



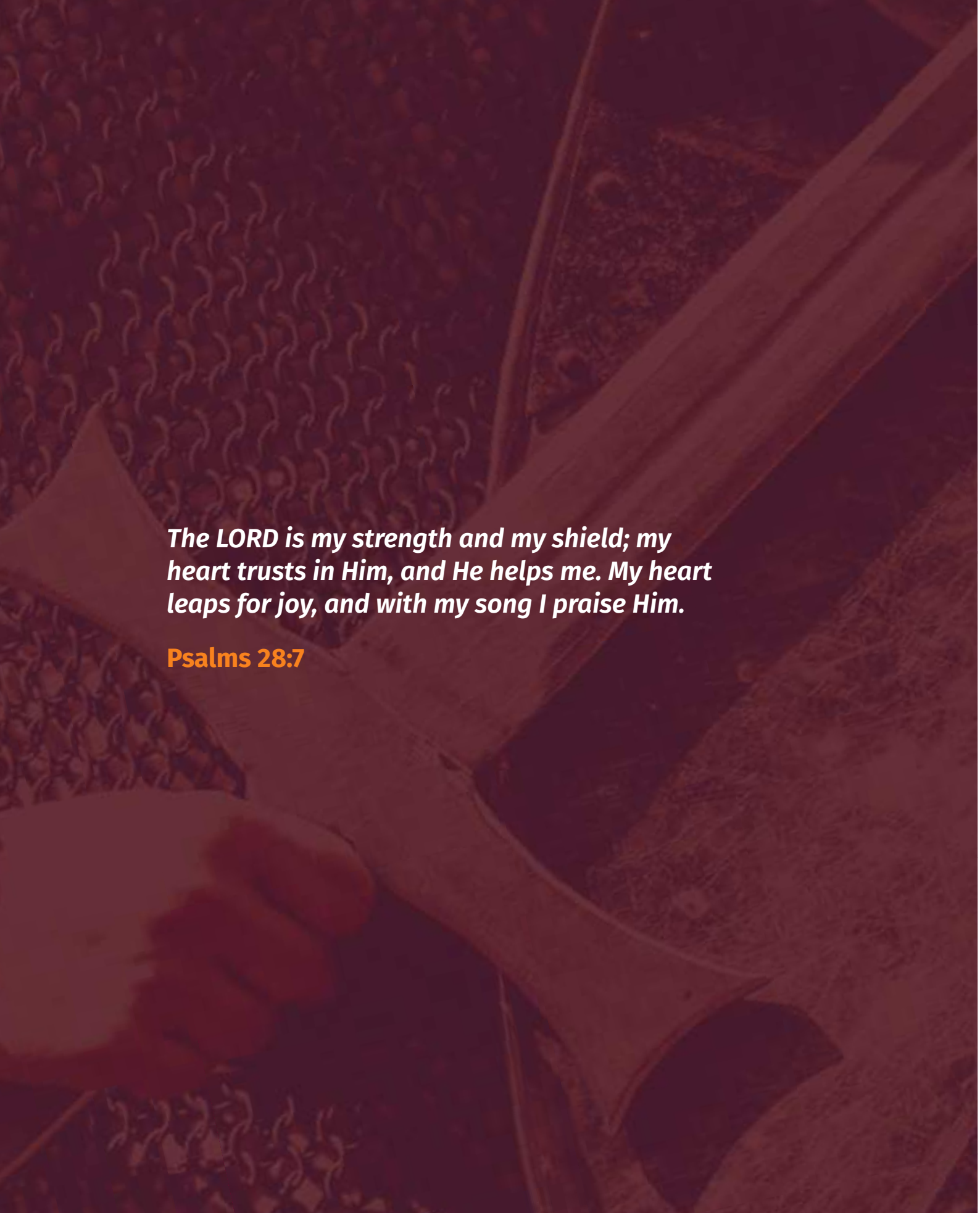
# JMS

JOINT MEDICAL STORE

*Health Solutions - Transforming Lives*

# ANNUAL REPORT

20<sup>20</sup>  
21



*The LORD is my strength and my shield; my heart trusts in Him, and He helps me. My heart leaps for joy, and with my song I praise Him.*

**Psalms 28:7**

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# Acronyms

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

# About **JMS**



## Who we are

Joint Medical Store (JMS) is the second largest non-state Pharmaceutical Store in Uganda serving the Private Not for Profit and Private sector with Quality Affordable Health solutions. Owned by the Uganda Catholic and Protestant Medical Bureaus, JMS is registered as a corporate body under the Trustees Incorporation Act cap 165.

# 01



### Vision

To be the Leading Supplier of Quality Health Solutions for the Glory of God



### Mission

To supply affordable Health Solutions in an efficient manner assuring a preferential position for the Medical Bureaus and sustainability of the Member Health Units.



### Our Values



*Responsibility*



*Agility*



*Respect*



*Excellence*



*Join Hands*



*Measure Everything*



*Specific & Responsive Solutions.*



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: 0434 131213  
Email: dhcjinja@ucmb.co.ug

## REMARKS FROM BOARD

# Chairman

**T**he economic landscape in Financial Year 2020/21 continued to be erratic induced by COVID-19 effects including Government imposed lock downs, Global supply chain challenges that trickled to Uganda's health sector. We thank God that JMS stood the test of time and emerged with a 13.6% Growth.

I thank the Board of Trustees and Board of Directors for their immense contribution that provided oversight and guiding principles for Management to build on. During the year, both boards developed and launched the JMS Vision 2025 Strategic Plan that provides a Road map for JMS in the new terrains altered by COVID-19.

It is envisioned that JMS shall become "A partner of Choice excelling in Health Solutions for the Glory of God" by "Providing Affordable Quality Health Solutions through an Efficient Supply Chain system that Delivers Value to Accredited Health Units and other Stakeholders." To achieve this, the JMS values of Integrity, Responsibility, Adaptability, Responsiveness and Excellence will be knitted and integrated in the JMS Culture.

I thank the JMS Management for the commitment, passion and hard work



*Thank  
you*



*All JMS customers that trust and always choose JMS as their partner for Health supplies.*

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exhibited during the year. Amidst the economic difficulties, they were able to keep operations flowing seamlessly. This year, JMS experienced a fire outbreak at one of its rented Warehouses that destroyed inventory and warehousing tools. We thank Management for effectively planning to ensure that this did not affect Health facilities' stock levels.

JMS has grown because of the Joint efforts of its partners. I thank Government of Uganda through Ministry of Health that honoured our Memorandum of Understanding by utilising JMS as an alternative procurement, warehousing and distribution Store for Health supplies and Equipment. JMS also continued warehousing and distributing Donor supplies for HIV, Malaria, Tuberculosis and Reproductive Health commodities. This enabled the Private Not for Profit sector offer holistic health care to Patients.

Sustainability remained a key focus pillar for JMS that intensified its investments in its subsidiaries namely Joint Healthcare Investments Limited, OxyLife and Associate Doctor's choice. These ensured JMS' dream for Manufacturing was actualised with Flagship products Clinisafe Hand Sanitiser gaining market ground, new Cleaning products like Clinisafe Liquid detergent being launched. Replenish+ a nutraceutical under Doctor's Choice also consolidated its market position as an immune booster. Financial Year 2021/22 promises more gains with the planned construction of the OxyLife Oxygen plant in Nsambya and enhanced investment in Research and Development.

I thank all JMS customers that trust and always choose JMS as their partner for Health supplies. We commit to enhancing Stakeholder value through augmenting good customer experience and relationships by investing in emerging technologies, quality assurance mechanisms and Direct to Vendor sourcing.



*JMS' dream for Manufacturing was actualised with Flagship products like Clinisafe Hand Sanitiser gaining market ground and new Cleaning products like Clinisafe Liquid detergent being launched.*

JMS ACHIEVED A  
REVENUE GROWTH OF

**13.6%**

Dr. Lawrence Ojom  
**Board Chairman**

*I thank the Board of Trustees and Board of Directors for their immerse contribution that provided oversight and guiding principles for Management to build on.*



## REMARKS FROM EXECUTIVE

# Director

**T**he Annual Report is always a testimony for the wonders that God has enabled JMS to contribute to the Health sector especially the lives transformed by the Health solutions supported by JMS. 2020/21 was a peculiar year because of the COVID-19 Pandemic that distorted Disease patterns and the demand of Health supplies with priority being given to Equipment as opposed to Sundries in the previous Financial Year. Equipment registered 15% growth contribution to JMS total revenue. The Sundries and medicines sales curve normalised regaining their performance before COVID-19 in 2018/19.

Despite the changing trends and recovering economy, JMS managed to achieve a 13.6% growth in Total Revenue from UGX 112.9 Billion to UGX 128.2 Billion. This growth was obtained by growth of revenue from the Health Units that are accredited to UCMB, UPMB, UOMB and UMMB that also witnessed a growth of 12% in expenditure at JMS despite challenges like low patient numbers. Efforts of diversification into other segments to consolidate the sustainability of JMS also paid off with Government and Private sectors contributing 19% and 17% respectively.

JMS strengthened and expanded its partnerships with Development Partners like USAID, PEPFAR and Global Fund resulting to a 15% contribution to JMS Total revenue. JMS was also awarded the "USAID PNFP HIV Commodities Procurement Activity" whose implementation will commence next Financial Year. This Activity is unique because it is the first time USAID is partnering with a local Partner to procure HIV commodities.



**AS WE MOVE TO THE FUTURE AND IN PARTICULAR FINANCIAL YEAR 2021/22, JMS COMMENCES IMPLEMENTATION OF ITS VISION 2025 STRATEGIC PLAN THAT IS ANCHORED ON THE 4 PILLARS OF STRATEGIC PARTNERSHIPS, SERVICE EXCELLENCE, BUSINESS GROWTH AND CUSTOMER INTIMACY.**

# 12%

REVENUE GROWTH

FROM UCMB, UPMB, UOMB  
AND UMMB

**We thank all JMS partners and stakeholders that have supported our work especially the Medical Bureaus, Church leadership, Government of Uganda and our customers that always choose JMS as a Partner of choice**



JMS also continued working with Government of Uganda to implement the Primary Health Care (PHC) Grant and Result based Financing (RBF) projects that enhanced access to Quality Affordable Health supplies but also accountability by the beneficiaries. Working with Ministry of Health, JMS supplied Intensive Care Unit Beds and Anaesthesia equipment during the peak of the COVID-19 pandemic as well as other supplies.

JMS scaled up its warehousing capacity to 13,561 pallet positions compared to 11,533 pallets in previous financial year with 97% average utilization. The Cost of distribution in relation to value of the orders reduced from 1.4% to 1.2% through use of order consolidation to fill trucks to full capacity and use of big volume trucks per route among others.

On the down side, on 9th of April 2021 JMS suffered an unfortunate incident with a Fire outbreak at one of the JMS rented Warehouses destroying inventory, warehouse handling tools and equipment to the tune of UGX 17.4 Billion. JMS did not register any casualties. As per the JMS policy, stock was insured and discussions are underway with the Insurance company to replace stock. JMS has since reviewed its risk profile, tightened its procedures to avoid any other similar occurrence.

This was in addition to Supply chain challenges for example long lead times, non-availability of some products due to raw materials shortage, lack or limited availability of shipping containers

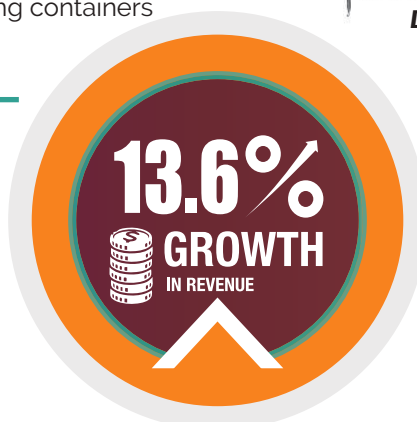
and price escalation of some products. In most cases, this was mitigated with utilisation of many networks and long lasting relationships with suppliers and partners. JMS also scaled up its manufacturing capacity through Joint Health Care Ltd (JHC), adding Cleaning products like Liquid detergent to its portfolio.

As we move to the future and in particular Financial Year 2021/22, JMS commences implementation of its Vision 2025 Strategic Plan that is anchored on the 4 pillars of Strategic Partnerships, Service Excellence, Business Growth and Customer Intimacy with 90:90:90 aspirations of 90% post service rating, 90% medical supply user satisfaction and 90% stakeholder satisfaction score targets. We hope to rally our stakeholders so that we jointly pursue this vision that shall not only ensure sustainability of JMS but also strengthen the supply chain with efficiency and effectiveness.

We thank all JMS partners and stakeholders that have supported our work especially the Medical Bureaus, Church leadership, Government of Uganda and our customers that always choose JMS as a Partner of choice. JMS remains committed to Provide Affordable Quality Health Solutions through an Efficient Supply Chain system that delivers Value to Accredited Health Units and other Stakeholders for the Glory of God.

**Dr. Bildard Baguma**

**UGX 128.2bn**  
— TOTAL REVENUE —



**15%**  
— CONTRIBUTION BY BIO-MEDICAL EQUIPMENT TO JMS TOTAL REVENUE —

# Executive Committee



Dr. Bildard Baguma  
**EXECUTIVE DIRECTOR**



Mrs. Joanita Namutebi  
Lwanyaga  
**DIRECTOR CUSTOMER  
SERVICES**



Mr. Kenneth Rubango  
**DIRECTOR  
BIOMEDICAL  
ENGINEERING**



*I thank the JMS Management for the commitment, passion and hard work they exhibited during the year. Amidst the economic difficulties, they were able to keep operations flowing seamlessly.*

**Dr. Lawrence Ojom**  
**JMS - BOARD CHAIRPERSON**



Ms. Mary Katusiime  
**DIRECTOR FINANCE**



Mr. Emmanuel Higenyi  
**DIRECTOR TECHNICAL SERVICES**



Ms. Mercy Nagaddya  
**DIRECTOR INTERNAL AUDIT, RISK AND COMPLIANCE**



Mrs. Denise Tusiime Mutambi  
**DIRECTOR BUSINESS DEVELOPMENT AND PROCUREMENT**

*We hope to rally our stakeholders so that we jointly pursue this vision that shall not only ensure sustainability of JMS but also strengthen the supply chain with efficiency and effectiveness.*



**Dr. Bildard Baguma**  
**JMS - EXECUTIVE DIRECTOR**



# Financial & Operational Review

02

## Performance by Objective

### 2020/21 Focus Areas



1 Avail **quality and cost-effective** essential medicines and health care supplies.



2 Develop and implement **health systems strengthening** initiatives and programmes for the benefit and sustainability of Medical Bureaus, member health units and other customers.



3 Develop **new business ventures** to ensure **JMS sustainability**



4 Develop and Strengthen **partnerships and advocacy** with Government and regulatory authorities, development partners and agencies in the pharmaceutical sector for business growth.



5 Develop **JMS institutional and organizational capacity** for efficient and effective service delivery.



## STRATEGIC OBJECTIVE 1

Avail quality and cost-effective essential medicines, other pharmaceutical products, medical equipment and health care supplies to Medical Bureaus, Accredited health units and other customer entities.

### 2.1.1 Quality Assurance

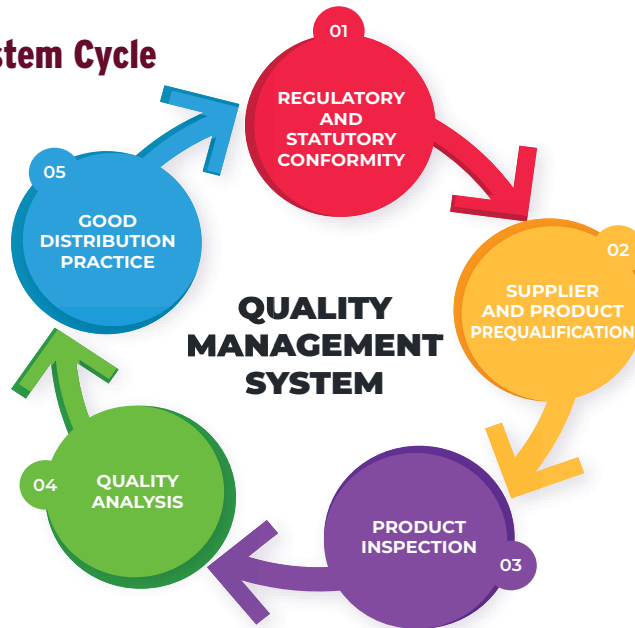
Joint Medical Store maintained stringent quality assurance and quality control measures so that only products and commodities meeting regulatory requirements and specifications were accepted into the inventory.

JMS has successfully maintained its ISO Certification status as a demonstration of the continued commitment to quality of products and services. In the financial year, Bureau Veritas conducted a two-

day Quality Management System audit to assess JMS compliance with the ISO 9001:2015 standard and other certification requirements. Based on the audit findings, JMS was found to be compliant with the requirements of the quality standard and therefore retained the certification.

During the Financial Year, demand for Sundries spiked due to the COVID-19 pandemic. As a result, JMS intensified its Quality Assurance controls to ensure only quality sundries enter JMS Inventory.

## JMS Quality Management System Cycle



### 2.1.1.1 Regulatory and Statutory conformity

Regulatory and Statutory conformity acts as a filter against falsified products. As a result of the conformity, JMS continued to register progress in product quality management. In addition to the consistent processing of regulatory verification certificates for all imports, there was a 45% increase in the number of products submitted to the NDA for registration and 17% increase in the number products on the NDA register under JMS as the Local Technical Representative. This achievement in the D2V strategy means that JMS is gradually taking better control of the supplier-related variables of product quality, supplier lead time, and price fluctuations.

JMS also continued to provide regulatory support to the accredited health facilities for the processing of imported donations of pharmaceuticals and medical equipment. This support registered a total of 34 regulatory permits in the financial year 2020/21. This is part of our mission of providing quality affordable health solutions to clients.



**45%**

INCREASE IN NDA  
SUBMISSIONS

**34**

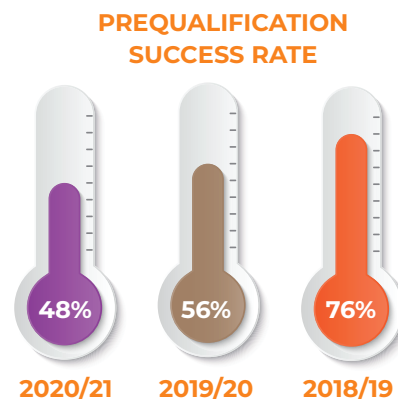
REGULATORY PERMITS  
FOR CLIENTS

**17%**

INCREASE IN JMS  
PRODUCTS ON NDA  
REGISTER

### 2.1.1.2 Supplier and Product Prequalification

Supplier and Product prequalification provides an opportunity for JMS to assess supplier capacity and quality management practices in advance of any purchases or procurement. This quality assurance process is also used to effectively determine the ability of the manufacturer to consistently produce products of the required quality, safety, and performance standards. In the financial year, 64 of the 124 product applications made it to the JMS register giving a success rate of 48% as compared to the success rate of 56% (98/217) in the last financial year. The reduction in success rate is evidence of the stringent quality controls in place that ensure only those that conform to set standard are prequalified.



### 2.1.1.3 Product Quality assessment and inspection

Product inspection is a quality control measure that is undertaken by physically checking the products and commodities delivered to JMS premises. All items delivered are checked against a set of requirements that include: package integrity, traceability parameters, design and assembly, pharmaco-technical parameters, and key documentation. Products and commodities that do not meet any of these requirements are rejected and investigated. In the financial year, the rejection rate for items delivered to JMS premises averaged at 0.4%. similar to the previous years.



*JMS Quality Assurance team performs test on Products in the JMS Laboratory to ascertain Product Quality.*

### 2.1.1.4 Quality analysis

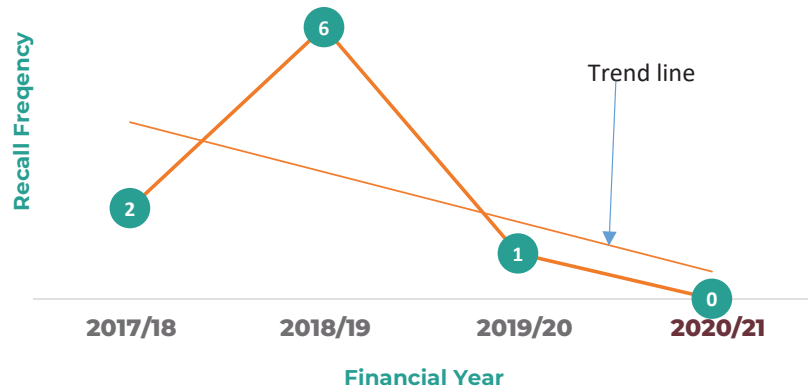
Batch testing is undertaken to validate the composition and performance of pharmaceutical products according to predetermined plan and criteria. Failing products are investigated, corrective action pursued. Where corrective measures do not yield results, the suppliers and manufacturers are blacklisted pending re-evaluation. In the financial year, the pass rate for batches tested averaged at 97%, which was slightly lower than the previous year. In the next Financial year, we hope to enroll more manufacturers under the Direct to Vendor strategy to increase the pass rate.



### 2.1.1.5 Good Distribution Practice

Good distribution practice entails a set of measures and activities to ensure products are stored, handled, supplied, and transported appropriately. JMS tracks a number of parameters for good distribution practice, notable among them are product recalls and returns attributed to quality. The product quality attributed return rate in the financial year averaged at 0.6% lower than the 1% of the previous financial year which was good. Similarly, the trend for product recalls attributed to quality has steadily declined standing at zero in the financial year as shown in the chart: This is positive and shows the continuous supplier development.

**RECALL PATTERN ACROSS FINANCIAL YEARS**

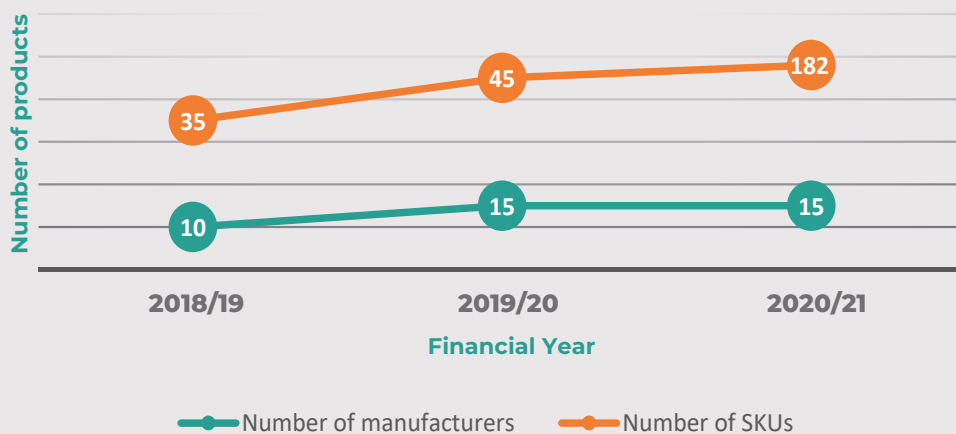


### 2.1.1.6 Direct to Vendor Sourcing strategy

Although the COVID 19 pandemic posed challenges, JMS has continued to register progress on the D2V strategy gauging from the number of manufacturers and products. The Manufacturers represented by JMS are;

This progress is illustrated in the chart below.

**PROGRESS ON THE D2V STRATEGY CHART**



## a) Regulatory Activities / Priority list update for D2V products

### 1.1. Medicines

*A summary of the regulatory documentations worked upon is show below*

Activity / Regulatory Stage	No. of products
Dossiers received	26
Dossiers reviewed	24
Dossiers Submitted	20 (4 returned to manufacturer for missing information & restructuring)
Additional Information requests submitted	8
Full registrations achieved	2
GMP applications filed	3 (2 renewals approved, 1 desk assessment pending approval)

*NB: We faced numerous delays both on manufacturer's side and at NDA side due to the periodic government instituted lock downs that saw concerned personnel either working from home or not working at all.*

*Summary of status of products in NDA pipeline.*

Regulatory stage	No. as per 30.06.2021
Awaiting Submission	2
Awaiting evaluation	5
Under evaluation	8
Awaiting Add info from manufacturer	4
Final engagement for CNF recommendation	5
Recommended for CNF	3
Differed to next FY	3
<b>TOTAL</b>	<b>30</b>

*JMS D2V manufacturers and suppliers*

D2V SUPPLIER	PRODUCT RANGE	Number of SKUs
CLINISUT	Medical Sutures	26
FAZZINI S.R.L.	Medical Instruments and Furniture	60
PROFARMA SH.a.	Prescription medicines	14
ALTHEA PHARMA .	I.V. Fluids	3
JOINT HEALTH CARE	Health Care Products (Clinisafe)	7
DOCTOR'S CHOICE	Nutraceuticals (Replenish Plus)	3
EDAN INSTRUMENTS INC	Patient monitors, pulse oximeters and ECG machines	13
JIANGSU SAIKANG MEDICAL EQUIPMENT CO., LTD	Hospital furniture	10
SONOSCAPE MEDICAL CORP	Ultra sound scan and accessories	7
URIT MEDICAL ELECTRONIC CO. LTD	Haematology machines & reagents	11
GRADIAN HEALTH SYSTEMS LLC	Ventilators and anaesthesia machines	23
EQUALISED HEALTH PRODUCTS	Phototherapy machine and accessories	1
NEOPENDA PRODUCTS	Wearable Vital Signs monitor	2
INFRASCAN PRODUCTS	Infrascan devices	2



**JMS ED Dr. Bildard Baguma hands over 84 Oxygen regulators donation to Ministry of Health represented by the Permanent Secretary Dr. Diana Atwine Kanzira. The oxygen regulators were a donation from Gradian Health Systems LLC whom JMS represents in Uganda.**



# Procurement

JMS carries out value for money bulk procurement to ensure that health facilities receive quantity affordable performance health solutions.

## 2.1.2.1 Procurement Plan 2020/21 performance (Value)

Item Category	% Per category spend	% SALES Vs PURCHASES
Medicine	75	126
Medical Sundries	77	139
Protective Gear	109	71
Medical Equipment, Spares & Accessories	201	90
Furniture	101	230
Cleaning / Detergents	91	129
Laboratory Supplies	83	188
Instruments	268	226
Stationery And Books	58	133
Linen & Clothing	64	248
TOTAL STOCK VALUE	95	118
<b>SPECIAL ORDERS</b>	<b>134</b>	<b>27</b>
<b>Grand total</b>	<b>99.7</b>	<b>105</b>

Table 1: Purchase value Vs Sales revenue



The overall budget utilization was at 95% as at end of the FY 2020/2021; excluding special orders. Overall our quantification improved.

1. **Protective Gear and Medical Equipment;** were bought in big quantities and above the projection in anticipation of global shortage and increased demand for PPES.
2. **Furniture and Instruments,** we also bought above projection to meet increased demand especially from projects
3. **Medicine;** we bought below projected due to effects of COVID 19; some products had short shelf life and suppliers were not willing to replenish since they were already making losses due to expiries. Changed priorities in some health facilities also affected demand.
4. **Clothing, Sundries, Laboratory, stationery and cleaning reagents;** we had sufficient stock from the quantities bought in the first COVID 19 wave.
5. **Special orders;** most orders were confirmed towards the end of the FY; so items not yet bought but in pipeline will be supplied in the next FY.



### 2.1.2.2 Stock Availability (Service Level)

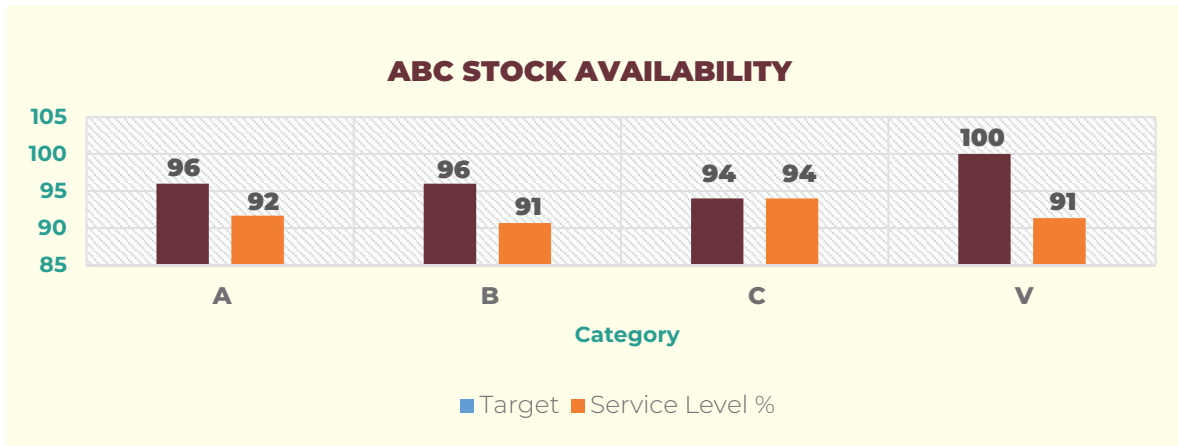


Fig. 2: Service level

**Notes:**

- This looks at items with stock at any particular time during the year. On average our stock availability for ABC was 92% Vs the target of 95%.
- We had some products that were out of stock from time to time due to, Products being out-of-market, short shelf life, quality issues, import regulations among others
- V- Vital items were the most affected because some of them are single source items or un registered. Sourcing for these specific items takes time.

### 2.1.2.3 Transaction Cycle Time (TCT)

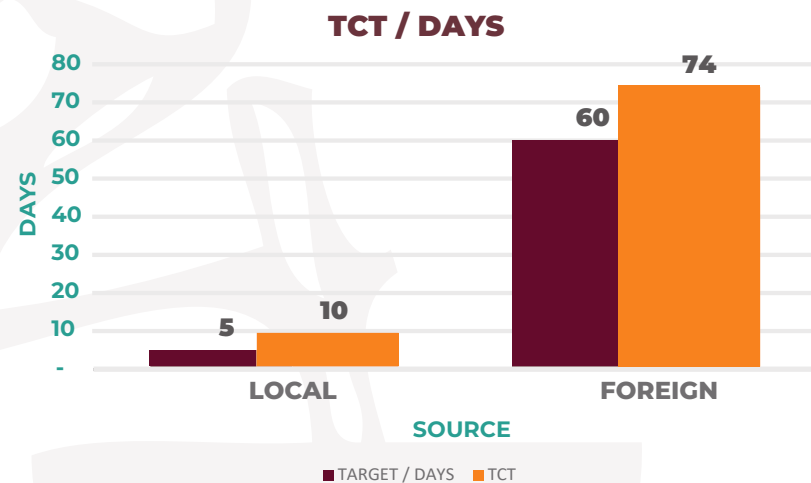


Fig 3 TCT per source.

**Notes:**

- Transaction Cycle Time measures number of days from creation of order to closure in IFS ERP system. During the period under review; there was low availability of some products especially in the local market due to short shelf life. The foreign orders were largely affected by lack of raw materials and non or low availability of shipping containers globally as a result of effects of COVID 19 pandemic.
- There was however noticeable improvement with rolling out of ASN application (Advanced Shipment Notice) that enabled suppliers book their convenient dates of delivery.

### 2.1.2.4 Items Imported Vs Bought Locally

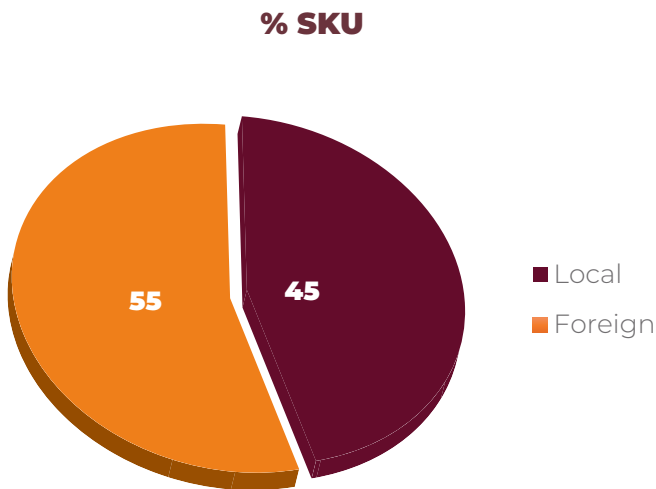


Fig 4: SKUs per purchase source

#### The supply chain is heavily reliant on imported products.

This parameter looks at non-pharmaceutical products; our strategy is to import more than we buy locally so as to control prices and availability. Our target has been 80% foreign Vs 20% local.

For SKUs, during the period we achieved 55% foreign and 45% local. While in terms of value, we were at 53% Local and 47% foreign.

The period had very many challenges as a result of COVID; and it became difficult to stick to the strategy

However, JMS is progressively registering its own products like metronidazole IV, Paracetamol IV, Normal saline among others which we anticipate will bring down this figure in the next financial year since we shall be representing more international manufacturers on the market.

### 2.1.2.5 Special & Emergency Purchases

JMS created a sector for Special and Emergency orders for items that may not be in inventory at a particular time.

We will enhance engagements with customers to increase the conversion rate.

Category	Value Of Inquires	Value Of Confirmed Orders	Targetd Conversion Rate-%	Conversion Rate
<b>EMERGENCY ORDERS</b>	9,945,710,851	7,421,885,950	90	75
<b>SPECIAL ORDERS</b>	19,428,055,717	13,421,787,746	75	69

Table 2: Revenue generated from Special and emergency orders in the year

### 2.1.3 Customer Relations

In the ended financial year, we served 2,865 customers compared to 2,160 customers the previous year which is a 33% growth. We received 35,573 inquiries through the Support center. The support center enabled inquiries to be received, tracked, assigned and responded to in time. Efforts were focused on sensitizing customers to pass all inquiries through [sales@jms.co.ug](mailto:sales@jms.co.ug).

34,955 orders were processed compared to 30,933 orders last Financial Year leading to a conversion rate of 98%. Overall, through the various multimedia platforms, there was a 13% increase in orders processed. 34,955 orders were processed with 66% at Nsambya, 17% Mbarara, 15% in Arua and 2% in Fort Portal.

**The orders were processed as seen in the table below guided by the targets in the published Customer Charter;**

Order Category	Target	Achievement
Small Orders	30min	90%
Medium Orders	4hours	76%
Large Orders	8hours	52%

JMS has received Bar Coding support from USAID through CHEMONICS to increase speed of picking hence reducing order processing time. In the next Financial Year, JMS has also planned to merge the Receiving and Main Warehouse to eliminate the time spent replenishing stock especially for Large Orders.



**34,955**

ORDERS  
PROCESSED  
IN FY 2020/21



**13%**

INCREASE  
IN ORDERS  
PROCESSED



**33%**

INCREASE  
IN CUSTOMER  
BASE



B  
A  
CQ66

JMS  
JOINT MEDICAL STORE  
C.S. Aggrey  
04

9107013951



## 2.1.4 Warehousing and Distribution

JMS prides in its state-of-the-art pharmaceutical warehouses distributed across the country. During the year, warehouse space available was 13,561 compared to 11,533 pallets in previous financial year with 97% average utilization. JMS operates a flexible system that allows scale up of space depending on need.

Average Inventory holding for JMS stock during the financial year was USD 42 million compared to 36 million last year. The increased stock holding was due to the procured PPE and equipment for ICU in response to Covid pandemic.

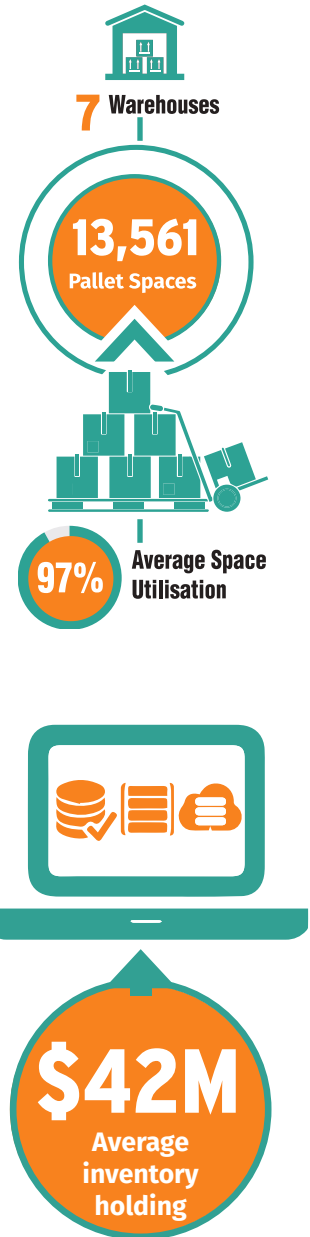
### Fire incident at one of the JMS Warehouses

On Friday 9<sup>th</sup> of April 2021 at around 11:00am, a devastating fire broke out at Madhvani warehousing complex affecting 3 warehouses. One of the warehouses was rented by JMS to warehouse commodities as and when need arises. The JMS rented warehouse was positioned in the middle of the other affected warehouses. At the time of the fire the JMS warehouse was occupied with stock and warehouse handling tools and equipment.

JMS lost stock and non-stock items that were burnt severely. JMS did not register any casualties. The fire brigade and Uganda Police are investigating to understand the primary cause of the fire. The fire spread from the adjacent warehouse which was closed, slowing the response to try to contain it before it could spread further.

JMS lost both stock, non-stock items and Finished customer orders valued at UGX 17,446,644,583. As per the JMS policy and agreements signed with the partners, stock was insured. Discussions are underway with the Insurance company to replace stock.

JMS contracted National Drug Authority approved service provider to pick the debris upon authorization from Insurance company.





### Bringing services closer to the people – Accessibility

With 5+ years of regional experience and capable well-trained staff, JMS navigated across the country using state-of-the-art resources including trucks, vans and motorcycles, validated temperature regulated cold chain trucks. 100% deliveries were made as per delivery schedule. Cost of distribution in relation to value of the orders reduced from 1.4% to 1.2% through use of order consolidation to fill trucks to full capacity, use of big volume trucks per route than use of many smaller trucks, etc.

With strategic partnerships with fleet management companies, JMS continued to use logbots system to deliver and trace finished consignments from warehouse to the facilities.

To optimize on the economies of scales, JMS continued to solicit orders under the Regular Order Delivery Schedule, where facilities are called to place orders per zone per week. UGX 10.5 Billion was generated through this initiative compared to UGX 5.6Bn in the previous financial year as shown below per zone.

ZONE	TARGET - UGX	ACHIEVEMENT - UGX	%AGE
1	4,800,000,000	2,880,000,000	60%
2	4,800,000,000	4,560,000,000	95%
4	4,800,000,000	3,120,000,000	65%



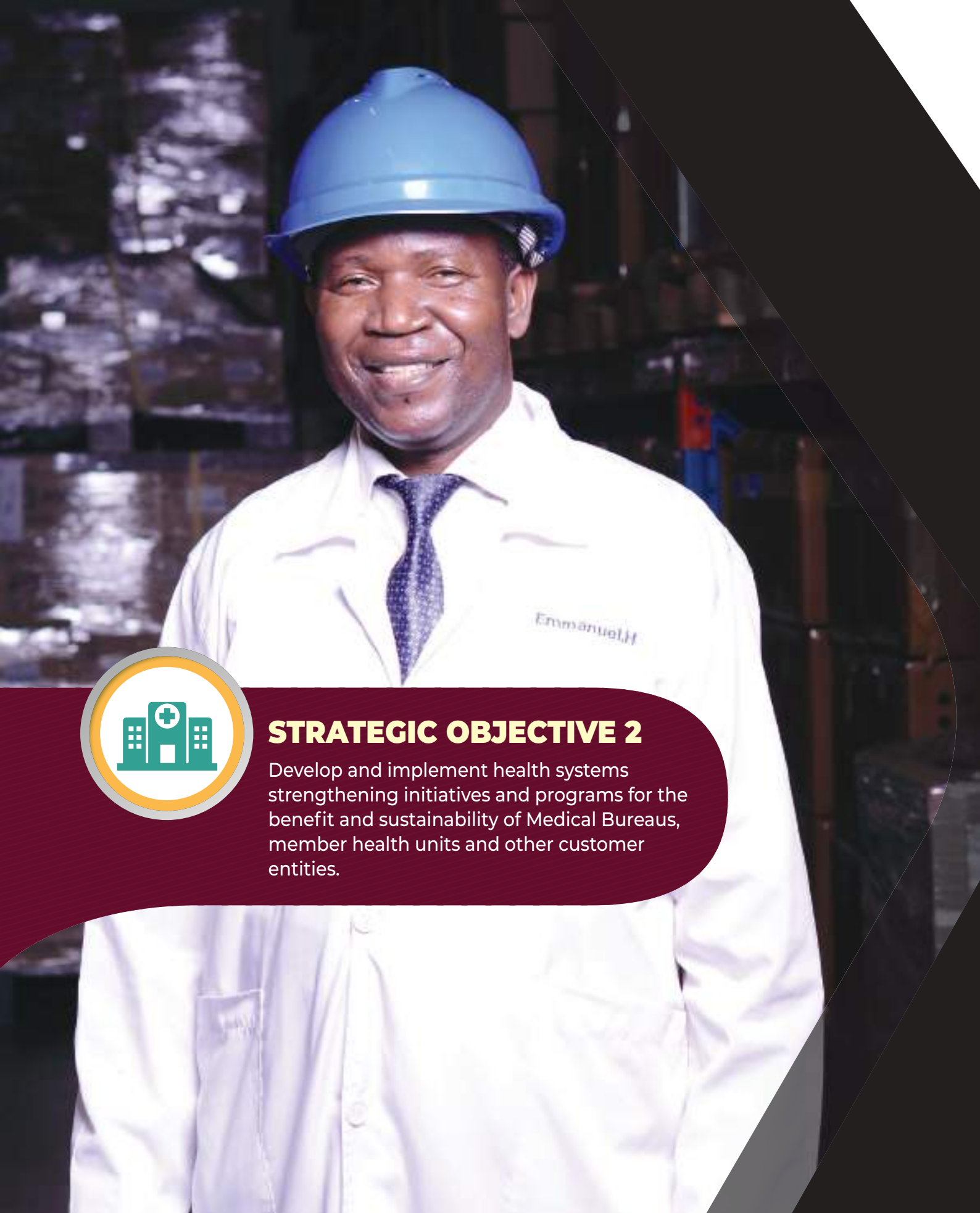
## Outlets

In the ever-changing pharmaceutical industry, distributors play an important role in the supply chain. From just-in-time procurement strategies to risk management, distributors can bring real value to customers. In today's economic environment, distributors are being relied on heavily as our customers are more likely to order smaller volumes of products on a more frequent basis. JMS partnered with 3 regional outlets in the financial year.

1. **Masaka Diocesan Medical Services Limited (MDMSL)** excelled in serving the central region with a 15.6% growth in revenue from UGX 4.5Bn to UGX 5.2Bn.
2. **Virika Pharmaceuticals Limited (VPL)** management was transferred to JMS for the next 3 years from Jan 2021 to operate as Fort Portal Branch. For the 6 months in operation the branch registered sales of UGX 2Bn against the UGX 1.8Bn target. There was 11% growth in revenue realized in 6 months compared to the sales of the previous whole year. Focus was on stock optimization and improved service level through special order arrangement.
3. **Diocese of Jinja Medical Services Limited (DJMS);** with aggressive marketing and engagement of the government facilities, DJMS registered 24% revenue growth from UGX 1.9Bn to UGX 2.36Bn in the districts of Bugiri, Busia, Buyende, Iganga, Jinja, Kaliro, Kamuli, Luuka, Mayuge, Namayingo, Namutumba.



**JMS PARTNERED 3  
REGIONAL OUTLETS IN  
THE FY 2020/21**



## **STRATEGIC OBJECTIVE 2**

Develop and implement health systems strengthening initiatives and programs for the benefit and sustainability of Medical Bureaus, member health units and other customer entities.

JMS takes cognizance that success is defined not only in terms of its revenue but also in the overall stability and performance of the other key ecosystem participants. Notably the member health units and the rest of the customer chain. On this basis, JMS undertakes initiatives aimed at developing and strengthening the service delivery capacity of its clients.

### **2.2.1 Capacity assessment:**

In the financial year, with support from USAID/JPIEGO, JMS undertook an assessment of the supply chain capabilities of health facilities in a number of key parameters. The findings showed that health facilities required support in the aspects of governance, inventory management and logistics management. Further interaction with stakeholders revealed additional challenges related to working capital management, client management, and marketability of the services on offer.

### **2.2.2 The oncology subsidy initiative:**

In the financial year, JMS with support from partners, notable Clinton Health Access Initiative (CHAI), accelerated the implementation of the cancer access program in the private sector successfully bringing on-board four hospitals: Kuluva hospital; St. Mary's hospital, Lacor; St. Francis Hospital Nsambya; and Nakasero hospital. The hospitals will access quality oncology therapies at subsidized cost through JMS and subsequently pass on the subsidy benefits to clients.

### **2.2.3 Customer webinars:**

In the financial year, JMS extended its capacity building services to over 300 clients across the Rwenzori region, Eastern region, and Northern regions of Uganda focusing on sustainability in the new normal amidst the COVID 19 pandemic. This provided ideas to health facilities on how they can remain resilient during the pandemic and also plan a bounce back post pandemic.

Mr. Emmanuel Higenyi  
**DIRECTOR TECHNICAL  
SERVICES**



*JMS undertakes initiatives aimed at developing and strengthening the service delivery capacity of its clients.*



### **STRATEGIC OBJECTIVE 3**

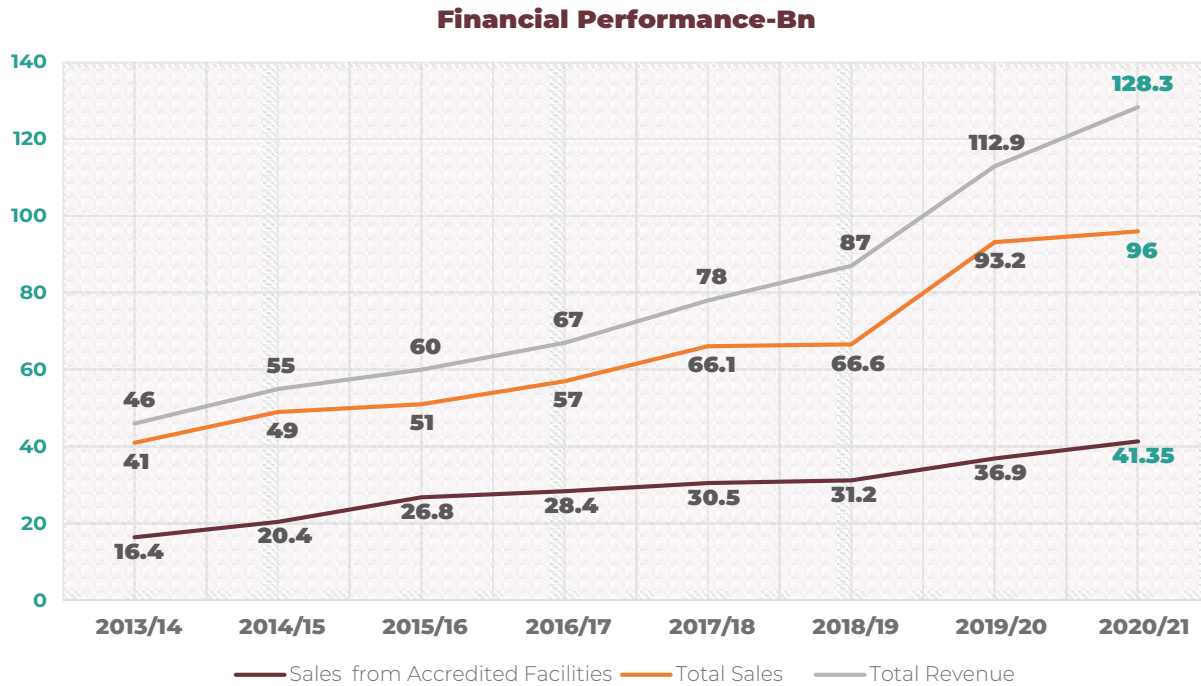
Develop new business ventures to ensure sustainability of JMS and regional branches, member health units and Medical Bureaus.



JMS' Sustainability remained a key focus during the financial year. A number of new business ventures were initiated, embraced, or acquired.

## 2.3.1 Financial Performance

Table: Financial Performance generated during the year 2020/21 - Bn - UGX

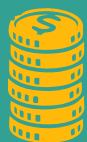


## Sales Per Market Segment

Table: Sales per Market Segment - Millions - UGX

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

- i. Registered Gross Sales of UGX 96Bn. This gives us 3% growth in sales revenue compared to the previous Financial Year.
- ii. Government has consistently performed above the target with support from RBF project that brought on board about 200 new public facilities and enhanced purchasing capacity of some accredited health facilities. Also, to mention is the stepped-up engagement with Local Government Districts that spent most of their health support budgets at JMS coupled with MOH COVID-19 emergency procurements.
- iii. Export segment dropped significantly by 135% from the previous year's performance due to the lockdown and COVID-19 Pandemic that distorted regional business performance.
- iv. All accredited health facilities performed above the target with the exception of UPMB whose hospitals have had persistent financial challenges making them to rely heavily on PHC and RBF.
- v. Distributor's performance was affected by VPL management challenges which led to final takeover by JMS in the last quarter of year. We therefore expect better regional performance and obviously Distributor segment in the coming Financial Year.
- vi. Tenders registered UGX 5.1Bn against a target of UGX 8Bn shillings giving us 64% performance level. The 5.1Bn is incorporated in various segments' performance since we have a mix of direct regular and competitive tendering by the same customers. Overall bids submitted were 83 valued at 40.7Bn and won 57 valued at 5.1Bn which is 69% and 64% respectively. (this does not include MOH orders worth 8bn that were awarded but partially supplied- to be completed in the next Financial Year).
- Vii. NGOs; There was a decline from the previous UGX 7.3Bn Sales to UGX 5.1Bn Sales due to the fact that NGOs which had performed well at the onset of COVID-19 through competitive bidding procurements to support the health sector later on had funding stream difficulties hence limited procurements under tender system (See NGOs performance trend on table 1, Surplus of 17% in the previous Financial Year compared to 32% deficit in the current Financial Year.
  - Realizing that NGOs were on the downward trend, we stepped up focus on private segment especially corporates and this has rewarded us with 15% surplus hence narrowing the gap created by NGOs. Examples are; Citi Bank, Trade and Dev Bank, MTN, Stanbic, DFCU and Centenary Bank.



**96Bn**

REGISTERED  
GROSS SALES



**3%**

GROWTH IN  
SALES REVENUE



**135%**

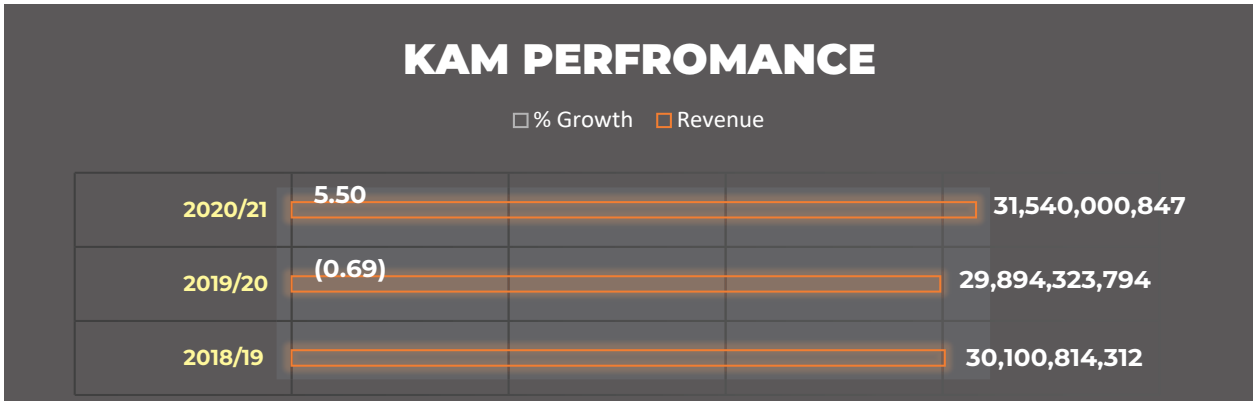
DROP IN EXPORT  
SEGMENT



ALL ACCREDITED  
HEALTH  
FACILITIES  
PERFORMED  
ABOVE TARGET

## A. KEY ACCOUNT MANAGEMENT

	Revenue	% Growth
2018/19	30,100,814,312	
2019/20	29,894,323,794	(0.69)
2020/21	31,540,000,847	5.50



### *KAM Total Revenue compared across years*

*Notes:*

- *Key Accounts posted 3% shortfall largely due to fall in patient numbers in major hospitals but on a good note, posted 12% growth from the previous FY*
- *NGOs experienced funding gap resulting*
- *Donor's inability to keep steady flow of funds and some of these NGOs are under Key accounts hence account for 3% shortfall*



## B. NEW CUSTOMERS RECRUITED

NEW CUSTOMERS	NO OF FACILITIES
2018/2019	226
2019/2020	634
2020/2021	256

Table 6: New customers recruited

There was a decline in number of customers recruited from 634 last year to 256, this led to declining sales revenue from UGX 6.5Bn to UGX 3.9Bn caused by limited movements by our field teams.

The first wave of COVID-19 in 2020 had brought new customers with specific interest in PPES eg PSFU who gave us UGX 1.2bn in the previous year and therefore this could not be replicated in the new year since the pandemic had largely settled to well-known level



## C. PERFORMANCE PER PRODUCT CATEGORY- % of total sales

Description	2016/17	2017/18	2018/19	2019/20	2020/21	Comment
Medicines	40.8	45.1	48.9	38	34.9	Decline due to COVID-19 effects; low patient numbers in hospitals, low shelf of some medicines, changed priorities
Medical Sundries	24.4	22.1	25	43	26.4	The demand normalised because customers had already stocked PPEs in the previous year.
Laboratory Supplies	5.3	5.1	4.5	4	4.6	
Equipment & Accessories/Spares	8.4	11.5	9.4	8	23.4	General increase in demand - COVID-19 management
Instruments	2.2	1.2	0.8	0.8	2.1	
Stationery	0.01	0.03	0.02	0.02	0.01	

Description	2016/17	2017/18	2018/19	2019/20	2020/21	Comment
Cleaning Detergents	3.2	2.2	2.9	3	4.0	General increase in demand - COVID-19 management
Linen/ Clothing	0.1	0.2	0.2	0.3	0.9	
Special orders	2.5	4.6	8.4	2	2.6	
Consignment Inventory	13	8		2	1.2	This was intentionally scaled down and will be phased out eventually

Table 7: Item category sales

**Notes:**

In the period, we handled 2019 SKUs including special orders; out of those 145 items gave us > Ugx 100m each totaling to UGX 56bn (59% of total sales) while 403 items (80% of SKUs) gave us UGX 71.6bn which is 74% of the total sales

## 2.3.2 Projects

### 2.3.2.1 USAID Private Not For Profit HIV Commodity Procurement Activity:

In the financial year, JMS responded to the opportunity by USAID Uganda Mission for the procurement of the HIV Commodities for the PNFP Health Sector. JMS was subsequently awarded the five-year contract on Indefinite Delivery Indefinite Quantity (IDIQ) basis and was subsequently awarded the first Task Order. Procurement of the commodities was initiated.

### 2.3.2.2 Primary Health Care (PHC) Essential Medicines and Health Supplies (EMHS) Credit Line

JMS has an MOU with MOH to supply EMHS to accredited PNFP health facilities. The credit line is aimed at improving resource utilisation which will result into improved medicines availability in the PNFP sub-sector while leveraging on the increased transparency in the use of PHC funds and the benefits of pooled procurement. Under this MOU, JMS is mandated to work with health facilities to prepare annual procurement plans, procure, warehouse, solicited for orders and distributed EMHS to the facilities on a quarterly basis.

**Donor:** Government of Uganda through Ministry of Health and Kampala Capital City Authority.



JMS AWARDED  
FIVE-YEAR  
CONTRACT BY  
USAID UGANDA



**Funds released:** A sum of UGX 14,249,029,091 (fourteen billion two hundred forty-nine million twenty-nine thousand ninety-one shillings) was available for utilisation from the two funding streams (MOH and KCCA) as detailed in Table below.

*Table showing PHC funds available for utilisation in FY2020/2021*

Funding stream	MOH accredited facilities	KCCA accredited facilities	Total
Funds released for FY2020-21	13,573,429,619	329,184,636	13,902,614,255
Balance BF from FY2019-20	318,601,237	6197707.41	324,798,944
Arrears from District LG	21,615,892	0	21,615,892
<b>Grand Total</b>	<b>13,913,646,748</b>	<b>335,382,343</b>	<b>14,249,029,091</b>

**Beneficiaries:** The credit line supported 571 PNFP health facilities across the different beneficiaries as detailed in the table below.

*Table showing PHC credit line beneficiaries*

Level of Care (LoC)	HC II	HC III	HC IV	Hospital	Total
CBO	5	6		1	12
NGO	1			1	2
Partnership	1				1
UCMB	91	138	8	32	269
UMMB	18	16		4	38
UOMB	3			1	4
UPMB	161	58	9	14	242
KCCA Accredited		1		2	3
<b>Grand Total</b>	<b>280</b>	<b>219</b>	<b>17</b>	<b>55</b>	<b>571</b>

**Performance FY 2020/2021:** JMS measures key performance indicators of ordering rate, utilisation, order fill rate, prioritisation using VEN classification and timeliness of facility orders. In all these indicators JMS performance in FY 2020/2021 has been excellent with all indicators scoring above 90% as shown in table below.



Table showing key performance indicators

Indicator	Achievement		Comments
Order rate	571 out of 571 ordered (100%)		All facilities ordered to utilize their allocated amount in FY2020-2021.
Facility utilization of allocated amount	99% Balances arose from facilities that did not utilize their allocation 100% and from small immaterial unutilised figures on facilities accounts.		A sum of UGX 14,249,029,091/= was available for utilization and only UGX 72,907,948/= was not utilized.
Order fill rate	99.5%		Despite the effects of COVID-19 on Uganda's health supply chain, JMS supplied almost all order requirements as per the health facility needs.
VEN classification of items	Classification	% age	Facilities are to be encouraged to prioritize when ordering so that more Vital items are ordered next Quarter.
	Vital	72%	
	Essential	21%	
	Necessary	7%	
Average delivery time	4.2 days		Facilities will be encouraged to place their orders on time such that scheduling and planning for delivery will be improved next Financial Year.
Average timeliness of facility orders	92.1% of the facilities submitted their orders on time.		Facilities will be encouraged to submit on time as per the PHC order and distribution schedule.



### 2.3.2.3 Warehousing and distribution services for donor commodities (antiretroviral medicines, antimalarial medicines, rapid diagnostic tests, long-lasting insecticide treated nets, and/or laboratory commodities)

JMS has an MOU with MOH to warehouse and distribute ARVs, Anti-malarial, Rapid diagnostic tests, long-lasting insecticide treated nets and laboratory commodities to PNFP and selected PFP health facilities. This is coupled with other axially services like technical assistance for supported health facilities.

**Donors:** Government of Uganda and other development partners e.g. Chemonics, USAID, Global Fund, UNFPA and URMCHIP.

**Key performance indicators:** While handling program activities as stipulated in the MOU with MOH, JMS monitors key performance indicators of reporting rate, quality of reports submitted on a cycle basis, value of commodities warehoused and distributed. In FY2020/22021 a total value **USD 108,820,118.12** was warehoused and a total value of USD **75,867,531** 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	8,473,487.16	4,606,693
USAID/PSM	95,050,367.83	66,997,245
PSI	445,103.13	243,422
UNFPA	4,136,387	3,465,617
URMCHIP/MOH	282,692	161,559
TASO/GF	432,081	392,995
<b>Grand Total</b>	<b>108,820,118.12</b>	<b>75,867,531</b>

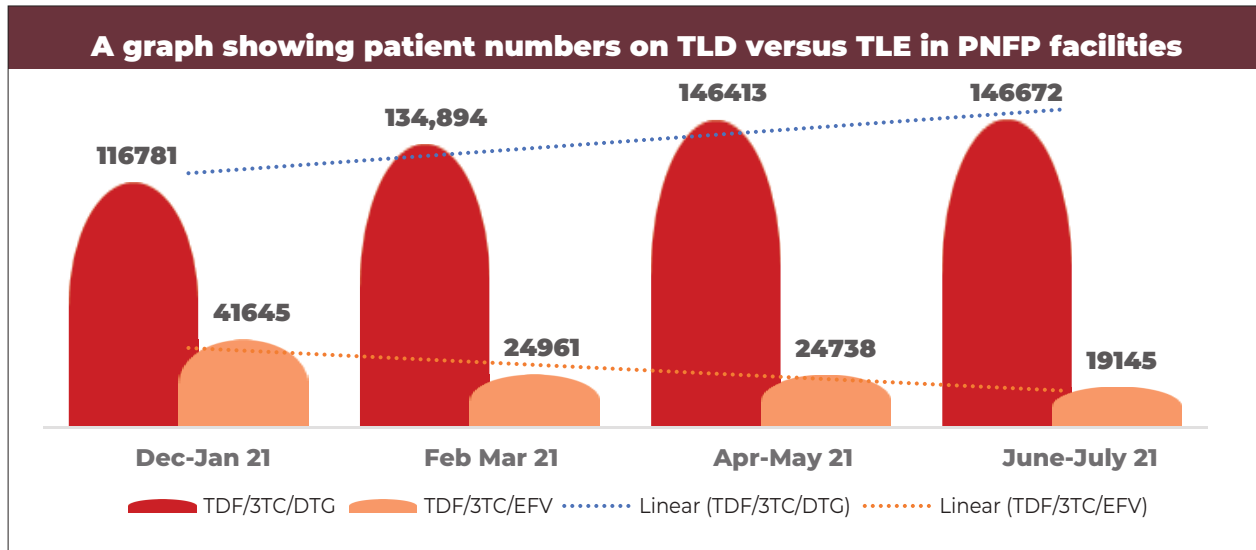
### 2.3.2.4 Access to HIV Commodities

JMS continued to distribute HIV and Malaria commodities procured by PEPFAR. ART reporting was maintained at 100% and ACTs at 98% as highlighted in table below. We further recorded a 31% increase in the ARV patients supported in the various health facilities from 148,630 patients to 195,505 patients living with HIV with the transition of facilities from CDC to USAID mechanism. The quality of reports was affected by High staff turnover in the PNFP sector which causes institutional memory loss especially in lower level facilities. Our Technical Representatives visit a Health facility once every four months and do not necessarily find the same trained health workers affecting quality of orders.

Commodity Category	No of facilities	Reporting rates	Quality of Orders
ARVs	266	100%	70%
ACT	762	98%	70%

### Transitioning of patients on DTG based regimens

According to the MOH consolidated guidelines 2020, the preferred first-line ARV regimen in adults, adolescents, pregnant or breastfeeding women and children initiating ART is DTG based. In addition to the communication from MOH, JMS continued to train and encourage facilities to transition all eligible patients to these regimens. During the year, there was an increase in consumption for TLD as compared to TLE in the PNFPs supported by JMS as illustrated in the graph below.



Online trainings carried out to facilitate ordering through the MOH recommended eLMIS. This led to increased number of facilities ordering through eLMIS from 6% to 71%.

### 2.3.2.5 Alternative Distribution System Performance

In 2018, MOH signed an MOU with JMS to warehouse and distribute family planning and supply contraceptives and other selected RMNCAH commodities to accredited NGOs and Private Not for Profit (PNFP) facilities through the Alternative Distribution Strategy (ADS).

The Uganda Alternative Distribution Strategy (ADS) for family planning (FP) and selected reproductive health (RH) commodities is a MOH led initiative where RH/FP commodities are distributed through innovative mechanisms aimed at increasing uptake of these commodities while reducing stock outs at health facilities. Commodities for the ADS are funded primarily through investments from UNFPA, USAID, Global Fund and Government of Uganda.

The objective of this program is tailored to ensure that Uganda meets the targets in the Health Sector Development Plan (HSDP) 2015/16 – 2020 of reducing the unmet need for family planning to 10% and increase the modern contraceptive prevalence rate to 50% by 2020. This is because the availability of modern contraceptive methods is essential to increase access for women of reproductive age and progressing towards achieving the above targets.



*Commodities for the ADS are funded primarily through investments from UNFPA, USAID, Global Fund and Government of Uganda.*

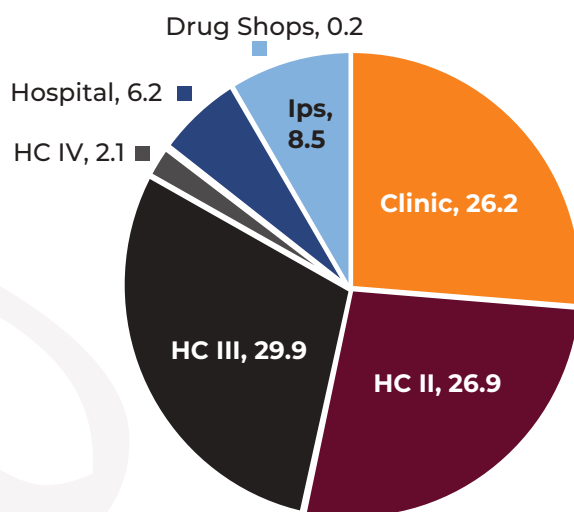
**Donors:** Ministry of health through development partners that include USAID, UNFPA, GF and the URMCHIP program.

**Beneficiaries of the ADS:** By the end of June 2021, JMS was serving 803 ADS beneficiaries. The number of beneficiaries have increased by 18.9% from 651 at the beginning of the financial year to 803 by the end of the financial year. The increase is attributed to JMS's continuous coordination with the Ministry of Health to accredit new beneficiaries based on applications made by the different health facilities, representative medical bureaus and major IP supported health facilities.

Facilities supported include: Drug Shops, Clinics, HC II, HC III, HC IV, Hospitals and implementing partners.

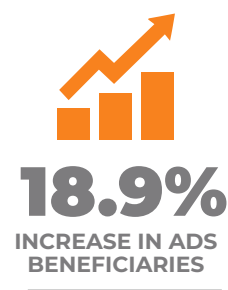
*Figure showing beneficiaries of the ADS.*

### ADS Beneficiaries as of 30<sup>th</sup> June 2021



**Performance:** While implementing the program, JMS measures key performance indicators of ordering and reporting rates, value of commodities distributed, consumption patterns and issues to the public sector.

- i. **Ordering and reporting rates:** Beneficiaries of the ADS are expected to order/report to JMS every 2 months (regardless of whether they have enough stock or not) and submit the monthly HMIS 105 reports into DHIS2. In FY2020/2021, the ordering and reporting rates for RH/FP commodities at JMS has improved from 87% in Cycle 4 2020 to currently at 96% in Cycle 3 2021. JMS field team provides timely reminders for ordering and conducts regular support supervision visits to accredited beneficiaries.



Beneficiaries of the ADS are expected to order/report to JMS every 2 months

- ii. **Value of commodities warehoused and distributed:** In FY2020/2021 a total value USD 25,665,832 was warehoused and a total value of USD 11,936,550 was distributed as detailed in table below.

Table showing value of RH commodities warehoused

	Value Warehoused (USD )	Value Distributed (USD)
Total Value	25,665,832	11,936,550

- iii. **Consumption by Level of Care (LOC):** At the beginning of the financial year MOH introduced the one warehouse one facility strategy. Ever since it was introduced there has been a significant reduction in the average stock issued to IPs to 37% in Cycle 3 2021.

### 2.3.2.6 Oxybutynin supply programme:

JMS initiated engagement with Child Help International –CHI, and the NDA on how quality low cost oxybutynin preparation could be made available to patients in Uganda. Progress was made and Doctor’s Choice with support from JMS was selected to repackage the oxybutynin. Efforts to extend access to other countries in Africa were initiated.

### 2.3.2.7 Result Based Financing (RBF) Project

JMS implements the RBF project on behalf of Government of Uganda targeting Public Health facilities.

We achieved Ugx. 4.7bn which is an 88.5% growth in Revenue and 35% growth in the number of health facilities served. The RBF has been one of the pillars on Government Segment’s Performance that posted 103% surplus against target.

With a contribution of Ugx.4.7Bn sales revenue and 714 new accounts; 90% of which are public health facilities, we tried to reach out to all RBF beneficiaries to expand business portfolio.

The joint meeting with MoH RBF team, Facilities In charges, DHOs, District RBF Focal persons and JMS team improved communication and coordination which in turn improved ordering rate hence growth in business.

RESULT BASED FINANCING (RBF)		
FINANCIAL YEAR	NO OF FACILITIES	AMOUNT
2018/2019	177	565,741,517
2019/2020	529	2,522,279,729
2020/2021	714	4,755,704,813

*RBF number of facilities and revenue generated*



A hand holding a pen points to a blue bar chart on a document. A 3D pie chart with three segments (orange, teal, and maroon) is overlaid on the image. The maroon segment is the largest and contains the text 'FINANCIAL STATEMENTS'.

**FINANCIAL  
STATEMENTS**

# 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 55 which comprise the consolidated and separate statement of financial position as at 30 June 2021, 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 2021, and of its consolidated 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' Code of Ethics for Professional Accountants* (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 Corporate Information, Report of the Directors, and the Statement of Directors' Responsibilities, 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

As stated in page 3, 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: 24 November 2021

  
CPA Stephen Ineget


## JMS STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Consolidated		Separate	
		2021 Ushs '000	2020 Ushs '000	2021 Ushs '000	2020 Ushs '000
Revenue	6	95,310,692	92,643,225	95,561,167	92,659,061
Cost of sales	7	<u>(78,715,761)</u>	<u>(71,837,212)</u>	<u>(79,246,192)</u>	<u>(72,099,490)</u>
<b>Gross surplus</b>		<b>16,594,931</b>	<b>20,806,013</b>	<b>16,314,975</b>	<b>20,559,571</b>
Other operating income	8	32,969,403	20,148,687	32,955,682	20,148,687
Selling and distribution costs	9	(7,061,019)	(7,122,971)	(7,027,621)	(7,115,884)
Administration expenses	10	(31,237,937)	(12,062,073)	(31,122,922)	(11,945,549)
Impairment losses on financial assets	11	781,451	192,626	781,451	192,626
Staff costs	12	<u>(12,009,801)</u>	<u>(10,717,245)</u>	<u>(11,776,950)</u>	<u>(10,527,298)</u>
<b>Operating surplus</b>		<b>37,028</b>	<b>11,245,037</b>	<b>124,615</b>	<b>11,312,153</b>
Net finance income	13	<u>1,066,854</u>	<u>867,737</u>	<u>848,662</u>	<u>624,217</u>
<b>Surplus before tax</b>		<b>1,103,882</b>	<b>12,112,774</b>	<b>973,277</b>	<b>11,936,370</b>
Income tax credit	21(a)	<u>87,612</u>	<u>1,147,857</u>	<u>200,623</u>	<u>1,054,995</u>
<b>Surplus for the year</b>		<b><u>1,191,494</u></b>	<b><u>13,260,631</u></b>	<b><u>1,173,900</u></b>	<b><u>12,991,365</u></b>
<b>Other comprehensive income</b>					
Tax on the revaluation surplus		-	(138,467)	-	(138,467)
<b>Total comprehensive income for the year, net of tax</b>		<b><u>1,191,494</u></b>	<b><u>13,122,164</u></b>	<b><u>1,173,900</u></b>	<b><u>12,852,898</u></b>
<b>Surplus attributable to:</b>					
Non-controlling interest		102	11	-	-
Owners of the Trust		<u>1,191,392</u>	<u>13,260,620</u>	<u>1,173,900</u>	<u>12,991,365</u>
		<b><u>1,191,494</u></b>	<b><u>13,260,631</u></b>	<b><u>1,173,900</u></b>	<b><u>12,991,365</u></b>
<b>Total comprehensive income attributable to:</b>					
Non-controlling interest		102	11	-	-
Owners of the Trust		<u>1,191,392</u>	<u>13,122,153</u>	<u>1,173,900</u>	<u>12,852,898</u>
		<b><u>1,191,494</u></b>	<b><u>13,122,164</u></b>	<b><u>1,173,900</u></b>	<b><u>12,852,898</u></b>

# JMS STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Notes	Consolidated		Separate	
		2021 Ushs'000	2020 Ushs'000	2021 Ushs '000	2020 Ushs '000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	15	19,438,405	20,556,207	19,030,944	20,217,041
Right to use assets	16(a)	8,398,876	8,860,222	8,118,785	8,860,222
Investment in subsidiary	17(a)	-	-	4,868,000	4,576,000
Investment in associate	17(b)	1,108,770	540,000	-	-
Deferred tax asset	21 (c)	<u>1,115,891</u>	<u>1,009,390</u>	<u>1,117,151</u>	<u>916,628</u>
		<b>30,061,942</b>	<b>30,974,819</b>	<b>33,143,880</b>	<b>34,576,791</b>
<b>Current assets</b>					
Inventories	18	42,234,914	31,861,366	42,221,723	31,796,459
Trade and other receivables	19	35,081,946	53,217,303	35,155,686	52,652,977
Amounts due from related parties	26(c)	8,162,577	8,822,232	8,122,090	8,822,240
Cash and bank balances	20(a)	8,835,565	8,771,062	6,609,868	8,183,600
Fixed deposits	20(b)	<u>5,999,348</u>	<u>4,999,434</u>	<u>5,999,348</u>	<u>4,999,434</u>
		<b>100,914,350</b>	<b>107,671,397</b>	<b>98,108,714</b>	<b>106,354,000</b>
<b>Total assets</b>		<b><u>130,976,292</u></b>	<b><u>138,646,216</u></b>	<b><u>131,252,594</u></b>	<b><u>140,932,791</u></b>
<b>ACCUMULATED FUNDS AND LIABILITIES</b>					
Accumulated surplus	29	73,759,985	72,898,507	74,013,318	72,969,332
JMS project account	24	459,586	329,672	459,586	329,672
Revaluation reserve	28	6,380,215	6,380,215	6,380,215	6,380,215
Non-controlling interest		<u>(769)</u>	<u>(871)</u>	<u>-</u>	<u>-</u>
<b>Total accumulated funds</b>		<b>80,599,017</b>	<b>79,407,523</b>	<b>80,853,119</b>	<b>79,679,219</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Lease liabilities	16(b)	<u>2,345,249</u>	<u>2,826,278</u>	<u>2,345,249</u>	<u>2,826,278</u>
		<b>2,345,249</b>	<b>2,826,278</b>	<b>2,345,249</b>	<b>2,826,278</b>
<b>Current liabilities</b>					
Trade and other payables	22	38,985,908	44,042,294	38,892,313	43,940,910
Short term loan	23	7,125,036	10,035,900	7,125,036	10,035,900
Lease liabilities	16(b)	803,353	674,595	779,463	674,595
Deferred grant	25	932,959	1,383,173	932,959	1,383,173
Amounts due to related parties	26(d)	184,770	276,453	334,455	2,392,716
		<b>48,032,026</b>	<b>56,412,415</b>	<b>48,054,226</b>	<b>58,427,294</b>
<b>Total accumulated funds and liabilities</b>		<b><u>130,976,292</u></b>	<b><u>138,646,216</u></b>	<b><u>131,252,594</u></b>	<b><u>140,932,791</u></b>

The consolidated and separate financial statements and the notes were approved and authorized for issue by the Trust on 24-Nov-2021 and were signed on its behalf by:

  
 Director

  
 Director



## STRATEGIC OBJECTIVE 4

Develop and Strengthen partnerships and advocacy with Government and regulatory authorities, development partners and agencies in the pharmaceutical sector for business growth.



JMS considers partnerships as a key strategy for success and sustainability. In the financial year, a number of partnerships were initiated and maintained.

## 2.4.1 Corporate Social Responsibility

### a. Oral Morphine for Palliative Care

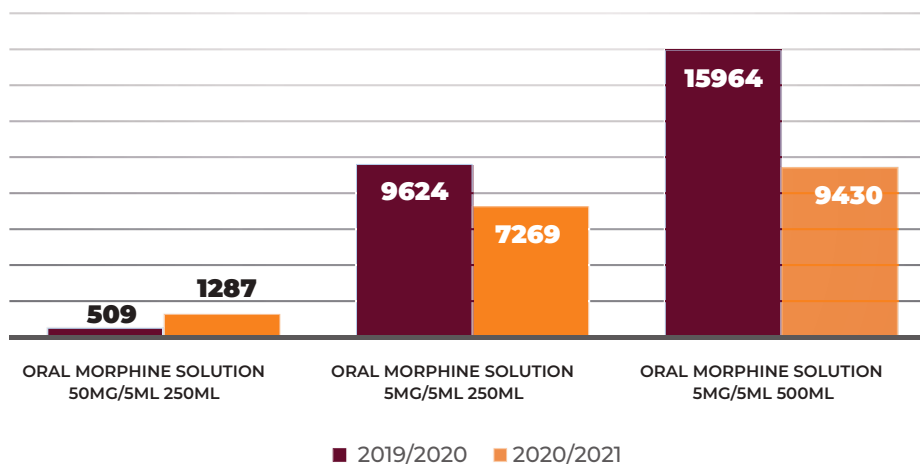
Morphine availability and distribution has greatly improved in Uganda and Patients suffering pain can access this medicine free of charge since the government pays for the Oral Liquid Morphine solution. As part of the corporate social responsibility initiatives, JMS warehouses and distributes oral liquid morphine received from NMS to private facilities accredited by Palliative Care Association of Uganda (PCAU) for free. During the year JMS distributed to facilities across the country as summarized below:

#### 2020/2021 distribution per item

Item description	Qty distributed	No of customers
ORAL MORPHINE SOLUTION 50MG/5ML 250ML	1287	19
ORAL MORPHINE SOLUTION 5MG/5ML 250ML	7269	51
ORAL MORPHINE SOLUTION 5MG/5ML 500ML	9430	73

#### COMPARISON 2019/2020 VS 2020/2021

#### 2019/2020 vs 2020/2021



There was a decline in quantity distributed due to COVID 19 lockdown that affected movement of patients and care takers.



**JMS**  
warehouses  
and distributes  
oral liquid  
morphine  
received from  
NMS to private  
facilities  
accredited by  
PCAU for free.

## b. Donations

JMS donated assorted equipment and medicines to Private Not for Profit Health Facilities, Government and communities. These included an X-ray Machine to Villa Maria Hospital, Maternity Ward and 6 Patient Beds to Ruhija Health Centre III, Shelves and UGX 5m to Kilembe Mines Hospital that was affected by Floods, 84 Oxygen regulators and KN95 Masks to Ministry of Health in partnership with Gradian Health and Water Harvesting systems to 3 UCMB Health facilities that are Kangole Health Center, St. Josph Madudu Health Center and St. Elizabeth Ntuusi Health Center. We also partnered with Trade and Development Bank of East and Central Africa to supply donation of PPEs to 60 Private Not for Profit Hospitals.



*The destroyed Kilembe Mines Hospital Premises in Kasese.*



*JMS ED hands over Hospital equipment worth UGX 5m and Pharmacy store shelves to Support Kilembe Mines Hospital.*



*JMS ED hands over X-ray machine donation to Villa Maria Hospital Administration.*



*The newly constructed Maternity Ward at Ruhija Health Centre that was funded by JMS.*





## **STRATEGIC OBJECTIVE 5**

Develop JMS Institutional and Organizational Capacity for efficient and effective service delivery

## 2.5.1 Strategic planning

In the financial year, JMS undertook the development of the 4-year strategic plan 2021/22-2024/25. Based on the balanced score card, the process which involved evaluation of the strategic plan ending 30 June, 2020 and a series of industrial sector, and organizational assessments, culminated into formulation, re-formulation of the vision, mission, values, strategic objectives, strategy maps, strategy profile, value proposition, strategic initiatives, and cascade mechanism to implement and operationalize the strategic plan.



*A strategic Plan awareness session attended by Management about the vision, Mission and Values ongoing at Mestil Hotel.*

## 2.5.2 Information Communication Technology

In the financial year JMS initiated the transformation of its ICT infrastructure to support and facilitate internal and external communication, customer service, procurement, business continuity, and regulatory compliance. The following developments were realized:

1. **Launched Any desk**, a remote desk software that allows IT support to be provided remotely thus promoting social distancing and working from home.
2. **Launched Advance Shipment Notice (ASN)** to facilitate communication between suppliers and JMS warehouse personnel to allow scheduling of consignment deliveries and optimize resources.
3. **IF-EFRIS integration.** The integration with URA Electronic Fiscal Receipting and Invoicing System (EFRIS) was a regulatory requirement from Uganda Revenue Authority.
4. **Disaster Recovery Plan-DRP;** The DRP and Business Continuity Plan were developed and deployed for implementation.
5. **Bar code software and infrastructure** were installed in preparation for the bar code guided receiving of commodities to enhance traceability and preclude falsified commodities from the JMS supply lines.

Ms. Mary Katusiime  
**DIRECTOR FINANCE**

## 2.5.3 Human Resources & Administration

Our Staff started the year full of hope, with new goals and initiatives. The emergence of COVID-19 pandemic however came with many surprises.

### 2.5.3.1 The JMS People Programs in 2020 /2021

The Human Resources and Administration department navigated new ways of working as a response to COVID-19 pandemic. To ensure uninterrupted business operations and fulfil our commitment to serve our customers, we reduced the number of staff coming to office to about 50%, with some staff working remotely from home.

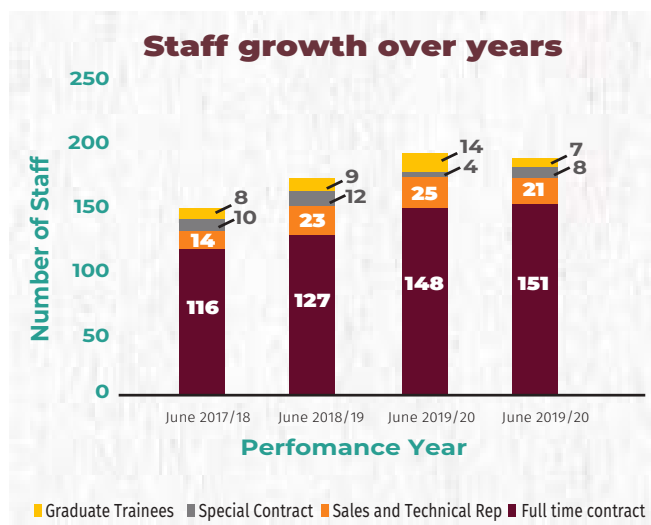
We provided relevant personal protective equipment (PPEs) to our staff and specialized PPEs for the field teams. These included face masks, gloves, hand sanitizer, hand washing facilities at JMS Head Office, all Branches and applied extra cleaning of offices. We restricted visitors to our offices as a measure of safeguarding not only staff but also our esteemed customers. We encouraged our staff and Customers to use JMS digital platforms, including but not limited to utilizing digital online channels to conduct meetings and engage with staff.

### 2.5.3.2 Staff establishment and some demographic considerations in the financial 2020 - 2021

JMS is committed to investing in a diverse team with a work environment that promotes employee engagement, fair workplace policies that support achieving of JMS goals. The staff composition is shown in the graphs below;

**Because of Covid-19, number of staff coming to office was reduced to about 50%**

**All staff were provided with relevant personal protective equipment (PPEs)**



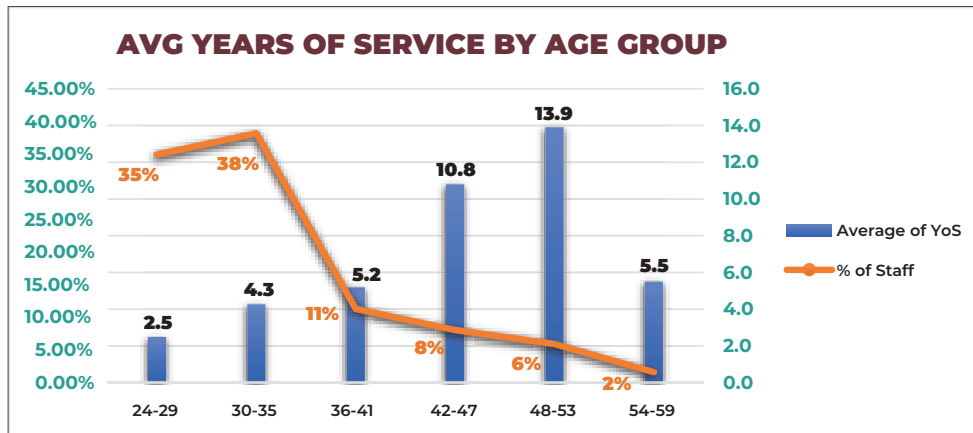
There was 2% decline in staffing levels compared to the previous year and this is basically attributed to the end of the strategic plan where some strategies have been either changed or remodeled.

### 2.5.3.3 Length of service

The average length of service / tenure at JMS shows high retention levels cutting across from senior level management, middle level managers, category of implementing staff and for both females and male staff.

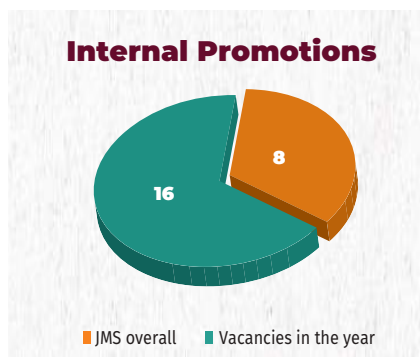
On average, JMS staff have served for **4.87** years. Females in general have served longer in JMS averaging at 5 years as shown below:

The graph below summarizes the Average Years of Service by Age group:



### 2.5.3.4 Talent Sourcing and Acquisition

During the year, we had both internal and external recruitments. As part of the recruitment agenda and strengthening succession planning, we internally promoted 8 staff. Our Talent Resource Program, core to our ability to retain the best people, focused on filling opportunities with talent and internal to JMS – ‘The Employer of Choice’. We prioritized internal staff promotions so as to place employees in the right job positions where they could deliver the maximum results.



**2%**  
Decline in staffing levels.

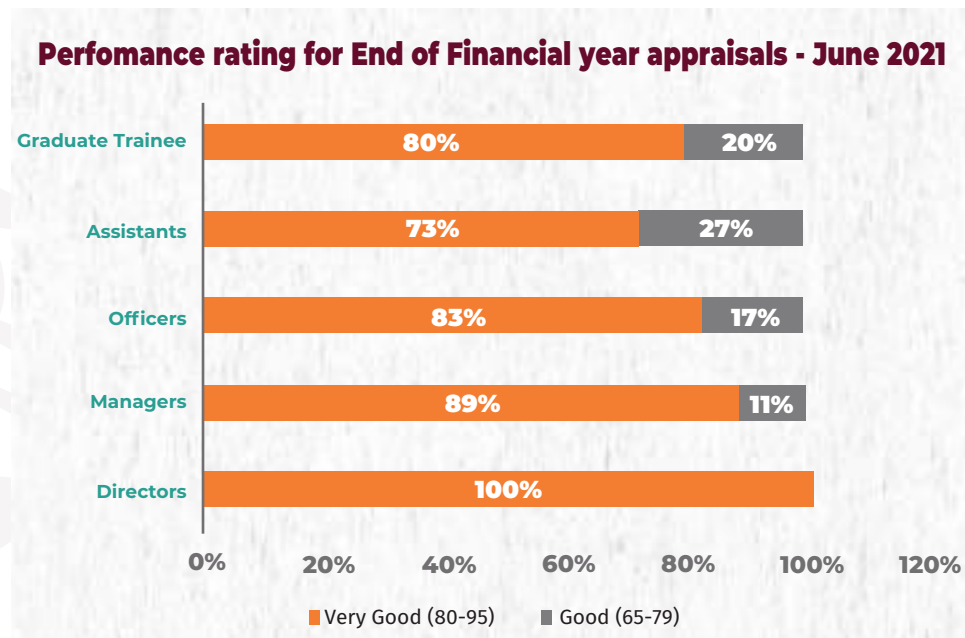
**4.87**  
AVERAGE YEARS SERVED BY A JMS STAFF

**8**  
NUMBER OF STAFF PROMOTED INTERNALLY



### 2.5.3.5 Performance Management System

The graph below summarizes performance ratings for the major JMS performance cycles for 2020 / 2021 as got from the staff performance appraisals;



#### THE EMPLOYEE OF THE YEAR AWARD 2020



**George Ssembatya**  
- Head Office

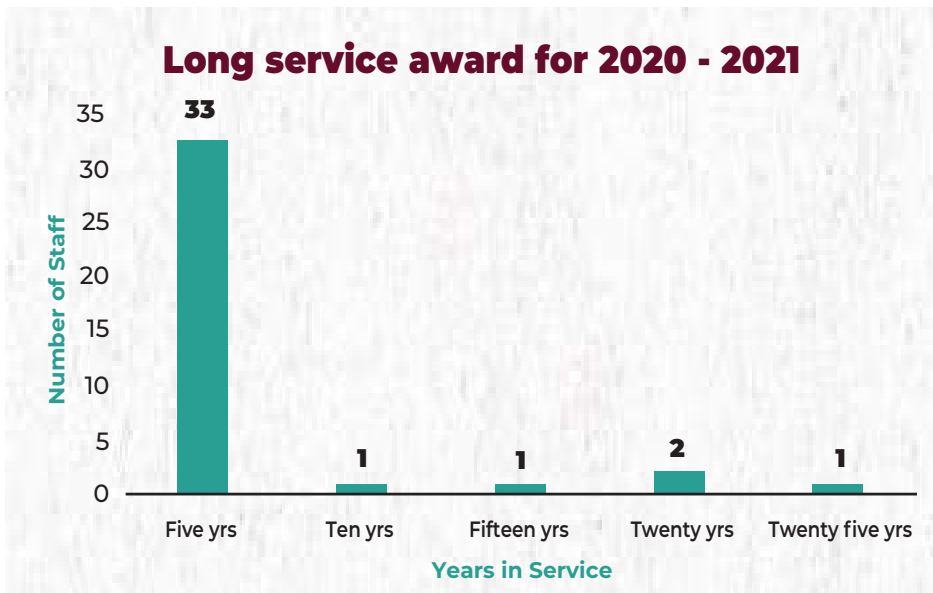
❖ **Geoffrey Mugume Tusiime** - Mbarara Branch

❖ **Ayella Godfrey** - Arua Branch

### 2.5.3.6 Rewards and Recognition

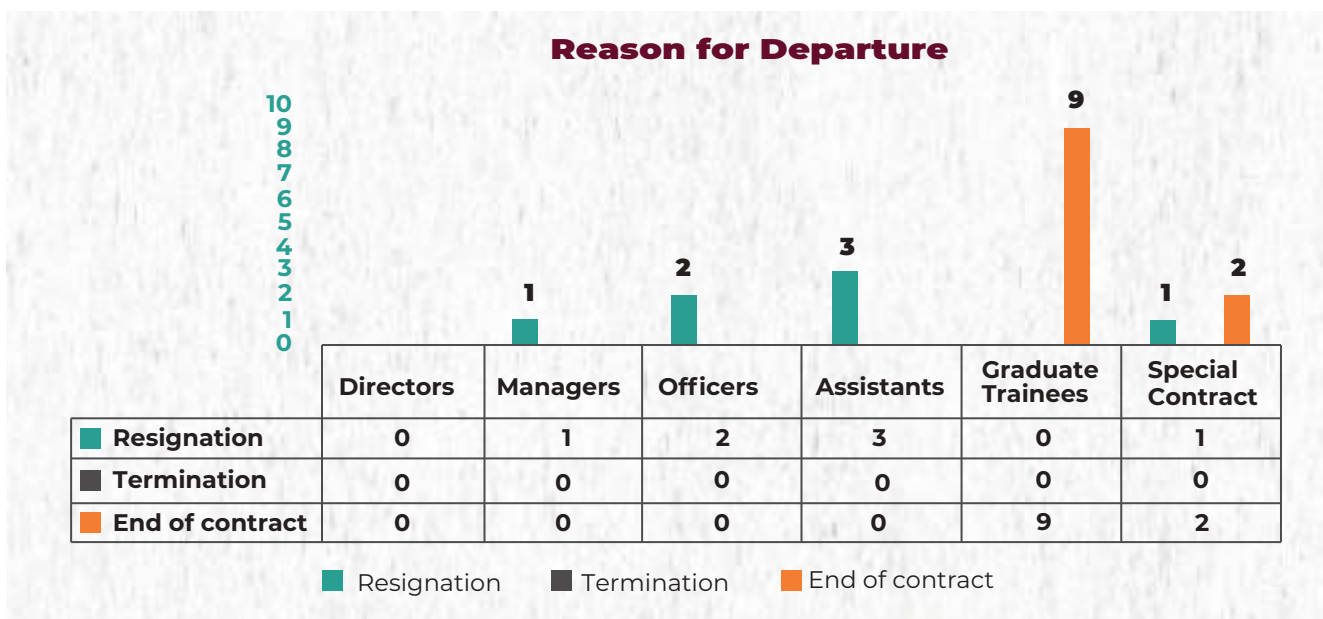
**2.5.3.6.1 The Employee of the Year Award** recognizes and rewards members of staff that have demonstrated outstanding personal excellency in performance of their responsibilities as outlined in their job description, and on their specific contributions to the mission, objectives and values of Joint Medical Store. The following were recognized as Employee of the year for 2020; George Ssembatya - Head Office, Geoffrey Mugume Tusiime - Mbarara Branch and Ayella Godfrey - Arua Branch

**2.5.3.6.2 The Long service award** recognizes employees that have served JMS for continuous period of 5 years, 10 years, 15 years, 20 years and 25 years. It is also based on satisfactory performance and good conduct of the employee. The graph below summarizes number of staff that were recognized with this award;



### 2.5.3.7 Staff Turnover - Exits and departures

JMS experienced relatively low rate of turnover during the financial year of 9.4% which is considered healthy for Human Resources practitioners. The largest number of staff leaving was from the Graduate Trainee category and the main reason was because of their employment contracts end with the graduate attachment program. A wider understanding of the workforce demographics was established to enable succession planning and potential realignment of staffing needs in accordance with the requirements of JMS. The graph below shows staff exits by job level and reason;



81% of the Staff employment contracts that ended were Graduate Trainees

### 2.5.3.8 Occupational Health and Safety

Renewal of the workplace registration certificates was done by Ministry of Labor, Gender and Social Development which qualified JMS a safe work place.

### 2.5.4 Internal Audit, Risk and Compliance (IARC)

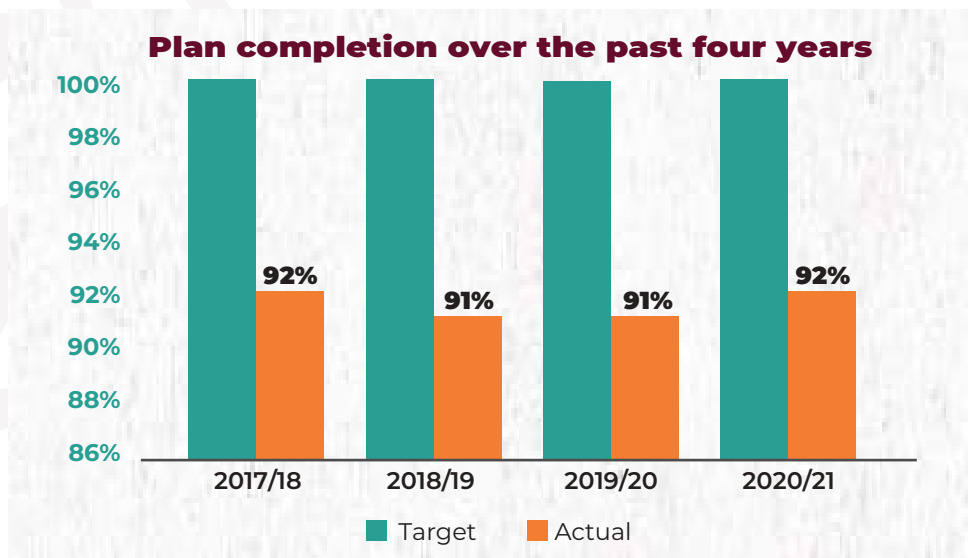
For the organization's processes reviewed during the year, there is reasonable assurance that effective risk management, control and governance processes are in place to manage the achievement of JMS' strategic objectives. Audit tests done confirmed that controls are generally working effectively. Where IARC work identified areas for improvement, Management responded accordingly and action plans agreed. IARC monitored the implementation of these actions and monthly and quarterly status reports were shared with Management and the Audit Committee respectively.

#### 2.5.4.1 Delivery of the 2020/21 Internal Audit Work Plan

Due to COVID 19, JMS scaled down staff on premises, implemented remote working arrangements and switched to virtual engagements. The IARC plan was modified as risks changed during the year and social distancing became the operational model.

Results of all the audits done were reported to Management, recommendations made and suitable remedial action taken. Quarterly reports on work completed were presented to the Audit Committee.

The graph below shows the performance trend for the last four years

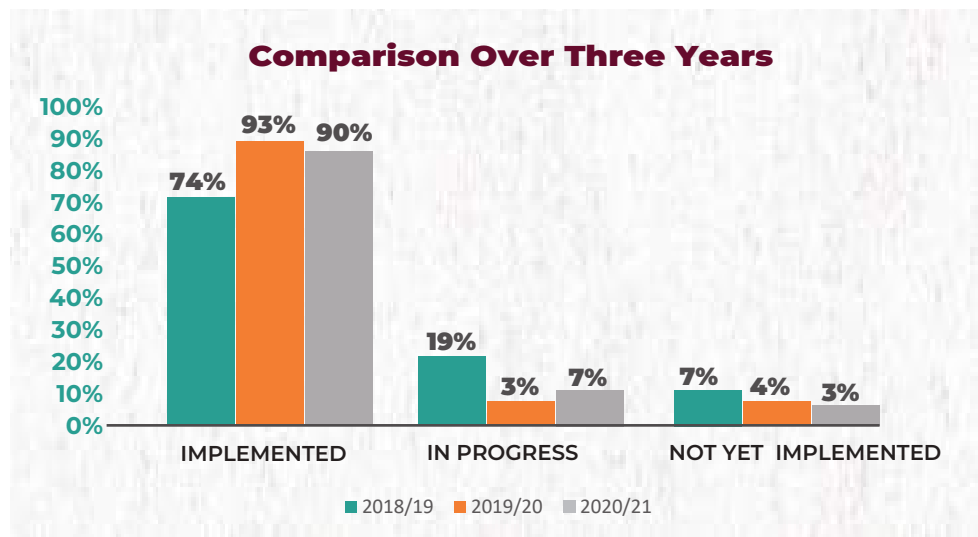
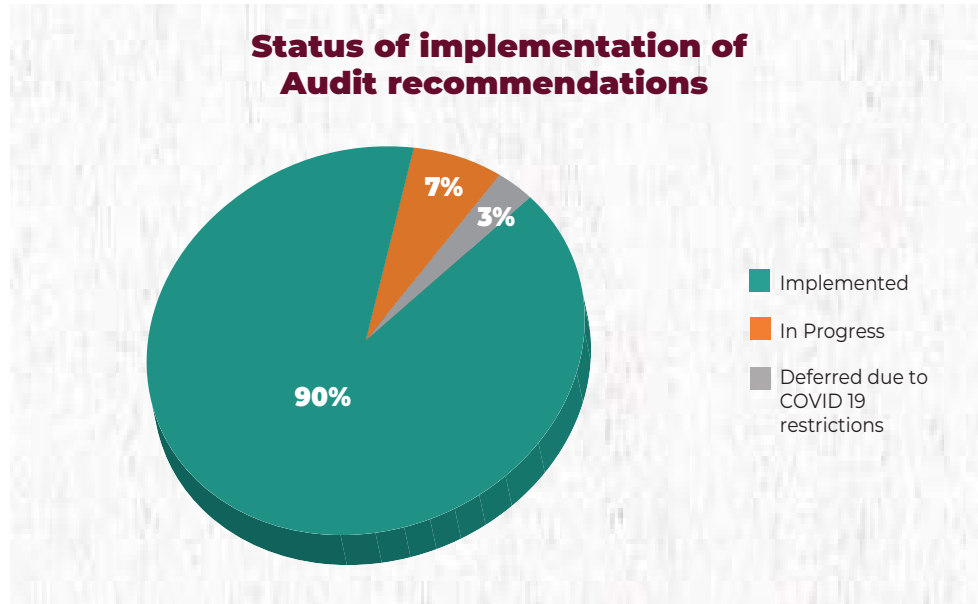




## Status of implementation of audit recommendations

In accordance with the Institute of Internal Auditors (IIA) standards, IARC followed up on all audit recommendations to ensure that corrective actions were implemented as agreed and evaluation of the effectiveness of those that were closed.

The chart below shows the status of implementation of corrective actions, including those carried forward from the previous year.





## 2.5.4.2 Risk Management

An organisation-wide risk assessment was done and a revised Risk Profile for the FY determined. Based on the risk assessment, risk ranking was utilized in prioritizing audit efforts.

Key risks were monitored monthly to ensure that they were within JMS' risk appetite and that proposed mitigations were implemented within agreed timelines.

The effectiveness of JMS' risk management systems was tested when the organisation experienced an unfortunate incident of fire during the FY. Due to the mitigations that had been put in place, the ultimate loss suffered by JMS was significantly less than what would have been suffered had the organization not tightened its policies, procedures and mitigation measures.

## 2.5.4.3 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.

Lapses in controls were still observed during the year majorly due to failure to adhere to standard operating procedures. Management addressed the control deficiencies through process enhancements and enforcing accountability.

## 2.5.4.4 Automation of IARC Processes

During the FY, JMS acquired Teammate audit software and Teammate analytics which are now used to manage all aspects of the audit processes. This significantly improved the quality of IARC services. Some of the enhancements realized from automaton of IARC processes include but not limited to:

- Greater accuracy - information is now easily loaded for review and analysis;
- Electronic processing of audit tasks has minimized human error;
- Improved sample size for analysis – audit tests are now applied to bigger sample size/ or entire population;
- Reduced time spent in preparing for and conducting audits;
- Enhanced risk assessment and generation of assessment reports;
- Improved record keeping – soft copies of evidence and electronic working papers are maintained;
- Enhanced monitoring and tracking of implementation of agreed upon audit recommendations.

Ms. Mercy Nagaddya  
**DIRECTOR INTERNAL  
AUDIT, RISK AND  
COMPLIANCE**



Corporate  
**Governance**

**03**



## JMS GOVERNANCE STRUCTURE



ANNUAL GENERAL MEETING (AGM)



# Annual General Meeting

3.1

## Annual General Meeting

The JMS AGM was held on 13th December 2020. The AGM was comprised of the Trustees, Directors, Committee members, and other 18 members nominated by the two Medical Bureaus to attend the meeting. The AGM approved JMS' Audited Financial Statements for the year ended FY 2019-20, Appointed JMS' External Auditors for FY 2020-21- Ms KPMG Certified Public Accountants of Uganda and approved the annual report for FY 2019-20.



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



**Mrs. Philomena K. Nshangano**  
Member, Board member 2002-2009 and 2012-2020. She also served as Chairman Board of Directors from 2012-2014.



**Mrs. Barbara Tumwine Nkunda**  
Member, Business Development Committee 2016-2020.

3.2

## Board of Trustees:

In FY 2020-21, the JMS Board of Trustees was engaged and informed on JMS operations. They supported a number of activities especially regarding land transactions.

3.3

## 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.

The JMS Board of Directors has 4 Committees including:

i) **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.

ii) **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.

iii) **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.

iv) **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 processes and practices; 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.

### 3.3.1 Key achievements of the Board of Directors

During the FY 2020/21; the Board of Directors had 4 meetings and the key approved policies, documents and decisions included:

- i) Operation Plan & Budget for FY 2021/22.
- ii) Procurement and Marketing plan Plan for FY 2021/22
- iii) Risk Profile for FY 2021/22.
- iv) Approved annual Report for FY 2019/20.
- v) Active involvement in the Joint Health Care Investment Limited AGM that took place in November 2020.
- vi) Approved JMS Separate and Consolidated Audited Financial Statements for FY 2019/20.
- vii) Active involvement with Management to embrace the opportunities and address the challenges brought by the COVID-19 pandemic in Uganda leading to achievement of the FY's target.
- viii) Financing decisions made for JMS in view of the increased need for working capital for short term facilities.
- ix) Approved the Job evaluation and workload analysis.
- x) Approved takeover of Virika Pharmaceuticals Limited (VPL) operations by JMS for a period of 3 years.
- xi) Approved the JMS strategic plan for the period of July 2021-July 2025 under the Balanced Score Card.
- xii) Approved the expansion of central warehousing space through open agreements with other warehouses for scale up when need arises.
- xiii) Approved the reviewed communications policy.
- xiv) Approved the payment of a performance Bonus for FY 2019-20
- xv) Approved the Risk Management Framework for JMS.
- xvi) Approved the creation of a consultancy unit in JMS
- xvii) Acting as the AGM of JHC, appointed two new members to the JHC Board. Ms. Angela Bageine and Ms. Agnes Kiggundu.
- xviii) Approved the amended JMS Accounting and Finance Manual



### Board and Committee engagements in FY 2020-21

The Board of Directors and Committee members were planned to meet 4 times during the FY, i.e. quarterly.

1. The Board held 4 Board meeting. Target was 5 meetings, including 2 Board Retreats that were not held due to the COVID-19 pandemic and adherence to the MOH SOPs

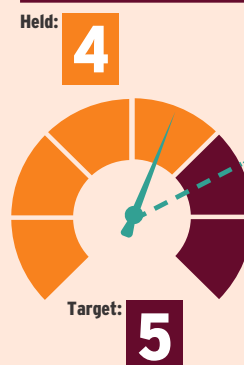
2. Audit committee held 4 scheduled meetings against a target of 4 meetings for the FY.

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.

#### Board



#### Audit, Finance & Administration, Technical, Business Development Committees



3.4

## JMS Management

The JMS Management 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 Development & 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 30<sup>th</sup> June 2020

#### BOARD OF Trustees

##### Rt. Rev. George Bagamuhunda

was appointed by UPMB in November 2015. Rev. Bagamuhunda is the Bishop of Kigezi Diocese.



##### Prof. Raphael Owor

was appointed by UCMB.



##### Bishop Robert Muhiirwa

appointed by UCMB in June 2020. Bishop Muhiirwa is the current Bishop of Fort portal Diocese.



##### Dr. Margaret Mpalampa

appointed by UPMB in December 2019.





**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.

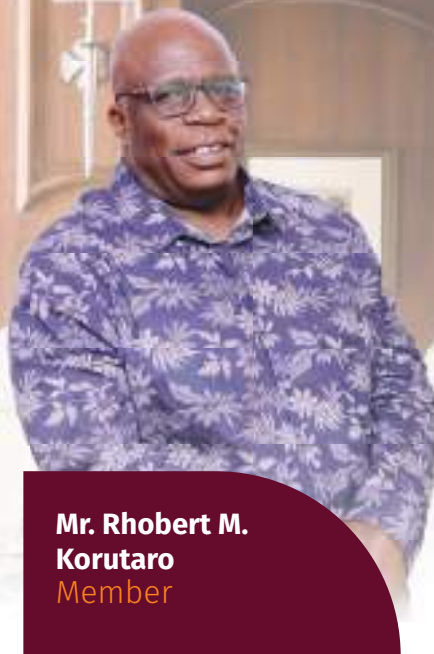
**Rev. Fr. Henry R. Waiswa**  
Treasurer

Was appointed by UCMB to the Finance Committee and later to the Board in December 2014 and 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.



**Dr. Sylvia  
Tumuheirwe  
Alinaitwe**  
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.



**Mr. Rhobert M.  
Korutaro**  
Member

Appointed by UPMB to the Board in November 2013. He is currently self-employed and a commercial farmer in Livestock, tree plantations and coffee. He serves on the Board of Alternate Chair for Africa Action Help International Uganda, Africa Action Help International, Vice Chairman for Uganda Women's Trust Board, Vice Chairman Valley University of Science and Technology. Chairman Board of Directors Katungu Mission Hospital Project, Member of West Ankole Diocese Health Board and Member Ankrh Foundation Board. He chaired the Board of Directors for JMS from 2015-2018. He is a member of the Corporate Governance of Uganda (ICGU). He holds a Bachelors degree of Business Studies from Makerere University.



**Mrs. Mary Lubowa  
Nannono**  
Member

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.



**Prof. Michael Kawooya**  
Member

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.



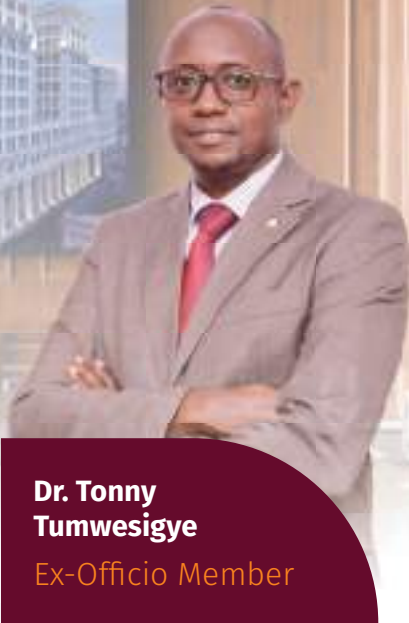
**Ms. Pamela Achii**  
Member

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.



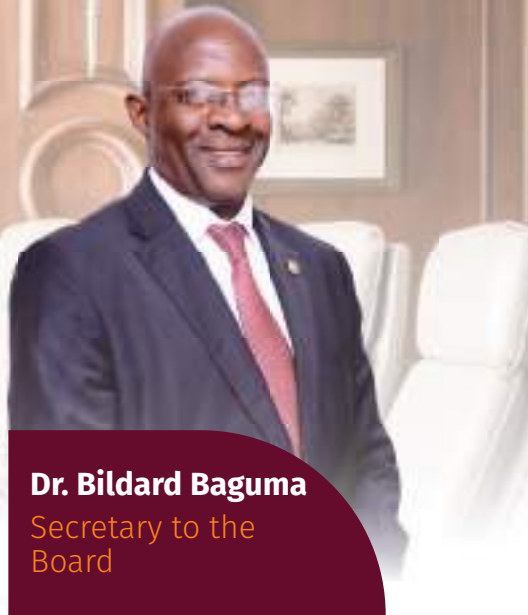
**Dr. Sam Orochi Orach**  
Ex-Officio Member

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 Fetze 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.



**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.

“

*I thank the Board of Trustees and Board of Directors for their immerse contribution that provided oversight and guiding principles for Management to build on. During the year, both boards developed and launched the JMS Vision 2025 Strategic Plan that provides a Road map for JMS in the new terrains altered by COVID-19.*

*Dr. Lawrence Ojom  
Board Chairman*

# Board Committee Members

01

## FINANCE & ADMINISTRATION COMMITTEE

1. **Rev. Fr. Henry Waiswa** (Chairman)
2. **Mrs. Samalie E. Kisekka** was appointed by UCMB in November 2013. Mrs. Kisekka works with Alison Dry Cleaners at Kampala Road.
3. **Ms. Jane Namuddu Kiggundu** was appointed by UPMB in November 2017. Ms. Namuddu works at the Provincial offices in Namirembe.
4. **Dr. Sam Orochi Orach**
5. **Dr. Tony Tumwesigye**
6. **Mr. Frank Kiggundu**, appointed by UPMB in November 2017. He is the Chief Financial Officer/Treasurer SDA, Uganda Union.
7. **Mr. Francis Buwule** is a co-opted member appointed in November 2013. Mr. Buwule is a founding partner of Buwule, Mayiga & Co. Advocates.
8. **Eng. Julius Mulumba** is a Co-opted member appointed in March 2015. Eng. Mulumba is an Engineer by profession.
9. **Dr. Bildard Baguma**- Executive Director JMS.
10. **Ms. Mary Katusiime** is the Secretary to the Committee and the Director Finance of Joint Medical Store appointed in July 2008.
11. **Mr. Mawanda Michael**, Manager Human Resource & Administration

02

## AUDIT COMMITTEE

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

03

## BUSINESS DEVELOPMENT COMMITTEE

1. **Canon Joram Kahenano** (Chairman)
2. **Sr. Jane Frances Nakafeero** was appointed by UCMB in November 2013. She is an Director Administration at St. Francis Naggalama Hospital.
3. **Dr. Asinja Eriab Kapuru** was appointed by UPMB in March 2015 from Kagando Hospital.
4. **Dr. Rose Mutumba**, appointed by UPMB in December 2020. Dr. Rose is the Medical Director of Mengo Hospital.
5. **Mr. Jimmy Ameny** was appointed by UCMB in March 2015. He works with GAVI Office, Ministry of Health.
6. **Mr. Maurice Manano Opar** was appointed by UCMB in October 2017. He is a Senior Accountant with Ministry of Health.
7. **Dr. Emmanuel Byaruhanga**, appointed by UCMB in October 2020. He is the Medical Director, Ibanda Hospital.
8. **Dr. Bildard Baguma** - Executive Director- JMS.
9. **Mrs. Denise Tusiime Mutambi** Secretary and Director Business Development and Procurement – JMS appointed in September 2009.

04

## TECHNICAL COMMITTEE

1. **Prof. Michael Kawooya** (Chairman)
2. **Dr. Priscilla Busingye** was appointed by UCMB in January 2015, works with St. Francis Hospital Nsambya.
3. **Dr. Gilbert Mateeka** was appointed by UPMB in November 2013, works with Rugarama Hospital.
4. **Mrs. Okuna Oteba Neville** is a Co-opted member appointed in September 2020. Mrs. Okuna is the Commissioner Pharmacy Division, Ministry of Health.
5. **Dr. Sekweyama Peter** appointed by UCMB in October 2020. Dr. Sekweyama is the Medical Director, St Francis Hospital Nsambya.
6. **Eng. Sitra Mulepo** is a Co-opted member appointed in March 2012. Eng. Sitra works with Ministry of Health.
7. **Rev. Fr. Dr. Okori Samuel** appointed by UCMB in October 2020. Dr. Okori is the Hospital Director, St. John XXIII Hospital Aber.
8. **Dr. Bildard Baguma** - Executive Director-JMS
9. **Mrs. Joanita N. Lwanyaga** is the Director Customer Services – JMS appointed in July 2008
10. **Mr. Emmanuel Higenyi** Secretary and Director Technical Services – JMS appointed in November 2015



JHC is a company registered in Uganda whose objective is to carry on business as a special purpose service vehicle for enabling, facilitating, realizing and effecting the exercise by the trustees of joint medical store of their investment powers as enshrined in The JMS constitution/trust deed and the attainment by JMS of its constitutional aims and objectives generally.

JHC was incorporated on the 15th day of March 2017.

JHC also has a shareholding in Doctor's choice, a company whose main objective is to grow, formulate, process, develop, refine, export, wholesale and retail trade all kinds of nutraceuticals and health care products.

**JHC finalized incorporation and appointed the Board Members of Oxylife 2020 (U) Ltd being representatives of JHC under the joint venture between JHC and Hewatele herein below;**

- i) Dr. Samuel Orochi Orach- Chairperson
- ii) Ms. Mary Katusiime
- iii) Sr. Jane Frances Nakafeero
- iv) Ms. Erina Isabel Kyomugisha
- v) Eng. Sam Sabiiti Byamukama

**JHC has three shareholders namely the three shareholders namely;**

- 1. The Registered Trustees of Joint medical store
- 2. Rt. Rev. George Bagamuhunda
- 3. Rt. Rev. Henry Apoloryaman Sentongo (deceased)

**JHC has a Board of Directors comprised of;**

- 1. Prof. Simeon Wanyama – Chairman
- 2. Mr. Bruce Kyerere- Vice chairman
- 3. Rev. Fr. Anthony Rweza (now deceased)
- 4. Dr. Sam Orach
- 5. Dr. Tonny Tumwesigye
- 6. Ms. Mildred T. Kizito
- 7. Ms. Harriet S. Katerrega
- 8. Mr. Lawrence K. Kiiza



**Note:**

*At the close of the Financial Year, JHC lost one of its Board members Rev. Fr. Anthony Rweza. Fr. Rweza was the Managing Director of J.W Interservice. At JMS and JHC, we shall always remember and cherish the advice that we always received from Rev. Fr. Rweza for the developmental ideas and for his ecumenical beliefs and spirit that always supported the work of JHC and JMS.*



## PRODUCTION:

**a) Clinisafe:** JHC continued availability of affordable, safe, quality and cost effective disinfectant and detergents with a production unit within JMS premises. This manufactured Clinisafe Hand Sanitiser, Clinisafe Detergent and Clinisafe sodium hypochlorite solution. The three products are registered under the brand name Clinisafe® which is a trade mark of JHC registered by the Uganda Registration Services Bureau (URSB). All products have been certified by UNBS. This is remarkable progress in product development because it affirms the quality of the products.

**b) Doctor's Choice:** This year having carried out the 2-years stability data, Replenish+ shelf life was extended from 18 to 24 months shelf life by NDA.

Replenish+ is now on the Essential Medicines List. This will facilitate ordering of the product by health facilities, and its inclusion in the Ministry of Health procurement plans. Replenish+ was also registered in Zimbabwe and Ghana.

Doctor's Choice has gone through the process of registering Chewable Replenish+ tablets for juniors and mamacare. The two products have been approved by National Drug Authority (NDA) and trial batches were successful.

**c) OxyLife:** JMS plans to build and operate a state-of-the-art medical oxygen production plant in Uganda with an installed capacity of 120 -6.8m3 oxygen-filled cylinders per day were in advanced stage through its subsidiary OxyLife. In the financial Year, OxyLife, cleared the land where construction of the plant will be done, developed Architectural Plans and received approval from statutory authorities. By the end of the Financial Year, Medical oxygen Equipment was being procured.

# Challenges

## 04



## Challenges faced during the year



a) **The COVID-19 pandemic** had far reaching effect on JMS operations like all other businesses. Below are some of its effects; 1. Limitations in movement; Global shortage of products and shipping containers and vessels resulting into increased cases of out of stock, closure of some economies and limiting export of some products, increase in price for some products etc.



b) **Supply chain challenges** for example long lead times, non- availability of some products due to raw materials shortage, lack or limited availability of shipping containers and price escalation of some products.



c) **Declining demand for some products** especially those that are not used in management of COVID-19 and low shelf life of some imported products. In some cases, we faced changed priorities in hospitals which led to low patient numbers. These erratic changes affected effective quantification.



d) **Limited/ restricted movements;** affected our engagements with customers for business discussions, debt collection, capacity building and after sales services.



e) **Debt and Debtors-** Due to a reduction in incomes of health facilities, many were unable to meet their obligations as they became due and this resulted into an increase in the debt portfolio of JMS.

# Future

# 05



## Strategic Plan

With the finalization of the JMS Strategic Plan dubbed “Vision 2025”, The Board and Management shall focus on acceleration of the plan to ensure JMS is “A partner of Choice excelling in Health Solutions for the Glory of God” by “Providing Affordable Quality Health Solutions through an Efficient Supply Chain system that Delivers Value to Accredited Health Units and other Stakeholders.”

This shall be done by integrating the JMS Values of Integrity, Responsibility, Adaptability, Responsiveness and Excellence in the JMS Culture. The Strategy shall be anchored on the 4 pillars of Strategic Partnerships, Service Excellence, Business Growth and Customer Intimacy with 90:90:90 aspirations of 90% post service rating, 90% medical supply user satisfaction and 90% stakeholder satisfaction score.



## Investment Plan

JMS through its Subsidiary JHC and Oxylife shall bring to life the JMS Manufacturing dream with an Oxygen production plant in Nsambya.



## Digitalization

To improve interface between JMS and its customers and partners, JMS shall embrace adoption of new age digital platforms to enhance customer experience, tracking and monitoring of milestones to facilitate efficiency and effectiveness.



## Strengthen Partnerships and stakeholder value

JMS shall strengthen its Partnership portfolio. We will focus on identification, creation and retention of Partner relationships while optimizing the Stakeholder value.

# Vision 2025 - The Strategy House

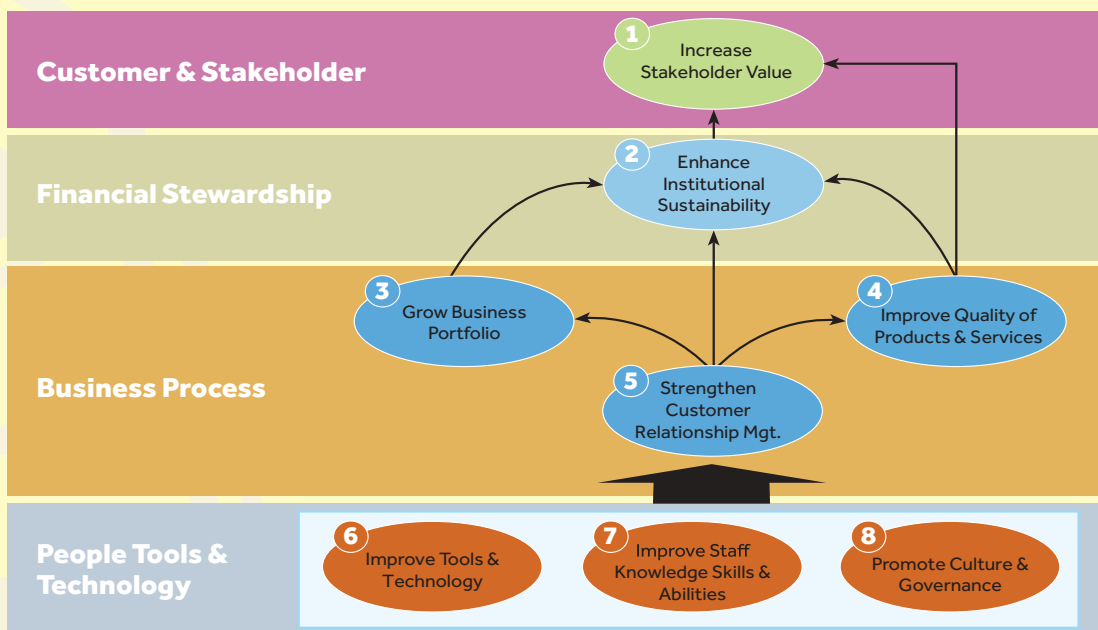
The JMS strategy has been well articulated in form of a strategy house-the roof representing the mission, vision, customer value proposition, enablers and challenges; the strategic results holding the roof, the strategic themes as pillars of the house, the perspectives as the floor, and the core values and engaged leadership as the foundation.



## Strategic Objectives

### The JMS strategy Map

The strategic plan has eight strategic objectives and these are highlighted in the strategy map illustrating the interdependencies of the objectives in a cause-effect style.



Our success will be defined by the increase in stakeholder value (1) which will be realized through the enhancement of institutional sustainability (2) which will be driven by the growth in investments and our business portfolio (3) and leveraging the quality of our products & services (4) and strengthening customer relationship management (5) while improvements in our internal organizational capacities in terms of tools & technology (6), knowledge, skills & abilities (7) and the promotion of a rich culture and good governance (8) are the bedrock that will uphold increased efficiency of our business processes.



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