824,065	–	824,065	730,452
Direct costs	1,087,126	–	1,087,126	1,002,442
Support costs (<i>see note 7</i>)	225,333	–	225,333	194,919
	2,136,524	–	2,136,524	1,927,813

5. Charitable activities

	2022 Total £	2021 Total £
Staff costs	967,380	674,264
Direct costs	433,875	226,880
Support costs (see note 7)	296,690	204,897
Grants (see note 6)	4,924,576	5,557,222
	6,622,521	6,663,263

The cost of the statutory audit was £13,230 (2021: £14,034) which is shown within direct costs.

6. Charitable activities (grants breakdown)

Grants made for Mercy Ships International programmes	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Mercy Ships Programmes	3,742,776	811,361	4,554,137	2,537,549	1,897,753	4,435,302
Crew Support	-	105,480	105,480	-	92,281	92,281
Financial Aid for Crew	-	31,027	31,027	-	50,487	50,487
Medical	-	164,902	164,902	-	103,201	103,201
Community	-	7,499	7,499	-	15,000	15,000
Capacity Building	-	37,005	37,005	-	35,553	35,553
Vehicles	-	-	-	-	-	-
New Ship	-	24,526	24,526	-	825,398	825,398
	3,742,776	1,181,800	4,924,576	2,537,549	3,019,673	5,557,222

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

7. Support costs

	Fund raising for donations	Charitable activities £	2022 Total £	2021 Total £
Staff costs	102,573	154,522	257,095	86,876
Training	7,398	11,098	18,496	22,458
Travel and subsistence	12,580	18,870	31,450	5,058
Motor Vehicle	329	493	822	483
Facilities and supplies	54,128	77,593	131,721	187,727
Communications	4,886	7,329	12,215	5,061
Equipment maintenance and rental	4,064	6,097	10,161	23,143
Bank charges	36,232	15,973	52,205	49,812
Legal and professional	1,087	1,630	2,717	17,240
Depreciation	2,056	3,085	5,141	1,958
	225,333	296,690	522,023	399,816

Charitable expenditure includes total governance costs of £20,900 (2021: £58,822). This includes the cost of the statutory audit which was £13,230 (2021: £14,034)

8. Net income for the year

	2022 £	2021 £
Depreciation of owned assets		
Amortisation of owned intangible assets	1,958	1,957
Directors' indemnity insurance	-	-
Operating lease rentals – land and buildings	7,035	6,734
Operating lease rentals – plant and machinery	48,360	48,000
Operating lease rentals – motor vehicles	-	-
Auditors' remuneration – audit	-	-
Auditors' remuneration – non audit services	13,230	14,034
	4,596	5,481

At 31 December 2022 the charitable company had commitments under non-cancellable operating leases for buildings which expire:

	2022 £	2022 £	2021 £	2021 £
	Within one year	Between two and five years	Within one year	Between two and five years
Land and Buildings	53,676	98,258	39,682	-
Plant and machinery	-	-	-	-
	53,676	98,258	39,682	-

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.

No directors were reimbursed for travel and related costs £0 (2021: £0).

10. Staff costs

	2022 £	2021 £
Gross wages and salaries	1,547,270	1,218,450
Employers' NI	166,860	125,473
Pension costs	77,315	60,793
	1,791,445	1,404,716

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

	2022 Number	2021 Number
£60,001 – £70,000	1	1
£70,001 – £80,000	1	0
£80,001 – £90,000	2	1

Key personnel salaries for 2022 totalled £180,240 for 4 people (2021: £240,323 for 4 people)

The average number of employees in 2022 was 37.35 (2021: 31.50).

The number of employees, calculated on a full time equivalent basis, analysed by activity was:

	2022 Number	2021 Number
Fund raising	17.50	17.00
Charitable Programmes – UK	6.25	5.00
Charitable Programmes – Direct	13.25	9.25
Governance	0.50	0.25
	37.50	31.50

11. Volunteer Costs

	2022	2021
Total Number of UK Volunteers	157	163
Contributed services valuation	£2,464,977	£327,871

12. Related party transactions

Mercy Ships International Board members: Lois Boyle, Dr Michelle White and Henry Clarke (resigned 22nd March 2022).

MSO transactions: MSUK recharged costs amounting to £878,295 (2021: £548,624) in respect of salaries for seconded staff. £0 (2021: £42595) was recharged by MSO.

Grants given to MSO Programmes £4,924,576 (2021: £5,557,222).

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

MSGA: Grants made to MSGA amounted to £46,564 (2021: £43,296).

Personal donations amounting to £8523 (2021: £28,480) were received from seven directors (2021: eight) in the year.

13. Intangible fixed assets

	Software £
Cost	
At 1 January 2022	
Additions	30,000
At 31 December 2022	–
	30,000
Accumulated amortisation	
At 1 January 2022	
Charge for the year	30,000
At 31 December 2022	–
	30,000
Net book value	
At 31 December 2022	–
At 31 December 2021	–

14. Tangible fixed assets

	Leasehold improvements £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2022	32,143	16,468	13,825	62,436
Additions	11,460	–	–	11,460
Disposals	–	–	–	–
At 31 December 2022	43,603	16,468	13,825	73,896
Accumulated depreciation				
At 1 January 2022	32,143	12,878	13,825	58,846
Charge for the year	3,183	1,958	–	5,141
Disposals	–	–	–	–
At 31 December 2022	35,326	14,836	13,825	63,987
Net book value				
At 31 December 2022	8,277	1,632	–	9,909
At 31 December 2021	–	3,590	–	3,590

15. Investments

	2022 £	2021 £
Market value at 1 January 2022	322,462	296,993
Additions	113,604	29,149
Transfers	(3,467)	5,237
Disposals	(103,024)	(30,694)
Gain on revaluation	(28,628)	21,777
Market value at 31 December 2022	300,947	322,462

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

16. Debtors

	2022 £	2021 £
Income tax recoverable	158,463	36,038
Other debtors	9,645	19,106
Prepayments and accrued income	289,622	337,673
	457,730	392,817

17. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	99,284	110,629
Taxation and social security	42,615	39,185
Accruals	69,301	15,819
	211,200	165,633

18. Analysis of charitable funds between net assets

	Fixed assets £	Net current assets £	Total £
Unrestricted funds			
General Fund	310,856	5,650,341	5,961,197
	310,856	5,650,341	5,961,197
Restricted funds			
Mercy Ships Programmes	-	-	-
Crew Support	-	-	-
Financial Aid for Crew	-	-	-
Medical Programmes	-	-	-
Community Programmes	-	-	-
Capacity Building	-	-	-
Vehicles	-	-	-
Global Mercy Construction	-	740,000	740,000
		740,000	740,000
Total charitable funds	310,856	6,390,341	6,701,197

19. Analysis of movements in charitable funds

	Balance at 01-Jan 2022 £	Income (including gains on investments) £	Expenditure (including losses on investments) £	Balance at 31-Dec 2022 £
Unrestricted funds				
General Fund	5,553,521	7,862,892	7,455,216	5,961,197
	5,553,521	7,862,892	7,455,216	5,961,197
Restricted funds				
Mercy Ships Programmes	-	933,389	933,389	-
Crew Support	-	105,480	105,480	-
Financial Aid for Crew	7,270	23,757	31,027	-
Medical Programmes	-	164,901	164,901	-
Community Programmes	-	7,500	7,500	-
Capacity Building	-	37,005	37,005	-
Global Mercy Construction	-	764,526	24,526	740,000
	7,270	2,036,558	1,303,828	740,000
Total funds	5,560,791	9,899,450	8,759,044	6,701,197

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 2022 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 2022 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.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Report of the Trustees has 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 Directors' Report included within the Report of the Trustees.

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 42, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

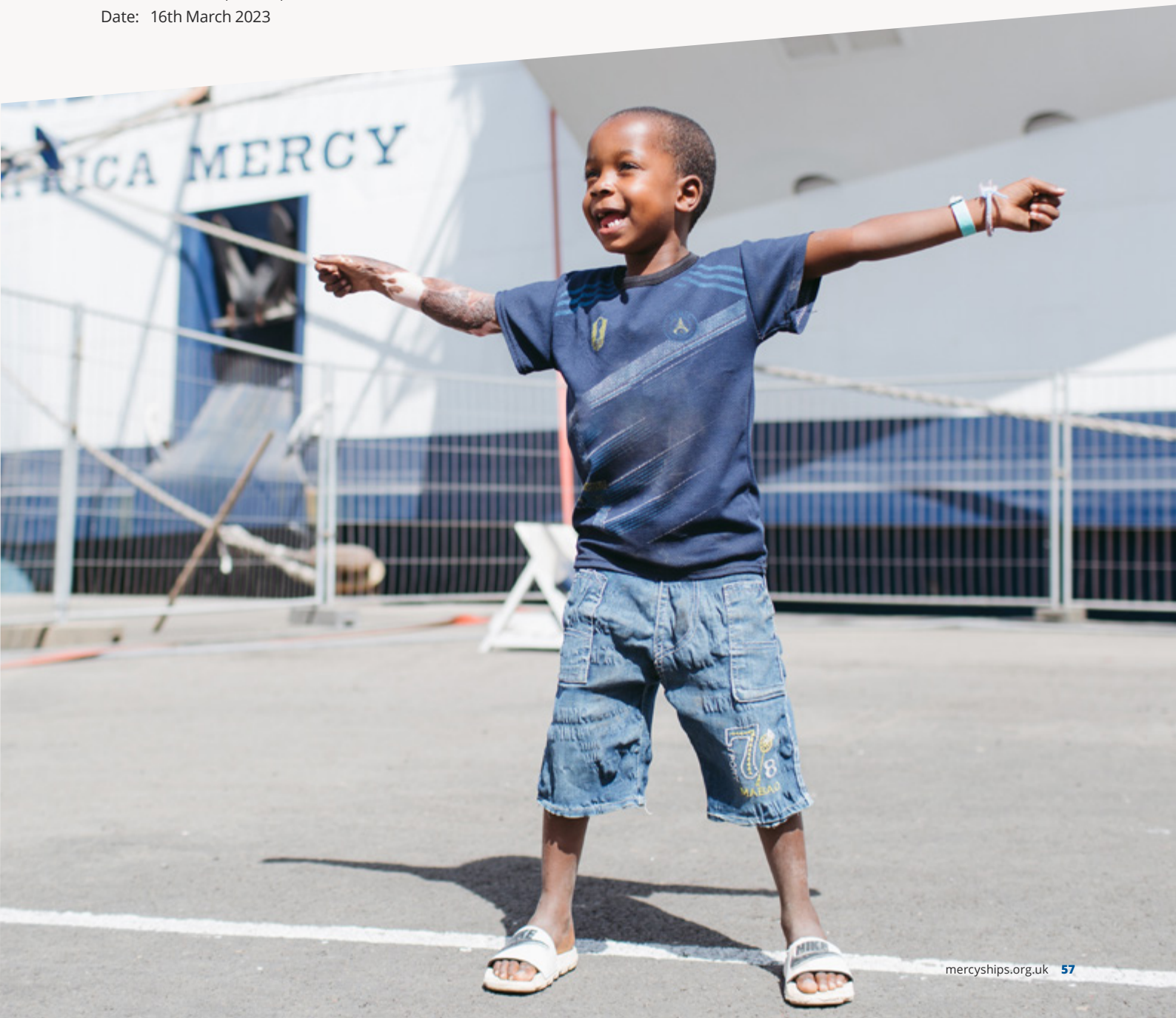
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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: 16th March 2023



Trustees, Principal Officers and Advisors

Directors

Ade Adeyemi (*appointed 4th January 2022*)

Lois Boyle - **Vice Chair**

Dr Leo Cheng

Henry Clarke (*Chair - retired 25th March 2022*)

Justin Humphreys (*appointed 21st April 2022*)

Angharad Milenkovic

Paul Ramsbottom OBE

Dr Michael Spence - **Chair** (*appointed 25th March 2022*)

Dr Juliette Tuakli

Naiomi Thalayasingam

Dr Michelle White

David Mel Zuydam - **Treasurer**

UK patrons

Sir John Major KG CH

Dame Norma Major DBE

International patron

HRH The Princess Royal

Chief Executive Officer

Joanne Balaam

Registered and Principal Office

The Lighthouse, 12 Meadway Court, Stevenage SG1 2EF

Auditor

Mazars LLP, 90 Victoria Street, Bristol BS1 6DP

Banker

Bank of Scotland, 300 Lawnmarket, Edinburgh EH1 2PH

Solicitor

Clyde & Co LLP, St Botolph Building, 138 Houndsditch, London EC3A 7AR

Investment adviser

Rathbone Investment Management Ltd, 8 Finsbury Circus, London EC2M 7AZ

Company No: 3147724 (England & Wales)

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