



20²¹₂₂ | ANNUAL REPORT



“ Jesus answered and said to them, “truly I say to you, if you have faith, and doubt not, you shall not only do this which is done to the fig tree, but also if you shall say to this mountain, be you removed, and be you cast into the sea; it shall be done.”

Mathew 21:21

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LIST OF

ACRONYMS

ACT:	Artemisin Combination Therapy	MAK:	Makerere University
AIDS:	Acquired Immune Deficiency Syndrome	MHU:	Member Health Unit
AMDA:	Archdiocese of Mbarara Development Association	Mn:	Million
ART:	Antiretroviral Therapy	MoH:	Ministry of Health
ARV:	Antiretroviral	MoU:	Memorandum of Understanding
ASN:	Advanced Shipment Notice	MUST:	Mbarara University of Science and Technology.
Bn:	Billion	NDA:	National Drug Authority
BoD :	Board of Directors	KIU:	Kampala International University
CoU:	Church of Uganda	NGO:	Non-Governmental Organization
\$:	Dollar	OHS:	Organisation Health and Safety
DHCs:	Diocesan Health Coordinators	PNFP:	Private-not-for-profit
DRC:	Democratic Republic of Congo	PR:	Public Relations
DJMS:	Diocese of Jinja Medical Services	QTR:	Quarter
D2V:	Direct to Vendor Sourcing	QMS:	Quality Management System
EMHS:	Essential Medicine and Health Supplies	SOP:	Standard Operating Procedure
EOI:	Expression of Interest	TASO:	The AIDS Support Organisation
EPN:	Ecumenical Pharmaceutical Network	UCMB:	Uganda Catholic Medical Bureau
EU:	European Union	UGX:	Uganda Shillings
FY:	Financial Year	USD:	United States Dollars
DRC:	Democratic Republic of Congo	UCMB:	Uganda Catholic Medical Bureau
GMP:	Good Manufacturing Practice	UEC:	Uganda Episcopal Conference
GSM:	Global System for Mobile Communication	UMMB:	Uganda Muslim Medical Bureau
GSP:	Good Storage Practice	UOMB:	Uganda Orthodox Medical Bureau
HIV:	Human Immune-deficiency Virus	UPMB:	Uganda Protestant Medical Bureau
ICGU:	Institute of Corporate Governance of Uganda	USAID:	United States Aid for International Development
LLINS:	Long Lasting Insecticidal Nets	VPL:	Virika Pharmaceuticals Limited
IARC:	Internal Audit, Risk and Compliance	VIA:	Visual Inspection with Acetic Acid
ISO:	International Standard Organization	WHO:	World Health Organization
IT:	Information Technology	Y2Y:	Year to Year
JMS:	Joint Medical Store		



01



About **JMS**



ABOUT

JMS



“ JMS is licensed by National Drug Authority (NDA) to engage in the importation, warehouse, exportation, wholesale and distribution of medicines and related healthcare supplies.

Joint Medical Store (JMS) is a Private Not-for-Profit Organization (PNFP) established in 1979 by Uganda Catholic Medical Bureau (UCMB) and Uganda Protestant Medical Bureau (UPMB) as a body Corporate under the Trustees Incorporation Act (Cap 165). JMS is licensed by National Drug Authority (NDA) to engage in the importation, warehousing, exportation, wholesale and distribution of medicines and related healthcare supplies. JMS also engages in other health commodity value chain activities including but not limited to training of health workers, infrastructure development, repair and maintenance of medical equipment, and institutional development.

JMS operates within the framework of the Quality Management System that is certified under the ISO 9001:2015. The Quality Assurance Framework for JMS ensures adherence to good distribution practices, good storage practices and good laboratory practices such that the commodities supplied by JMS are fit for purpose, safe and acceptable to the consumers, and

add value to the healthcare process.

The National Medicines Policy 2015-2020 recognizes JMS as the mandated warehouse for all faith based PNFPs. In undertaking this role, JMS works with a range of partners and stakeholders including but not limited to Government of Uganda through the Ministry of Health, Development Partners, suppliers, investors, service providers and customers to enhance critical supply chain needs in Uganda. JMS works strategically with international connections, regional and national agencies and institutions such as the Ecumenical Pharmaceutical Network (EPN), African Christian Health Associations Platform (ACHAP), Christian Connections for International Health (CCIH), in-country professional, standards (UNBS) and regulatory bodies (NDA) to drive shared agendas including but not limited to improving procurement efficiency, enhancing quality of products and services, research and development, and improving pharmacovigilance.



JMS operates within the framework of the Quality Management System and is certified under the ISO 9001:2015.



VISION

A Partner of Choice Excelling in Health Solutions for the Glory of God!



MISSION

To Provide Affordable Quality Health Solutions through an Efficient Supply Chain System that Delivers value to Accredited Health Units and Other Stakeholders.



VALUES

- ✓ Integrity
- ✓ Responsibility
- ✓ Adaptability
- ✓ Responsiveness
- ✓ Excellence

STATEMENT FROM

THE BOARD CHAIRMAN

DR. LAWRENCE OJOM

It is with great gratitude and honor that, I, yet again pen this statement. This is an expression of work done by gallant men and women that sacrifice day and night to ensure JMS pursues its vision, to be “A supplier of Choice Excelling in Health Solutions for the Glory of God”

Financial Year 2021/22 was unique because JMS commemorated 43 years in the Healing Ministry of Jesus. More so, the year was exceptional because it marked the first year of executing JMS’ ambitious Strategy dubbed Vision 2025 in a Post COVID-19 environment. This period was characterized by low purchasing power meant and fewer donations since the majority of the Development Partners and the Government of Uganda had already procured and donated Personal Protective Equipment (PPEs) and Hospital equipment and furniture at the height of the pandemic.

However, guided by the stewardship of the Boards of Trustees and Directors, and strategic consistency of Management and staff, JMS achieved a 13% growth in revenue.

During the Year, JMS began constructing its Warehouse in Gulu. This is a strategic investment that will further increase JMS’ footprint in the country and also further grow the

export business in South Sudan and the Democratic Republic of Congo (DRC). The Gulu Pharmaceutical warehouse will be complete next Financial Year by June 2023.

The JMS business arm, Joint Healthcare (JHC) continued to grow and diversify during the year. It increased its investment in manufacturing subsidiaries. New products including Sodium Hypochlorite (Jik), and Ultrasound gel have been added to the flagship products while new products-chlorohexidine and Plaster of Paris are at advanced stages of development.

Oxylife, a subsidiary of JHC completed the construction of its premises and had equipment installed. We believe that it shall start full production in November 2023 and ensure all PNFPs access quality Medical Oxygen.

The Future is promising and I believe presents an opportunity for JMS with its Strategy and already-established systems to soar. However, it calls for adaptability and excellence.

JMS has since its inception harnessed its support in the PNFP segment. However, with growing support from the Private sector, JMS shall reinvent its systems to aggressively cater to the needs of the Private sector thereby increasing its market share.

It should be noted that the JMS business volume has significantly increased with new areas including prequalification as a procurement agent for PEPFAR and expansion of the warehousing and distribution portfolio. This has necessitated the expansion of the warehousing space. Plans are in the advanced stages for the construction of a 10,000 pallet positions warehouse in Lugazi. The JMS staff establishment has also grown by over 100% from 2014/15 to date. This requires additional space, especially at the central warehouse and head office in Nsambya. Management shall embark on the expansion of Head office premises to cater to the growing need to accommodate growing numbers of staff.

Leadership comes from God. I thank God for the opportunity to serve on the JMS Board of Directors and in the highest capacity of Board Chairman. As I retire from the Board this year, I am confident that the Journey being taken by JMS shall lead to its greatness. I thank all my colleagues on the Board of Directors that have served with me. You have been an awesome team. I believe my successor shall find an amiable team with already established Governance systems. As they say, Alluta Continua! May God bless JMS

13%



GROWTH
IN REVENUE



Oxylife, a subsidiary of JHC completed the construction of its premises.



Plans for construction of a 10,000 pallet warehouse in Lugazi.



As I retire from the Board this year, I am confident that the Journey being taken by JMS shall lead to its greatness. I thank all my colleagues on the Board of Directors that have served with me. You have been an awesome team.

Dr. Lawrence Ojom
Board Chairman

“

I thank our customers, especially the Accredited Units for the continuous trust bestowed on JMS.

STATEMENT FROM

EXECUTIVE DIRECTOR

DR. BILDARD BAGUMA

The year 2021/22 has been unique and challenging due to the aftermath of the COVID-19 disruption. The supply chain was generally facing the impact of either overstock of PPEs or understock of other health supplies like medicines and sundries whose demand had gone down during the Pandemic. Tricky situation but not one my extremely skilled staff and management couldn't handle. I am indebted to the management team for the adaptability and agility exhibited throughout the year albeit with the uncertainty of the needs of the health facilities.

Being the first year of implementing the JMS Strategy and in particular using the Balanced Scorecard, we undertook many change management trainings to align all staff to the strategic themes of Strategic Partnership, Service excellence, Business Growth, and Customer Intimacy. I thank the Boards of Trustees and Directors for their trust and constant guidance throughout the Year. I also thank Management for leading with passion.

I also thank our customers, especially the Accredited Units for the continuous trust bestowed on JMS. We maintained our footprint in these Health Facilities achieving a 42.6% contribution to JMS' total revenue. These health facilities are the core foundation of JMS.

Overall, JMS attained a growth rate of 13% for which we give God the glory. Over the years, the growing contribution of the Private sector to JMS' revenue has not gone unnoticed with a 12% growth in the last Financial Year. We plan to consolidate and penetrate this market segment more in the next financial year due to its potential and desire to increase JMS' Market share.

Three categories of products contributed to JMS' 85% sales that is Medicines 37%, Sundries 28%, and Equipment 20%. The other categories contributed 15% that is Laboratory supplies, Instruments, and cleaning agents among others. The top 3 product categories are being enhanced with the Direct to Vendor Strategy where a total of 14

Global Manufacturers have been brought on Board and have been or are being registered by JMS. The Biomedical Engineering Directorate was re-engineered with services like Turn Key Projects which diversified the core unit's focus from only managing PNFP equipment inventory but also supporting the Ministry of Health, Corporate entities, and Health Facilities to establish customized infrastructure for the nature of services offered.

We thank the Ministry of Health for the support offered through the Primary Health Care Credit line and for considering JMS as an alternative warehouse for warehousing and distribution. This nurtured a relationship with the Development Partners leading to the Procurement and Warehousing of HIV commodities through USAID and PEPFAR. Other Items warehoused and distributed to PNFPs included Malaria, Reproductive health, and Tuberculosis commodities through USAID, UNFPA, and Global Fund. Overall, the JMS project portfolio grew from 20 Billion to 25 Billion, thereby marking a 20% contribution to the Total Revenue. We anticipate continuing to grow this segment in the next Financial Year as a result of increased volumes for the USAID PNFP HIV Commodity Procurement Activity and USAID Warehousing and Distribution Activity.

Next Financial Year, JMS hopes to complete construction and launch the Gulu warehouse in pursuit of its strategy to expand its export Market and Market share. We also hope to commence construction of the 10,000 Pallet space Warehouse

in Lugazi and Expand the Administrative offices at the Head office in Nsambya. We also plan to restructure our Marketing model to penetrate the Private sector.

JMS shall also focus on its operations to create efficiency and effectiveness. In this regard, a quick service model shall be introduced to enhance the order delivery time.

Finally, we will also focus on reviewing JMS' digital systems to facilitate integration into a comprehensive Enterprise Resource System that also links with other established national systems like DHIS 2.

We pray that the economic tides improve and inflation rates reduce to facilitate economic development. All of this shall be done for the Glory of God and in pursuit of the JMS Mission, "To provide affordable Quality Health Solutions through an Efficient supply chain that delivers value to Accredited Health Units and other stakeholders".



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EXECUTIVE COMMITTEE





1. Dr. Bildard Baguma
EXECUTIVE DIRECTOR
2. Mrs. Denise Tusiime Mutambi
**DIRECTOR BUSINESS
DEVELOPMENT AND
PROCUREMENT**
3. Mr. Emmanuel Higenyi
**DIRECTOR TECHNICAL
SERVICES**
4. Ms. Mary Katusiime
DIRECTOR FINANCE
5. Mrs. Joanita Namutebi Lwanyaga
DIRECTOR PROJECTS
6. Ms. Mercy Nagaddya
**DIRECTOR INTERNAL AUDIT,
RISK AND COMPLIANCE**
7. Mr. Kenneth Rubango
**DIRECTOR BIOMEDICAL
ENGINEERING**

4

5

6

7

WHERE WE ARE

OUR LOCATIONS



HEAD OFFICE:

Plot 1828, Gogonya Road, Nsambya
Tel: 0800203018, 0800340340, 0312236400
Email: sales@jms.co.ug | Website: www.jms.co.ug

BRANCHES:



JMS Mbarara

Plot 24 Ruharo, Bushenyi Road
Tel: 0800203018, 0800340340
Email: salesmbra@jms.co.ug



JMS Arua

Plot 371, Ragem Road, Block 3
Tel: 0800203018, 0800340340
Email: salesarua@jms.co.ug



JMS Fort Portal

Plot 2, Lugard Street
Tel: 0800203018, 0800340340
Email: salesfort@jms.co.ug

OUR DISTRIBUTORS:



Masaka Diocesan Medical Services Limited

Cathedral Road, Caritas Maddo Headquarters
P. O. Box 14 Masaka
Tel: 0704675666, 0786814912, 0790478393
Email: mdms@ucmb.co.ug



Diocese of Jinja Medical Services Limited

Rubaga Hill, opp. Jinja College
Tel: 0704178676 / 0782022333
Email: dhcjinja@ucmb.co.ug



02

Annual Report by **Objective**




1. INCREASE IN STAKEHOLDER VALUE



2.1 Increase Stakeholder Value

2.1.1 Market and satisfaction Surveys

JMS commissioned BDO Uganda to carry out a Market Study to inform Strategic Plan initiatives as a baseline. Below were the findings;



	Parameter	Performance
1	Market Share	5%
2	Communication effectiveness	67%
3	Stakeholder Satisfaction	80%
4	Competitive Advantage	79%
5	Brand Awareness	100%
6	Brand Preference	86%
7	Brand quality (good)	86%
8	Brand Experience (favourable)	90%
9	Brand Loyalty	84%

Table 1: Results of the Market Study



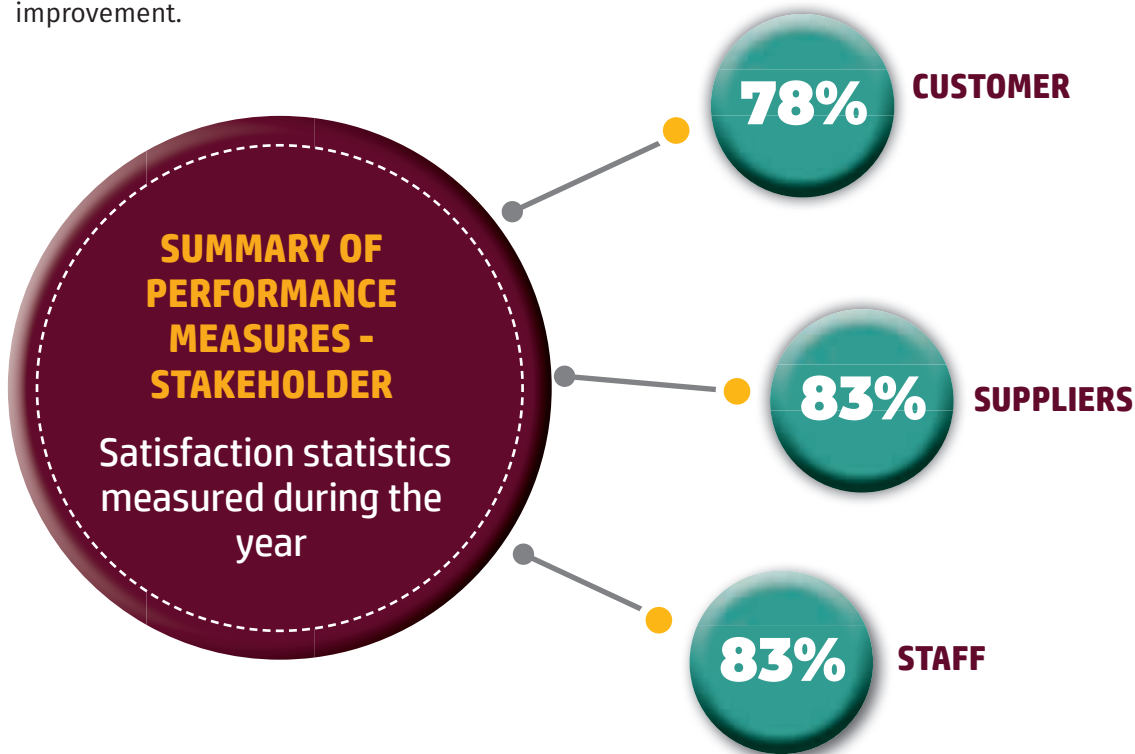
2.1.2 JMS stakeholders

JMS STAKEHOLDERS



2.1.3 Stakeholder Value

JMS focuses on growing stakeholder value to effectively and efficiently achieve its mandate while enhancing satisfaction, engagement and goodwill. Given that our target for stakeholder satisfaction is 90% the below measured satisfaction parameters will be used as a baseline to implement initiative to ensure continual improvement.



2.1.3.1 Government

a. Primary Health Care credit line for the Private Not-For-Profit Health Facilities

The Ministry of Health established an Essential Medicines and Health Supplies credit line at Joint Medical Store in 2020 by centralizing 50% of the PHC grant to health facilities at JMS. The purpose was to ensure optimal use of the Primary Health Care (PHC) grant while increasing access to essential medicines in the Private Not for Profit (PNFP) health sub sector.

In financial year 2021/22, Ministry of Health (MOH) released UGX 13,573,429,616 (Thirteen billion five hundred seventy- three million four hundred twenty -nine thousand six hundred sixteen shillings) for 547 Private Not For Profit health facilities. 97% of this was utilised by facilities to obtain commodities from JMS.

13Bn

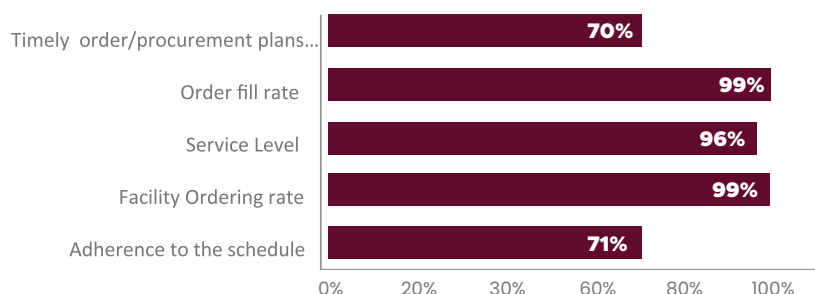
PHC funds released by MOH

For 547 PNFP health facilities in FY 2021/22

97%

Utilised by facilities to receive health commodities from JMS

PHC Key Performance Indicators



b. RBF (Result Based Financing) Project Performance

The Ministry of Health received the Health Facility Performance Improvement Plans focusing on addressing the performance gaps at the health facilities and contributing to the achievement of the RBF performance indicators under the Uganda Reproductive Maternal Child Health Services Improvement Project (URMCHIP). RBF is demand based (Pull system by Health facilities). Below is the performance of health facilities that utilised the funds through Joint Medical Store.

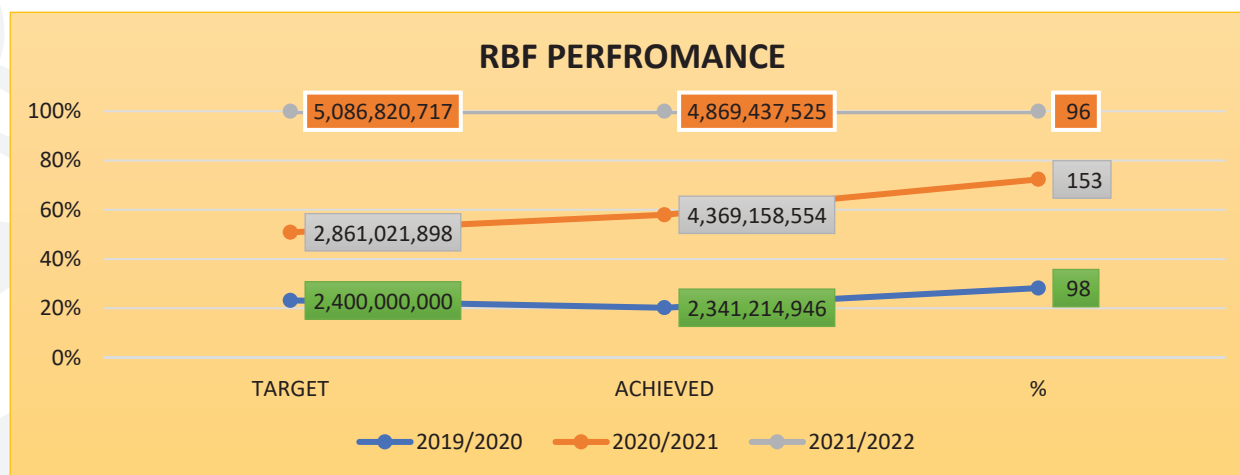


Fig 10: RBF performance



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2.1.3.2 Development Partners

2.1.3.2.1 USAID Local Partner for Warehousing and Distribution Activity

The USAID Local Partner for Warehousing and Distribution Activity is a 5-year project awarded to JMS to manage the warehousing and distribution of HIV commodities (pharmaceuticals, test kits, supplies) procured by Indefinite Delivery Indefinite Quantity (IDIQ) local partners for the Private Not-For-Profit (PNFP) Sector in Uganda. It runs from October 2021 to September 2026 and is dependent on availability of funds.

The Activity supports enhancement of the supply chain system by providing warehousing and distribution of HIV commodities in a safe, secure, reliable, and sustainable manner needed to provide care and treatment to persons with HIV/AIDS receiving care through the Private-Not-For-Project (PNFP) sector in Uganda.

The Activity receives HIV commodities from USAID local procurement contractors; stores and distributes them to 412 PNFP health facilities in all regions across the country; and provides Technical Assistance (TA) to these facilities to improve storage, stock management, and order quality.

The Activity is one of the many that PEPFAR is implementing as a policy to transition to local partners to establish sufficient capacity, capability, and durability to ensure successful, long-term, local partner engagement and impact. The Activity's overall goal of ensuring sustainable HIV commodities Security for Uganda's PNFP sector will be achieved through four major intermediate results;

SNo	KPI	Baseline Value	Year 1 Target	Achievement		
				Dec 21-Jan 22	Feb- Mar 22	April-May 22
1.	Order Fill Rate - TLD	100%	100%	100%	99.5%	100%
	Order Fill Rate - ALD	100%	100%	100%	100%	100%
2.	On-Time Delivery	78%	100%	100%	100%	100%

Notes:

1. Order fill rate ensures equitable distribution of IDIQ procured commodities across PNFP supported facilities. Equitable distribution is achieved when; orders are filled at 100% (quantity of items ordered is the same as the quantities received by facilities), and Where stock levels are insufficient to fill all orders at 100%, all orders are reduced by the same percentage (rationing of stock).
2. The indicator assesses the Activity's adherence to the delivery schedule. "On-time" is defined as no more than 14 business days after the scheduled delivery date as per the published distribution cycle.

THE USAID LOCAL
PARTNER FOR
WAREHOUSING
AND DISTRIBUTION
ACTIVITY IS A 5-YEAR
PROJECT AWARDED
TO JMS

412

(PNFP Health Facilities)

Beneficiaries of the USAID Local Partner
for Warehousing and Distribution Activity

100%

(Order Fill Rate -
TLD & ALD)



2.1.3.2.2 Other Warehousing & Distribution Projects

JMS has an MOU with MOH to warehouse and distribute HIV, Malaria, Reproductive Health and TB commodities to PNFP and selected PFP health facilities. This is coupled with other axially services like technical assistance to health facilities. The commodities in this MoU are procured by Government of Uganda and other development partners e.g. Chemonics, USAID, Global Fund, UNFPA and URMCHIP.

JMS monitors key performance indicators of reporting rate, quality of reports submitted on a cycle basis, value of commodities warehoused and distributed.

i) Facilities commodity reporting rate was as follows:

92%

Malaria



95%

HIV



87%

Reproductive Health

61%

Order quality



**227,132,084
USD**

Worth of commodities
warehoused in
FY2021/22



**86,208,292
USD**

Worth of commodities
was distributed.

ii. Warehousing and Distribution

Total value **USD 227,132,084** was warehoused and a total value of **USD 86,208,292** was distributed as detailed in the table below;

Table showing value of commodities warehoused and distributed:

Project/Partner	Value Warehoused (USD)	Value Distribute USD
Global Fund	56,304,400	10,089,620
USAID/PSM	132,000,456	62,918,586
PSI	569,406	186,337
UNFPA	24,000,673	7,934,772
URMCHIP/MOH	1,200,543	1,012,424
TASO/GF	13,056,606	4,066,553
Grand Total	227,132,084	86,208,292

The variance between the value warehoused and value distributed is because the central warehouse is required to hold 6 to 9 months of stock depending on the lead time of the commodities.

One of the successes registered during the year under HIV program, was the improved facility reporting through DHIS2 from 59% to 76%. This was achieved through engaging the Biostatisticians to create DHIS Accounts for PNFPs that did not have them and Virtual Training for JMS-supported facilities. This is important because it facilitates visibility at national level.

iii. Facilities transitioning from CDC to USAID mechanism

Starting 1st October 2021, 135 facilities serving 90,779 patients transitioned from CDC (supplied by Medical Access Uganda Limited) to USAID mechanism for the supply of HIV commodities by JMS. This increased the number of facilities to 405 with total of 286,284 patients which is a 46% increase in patient numbers. In order to manage the increased number of facilities and patient numbers, the number of Technical Representatives was increased from 12 to 16 for better coverage.

iv. Supply of ARVs to 500 public health facilities

JMS stores ARVs and other medical supplies on behalf of the public sector which are distributed to NMS through a tranche request approved by USAID in case of need. Due to increased stock out in the public sector for HIV commodities, approval from USAID was given in September 2021 for JMS to supply these items to public facilities through the districts. An allocation list was shared and items delivered by JMS. This improved the stock availability in the public sector. Success of the activity was attributed to: joint planning with JMS, Implementing Partners (IPs), USAID,



76%

IMPROVED FACILITY
REPORTING THROUGH
DHIS2 UNDER THE HIV
PROGRAM



90,779

PATIENTS TRANSITIONED
TO USAID MECHANISM
FOR THE SUPPLY OF HIV
COMMODITIES BY JMS



Upon receipt of 71% of the funds from Britam an insurance company, JMS received authorization from PSM to replace the burnt stock with VIA kits, Sayana press and condoms.

clear road map with timelines, communication plan, daily reporting at all levels and human resource availability.

v. Supply Rationalization of TB commodities for the PNFP

With effect from March 2022, supply rationalization of the TB medicines and supplies for PNFP through JMS took effect with 401 beneficiary health facilities. With this move to rationalize the distribution of TB medicines there was commitment from partners to support procurement, warehousing and distribution for all the required TB medicines. However, there will be a funding gap of 1,019,455,723.97/= UGX for TB laboratory commodities for the PNFP sector where we have no commitment. JMS had earlier on in Aug

21 written to MoH to seek the support for the funding gap. In Dec 2021, MOH responded to the request and committed to fund the gap.

vi. Replacement of stock burnt in the fire

In Financial Year 2021/22, JMS witnessed a fire outbreak at one of its rented warehouses in Industrial Area, Kampala where stock was burnt and damaged. Upon receipt of 71% of the funds from Britam - JMS' insurer, JMS received authorization from PSM to replace the burnt stock with VIA kits, Sayana press and condoms. The VIA items and Sayana press were procured and received for distribution. Condoms were ordered and are expected next financial year. Feedback is awaited from other partners on priority items to be procured.



JMS staff picking and packing HIV commodities.



During the year, a customer relationship management framework was launched to improve customer relationship management through the RATER model, i.e., Responsiveness, Assurance, Tangibility & Responsibility.

2.1.3.3 Customer Intimacy and Satisfaction

During the year, a customer relationship management framework was launched to improve customer relationship management through the RATER model, i.e., Responsiveness, Assurance, Tangibility & Responsibility. This enabled the team to continuously engage the customers and obtain feedback for continual improvement. JMS achieved 78% customer satisfaction against a target of 90% largely due to delayed deliveries against delivery schedule for emergency orders. Plans are underway to introduce express delivery and train customers in procurement planning development to reduce emergency orders.

78%
CUSTOMER
SATISFACTION

2.1.3.3.1 Service Excellence

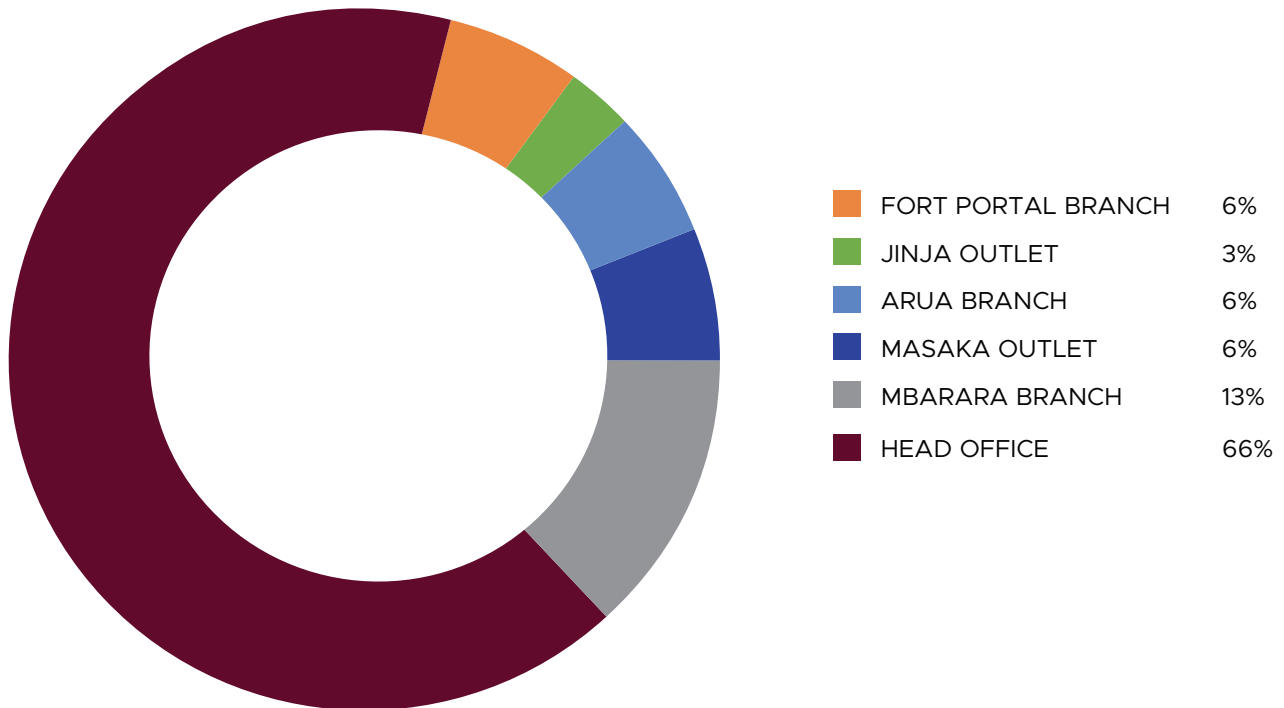
- a) **Service efficiency** is one of the aspects that influence service excellence. The use of an electronic order form significantly reduces the inquiry response time. Customer sensitization on use of the JMS electronic order forms resulted in an improvement in inquiry response time from 62 to 83%. 78% of small orders were processed in 15 minutes. JMS also achieved reduced cost of delivery from 1.5% to 1.2%.
- b) **Access to JMS service services:** Through the JMS Branches-Nsambya, Mbarara, Fort Portal, Arua and Masaka & Jinja Distribution outlets customers accessed the JMS services ranging from sale of medicines and medical supplies, warehousing & distribution, technical assistance, and advisory services to improve their health service delivery. Through the sales channel, we extended access to high-quality commodities at affordable prices and in convenient, safe locations.



1.2%

REDUCED COST OF
DELIVERY FROM 1.5%

CUSTOMER ACCESS



- c) **Special order:** To respond to the diverse customer needs, JMS operates a special-order mechanism through which customers specifically orders items outside the JMS stock list which are unique to them. This mechanism allows flexibility to the customers and hence contributed about 18% of the sales generated.
- d) **Quick service model:** JMS piloted a quick service model with a range of 50 items. The customer would come order, pay to receive items in 15 minutes. All items supplied under the quick service model were served in 15 minutes (100%). The model received positive feedback from customers and will be scaled out fully in 2022/23 financial year across the branches.
- e) **Last mile delivery:** JMS set out to ensure that each truck completes rural area delivery within 5 days and for Kampala and Wakiso daily. 90% of the target was achieved. To facilitate the tracking of vehicles to provide accurate delivery information to customers, JMS installed Vehicle tracking software in all the vehicles used for delivery. Two other logistics companies were brought on board to improve delivery efficiency. Through the post-service feedback survey, Kampala and Wakiso Customers requested for quick delivery services for small packages. In November Boda-Boda delivery services were introduced for Kampala and Wakiso. Goods worth 2% of the total sales were delivered using the Boda mechanism.

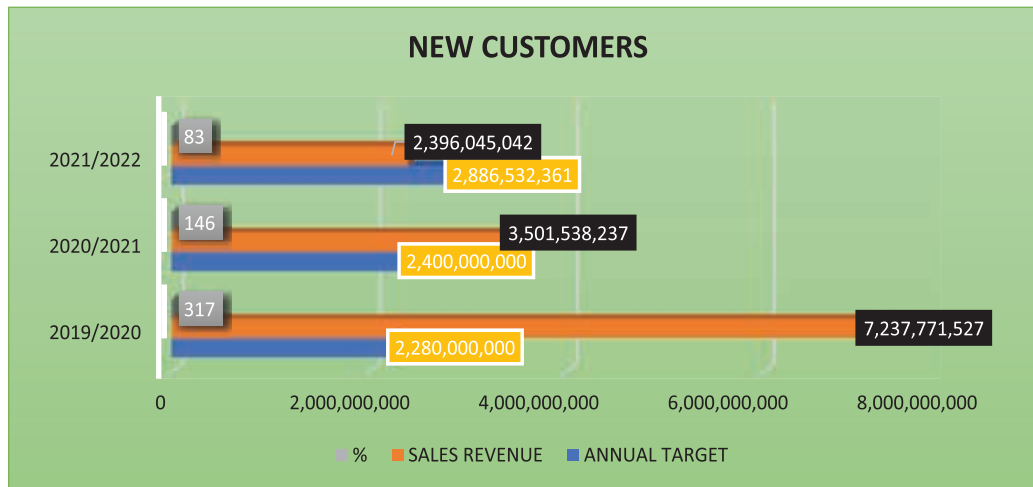


JMS set out to ensure that each truck completes rural area delivery within 5 days and for Kampala and Wakiso daily. 90% of this target was achieved.

2% 

Worth of the total sales were delivered using the Boda-Boda mechanism.

f) Recruitment of New Customers



Notes:

- a. Customer recruitment drive brought on board 327 new customers with 2.3Bn worth of business.

2.1.3.4 Suppliers

To cement supplier relations, JMS organized a supplier Conference on 17th June 2022 at Speke Resort Munyonyo. Over 95 participants (both foreign and local suppliers) attended the event physically and virtually. The conference focused on cementing partnerships with suppliers to facilitate transformation of JMS to a value chain. Suppliers, Regulators and JMS committed to organize regular meetings for supplier development.

Furthermore, suppliers were requested to evaluate JMS performance; they ranked JMS at 83%.

JMS also evaluated 135 suppliers that emerged with average performance rate of 89%, down from last FY at 93%. The supplier development plan has been developed to enhance performance.



83%
Supplier Satisfaction

135
Evaluated Suppliers

Emerg ed with average
performance rate of
89%



Community members receiving medical treatment during the JMS Day Health Camp.

2.1.3.5 Community

JMS organized a Health Day on 15th June 2022 (JMS Day). This was held in Nsambya adjacent to its Head office. Partnering with Mengo Hospital, over 1,000 Patients with different ailments were attended to. These included eye checks, non-communicable diseases, blood donation among others.



Dr. Bildard Baguma JMS ED donating blood during the camp.



2.1.3.6 Church

JMS engaged the Uganda Episcopal Conference and Provincial Assembly leading to strengthened partnership for initiatives. For example, JMS hosted 23 Anglican Bishops on 2nd June 2022 and contributed UGX 25m for the Church House and UGX 15m worth of Health Supplies for the Uganda Martyrs Day at the Anglican Shrine.



2.1.4 Event Management and Stakeholder Engagement

During the year, a number of engagements with different stakeholders to strengthen the relationship were carried out and below are the highlights of the activities done.

No.	Event	Date	Impact	Visibility Stories Published
1	USAID PNFP HIV Commodity Procurement Activity	24 th Aug 2021	Chief Guest-USAID Mission Director. JMS achieved increased awareness for the Activity.	17 Stories
2	Oxylife Ground Breaking	19 th Dec 2021	Generated Pre-launch buzz around the Oxygen, thereby creating demand.	14 Stories
3	Bishops Meeting	1 st June 2022	23 Bishops attended. JMS contributed 25m Church House contribution, 15m Health Supplies Matryrs Day.	18 Stories



A group photo representing the different participants at the PHC Stakeholders Conference. It was attended by MoH, PNFPs, JMS staff and Medical Bureaus.

No.	Event	Date	Impact	Visibility Stories Published
4	PHC Stakeholders Conf	1 st June 2022	250 guests attending virtually and 30 guests physically.	0 (Media not invited)
5	JMS@43 Medical Camp	15 th June 2022	Over 1,000 Patients treated for assorted medical services and 40 Units of Blood collected.	15 Stories.
6	Lotus Sutures Launch	16 th June 2022	40 Participants attended physically, 70 Virtually.	8 Stories
7	Suppliers Conference	17 th June 2022	95 Physical participants (Included 7 Foreign suppliers) and 7 foreign participants attended virtually. JMS enhanced supplier relationships.	16 Stories
8	Partners Meeting	22 nd June 2022	50 Participants attended including PS MOH, MOH Officials, UNFPA, Global Fund, PSM, SSCS, NITA, NDA, UCMB, UPMB etc	14 Stories
9	Other stakeholder Engagements	Throughout the year	<ul style="list-style-type: none"> * Transporters trained on the JMS Brand promotion. * Customer Regional Virtual webinars organized which promoted customer Engagement-Hospital Directors, Western Region, West Nile. * Trained 50 Customer interfacing staff on marketing and communication. (TRs, SRs, CR * Bishops engaged- UEC plenary and 16 Bishops individually engaged * One meeting organized with domestic suppliers on ASN * Visited 30 local suppliers 	

Note:

A number of actions were generated from these events and are being implemented.



2. ENHANCE INSTITUTIONAL SUSTAINABILITY



2.2 Enhance Institutional Sustainability

2.2.1 Financials

Independent auditor's report

TO THE MEMBERS OF JOINT MEDICAL STORE

Report on the Audit of consolidated and separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Joint Medical Store ("the Trust"), set out on pages 6 to 57 which comprise the consolidated and separate statement of financial position as at 30 June 2022, the consolidated and separate statements of comprehensive income, changes in reserves and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of Joint Medical Store as at 30 June 2022, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Trust Deed of Joint Medical Store ("the Trust Deed").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements* section of our report. We are independent of the Trust in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including international independence standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Joint Medical Store's Consolidated and Separate Financial Statements for the year ended 30 June 2022, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. 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.

Directors' responsibilities for the consolidated and separate Financial Statements

The directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the Trust Deed, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 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 these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is CPA Stephen Ineget- P0401.



KPMG
Certified Public Accountants
3rd Floor, Rwenzori Courts
P.O. Box 3509
Kampala, Uganda

Date: 3 December 2022



CPA Stephen Ineget

JMS STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Consolidated		Separate	
		2022 Ushs '000	2021 Ushs '000	2022 Ushs '000	2021 Ushs '000
Revenue	6	101,347,733	95,310,692	101,379,737	95,561,167
Cost of sales	7	<u>(83,658,060)</u>	<u>(78,715,761)</u>	<u>(84,342,756)</u>	<u>(79,246,192)</u>
Gross surplus		17,689,673	16,594,931	17,036,981	16,314,975
Other operating income	8	29,588,784	32,969,403	29,469,718	32,955,682
Selling and distribution costs	9	(10,099,639)	(7,061,019)	(10,089,765)	(7,027,621)
Administration expenses	10	(18,154,942)	(31,237,937)	(17,854,148)	(31,122,922)
Impairment (losses)/gain on financial assets	11	(1,390,877)	781,451	(1,374,994)	781,451
Staff costs	12	<u>(13,826,934)</u>	<u>(12,009,801)</u>	<u>(13,425,783)</u>	<u>(11,776,950)</u>
Operating surplus		3,806,065	37,028	3,762,009	124,615
Net finance income	13	<u>2,377,264</u>	<u>1,066,854</u>	<u>2,390,068</u>	<u>848,662</u>
Surplus before tax		6,183,329	1,103,882	6,152,077	973,277
Taxation	21(a)	(280,041)	87,612	(294,072)	200,623
Surplus for the year		<u>5,903,288</u>	<u>1,191,494</u>	<u>5,858,005</u>	<u>1,173,900</u>
Other comprehensive income					
Other comprehensive income		—	—	—	—
Total comprehensive income for the year, net of tax		<u>5,903,288</u>	<u>1,191,494</u>	<u>5,858,005</u>	<u>1,173,900</u>
Surplus attributable to:					
Non-controlling interest		(45,236)	102	-	-
Owners of the Trust		<u>5,948,524</u>	<u>1,191,392</u>	<u>5,858,005</u>	<u>1,173,900</u>
		<u>5,903,288</u>	<u>1,191,494</u>	<u>5,858,005</u>	<u>1,173,900</u>
Total comprehensive income attributable to:					
Non-controlling interest		(45,236)	102	-	-
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		<u>5,903,288</u>	<u>1,191,494</u>	<u>5,858,005</u>	<u>1,173,900</u>

JMS STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

		Consolidated		Separate	
		2022	2021	2022	2021
	Notes	Ushs'000	Ushs'000	Ushs '000	Ushs '000
ASSETS					
Non-current assets					
Property, plant and equipment	15	22,652,260	19,438,405	19,456,756	19,039,944
Right to use assets	16(a)	7,222,253	8,398,876	6,898,924	8,118,785
Investment in subsidiary	17(a)	-	-	4,868,000	4,868,000
Investment in associate	17(b)	1,097,300	1,108,770	-	-
Deferred tax asset	21 (c)	<u>2,423,250</u>	<u>1,115,891</u>	<u>2,409,220</u>	<u>1,117,151</u>
		<u>33,395,063</u>	<u>30,061,942</u>	<u>33,632,900</u>	<u>33,143,880</u>
Current assets					
Inventories	18	43,383,819	42,234,914	43,159,178	42,221,723
Trade and other receivables	19	26,921,137	35,681,946	26,444,662	35,155,685
Amounts due from related parties	26(c)	6,837,335	8,162,577	6,837,335	8,122,090
Cash and bank balances	20(a)	47,901,205	8,835,565	47,151,862	6,609,868
Fixed deposits	20(b)	<u>-</u>	<u>5,999,348</u>	<u>-</u>	<u>5,999,348</u>
		<u>125,043,496</u>	<u>100,914,350</u>	<u>123,593,037</u>	<u>98,108,714</u>
Total assets		<u>158,438,559</u>	<u>130,976,292</u>	<u>157,225,937</u>	<u>131,252,594</u>
ACCUMULATED FUNDS AND LIABILITIES					
Accumulated surplus	29	79,651,534	73,759,985	79,859,584	74,013,318
JMS project account	24	471,325	459,586	471,325	459,586
Revaluation reserve	28	6,380,215	6,380,215	6,380,215	6,380,215
Capital pending allotment	17 (c)	969,400	-	-	-
Non-controlling interest		<u>(42,853)</u>	<u>(769)</u>	<u>-</u>	<u>-</u>
Total accumulated funds		<u>87,429,621</u>	<u>80,599,017</u>	<u>86,711,124</u>	<u>80,853,119</u>
Liabilities					
Non-current liabilities					
Lease liabilities	16(b)	<u>1,573,616</u>	<u>2,345,249</u>	<u>1,530,897</u>	<u>2,345,249</u>
		<u>1,573,616</u>	<u>2,345,249</u>	<u>1,530,897</u>	<u>2,345,249</u>
Current liabilities					
Trade and other payables	22	62,213,940	38,985,908	61,851,276	38,882,313
Short term loan	23	4,390,687	7,125,036	4,390,687	7,125,036
Tax payable	21 (d)	1,586,141	-	1,586,141	-
Lease liabilities	16(b)	584,443	803,353	577,120	779,463
Deferred grant	25	578,692	932,959	578,692	932,959
Amounts due to related parties	26(d)	<u>81,419</u>	<u>184,770</u>	<u>-</u>	<u>334,455</u>
		<u>69,435,322</u>	<u>48,032,026</u>	<u>68,983,916</u>	<u>48,054,226</u>
Total accumulated funds and liabilities		<u>158,438,559</u>	<u>130,976,292</u>	<u>157,225,937</u>	<u>131,252,594</u>

The consolidated and separate financial statements and the notes were approved and authorized for issue by the Trust on 2022 and were signed on its behalf by:


Director


Director

2.2.2 Improve procurement efficiency

2.2.2.1 Stock Availability By Category - ABC

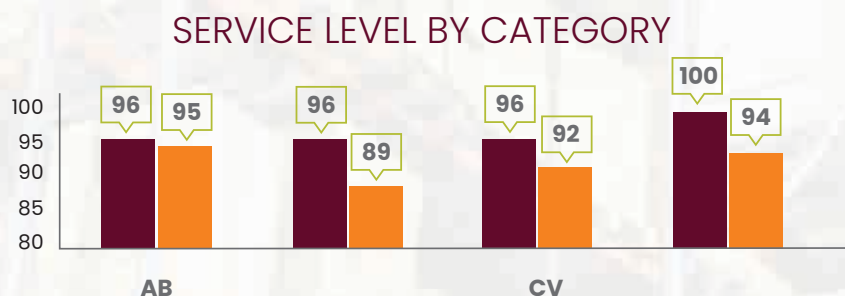
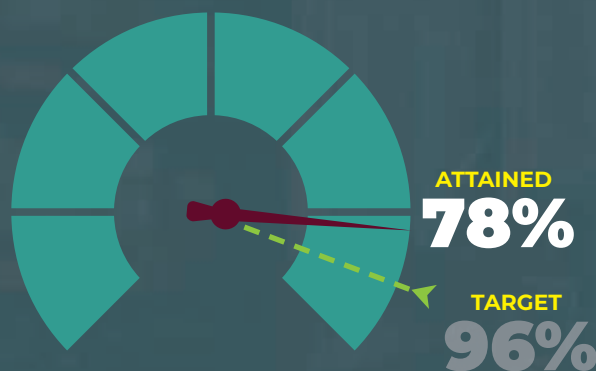


Fig 2: ABC stock availability

Notes;

- The average service level under the review period was 92% Vs the target of 96%. This is affected by a number of factors; Products/ brands being out-of-market, Short shelf life, Double regulatory requirement; UNBS/NDA, Global increase in production & raw materials forcing importers to halt importations, Fluctuating demand of almost all products, unstable prices of products like Paracetamol tabs, Ciprofloxacin tabs, Amoxyl caps, and Ampiclox caps
- With regular engagement with suppliers for better planning, NDA/UNBS for harmonizing regulations and use of the new quantification tool, we believe the service level should improve greatly.

AVERAGE
SERVICE
LEVEL





2.2.2.2 Transaction Cycle Time

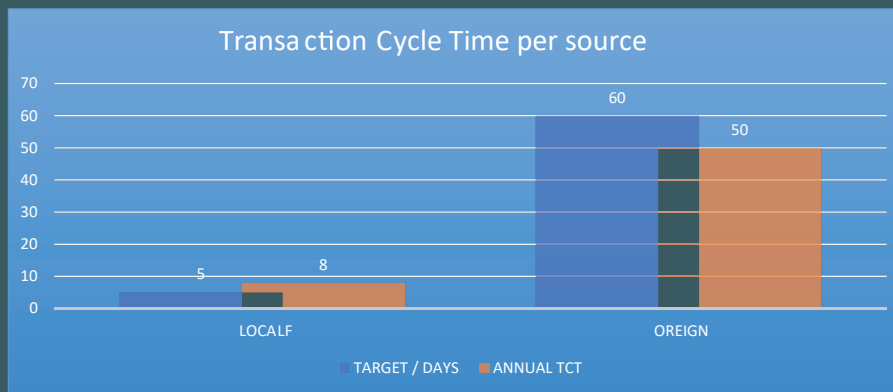


Fig. 3 TCT

Notes:

- This parameter measures the number of days from creation of order to closure in IFS ERP system. The TCT at the end of the FY on average was 8 days and 50 days local and foreign respectively.
 - Foreign TCT is better due to unforeseen delays of consignments in the 1st & 2nd quarter, the transit time improved in the 3rd & 4th quarter of the year.
 - We will develop a supplier development plan to improve the performance of local suppliers.

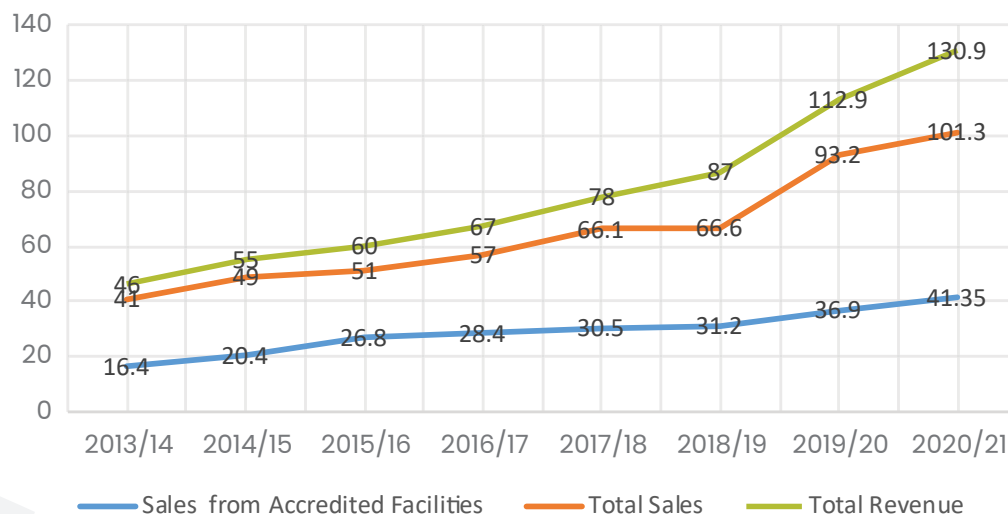
TRANSACTION CYCLE TIME



2.2.3 Revenue

2.2.3.1 Financial Performance

Table: Financial Performance generated during the year 2021/22



2.2.3.2 Sales Per Market Segment

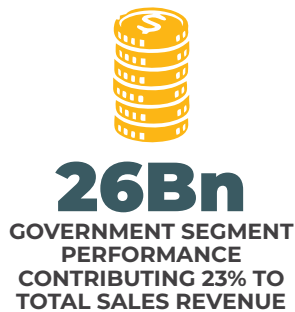
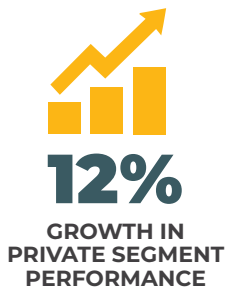
Table: Sales per Market Segment

MILLIONS					
Segment	2017/18	2018/2019	2019/20	2020/21	2021/22
Private	14,611	16,260	18,174	22,286	24,438
UCMB	16,322	17,710	17,982	21,814	22,133
UPMB	9,598	9,765	9,381	10,720	11,537
Distributor	6,662	7,058	8,495	6,728	8,232
Govt	4,005	6,005	24,538	24,483	26,480
Export	2,490	2,595	4,470	1,582	1,469
NGO	11,560	6,386	9,139	7,043	5,794
UMMB	646	703	941	1,163	1,097
UOMB	215	210	144	262	179
Projects	12,134	21,187	18,820	19,547	24,261
Others	606	1271	872	12,652	5,228
Total Revenue	78,849	89,149	112,956	128,280	130,935
Growth %		13	27	13.56%	13%

Notes:

1. Private segment performed better than all segments with a growth rate of 12%
2. Government segment performed well in absolute sales revenue numbers at 26Bn (23% contribution to total sales) with Ministry of Health & Ministry of Defense topping the table.

We were also able to penetrate local government districts and total coverage of all RBF beneficiaries (900 Health facilities) contributed greatly to this segment's performance



2.2.3.3 Items Category Sales

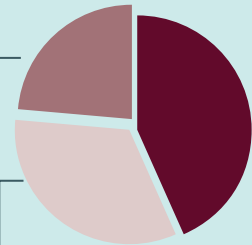
Table 4: Item sales revenue by category - Category % Vs Total Sales

Product Category	2019/20	2020/21	2021/22
Medicines	37.6	34.9	37
Medical Sundries	42.8	26.4	28
Laboratory Supplies	3.7	4.6	5
Equipment & Accessories	7.6	23.4	20
Instruments	0.8	2.1	2
Stationery/Books	0.0	0.01	0
Cleaning Agents	3.4	4.0	4
Linen/Clothing	0.3	0.9	1
Non-Stock Items	2.1	2.6	2
Supplier Consignment Inventory	1.7	1.2	1



85%

SALES REVENUE
CONTRIBUTED BY 3
PRODUCT CATEGORIES



37%

Medicines

28%

Sundries

20%

Equipment

JMS
MEDICAL STORE



VISION

Partnership
excellence
Solution
Global

MIS

To Provide
Quality Health
through an
Chain System
value to All
Units
State



2.2.3.4 Communication

a. Enhance Visibility

Objective is to maintain positive presence in the media to boost brand equity and avoid/ manage narrative for negative publicity.

Media	Annual Target		% Perf	Comment
		Total Perf		
Radio	12	242	2016%	Replenish +Adverts; JMS@43 events; Job Adverts and court cases
Tv	12	77	641%	
Newspaper	12	38	316.60%	
Online	12	27	225%	
Magazine	12	10	83%	
Total	60	394	656%	

Table 13: Number of Stories published per media



2.2.3.5 Turn Key Projects

2.2.3.5.1 Infrastructural development

The Directorate of Biomedical Engineering at Joint Medical Store executed a number of infrastructural projects for the 2021-2022 Financial year. The projects varied from renovations, interior design, master plans and layouts etc. These different projects generated revenue of 621 Million UGX. The Infrastructural Development Unit is comprised of Architects, a Mechanical engineer, Civil engineer, an Electrical engineer, a Quantity surveyor and a Biomedical Engineer.

Below are the projects worked on during the Financial Year.

a. MTN Foundation Health Centre Facelift Project

Facelift renovations of 15 health centers around the country. The donations included hospital equipment, facelift in the form of painting, power backup systems, water harvesting tanks and placenta pits.

Scope of works: Needs Assessment Site Visits, Needs Assessment reports, As-Built drawings, Renovations works, Delivery of equipment, Supervision and Preparation of progress and completion reports

Project value: UGX 621m

Project Status: Completed



b. St. Francis Naggalama Hospital – Imaging Department

Project Description: Remodeling of the Naggalama Hospital Imaging Department to accommodate the incoming CT scan that will be supplied by JMS.

Scope of works: Assessment visit, As-Built drawings, Revised Drawings with proposed extensions and modifications.

Estimated Project Cost: TBD – To be determined

Project Status: 50% complete

c. St. Anthony Hospital Tororo

Project Description:

Remodeling the Out-Patient Department to be modern and have an effective patient flow towards the implementation of a turnkey project for the Diocese.

Scope of works: Measuring of existing buildings, Preparation of as-built drawings, Proposed Modification drawings, 3D models, M&E and BOQs. Project Value: TBD

Project Status: 50% complete





3. IMPROVE QUALITY OF PRODUCTS AND SERVICES



2.3 Improve Quality of Products and Services



Capacity Building Session at the Nsambya Hospital Auditorium.

2.3.1 Capacity Building

The Directorate of Technical Services continued to provide strategic and routine capacity building services to customers, partners and suppliers aimed at enhancing stakeholder value through a strong supply chain and efficiency. Performance was however constrained by the public health limitations due to COVID 19, and absence of the Capacity Building Officer. The following achievements were realized albeit the constraints:

STRATEGIC PLANNING

2

Hospitals

Benedictine Eye Hospital and
St. Stephens Mpererwe Hospital

INVENTORY MANAGEMENT TRAINING

3

Hospitals

36 Health Workers trained

CUSTOMER SERVICE TRAINING

8

Hospitals

627 Health Workers trained

FINANCIAL MANAGEMENT TRAINING

1

Hospital

30 Health Workers trained

2.3.2 Research and Associations

Baseline inventory assessments were conducted for St. Paul Health Centre, Kasese, Mother Francesca Letchner, Dabani hospital, St. Anthony hospital, Benedictine Eye Hospital Kumi hospital, and Ngora Fredda hospital.

Research activity was initiated to investigate the participation of pharmacy personnel in key hospital activities such as supply chain, medicine use, and patient management. The tool was developed with support from the UCMB and UPMB secretariats.

The research and innovation policy was drafted and reviewed by the JMS EXCO for presentation to the Technical Committee. The Policy is aimed at accelerating research and innovation for ideas, health solutions, and interventions.

The feasibility study on the prospects for establishing of consulting and grants unit at JMS was initiated. The study that is being finalized is assessing the feasibility of providing training services and courses at a fee; providing management consulting services at a fee; writing grant proposals for health systems strengthening projects and programs; and managing health systems strengthening projects and programs.

Continuous Professional Development (CPD) accreditation with the UK CPD accreditation service was maintained. This accords recognition to JMS CPD activities.

Christian Connections for International Health (CCIH) membership was maintained with an updated membership subscription.

Performance discussion and dash board

TOOLS SCORE -
BASELINE

67
(Average)

INVENTORY
ACCURACY

78
(Average)

CUSTOMER SERVICE
SCORE-BASELINE

71
(Average)

STAFF TRAINED IN
CUSTOMER SERVICE

627
(Total)

The average logistics and inventory tools adoption score for the health facilities was 67% with a range of 25 to 92. The proportion of the health facilities implementing all the approved logistics and inventory management tools was 0% compared to the target of 20%, although the adoption score increased with rising level of care, with hospitals exhibiting the highest performance levels.

2.3.3 Quality Assurance

22 local supplier GMP and GDP audits were conducted against a target of 72 with a performance of 30%. This low performance was attributed to the extended lock downs, social distancing measures and travel restrictions to control COVID 19.

To further validate our internal or inhouse Quality Assurance system, we analysed 24 batches of pharmaceuticals at a WHO pre-qualified laboratory. All batches passed demonstrating that the stringent JMS QA systems right from pre-qualification to controlled storage are capable of delivering quality products to customers.

Two 3rd party audits were conducted through the year, a virtual one by Bureau Veritas based on the ISO 9001:2015 quality management standard, and a physical one by QUAMED on behalf of USAID, based the Model Quality Assurance System (MQAS) for procurement agencies.

24 product technical complaints were investigated for validation, and to establish the source of the defects. 17 of these were confirmed through investigations, giving a category correctness rate of 70%. The quarterly average for the number of product complaints was five.

JMS performed exceedingly well on quality of products. The average product quality score for the year was 98%. This performance is attributed to the stringent upstream activities that include supplier prequalification, inbound quality inspection, and continued surveillance of supplier quality systems.

Significant improvements were made on quality of the warehousing, with the warehouse quality score closing at 71% in Q4. These improvements were attributed to the intensive self-inspections and engagement of internal and external stakeholders.

In addition to the above, other parameters that boosted the performance included quality assurance visits to the branches and distribution outlets, number of good storage practice (GSP) assessments, and calibration of data loggers. The proportion of performance was as follows: visits at 75%; GSP assessments 120%; calibration of data loggers at 100%

There was very good performance in the area of post market surveillance with the percentage of customers visited for quality surveillance and support closing at 69% for Q4 against a target of 80%, while the product technical complaint resolution rate closed at 100% for Q4.

There was great improvement in supplier performance, and the proportion of suppliers with active prequalification increased from 34% to 70%, although this was below the target of 80%, while the proportion of suppliers meeting JMS product specifications remained at an average of



84% which was slightly above target of 80%. Evolving product requirements of customers necessitating purchases of products from non-primary suppliers contributed heavily to the slow performance in this area.

Enforcement of the quality management system: JMS successfully maintained an effective quality management system as attested by the Bureau Veritas ISO 9001:2015 quality management system audit. 311 aspects of the system were assessed in the audit and the compliance rate was 98.4%, an improvement of 7.2 percentage points from the 2020 recertification audit with a score of 91.2%. The aspects audited included management review, customer service management, quality management system architecture, internal audits. JMS effectively implemented procurement agency functions and standards as attested by the QUAMED audit based on the Model Quality Assurance (MQAS) and Good Storage & Distribution (GSDP) standards. 296 aspects were assessed in the audit and the compliance rate was 98.4%, with an improvement of 2.1 percentage points from the 2018 audit which had a score of 96.4%

311

(Aspects assessed)

By the Bureau Veritas
ISO 9001:2015

98.4%

Compliance Rate

7.2%

Improvement

91.2%

Score

296

(Aspects assessed)

By the QUAMED, MQAS and
GSDP standards

98.4%

Compliance Rate

2.1%

Improvement

96.4%

Score

2.3.4 Information and Communication Technology

The Advance Shipment Notice (ASN) system was expanded to include the QA function and all the QA staff were trained on this function. Therefore, the QA staff will be able to interact with suppliers and product documentation, well ahead of the consignments. This will minimize the incidences of products arriving on premises with inadequate documentation or lacking in certain quality attributes.

IFS: the non-conformity module in IFS, the JMS ERP, was activated to facilitate logging and tracking of non-conformities at process and function level.



4. GROW BUSINESS & INVESTMENT PORTFOLIO

2.4 Grow Business & Investment Portfolio

2.4.1 Performance of Investment

2.4.1.1 Joint Healthcare (JHC)

- JHC the investment arm of JMS was established in 2017. It is fully owned by JMS.
- In FY 2021-22 JHC continued with the manufacture of Liquid detergent and alcohol-based sanitizer. In the FY further products were brought on Board that is: sodium hypochlorite and the ultrasound gel. All products are registered under the Clinisafe® trademark.
- JHC is also in the final research and development stages to produce Deionized water. JHC is also carrying out product formulation for chlorhexidine, Povidone iodine, Oral Rehydration salt(ORS), Surgical spirit and Glutaraldehyde
- JHC secured a gross sales revenue of UGX 1.4bn in FY 2021-2022.



**JHC GROSS SALES
REVENUE**

1.4Bn

in FY 2021 - 2022

**DCL GROSS SALES
REVENUE**

1.59Bn

in FY 2021 - 2022



The Provincial Assembly bless the Oxylife Premises during their tour of JMS in June 2022.

2.4.1.2 Doctor's Choice Ltd

- a) JMS through JHC bought 26% equity stake in DCL. The company was incorporated in 2017.
- b) DOCTOR'S CHOICE LTD (DCL) is a licensed NDA manufacturing facility based in Jinja Industrial area, incorporated in partnership with JOINT MEDICAL STORE in March 2017 to manufacture high quality Nutraceuticals (Local Herbal Medicines) to address public health challenges facing the people of Africa.
- c) The Company in FY 2021-22 also started the manufacture of Replenish plus mama care, Replenish plus Junior, production of RUTF.
- d) The company is at the tail end of acquiring a GMP certification to enable it manufacture over the counter medicines.
- e) DCL secured a gross revenue of Ugx. 1.597b in FY 2021-22.

2.4.1.3 Oxylife 2020 (U) Ltd

- a) Oxylife 2020 (U) Ltd, was incorporated in November 2020, with a mandate to produce high-quality medical oxygen to support Critical Care health service delivery in Uganda.
- b) Oxylife is a partnership between JHC and Hewatele a Kenya firm that is in the business of producing medical oxygen.
- c) The Oxylife premises were completed in June 2022. A license has been procured from NDA for the start of production of oxygen. Production and sale is expected to commence November 2022.

2.4.2 Direct To Vendor (D2v) Sourcing

JMS embarked on the D2V strategy to guarantee cost effective and quality health supplies to its customers.

2.4.2.1 Medicine registration

Current Status of Priority list medicines (160)		Comment
Items registered with NDA	18	7 are New Registration in 2021/22
Items currently sourced via D2V sourcing though unregistered	26	
Items whose registration is currently hindered by BUBU hence sourced locally	6	
Items in NDA registration Pipeline	28	
Items with Identified Manufacturers, engagement ongoing / dossier awaited	38	
Items Pending Identification of manufacturer	44	

2.4.2.2 Dossiers Status

- Only 3 GMP applications were able to materialize, 1 desk review and 2 physical audits, this was mainly because NDA delayed to resume physical visits; until April 2022. 2 manufacturers were inspected (Bio-labs Pharma, and Focus & Rulz Pharma, Certificates of site approval expected in July 2022. We plan to scale up GMP scheduling in the 1st two quarters of FY 22/23.
- Many a times product registrations get delayed at availing additional information. We have however resorted to having a multi-departmental meeting with Manufacturers

Activity / Regulatory Stage	Targets	Total Done - 2021/22	Var (%)
Dossiers received	≥3 dossiers monthly	23	63.8
Dossiers reviewed	≥2 dossiers monthly	23	95.8
Dossiers Submitted	≥2 dossiers monthly	23	95.8
Additional Information re-requests submitted	≥3 submissions quarterly	10	83.3
Full registrations achieved	5 full registrations Quarterly	7	35
GMP applications filed	≥5 GMP Inspections Scheduled and done Quarterly	3	60

Table 6: Dossiers' status



Customers pause for a group photo during the launch of Lotus cultures in June 2022.

2.4.2.3 D2V Medical devices

The process of registration of medical devices as recently communicated by NDA has finally been kick started with the roll-out of the regulatory fees to be paid for submission and assessment by the NDA.

A summary of the status is shown below

Current Status of Priority list Medical Devices	No.	Variance %
Items registered with NDA	0	-
Items bought from suppliers with exclusive MOU	59	41.3
Items bought from vendors with non-exclusive MOU	37	25.9
Items in NDA registration Pipeline	0	-
Items Pending Identification of manufacturer	47	32.9
Total number of medicines on priority list	143	100.0

Table 7: Status of coverage on priority list – medical devices

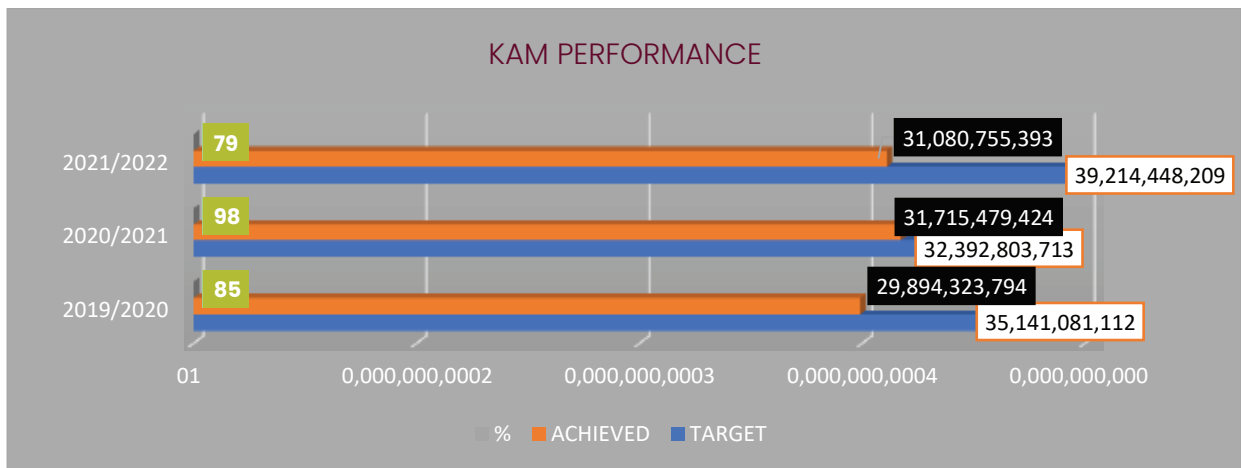


5. STRENGTHEN CUSTOMER RELATIONSHIP MANAGEMENT

2.5 Strengthen Customer Relationship Management

2.5.1 Key Customer Management

JMS has categorized customers in form of Potential. The Key Accounts segment consists of 100 customers that give JMS about 40% of its total sales. During Financial Year 2021/22, this segment registered 21% shortfall largely due to poor performance of export business, restricted movements during the first half of the FY and low patient numbers which affected hospitals and health centres.



JMS Key Account Manager delivers a bouquet of flowers to Sister Jane Frances the Hospital Administrator of Nagalama Hospital - a key account.



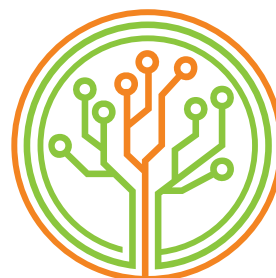
6. IMPROVE TOOLS AND TECHNOLOGY

2.6 Improve Tools and Technology

The **technology gap analysis** was conducted to establish the difference between the current and expected technology status of JMS and the technology was determined to be 65%. Notably there are significant deficiencies in marketing software, automation of ICT tasks, and process management software.

A number of projects for statutory, efficiency, and effectiveness reasons were embarked on. The following projects were undertaken:

- a) The **EFRIS** was implemented as a statutory requirement to connect the JMS receipting system to the URA domain. This involved interfacing the URA EFRIS with the JMS IFS. However, cut over - going live was not effected due to challenges detected in the User Acceptance Test (UAT). We hope to go live next financial year.
- b) The **DHIS2** project was implemented for efficiency reasons and involved integration of the JMS IFS with the MoH DHIS2 to enable data sharing between the two software systems with particular focus on commodity ordering and logistics reporting by health facilities. The integration was however not completed due to emerging requirements that necessitated additional funding. We hope to finalise next financial year with release of additional funding from government.
- c) The **Customer Service Portal** was successfully developed to facilitate seamless communication with customers and reduce the effort in ordering for commodities by clients. However, the system was rolled out partially pending additional enhancements to fit the JMS digital transformation and automation agenda.
- d) The **LogBots software** continued to be used for accountability of dispatch, transportation, and consignment delivery system. Despite the challenges of internet connectivity and frequent software bugs, the system performed according to purpose. The main constraint was the interchange with the JMS IFS which continues to be a stumbling block, and has necessitated a review of alternative systems.
- e) The **RADLEY bar coding software** was installed to improve efficiency through speed of receipt initially and later picking and dispatch. This system will constitute part of the JMS product traceability system and anti-falsification tool.
- f) The development of the **Digital transformation and automation strategy** was initiated with two main goals: reposition the JMS supply chain and logistics capabilities to match and keep ahead of the digital drive; and enhance interoperability of the JMS systems.



65%
Technology Gap

EFRIS
Was Implemented

DHIS2
Was Implemented
(However not completed due to fund constraints)

Customer Service Portal
Was Implemented
(However not completed pending roll out)

LogBots
Continued to be used

RADLEY Bar Coding
Was Installed



7. IMPROVE STAFF KNOWLEDGE SKILLS AND ABILITIES



2.7 Improve Staff Knowledge Skills and Abilities

At JMS we are an employer of choice and we aim to attract, nurture and retain critical talent. The Department of Human Resources and Administration has created an enabling work environment that fosters staff engagement, safety, wellbeing and employee growth which promotes employee productivity.

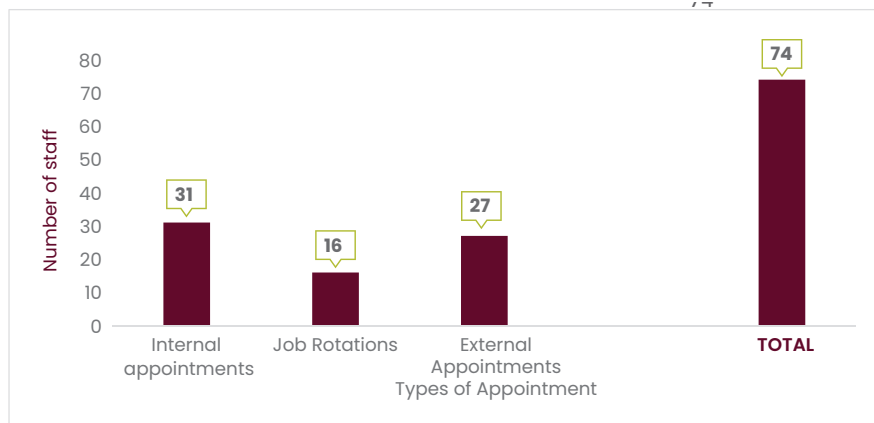
2.7.1 Strengthen Human Capital Development

2.7.1.1 Staff establishment

As of 30th June 2022 we had a staff establishment of 211 talented staff pleasantly contributing to the provision of Affordable Quality Health Solutions through an Efficient Supply Chain System that Delivers value to Accredited Health Units and Other Stakeholders.

Important HR Parameters monitored

2.7.1.2 Talent Sourcing and Acquisition



The average time required to fill vacant positions has decreased from 45 working days in 2020/ 2021 FY to 30 working days of 2021 /2022 FY.

2.7.1.3 Employee of the Year

The **Employee of the Year Award** recognizes and rewards members of staff that have demonstrated outstanding personal excellency in performance of their responsibilities as outlined in their job description, and on their specific contributions to the mission, objectives and values of Joint Medical Store. The following were recognized as Employee of the year for 2021;



2.7.2 Employee Learning and Development

The JMS e- learning platform has continued to facilitate the learning environment at JMS and therefore laying a foundation for transforming our employees' learning experience for enhanced employee productivity.

A total of 25 courses were done during the financial year in various areas of Fraud identification and prevention, Effective communication, supply chain dynamics and Quality Management systems.

2.7.3 Increasing Employee engagement

We use regular employee surveys to test our engagement levels by creating a culture where staff speak up, ask questions and give feedback. By conducting employee engagement surveys, we inculcate a listening culture for the Management team where real time solutions and results are given. The recent Employee engagement survey revealed that the employee engagement score was 82.2% while the employee Net Promoter Score was 63.5%.



25

Courses were done during the financial year in various areas of Fraud identification and prevention, Effective communication, supply chain dynamics and Quality Management systems





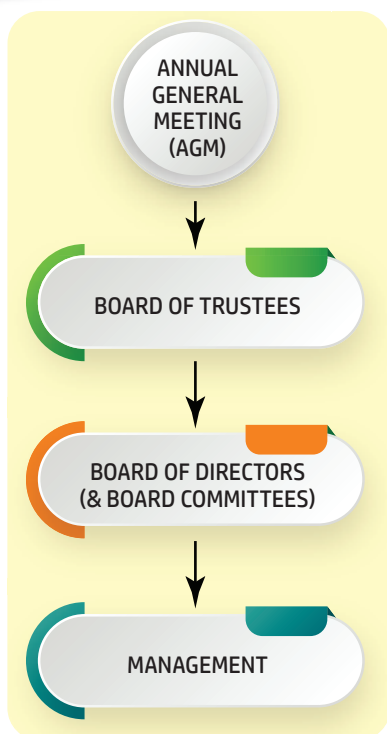
8. PROMOTE CULTURE AND GOVERNANCE





Dr. Margaret Mpalampa hands over the award to Mr. Rhobert Korutaro as he retired from the Board during the AGM in December 2021.

2.8 PROMOTE CULTURE AND GOVERNANCE



2.8.1 Governance

2.8.1.1 Annual General Meeting:

The JMS AGM was held on 3rd December 2021 and attended by members of the Board of Trustees, Board of Directors, Board Committee members, 18 members nominated by UCMB and UPMB and Senior Management.

The AGM:

- i) Approved JMS' Audited Financial Statements for the year ended FY 2020-21,
- ii) Appointed Ms. KPMG Certified Public Accountants of Uganda as JMS' External Auditors for FY 2021-22
- iii) Approved the Annual Report for FY 2020-21.
- iv) Ratified decisions taken by the Board of Directors over the year.



Dr. Margaret Mpalampa hands over the award to Dr. Gilbert Mateeka (left) and Sr. Jane Frances Nakafeero (right).



The AGM also recognized and appreciated the retiring members of the Board and Committees herein below;

- Mr. Rhobert M. Korutaro was a member of the Board of Directors appointed by UPMB to the board in November 2013.
- Mrs. Samalie E. Kisekka was a member of the Finance-Administration committee and was appointed by UCMB in November 2013.
- Mr. Francis Buwule was a co-opted member of the Finance-Administration Committee appointed in November 2013.
- Sr. Jane Frances Nakafeero was a member of the Business Development Committee, appointed by UCMB in November 2013.
- Dr. Gilbert Mateeka was a member of the Technical Committee appointed by UPMB in November 2013.

2.8.1.2 BOARD OF TRUSTEES:

In FY 2021-22, the JMS Board of Trustees held one (1) meeting and also attended the Joint Board Retreat that took place in May 2022.

2.8.1.3 BOARD OF DIRECTORS:

The JMS Board of Directors is appointed by the two Medical Bureaus (UCMB-UPMB) and is responsible for the effective and efficient operation of JMS through spearheading the Organisation's Policy Development; ensuring Good Stewardship of the Organisation's Assets and Resources; ensuring the Organisation's Compliance with the applicable Legal Framework, and Promoting the Organisation's Corporate Image in line with the Trustees' authority delegated to the Board as per the JMS Trust Deed.

Artistic Impression of Gulu Branch whose construction is currently ongoing

2.8.1.3.1 KEY ACHIEVEMENTS OF THE BOARD OF DIRECTORS:

The Board of Directors during the period considered and approved the following documents and policies:

- i) Operation Plan & Budget for FY 2022/23.
- ii) Procurement Plan for FY 2022-23
- iii) Risk Profile for FY 2022-23.
- iv) Annual Report for FY 2020-21.
- v) JMS Consolidated Audited Financial Statements for FY 2020-21.
- vi) Amendment of the JMS Accounting and Financial Manual.
- vii) Commencement of the technology advancement project.
- viii) Expansion of central warehousing space through the construction of a Warehouse in Lugazi and construction of a warehouse in Gulu.
- ix) The new JMS Organizational structure and a Salary structure with performance-linked pay as a reward strategy for JMS.
- x) The amended Quality Policy.
- xi) JMS partnership with Pharmaceutical Society of Uganda and Jena Herbs to warehouse and distribute Covidex.



The JMS Board of Directors has 4 Committees including:

01 Finance and Administration Committee:

The Committee is responsible for the provision of advice and assistance to the Board of Directors in the oversight and maintenance of the organization's Fiduciary and General Administrative responsibilities by ensuring that the requisite Financial and Administrative Policies, Procedures and Strategies are in place to safeguard the organization's assets.

02 Audit Committee:
The Committee is responsible for the provision of advice and assistance to the Board of Directors in assessing the effectiveness and independence of the Internal Audit Function over the adequacy and effectiveness of financial reporting, internal controls and compliance with laws and regulations.

03 Technical Committee:
The Committee is responsible for the provision of advice and assistance to the Board of Directors in keeping abreast of new technologies, anticipating emerging concepts and trends in the health care supply chain, Selection and Standardization of essential supplies, Quality Assurance of healthcare supplies and Capacity Development in health logistics management.

04 Business Development Committee:
The Committee is responsible for the provision of advice and assistance to the Board of Directors in the oversight of strategic and tactical Marketing and Business Plans, initiatives and investment opportunities; developing best practices in procurement methods and processes; approving product range and services to be procured and supplied by the organization and ensuring that all these activities are carried out in a sustainable manner.

2.8.1.3.2 Board and Committee engagements in FY 2021-2022

1. The Board held 4 Board meetings. The target was 4 meetings.
2. Audit committee held 4 scheduled meetings against a target of 4 meetings for the FY.
3. Finance & Administration Committee held 4 meetings against a target of 4 meetings.
4. Technical Committee had 4 meetings against a target of 4 meetings.
5. Business Development Committee held 4 meetings against a target of 4 meetings.
6. A Joint Residential Retreat was held in May 2022 for the JMS board and committees and the JHC Board.

The Board also participated in:

- i) The Joint Health Care Investment Limited AGM that took place in November 2021.
- ii) Active involvement with Management to embrace the opportunities and address the challenges brought by the COVID-19 pandemic in Uganda leading to the achievement of the FY's target.
- iii) Financing decisions made for JMS in view of the increased need for working capital for short-term facilities.
- iv) Active involvement in the Board evaluation exercise that took place in May 2022.
- v) Participated in a re-orientation training in Cooperate Governance.
- vi) Supported management in the follow-up and resolution of the Insurance Dispute with Britam.
- vii) Participated in a training on the role of the Board in Change Management.

Effect of Covid-19 Pandemic on Board engagements

Due to the continued effects of the COVID-19 pandemic, the Committees continued to meet virtually and all the meetings held in the FY were held online.

The Board held two physical meetings and two hybrid Board meetings during the year.

We continue to thank the members of the Board and Committees for adjusting positively to the new mode and venue of meetings.

2.8.1.4

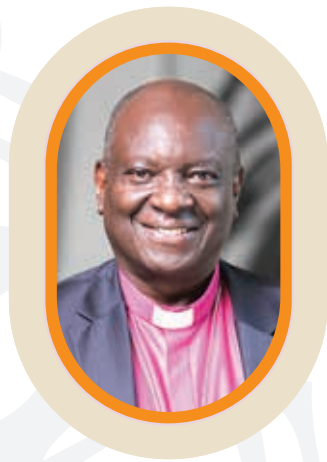


MANAGEMENT

The JMS Executive Team is headed by the Executive Director (ED) who is also the Secretary to the Board of Directors. The ED is appointed by the Board of Directors for the operation and Management of JMS. The ED is supported by 6 Directors under the Business Dev't & Procurement, Finance, Customer Services, Internal Audit, Risk & Compliance, Technical Services, and Biomedical Engineering Directorates.

Members of the Joint Medical Store Board of Trustees, Board of Directors and Board Committees as at 30th June 2022.

Board of Trustees:



Rt. Rev. George Bagamuhunda was appointed in November 2015. Rev. Bagamuhunda is a retired Bishop of the Diocese of Kigezi.



Prof. Raphael Owor was appointed in 1996.



Bishop Robert Muhiirwa was appointed in June 2020. Bishop Muhiirwa is the current Bishop of Fort portal Diocese.



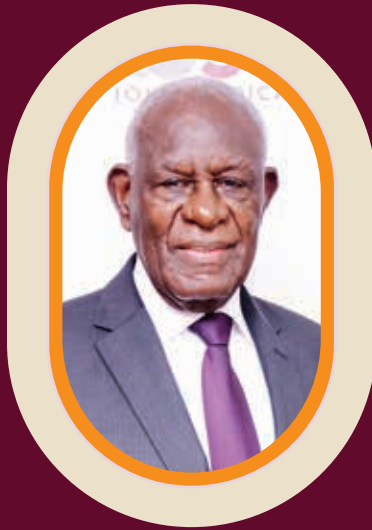
Ms. Margaret Mpalampa was appointed in December 2019.

BOARD OF DIRECTORS



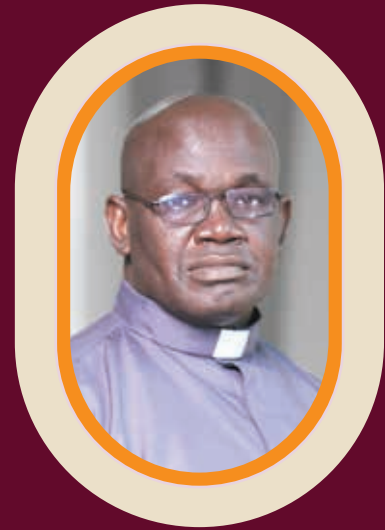
Dr. Lawrence Ojom
Board Chairman

Was appointed by UCMB in December 2014 as a board member and was elected as the Board chairperson in November 2018 having served as a Vice Chairperson of the Board of Directors of Joint Medical Store for four years since 2015. He is the Programme Manager at AVSI Foundation (an International Non-Governmental Organization). He has over 20 years of experience in District Health System Strengthening, building the capacity of Local Government in Health Planning and Health Service Delivery. He is currently a member of Board of Directors St. Marys' Hospital Lacor – Gulu and chairs the Training Institutions sub-committee of the board. He holds a Master's Degree of Primary Health Care (PHC) Management from Istituto Superiore di Sanita, Rome, Italy and Post Graduate Diploma of Tropical Medicine and Hygiene from Liverpool School of Tropical Medicine and Hygiene, Liverpool University UK. Dr. Ojom Lawrence has been the program manager of large public health projects in Northern Uganda funded by a wide range of donors (DFID, DANIDA, UNICEF, USAID, Italian Cooperation, CDC and WFP).



Canon Joram Kahenano
Vice Chairperson

He is the former CEO Church Commissioners Holding Company Limited from 2016-2019. He holds a Bachelor's degree in Commerce and is a Fellow Chartered Institute of Bankers, London (FCIB). He is the Chairman Board of Directors UPMB; Vice Chairman Board of Directors Uganda Institute of Banking and Financial Services and member of Council Victoria University.



Rev. Fr. Henry R. Waiswa
Treasurer

Was appointed by UCMB to the Finance Committee and later to the Board in December 2014. He was elected as Honorary Treasurer of the Board in November 2018. He served as Assistant Registrar Uganda Martyrs University, Mbale Campus (2015 – 2017) and chair Audit Committee JMS. Currently, He is Chairman Finance Committee of UCMB, a member of the Finance Committee of Uganda Episcopal Conference, a member of the Board J.W. Interservice, a member Finance Committee of Interservice, Financial Administrator and a member of the Land Board Soroti Catholic Diocese, a Lecturer and Coordinator Faculty of Business Administration and Management – Uganda Martyrs University, Mbale Campus and Assistant Parish Priest St. Teresa of the Child Jesus Parish-Bukedea. He holds a Master's in Business Administration (MBA) - (Finance/Accounting), Bachelors in Business Administration and Management (Accounting), Bachelors in Philosophy, Bachelors in Theology, Diploma in Philosophy, Diploma in Theology and Certificate in Microfinance.

BOARD OF DIRECTORS



Dr. Sylvia Tumuheirwe Alinaitwe
Member



Ms. Mary Lubowa Nannono
Member



Prof. Michael Kawooya
Member

Was appointed to the Board by UPMB in December 2019. Ms. Sylvia is a practicing Certified Accountant with over 20 years' experience, currently serving as the Deputy Managing Director Finance & Corporate Strategy at National Water & Sewerage Corporation (NWSC) - Uganda. She attended Oxford Brookes University UK in Collaboration with Association Chartered of Certified Accountants (ACCA) - UK and attended training at Management & Accountancy Training Centre Uganda from where she graduated with a BSC (Applied Accounting) in June 2007. She also holds an MBA, specializing in Corporate Strategy and Economic Policy from Maastricht School of Management in the Netherlands and a Bachelor of Commerce from Makerere University-Uganda. She is a member of the Association Chartered Certified Accountants (ACCA) - UK, Institute of Certified Public Accountants of Uganda, Institute of Corporate Governance of Uganda.

Has over 30 years of experience in the area of public sector management, having worked in the Uganda Civil Service for 35 years. She retired at the rank of Permanent Secretary at which level, she served in the Office of the Vice President, Education Service Commission and Ministry of Health. She has also served in the mainstream Ministry of Education for 10 years, Ministry of Industry and Technology and Office of the President. She has a Master's Degree in Public and Social Administration from Brunel University, UK (1982); a Post-Graduate Diploma in Public Administration, Uganda Institute of Public Administration (now Uganda Management Institute), 1980; a Certificate in Administrative Law from the Law development Centre, Kampala, 1979; and a Bachelor of Arts Degree in Literature and German, Makerere University (1975). She is a social worker, manager and entrepreneur. She has worked as Volunteer CEO of the Council for Economic Empowerment for Women of Africa, Uganda Chapter (CEEWA-Uganda); Member and Vice Chairperson of the National Advisory Council for The Hunger Project Uganda since 1999 and its Vice Chair since 2010.

Was appointed by UPMB to the board in November 2017. He is a radiologist. He holds a PhD in Health Sciences Research, (Makerere University), honorary Fellowship of the American Institute for Ultrasound in Medicine (FAIUM) and Honorary Membership of the European Society of Radiology. He attained full Professorship in Radiology at Makerere University in 2008. He is a founder member and current Director of Ernest Cook Ultrasound Research and Education Institute (ECUREI) and affiliated to Thomas Jefferson Research and Education Institute in Philadelphia USA. He is Deputy Principal for Ernest Cook Ultrasound Research and Education Institute (ECUREI), the Director of the Kampala World Federation of Ultrasound in Medicine and Biology (WFUMB) Centre of Excellence. He is a founder member for Uganda Society for Advancement of Radiology and Imaging (USOFARI) and Pan African Congress of Radiology and Imaging (PACORI) and African Society of Radiology (ASR). He chairs the UPMB Health Committee; a position he has held for the last 6 years. He is also Council Member for Uganda Christian University (UCU) Mukono.



Ms. Pamela Achii
Member

Holds a bachelor's degree in Pharmacy and a Master's degree in Public health both from Makerere University. Pamela has over 9 years' professional experience in pharmaceutical service delivery. She currently works with the Ministry of Health under the Global Fund as the Health Products Management Specialist responsible for management and coordination of health products procured through the Global Fund, Government of Uganda as well as the United States government contribution towards HIV, Malaria and TB in the public sector. Pamela has a wealth of experience in grant writing, health products quantification, national treatment guidelines development and management of complex transition of new treatment regimens. Pamela is the vice president of the pharmaceutical society of Uganda with over 1,200 registered pharmacists.



Dr. Sam Orochi Orach
Ex-Officio Member

He is an Ex-Officio Member. He is the Executive Secretary of UCMB that has over 296 health facilities around the country. He is a graduate of Makerere University Medical School with a Masters of Primary Health Care Management from Istituto Superiore di Sanita, Rome, Italy (1990) and HHH Fellowship in Public Health Policy and Management from Emory University, Atlanta – Georgia, USA (2000). Dr Orach has been on a number of Governing or Advisory Boards including; member of the Health Policy Advisory Committee (HPAC) of the Ministry of Health in Uganda, a member of the Board of Directors of Uganda's National Medical Stores since 2018, and served as a member of the Health Advisory Board for the John Fetz Foundation in Kalamazoo, USA, from 2012-2015. In March 2012 Pope Benedict XVI (Rtd) appointed him as Consultant / Advisor to the Pontifical Council for Health Pastoral Care (The Vatican) and has also been a member of the Board of Directors of the International Confederation of Catholic Health Care Associations (CIISAC) (2014-2018). In 2019, he was appointed as a member of the Board of Directors of Emmaus Foundation Trust, a Faith-based organization.



Dr. Tonny Tumwesigye
Ex-Officio Member

He is the Executive Director at Uganda Protestant Medical Bureau (UPMB) a body corporate registered as a charitable; faith based not for profit organization established in 1957 as a National Umbrella Organization for the Protestant (Church of Uganda, Seventh Day Adventist and Pentecostal Churches Founded Health Facilities. Dr. Tumwesigye is Married and a Medical Doctor who holds a Master of Science Degree in Public Health from the University of London/ London School of Hygiene and Tropical Medicine United Kingdom. Dr. Tumwesigye is passionate about Team work, Functional Systems and Good Corporate governance which attributes enabled him to guide UPMB to win "the Inaugural Grant Thornton Institute of Corporate Governance of Uganda (ICGU) Awards-Non Governmental Organizations (NGO) category in Uganda in 2018. Dr. Tumwesigye holds a Presidential Honor "The Distinguished service award" for his Outstanding contribution to health services delivery in Uganda.

BOARD OF DIRECTORS



Dr. Bildard Baguma
Secretary to the Board

He is the Secretary to the Board and Executive Director – Joint Medical Store from January 2015 to date. Dr. Baguma is a medical doctor by profession. He holds a Bachelors Degree of Medicine and surgery and Masters of Business Administration from Makerere University. He also holds a graduate diploma in procurement and supply chain management from CIPS UK and a certificate in Health Emergencies in large populations (H.E.L.P). He worked with Uganda Red Cross Society, Integrated health program, J.O.Y Medical Center, Agency for Cooperation in International Health (A.C.I.H) and Mulago National Referral Hospital where he served in different capabilities. Dr. Bildard Baguma has experience in organization of logistics, supply chain management, supervision of procurement and value for money analysis. He sits on the Board of Directors National Drug Authority (NDA) and is the Managing Director Joint Health Care Investment Limited.



JMS partners during the Partners Conference in June 2022. The Conference reviewed the 10-year supply chain roadmap for Uganda.



BOARD

COMMITTEE MEMBERS

FINANCE & ADMINISTRATION
COMMITTEE

1. **Rev. Fr. Henry Waiswa** (Chairman)
2. **Ms. Jane Namuddu Kiggundu** was appointed in November 2017. Ms. Namuddu works at the Provincial offices in Namirembe.
3. **Dr. Sam Orochi Orach**
4. **Dr. Tonny Tumwesigye**
5. **Mr. Frank Kiggundu**, appointed in November 2017. He is the Chief Financial Officer/Treasurer SDA, Uganda Union.
6. **Eng. Julius Mulumba** is a Co-opted member appointed in March 2015. Eng. Mulumba is an Engineer by profession.
7. **Mr. Michael Babu** was appointed in November 2021. Mr. Babu is a certified Accountant.
8. **Dr. Bildard Baguma**
9. **Ms. Mary Katusiime** is the Secretary to the Committee and the Director of Finance of Joint Medical Store appointed in July 2008
10. **Mr. Mawanda Michael**, Manager of Human Resource & Administration

AUDIT COMMITTEE

1. **Dr. Sylvia Tumuheirwe Alinaitwe** (Chairman)
2. **Mr. Fred Andema** was appointed in January 2015
3. **Mr. Balaam Muheebwa** was appointed in March 2016. Mr. Muheebwa is the Treasurer of the Provincial offices at Namirembe.
4. **Mr. Ntale Kayondo John** was appointed in May 2019. Mr. Kayondo is the Managing Partner, Jasper- Semu and Associates.
5. **Mr. Paul Ssenyonjo** was appointed in November 2017. He is an Internal Auditor at abi Trust/ aBi Finance.
6. **Mr. Tonny Mulwana** was appointed in February 2018. He works with Elcof International.
7. **Elder Miiro Edward** was appointed in February 2018. He is the Executive Treasurer, SDA Church Central Uganda
8. **Dr. Bildard Baguma**
9. **Ms. Mercy Nagaddya** is the Secretary of the Committee and the Director of Internal Audit, Risk and compliance, JMS appointed in November 2012.

BUSINESS DEVELOPMENT COMMITTEE

1. **Canon Joram Kahenano** (Chairman)
2. **Dr. Asinja Eriab Kapuru** was appointed in March 2015. Dr. Asinja works with Kagando Hospital.
3. **Dr. Rose Mutumba**, appointed in December 2020. Dr. Rose is the Medical Director of Mengo Hospital.
4. **Mr. Jimmy Ameny** was appointed in March 2015. He works with GAVI Office, Ministry of Health.
5. **Mr. Maurice Manano Opar** was appointed in October 2017. He is a Senior Accountant with the Ministry of Health.
6. **Mr. Anthony Wamalugu Kitongo** was appointed in November 2021. Mr. Wamalugu is a highly accomplished and resourceful Senior Financial Management Professional.
7. **Dr. Emmanuel Byaruhanga**, appointed in October 2020. He is the Medical Director, of Kawempe National Referral Hospital.
8. **Dr. Bildard Baguma**
9. **Ms. Denise Tusiime Mutambi** Secretary and Director Business Development and Procurement – JMS appointed in September 2009.

TECHNICAL COMMITTEE

1. **Prof. Michael Kawooya** (Chairman)
2. **Sr. Dr. Priscilla Busingye** was appointed in January 2015 and works with Nsambya Hospital Kampala.
3. **Mrs. Okuna Oteba** Neville is a Co-opted member appointed in September 2020. Mrs. Okuna was the Commissioner of the Pharmacy Division, Ministry of Health.
4. **Dr. Sekweyama Peter** was appointed in October 2020. Dr. Sekweyama works with St Francis Hospital Nsambya.
5. **Eng. Sitra Mulepo** is a Co-opted member appointed in March 2012. Eng. Sitra works with the Ministry of Health.
6. **Rev. Dr. Okori Samuel** was appointed in October 2020. Dr. Okori is the Hospital Director, of Aber Hospital.
7. **Dr. Amos Odiit** was appointed in November 2021. Dr. Odiit is the medical director of Ngora Freda Carr Hospital
8. **Dr. Bildard Baguma**
9. **Mrs. Joanita N. Lwanyaga** is the DP – JMS appointed in July 2008
10. **Mr. Kenneth Rubango** is the DBME-JMS appointed in September 2018.
11. **Mr. Emmanuel Higenyi** Secretary and DTS – JMS appointed in November 2015

Internal Audit, Risk and Compliance

Internal audit, Risk and Compliance (IARC) serves as an independent appraisal function of JMS. Audits of the organisation processes provide assurance to management and the Board of Directors that JMS's is being executed in an effective manner.

The internal audit approach is aligned with the organization's risk management framework by focusing on key governance, strategic, financial, operational, compliance and information technology risks as per assessed risk levels.

Execution of the IARC annual plan over the past three years is as per graph aside.

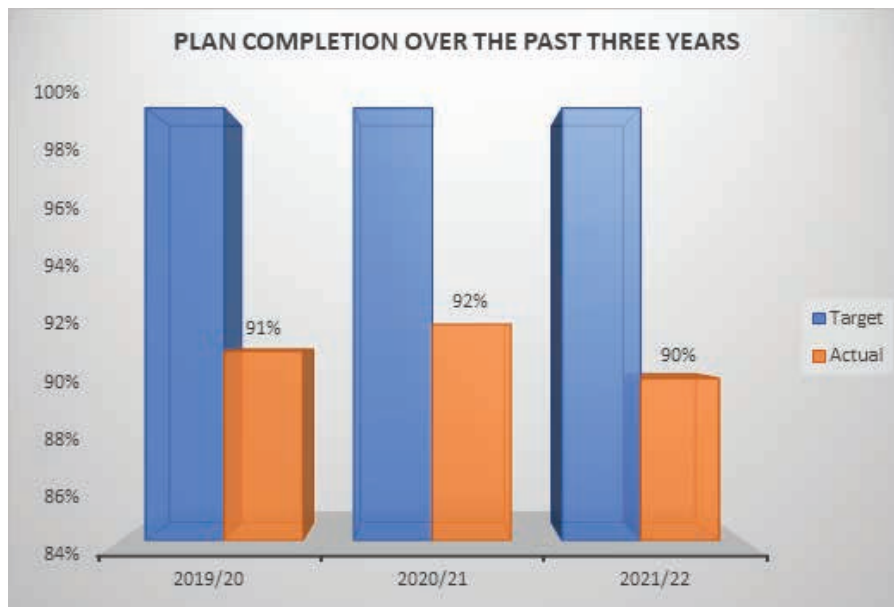
IARC has a systematic approach of following up on outstanding audit recommendations through their implementation. The results of the audit follow-up activity are reported to management monthly and to the Board Audit Committee quarterly.

2.8.2 Internal Audit Risk and Compliance

2.8.2.1 Risk Management

Risk management is an essential part of corporate governance. It is a continuous process and we aim at identifying potential risks as early as possible in order to assess their impact on business and, if necessary, to take appropriate countermeasures. Our risk management framework provides a strong foundation from which we can successfully deliver our strategic priorities. The Board approved the Risk Management framework and set the risk appetite. This guides management to proactively identify, monitor and manage the material and emerging risks that could impact the organisation.

During the FY 2021/22, key risks were monitored and the status reported to Management monthly and quarterly to the Board Audit Committee. Monitoring of other risks was done quarterly to determine the exposure levels and assess emerging risks.



2.8.2.2 Compliance

Focus was on assessing compliance with organizational policies, procedures, applicable laws, regulations, standards, and contracts with suppliers, third party stock owners and tender customers.

Through compliance, monitoring and oversight, validation of processes to determine whether they are compliant was done. Based on the results, additional controls to mitigate risk and strengthen compliance were implemented.



Challenges

during the year

03

1. Supply chain challenges; delayed lead times, no availability of some products due to raw materials shortage, lack or limited availability of shipping containers and price escalation of some products.
2. Declining demand for some products (especially those that are not used on management of COVID), low shelf life of some imported products and changed priorities in hospitals which lead to low patient numbers.
3. Lack or limited funds for medical supplies due to on and off lockdowns instituted by the government from time to time; affected the economy generally.
4. Limited/ restricted movements; affected our engagements to our customers for business discussions, debt collection and after service.

Future

04

1. Restructure Marketing Model to penetrate Private Segment.
2. Expand the Quick service Model at Customer Relations.
3. Complete Construction and Launch Gulu Warehouse.
4. Expand Manufacturing Portfolio through JHC
5. Expand Export Market.
6. Explore Technology enhancement Opportunities

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