

# **HIGHLANDS HEALTH SERVICES**

ANGLICAN DIOCESE OF UPPER SHIRE

**BOARD OF GORVENORS MEETING TO BE HELD ON  
16TH FEBRUARY 2017**

**PROPOSED AGENDA ITEMS FOR 16<sup>TH</sup> FEBRUARY 2017 BOARD OF GOVERNORS MEETING**

1. Opening prayer
2. Welcoming remarks by Board Chairperson
3. Reading and adoption of previous minutes
4. Matters arising from previous minutes
5. Financial report
6. Medical report
7. Management report
8. Medical Aid Society
9. Financial policy
10. Moving to First Merchant Bank
11. Date of next meeting
12. Closing remarks
13. Closing prayer

## ST LUKE'S BOARD OF GOVERNORS MEETING HELD ON 15<sup>TH</sup> JUNE 2016

### MEMBERS PRESENT

Rt Rev'd Bishop Brighton Vitta Malasa	-	Chairperson
Mr Winasi Boma	-	Secretary
Mr Victor Mnelemba	-	Health Coordinator
Mr Martin Chiingeni	-	Financial Advisor
Mrs Getrude Kachepatsonga	-	Synod Representative
Rev'd Capt Mphatso Bango	-	Synod co-representative
Maclean Changadeya	-	Repr. Machinga DHO
Alhaji Surtan M'bwana	-	Community Representative
Mr Jones Singini	-	Member

### IN ATTENDANCE

Dr Arie Christiaan Huigens	-	Senior Medical Officer
Mrs Chrissie Hussein	-	Principal Nursing Officer
Ms Getrude Kumpolota	-	Senior Administrative Officer
Mr Nathan Nyirongo	-	Accountant
Ms Chimwemwe Banda	-	Recording Secretary

### APOLOGIES

- CHAM Representative
- Diocesan Registrar/legal advisor

#### 01/2016 OPENING PRAYER

- Opening prayer was said by the Board Chairperson at 9:05am.

#### 02/2016 WELCOMING REMARKS

The Chairperson started the meeting by reading the bible from the book of Psalms.

Psalms 101, which teaches about integrity.

He continued by saying and encouraging members that Integrity must be beyond limit because in the end the lord favors those who are faithful in his eyes.

He then welcomed members to the meeting and described the day's discussions as a budget presentation and a budget review meeting.

He also appreciated all management members through the administrator on behalf of the board for the achievements that have been encountered in the year ending (2015-2016) and finalized his remarks by urging members not to be satisfied but to look for more achievement.

03/2016

### **READING AND ADOPTION OF PREVIOUS MINUTES**

The minutes were proposed and adopted as a true reflection of what was discussed by the financial advisor and health coordinator.

04/2016

### **MATTERS ARISING**

The secretary for the board read the matters arising and comments were made;

A. Feed back from the PHA related to the University of Suez Canal

- ✓ The PHA reported that the journey was a success and that he obtained a certificate in health economics.

B. Mortuary funding

- ✓ It was reported by management that a proposal of close to MWK 10 million was submitted to Dossani Trust.

#### **Comments**

- ✓ The chairperson also reported that he had a discussion pertaining to the mortuary with MAC's and MAC's agreed to help in the funding of the mortuary building construction

C. Data clerk

- ✓ It was reported that the hospital has employed a full time data clerk.

D. Ambulance

- ✓ Apart from submitting proposals to FMB, GTZ, UNICEF and Anglican Aid Abroad management reported that they submitted another proposal to Press Trust in relation to the Ambulance.
- ✓ The board also suggested that management should also send a proposal to Melinda and Bill Gates. (**Management**)

E. Health centre supervision

- ✓ It was stated that Health centre supervisions are being carried out and the outcome is giving a true reflection.

F. Terms and condition of service

- ✓ It was reported that the process was well implemented and it is still ongoing since people are being employed whenever there is a need.

G. Salaries for college

- ✓ All documentations were submitted to CHAM, management is waiting for their response.

H. External Audit

- ✓ Implementations on the auditor's recommendations are being put into practice however evaluation of property has been allocated funds and will depend on the cash flow.

05/2016

**OVERALL MANAGEMENT REPORT**

A report was presented to the board which covered the following topics:

a) Current significant issues.

- ✓ Discovery of long-term drug theft and mismanagement, together with the controls that were put in place.
- ✓ Increase in debtors list
- ✓ Review of the new universal SLA for Matope
- ✓ Awareness campaign

b) Matters for approval

- ✓ Amendment of housing policy
- ✓ Increase of board allowances:

c) Matters for noting

- ✓ Opening of highly dependency unit
- ✓ Opening of St Luke's private drug store

d) What's new in the budget?

- ✓ Introduction of Drug distribution service
- ✓ Procurement of a lorry
- ✓ Major uplifting and upgrading of theatre
- ✓ Increase drug supply
- ✓ Opening of drug store in Zomba
- ✓ Adding value to Bishop Malasa

The following **comments** were made:

- ✓ The financial advisor congratulated management for the achievement encountered in the year ending and urged them that if they work hard more they will achieve great things.
- ✓ The representative from Machinga DHO stated that St Luke's can also be getting drugs in place of cash for the SLA payments if need be.
- ✓ On Matope Health Centre, management is to present a budget to PIH to convince them on the need to increase support in the new SLA that is to be signed in the coming financial year for negotiation and final signing.
- ✓ The board recommended Management for introducing value adding service.
- ✓ High Dependency Unit location was identified and this is to be located in the Bishop Malasa Private Wing. It was communicated that MACs will be sending some equipment through the Birmingham container for the purpose, furthermore another list to MACs medical representative should be sent to help her solicit equipment. **(Management)**
- ✓ Food for thought by members to management should be to construct another building in the future for the high dependency unit. **(Management)**
- ✓ The board secretary commented that extension of the Theater building is still under discussion with partners
- ✓ Matters which were proposed for approval were approved by members present

06/2016

### **FINANCIAL REPORT**

The accountant presented the budget for June2016 - July 2017 as a zero slate budget.

The 2016-2017 budget has been estimated to produce an income

MWK165, 223, 195. 00, with an increase of 14% from the previous budget.

#### **After the brief presentation comments were made:**

- ✓ The financial advisor commented that the budget shows management intentions are good.
- ✓ The budget was passed by the board as presented and the chair on behalf of members appreciated the well presented presentation.

07/2016

### **MEDICAL REPORT**

The Medical Report was read and it reported a challenge of decrease in women starting antenatal during the first trimester and it was suggested by members that there should be the involvement of traditional leaders in the early stages of antenatal service and that an awareness campaign on the goodness of starting antenatal clinic in the early stage of pregnancy. **(Management)**

08/2016

**HOUSING POLICY**

Proposed changes for the housing policy in the areas of housing subsidy, rent, criteria for house allocation, house maintenance ,tenancy agreement, housing committee and house allocation based on departments was presented to the board.

**Comments**

- ✓ The board approved the proposed amendment to the policy and that the new changes be adapted beginning the new financial year(1<sup>st</sup> July 2016).

09/2016

**CLOSING REMARKS**

The chairperson thanked management for the reports well presented and the committed work they are performing towards the growth and operation of the hospital.

10/2016

**DATE OF NEXT MEETING**

Members agreed to again on the 14<sup>th</sup> October 2016 at 9:00 a.m. and the venue is to be St Luke's Hospital boardroom.

11/2016

**CLOSING PRAYER**

The meeting was closed with a word of prayer by Rev Capt Bango.

SIGNED: \_\_\_\_\_

DATE: \_\_\_\_\_

BOARD CHAIRPERSON

SIGNED: \_\_\_\_\_

DATE: \_\_\_\_\_

BOARD SECRETARY

## **MATTERS ARISING FROM PREVIOUS MINUTES**

### **Ambulance**

- ✓ There was a visit to Press Trust to find out the status of the ambulance proposal that was submitted, the response was that the board had approved and awaiting funding.
- ✓ Further, another proposal was submitted to Bill and Melinda gates and management is waiting for feedback.

### **High Dependency Unit (HDU)**

- ✓ Nurses and clinicians were sent for one week training to Zomba Central Hospital.
- ✓ The hospital expects some equipment to arrive by April 2017, the delay has been due to expensive shipping cost and the hospital is looking for cheaper shipping cost. However Macs sent some equipment which is being used in the nursery and some have been kept for later usage.

### **Antenatal**

- ✓ In addition to Birth before Arrival Sensitization campaign that was done to sensitize the community. Management still continues to work hand in hand with the Health Advisory committee that complies of Chiefs and community leaders to promote the benefits of antenatal care.

## 1. M E D I C A L R E P O R T

### 1.1 INTRODUCTION

During the third and fourth quarter of 2016 the medical department underwent significant changes. A new Medical officer, Dr Wouter Bakker, started work in August 2016.

Next to this a research student from the University of Leiden, The Netherlands, arrived to complete a study on the indications and pre-operative decision making considering our labour ward. This led to a better insight for treatment of women in labour ward and resulted in a significant reduction of the caesarean rate (from 22% in 2015 to 13% now).

Furthermore staffing levels at the OPD improved and a patient satisfaction assessment took place in July and August 2016. In general patients consider St Luke's hospital the hospital of choice to go to and would recommend family and friends to attend the hospital as well.

Furthermore the hospital received several donations among which: a total of 50 bed nets for the wards, an anesthetic machine and a shipment of equipment to be used in the adult HDU (monitors, iv pumps), theater (diathermy device) and labour ward (CTG). Another donation of equipment is expected to arrive in April 2017.

Further work was done on the design of the new theater complex and solar panel project which should make the hospital less dependent on ESCOM/generator power. At the end of November work started on the new neonatology wing of the maternity ward.

The following data was collected from July-December 2016.

### 1.2 H M I S D A T A S T . L U K E ' S M I S S I O N H O S P I T A L

Data element	July - December 2015	July - December 2016	Difference (%)
<b>Hospital services</b>			
OPD attendance	6600	12257	+86%
Total no of admissions (excl. maternity)	2490	1619	-35%
Total inpatient days (excl. maternity)	4295	3853	-10%
Average admissions/day	14	9	-35%
Average length of stay (days)	1.7	2.4	+41%
Total inpatient deaths	67	59	-12%
Deaths/admission	0.027	0.036	+33%

<b>Maternity services</b>			
No of pregnant women starting ANC during 1 <sup>st</sup> trimester	28	39	+39%
No of deliveries attended by skilled health personnel	971	1013	+4%
No of caesarean sections	214	130	-40%
% delivered by caesarean sections	22%	13%	-9%
No of maternal deaths	1	1	
Total no of live births	983	1038	+6%
<b>Primary Health Care activities</b>			
Total of children attending <5 clinic	4541	5004	+10%
No of fully immunized children <1	403	309	-23%
No of underweight children	48	54	+12.5%
<b>HIV/AIDS services</b>			
No of 15-49 age group receiving VCT and test result	1446	2493	+72%
No of 15-49 age group tested HIV positive	225	365	+62%
% tested HIV positive	16%	15%	-1%

The outpatient attendance has increased by 86% which is in line with the previous board report. This can be as a result of the opening of the Bishop Malasa Private Wing as more people are coming to access the private services and increased staffing levels leading to reduced waiting times and also a better appreciation of our services. In addition to that, the outpatient department has been kept open during the lunch time and there is a good data management system.

The hospital is also doing better in maternity services mainly considering the caesarian rate. The marked increase noted in the last board report led to the invitation of a research student from the University of Leiden in the Netherlands. Her research improved insight in the pre-operative decision making. In combination with the recruitment of a new medical officer this resulted in a caesarian rate of 13% just below the recommended national rate of 15%, an absolute reduction of 9%.

Patient admissions in the period under review were down by 35% compared to last year. This is partially due to economical factors. The increased average length of stay (+41%) suggests that more sick people are admitted and the less sick possibly prefer to be treated as OPD case. In the period last year, there

was a significant increase in admitted cases (+120%) possibly due to down time of central hospital services. During those months central hospitals services (theatre and laboratory) suffered significantly from lack of power and water. These issues have now been improved possibly leading to a normalization of cases in our hospital. The maternity services were not affected by this effect. The hospital saw an equal number of deliveries and women visiting antenatal care.

The under five clinic saw 10% more children although it completed vaccination in 25% less children. This could be a result of reduced visits of children from outside the catchment area as the coverage last year was above 100%. With 87% coverage this year the vaccination rate is still reasonable. Considering the HIV services, there was an increase of 72% of patients being tested 15% of them being positive which is just above the national average. The significant increase suggests improved awareness on HIV and AIDS. It can also be related to the new test and treatment policy whereby patients can expect to be treated directly after being tested positive.

The most common diseases seen in the hospital are malaria, Acute Respiratory Tract Infections, gastroenteritis, (salmonella) sepsis and wounds. An increase is seen in the incidence of diabetes, hypertension and (related) cardiac diseases. Malaria is the main cause of death, due to the high prevalence of this disease. Most of the in patients deaths are due to severe malaria which happens within 24 hours as a result of delay in seeking care. In addition to that, other diseases such as road traffic accidents, meningitis, malnutrition and dehydration in children less than 5 years carry the highest mortality rate.

In adults HIV/AIDS and tuberculosis related death is the main contributor to the death rate. A significant percentage of patients are found to report late (WHO stage IV disease) with new HIV infections or have prolonged periods of suspected treatment failure due to lack of follow-up and high turn-around times of viral load results.

### 1.3 HMIS DATA ST. LUKE'S HEALTH CENTERS

Data element	July – December 2015	July - December 2016	Difference (%)
<b>Mposa HC</b>			
No of patients at OPD	3732	3193	-14.4%
No of deliveries	320	327	+2%

<b>Gawanani HC</b>			
No of patients at OPD	1687	2084	+24%
No of deliveries	215	259	+20%
<b>Nkasala HC</b>			
No of patients at OPD	3245	2882	-11%
No of deliveries	392	338	-14%
<b>Chilipa HC</b>			
No of patients at OPD	1415	1346	-5%
No of deliveries	229	197	-14%
<b>Matope HC</b>			
No of patients at OPD	12024	16253	+35%
No of deliveries	209	206	-1.4%

Matope health centre is currently the most busy health centre followed by Mposa and Gawanani. Matope is doing well in outpatient attendance with an increase of 35%. The sharp increase in outpatient attendance is as result of free services through funding from Partners In Health [PIH]. Gawanani health centre is also performing in patient turn up which might be due to the presence of a Medical Assistant and also continuity availability of drugs. Currently, there are permanent Medical assistants in all the health centers.

#### 1.4 ACHIEVEMENTS

There are several achievements worth mentioning which happened in the past five months in the medical department.

1. During the third and fourth quarter of 2016 the department underwent some significant changes. A new Medical officer, Dr Wouter Bakker, started work in August 2016.
2. Next to this a research student from the University of Leiden, The Netherlands, arrived to complete a study on the indications and pre-operative decision making considering our labour ward. This led to a better insight in our treatment of women in labour ward and resulted in a significant reduction of the caesarean rate (from 22% in 2015 to 13% in 2016). Furthermore staffing levels on the OPD improved.
3. Patient satisfaction assessment took place in July and August 2016. In general, patients consider St Luke's hospital, the hospital of choice to go to and would recommend family and friends to

attend the hospital as well. Patient satisfaction assessment that provided the hospital on useful feedback of its services.

4. Furthermore, the hospital received several donations among which: a total of 50 bed nets for the wards, an anesthetic machine and a shipment of equipment to be used in the adult HDU (monitors, iv pumps), theater (diathermy device) and labour ward (CTG). This last donation of equipment is expected to arrive in April 2017.
5. Further work was done on the design of the new theater complex and solar panel project which should make the hospital less dependent on ESCOM/generator power.
6. Increase in patient turn up as a result of availability of personnel, drugs and also the introduction of Bishop Malasa Private Wing.
7. Introduction of a new anesthetic machine in theater making general anesthesia safe.
8. Organization of a clinical symposium on HIV and TB attended by over 40 people from around Malosa, Zomba and Blantyre.
9. Acceptance of one clinical officer for a bachelors degree training; Mr Banda for surgical training who started in September 2016.
10. Team spirit among staff members and this motivates staffs and facilitates in coordination of all nursing and medical activities at the hospital.
11. There was good allocation of staff in the departments as such patients were well taken care of and there was reduced number of people who were engaged on locum basis eventually the hospital saved money for other hospital operations.
12. The department has an active infection prevention committee which coordinates all activities and also ensures that staff members are adhering to infection prevention standards.
13. The department also conducts periodic supportive supervision for both the hospital as well as its health centers to ensure that staff members are maintaining professional standards of performance.
14. Ensured good drug management by lobbying to hospital management to have a separate dispensary from main pharmacy and also having drug distribution service where drugs are supposed to be distributed to all health centres by the hospital drug committee and not them coming from health centre to Saint Luke's hospital as it was creating room for drug theft.
15. The department facilitated for in-service training for all staff members on customer care service and infection prevention. This was done to ensure that patients were treated like customers in a free and safe environment.

## **1.5 CHALLENGES**

1. High turn-around time of viral load and gene X pert results by Zomba central hospital
2. Reduced number of admissions by 35% compared to last year
3. There is inadequate accommodation; as a result some staff are renting outside the hospital premises.
4. Some of the equipments (X-RAY, ultrasound, dental) are old and outdated as compared to this changing world as such people in the department fail to perform accordingly on their day to day services.
5. Delay in receiving salaries from CHAM secretariat as well as government which also demotivates staff when performing the service.

## **1.6 RECOMMENDATIONS**

1. Management is to come up with policies to retain staff members which will help in increasing staffing levels in the department so that more staff should be deployed to all health centers and also in the hospital.
2. Write proposal to our partners for new equipments in dental and theatre, so that patients should be cared accordingly.
3. To strengthen the strategies that has been forwarded on drug management.
4. Development of PHC program like awareness campaign to increase ANC visits during first trimester.
5. Management to search for funds of constructing additional houses for staff hence overcoming the problem of accommodation.
6. To continue discussing with Zomba central hospital so that the hospital will be receiving result on time
7. To introduce a 24hour observation fee in order to attract more admissions.

## **2.0 PRIMARY HEALTH CARE**

### **2.1 Introduction**

The primary health care department continues to offer preventive health services in the areas of Maternal and Child Health, Nutrition, Antenatal Care, Family Planning, TB services and, Prevention and treatment of various diseases such as Cholera, Typhoid Fever just to mention a few. The report will therefore capture some of the indicators for the period July to December 2016 for the specified areas.

It will also focus much on Typhoid Fever, a disease which emerged mid-June in 2016 in the catchment area of the hospital including the peripherals.

## **2.2 Maternal and Child Health**

The hospital has a primary catchment population of **13826** in Zomba district. This translates to 692 under ones, 2350 under 5s, 3180 women of the child bearing age and 692 expected pregnancies as well as deliveries in a year according to the HMIS health profile by the Ministry of health.

In a specified period (July-December 2016), the hospital has managed to fully vaccinate 309 under ones children, giving a coverage percent of 90 (beating the target of 85% as stipulated by the MoH guidelines). Nevertheless, the coverage for BGC is way too high (344%) than the other vaccines (Pentavalent, Measles, PCV, Polio and Vitamin A) as the hospital also offers deliveries beyond its catchment population.

As regards to family planning, Depo-Provera remains the favorite to most women of the child bearing age (95%) unlike the other family planning methods. The percentage of women accessing family planning services is over the expected number of women from the catchment population. Efforts are made to make sure that women are told on the use of long term contraceptives.

Total new antenatal attendees for the period were 1039 women, three times the expected number. Though there is an absolute change in the figure by 39%, the hospital still struggles to attract women in their first trimester to ANC services. In that regard, the department would want to intensify its awareness campaigns in the catchment area and Information Education and Communication (IEC). Above all there is a need to establish and renovate shelters for outreach clinics so that, the ANC service could be accessed right at the community level like growth monitoring and immunizations.

## **2.3 Nutrition**

Malnutrition is one of the health problems facing the catchment area of the hospital. However, the coming in of SNIC and PROMISE projects under Catholic Relief Services and Emmanuel International respectively, in T/A Malemia has played a bigger role towards efforts of reducing stunting problems in the catchment area of the hospital. The two projects target pregnant women, lactating mothers and under-5 children by using care group model in which village volunteers meet regularly to discuss health and nutrition issues. The catchment area of the hospital has 14 care groups, and in the specified period a sanitation and hygiene module was rolled out.

The hospital is also a beneficiary of fhi360 (fanta) interventions in the eastern region of the country which seeks to improve the quality of NRU services by looking at major causes of deaths in the NRU ward. The hospital has so far demonstrated a tremendous improvement in its NRU services for it did not register any death despite registering 47 malnourished and under-weight children.

## **2.4 Kraal (Khola) Project**

The hospital also got funding from Capricorn Africa for the construction of a Kraal for Chicken production (layers and broilers). The construction project commenced in this same period, and the structure is now in full swing that in April 2017 the production will start. The idea behind was to make the department economically self-sustainable so that it can support various community activities on its own, rather than being partner dependent.

## 2.5 Typhoid Fever Out-Break

From mid-June to October 2016, the hospital's out-patient department experienced alarming figures of students from Malosa secondary school and St Luke's college of Nursing both presenting with fever, headache, general body pains, and in some vomiting as well as diarrheal. These were suspected to be Malaria cases; however laboratory tests could not isolate Malaria parasites.

This prompted a wider investigation by Zomba District Rapid Response team as well as the team from the Community Health Sciences Unit in Lilongwe in which it was realized that some of the blood samples collected from Malosa Secondary School and St Luke's College turned to have Salmonella Typhii. Upon these results, a case definition was drawn and patients were treated accordingly. Hundreds of suspected patients were treated with no any death recorded.

The source was not fully identified; however tests were done on the quality of water at the Malosa (Likwenu) Dam by the Sothern Region Water Board as many of the institutions affected were tapping water from that Dam. Results indicated that the Dam was microbiologically infected as evidenced by the presence of fecal coliforms and the absence of residual chlorine at various points of water consumption. This was an indication that there could be a high probability that other disease causing organisms like Salmonella Typhii might be present.

### Way forward

Several interventions were instituted to contain the outbreak by Zomba DHO, St Luke's hospital as well as the Nursing College; these included the following

- Mass administration of ciproferaxine to all students of Malosa Secondary and St Luke's college of nursing as a prophylaxis to prevent further spread of the disease
- Medical check-ups of food handlers from all institutions of Malosa area at Mataware Health Centre as recommended by Zomba District Health Office
- Health talks to students of Malosa Secondary School and St Luke's College of Nursing after re-opening of the institutions
- Awareness campaign on Typhoid Fever to the community around the hospital with much emphasis on signs and symptoms, transmission, prevention and what to do if found Typhoid fever.
- Intensive chlorination of water from the Dam, to ensure that residual chlorine levels are within the range of 0.2ppm-0.6ppm at the point of consumption as recommended by Malawi Bureau of Standards
- Fencing the Dam (in progress) to prevent human activities such as open defecation from taking place nearby the Dam
- Planting trees on the catchment area of the Dam which is also in progress

The last case of Typhoid was seen on 10<sup>th</sup> October 2016 at the hospital's out-patient department, and Malosa was declared Typhoid free mid-November 2016.

### **3.0 HOSPITAL OPERATIONS**

#### **3.1 INTRODUCTION**

This report has only highlighted major events during this financial year 2016/2017 for the period of six months (July – December 2016). During this period there have been some developments and staff of Finance and Administration showed great efforts in strengthening performance of health system.

#### **3.2 Audit**

Internal audit was conducted in the month of October 2016. Recommendations were made for the department to improve on posting entries and senior officers to master the software of the accounting package.

#### **3.3 Drug Distribution Services**

Management introduced the Drug Distribution Services which is working well. Drugs are procured every fortnight and distributed to health centres. This has increased drug supply to health centres and has also improved the pharmacy stocks.

#### **3.4 Technical Services and Buildings**

Continuance maintenance of the hospital, its equipment, motor vehicles and staff houses is a big component of every day job which is carried out by staff working in the maintenance department. During this period the following general maintenance were conducted

- ✓ Construction of Nursery and Kangaroo which is in progress funded by College of Medicine
- ✓ Construction of chicken kraal which is in progress.
- ✓ Upgrading of guardian toilets.
- ✓ On-going renovation and extension of maintenance office.
- ✓ Maintenance of staff houses at St Luke's and Health Centers.
- ✓ Installation of new water line system.
- ✓ Construction of incinerator and placenta pit at Nkasala Health Centre.
- ✓ Repairing of medical equipment. i.e Air conditioner and blood bank.
- ✓ Procurement of a lorry.

#### **3.5 Achievements**

- ✓ The department has put internal control measures which are in place and have been improved during this reporting period; furthermore the hospital is putting the costs down as much as possible.
- ✓ Reconciliation in all hospital accounts are up to date
- ✓ Improved debt collection by introducing debt collection section although government SLA remains a challenge. The department has also improved on meeting deadlines for submission of invoices to our debtors.
- ✓ Adequate staff in accounts section which has reduced patient waiting time and made possible the introduction of debt management section.
- ✓ Updating the asset register and inventory list
- ✓ Monthly stock taking in stores department and pharmacy

- ✓ Goods received note introduced in pharmacy to ensure that drugs procured arrives in the pharmacy.
- ✓ Created website for the hospital
- ✓ Excellent drug management system by Introduction of an active Drug committee, introduction of three lock system for the main hospital pharmacy and five health and creation of drug distribution service to health

### 3.6 Challenges

- ✓ Failure to pay SLA bills by government which means our funds are tied and the hospital is relying on cash from OPD and inpatients.
- ✓ Delayed salaries funding from the government which is demotivating staff
- ✓ The current economic trend that has resulted into upswing of hospital operations costs
- ✓ Frequency blackouts which resulted hospital to spend more in fuel for genset use.
- ✓ Old vehicles and buildings which resulted in the hospital spending more on maintenance and services.
- ✓ Most of hospital buildings and staff houses are in good state and require extensive maintenance.

### 3.7 Way forward

- ✓ The hospital will strive to spend basing on the available funds to avoid going into further debt.
- ✓ The hospital has secured funding for the installation of a solar system for back up and has identified a contractor and will start working in February.
- ✓ Looking for a partner to assist the hospital with funds to procure new ambulance and to build more houses.

## 4.0 HUMAN RESOURCES REPORT FOR JULY TO DECEMBER

### 4.1 INTRODUCTON

The report encompasses St. Luke's Health Departments' key HR issues that have transpired from July to December, 2016 in line with the strategic goals. In brief the report highlights the staffing levels, training and staff welfare.

### 4.2 STAFFING LEVELS

Number of employees at each facility;

NAME OF FACILITY	No. OF STAFF ESTABLISHED POSTS	No. OF FILLED POSTS
St. Luke's Hospital	268	223
Mposa	46	20
Chilipa	46	21
Matope	46	22
Nkasala	46	21
Gawanani	46	22
<b>Total</b>		<b>329</b>

*The health have two nurses and a medical assistant except for Matope which has two medical assistants*

#### 4.3 NEW EMPLOYEES

The Hospital recruited One Chief clinical Officer and four Medical Assistants, eight nurses and four support staff as illustrated below;

DEPARTMENT	No. OF EMPLOYEES RECRUITED	DIFFERENT CADRE
Clinical Dept.	5	1 Chief Clinical Officer 1 Laboratory Technician 3 Medical Assistants
Nursing Dept.	8	1 Registered Nurse 7 NMT
Support Staff	4	1 Accounts Assistant 3 Patients Attendants

#### 4.4 RESIGNATIONS

The turnover rate was at 5.3% indicating that the institution was able to retain its staff. Five employees from the clinical department, eight nurses and four support staff resigned as illustrated below;

DEPARTMENT	No. OF EMPLOYEES RESIGNED	
Clinical Dept.	5	1 Medical Officer 1 Laboratory Technician 1 Medical Assistant 2 Clinical Officers
Nursing Dept.	8	1 Registered Nurse 7 NMT
Support Staff	4	1 Accounts Assistant 3 Patient attendants

#### 4.5 HOUSING

Houses were not enough to accommodate all the entitled staff as specified by the housing policy. Some employees were renting houses outside the hospital due to the shortage of houses

#### 4.6 ACHIEVEMENTS

- ✓ Good staffing levels. The Clinical team has two Medical Doctors, eight Clinical Officers and four medical assistants. All nursing positions are filled. This has reduced expenditures on relief and locum
- ✓ Introduction of social welfare activities such as awards, get together party, social sports like netball and football
- ✓ Promotion of employee voice through frequent staff general meetings
- ✓ Introduction of staff registers at all entrances
- ✓ No court cases as a sign of management following the terms and conditions of the hospital.

## **5.0 OVERALL MANAGEMENT/ADMINISTRATIVE REPORT**

### **5.1 INTRODUCTION**

This report will provide an overview of the activities of St Luke's Hospital and its five health centres from July 2016 to December 2016, presented to the board of governors. The early months of this financial year were quite challenging, with inflation going as high as 28% in September, October, November 2016, frequent and extensive electricity blackouts, unpaid service level agreements fees which severely compromises cash flow. These external factors affected hospital operations. Regardless of this, the Hospital has managed to deliver quality and accessible health services in the period under review.

### **5.2 CURRENT SIGNIFICANT ISSUES**

- ✓ The solar contract has been signed and Coolite Engineering services will install solar to a tune of MWK14,900,781.05 beginning 14 February 2017 and ending 28 February 2017.
- ✓ The hospital signed the New service level agreement (SLA) for the hospital and its five health centers with the government for this financial year July 2016 and June 2017.
- ✓ The hospital underwent into memorandum of understanding with Zomba Research and Development Department (ZARDD). ZARDD will implement thrive 11 project which targets children 0-2 years of age in Nkasala health centre and Gawanani health centre from 1<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017, the project will either construct or renovate, buy furniture and equipment which at the end will be handed over to St Luke's Hospital.

### **5.3 MATTERS FOR APPROVAL**

- ✓ Due to an increase in bank charges, Management request that all staff be paid their salaries through first Merchant Bank, this will see a reduction of the salaries processing fees from K2600 per person to K500.00 per person and save cost which is estimated at K910,000.00 for our payroll.
- ✓ Management request that all staff be put on insurance cover under Medical Aid Society of Malawi (MASM), this will ensure that the hospital recovers some cost it incurs by giving its staff a 50% cover through free services as well as control cheating in the 50% cover, provided by the hospital as well as generate some revenue when staff gets treated under MASM. Under the cover two types have been selected econoplan scheme for junior staff which will require junior staff to contribute MK6, 000.00 (couple and two children) monthly while executive scheme for management members and will require them to contribute MK18, 000. 00 (couple and two

children) monthly. The calculation has been made at an employee 50% contribution while the remaining 50% will be contributed by the hospital.

- ✓ Management further request that it adopts the CHAM financial manual which has been adapted to St Luke's hospital and its five health centers. The hospital has no existing finance policy and this has greatly affected finance management and audits as currently uses fragmented policies.

The financial policy will give a highlight in the following areas:

- I. Accounting process
- II. Depreciation
- III. Asset management
- IV. Finance Report writing
- V. Internal procurement committee
- VI. Debtors and creditors management
- VII. External and internal audit
- VIII. Transport management

#### **5.4 SOME OF THE MAJOR KEY PERFORMANCE INDICATORS IN LAST FINACIAL YEAR**

##### **a. Going Concern**

- ✓ The hospital continues to increase its assets with the assets estimated at MWK 877, 805, 113. 00 which provides hope that the institution will live for the unforeseeable future for example maintenance of buildings and staff houses i.e. maintenance building, construction of incinerator and placenta pit at Nkasala, procurement of the Lorry, procurement of hospital and office equipments
- ✓ Increased OPD attendance by +86% at St Luke's Hospital
- ✓ Successful implementation of Drug Distribution services (DDS) which has seen an improved logistics of drug supplies in all its health centers once in every two weeks.
- ✓ Exceeding the Revenue collection by 62.9% in the period under review.
- ✓ Procurement of the Lorry which will ease Transportation problems.
- ✓ Generation of a surplus of MWK 72,038,877.00 in the budget.

- ✓ Successful control of Overdraft facilities to MWK8, 000,000.00 in Salaries account from MWK10, 500, 000. 00 last year and management intend to further lower it down to MWK5, 000,000.00 by December 2017.

#### **b. Quality Care**

- ✓ Strengthening of ombudspersons office which allows customers to present complaints by allocating them a specific office in the OPD.
- ✓ Quality studies which has given feedback to management on quality patient management.
- ✓ Clinical Audits continue to provide feedback to the hospital on how to provide quality care.
- ✓ Adoption of the quality philosophy as one of its pillars which makes the hospital to value quality.

#### **c. Technology**

Sourcing of the modern anesthetic 14 million kwacha machine and the procurement of the 3 million kwacha Electrolyte machine which will improve the quality of care provided to patients.

#### **d. Human Resources**

- ✓ Management realizes that employees are an intangible asset of the organization and Knowledge is the source of competitive advantage in the 21<sup>st</sup> century. It is in this regard that the hospital sent its staff for the Bachelor of Science in surgery and a Nurse at Malawi College of health sciences, upon return these will serve bond and add value to the hospital.

#### **e. Expansion**

- ✓ The hospital intends to open a private clinic in Zomba; a task force is in place, however finding building for rent has been a challenge.
- ✓ The nursery which is under construction when opened shall improve neonatal service and will help to combat neonatal death. The project funded by College of medicine will be equipped with modern equipments, nurses and clinicians will be receiving further training.

### **5.5 RISK AND COMPLIANCE UPDATE**

- ✓ The hospital will externally be audited again for the year 2016/2017 and continue to do so each year.
- ✓ The hospital will continue to work hand in hand with supervisors from the DHO and ministry of health.
- ✓ The hospital will continue to do clinical audits.

## 5.6 MATTERS FOR NOTING

- ✓ The Partnership with partners in health is still in place and PIH is contributing K1, 000,000.00 each month and free drugs. Matope provides free services in return this has seen a rapid increase in patient patronizing the health centre each year as per data shown above.

## 5.7 MANAGEMENT VISION

Management plan to do the following this year;

- ✓ Construct a modern theatre
- ✓ Renovate staff houses at Nkasala
- ✓ Draw a strategic plan for 2016 to 2019

## 5.8 CHALLENGES

- ✓ Unpaid Service level agreement fees (SLA) which has affected the cash flow and hospital operations.
- ✓ Inflation which was at 20.6% on average last year according to World Bank
- ✓ Electricity blackouts
- ✓ Delayed salary funding.

## 5.9 CONCLUSION

The hospital continues to provide quality and accessible health services to its community and beyond regardless of external social economic factors, and is contributing effectively to the achievement of the ministry of health vision of health for all and the sustainable development goals 2030.

# Anglican Diocese of Upper Shire (ADUS)

## Medical Department-St Luke's Mission Hospital

### Notes to the Financial Reports

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#### Management Accounts

##### Executive Summary

This report highlights financial performance of the hospital for the period, July 2016 to December 2016. The report shows that the hospital has performed exceeding expectations in an economy that is in recession. Total income for the reporting period was budgeted at MWK 353.3 million and actual income was MWK 387.7 million representing 109.7 percent performance.

The hospital has experienced tremendous improvement in hospital fees. This is due to internal controls management and good patronage of the hospital by patients in the period under review among other factors.

The analysis of individual sources of income showed that the hospital performed above budget in hospital fees and donation in kind and below budget in foreign income, income generating activities, salary grants from CHAM. The hospital received MWK134.5 million from hospital fees against a budget of MWK 82.6 million thereby achieving a performance of 162.8 percent. The hospital also received donation in kind amounting to MWK 21 million against a budget of MWK 17 million representing a budget performance of 123.1 percent. From CHAM, the hospital received MWK 209.2 million against a budget of MWK 215.2 million. This was in respect of salaries. The hospital met the shortfall from its other income. Under foreign income, the hospital received MWK 10.1 million against a projection of MWK 23.8 million, and received MWK 1.2 million from income generating activities against a budget of MWK 2.5 million.

The hospital operated within its expenditure budget in the period under review. The hospital spent MWK 316.2 million against a budget of MWK 329 million. The hospital under spent in the budget lines below:

- ✓ Health outreach, actual expenditure was MWK 145,752 against a budget of MWK 1.6 million.
- ✓ Hospital operations and actual expenditure were MWK 23.1 million against a budget of MWK 25.9 million.
- ✓ However, the hospital had a cost overrun under a budget line of supplies and services, and energy cost. The actual expenditure on supplies and services was MWK 43.1 million against a budget of MWK 42.7 million and MWK 6.9 million against a budget of MWK 5.7 million on energy costs.
- ✓ In the period under review, the hospital has made a record surplus of MWK 72 million against a budget of MWK 12 million mainly due to an increase in income and prudent financial management.
- ✓
- ✓ The hospital will continue to implement cost cutting measures and stringent controls to ensure that it operates within its approved budget.

# Income and Expenditure Report for the period of 1<sup>st</sup> July 2016 to 31<sup>st</sup> December 2016

In Malawi Kwacha

					As at 31 <sup>st</sup> December 2016		
	Note	FY2016-17 Budget 12M	FY2016-17 Budget 6M	FY2016-17 Actual 6M	FY2015-16 Actual 6M	Variance	USAGE Percent
<b>INCOME</b>							
Hospital Fees Income	1	165,223,195	82,611,598	134,548,990	63,536,374	51,937,392	162.9
Salary Grants by CHAM	2	430,444,374	215,222,187	209,193,450	217,585,207	6,028,737	97.1
Other Income	3	24,218,000	12,109,000	7,247,694	6,614,699	4,861,306	59.9
Foreign Income	4	47,671,696	23,835,848	10,106,209	29,756,450	13,729,640	42.4
Income Generating Activities	5	5,110,200	2,555,100	1,208,000	35,454	1,347,100	47.3
Donation in Kind	6	34,031,376	17,015,688	21,068,897	20,166,398	4,053,209	123.8
<b>TOTAL INCOME</b>		<b>706,698,841</b>	<b>353,349,421</b>	<b>387,716,926</b>	<b>337,694,582</b>	<b>30,023,818</b>	
<b>EXPENDITURE</b>							
Employment Costs	7	430,444,374	215,222,187	213,122,340	220,251,681	2,099,847	99
Other Employment Costs	8	32,976,969	16,488,485	15,022,076	11,693,139	1,466,409	91.1
Supplies and Services	9	85,334,168	42,667,084	43,137,795	35,072,967	(470,711)	101.1
Supervision and Monitoring		835,200	417,000	545,382	1,026,464	(128,387)	130.8
Health Outreach and Home Follow Ups		3,150,000	1,575,000	145,752	402,139	1,429,248	9.3
Hospital Operations	10	51,706,000	25,853,000	23,112,740	22,025,144	2,740,260	111.9
Governance Costs		8,180,000	4,090,000	1,219,368	2,261,214	2,870,632	29.8
Transport Costs	11	19,436,000	9,718,000	8,614,354	7,392,340	1,103,646	88.6
Maintenance and Repairs Costs		2,790,000	1,395,000	1,038,464	1,392,340	356,536	74.4
Maintenance of Buildings		11,150,000	5,575,000	3,147,222	4,957,363	2,427,778	56.5
Energy Costs	12	11,310,000	5,655,000	6,854,131	3,995,629	(1,199,131)	121.2
Water Costs		590,000	295,000	224,226	231,818	70,774	76
<b>TOTAL EXPENDITURE</b>		<b>657,902,711</b>	<b>328,950,756</b>	<b>316,184,850</b>	<b>310,702,288</b>	<b>12,766,901</b>	
<b>SURPLUS/DEFICIT</b>		<b>24,655,330</b>	<b>12,327,665</b>	<b>72,038,877</b>			

# Statement of Financial Position

As At 31<sup>st</sup> December 2016

In Malawi Kwacha

	Note	FY2015-16 12M	FY2016-17 6M
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	13	876,457,256	877,805,113
<b>Total Non-Current Assets</b>		<b>876,457,256</b>	<b>877,805,113</b>
<b>CURRENT ASSETS</b>			
Inventories	14	6,977,481	16,775,391
Accounts receivables	15	50,686,040	63,013,941
Amount due from related parties	16	3,567,129	4,227,436
Cash and cash equivalents	17	482,338	5,157,778
<b>Total Current Assets</b>		<b>61,712,988</b>	<b>89,174,546</b>
<b>Total Assets</b>		<b>938,170,244</b>	<b>966,979,659</b>
<b>FUNDS AND LIABILITIES</b>			
<b>FUNDS</b>			
Capital funds		(940,448,930)	(940,448,930)
Revenue reserves		55,717,929	20,301,191
<b>Total Funds</b>		<b>(884,731,001)</b>	<b>(920,147,739)</b>
<b>LIABILITIES</b>			
Account payables	18	(34,989,659)	(36,183,866)
Amount due to related parties	19	(7,845,466)	(4,285,094)
Bank overdraft	20	(10,604,118)	(6,362,960)
<b>Total Liabilities</b>		<b>(53,439,243)</b>	<b>(46,831,920)</b>
<b>Total Funds and Liabilities</b>		<b>(938,170,244)</b>	<b>(966,979,659)</b>

# Statement of Cash Flows

As At 31<sup>st</sup> December 2016

In Malawi Kwacha

	Note	FY2016-17 Actual 6M
<b>OPERATING ACTIVITIES</b>		
Cash Receipts from Customers	21	67,307,649
Cash Receipts from Foreign Income		10,106,208
Cash Receipts from Salary Grants (CHAM)	22	209,193,450
Cash Paid		
Cash Paid to Suppliers		(46,089,660)
Cash Paid to Hospital Operations		(23,112,740)
Cash Paid to Employees		(213,122,340)
Interest Paid		(725.85)
<b>Net Cash from Operating Activities</b>		<b>4,281,841</b>
<b>INVESTING ACTIVITIES</b>		
Cash Receipts from Sale of Property and Equipment		596,600
Cash Paid for Purchase of Property and Equipment		(4,211,964)
Interest Received		1,095.99
<b>Net Cash from Investing Activities</b>		<b>(3,612,076)</b>
<b>FINANCING ACTIVITIES</b>		
Cash Paid for Repayments of Loans		
<b>Net Cash from Financing Activities</b>		
<b>Net Cash Flow</b>		<b>669,765</b>

# INCOME

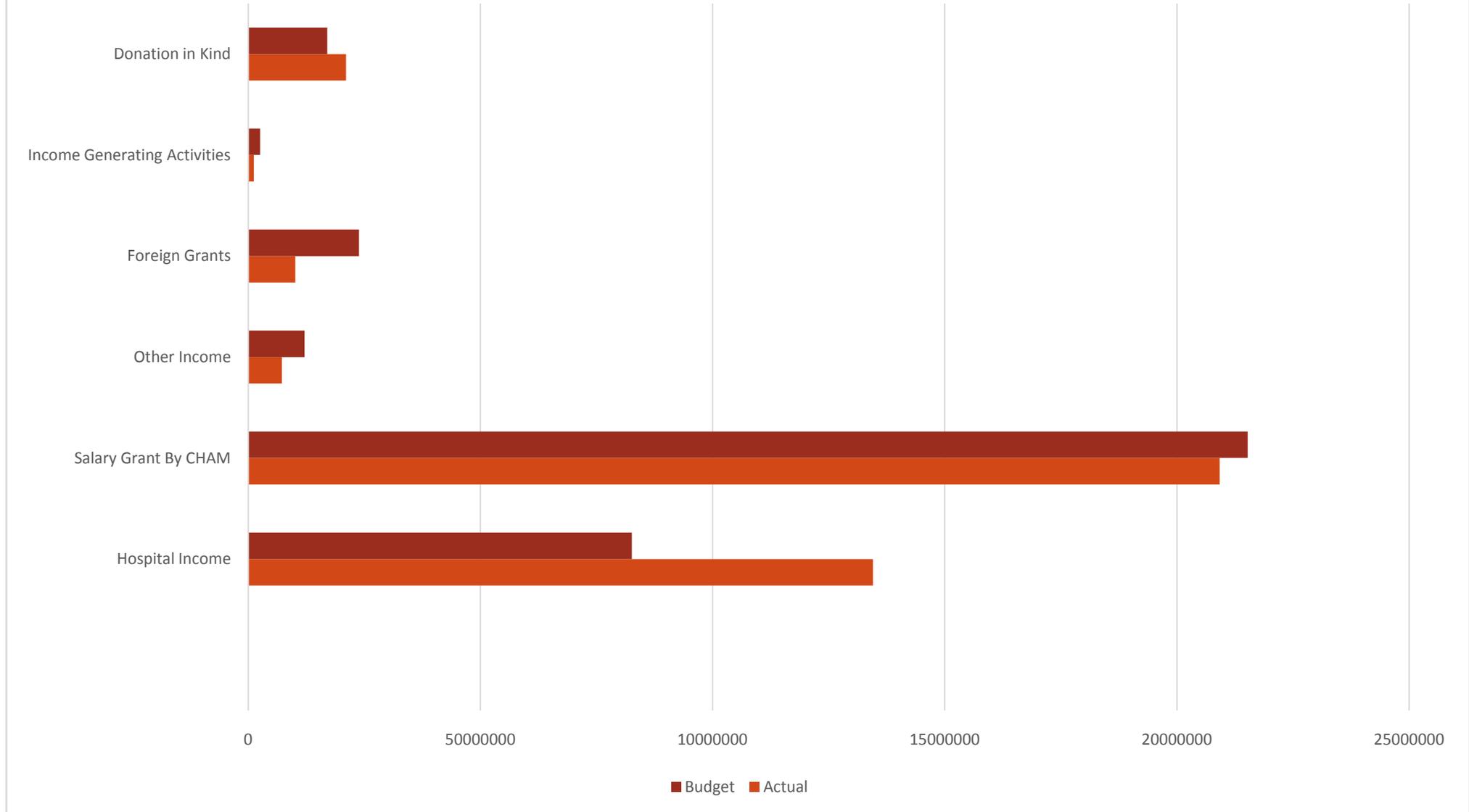


Figure 1.0: a graphical presentation of budget vs actual income for FY2016-17 half year.

# EXPENDITURE

Actual Budget

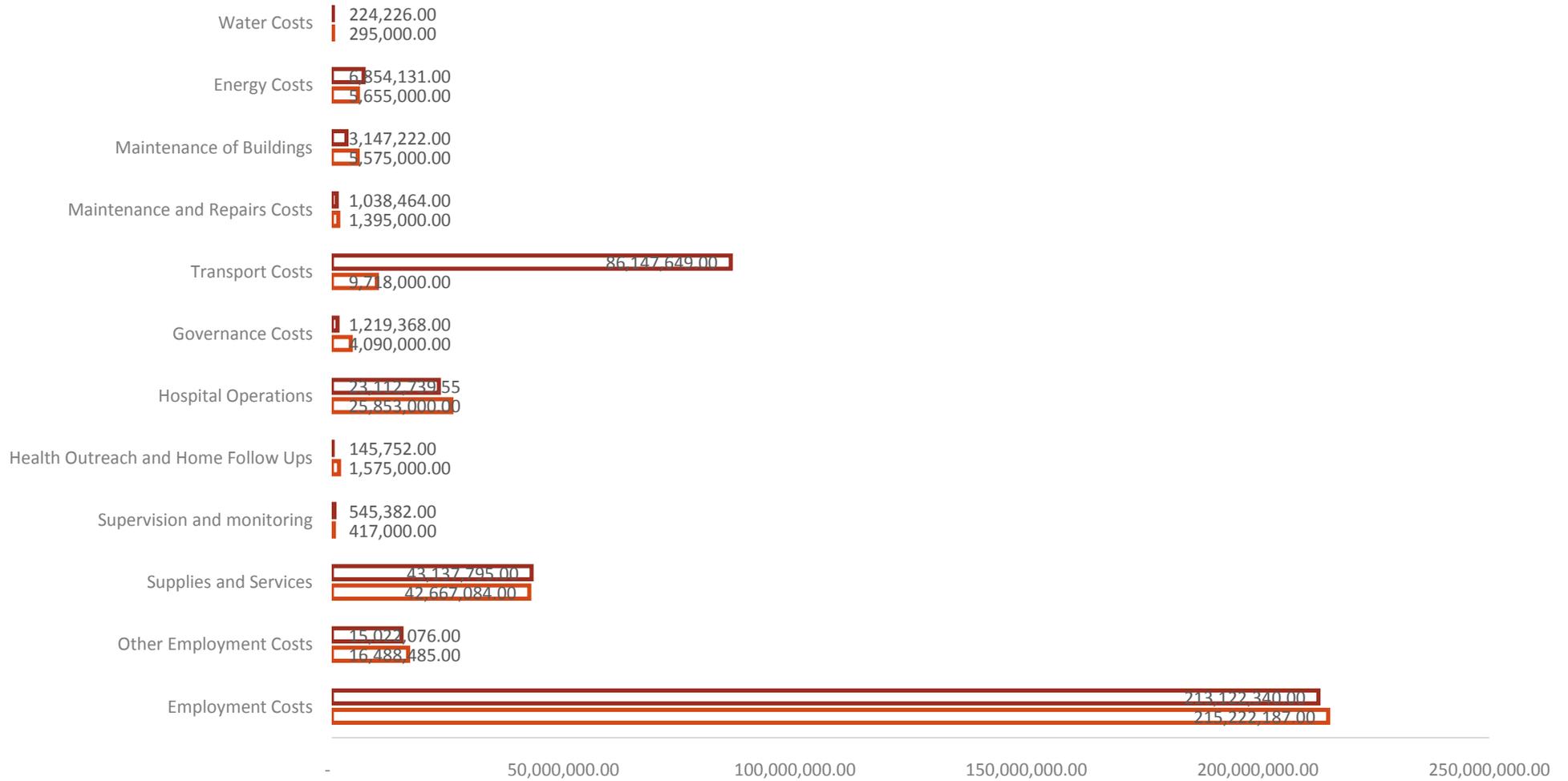


Figure 2.0: a graphical presentation of budget vs actual expenditure for FY2016-17 half year.

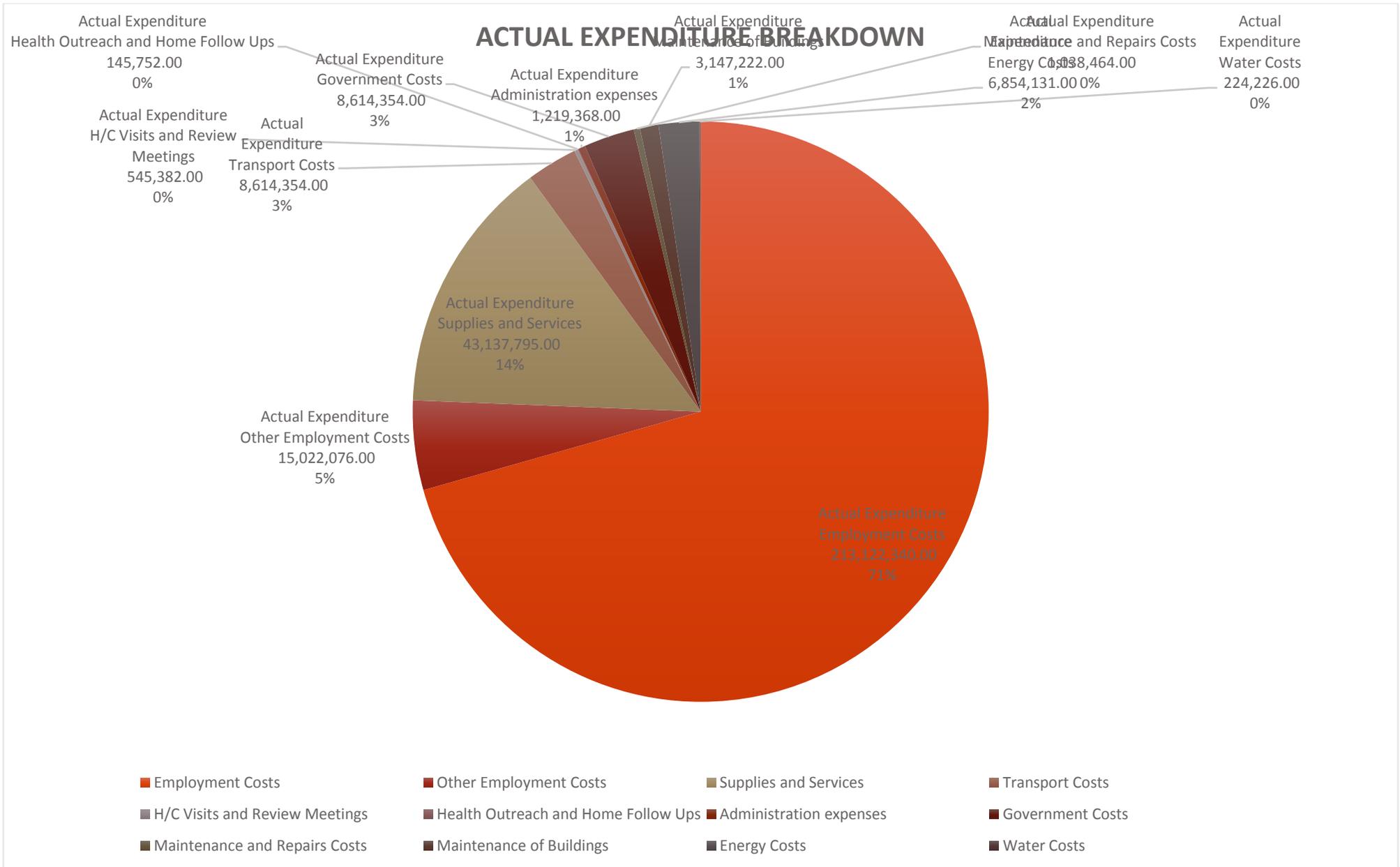


Figure 3.0: a chart presentation of actual expenditure breakdown for FY2016-17 half year.

### ACCOUNT PAYABLES VS ACCOUNTS RECEIVABLES

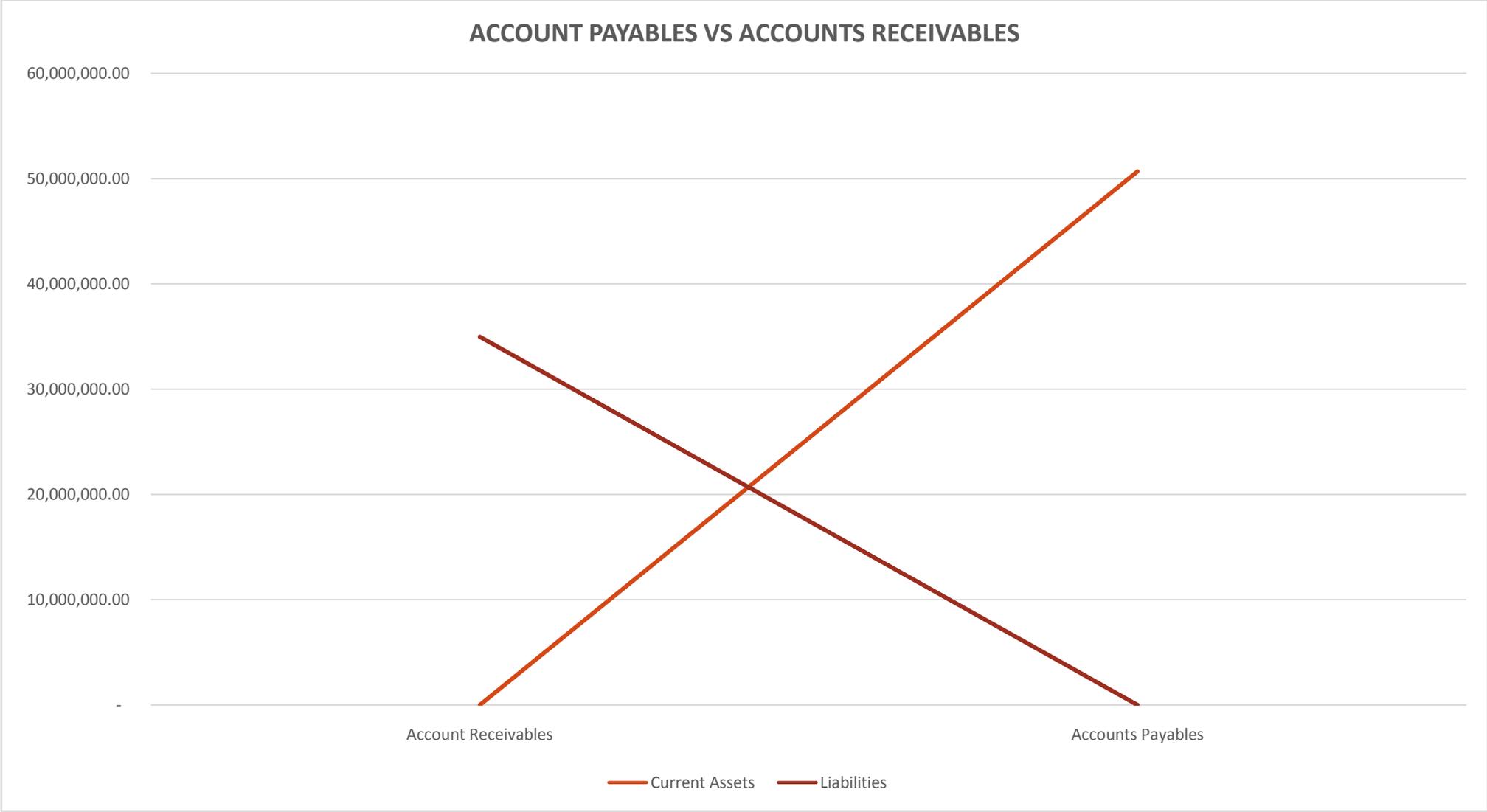


Figure 4.0: a graph presentation of accounts payables vs accounts receivables for FY2016-17 half year.

# Income and Expenditure Report Notes

## Income

### 1. Hospital Fees Income

In the first half of the financial year, the hospital generated income amounting to MWK 134.5million against the half year budget of MWK 82.6 million, achieving a budget performance rate of 162.8 percent. Detailed below is financial performance in terms of revenue per each health centre including St Luke's and Bishop Malasa Pvt Wing.

REVENUE CENTRE	BUDGET (6 MONTHS)	ACTUAL (6 MONTHS)	VARIANCE
Bishop Malasa Pvt Wing	13.3 million	15.3 million	2 million
Chilipa	4.8 million	5.4 million	0.6 million
Gawanani	3.9 million	7.1 million	3.2 million
Matope	6 million	6.2 million	0.2 million
Mposa	7.4 million	12.6 million	5.2 million
Nkasala	6.3 million	7.6 million	1.3 million
St Luke's	45.8 million	79.8 million	34 million

The favourable variance was mainly due to the following factors:

- i. The hospital had experienced increase patient patronage during the period under review.
- ii. Fees for SLA's were adjusted upwards by the government after the budget was made.
- iii. The hospital went into partnership with World Vision and Allianz worldwide care.
- iv. The hospital also negotiated with Partners in Health to increase monthly payment from MWK 0.6 million to MWK 1 million.
- v. The hospital had revised fees upwards by 10 percent only for health centres which was implemented in the reporting period and by 25% to medical insurances

### 2. Salary Grants from CHAM

In the period under review, the hospital received MWK 209.2 million in salary grants from CHAM against a semi-annual budget of MWK 215.2 million.

### 3. Other Income

The hospital received MWK 7.2 million from other sources against a semi-annual budget of MWK 12.1 million. The hospital received from the sources below:-

- a. Foreign students (Academish IFO Medica) - MWK 4.3million
- b. House Rentals - MWK 1.6 million
- c. Private Meals - MWK 0.4 million
- d. Sundry - MWK 0.6 million

### 4. Foreign Income

During the period under review, the hospital received earmarked funds amounting to MWK 10.1 million from various co-operating partners against a semi-annual budget of MWK 23.8 million. The funds were for the following projects:-

- a. Procurement of Local Drugs - Capricon Africa Trust
- b. Hospital Operations - The United Society
- c. Procurement of Local Drugs - St Luke's Foundation

#### **5. Income Generating Activities**

The hospital generated MWK 1.2 million from its Income Generating Activities (IGA) against a budget of MWK 2.6 million.

The hospital underperformed under this budget line because some planned activities were not carried out. For example kraal project in which the construction is still in process, drug store for which an appropriate room has not been identified and maintenance department has not as yet started making furniture for sale as was budgeted.

#### **6. Donation in Kind**

The hospital had budgeted for MWK 17 million in respect of Donation in Kind. During the period under review the hospital received MWK 21.1 million of which MWK 20.6 million came from St Luke's Foundation in a form of drugs. Some donations came from Intercare amounting to MWK0.5 million.

### **Expenditure**

#### **7. Employment Costs**

Out of the semi-annual budget of MWK 215.2 million the hospital paid out Salaries amounting to MWK 213.1 million. But about 1.8 percent of this amount which gives us MWK 3.9 million was borne by the hospital catering for six months salaries for casual laborers and other employees whose salaries were not funded by CHAM.

#### **8. Other Employment Costs**

Other employment cost went down to MWK 15 million from a budget of MWK 16.5 million. This was achieved mainly due to better financial prudence and increased Controls on staff medical bills and locums.

#### **9. Supplies and Services**

Our local drug purchases stood at MWK 43.1 million against a budget of MWK 42.7 million. The variance was as a result of rising of prices of drugs and other related items.

#### **10. Hospital Operations**

The hospital overall budget for hospital operations was MWK 25.9 million. As at 31<sup>st</sup> December 2016, the hospital; had spent MWK 23.1 million. This was mainly due to prudent financial management, besides high interest rates on the MWK9 million overdraft facilities at our First Merchant Bank Salaries and Main accounts and also increases in prices of materials due to harsh economic conditions.

## 11. Transport Cost

During the period under review the hospital budgeted for MWK 9.7 million, this considering that our fleet of vehicles is old and require a high maintenance cost. However, the hospital spent MWK 8.6 million.

## 12. Energy Costs

The hospital overspent on this budget line because it had procured more fuel for the generator as it experienced frequent power outages during the reporting period.

## Statement of financial position (Balance sheet) Notes

### 13. Property, Plant and Equipment

During the period of reporting, Property, Plant and Equipment were MWK 877.8 million detailed as below:

a. Office Equipment	-	MWK 3.6 million
b. Real Estate (Land and Buildings)	-	MWK 782.2 million
c. Plant and Machinery	-	MWK 17.2 million
d. Motor Vehicles and Bikes	-	MWK 13.5 million
e. Medical Equipment	-	MWK 39 million
f. Furniture and Fittings	-	MWK 3 million
g. IT Equipment	-	MWK 3.7 million
h. Hospital Fence	-	MWK 1.6 million
i. Anesthetic Machine	-	MWK14 million (donation)

### 14. Inventories

As at 31<sup>st</sup> December 2016, the hospital had MWK 16.8 million worth of inventory detailed as below:

a. Stores	-	MWK 3.8 million
b. Pharmacies	-	MWK 13 million

### 15. Accounts Receivables

In the period under review, the hospital offered services on credit amounting to MWK 63 million as detailed below.

a) Ministry of Health (SLA)	-	MWK56.5 million
b) Southern Region Water Board	-	MWK 0.3 million
c) MASM	-	MWK 3 million
d) ESCOM	-	MWK 0.6 million
e) Horizon Health	-	MWK 1.1 million
f) SunBird Ku Chawe	-	MWK 0.1 million
g) Malawi Revenue Authority	-	MWK 0.1 million
h) UNIMED	-	MWK 0.6 million

i) Dignitas International	-	MWK 0.05 million
j) Reserve Bank of Malawi	-	MWK 0.1 million
k) World Vision International	-	MWK 0.2 million
l) Allianz	-	MWK 0.07 million
m) Liberty Health	-	MWK 0.02 million

#### 16. Amount due from related parties

The hospital also offered services to other related parties amounting to MWK 4.2 million as per details below:-

a. ADUS Headquarters	-	MWK 0.6 million
b. Chilema ETCC	-	MWK 0.4 million
c. St Luke's Nursing College	-	MWK 3.1 million

#### 17. Cash and Cash Equivalents

As at 31<sup>th</sup> December 2016, Cash and Cash Equivalents were at MWK 5.1 million. The balances were as follows:-

a. Full Access Door to Door Account	-	MWK 0.1 million
b. Med Dep Building Project Account	-	MWK 0.5 million
c. Med Dep PHC AIDs Account	-	MWK 0.04 million
d. Med Dep DSM 7 Day Call Account	-	MWK 0.04 million
e. Med Dep DSM ADUS JCBP Account	-	MWK 0.1 million
f. Forex Account	-	MWK 4 million
g. Petty Cash	-	MWK 0.1 million

#### 18. Accounts Payables

During the period of review, accounts payables (creditors) amounted to MWK 36.2 million. The accounts Payables were as follows:-

a. Central Medical Stores	-	MWK 18 million
b. CHAM Secretariat	-	MWK 9.3 million
c. DR Hard Stationers	-	MWK 0.2 million
d. Kris Offset Screen Printers	-	MWK 0.04 million
e. Consumables Centre	-	MWK 0.03 million
f. Mbogah Hardware	-	MWK 0.1 million
g. New Building Bank	-	MWK 0.5 million
h. Pensions for staff	-	MWK 4.3 million
i. Britam Insurance	-	MWK 0.3 million
j. Barnett and James	-	MWK 0.2 million
k. Chikondi Mtekateka Car Hire	-	MWK 0.1 million
l. Chagwanjira and Company	-	MWK 0.2 million
m. Tendai Hardware	-	MWK 0.2 million
n. TO's Investment	-	MWK 0.3 million
o. Missie Motorcycle Garage	-	MWK 0.08 million
p. Malamulo College of Health Sciences	-	MWK 0.04 million

q. Promise Pest Control	-	MWK 0.03 million
r. Spar	-	MWK 0.05 million
s. Dc to Ac Electrical	-	MWK 0.06 million
t. Umali Hardware	-	MWK 0.02 million
u. Blessed Hope Electronics	-	MWK 0.1 million
v. TP Technologies	-	MWK 0.3 million
w. AFROX Limited	-	MWK 0.1 million
x. Gestetner Limited	-	MWK 0.4 million
y. D.M. Refrigeration	-	MWK 0.05 million
z. Angella Optical	-	MWK 0.05 million

#### 19. Amount due to related parties

In this period of reporting, the hospital liabilities due to related parties amounted to MWK 4.3 million. The liabilities were as follows:-

a. Chilema ETCC	-	MWK 0.1 million
b. Diocesan Headquarters	-	MWK 1.3 million
c. Malosa Secondary School	-	MWK 0.09 million
d. St Luke's Nursing College	-	MWK 2.2 million
e. St Luke's Hospital Employees (Leave Commutations and Relief Allowances)	-	MWK 0.7 million

#### 20. Bank Overdraft

As at 31<sup>st</sup> December 2016, the hospital overdraft facilities at our First Merchant Bank accounts were at MWK 6.4 million. The overdraft facilities were as follows:-

a. Salaries Account	-	MWK (5,336,831.21) million
b. Main Account	-	MWK (1,026,129.24) million

### Statement of Cash flow (Cash flow statement) Notes

#### 21. Cash Receipts from Customers

In the period under review, the hospital total cash receipts from customers amounted to MWK 67.3 million (Hospital Fees Income).

#### 22. Cash Paid to Suppliers

As at half year end, the hospital paid out cash to suppliers amounting to MWK 46.1 million. The hospital paid out funds for the following activities:-

a. Transport	-	MWK 8.6 million
b. Maintenance and Repairs	-	MWK 1 million
c. Maintenance of Buildings	-	MWK 3.1 million
d. Energy	-	MWK 6.9 million
e. Water	-	MWK 0.2 million
f. Medical Supplies and Pharmaceuticals	-	MWK 22.1 million

g. Communication	-	MWK 0.5 million
h. Linen	-	MWK 0.5 million
i. Income Generating Activities Materials	-	MWK 0.4 million

## Debtor's Age Analysis As at 31<sup>st</sup> December 2016.

Debtor	Total Amount	Current	30 Days	60 Days	90 Days Over
Machinga DHO	38,756,372.61	2,125,407.52	2,210,998.27	2,015,338.88	32,404,627.94
Zomba DHO	17,283,140.14	1,383,598.78	1,135,045.75	9,100,08.45	13,854,487.16
Neno DHO	467,157.4	-	-	-	467,157.4
SRWB-Zomba	315,096.25	22,031.25	165,295.00	48,240.00	79,530.00
SRWB-Liwonde	-	-	-	-	-
MASM	3,033,602.65	774,481.00	651,819.00	135,777.00	1,471,525.65
UNIMED	607,645.00	360,756.25	246,888.75	-	-
Horizon Health	1,079,995.75	430,217.75	294,121.00	51,005.00	304,652.00
Diocesan Headquarters	627,215.00	13,200.00	94,550.00	57,960.00	461,505.00
Chilema ETCC	471,489.00	121,674.00	53,270.00	72,990.00	223,555.00
St Lukes Nursing College	3,128,732.00	697,663.00	-	-	2,431,069.00
SunBird Ku Chawe Inn	122,145.00	-	35,550.00	83,220.00	3,375.00
Malawi Revenue Authority	101,249.00	70,815.00	5000.00	11,450.00	13,984.00
Dignitas International	55,575.00	55,575.00	-	-	-
Reserve Bank of Malawi	194,979.00	42,239.00	10,125.00	25,285.00	117,330.00
World Vision International	235,731.25	106,425.00	129,306.25	-	-
Allianz	74,187.5	-	74,187.5	-	-
Liberty Health	20,690.00	12,400.00	-	8,290.00	-
ESCOM	666,338.7	229,812.00	242,565.00	-	193,961.7
	<b>67,241,341.25</b>	<b>6,446,295.55</b>	<b>5,348,721.52</b>	<b>3,419,564.33</b>	<b>52,026,759.85</b>

Table 1.0: Debtor's Age Analysis for FY2016-17 half year.

### **SUMMARY**

**SLA Invoices = MWK 56.5 million**

**Drugs = MWK 10.7 million**

**Total = MWK 67.2 million**

## Creditors Age Analysis As at 31<sup>st</sup> December 2016.

Creditor	Total Amount	Current	30 Days	60 Days	90 Days Over
Central Medical Stores	18,001,474.20	-	-	-	18,001,759.85
CHAM Secretariat	9,349,451.97	-	-	2,995,882.92	6,353,569.05
DR Hard Stationers	249,484.75	-	-	-	249,484.75
Kris Offset Screen Printers	45,666.54	-	-	-	45,666.54
Consumables Centre	332,035.00	-	332,035.00	-	-
Mbogah Hardware	152,575.00	-	-	-	152,575.00
ADUS Water Supply	1,097,334.00	-	-	-	1,097,334.00
ADUS	30,000.00	-	-	-	30,000.00
New Building Society	573,548.53	-	-	-	573,548.53
Pensions-Employees	4,340,130.49	-	-	-	4,340,130.49
FMB Salaries Account	5,336,831.21	5,336,831.21	-	-	-
FMB Main Account	1,026,129.24	1,026,129.24	-	-	-
Britam Insurance	349,500.00	-	-	-	139,000.00
Malosa Secondary School	93,750.00	-	-	-	93,750.00
Barnet and James	202,225.00	-	-	-	202,225.00
Chilema ETCC	141,547.00	-	-	-	141,547.00
St Luke's Nursing College	2,214,252.00	-	-	-	2,214,252.00
Chikondi Mtekateka Car Hire	160,000.00	-	-	90,000.00	70,000.00
Chamgwanjimmjira and CO.	232,750.00	-	-	-	232,750.00
Tendai Hardware	251,493.75	-	-	-	251,493.75
TO's Investment	398,750.00	-	-	338,750.00	60,000.00
Missie Motorcycle Garage	85,300.00	-	-	-	85,300.00
Malamulo College	41,000.00	-	-	-	41,000.00
Promise Pest Control	35,000.00	-	-	35,000.00	-
Spar	57,667.00	-	57,667.00	-	-
DC to AC Electrical	66,605.00	-	-	-	66,605.00
Umali Hardware	23,707.75	-	-	-	23,707.75
Blessed Hope Electronics	125,000.00	-	-	125,000.00	-
TP Technologies Limited	330,657.50	-	330,657.50	-	-
Afrox Limited	171,092.00	-	-	-	171,092.00
Gestetner Limited	495,000.00	-	-	-	495,000.00
D.M. Refrigeration	55,750.00	-	55,750.00	-	-
Angella Optical	58,000.00	-	-	-	58,000.00
	<b>46,123,707.93</b>	<b>6,362,960.45</b>	<b>776,109.5</b>	<b>3,584,632.92</b>	<b>35,189,790.71</b>

# DEBTORS AND CREDITORS 90 DAYS (OVER) COMPARISON

90 Days Over 90 Days Over.

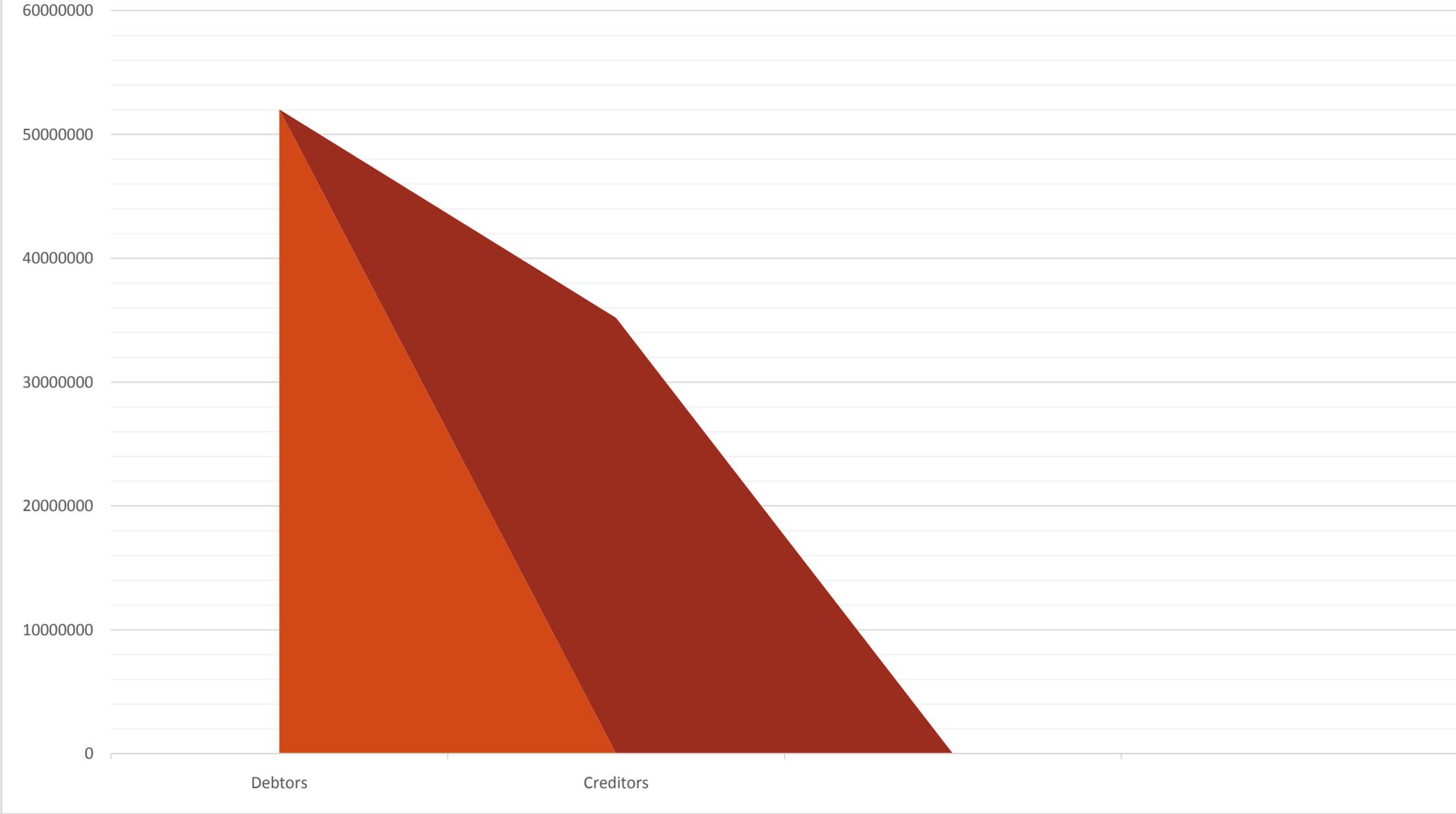


Figure 5.0: a graphical presentation of debtors and creditors 90 days age analysis comparison for FY2016-17 half year