



From the Chairman

In 2017, Mercy Ships served the people of Benin in West Africa and Cameroon in Central Africa. Of the countries measured by the United Nations Human Development Index (HDI), Benin and Cameroon rank near the very bottom in providing healthcare for their populations. For nearly 40 years, Mercy Ships has focused on countries that face such formidable challenges providing for their people.

The UN Lancet Commission on Global Surgery studied surgery in low-income countries and concluded that billions of people lack access to timely surgical and anesthesia care. For almost four decades, Mercy Ships has provided free surgical and medical care to countries with very limited healthcare. In 2017, our dedicated, volunteer crew performed nearly 2,800 life-changing surgeries and over 19,300 dental procedures.

Mercy Ships delivers a customized partnership model for each country it is invited to serve. In order to address the medical needs of the people in those countries, our teams help build local capacity-building programs while the ship is in the country. This year we provided specific courses for 1,800 healthcare professionals and mentoring for 115 local medical professionals.

The *Africa Mercy* completed its 10th year of service this past year. The vessel has been a blessing to the African continent, providing a platform for taking care of the poorest of the poor. We are very pleased to report that the debt funding for the *Africa Mercy* was retired on the last day of 2017! Without a "mortgage," we can be fully dedicated to our medical priorities and continue to serve faithfully careing for people in need.

In 2013, our board of directors approved the construction of a new "state-of-the-art" ship, the *Global Mercy*, to more than double the impact that Mercy Ships can make in Africa. The new ship is being designed to serve a 50-year lifespan, and we anticipate that 150,000 lives will be changed through surgeries alone. We expect to christen the new ship in Benin in 2020! The *Africa Mercy* will have some shipyard upgrades in 2020 as the new ship sails its maiden voyage. We expect both ships to be in full operation in 2021!

On behalf of our board and our capable staff and crew, I thank you for your trust and on-going support. With your help, we will work toward transforming the healthcare outcomes in Africa.

Sincerely

Myron E. Ullman, III

Chairman of the Board, Mercy Ships International

In low-income countries there are billions of people who lack access to timely surgical and anesthesia care.





From the President/Founder

Dear Friends,

For almost 40 years, Mercy Ships has used hospital ships to provide hope and healing to the forgotten poor of Africa. Deyon and I are deeply grateful for the opportunity to observe, at a very granular level, the growth from the founding of Mercy Ships to our fourth decade. Many individuals—from perhaps 50 nations—are partners in our journey. Each has their own story with Mercy Ships.

Why Africa? Economist Paul Collier uses the term "the bottom billion" to refer to the one billion (of the world's total seven and a half billion) who live in low- and middle-income economies, most of which are in Africa. Most of these "bottom billion" live in 58 countries, and 70% of those countries are in sub-Saharan Africa.

We work to save lives **now** by offering free surgical care. And we work to save lives **in the future** by offering medical capacity-building programs to better equip countries to help their own people. Since 2007, Mercy Ships has performed over 30,000 surgeries on the *Africa Mercy* and trained over 8,700 African healthcare workers in their own country, as well as upgrading medical facilities.

We are also increasing our fleet in order to double the people served. The *Global Mercy*, our new purpose-built, state-of-the-art hospital ship, is scheduled for delivery in 2020.

The stories of individual patients included in this annual report are snapshots of the dire need for mercy—the need for accessible and timely surgical care. These stories put a face to a global crisis and call us to a global responsibility "to act justly and to love mercy" (Micah 6:8).

The primary motivation of Mercy Ships is to follow the 2,000-year-old model of Jesus. Our staff and crew desire to pattern their lives upon His life. Those who serve on the hospital ship pay their own way, volunteering their time and skills to serve some of the world's most needy.

Your support makes a huge difference. Thank you for partnering with us.

Following the 2,000-year-old model of Jesus,

Don Stephens President/Founder

Don Stythen

Our staff and crew desire to pattern their lives upon the model of Jesus. Serving as He served is our primary motivation.

40 Years of Mercy

Mercy is like the wind —

You cannot actually see it, but

you can certainly see its results.

For **40 years**, Mercy Ships has been bringing hope and healing to the developing nations we serve by providing services and materials valued at **over \$1 billion** and impacting more than **2.67 million direct beneficiaries**. **92,296** + Life-changing surgical procedures provided



653,648 + Patients in local villages treated with medical and dental care



41,540 + Healthcare professionals trained in their specialty



1,100 + Community development projects completed



6,251+ Healthcare professionals trained to train others



Developing nations visited



594 Port visits by our ship





Since 1978,

Mercy Ships has impacted over 2,675,000 direct medical beneficiaries.

We want to reach more!



Mercy at work in 2017

1,219

Volunteer crew



8,175

Unique dental



62

Nationalities represented



2,792 Life-changing surgeries



691,550+ Contributed hours of volunteer service



Healthcare professionals trained through courses



35,488

Patients screened



115



19,309

Dental procedures performed



Participants trained in nutritional agriculture



Because of donors like you...

Mercy Ships impacted 66,955

direct beneficiaries in 2017.

The Need for Mercy

The Situation

A staggering 5 billion people worldwide do not have access to safe, timely, and affordable surgery. That's two-thirds of the world's population. Combined with the fact that one-third of the global burden of disease requires surgery or anesthesia, the need is quite obvious. Most hospitals in sub-Saharan Africa operate with limited resources, in some cases without electricity, running water, or adequate staff. The situation is exacerbated by the alarming trend of highly skilled African medical professionals who move to the U.S. or Europe. This is a "brain drain" of catastrophic proportions. The Lancet Commission on Global Surgery found that:

- ▶ Billions lack access to safe surgery
- Millions of surgical procedures are needed
- Millions are impoverished by paying for surgical care
- Investment in surgery promotes economic growth
- Surgery is essential for global health goals

The Mercy Ships Solution

Mercy Ships has been providing excellent, free surgical care for 40 years. But we also help nations strengthen their own healthcare delivery system. We provide essential capacity-building projects, launched in cooperation with the nations we serve and tailored to their specific needs. These projects deliver healthcare more safely and with greater knowledge, tools, and resources. We strengthen healthcare systems by:

- ▶ Training and mentoring local medical professionals
- ▶ Providing courses to improve skills, patient care, and local health practices
- ▶ Strengthening infrastructure through renovations and equipment provision for clinics and hospitals

"Everywhere in the world there are people that are not loved, people that are not wanted nor desired, people that no one will help, people that are pushed away or forgotten.

And this is the greatest poverty."—Mother Teresa



Building Mercy

Mercy Ships wants to help change the story for the "bottom billion" of the world's population— those who live in low- and middle-income economies. Most of them live in sub-Saharan Africa and lack access to safe, timely, and affordable surgical care.

In order to help nations strengthen their own healthcare system, we develop a customized partnership plan with each country we serve. Our goals are to meet immediate medical needs and to strengthen the country's healthcare system by addressing the root causes of problems.

The goal of Mercy Ships Medical Capacity-Building is to support and strengthen the surgical health system from implementers to policymakers in the most impactful way.

We meet that goal by providing:

- ▶ High-quality medical training programs and quality improvement initiatives, which include internationally recognized courses and oneon-one mentoring opportunities
- ▶ Targeted donations in support of participants
- ▶ Targeted infrastructure projects for partner hospitals
- ▶ Support and feedback for the government regarding infrastructure for programs such as the World Health Organization (WHO) Surgical Safety Checklist and encouraging countries to have national surgical plans
- ▶ Data collection for use in research and impact evaluation



Training Through Courses

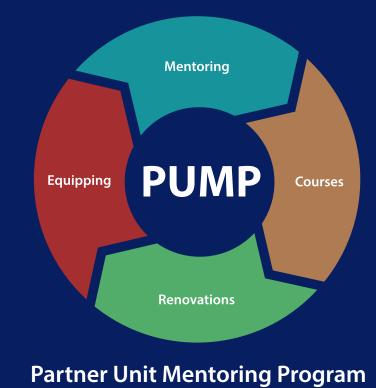
- **893** WHO Surgical Safety Checklist
- Neonatal Resuscitation
- Sterile Processing
- **131** Mental Health
- **100** Primary Trauma Care
- **64** Ophthalmic
- **59** Trainers Trained in: Primary Trauma Care, *SAFE Obstetric Anesthesia, *SAFE Pediatric Anesthesia, and Essential Pain Management
- *SAFE Obstetric Anesthesia
- **Essential Surgical Skills**
- **36** Essential Pain Management
- *SAFE Pediatric Anesthesia
- Ponseti Method
- **Biomedical Technicians**
- Helping Babies Breathe
- 9 Dental
- Regional Anesthesia

Partner Unit Mentoring Program (PUMP)

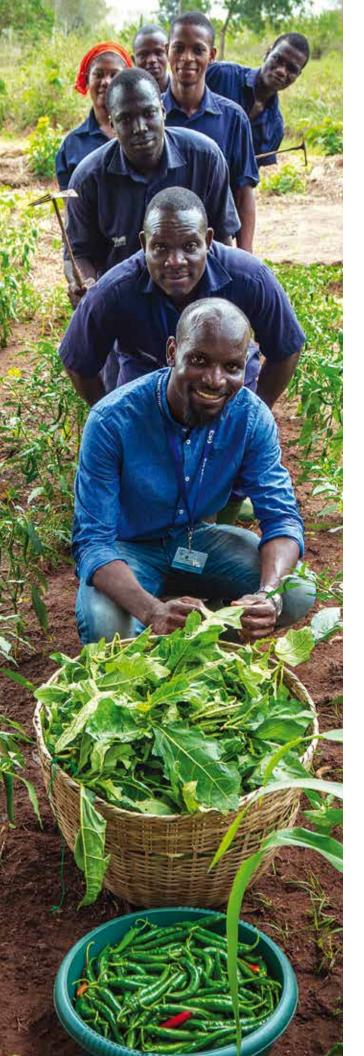
The PUMP model combines the various capacitybuilding opportunities available with Mercy Ships, utilizing a team approach to maximize transformational development in a specific department or unit in a partner hospital. Mercy Ships identifies these specialty areas and implements the PUMP approach to include those involved in patient care, from the nurses in the wards to the operating surgical team.

Training Through Mentoring

- **36** Ward Nurses in the following specialties: plastic-reconstructive care, ophthalmic care, intensive care, maxillofacial care, fistula care
- Anesthesia Providers
- Surgeons of other specialties
- Midwives
- **Maxillofacial Surgeons**
- Surgeons mentored in obstetric fistula surgery
- **Ophthalmic Surgeons**
- Healthcare workers in Ponseti Method
- Medical Doctors in Ponseti Method
- **Physical Therapists**
- **Biomedical Technicians**



^{*}SAFE means Safer Anesthesia From Education



Nutritional Agriculture — Food for Life

Good nutrition is essential to good health. The Mercy Ships Nutritional Agriculture Course trained agriculturalists from national NGOs. The course included both classroom and hands-on instruction, as well as training in food transformation. In Benin, 21 weeks of training was followed by a one-month training at the CESORIA orphanage. Afterward, the new trainers returned home to set up their own agriculture training program. As the knowledge spreads, food supplies will increase, diets will improve, and people will be healthier!

Conto

▶ To increase the farming capacity of partner NGOs and provide hands-on training for agriculture workers at a local orphanage

Results

- **34** Trained in nutritional agriculture in Cameroon
- 17 Orphanage workers and community farmers in Benin

Simply the Story

Forty day crew in Cameroon were trained in *Simply the Story* (STS). Built on the foundation of oral narrators, STS adds the dynamic of training people to dig deeply into a Bible story to discover spiritual truths. Both literate and oral learners are taught to tell accurate Bible stories in an interesting manner, and how to form wise, gentle questions that guide others in discovering spiritual truths for themselves.

HOPE Center-Hospital Out-Patient Extension

The Mercy Ships Hospital Out-Patient Extension (HOPE) Center is a non-clinical, temporary residence for patients and their caregivers who have received healthcare services onboard the *Africa Mercy*. Once discharged from the ship's hospital, patients and their caregivers who live outside the port city may stay at the HOPE Center as they continue to recover and receive follow-up care. For these patients, the HOPE Center provides a safe, secure, and hygienic facility where patients can reside until they are able to return to their homes. Should any complications arise, the close proximity to the *Africa Mercy* ensures that patients can be treated quickly and efficiently.

Importantly, the HOPE Center frees up precious bed space in the hospital wards on the ship. By freeing up beds in the wards, the HOPE Center allows optimization of the ship's surgical capacity.



Infrastructure Development in Benin

- Upon the ship's departure in June 2017, the Missessin Maternity Clinic (in Akpakpa, Cotonou), which Mercy Ships completed renovation on in 2016 for use as the HOPE Center, was returned to the Ministry of Health for continued use. The community was so impressed with the renovation that the Chef Quartier (local chief) of Missessin gathered people to sweep the HOPE Center compound and organized men to monitor incoming vehicles at the HOPE Center gate.
- Mercy Ships also renovated a maternity clinic (in Zogbo, Cotonou) for use as the Mercy Ships Dental Clinic in 2016, and upon the ship's departure in June 2017, the facility was returned to the Ministry of Health.

Innovative Infrastructure Development in Cameroon

- Renovated several buildings adjacent to the Nylon District Hospital in Douala, Cameroon to serve as the HOPE Center and Ponseti Clinic. At the end of the field service, the facility will be returned to the Cameroonian Government with the option to expand the operations of the Nylon District Hospital: additional inpatient rooms and ward space, laboratory space, and consulting rooms.
- Renovated a building at Central Hospital Laquintinie in Douala, Cameroon, as a dual-purpose facility for simultaneous use as the Mercy Ships Dental Clinic and the Mercy Ships Eye Clinic. Following the 10-month field service, Mercy Ships will return the building to the Ministry of Public Health for use as an epidemic treatment center.
- Transformed a large equipment storage area at Central Hospital Laquintinie into a Biomedical Workshop to complement two biomedical training courses Mercy Ships offers through its partner, Medical Aid International (UK). At the end of the field service, it will be returned to the Ministry of Public Health for continued use as the hospital's biomedical workshop, providing support to regional and national healthcare facilities.



Leaving a lasting impact in Cameroon, several buildings adjacent to the Nylon District Hospital were renovated.

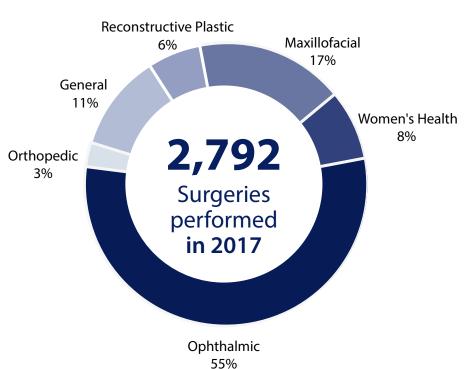


Hands of Mercy

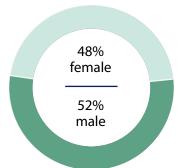
Up to 400 volunteers work onboard the *Africa Mercy* at any one time. Over the course of a year, an average of 1,200 volunteer crew representing over 60 nations serve onboard the ship. They pay monthly crew fees and raise their own finances to serve onboard. While they represent varied cultures and backgrounds, they are united by a desire to make a difference ... to bring hope and healing to the world's forgotten poor.

Our volunteer crew are the hands of mercy for the thousands of people who lack access to safe, free surgery. Every volunteer crew member plays an invaluable role within Mercy Ships—chefs, surgeons, teachers, engineers, housekeepers, nurses, and everyone in between work together to provide as many surgeries as possible. Our surgical specialties are tailored to meet the needs of the people we serve—people who most likely would never be able to find or afford reliable healthcare. For those who were once hopeless, Mercy Ships provides an opportunity for a new life filled with joy and the power of transformational healing.

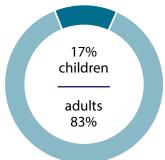
Surgeries by Speciality



Patients by Gender



Patients by Age





Maxillofacial Surgical Project

Tumors begin as small growths, but for many people in low- and middle-income economies, accessing necessary medical and surgical care is extremely difficult and often unaffordable. Left untreated, these tumors and maladies can become life-threatening, and people with these conditions become social outcasts because of their disfigurement. Our surgical team onboard worked to remove as many tumors as possible. Infants and young children needing maxillofacial surgery, who were malnourished due to swallowing difficulties, participated in the Mercy Ships feeding program prior to surgery. Some patients received post-operative speech therapy as a part of their plan of care.

The Maxillofacial Surgical Project focused on three main areas:

- Children with congenital abnormalities, such as cleft lip and palate
- · Facial deformities caused by a bacterial infection called noma
- Tumors of the head and neck, normally benign and very large

Conto

- Improve the quality of life of patients suffering from maxillofacial deformities through life-changing surgeries
- Strengthen the skills of local medical professionals to enhance quality, compassionate care

Results

- **394** Maxillofacial surgeries
- **90** Cleft-lip and palate surgeries

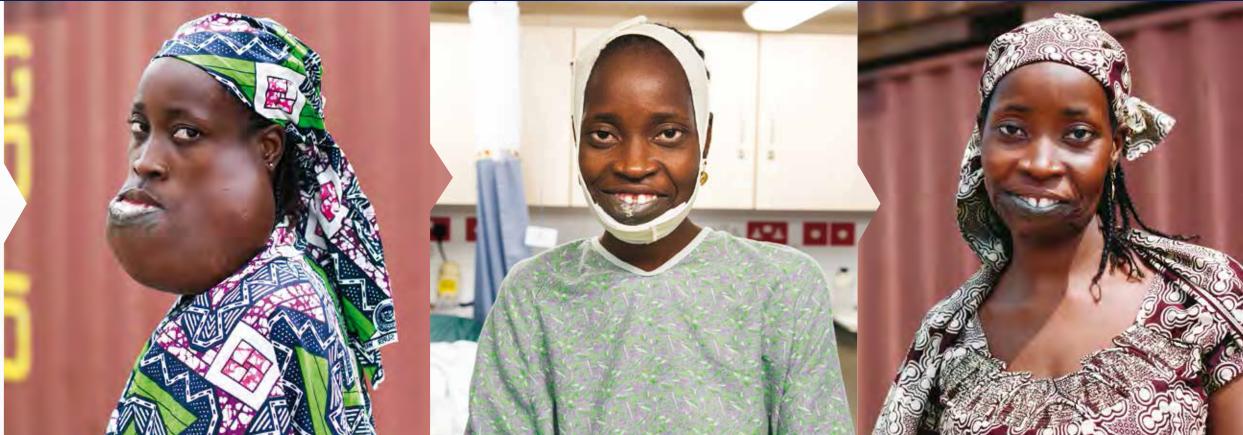
Maxillofacial PUMP Training:

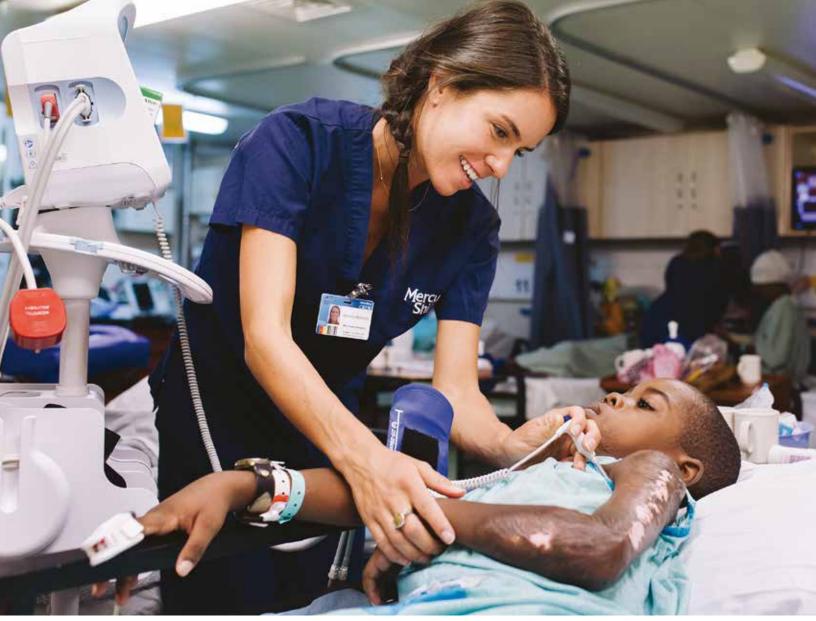
- 7 Nurses mentored
- **5** Surgeons mentored
- 4 Anesthesia Providers mentored

Once living shrouded in pain and shame from a disfiguring tumor...









Reconstructive Plastic Surgical Project

In nations where Mercy Ships serves, many people still use open fires for cooking on a daily basis. These open flames are often a source of accidental burns. In nations where adequate healthcare is not readily available or affordable, burns often go untreated, resulting in severe skin and muscle contractures. Reconstructive Plastic Surgery addressed these needs through surgery, skin grafts, and physical therapy.

Goods

- ▶ To improve the quality of life of patients suffering from severe burns and other reconstructive plastic needs through life-changing surgeries, with the aim to restore function
- Strengthen the skills of local medical professionals to enhance quality, compassionate care

Results

- **169** Reconstructive plastic surgeries
- **1,974** Hand, occupational, or physical therapy sessions for reconstructive plastic patients
 - **11** Reconstructive plastic nurses mentored
 - 2 Anesthesia Providers mentored
 - **2** Physical Therapists mentored

General Surgical Projects

Treatable conditions, such as hernias, thyroid goiters, and soft tissue tumors, can affect a person's ability to work and provide for their families. Often, basic surgical care either doesn't exist or is unaffordable for those who need it. General Surgeries addressed these conditions to give hope and healing to those who need it most.

Gonla

- Improve the quality of life by surgically addressing pediatric congenital conditions, as well as adult environmentally-andoccupationally-acquired conditions
- Strengthen the skills of local medical professionals to enhance quality, compassionate care

Results

292 General surgeries—
primarily goiters, hernia repairs, and lipoma resections





Ophthalmic Surgical Project

Although cataracts are easily removable by a brief, low-cost operation, this condition is responsible for half of all blindness in Africa due to lack of affordable, safe surgery. In low- and middle-income nations, childhood cataracts are also a major issue. On the *Africa Mercy*, our team of ophthalmic surgeons and doctors restored eyesight to as many children and adults as possible.

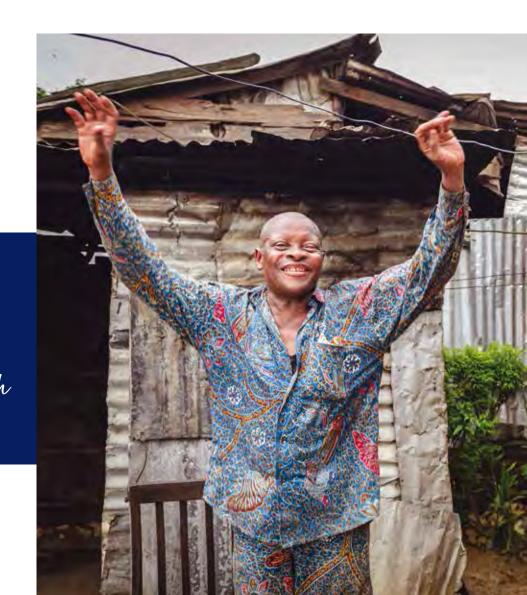
Conto

- Improve the quality of life for patients suffering from cataracts, pterygium, and other vision impairments through life-changing surgeries
- Strengthen the skills of local medical professionals to enhance quality, compassionate care

Results

- **1,459** Cataract surgeries
 - **70** Other types of eye surgeries performed
 - **5** Ophthalmic Surgeons mentored
 - **2** Ophthalmic Nurses mentored

Once blind...
Roger rejoices now
that his sight has
been restored through
cataract surgery.



Pediatric Orthopedic Surgical Project and Ponseti Method Project

Disease, genetics, or malnutrition can contribute to malformed legs and feet. In the Orthopedic Surgery Project, Mercy Ships medical crew corrected pediatric deformities such as "knocked knees," bowed legs, neglected trauma, and other conditions. While orthopedic surgery has one of the longest recovery times of all the surgeries performed onboard, it was well worth the wait to see children whose legs were once deformed walking and running.

Not all cases require surgery. Children under the age of two can have their clubfoot corrected through the Ponseti Method. This method is primarily non-surgical and involves regular casting over a four to six week period to slowly correct clubfoot. Along with the casting process, a simple, small surgical procedure called a tenotomy is required to cut the Achilles tendon. Afterward, the patient is put back in a cast for three weeks for the tendon to heal in an ideal position. In addition to providing this life-changing service to patients, Mercy Ships worked to invest in local clinics and hospitals by providing intensive training to ensure long-term care, support, and the provision of braces.

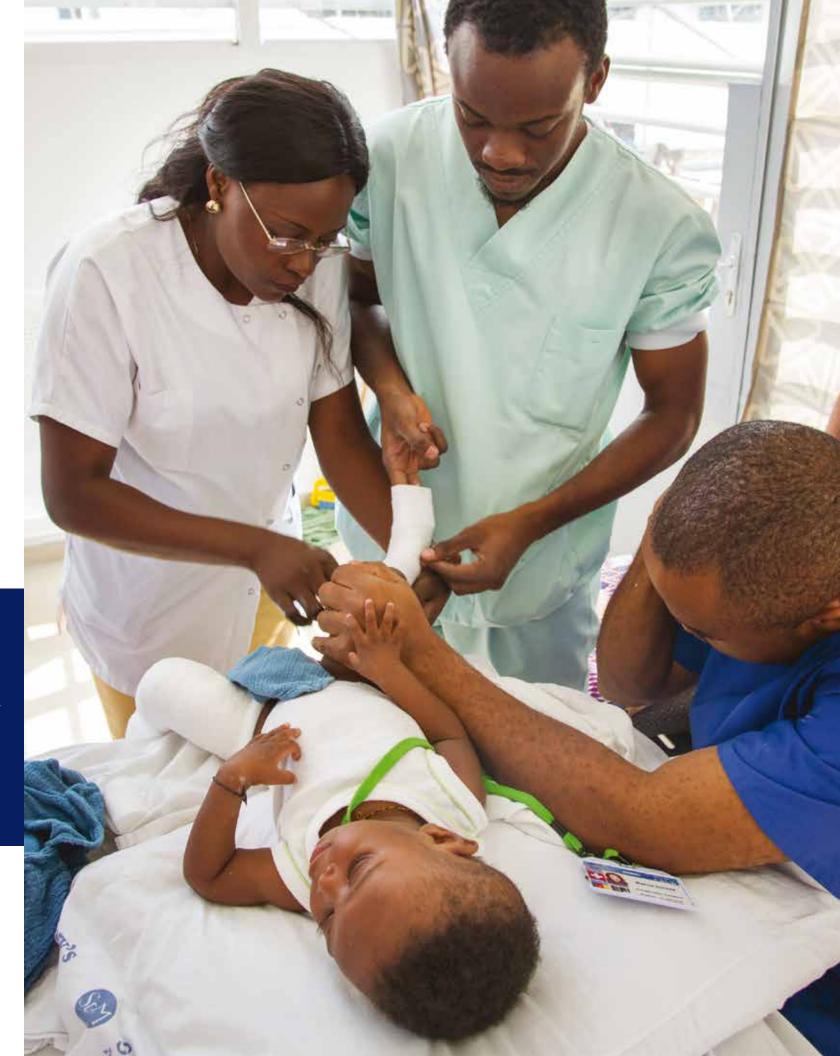
Goods

- ▶ Improve the quality of life for children with clubfoot
- ▶ To train local doctors, brace-makers, and healthcare workers in Ponseti Method skills
- ▶ Improve the quality of life for children suffering from orthopedic deformities and neglected orthopedic trauma by providing life-changing surgeries, with the aim to restore function

Results

- **82** Pediatric orthopedic surgeries
- **1,418** Physical therapy sessions
 - **16** Patients treated for clubfoot with the Ponseti Method
 - 5 Healthcare workers mentored in the Ponseti Method
 - 4 Medical doctors mentored in the Ponseti Method

Clubfoot is one of the most common congenital musculoskeletal deformities, with 80% of untrented cases occurring in developing nations.



Women's Health Surgical Project

Obstetric fistula is a traumatic condition caused by obstructed labor. The baby is typically stillborn and the woman is left incontinent, often unable to have other children. Mercy Ships provided free surgery to repair this debilitating, ostracizing condition for these women, restoring their lives and self-esteem.

A very special Dress Ceremony celebrated successful obstetric fistula surgeries. Each woman was offered a Bible and given a colorful new dress to signify her restored life and renewed hope.

Conto

- Improve the quality of life through life-changing surgeries and treatment for patients suffering from:
 - Obstetric fistula
 - Uterine prolapse
 - Other gynecological conditions
- Strengthen the skills of local medical professionals to enhance quality, compassionate care

Results

- **132** Obstetric fistula repairs
- **96** Other gynecological corrective surgeries

Women's Health PUMP Training:

- 9 Nurses mentored
- **8** Midwives mentored
- **5** Surgeons mentored
- 1 Anesthesia Provider mentored





Dental Care and Treatment

There is one dentist for every 150,000 people in Africa, according to the World Dental Federation, and significant proportions of adults and children have never seen a dentist. Despite this fact and the social and economic burdens from oral diseases, oral healthcare is still a neglected area of global health. Mercy Ships dental projects addressed acute dental needs, provided preventative and restorative treatments, as well as basic oral health education at the dental clinic and in primary schools.

Gonla

- Reduce the incidence of dental disease by providing preventative and restorative treatments such as restorations, extractions, and cleaning
- ▶ To provide basic oral instruction to patients and caregivers waiting at dental clinics, and to students and teachers in primary schools

Results

19,309 Dental procedures

14,485 People instructed in basic oral health

8,175 Unique dental patients seen

Hospital Chaplaincy

The Hospital Chaplaincy Team facilitated the following for patients onboard the *Africa Mercy*, and at the HOPE Center:

- Counseling sessions for patients and their caregivers to address spiritual, emotional, psychological, and social issues
- Spiritually enriching opportunities such as worship service and meditation time
- Mind-stimulating activities such as play therapy, arts and crafts activities

Palliative Care

Some who seek medical help from Mercy Ships are not eligible candidates for surgery because of inoperable and often terminal conditions. The Palliative Care Team reached out to patients and their families, provided in-home visits to encourage them, pain relief medications, instruction for caregivers, dressings for wound care, and counseling for patients and caregivers.

Mercy Ministries

Mercy Ministries partnered with local organizations including orphanages, children's homes, homes for the elderly, a school for the deaf, a school for the handicapped, prison, and the HOPE Center. Its goal is to provide the crew with additional service opportunities during their off-duty hours, primarily during evenings and weekends. In addition, "The Jesus Film" was shown in local languages in partnership with local church leaders.

Conto

 To provide holistic care to patients by focusing on their spiritual, psychological, social, emotional, and physical needs

Results

- **1,781** One-on-one Chaplaincy sessions for patients and caregivers
- **374** Bibles provided at request of patients
- **785** One-on-one HIV counseling sessions
- 11 Day-crew trained to serve in the ship hospital, the HOPE Center, and the Obstetric Fistula Clinic

Conto

▶ To show the love of God by giving practical care and support to individuals and families suffering from terminal illness

Results

- **3** Palliative care patients new in Benin
- **194** Home visits to patients, including those first visited in 2016
- **36** Family members trained in palliative care and/or wound care

Conto

▶ To demonstrate God's love, care, and concern for those we come to serve through listening, praying, counseling, teaching, spending time, playing, interacting—and, in particular, sharing using the *Simply the Story* (STS) method.

Results

- **8,914** People reached
- **2,377** Crew participant opportunities
 - 257 Sites visited
 - 16 National partners



The Benuty of Mercy

You can see it in our patients' eyes—transformation, restoration, resurrected hope. Yes, that's the beauty of mercy.

Blind Faith — a patient story



"When I gave birth to Dorkas, she was a healthy baby," said her mother, Nicole. But soon, cataracts began to cloud the infant's vision.

Three years after Dorkas' birth, baby Anna arrived. "I couldn't believe it," said Nicole. "When I gave birth to my second child, her [vision] was even worse than her older sister's!"

With genetically transmitted cataracts, Anna and Dorkas were almost completely blind. They were two of the roughly 320,000 blind children in sub-Saharan Africa who would be able to see if they only had access to modern medicine.*

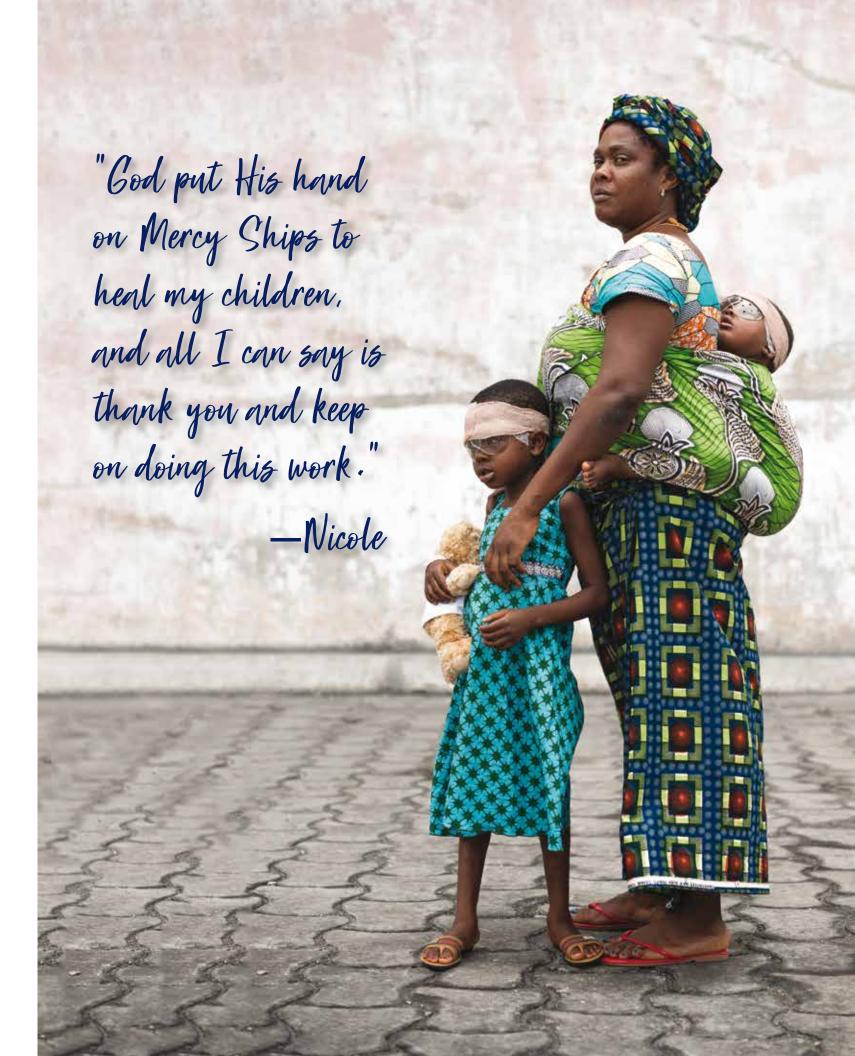
"The moment I realized that both [my daughters] could not see, I began to hope that one day they would get surgery," she said. But six years later, the girls were still waiting for the surgery that would give them the gift of sight.

Eventually, Nicole heard that Mercy Ships was in the neighboring country of Benin, so they left their home in Togo in hopes that Mercy Ships would treat her children's cataracts. Soon after, Nicole left the *Africa Mercy* screening site with appointment cards signaling that her daughters were scheduled for surgery.

It wasn't long before the halls of the *Africa Mercy* were filled with the sound of Nicole's rejoicing. "Praise God, Praise God! Mercy has saved my babies' sight!"

Soon, Anna and Dorkas' eyes had improved so much they were heading home for good. "Now, I'm full of joy. I'm full of happiness," said Nicole. "God put his hand on Mercy Ships to heal my children, and all I can say is thank you and keep on doing this work."

"For my children, I desire wisdom, intelligence, health, long life, and the ability to achieve great things," said Nicole. After a free surgery to remove their cataracts, both girls are seeing well enough to attend school...for the first time ever.



^{*} http://10ga.iapb.org/2016/10/# (International Agency for the Prevention of Blindness)

Miracles For Mother and Daughter — a patient story



Almost 8 pounds.

That's how much the tumor growing on Valerie's face weighed by the time she came to Mercy Ships. During the 25 years she'd lived with the tumor, this strong mother didn't let it get her down.

It was only when she saw a similar tumor start to grow on her young daughter Edith's face that she truly felt afraid. Edith's tumor was small. But Valerie knew that without medical help, it could grow as large as hers.

As a mom, Valerie couldn't bear the thought of Edith facing the same hateful words and taunts she'd always lived with. She didn't want anything to stop her daughter from going to school, making friends, or having a husband and family of her own.

After years of searching and praying, Valerie learned that Mercy Ships had arrived with free surgeries for people just like her and Edith.

"When I heard about Mercy Ships, I was given something I didn't have before," recalled Valerie with a smile. "Hope."

First, Valerie traveled to the *Africa Mercy*, where our team of volunteer surgeons and nurses carefully removed the giant tumor she'd lived with so long. After weeks of recovery and rehabilitation, Valerie returned home.

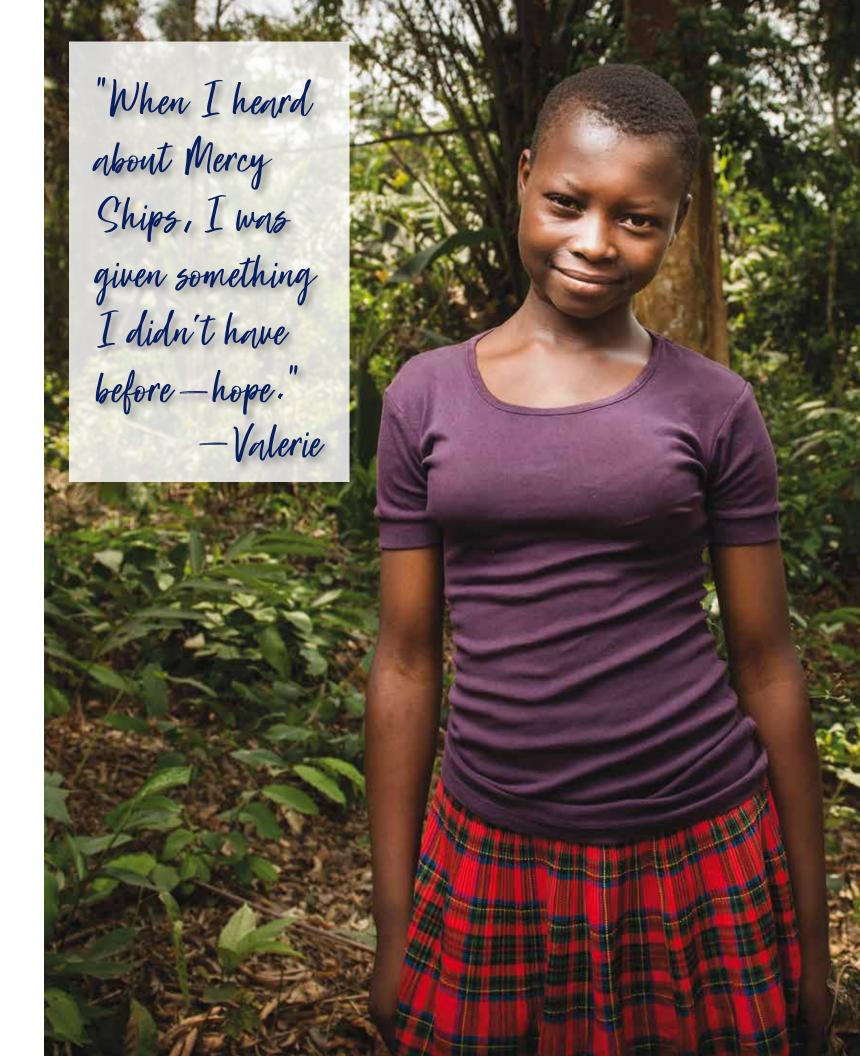
Edith was excited to see her mother, and she was elated to know there was hope that her tumor could be removed, too.

"When I saw my mother for the first time, I was so happy," shared Edith. "She is beautiful."

Confident in the care her daughter would receive, Valerie brought Edith to the *Africa Mercy*, so that she, too, could receive a life-transforming surgery. Soon, Edith had a similar surgery.

Today, Edith is also tumor-free. Now, she can fearlessly work to fulfill her dream of becoming a math teacher. And someday, she can have the family and children she's always wanted!

"Mercy Ships has given me a new life," said Valerie, fighting back tears. "It's a miracle for me and my whole family, and I'm grateful for what they are doing for others and for me."



Ulrich Stands Tall — a patient story



"What do you want to be when you grow up?" someone asked 12-year-old Ulrich.

"I want to be tall like my friends," he answered with a smile.

Ulrich was born with dislocated knees and a condition known as Quadriceps Contracture—a condition in which the leg muscles don't develop at the same rate as the bones, causing the legs to bend drastically backward.

The cost of surgery and the severity of his condition defeated the efforts of his mother, Georgette, to find help. "Surgeons wouldn't touch him," Georgette recalled. "It was hard to see him hurting. When he hurts, I hurt."

Despite constant stares and ridicule, Ulrich learned to adapt to his condition. He learned to walk with sticks made from sturdy branches, but experienced pain in his hands and joints from supporting his body weight all the time. "I was worried that if I was feeling such pain now, it was only going to get worse as I got older," he said. "I was scared to grow up like that. I didn't want that to be all my life was ever going to be."

The day Ulrich arrived on the *Africa Mercy* for his free surgery, volunteer surgeon Dr. Frank Haydon was shocked. "He moved like an insect ... like a cricket. I'd never seen anything quite like it."

After several complex surgeries, Ulrich woke up with two straight legs in casts. During his first attempt to stand, Ulrich reached up to see if he could touch the ceiling.

When his time on the *Africa Mercy* came to a close, Ulrich offered Dr. Haydon a gift—his old walking sticks. Now able to walk correctly, Ulrich wouldn't be needing them anymore.

Now standing tall, Ulrich is excited to look his future in the eye, and work toward his dream of getting an education!



Vessels of Mercy

Global Mercy

In response to the critical need for safe, accessible medical and surgical care in Africa, Mercy Ships commissioned the construction of a second hospital ship, the *Global Mercy*. When she joins our fleet in 2020, she will more than double our annual surgical and training capacity and have an anticipated lifespan of 50 years.

In 2017, the *Global Mercy* rapidly took form and substance as steel was put in place and welded, and all blocks were completed. The "mockup"—a construction in the shipyard that matches the steel dimensions of parts of the actual ship—was completed. This structure included five cabins, a hospital isolation room, part of an X-ray room, as well as sections of dining room, galley, and guest lounge. The mockup allows us to make sure the quality is satisfactory before interior outfitting begins on the ship.

"Seeing the ship in person and meeting the incredible men and women who are involved in making this dream a reality was quite humbling. Although there is much work to do before she sails, the unbelievable power of God at work is evident in the progress that has already been made." —Tom Stogner, Mercy Ships Chief Operating Officer





Africa Mercy

During 2017, the *Africa Mercy* continued her faithful service in delivering hope and healing. Since her deployment in 2007, the *Africa Mercy* has participated in 13 field services in sub-Saharan Africa—serving the countries of Liberia, Benin, Togo, South Africa, Sierra Leone, Guinea, the Republic of Congo, Madagascar, and Cameroon.

The Africa Mercy marked a significant milestone on December 5, 2017 when the 30,000th surgery was completed on the ship. What's more, this surgery was completed by the same volunteer surgeon, Dr. Glenn Strauss, who performed the first surgery ten years earlier!

"I could never have imagined when I did that first operation on the *Africa Mercy* in 2007, that now, ten years later, I'd be doing the 30,000th case," Dr. Strauss said. "Not only that, but I've been privileged to train 47 ophthalmic surgeons, who will provide tens of thousands more safe cataract surgeries in Africa and around the world."



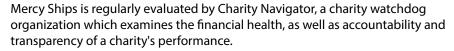
Consolidated and Combined Statements of Financial Position

For the year ended December 31, 2017 with comparative totals for the year ended December 31, 2016

Assets		2017 Total		2016 Total
Cash and cash equivalents	\$	30,588,569	\$	29,448,696
Cash held for others—ship bank		1,428,030		878,072
Certificate of Deposit		12,308,955		12,180,443
Accounts receivable—net		1,257,540		929,945
Pledges receivable—net		42,559,505		24,993,070
Inventory		3,258,214		3,138,498
Other assets and surrender value of life insurance		204,431		189,596
Prepaid expenses and advances		1,250,674		546,835
Cash and cash equivalents held for long-term purposes		30,637,369		25,828,089
Property and equipment—net		89,809,161		84,747,667
Total Assets	<u>\$</u>	213,302,448	<u>\$</u>	182,880,911
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$	6,391,666	\$	4,530,423
Ship bank payable		1,080,656		984,454
Deferred revenue		93,358		59,129
Notes payable		542,012		1,832,373
Capital lease obligation	_	1,622,728	_	1,510,548
	_	9,730,420	_	8,916,927
Net assets				
Unrestricted		111,554,852		99,610,243
Temporarily restricted		91,030,176		73,566,741
Permanently restricted		987,000		787,000
Total Liabilities and Net assets		203,572,028		173,963,984
Total Liabilities and Net Assets	\$	213,302,448	\$	182,880,911

Financial Accountability

Mercy Ships is a member of the Evangelical council for Financial Accountability (ECFA) which provides accreditation to Christian nonprofit organizations that faithfully demonstrate compliance with established standards for financial accountability, fund-raising, and board governance.



A complete audit report was conducted by Capin Crouse, LLP, of Grapevine, Texas. The financial statements shown in this annual report are an incomplete presentation. Our complete financial statements and audit report are available upon request.









Consolidated and Combined Statements of Activities

For the year ended December 31, 2017 with summarized financial information for the year ended December 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	2017 Total	2016 Total
Support And Revenue					
Contributions	\$ 44,398,964	\$ 33,297,799	\$ 200,000	\$ 77,896,763	\$ 65,852,082
Contributions for staff support	4,183,293	-	-	4,183,293	4,446,365
Gift-in-kind contributions	7,717,140	-	-	7,717,140	3,858,697
Contributed services	17,535,208	-	-	17,535,208	16,944,661
Fee revenue	1,789,286	-	-	1,789,286	1,739,159
Sales and other revenue	1,712,958	14,480	-	1,727,438	2,182,306
Gain (Loss) from translation adjustments	886,444			886,444	(1,156,509)
Total Support and Revenue	78,223,293	33,312,279	200,000	111,735,572	93,866,761
Net Assets Released					
Purpose restrictions	15,848,844	(15,848,844)			
Expenses					
Program services					
Ship and field operations	62,227,252		=	62,227,252	51,804,877
Supporting activities:					
General and administrative	6,760,813	-	-	6,760,813	5,298,657
Fundraising	13,831,041	=		13,831,041	<u>11,641,655</u>
Total supporting activities	20,591,854		-	20,591,854	16,940,312
Total expenses	<u>82,819,106</u>		_	82,819,106	68,745,189
Change in Net Assets Before Change in					
Cumulative Translation Adjustments	11,253,031	17,463,435	200,000	28,916,466	25,121,572
Cumulative Translation Adjustments	691,578			691,578	1,528,472
Change in Net Assets	11,944,609	17,463,435	200,000	29,608,044	26,650,044
Net Assets, Beginning of Year	99,610,243	73,566,741	<u>787,000</u>	173,963,984	147,313,940
Net Assets, End of Year	<u>\$ 111,554,852</u>	<u>\$ 91,030,176</u>	<u>\$ 987,000</u>	<u>\$ 203,572,028</u>	\$ 173,963,984

Supporting Mercy International Board of Directors



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Managing Director
Morgan Stanley | Private Wealth
Management
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Azarias Ruberwa Manywa

Former Vice President Democratic Republic of Congo Ashburn, VA, USA

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Founder/CEO

Austin, TX, USA

Babybanden Kristiansand, Norway

David Overton*Partner
Opus Faveo Innovation Development

Donovan Palmer* Group Managing Director Mercy Ships Garden Valley, TX, USA

David Rolston* Chairman, Board of Directors Image Metrics Santa Monica, CA, USA

Daniel O. Shelley* Texas State Senator (Retired) Attorney at Law Austin, TX, USA

Deyon Stephens Co-Founder Mercy Ships Garden Valley, TX, USA

Juliette M. Tuakli, MD* Executive Director Child & Associates Accra, Ghana

Richard Wankmuller Chairman, Mercy Ships Australia Caloundra, QLD, Australia

Mary Beth West* Chief Growth Officer Hershey Company Hershey, PA, USA

Randall Zindler Chairman Mercy Ships Switzerland Lausanne, Switzerland

Emeritus Directors:

William S. Kanaga Chairman (Retired) Arthur Young New York, NY, USA

Gustaaf van Beers Professor of Economics (Retired) Kingston, ON Canada

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^{*} Executive Committee Member



Bringing Hope and Healing

