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**Annual Report**  
2014/ 2015

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# Acronyms

ACT	Artemisin Combination Therapy
AIDS	Acquired Immune Deficiency Syndrome
ART	Antiretroviral Therapy
ARV	Antiretroviral
Bn	Billion
BoD	Board of Directors
CoU	Church of Uganda
DIFAEM	The German Institute for Medical Mission
EDP	Essential Drug Program
EPN	Ecumenical Pharmaceutical Network
EU	European Union
GDP	Good Distribution Practice
GM	General Manager
HIV	Human Immune-deficiency virus
ISO	International Standard Organization
IT	Information Technology
JMS	Joint Medical Store
M&E	Monitoring and Evaluation
MeTA	Medicines Transparency Alliance
MIS	Management Information System
Mn	Million
MoH	Ministry of Health
MoU	Memorandum of Understanding
NDA	National Drug Authority
NGO	Nongovernmental Organization
PHC	Primary Health Care
PNFP	Private not for profit
QMS	Quality Management System
SCMS	Supply Chain Management System
SPARS	Supervision Performance and Recognition Strategy
SSFFC	Suspected/Spurious/Falsified-labelled/ Falsified/Counterfeit
TASO	The AIDS Support Organisation
UCMB	Uganda Catholic Medical Bureau
UGX	Uganda Shillings
UMMB	Uganda Muslim Medical Bureau
UPMB	Uganda Protestant Medical Bureau
USAID	United States Aid for International Development
WHO	World Health Organization

# ABOUT JMS

Joint Medical Store (JMS) is a non-governmental Private Not-for-Profit Organization. It was established by the Uganda Catholic Medical Bureau and the Uganda Protestant Medical Bureau. It is registered under the "Non-Governmental Organization Registration Act" (Cap113) as a body corporate under the "Trustees Incorporation Act" Cap 165.

## Vision

To be the leading and closest provider of Quality Health Supplies for the Glory of God.

## Mission

To supply medicines, medical equipment and related health care services and training of assured quality to the people of Uganda at affordable prices assuring a preferential position for health units accredited to the Uganda Catholic Medical Bureau (UCMB) and Uganda Protestant Medical Bureau (UPMB).

“

## Isaiah 23:18

The money she earns by commerce will be dedicated to the Lord. She will not store it away, but those who worship the Lord will use her money to buy the food and clothing they need.

”

## Winning aspiration

The leading provider of quality health products and services with the highest customer satisfaction, client loyalty and repeat business in our industry

## Strategic Objectives

1. Effective Communication (Lobbying, marketing, PR) and partnerships
2. Quality products and services
3. Sustainable and growing business
4. Effective governance and risk management
5. Distinct customer care and aftersales services

## Core Values

1. Responsibility
2. Agility
3. Respect
4. Excellence
5. Join hands
6. Measure everything
7. Offer Specific and responsive solutions

## Strategic Focus 2014/15

1. Re-aligning and Innovating to remain competitive and relevant in line with the Mission
2. Strengthening Institutional Capacity for Business Networking, Advocacy and Management
3. Strengthening Member Health Units Capacity
4. Improving Business Relationship Management
5. Embracing e-commerce and Modern Technology
6. Strategic partnerships
7. Capacity building of the member health units.
8. Ensuring value for money
9. Business efficiency.



## ABOUT THE FOUNDERS | UPMB PROFILE



The Uganda Protestant Medical Bureau (UPMB) is a national umbrella organization for Protestant, Adventist and Pentecostal founded member health facilities. UPMB is registered as a charitable, faith-based non-governmental organization founded in 1957 by the Church of Uganda and Seventh Day Adventist Church.

UPMB has a Network of 283 health facilities and has over five decades of experience in serving communities in rural and remote communities in Uganda. Majority (80%) of the 283 health facilities are located in rural and remote areas and include 18 hospitals; 10 Health Training Institutions; 10 HC IVs; 255 lower level health facilities.

The health facilities represent an important social asset for the communities in which they are located as they have grown out of initiatives of congregations to address identified needs. The health facilities provide

promotive, preventive, curative, and rehabilitative health care regardless of ethnicity, religious creed, gender and socio-economic status.

The UPMB network is an important stakeholder in the Uganda health sector complementing the government's efforts to ensure good health for the nation. Institutional partnerships have been built at International, National and District levels with the aim of raising the profile of faith-based health facilities while at the same time strengthening recognition and integration of these health facilities into the national health system.

UPMB is managed at the policy level, by a professional Board of Trustees, and a Board of Directors. The UPMB secretariat is the central coordination structure for the UPMB network of health facilities and is led by the Executive Director and a staff team who oversee various projects and programs. The staff

have varied professional expertise including but not limited to Public Health, Human Medicine, Nursing, Supply Chain, Laboratory, Quality Assurance, Optical, Monitoring and Evaluation, Social Work and Social Administration, Financial Management, Auditing, Human Resource Management and General Administration.

UPMB's strategic areas of focus (2014 -2018) include;

**i) Institutional Capacity Development:**

our focus is strengthening the human resource and governance capacities of member health facilities and the Secretariat.

**ii) Support to Health Service Delivery;** with special attention to enabling member health facilities to deliver a wide range of high quality health services. The UPMB Secretariat implements grants from various development partners supporting comprehensive HIV service delivery, human resources for health, and family planning and continues to expand to meet the needs on the ground.

**iii) Patient Safety and Quality Health Services:** by emphasizing setting of health service delivery standards and monitoring compliance to these, and promoting support supervision.

**iv) Research, Advocacy and Networking:**

by promoting UPMB's engagement in international and national level research and advocacy and networking on the key strategic areas including health financing and human resources for health.



## ABOUT THE FOUNDERS | UCMB PROFILE

The Uganda Catholic Medical Bureau (UCMB) is a health department of the Uganda Episcopal Conference (UEC)—the Conference of Catholic Bishops of Uganda. The Uganda Catholic Secretariat, located at Nsambya Hill Kampala, undertakes the administrative function of the UEC. The Secretariat comprises of over 23 departments including the health department which is UCMB.

UCMB was formally gazetted by the then colonial government of Uganda in 1955 as a channel for transferring grants-in-aid—government subsidy, to Catholic-founded health facilities, thus formalizing the support then being given to the church's health service institutions.

The cardinal roles of UCMB include advocacy, lobbying, coordination, mentorship & supervision and regulation of catholic health services in Uganda. Through a range of initiatives and activities, UCMB contributes significantly to building and strengthening health systems of the Catholic Church health services that integrate into and complement the Uganda national health system. The Bureau provides technical assistance and advisory services as well as building capacities of accredited catholic health service delivery points across the country, as well as facilitating linkages and networks with other stakeholders in health including Government of Uganda, Health Development partners, service providers, Sister PNFs in other Medical Bureaus, and other stakeholders in service delivery.

The Bureau coordinates and serves 32 hospitals (constituting 25% of all hospitals in Uganda and 57% of all



5th from left; Archbishop Cyprian Kizito Lwanga with Msgr John B. Kauta (6th Left) along with the Episcopal Conference members holding prayers with the staff of JMS on 25th June 2015

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**The Bureau provides technical assistance and advisory services as well as building capacities of accredited catholic health service delivery points across the country, as well as facilitating linkages and networks with other stakeholders in health**

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PNFP hospitals). Two hospitals are Specialised for Ophthalmology and Paediatrics care respectively and 250 Lower Level health units. The hospitals contribute a quarter

of hospital-based deliveries, 27% of the hospital-based admissions and a quarter of the total hospital-based ANC attendances in the country, while 11.8% of PLHIV persons on ART in Uganda are receiving their drugs from a UCMB accredited health facility.

UCMB coordinates 12 Nursing and Midwifery training institutions and One training school for Laboratory Assistants. The Catholic Church owns one medical school, the Mother Kevin Post-Graduate School of Medicine of Uganda Martyrs University, while St. Mary's Lacor Hospital, is a training site for the Gulu University Medical School.

The network experiences a relatively higher staff turn-over rate and a consistently declining proportionate contribution of government subsidy to total income among other challenges—which pose threats to quality and consistency of health care services.

## FOREWORD BY THE **CHAIRMAN, BOARD OF DIRECTORS**



*"O come let's sing for Joy to the Lord; Let's shout joyfully to the rock of our salvation. Let's come before his presence with thanksgiving. Let's shout joyfully to him with psalms for the Lord is a great God."  
Psalms 95: 1-3.*

I wish to thank our founders, the Uganda Catholic Medical Bureau and the Uganda Protestant Medical Bureau for the great foundation that has seen JMS grow and continue to supply Uganda with quality medicines, medical equipment and related health care services for 36 years and still counting.

I convey my sincere appreciation to the members of the Board of Trustees and Board of Directors whose oversight and exemplary leadership have steered JMS towards achieving its vision of being the leading and closest provider of Quality Health Supplies for the Glory of God.

I also thank the steadfast efforts of the staff under the leadership of the Executive Director that have been at the forefront of providing a constant supply of quality medicines, medical equipment and counsel to the various medical facilities.

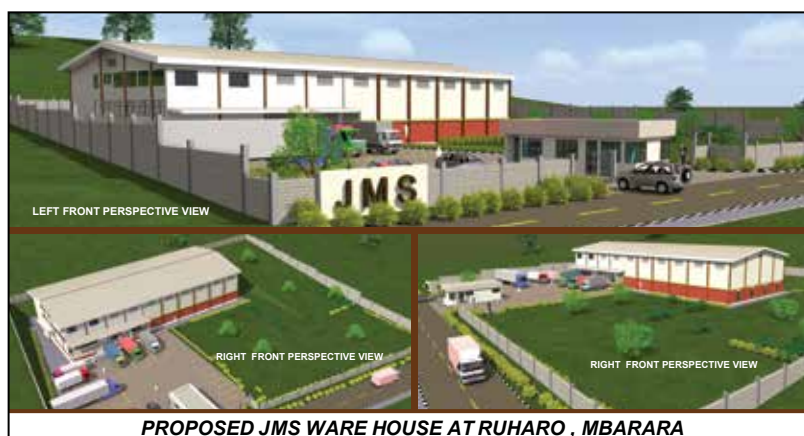
In a special way, allow me show gratitude to our partners that have enabled us complement government programs.

Also, as the bible beckons, true leadership is service to others. On behalf of the Board, I would like to applaud our customers that have enabled us to serve and contribute towards the welfare of Ugandans.

This year, we reviewed the strategic plan 2011-14. This informed JMS' strategic direction as stipulated in the current strategic plan 2015-2018. As we begin our new financial year 2015-16, I urge you to remember that, "To do something that will honour God and bless humanity is worthy striving for" Ellen G. White. This year let's encounter all the opportunities upon our way with astute judgements bestowed upon us by God Almighty.

I wish you all a fruitful New Year.

**Mr. Rhobert M. Korutaro**  
Chairperson of the Board



## MESSAGE FROM THE EXECUTIVE DIRECTOR



2014-15 has been a yet another milestone at Joint Medical Store. In FY 2014-15, we achieved growth of 19 percent in business volume/sales. This was realised despite the economy altering surges that coxed a reduction in donor funds limiting the purchasing power of many medical facilities. We thank God the almighty for his never ending favor and grace bestowed upon us that enabled us to realize this success.

2014/2015 has seen a number of landmark events at JMS- the development of the new strategy 2015/16-2017/18 that focuses on 5 pillars of:

1. Effective communication (lobbying, marketing, PR) and partnerships
2. Quality products and services
3. Sustainable and growing business
4. Effective governance and risk management
5. Distinct customer care and after sale services

The Uganda Episcopal conference and the House of Bishops had a memorial and maiden visit to JMS; a number of new strategic partnerships have been built and existing ones strengthened; the organization has been restructured to make it more efficient and better able to deliver on her mandate. JMS has also started the process of infrastructure development with the ground breaking of the regional warehouse in Mbarara and this strategy will cover all the regions.

I would like to thank the entire JMS Family for the tremendous effort towards the realization of our Mission that mandates us to supply medicines, medical equipment and related health care services and training of assured quality to the people of Uganda at affordable prices assuring a preferential position for health units accredited to the Uganda Catholic Medical Bureau (UCMB) and Uganda Protestant Medical Bureau (UPMB). Henry Ford said, "Coming together is a beginning, keeping together is progress and working together is success." This is a spot-on description of the committed zeal displayed by the staff which efforts I highly applaud.

Also, allow me thank the Board and the founding Bureaus for their gifted foresight and guidance that have enabled us to remain focused on JMS' strategic direction. I am also indebted to the ever loyal customers that have kept JMS as their number one store for medical supplies and equipment. During the year, we served 1268 customers and realized 7.6% growth in the number of customers. Furthermore, in 2014-15, JMS continued to work with partners to complement government programs to warehouse and distribute ARVs, and ACTs. Our major partners, PMI, TASO/GF and USAID/MSH, we are grateful for your passion towards improving the welfare of many Ugandans. In a bid to curb the malaria epidemic in Uganda, JMS partnered with USAID/DELIVER to warehouse and distribute mosquito nets to the PNFP and Public facilities for the pregnant women and children under five. By the end of June 2015, we had distributed 292,745 nets and the distribution continues.

This new financial year, our focus will be to strengthen partnerships with our customers and other partners, improving efficiency in our processes, growing our customer base, building strategic partnerships, managing risks that affect our operations; improving the basis for our sustainability and carry out continuous market assessments to enhance our stock availability and revenue.

We pray that God continues blessing us such that 2015-16 can be a smooth journey and a step closer towards our vision of being the leading and closest provider of Quality Health Supplies for the Glory of God.

**Dr. Bildard Baguma**  
Executive Director

# 1.0 OPERATIONS

*In the year 2014-15 JMS continued to supply its clients with quality affordable medical supplies and equipment. JMS' strategy for the year was to improve customer services by providing value timely services. This involved engagement of our customers to understand their requirements and responding to their needs. The operations team worked tirelessly to ensure that the delivered services surpassed customers' expectation.*



## 1.1 TOTAL SALES

The year under review recorded a 19.3% growth in sales of JMS stock and achieved 76% of the target. Improvement in sales was majorly attributed to;

- » Change in JMS mark-up policy.
- » Exchange rate fluctuation.
- » Renewed relationship with the Medical Bureaus. and accredited units.
- » Liberal credit terms for all accredited units.

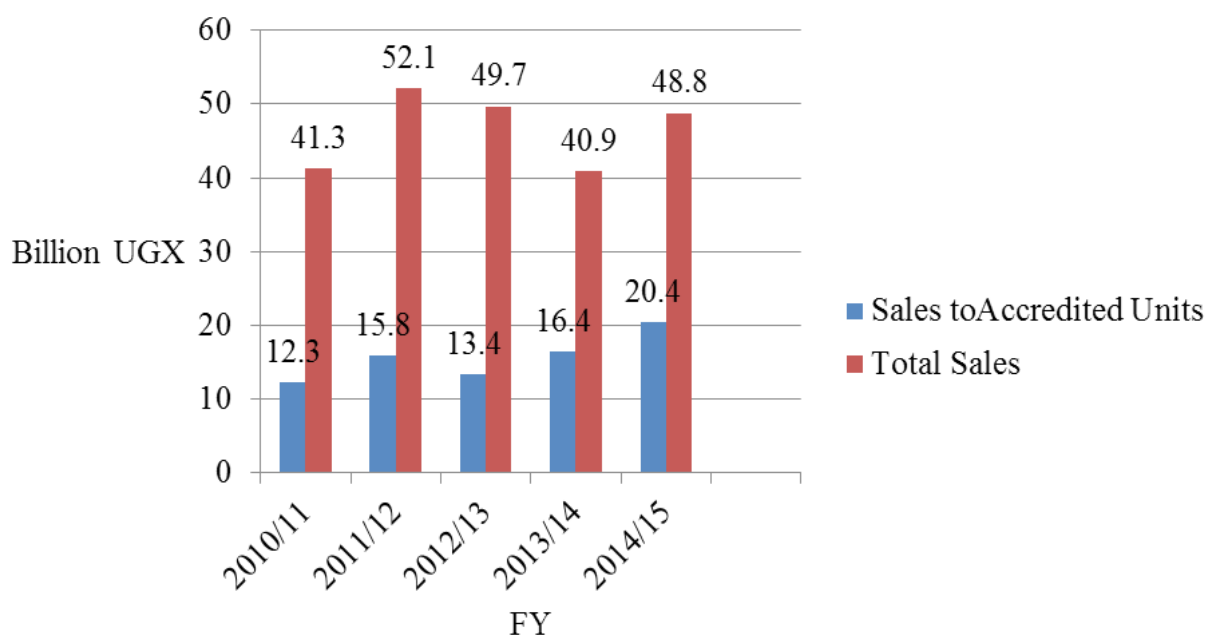
### 1.1.1 Sales by authority

Committed to its mission, JMS continued to supply medicines, medical equipment and related health care supplies and training of assured quality to the people of Uganda at affordable price, assuring a preferential position for health units registered with the Medical Bureaus.

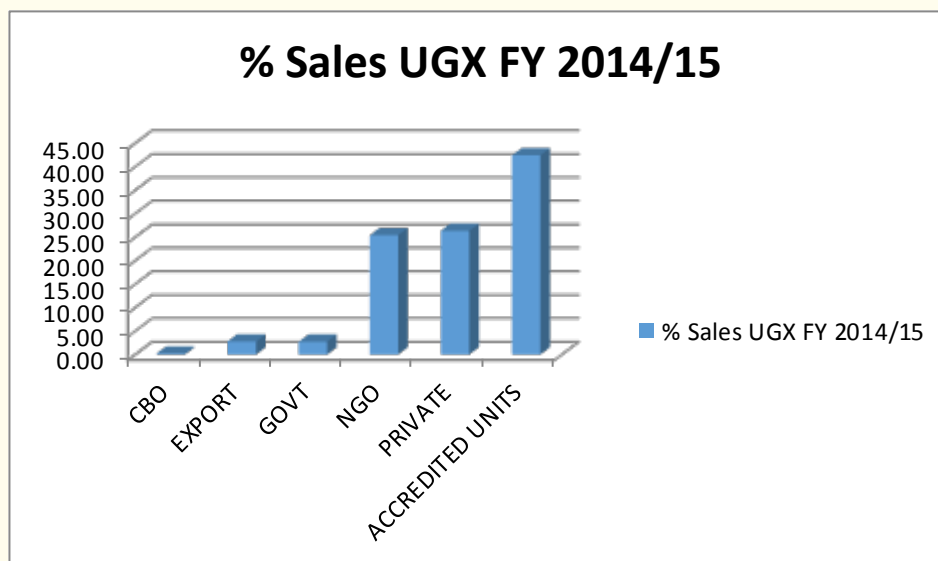
Sales from accredited units increased by 24% in FY 2014/15.

The purchases from accredited facilities were majorly from PHC funds, users' fees and donor funds. USAID supported the EDP credit line for the accredited facilities.

**Sales Performance for the last Five Years**





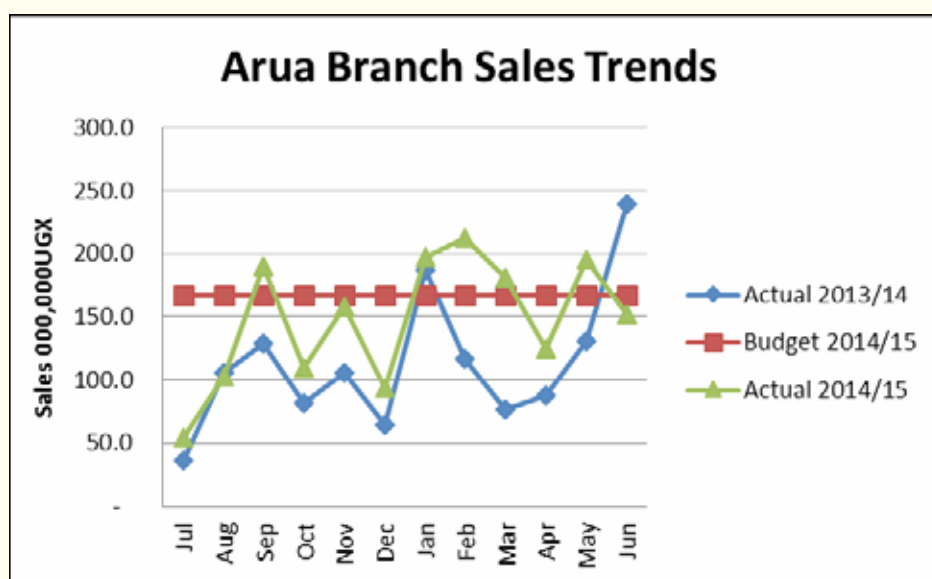


Accredited facilities contributed 42.5% of the sales revenue. It is important to note that NGO customers have registered significant growth in purchases from JMS over the past two years due to the marketing effort and improved services at JMS.

Also, JMS has maintained its ties with private medical units fetching over 26% of the revenue collected.

#### 1.1.2 Arua Branch Sales

JMS is a customer oriented organisation. As such bringing services closer to our clients is a vision that the Arua Branch strives to achieve. The branch achieved 88% of the set target with a 30.1% growth over the previous year. JMS Arua branch serves the West Nile Region



## 1.2 SUPPORT TO THE GOVERNMENT PROGRAMS (Donor Funded Products Issued)

*It takes two wings to fly.* ~Eric Schaub. With a mindset of creating impact in communities, JMS continued to work with partners during FY 2014/15 to warehouse and distribute ARVs, and ACTs. The Total value of items distributed for major partners was PMI (8%), TASO/GF (23%) and USAID/MSH (69%).

During the year, JMS partnered with USAID/DELIVER to warehouse and distribute mosquito nets to the PNFP and Public facilities for the pregnant women and children under five. In January 2015, we received 3.9 million mosquito nets. This necessitated JMS to obtain 2 additional warehouses located in Bweyogerere. By the end of June 2015, we had distributed 292,745 nets in 719 medical units (496 were accredited units).

## 1.3 CUSTOMER GROWTH

Marketing effort led to 7.6% growth in the number of JMS customers. To further improve the customer number in the coming year the Medical representatives will continuously engage the new customers, providing products responsive to their needs.

### Operational Performance & Key Milestones

75.2% inquiries were converted to sales with 18% growth in number of orders.



### Orders Processed



### Customer Satisfaction Trend

We have endeavoured to keep our customers satisfied by continuously improving our processes and engaging customers to match their ever-changing needs. We registered 88% satisfaction level.

### Door to Door Delivery

JMS continued to scale up its delivery services. 21.8% of the total orders produced were delivered to the customers' facilities.



*Azur Health centre in Hoima receiving a consignment from JMS*

### Biomedical services

Our Biomedical Technicians continued to support customers with medical equipment installation, testing, service and repairs. A number of hospitals with a variety of medical equipment have benefited from our modest subscription scheme. This has helped them save funds that would be incurred on man-hour labour charges.

We focused on conducting medical equipment needs assessment to help health facilities acquire medical equipment from JMS under a "Medical equipment promotion package" that has been designed to support our member units.



*The JMS Biomedical technician at the workshop*



## 1.4 REACHING OUT TO OUR CUSTOMERS –Marketing and Capacity Building initiatives.

We covered 42% of the accredited units using training, capacity building and business discussion strategies. These strategies brought on board 160 accredited lower level health units that were first time customers of JMS.

Training programmes were conducted at diocesan and health facility levels. Overall 9 hospitals and 19 dioceses benefited from the capacity building programmes. Traditional programmes such as medicines management as well as the new module on customer care in health care settings and data management are part of the trainings that were done.



*The JMS team training health workers under Hoima Diocese on Medicines Logistics Management.*

### 1.4.1 Close Collaboration, Partnerships and Networking

In partnership with the UCMB and UPMB, we intensified networking and successively hosted two high profile visits of the Episcopal and Anglican bishops. This brought JMS closer to its founders and accredited units.

Through these collaborative efforts, UCMB and UMMB endorsed a resolution committing their member units to acquire 90% of medical supplies from JMS.

JMS has also retained close ties with the National Medical Stores and Ministry of Health. Together, we have collaborated on various issues like policy formulation, procurement of emergency medical supplies and third party commodities supply chain management. With increased information sharing on stock status, access to medicines in health facilities has been accelerated.

We also initiated a dialogue platform with Uganda Insurances Association to ensure steady supply of medical supplies for their members.



*Members of the Episcopal Conference on a guided tour of the JMS Warehouse*

### 1.4.2

*Mark 12:31 "You shall love your neighbour as yourself"*

#### **Corporate Social Responsibility**

As a Christian organisation, we extended support to different organisations and health units that are desirous to improve health service delivery.

In 2014/15, we spent US\$ 54,601,815 in form of drugs donated to various customers and other related beneficiaries.



*Right: JMS' Executive Director handing over Typhoid medicines to State Minister for Primary Health Care - Sarah Opendi*





*Members of The House  
of Bishops touring the  
JMS cold room*

## 2.0 QUALITY ASSURANCE

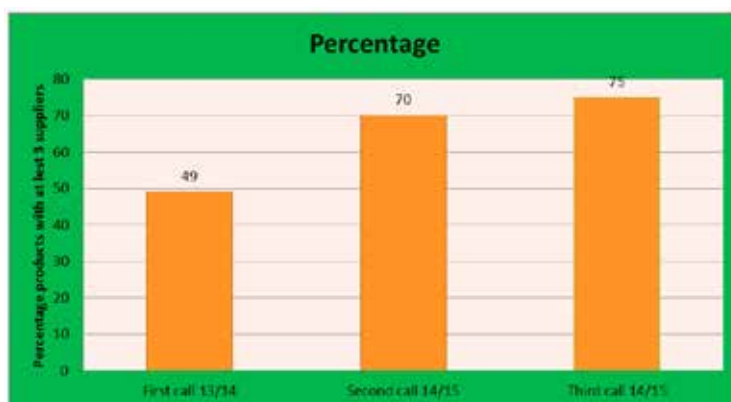


At JMS, QUALITY is a key flagship. Therefore, for a product to be supplied by JMS, it must conform to the standards set. The quality assurance system was instrumental in ensuring product stability and supply chain integrity through:

- i) Prequalification of products and suppliers/vendors
- ii) Rigorous quality checks at receipt
- iii) Control of storage conditions
- iv) Ongoing analysis of products before and after receipt
- v) Follow-up and investigation of market complaints

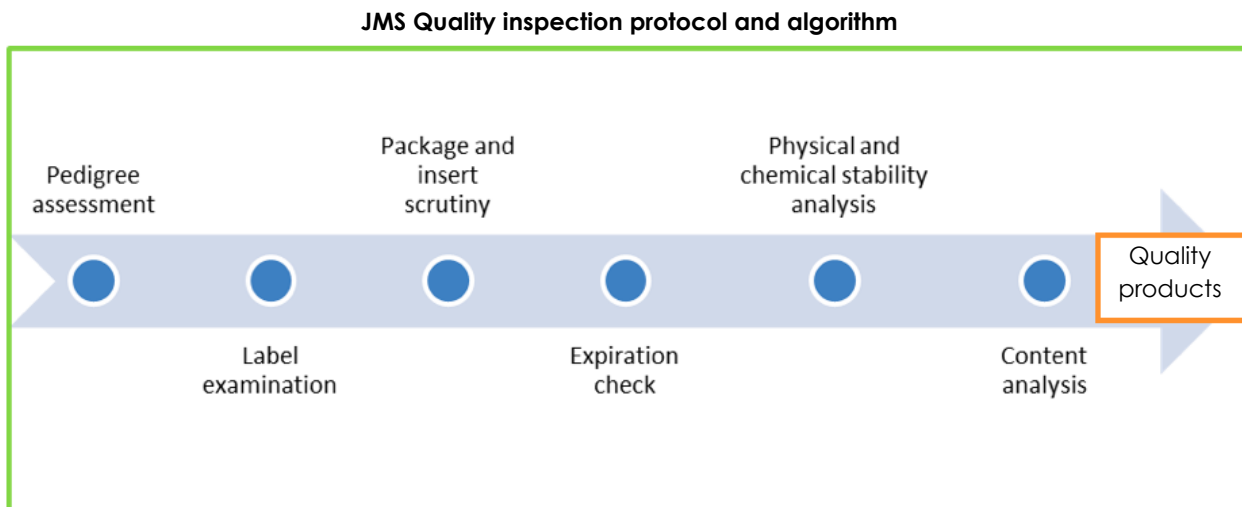
### 2.1.1 Vendor/Supplier prequalification

Supplier and product dossiers were scrutinized following standard criteria based on the WHO Model Quality Assurance System (MQAS) and only those that met the criteria were registered. Vendor prequalification resulted into a wider pool of competent suppliers for different products that are required by JMS from time to time. The number of products with at least three prequalified suppliers increased from 49% in 2013/14 to 75% in 2014/15 financial year as illustrated in the figure below.



### 2.1.2 Quality control

Incoming products were inspected on batch by batch basis following the JMS established and validated protocols to prevent receipt of substandard items using detection and isolation techniques as shown below



JMS has an elaborate protocol and algorithm that is used to detect and isolate substandard products at very high level of effectiveness with sensitivity and specificity close to 100% thus enabling us to isolate substandard or unacceptable products with great certainty and confidence.

During the period, 5560 consignments of assorted nature were received and the various products were subjected to JMS physical assessment protocol including supply 'foot print'. In addition, 200 products representing 96% of the chemically analyzable range were analyzed for content with an average pass rate of 95% across the different analytical protocols.

Pharmaceutical products were chemically analyzed using standard methods recommended by the World Health Organisation. Products that failed any of the assessment levels were not permitted into the JMS supply chain.

In the same period, the quality unit inspected and verified 7,201 customer consignments before dispatch. This quality control function minimized the number of consignments dispatched with deficiencies and the risk of stock loss.

### 2.1.3 Monitoring and Control of storage conditions

Storage conditions (temperature and humidity) were closely monitored and controlled using well calibrated devices such as cold rooms, pharmaceutical refrigerators, digital thermometers and electronic temperature and humidity data loggers or sensors to ensure that the pharmaceutical products remained stable throughout the storage period and therefore effective for their intended purposes and safe for patients.





#### Devices used at JMS in monitoring and controlling storage temperatures

Devices	Quantity	Application
I-Buttons	21	Electronic recording of temperature every 10 minutes
Cold rooms	3	Bulk storage of cold chain products at temperature between +2 and +8 degrees
Pharmaceutical refrigerators	3	Small scale storage of cold chain products
Deep freezers	2	Preparation of frozen ice packs for use in transportation of cold chain products from the warehouse to health facilities
Cold boxes	6000	Transportation of cold chain products from the warehouse to the health facilities
Global System for Mobile Communication (GSM) lines	3	Real time tracking of temperature inside the cold rooms

NB: the devices re calibrated/validated on a regular basis as defined in the JMS protocols

#### 2.1.3 Post market surveillance

As part of the collaborative effort to address the increasing prevalence of substandard and counterfeit medicines on the Ugandan market, JMS collaborated with the Pharmacy Department of Makerere University under the MeTA umbrella to organize a forum on quality of medicines in Uganda on 7th May 2015.

Also attended by officials from NDA and WHO, the meeting aimed at designing ways of curbing the problem of substandard and counterfeit medicines in Uganda.

A joint framework agreement was reached on the salient steps needed to address SSFFC medicinal products. Information sharing based on suspected anomalies regarding quality, safety, purity and performance of medicinal products was endorsed at the meeting.

#### 2.1.4 Supplier audits

Ten manufacturing sites were audited for GMP comprising 83% of the planned. 90% of the audited sites met the WHO GMP criteria and JMS requirements. The products from the site that failed GMP were delisted from the prequalification list.

#### 2.2 MONITORING AND EVALUATION

In the financial year, the M & E framework that was developed in 2013/14 was rolled out with training of the JMS staff on the importance and use of the framework including the capturing, processing, and analysis of data and preparation of scheduled reports.

As an outcome, JMS' witnessed an increase in consignment delivery during normal working hours from 74% to 95% in addition to other customer oriented services.





# 3.0 FINANCE

JMS turnover is derived substantially from selling medicines, medical equipment, sundries and related activities and comprises of trading income, third party handling fee and other income.

The organization's objectives when managing treasury include;

- i) To comply with the requirements of PNFP guidelines by the NGO Board.
- ii) To safe guard the organization's ability to continue as a going concern so that it continues to provide quality service to the accredited units
- iii) To maintain a strong capital base to support the development of the JMS business.

There was generally a low economic performance in the country, withdrawal of donor funding and their preference to donations in-kind rather than cash. These had a ripple effect on both the economy and the individual organizations like JMS.

The health sector was severely hit since a large part of the PNFP facilities' budget is donor funded. This weakened their purchasing power. Against this background, JMS' total turnover grew by 19.4%.

## Joint Medical Store Report and financial statements For the year ended 30 June 2015

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 Ushs '000	2014 Ushs '000
Revenue	3	48,395,479	41,006,571
Cost of sales	4	(41,163,210)	(34,517,699)
Gross surplus		7,232,269	6,488,872
Other operating income	5	5,944,724	4,872,746
Selling and Distribution costs	6	(2,183,087)	(1,221,270)
Administration expenses	7	(5,181,529)	(3,991,415)
Staff costs	8	(4,902,527)	(3,990,375)
Surplus from operations		909,850	2,158,558
Finance income	9	2,622,473	1,801,326
Surplus of income over expenditure	10	3,532,323	3,959,884

**Joint Medical Store**  
**Report and financial statements**  
**For the year ended 30 June 2015**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015**

	Note	2015 Ushs '000	2014 Ushs '000
<b>ASSETS</b>			
Property Plant and equipment	11	6,413,496	6,543,297
Prepaid Operating Lease rentals	12	95,696	97,788
<b>Non-Current Assets</b>		<b>6,509,192</b>	<b>6,641,085</b>
Inventories	13	14,411,646	16,401,805
Trade and other receivables	14	10,311,855	8,515,503
Cash and bank balances	15	21,300,349	13,955,200
<b>Current Assets</b>		<b>46,023,850</b>	<b>38,872,508</b>
<b>Total Assets</b>		<b>52,533,042</b>	<b>45,513,593</b>
<b>ACCUMULATED FUNDS AND LIABILITIES</b>			
Accumulated surplus		42,484,798	38,992,074
<b>Total Accumulated Funds</b>		<b>42,484,798</b>	<b>38,992,074</b>
<b>Liabilities</b>			
Staff Gratuity	17	332,861	342,294
<b>Non-current Liabilities</b>		<b>332,861</b>	<b>342,294</b>
Trade and other payables	16	8,819,310	4,837,786
Deferred Grant	18	896,073	1,341,439
<b>Current Liabilities</b>		<b>9,715,383</b>	<b>6,179,225</b>
<b>Total Accumulated Funds and Liabilities</b>		<b>52,533,042</b>	<b>45,513,593</b>

The financial statements on pages 5 to 27 were approved by the Board of Directors on 12<sup>TH</sup> NOVEMBER 2015 and were signed on its behalf by:

Director

Director

# 4.0 PROCUREMENT

*By the end of the year, we had achieved our target transaction cycle time for local and foreign orders.*

Our major focus for the period 2014/15 was improving availability of products to meet customer requirements. This was through a number of interventions and targets set out in the Action Plan for FY 2014/15.

## Transaction Cycle Time:

To replenish our inventory, key attention is given to the Transaction Cycle Time. This measures how long it takes procurement to place and receive an order. The shorter the period, the better.

As per the Action Plan, the Transaction Cycle Time (TCT) was segregated as local (for items we buy in Uganda) and foreign (items we buy internationally). The targets for the year were;

- a. Local = 14 days
- b. Foreign = 90 days

$$\text{TCT} = \frac{\text{Total no. of days taken for all orders to be delivered and closed}}{\text{Total no. of orders placed and delivered in a given period}}$$

By the end of the year, achieved TCT was as below:

Source	No of days	No of orders	Target -days	Achieved -days
Local	20,178	1,494	14	13.5
Foreign	28,781	490	90	58.7

## Special Orders:

In a bid to ensure maximum customer satisfaction, JMS ensures that all products and equipment are available for sale. As such, we have a provision for special orders catering for products that are rare and not on the stock list.

This exceptional service has enabled us ensure that customers always leave with a product of their choice. A total of 248 items were ordered through this arrangement; with a number of them ordered more than once by different customers. This has been analyzed critically and has informed the stock range.

## Consignment Stocking:

Under this arrangement, 381 products are available on the stock list.

For the period July 2014 – June 2015; 75% of what was purchased was sold out.

*\*This initiative has greatly improved our stock availability, stock range and sales revenue. Customers are very happy about it; we are going to continue monitoring and devising means of improving it further\**







## 5.0 HUMAN RESOURCE AND ADMINISTRATION



*Some of JMS Staff present a song during the Episcopal Conference Visit.*

JMS staffing position is made up of 74 members of staff. Ten (10) new members of staff were recruited on full time contract while six were taken on for the Graduate Trainees' Programme.

A number of internal training sessions were facilitated as part of initiatives for continuous development and performance improvement of staff. The topics covered aimed at addressing the training needs identified during the Operational Plan 2014/15 development process. These included Stock Take fundamental, Good dispatch practices, Objectives Setting & Performance Evaluation, General Principles of Pharmaceuticals, Warehouse Safety Procedures, Monitoring and Evaluation Workshop, Data Entry at Stock Take and QMS Lead Auditor Course.

### **Review of the 2013-2014 strategic plan and adoption of the 2015-17 Strategy**

For the Financial year 2014-15, the JMS strategic plan 2011-14 ended necessitating a review process to increase efficiency and efficacy. Among the reviews done included the recruitment and selection tools. These were reviewed and recommendations

adopted in the 2015-17 strategic plan. However, the plan will be continuously reviewed to meet the changing needs of the organization.



*The Strategic Plan review was participatory and involved staff whose feedback guided the board*

A comprehensive human resource management review was successfully completed. The key recommendations arising from the exercise were presented to the Board, discussed and approved.

Actions were delegated to management for implementation. These include among others, implementation of the new organization and salary structure, and review of terms of employment and contracts for staff.

Following the completion of the human resource management review, Change management workshops were arranged and attended by representatives of the Board, management, and staff to prepare them for change. The sessions were facilitated by an external consultant from IFE Consultancy. Also, separate workshop modules were covered by each beneficiary



*Top: The Chairperson of the Board Mr. Rhobert Korutaro reinvigorates staff as we conclude the implementation of the strategic plan 2011-2014 and usher in the strategic plan for 2015-17*

## Health and Safety



Health and safety of our staff is paramount and prioritized. The activities conducted to ensure a healthy and safe work environment during the period were;

1. General inspection of all forklifts as per the occupational health and safety 2006 Act. This ensured that these tools are safe for use to avoid accidents;
2. Carried out recommended Planned Preventive Maintenance on Logistical tools and equipment according to schedule;
3. Conducted a fire drill for all staff. This increased staff alertness and highlighted responsive mechanisms to fire outbreaks.



# ANNEXES

## ANNEX 1:

Members of the Joint Medical Store Board of Trustees  
and Board of Directors as at 30th June 2015

### Board of Trustees



Dr. Jack G.M. Jagwe  
UPMB



Rt. Rev. Henry Apaloryamam  
Ssentongo - UCMB



Prof. Alexander Mwa  
Odonga - UPMB



Prof. Raphael Owor  
UCMB



## Board of Directors



**Mr. Rhobert Korutaro**  
Chairperson



**Dr. Lawrence Ojom**  
Deputy Chairperson



**Canon Richard Obura Onyang**  
Treasurer- UPMB



**Ms. P.K. Nshangano**  
UCMB



**Dr. Tonny Tumwesigye**  
UPMB Exec. Director



**Dr. Sam Orochi Orach**  
UCMB Exec. Secretary



**Mr. Freddy Eric Kitutu**  
UCMB



**Rev. Fr. Henry R. Waiswa**  
UCMB Board Member



**Dr. Margaret Mpalampa**  
UPMB



**Dr. Patrick Sagaki**  
Member

**M/S Amudat Hospital (Institutional) - UPMB**

## **ANNEX 2:** Joint Medical Store Management as at 30th June 2015



**Dr. Bildard Baguma**  
Executive Director



**Mary Katusiime**  
Manager Finance



**Denise Tusiime Mutambi**  
Head of Procurement



**Ahabwe Kabagambe**  
Head of Human Resource and  
Administration



**Joanita Namutebi Lwanyaga**  
Ag. Head Stores and Logistics





*The Minister of Health, Hon. Dr. Elioda Tumwesigye at the ground breaking ceremony of the new JMS warehouse at Ruharo, Mbarara. Looking on are some of the JMS Board members*



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