



# ANNUAL REPORT 2022



## **Mandate**

The Zambia Flying Doctor Service is a grant-aided service delivery statutory board under the Ministry of Health that was created under an Act of Parliament No 37 of 1967 with amendment No 18 of 1972 and repealed by act No 25 of 1975 Chapter 298 of the Laws of Zambia. It was founded by Dr. James Lawless in 1965. The FDS Act provides for the establishment, management and development of the Zambia Flying Doctor Service.

The core business of ZFDS is to combat disease among and to promote the health and material well-being of the inhabitants of the rural areas of Zambia and also to provide aero-medical and other health services countrywide.

## **Vision**

*“A reliable and preferred aero-medical service provider contributing to sustainable quality health for all”.*

## **Mission**

*“To provide cost effective, quality and efficient aero-medical services in remote, rural and hard to reach areas and other parts of the country in order to combat human diseases and save lives”.*

### **Our Physical Location**

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Hangar No 1B at Zuze Airforce base,  
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## Board of Directors



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DR CHARLES MWINUNA



BRIG. GEN. LLOYD



MRS NSAMA SUE MOYOWE



DR MARTIN MUSOKOTWANE



ENGINEER FRANCIS PWAPWA





## Executive Management



DR GEORGE NG'UNI



DR GIFT CHIYOBEKA



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COL. LASFORD MANCHISI



MR MULENGA ZULU



MR NCHIMA MULOTA



MS JUSTINA KAPANDULA





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## **List of Abbreviations**

ADCH	-	Arthur Davison Children's Hospital
AIDS	-	Acquired Immune Deficiency Syndrome
ANC	-	Antenatal Clinic
ARI	-	Acute Respiratory Infection
ART	-	Anti-Retroviral Therapy
BCG	-	Bacille Calmette-Guerin Vaccine
B/S	-	Blood Slide
CMO	-	Chief Medical Officer
COVID-19	-	Corona Virus Disease 2019
CSO	-	Central Statistical Office
DMMU	-	Disaster management & Mitigation Unit
DHD	-	District Health Director
DHO	-	District Health Office
DPT	-	Diphtheria, Pertussis, Tetanus vaccine
FHI	-	Federation of Health Institutions
GF	-	Global Fund
GRZ	-	Government of the Republic of Zambia
Hep	-	Hepatitis
Hib	-	Haemophilus Influenza B
HIV	-	Human Immunodeficiency Virus
HF	-	High Frequency
HMIS	-	Health Management Information System
HRIS	-	Human Resource Information System
ICT	-	Information Communication Technology
IMCI	-	Integrated Management of Childhood Illnesses
IRH	-	Integrated Reproductive Health
IUD	-	Intrauterine Device
JSI	-	John Snow Incorporation
MCH	-	Maternal and Child Health
MEDEVAC	-	Medical Evacuation
MoH	-	Ministry of Health
MoU	-	Memorandum of Understanding
MoV	-	Means of Verification
MTEF	-	Medium Term Expenditure Framework
NHIMA	-	National Health Insurance Management Authority
NAPSA	-	National Pension Scheme Authority





NTH	-	Ndola Teaching Hospital
OPD	-	Out Patient Department
OPV	-	Oral Polio Vaccine
PCV	-	Pneumococcal Conjugate Vaccine
PBX	-	Private Branch Exchange
PEs	-	Personnel Emoluments
PHD	-	Provincial Health Director
PMTCT	-	Prevention of Mother to Child Transmission
PMU	-	Project Management Unit –MoH
PSMD	-	Public Service Management Division
RHC	-	Rural Health Centre
RV	-	Rotavirus Vaccine
SAFE	-	Supporting an AIDS-Free Era
SMS	-	Senior Medical Superintendent
STIs	-	Sexually Transmitted Infections
TDRC	-	Tropical Disease Research Centre
TB	-	Tuberculosis
TBAs	-	Traditional Birth Attendants
UNZAAWU	-	University of Zambia and Allied Workers' Union
UTHs	-	University Teaching Hospitals
VMMC	-	Voluntary Medical Male Circumcision
ZAF	-	Zambia Air Force
ZAMMSA	-	Zambia Medicine and Medical Supplies Agency
ZCAA	-	Zambia Civil Aviation Authority
ZRA	-	Zambia Revenue Authority
ZFDS	-	Zambia Flying Doctor Service
ZICTA	-	Zambia Information Communication and Technology Authority





## Glossary of Terms

1. Activity - A specific action taken
2. Budget of implementing - A quantification of the resources and the associated costs the plan within a defined time period.
3. Clinical Care with patient care. - All activities and expenses that can be directly associated
4. Golden Hour - The first hour after the occurrence of a traumatic injury, considered the most critical for successful emergency treatment
5. Objective - The desired end result of a set of actions.
6. Plan - The definition of what is to be achieved, how it is to be achieved and the resources needed for implementation
7. Prevention - Actions that are taken to preserve health. Primary prevention is intended to reduce the incidence of disease and injury
8. Priority - Something which is considered to be the most important. Priority might be a problem or solution.
9. Programme - Classification of activities based on what these activities are intended to influence.
10. The Service - Zambia Flying Doctor Service
11. Strategy - A planned approach for achieving an objective.
12. Specialist Outreach - Scheduled flight undertaken by Medical Specialists to attend to patients
13. Statutory Board - An institution established by an Act of Parliament
14. Accreditation - The process by which an Institution is objectively judged against pre-established standard in order to provide advice on needed improvements and public acknowledgement.
15. Administrative Costs - All activities and expenses related to the administration and general running of the institution that cannot be allocated to other cost centres, e.g., telephone costs, salaries etc.
16. Routine Flight - Scheduled flight to rural clinics undertaken by Medical staff to review as well as see patients.
17. Outreach Flight - A scheduled flight undertaken by medical staff involving camping of medical staff in rural clinics to carry out various medical activities e.g. immunisation, HIV/AIDS programme.





## **Chief Executive Officer's Overview**



As we embark on a renewed journey of becoming the leading and top preferred aero-medical service provider. Our focus on provision of cost-effective, quality, and efficient aero-medical services to remote hard-to-reach areas and other places countrywide is key as this is the sure way to contribute to the improvement of the well-being of our fellow citizens.

Collectively, the vision of the health reforms as a country is to “provide equity of access to cost-effective, quality health care as close to the family as possible”.

Clearly, there is inequitable access to basic health services in our country between provinces and between urban and rural areas. In urban areas, 99 percent of

households are within 5 kilometers of a health facility compared to 50 percent in rural areas. Additionally, Long distances, cost, and lack of transport in these rural and sparsely populated areas heavily contribute to the inaccessibility of health services. During Rainy Seasons, some of these rural areas are impossible to access due to floods and water-logged roads and airstrips. As a result, people die from preventable or curable ailments because they fail to get medical assistance in time, unable to travel the long distance to the nearest medical facility.

Owing to the above, the need for supplementary health service provision in the said areas cannot be emphasized and this squarely sits on us as Zambia Flying Doctor service.

With the recent appointment of our Board, the policy and strategic reviews have commenced, and as such we shall be able to operate within the confines of the approvals from the Board for enhanced Corporate Governance. Our operational oversight is now in place as there are adequate reviews of the Standard Operating Procedures, internal controls, and performance management.

This Annual Report outlines the major achievements and challenges encountered by the Zambia Flying Doctor Service (ZFDS) in the implementation of the programmes and activities for the year 2022. It also highlights the major activities to be undertaken by the organisation the coming year.





ZFDS continued to provide Aero-medical services to some of the hard-to-reach areas in rural Zambia despite having only one serviceable aircraft. These services were executed in collaboration with respective District Health Management Teams. The services included routine and specialist medical outreach activities, emergency medical evacuations, thus enabling Zambia Flying Doctor Service to contribute to the Ministry of Health overall theme of “Universal Health Coverage”.

However, ZFDS faced a number of challenges during the year under review. Some of these challenges included:

- Lack of a Board – Resulted in delays or non-implementation of decision requiring board guidance;
- Inadequate number of serviceable aircraft - The other aircraft remained grounded pending engine overhaul since 2017;
- Institutional (Statutory) – as at 31<sup>th</sup> December, 2022 stands at f K 12,831,812 (ZRA – K9, 699,155 and NAPSA – K3, 132,657).

In order to improve its financial base and supplement Government funding, ZFDS intends to revise the Strategic Plan and develop a business Plan that will clearly outline strategic direction and revenue generation activities respectively for the coming year 2023.

Zambia Flying Doctor Service needs full recapitalization to acquire adequate and appropriate aircraft to enhance service delivery and consequently contribute to the realization of the government’s theme of “Universal Health Coverage”.

The Grant from the Government has been increased from K 23,412,374 in 2021 to K 30,707,989 in 2022. Despite this increase, the service will endeavour to engage in income generating activities to cover up the deficit in the budget in order to improve on provision of aero-medical services countrywide.

Management is therefore pleased to submit this Annual Report to the Government of the Republic of Zambia and fully commits itself to work with the Government of the Republic of Zambia, Ministry of Health and partners in its implementation.

**Dr George Ng’uni**  
**Chief Executive Officer**



## Acknowledgements

The 2022 Annual Report has been developed through reviews and consultations with Management, UNZAAWU leadership and staff of ZFDS. The following ZFDS core planning team members deserve special mention: -

- |                                    |   |
|------------------------------------|---|
| • Dr. George Ng’uni                | - Chief Executive Officer                     |
| • Dr. Gift Chiyobeka               | - Director Medical Services                   |
| • Mr. Mulenga Zulu                 | - Director Finance & Administration           |
| • Mrs. Luyando Mbilika- Shimalukwe | - Director Legal Services & Corporate Affairs |
| • Col. Lasford Manchisi            | - Director Aviation Services                  |
| • Dr. Chilambwe Mulenga            | - Chief Medical Officer                       |
| • Mr. Dick Chama Chilatema         | - Chief Security Officer                      |
| • Mr. Star Kabuta                  | - Chief Engineer                              |
| • Mrs. Hildah Simulambo            | - Chief Inspector                             |
| • Ms. Justina Kapandula            | - Chief Procurement Officer                   |
| • Mr. Nchima Mulota                | - Chief Internal Auditor                      |
| • Sr. Margaret Mbuzi               | - Chief Nursing Officer                       |
| • Mrs. Racheal Hanyimbo Imasiku    | - Senior Manager Mgt. Accounts                |
| • Mr. Ken Nguvu Makayi             | - Senior Manager Human Resource               |
| • Mrs. Mwaba K Kahiyura            | - Financial Accountant                        |
| • Mr. Mbulo Steve                  | - Quality Assurance Manager                   |

I also wish to acknowledge strategic support from the following:

- The Honorable Minister of Health, Permanent Secretaries and all Directors at MoH;
- Managing/Executive Directors: Zambia Medicines and Medical Supplies Agency, TDRC, and others;
- Copperbelt PHD, UTHs, SMSs of NTH, KTH and ADCH and Ndola DHD and others.

### **Luyando Mbilika- Shimalukwe**

Director Legal Services & Corporate Affairs



## 1. Departments

The Zambia Flying Doctor Service has the following Departments

- i. Medical Services Department
- ii. Aviation Department
- iii. Finance and Administration Department,
- iv. Legal Services and Corporate Affairs Department
- v. Internal Audit Department
- vi. Procurement Department

Each Department is led by a Departmental Head who is a member of the Executive Management Team, Headed by the Chief Executive Officer.

## 2. Establishment

The total establishment of Zambia Flying Doctor Service as at 31<sup>st</sup> December, 2022 is 140 employees.

## 3. Reporting Lines

The Zambia Flying Doctor Service has an Eight Member Board appointed by the Honourable Minister of Health. The Zambia Flying Doctor Service Chief Executive Officer reports to the Board of Directors and is aided by management directors who report directly to the Office of the Chief Executive Officer.

## 4. Operations Of The ZFDS

The ZFDS is in the process of developing a new strategic plan with the last plan having expired in the year 2019. Under that plan, the Core mandate of the ZFDS is adequately explained in the mission statement which is

***“To provide cost effective, quality and efficient aero-medical services in remote, rural and hard to reach areas and other parts of the country in order to combat human diseases and save lives”.***

ZFDS is a grant-aided statutory body under the Ministry of Health that is funded by the Government of the Republic of Zambia with the annual grant being Thirty Million Seven Hundred (ZMW30, 700,000.00). Additionally, the Service runs a medical centre in Ndola which is NHIMA accredited and generates approximately 13.1% of the total monthly operational expenditure.

While the service receives funding from the Government, the funds are grossly insufficient due to the scope of work as the bigger part of Zambia is rural and requires



supplementary primary health care as well as specialist health services. This effort by the Government should be fully supported by strategic partners to bridge the gap in operational logistics, funding, and capital expenditure.

To achieve this, the ZFDS has commenced the process of reviewing the strategic plan for the period 2022 to 2026, which plan will have a significant focus on non-state actor funding and support.

#### **4.1 Challenges faced in the operations**

From its inception, ZFDS has recorded many successes. However, for the last eight (8) years, the service declined drastically due to the below-listed factors;

- i. The Zambia Flying Doctor Service operated without a board for the period June 2016 to August 2022 and this had a negative effect as policy decisions could not be implemented in the absence of the board.
- ii. No substantive Chief Executive Officer from September 2018 until May 13th, 2022, this had caused negative operational oversight which led to gross underperformance during the period without the substantive Chief Executive Officer.
- iii. The Zambia Flying Doctor Service has not been recapitalized for a long time, and this has resulted in the following:
  - a. Inadequate types of aircraft. Currently, ZFDS has two fixed-wing aircraft, but only one is operational. The other one has been grounded since 2017 pending engine and propeller overhaul; Therefore, the required amount for the overhaul of the aircraft engine and propeller is estimated at US\$650,000.
  - b. No pressurized aircraft and no helicopter, which are very critical in emergency Road Traffic Accident evacuations and hard-to-reach areas affected by changes in weather conditions;
  - c. Inability to procure critical medical evacuation equipment i.e. Advanced life support equipment making it challenging to carry out some emergency medical evacuations for critically ill patients with an estimated cost for the procurement of the base and stretcher systems as well as other components of the advanced life support equipment is US\$200,000.00 per aircraft;



- d. Inability to construct new airstrips in several areas in Zambia which are still hard to reach and require Aeromedical services. Additionally, the conversion of the existing airstrips from gravel to bituminous standards could not be achieved.
- i. Lack of adequate office space and land allocation for development, as the current Headquarters of the ZFDS is situated at Zuze Airforce base in Ndola, which premises were formally managed by the Zambia Airport Corporation.
- ii. The Zambia Flying Doctor Service was inadequately funded for the period before 1<sup>st</sup> January 2022, this led to the following;
  - a. The Service had insufficient remuneration funds, and thereby could not attract Talent in the Medical and Aviation departments of the service.

The lack of adequate manpower in medical personnel has also proved to be a challenge as the need for service delivery is of utmost importance and the current Budget allocation is not sufficient to employ more healthcare personnel to full capacity thereby compromising the delivery of services.

- b. It was practically impossible to carry out the mandate of the service and almost all the planned outreaches were not able to be actualized and done.
- c. Accumulation of huge statutory debt, ZFDS being a statutory Body funded by the Government of the Republic of Zambia was underfunded in the years 2016, 2018, 2019, and 2020, by K1, 349,256, K 5,616,965, K 7,567,392, and K 5,615,450 respectively. The total underfunding for the period amounted to K 19,649,063. This underfunding greatly affected operations which resulted in the low rate of activities and the accumulation of statutory debts, which to date have not been paid.

## **4.2 Way Forward**

Owing to the above, the need for supplementary health service provision through the ZFDS cannot be overemphasized. However, considering the challenges outlined above which are bordering majorly on operational and capital expenditure, it is critical that the following measures are urgently put in place on the backdrop of the recent appointment of the Board and the Substantive Chief Executive Officer:



**i. Recapitalisation of the Service and Increase in OPEX**

A complete recapitalization of the service will allow the ZFDS to acquire the much-needed Aeromedical equipment i.e., helicopters (2), advanced life support systems (2), and twin-engine aircraft (1) to be used in providing primary and specialized health service in the rural and hard to reach parts of Zambia.

While there is recognition and appreciation of the recent increase of the annual grant from twenty-six million (ZMW26, 000,000.00) to thirty million seven hundred thousand (ZMW30, 700,000.00) in January 2022, the operational funds still need to be further increased so as to enable the service to achieve the following: -

- a. Employ a full staff complement in all critical operational areas for improved and sustainable service delivery;
- b. Increase the number of routines and specialized medical outreaches so as to cover larger populations living in the far, hard-to-reach parts of Zambia;
- c. Increased Ability to provide effective and timely mechanical service to all aviation equipment for sustainable provision of aeromedical services.

**ii. Enhanced Corporate Governance.**

With the appointment of the ZFDS board in August 2022, the policy and strategic reviews have commenced, and as such the Service will be able to operate within the confines of the approvals from the Board. Additionally, having appointed a substantive Chief Executive Officer, operational oversight is now in place as there is an adequate review of the Standard Operating Procedures, internal controls, and performance management through the following turnaround strategies;

**a. Improvement of referral system.**

ZFDS has commenced the process of establishing a national contact centre to be used for nationwide coordination of emergency medical responses, regional and district ambulance service coordination, Telemedicine, and the coordination of medical information with all major health facilities and related key stakeholders in the country.



**b. Identification of new hard-to-reach areas.**

In collaboration with traditional leaders, civic leaders, and provincial/ district Health directors the service has started the project focusing on the identification of new rural dwellings in hard-to-reach areas. This is to construct clinics and airstrips in ensuring that the newly established sites are incorporated into our routine and specialized medical outreach programs.

**c. Deployment of technology in Aeromedical services.**

For Improved service delivery, ZFDS has commenced the project of implementing Drone technology with cooperating stakeholders such as the Zambia Medicines and Medical Supplies Agency (ZAMMSA), Disaster Management and Mitigation unit (DMMU), and the Zambia National Blood Transfusion Service (ZNBTS). The target audience is health facilities in both rural and urban areas. In urban areas, facilities will benefit from receiving commodities within the shortest period when there is an emergency unlike waiting on land transport which is usually delayed by traffic congestion. In rural areas, the turnaround time for both sample collection, drug/blood products, and medical results delivery which currently relies on land transport will be supplemented with the use of drones. Vaccine's delivery to affected areas for both routine and epidemic control will also be enhanced.

In addition, in times of any massive disaster either due to natural or artificial causes, drones will be handy in capturing real-time photos or videos to assist the Service and other stakeholders to implement appropriate interventions within the shortest possible time.

**d. Enhanced internal revenue generation.**

The Establishment of new AeroMED centres in Lusaka, Solwezi, and Livingstone and the rehabilitation of the current AeroMED Centre into a world-class clinic furnished with relevant medical equipment for increased internal revenue generation.

**e. Increase Collaboration with Key stakeholders and partners.**

ZFDS is in the process of collaborating with key stakeholders by ensuring Memoranda of understanding with the Zambia Air force (ZAF), the Zambia Medicines and Medical Supplies Agency (ZAMMSA), and the Zambia National Blood Transfusion Service (ZNBTS). This will aid the service in operational support and a self-generating income ability for reduced reliance on the government grant.



**f. Mobile Units reallocation.**

The Government of the Republic of Zambia in the year 2011 procured Mobile units with specialized equipment which have been disbursed in all ten (10) provinces of Zambia and are currently being used sub-optimally. The ZFDS is therefore requesting that all the mobile units be reallocated and given to the service. This would aid ZFDS in carrying out its mandate to far-flung areas during outreaches and all health services that can be found at the general hospital level going downwards to the health post level shall be offered in rural and remote areas of our country.



# Executive Management Report

## 5.0 MEDICAL DEPARTMENT

### 5.1 Introduction

This report covers the medical performance against the annual targets for 2022 as set from the action plan for 2022 to 2024, this report includes all the activities done at the static site (AeroMED centre) and all the routine and specialized outreaches. The department's core objective is to provide quality aero medical and primary health care to remote and hard to reach areas so as to promote the wellbeing of people in their communities. Throughout the reporting year, the department carried out the following strategies to meet both the quarterly targets and the annual targets.

- Increase on the number of medical evacuations both by land and air in quarter four, prioritising patients in rural areas with limited specialized care;
- Conduct Medical and specialised outreach programs in remote and in hard-to-reach areas;
- Conduct routine dental and eye health services both at static and hard to reach areas;
- Work with partners in offering ART services at AeroMED;
- Increase integrated reproductive health and child health week both in hard-to-reach areas and at AeroMED;
- Increase access to diagnostic and pharmacy services in hard to reach and AeroMED.

In this report, performance is measured by comparing similar periods (2021 and 2022).

### 5.2 Strategies

#### a. Emergency Medical Evacuation

Emergency medical evacuations are part of the organizations core mandate, the table below illustrate performance against the set targets.



Indicator	Annual Target	Achievement		Comment
		2021	2022	
No. of emergency patients evacuated and attended to per annum.	24	11	32	Comparing 2021 to 2022, the department recorded a 88% increase in the number of medical evacuation and met the annual targets. 68% of medical evacuation were done in quarter 3 and 4 of 2022.

Majority of patients were evacuated by air 81% (26/32) while 19% (6/32) were done by land. Overall, 75% (24/32) were requested by Ministry of health, 22% (7/32) by private and 3% (1/32) was Zambia flying Doctor service.

SURGICAL CONDITIONS		
	Name	Sex/Age
1	C V	M/30
2	B S	M/37
3	F M	F/9/7
4	M R	M/64
5	M M	M/22
6	H C	M/A
7	L C	F/18
8	Z R	M/70
9	R N	F/59
10	P S	M/35
11	L S	F1yr 4mo
12	A S	M/A
13	M H	F/29
14	E M	F/18
15	E S	M/30
16	M N	F/A
17	NEONATE	neonate
18	M M	F/20
19	R S	F/18
20	R C	F/17
21	G Z	M/21
22	D M	M/65



23	ZR	M/70
MEDICAL CONDITIONS		
1	B C	M/37
2	M M	F/34
3	K K	M/69
4	G N	M/50
5	Z M	F/80
6	Z M	F/80
7	O C	M/15
8	G M	M/55
9	C M	M/67

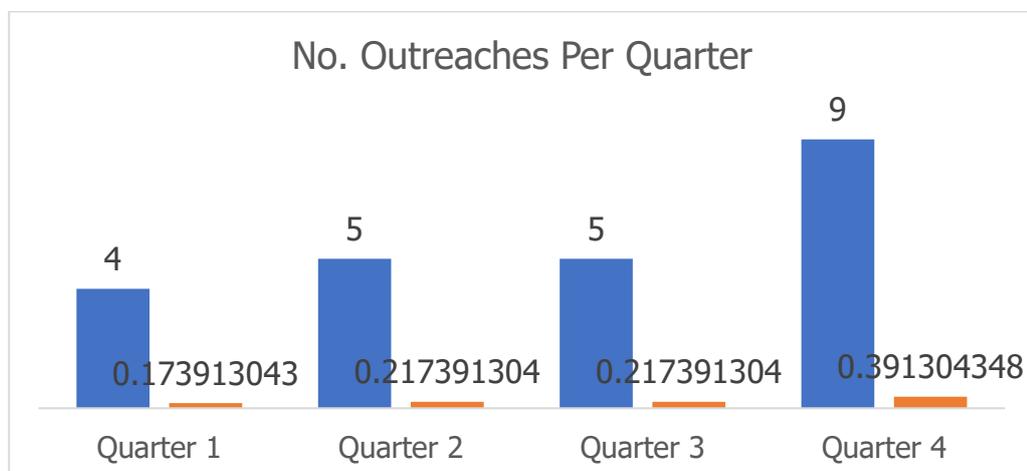
The following are the patients who were evacuated in 2022 reporting period.

The department received numerous requests but managed to conduct 32 of which 24 were MOH generated from different provincial and district health offices, 7 were requested by private families and 1 was initiated by the organization during a scheduled outreach program. Out of the total number evacuated 2 were jointly carried out with Zambia Airforce.

**b. Routine and Specialized Medical Outreach**

Zambia Flying Doctor Service conducted twenty- three (23) outreach programs in different parts of the country. In line with the core mandate of the Service, the Service carried out the mandate by targeting remote and hard to reach areas.

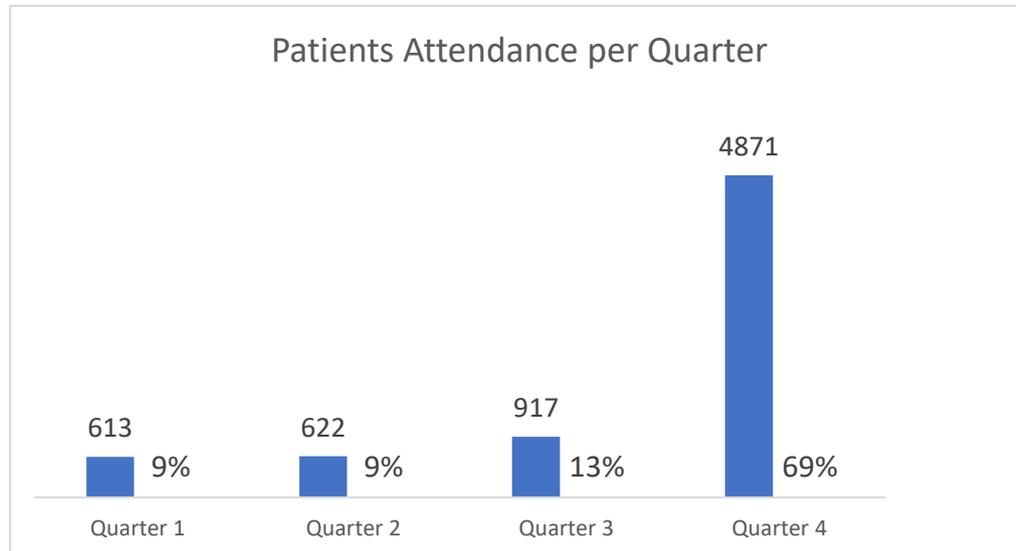
The figure below shows the number of outreaches conducted per quarter in this reporting year.





In quarter three and four, new areas were identified and cumulatively a total of 7023 patients were screened and managed from different communicable and non-communicable diseases.

The figure below shows the attendance of patient in each quarter.



The figure above shows the distribution of patients in the year ending 2022, in this reporting period the majority of patients were seen in quarter 3 and quarter 4, this was due to an increase in the number of outreach and facilities that were visited.

### c. Medical Outreach

The table below show performance against the annual target set for the year 2022.

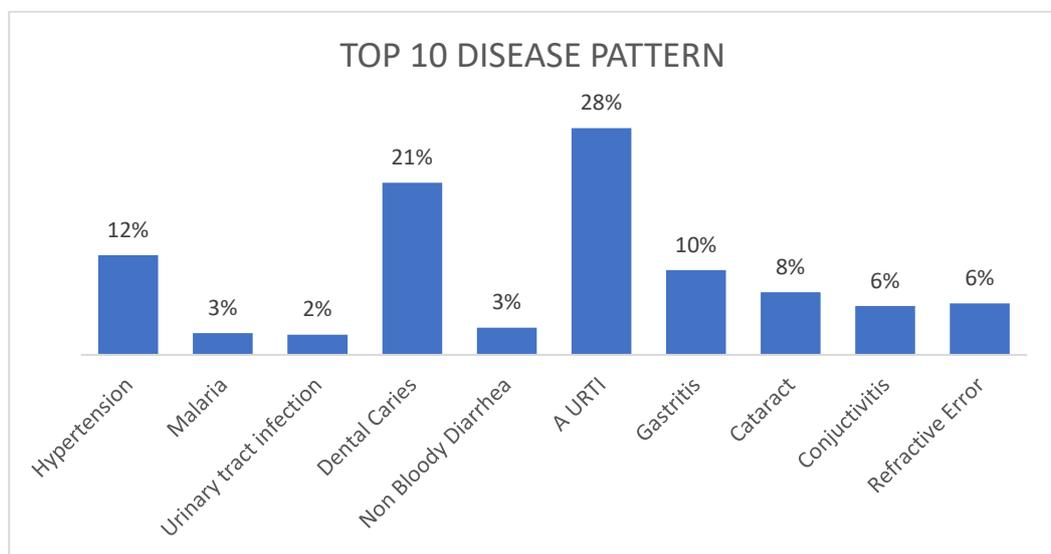
Indicator	Annual target	2021 Achievement	2022 Achievement	Comment
No. Medical outreach programs	24	10	17	The achievement against the annual target was 71% (17/24), majority of the outreach programs were conducted in quarter 3 and 4. Overall the annual target was not achieved but depicted an increase from 10 to 17.



No. of Health facilities visited	72	10	76	Despite not meeting the annual targets for the number of outreaches, the Service achieved the target for the number of facilities visited. More facilities were visited in 2022 as compared to 2021.
No. of patients seen during the outreach	3600	1145	7023	The team achieved a 195% (7023/3600) against the annual target.

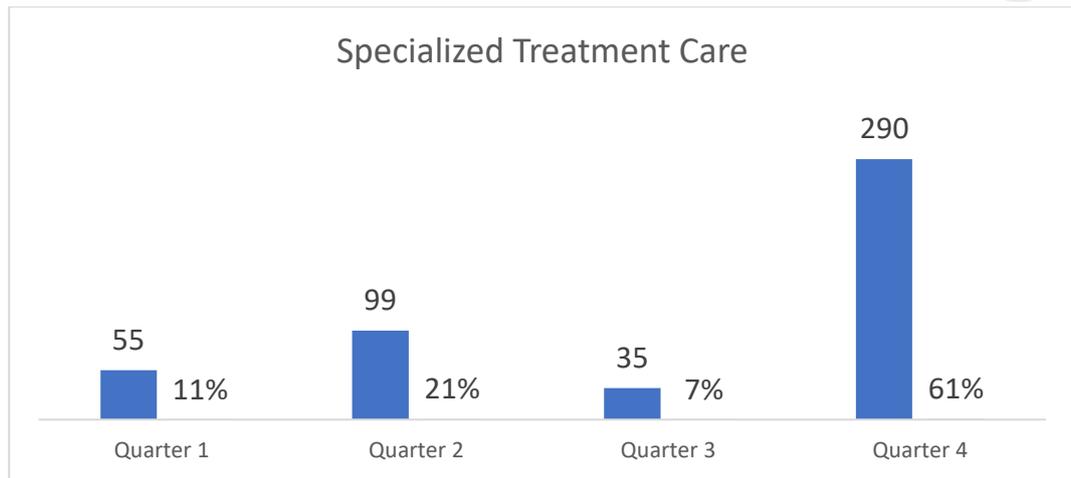
#### d. Disease and Treatment Pattern

Remote and hard to reach areas remains vulnerable to both communicable and non-communicable diseases, in this reporting period the Service endeavored to offer primary health care ranging from screening, diagnosis and treatment at no cost to the members of the communities. Below are the top ten diseases that were encountered in 2022.



#### e. Specialist Treatment

Specialized health care services were included in most of the outreaches that were conducted throughout the year, specialized treatment included surgical operations, obstetric emergency and elective management of both obstetric and gynaecological cases. The figure below illustrates performance of the Service per quarter and comparing 2021 and 2022.



The Service performed very well in quarter four as compared to the rest of the quarters. In quarter four alone 290 patients were attended to by surgeons, gynecologist and ophthalmologist. It is in this quarter alone that the ophthalmologist were engaged to be part of the outreach activities and were stationed at Kalabo and Zimba district hospitals.

The table shows performance against the annual target set in the action plan and comparing 2021 to 2022.

Indicator	Annual target	2021 Annual Achievement	2022 Annual Achievement	Comment
No. of health facility visits	24	10	16	Specialists comprised of surgeons, obstetrician and ophthalmologists and were stationed at the district's hospitals during the all period of the outreaches. In this reporting period the Service achieved 67% (16/24).
No. of patients seen in the reporting period under review	290	37	479	A total number of 479 patients were attended to and offered specialized treatment.



**f. Routine Dental Health Services**

Dental department has been part of all the outreach programs that were carried out throughout the year, the commonest diseases encountered was the dental carries and the services that were conducted included routine dental check-ups, oral health education and sensitization to procedures such as extraction. This table shows performance against the annual targets.

Indicator	Annual Target	2021 Annual Achievement	2022 Annual Achievement	%
No. of Dental attendances per year per annum	900	503	1819	202%
No. of Special Oral Health programs conducted in the rural communities and schools per annum	4	1	1	25%
No. of clients screened special oral health programs in the rural areas and schools	2500	69	241	10%

The department performed very well in 2022 as compared to 2021, more patients benefited from the dental department with majority of patients with dental carries ending up with tooth extractions.

**g. Eye Health Services**

Almost all the planned outreaches for 2022 were conducted with the eye department as part of all the outreach activities. The Service performed fairly well in quarter three and four with more patients benefiting from eye health screening and treatment. In the last two quarters, reading glasses were distributed in all the outreaches that were conducted and one health education focusing on prevention and common illness relating to eye health was conducted in North Western Province. The table below shows performance against the set targets.



Indicator	Annual Target	2021 Annual Achievement	2022 Annual Achievement	%
No. of attendances for eye health services per annum	1610	813	1688	104%
No. of Special Eye Health programs conducted in the rural communities and schools per annum	4	0	1	25%
No. of clients screened under special eye health programs in the rural communities and schools per annum	2500	0	625	13%

In 2022 more patients were attended to as compared to 2021 and the Service achieved 104% against the annual targets.

#### **h. Static Routine Medical Services**

Static medical services are only offered at AeroMED centre in Ndola with services ranging from general screening, laboratory services, pharmacy, eye and dental health services. Patients accessing medical services at AeroMED have continued to increase and a total of 1701 in 2021 as compared to 7727 in 2022. This great improvement has been due to introduction of 24hour services at the centre with more medical staff employed to manage the centre.

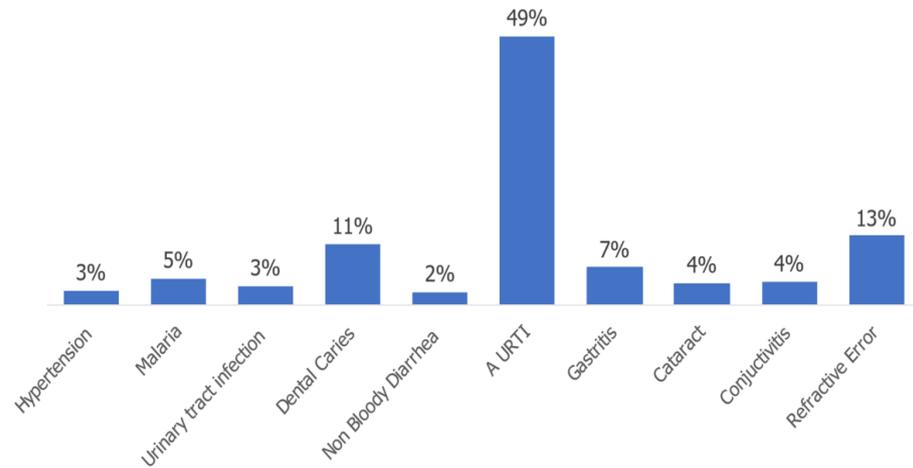
The table below shows outpatient department attendance disaggregated by age and sex in 2022.

Age Range	Male	Female	Total	%
< 1	289	129	418	5%
1 – 4	306	268	574	7%
5 – 14	312	316	628	8%
15 – 34	786	1009	1795	23%
35 -49	812	1012	1824	24%
50 +	1063	1425	2488	32%
Total	2138	5589	7727	100%

The diagram below shows the top ten diseases that were diagnosed on patients attended to as first attendance only in outpatient department.



## TOP 10 DISEASE PATTERN

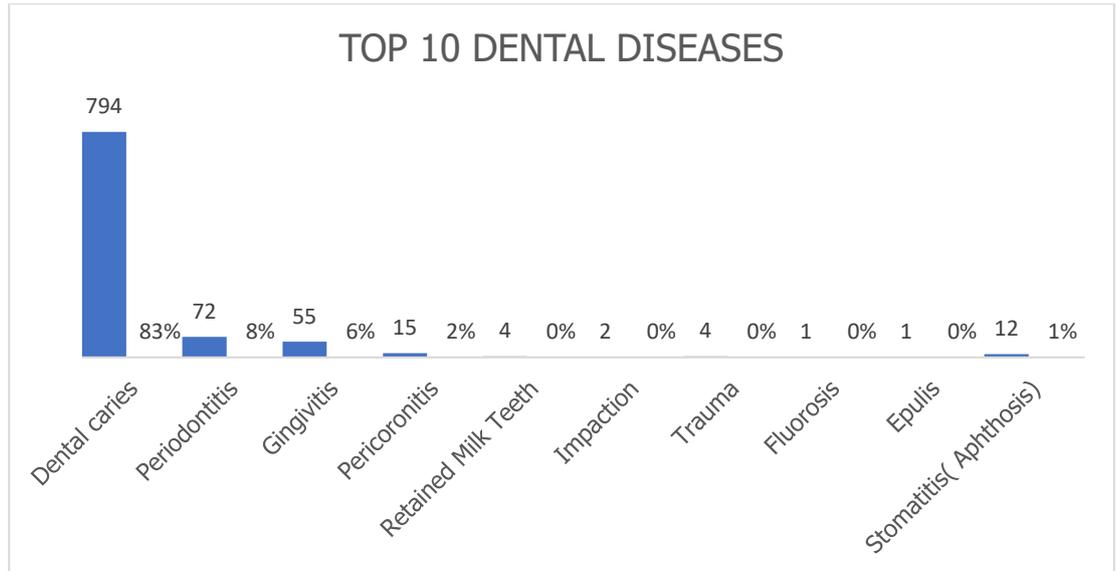


**i. Dental Health services**

The commonest disease in this reporting period was Dental caries, this was observed among all the age groups. The table below shows the static performance at AeroMED center.

Indicator	Target	2021	2022 Achievement	Comment
No. of attendances for dental health services	900	503	960	With the introduction of NHIMA at the AeroMED centre, the centre recorded high number of patients in quarter 3 and quarter 4 with the most common illness being dental carries and the common procedure done was tooth extractions.

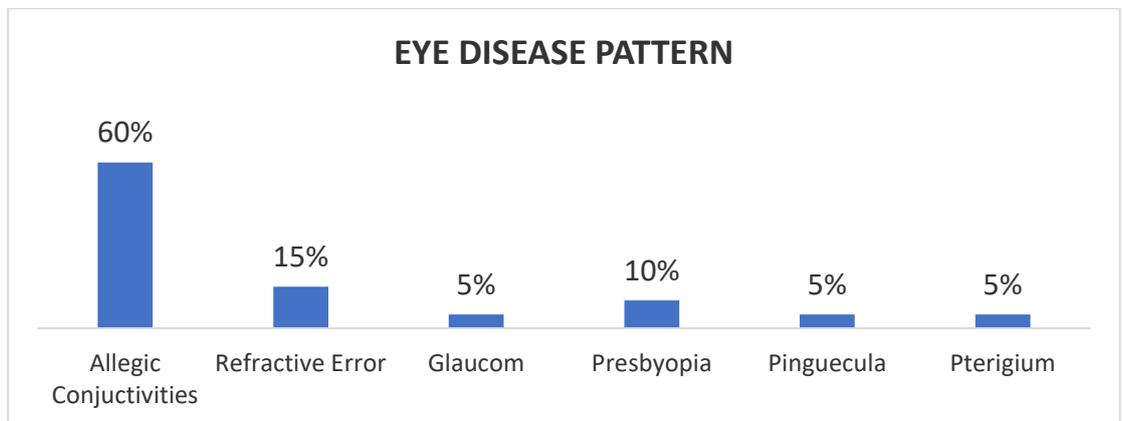
The top 10 diseases pattern in 2022 is illustrated in the figure below, with dental carries making up 83% of all the diseases that were diagnosed, stomatitis, fluorosis and epulis were the least common diseases that were seen.



**j. Eye Health Services**

In this reporting period the eye department recorded an increase in the number of patients at AeroMED centre. The figure below shows the annual performance.

Indicator	Target	2021 1610	2022 Achievement	Comment
No. of attendances for eye health services	1610	831	1026	Equally, the eye department recorded high numbers of patients in quarter 3 and quarter 4 due to the increased number of operational hours and the robust sensitization programs carried out by the Service.



**k. Diagnostic services**

Laboratory department has continued to offer quality investigation from the requests that the department received. Majority of tests (74%) were done at AeroMED centre while 26% were done in outreaches.

At AeroMED the department has shown a steady increase in its achievement against annual target due to the introduction of the 24hour service. Below is performance against targets and the table of the different tests done in quarter three.

Indicator	Annual Targets	2021 Achievements	2022 Achievement	Comment
Number of laboratory investigations carried out	9000	9201	15650	Cumulatively the Service has done 15650 different investigations from 32 available tests and this was an increment from the 2021 achievements.

**l. Investigations done in quarter three**

S/N	TESTS	POSITIVE	NEGATIVE	TOTAL	COMMENT
1	Malaria RDT	1031	2445	3476	The positive was high among the patients with symptoms of Malaria (30%) in 2022 with Quarter four recording the majority of cases.
2	B/S	876	151	1027	Majority of the patients tested through blood slide was equally high among patients with symptoms of non-complicated malaria.
3	HBHaemacue				This test is prioritized for outreach programs.
4	Covid -RDT	67	215	282	282 Covid 19 Antigen test were done and 24% were positive, Covid-19 was most common in December.
5	FBC			1410	This was the second most common test that the clinicians requested for.



6	Urine			768	These were both urinalysis and microscopy sensitivity and culture.
7	Stool			26	These were the microscopy sensitivity and culture examinations.
8	HIV	24	310	334	Positivity yield for HIV was at 7% in this reporting period.
9	RPR	106	844	950	These tests were mostly conducted among PLHIV and Antenatal mothers.
10	Gravidex	15	80	95	
11	Blood group			55	These were per request from individual patients.
12	FBG/RBG			675	These were both the fasting and random blood glucose levels for both patients who are living with Diabetes and emergence cases, 125 were FBG while 550 were RBG.
13	Sputum	6	33	39	Sputum samples were only examined through the Microscopy of which 15% were positive.
14	HBV	31	351	310	These tests were mostly conducted among PLHIV.
15	Viral Load			328	These were collected at AeroMED and carried to Ndola for testing. Suppression rete remains at 95% among PLHIV.
16	Urea			0	The Chemistry analyser was not functional in October and November however the machine stated operating fully in second week of December 2022.
					The Chemistry analyser was not functional in October and November



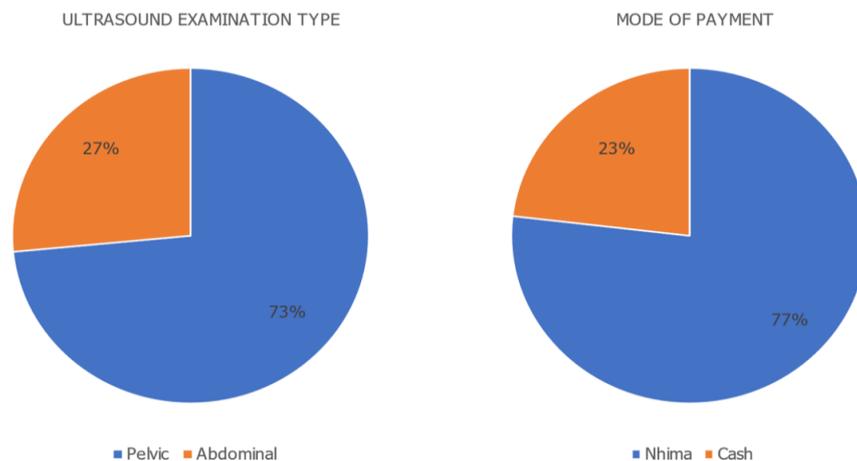
17	Creatinine			0	however the machine stated operating fully in second week of December 2022.
18	ALT			0	The Chemistry analyser was not functional in October and November however the machine stated operating fully in second week of December 2022.
19	AST			0	The Chemistry analyser was not functional in October and November however the machine stated operating fully in second week of December 2022.
20	WBC			1410	This was the second most common test and tested as part of the Full blood count.
21	RBC			1410	This was the second most common test and tested as part of the Full blood count
22	HB			1410	This was the second most common test and tested as part of the Full blood count
23	PLT			1410	This was the second most common test and tested as part of the Full blood count
24	DC	18	61	245	This was the second most common test and tested as part of the Full blood count

**m. Ultrasound Scan services**

AeroMED offers Ultrasound scan upon request from clinicians and individual patients. These requests also come from the patients accessing ante natal care services elsewhere.

Indicator	Annual Target	2021 Achievement	2022 Achievement	Comment
Ultrasound Scan services; Number of ultrasound scan examinations carried out per annum	200	146	284	The Service exceeded the annual targets. Comparing 2021 to 2022 the Service recorded an increase in the number of examinations done.

The figures below show the Service performance in quarter four alone, in this quarter the department performed very well as compared to other quarter and the previous year.



The most common type of examination done was pelvic examination (all were obstetric examinations) and accounted for 73% (108/147). Overall, 77% of patients who were examined were under NHIMA while 23% paid in cash for the service.

**n. Pharmaceutical Services**

The drug supply chain remains an important component in the running of both the outreach and static medical services. Pharmacy department has maintained a 94% drug availability in 2022. Below is the performance of the pharmacy department against both the annual and the quarterly targets.

Indicator	Annual Target	Achievement against 2021 targets	Achievement against 2022 targets	Comments
Availability of medicines and medical supplies at Medical Centre	95%	93%	94%	Drug availability has been maintained above 90% throughout the year, this include both static and outreach medical supply.

The Service recorded 75% of medical consumption from the medical outreaches that were conducted and 25% consumption was from the AeroMED centre. Among the most consumed antibiotics in the outreach programs conducted were Metronidazole and Amoxicillin while Nifedipine accounted for the most common antihypertensive medicine and the least was Coartem (Artemether-Lumefantrine).

**o. ART (HIV/TB/STI/CTC/MC/PMTCT) Services**

AeroMED centre with support from JSI and Ndola district health office offers ART services only for adult populations. In 2022 the centre recorded great improvement in the management of HIV among the adult population with suppression rate maintained above 90% and all transitioned to DTG based regimen.

The table below shows the annual performance against targets.

Indicator	Baseline	2021 Achievement	2022 Achievement	Comment
No. of Clients Currently on ART	795	708	786	The Service did not meet the annual target due to a number of clients on treatment who were dropped in Q4 of 2022 due to the Data quality audit done.



				A total of 27 clients with no clinical and viral load results for the past 1 year were removed from the system. Three clients were trans in, 4 self-trans out and 3 female clients died. Overall, the Service Tx cur greatly improved from 708 in 2021 to 786 in 2022
No. of clients counselled	700	589	694	Despite not meeting the annual targets, the department improved on the number of clients counselled in 2022 with those eligible been subjected to an HIV test.
No. of clients Tested	715	589	334	Through the use of screening tool and subjecting a test to the right patient, the Service recorded a reduction in the number of patients tested.
No: Clients Initiated on ART	192	30	24	Despite a reduction in the number of patients testing positive, the Service recorded an increase in the positivity yield from 5% to 7%.
No. of new TB patients tested for HIV	16	9	10	

**p. Integrated Reproductive Health (IRH)**

This indicator measures the performance of the Service against reproductive and maternal health at AeroMED centre in Ndola. The centre has continued to improve on the services been offered with great emphasis on actualizing the maternity wing. Below is the performance against the annual target and comparing 2021 to 2022.

Indicator	Annual Target	2021 Achievements	2022 Achievements	Comment
No. of clients accessing integrated reproductive health care services	1150	150	128	The Service was far from reaching the set annual target and there was reduction of patient accessing the services from 150 in 2021 to 128



				in 2022.
IRH - Focused Ante-Natal visits	450	14	53	Despite not meeting the annual the Service has continued to show great improvement in the number of patients accessing focused ante-natal services from first trimester to the 3 <sup>rd</sup> trimester.
No. of deliveries conducted by ZFDS personnel	65	0	0	Numbers expected to drastically change as soon as the Service starts conducting deliveries.
No. of new family planning	600	5	8	Post-natal services are equally expected to rise once the maternity wing is fully operational.

**q. Child Health**

Child health and the immunization of the under five children remains an important activity carried out by the Service, the activities usually include both the static and outreach programs targeting children who would have missed the important vaccines and those who are due for different vaccines and scheduled growth monitoring programs.

Indicator	Annual Target	2021 Achievement	2022 Achievement	Comment
No. of children immunised at AeroMED	1650	701	226	There was a drastic decline in the number of children accessing the service because the reported number were only recorded in Q3 and Q4.



### 3.0 AVIATION DEPARTMENT

#### 3.1 Introduction

The main objective of the department is to provide aviation services in order to facilitate provision of aero-medical and other air transport services.

The Aircraft Maintenance Section is responsible for provision of aircraft, communication equipment maintenance and repair services. It also incorporates an Inspectorate Unit which is responsible for certification of the airworthiness of aircraft and licensing of the hangar in accordance with Zambia Civil Aviation Regulations.

While Operations section focuses on the provision of flight services including flight dispatch, flight planning, flight safety and aviation security.

This report covers the routine and planned activities carried out in Aircraft, Ground Radio and Motor Transport sections for the period January to December, 2022.

#### 3.2 Performance

Result Chain	Indicator	Annual Target	Achievement			
			2022	2021	2020	Comments
Sub Output 2.1.2 Preventive Repairs and Maintenance	No. of Inspections carried out per aircraft annually	4	6	4	4	Only one aircraft was serviceable during the year
Sub Output 2.1.3 Procurement of suitable aircraft	No. of aircraft available annually	3	2	2	2	No aircraft was acquired
Sub Output 2.2.1 Airstrips Maintenance	Number of Serviceable airstrips available annually	12	12	12	12	Airstrips are available but not serviceable, program is underway to have them operational by October 2023
Sub Output 2.3.1	No. of compliance	25	21	21	21	(INDICATE THE FOUR



Compliance to local and international aviation standards and regulations	operating certificates acquired/renewed annually					<b>THAT WERE NOT ACHIEVED)</b>
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### 3.4 Aircraft status

#### 3.4.1 Aircraft Inventory

Type	Registration	Year of registration/ purchase	Serial No. Aircraft /Engine	Remarks
C208B Grand Caravan 1	9J - FDS	2003	C208B 1029 / PC 1015	Serviceable
C208B Grand Caravan 1	9J – AGC	2002	C208B0 999 / PC 1050	Engine Overhaul in progress
BN2A-3 Islander	9J - ACE	1971	BN2A-3 260	Boarded
BN2A-3 Islander	9J - ACC	1971	BN2A -3 254	Boarded

#### 3.4.2 Aircraft Engine Status

Aircraft Registration	Time between overhaul	Total time since overhaul	Hours remaining before Overhaul	COMMENTS
9J – FDS	3,600	810:45	2,789:15	Nil
9J – AGC	3,600	3461:20	00.00	Engine sent for overhaul

#### 3.4.3 Aircraft Propeller Status

Aircraft Registration	Time between overhaul	Total hours flown from last overhaul	Hours remaining before overhaul	Propeller Calendar time before overhaul
9J - FDS	4,000hrs/6 years	517:45	3,482:15	11 <sup>th</sup> June 2027
9J –AGC	4,000hrs/6 years	248:30	3751:30	26 <sup>th</sup> February, 2021 (Propeller overhaul in progress)



### 3.4.4 Aircraft maintenance

The target on Cessna 208B aircraft is to carry out one maintenance inspection every 100 flight hours or 90 days whichever comes first. Other scheduled inspections include 200- or 400-hour interval inspection items contained in the engine, wing, empennage and fuselage areas.

### 3.4.5 Aircraft maintenance/Repairs

A/C REGISTRATION	INSPECTION	Qtr 1	Qtr 2	Qtr 3	Qtr 4
9J – AGC	Scheduled	Nil	Nil	Nil	1
9J – AGC	Non-scheduled	Nil	Nil	Nil	Nil
9J – FDS	Scheduled	1	1	2	2
9J – FDS	Non-Scheduled	2	3	2	Nil
Total		3	4	4	3

The target is to carry out one maintenance inspection every 100 hours of flying or 90 days per aircraft.

### Activities

During the period under review the following works were carried out: -

Six scheduled maintenance inspections were carried out on 9J-FDS and Certificate of Airworthiness. 9J-AGC is undergoing inspections in preparation for C of A renewal. While eight defect rectification (unscheduled) works were carried out on 9J-FDS.

### 3.4.6 Maintenance conducted outside the country

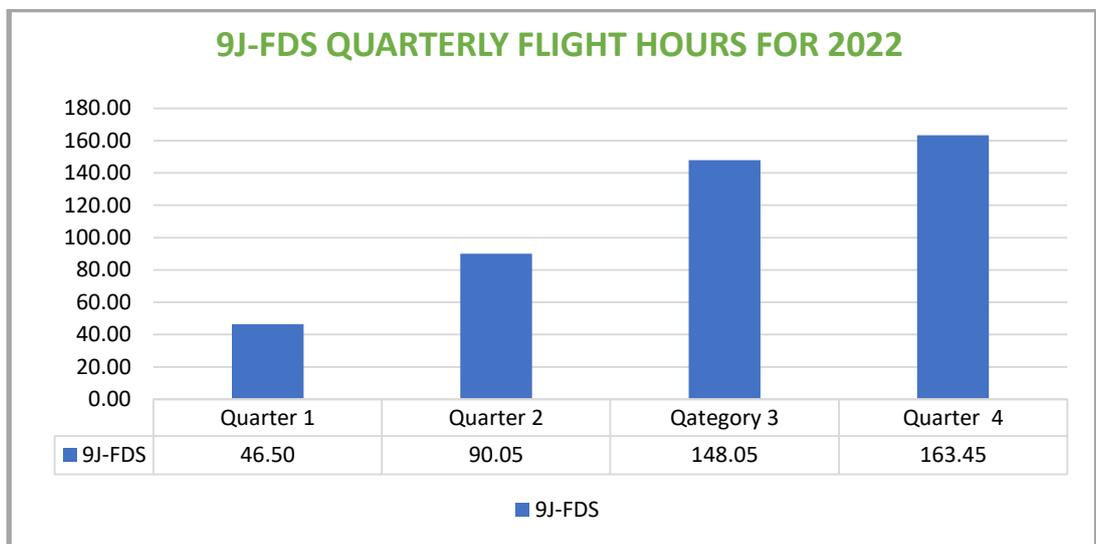
- Propeller balancing and nozzle cleaning was done in Zimbabwe at Aerotech.
- Engine table inspection carried out on engine serial number PCE-PC 1050 from aircraft registration number 9J-AGC at Standard Aero limited – South Africa



### 3.4.7 Hours Flown for the past three years

AIRCRAFT	2022	2021	2020
9J- AGC	Nil	Nil	Nil
9J – FDS	450:05	135:25	123:05
<b>TOTAL</b>	<b>450:05</b>	<b>135:25</b>	<b>123:05</b>

### 3.4.8 Quarterly Flight Hours



### 3.4.9 Flight Activity Performance

S/N	Planned	Quarter 1	Quarter 2	Quarter 3	Quarter 4
CHARTERS	5	11	18	1	30
OUTREACH PROGRAMS	6	4	5	2/ 3*	8
MEDICAL EVACUATIONS	6	5	5/1*	0/2*	11/3*
TOTAL HRS FLOWN		46:50	90:05	148:05	163:45

- Outreach / Medical evacuation undertaken by land transport



- **Charters**

From the table it is evident that charter flight activities executed exceeded the planned flights for the quarter. The increase in number of charter flights is due to the lease agreement with Corporate Air which came to an end in November. While December recorded less activities due to weather challenges.

- **Outreach Programs**

During the period under review nineteen outreach programs were conducted by air. More outreach flights will be conducted once the ZFDS airstrips are certified by Zambia Civil Aviation Authority. Nevertheless, some of the outreach programs were still carried out by land transport.

- **Medical Evacuation**

In 2022, twenty-one medical evacuations. The rise is attributed to vigorous sensitization of ZFDS operations being done on media and also during outreach programs where people are made aware of how to access and use the Services of ZFDS. Furthermore, ZFDS will continue using the contact center and other plat forms to engage the Districts and Provincial Health facilities on our existence and the types of Aeromedical products that are offered to the community.

### 3.5 Construction Section

During the period under review the following projects were successfully done:

- Renovations of the bonded store and associated offices at the hangar;
- Painting of the hangar;
- Painting of Administration, Accounts, Procurement and Audit offices at Headoffice;
- Painting of the car park;
- Installation of two 5000 liter tanks and setting up of water reticulation system at AeroMED;
- Enhancing of lighting system at both AeroMED and Headoffice;
- Installation of Generators at both AeroMED and Head Office and;
- Construction of the drainage system at HeadOffice and wall fence renovation works at AeroMED.



### 3.6 Status of Renovation Works at AeroMED Centre

No.	TASK	START	END	DAYS	DONE	COMMENTS
1.	Wall fence renovation and repair	16/11/22	31/1/23	90	85%	Installation of Laser wire yet to be done
2	Renovation of maternity wing	13/2/23	14/3/23	30	0%	Awaiting BOQ from Provincial office
3	Renovation of OPD	13/2/23	29/3/23	45	0%	Awaiting BOQ from Provincial office
4	Renovation of the Physio unit	13/2/23	4/3/23	20	0%	Awaiting BOQ from Provincial office
5	Renovation of the laboratory unit	13/2/23	19/3/23	35	0%	Awaiting BOQ from Provincial office
6	Renovations of the dental unit	13/2/23	4/3/23	20	0%	Awaiting BOQ from Provincial office
7	Renovations at eye clinic	13/2/23	4/3/23	20	0%	Awaiting BOQ from Provincial office
8.	Renovations at MCH	13/2/23	9/3/23	25	0%	Awaiting BOQ from Provincial office

The challenge being encountered in executing projects as planned was late submission of Bill of Quantities from Provincial Maintenance office.

### 3.7 Status of Renovations Works At Head Office

No.	TASK	START	END	DAYS	DONE	COMMENTS
1	Construction of the drainage	20/10/22	31/12/22	20	100%	Successfully done
2	Construction of offices at the hangar	28/2/23	27/3/23	30	0%	Awaiting BOQ from Provincial office
3	Renovation of contact Centre	12/22	01/23	20	70%	Work in progress
4	Renovation and repair of canteen	12/22	01/23	20	60%	Work in progress



### 3.8 Motor Transport Section

#### 3.8.1 Inventory of Current Land Transport

ZFDS has six vehicles of which one is loaned from the Ministry of Health. There is an ambulance and four pool vehicles. It is evident that the service has challenges in transport especially that some outreach programs are now being conducted by land transport. Therefore, for the Service to run effectively more vehicles are needed to boost the fleet, such as a bus and two more utility vehicles.

Additionally, a unit of seven Mobile trucks were handed over to ZFDS to enhance service delivery at AeroMED centre.

MAKE	REGISTRATION	YEAR OF MANUFACTURE	RUNNER/ NON-RUNNER	COMMENTS
Toyota LandCruiser	GRZ747 CN	2016	Runner	Good condition
Toyota Land Cruiser	ALX 2534	2013	Runner	Good condition
Toyota Land Cruiser	AHL 5329	2012	Runner	Good condition
Inveco Ambulance	GRZ 915 CK	2013	Runner	Good condition
Nissan Patrol	GRZ 184 CL	2013	Runner	Good condition
Toyota Raider	ABK 5026	2007	Runner	Good condition
Mobile Truck	GRZ 997 CF	TBA	Runner	Dental, Ophthalmology ENT
Mobile Truck	GRZ 996 CF	TBA	Runner	Theatres
Mobile Truck	GRZ 998 CF	TBA	Runner	Generator set
Mobile Truck	GRZ 114 CH	TBA	Runner	Kitchen
Mobile Truck	GRZ 995 CF	TBA	Runner	X-Ray
Mobile Truck	GRZ 143 CH	TBA	Runner	Pharmacy
Mobile Truck	GRZ 976 CF	TBA	Runner	Laboratory

#### 3.9 Ground Radio Section

The main objective of the unit is to provide technical support services in order to facilitate smooth operations, installations, maintenance and repair works of telecommunication equipment and renewable energy.

In the period under review the section embarked on the programme of assessing HF Radio Communication, Windsocks, Airstrips and Airstrip Marker



Installations in the Rural Health Centres in readiness for repair and replacement. **Four trips were undertaken in Rural Health Centres in North-western, Western, Central, Eastern and Luapula Province.**

The findings in all the centres reviewed that the airstrips were not serviced, no safe water, no lighting, no division between maternity and main wards and no radio communication as some areas were not well covered by communication service providers.

### **3.10 Achievements**

- Sent the aircraft engine for 9J-AGC and propeller for overhaul;
- Carried out all aircraft maintenance inspections successfully;
- Successfully carried out the assessment of Rural Health Centre and airstrips;
- Zambia Civil Aviation carried out AMO audit and renewed the AMO certificate for the year 2023;
- CCTV installation at AeroMED Centre was successfully done;
- Water reticulation system, Generator installations at AeroMED and Head office done and;
- Hangar painting and renovations.

### **3.11 Challenges**

- Having only one serviceable aircraft
- Expired mandatory training certificates

## **4.0 LEGAL DEPARTMENT**

### **4.1 Introduction**

The role of the Legal Department is to provide legal guidance on aspects of the service that enables achievement of growth objectives. Some responsibilities that may be associated with this role is the concept of Corporate Governance and its attained substantial prominence for systematic and well-organized management of day-to-day corporate affairs and complying with legal and regulatory necessities. The Legal Department was started in August of 2023 and as such the operations relate to the said period till 31<sup>st</sup> December, 2022.

The Zambia Flying Doctor Service operated without a board for the period June 2016 to August 2022 and this had a negative effect as policy decisions could not be implemented in the absence of the board.

Furthermore the Service had no substantive Chief Executive Officer from September 2018 until May 17th, 2022, when the Chief Executive Officer was



appointed. This caused negative operational oversight which led to gross underperformance.

To effectively enhance the operations of the ZFDS and enhance good corporate governance tenets, the ZFDS held a corporate governance workshop facilitated by the Institute of Directors with the following topics covered;

- Corporate Governance Overview: (Roles responsibilities duties and liabilities of the Board and members of Senior Management).
- Composition and structure of an effective Board.
- Ethical Leadership and Integrity.
- Financial Oversight, Reporting and Stewardship.

The Eight (8) Member Board Committee is responsible for providing strategic oversight to management.

## **4.2 Performance Report**

During the Period under Review. The Following activities were conducted by the Legal department.

## **4.3 Board Meeting**

- a. The first ever board meeting under the leadership of the newly appointed Board was held on the 7<sup>th</sup> of September, 2022. This was the 37<sup>th</sup> Board Meeting of ZFDS 12 Matters for Board endorsement were approved and endorsed by the Board.
- b. The 38<sup>th</sup> Board meeting was held on the 16<sup>th</sup> of September, 2022 and The Agenda items included the Engine Overhaul and final approval of the Board Charter.
- c. The 39<sup>th</sup> Board Meeting had eighteen (18) Endorsements which were approved.
- d. The Selection of the Board Committee as per the ZFDS Board Charter was done. The approved committees of the ZFDS Board are:
  - i. The Audit committee,
  - ii. Technical and Risk Management Committee,
  - iii. Finance and Business Development Committee,
  - iv. Medical Operations Committee,
  - v. Human Resource, Evaluation & Remuneration and Legal committee

Engagements were done with different institutions as indicated below:

- i. The Anti-Corruption Commission was engaged arising from the Audit Queries raised in the Auditor General and Ministry of Health



Audit reports. This engagement was to ensure transparency was achieved as the Service was under new management.

- ii. An engagement with NAPSA and ZRA on a request for waiver of penalties on the ZFDS account. This request was premised on the fact that ZFDS being a Statutory Body fully funded by the Government of the Republic of Zambia was underfunded to the amount of K19,649,063, which accumulated from underpayments in 2016, 2018, 2019 and 2020. The underfunding had negatively affected the operations of the Service and had resulted in accumulation of statutory debts of K13, 508,674.12. The statutory debts which relates solely to penalties acquired during the stated period have remained outstanding.
- iii. An engagement with the DMMU on a long outstanding debt owing to the Service provision for the Kawmambwa accidents victims.
- iv. An engagement with the Ministry of Health and the Ministry of Finance on the need for recapitalisation of the ZFDS. The ZFSD has not been recapitalised for a long time resulting in compromised service delivery. The said recapitalisation will enable the Service to procure the required helicopter, pressurised aircraft, aero medical equipment, employ the necessary staff and operate effectively.
- v. Memorandum to Ministry of Works and National Assembly- A Memorandum was requested for on the operations of the ZFDS including adequacy of policy and legal framework, sustainability of financial mechanisms, the role of non-state holders, challenges and recommendations.

## 5.0 INTERNAL AUDIT

### 5.1 Introduction

The role of Internal Audit is to provide independent assurance that an organization's risk management, governance and internal control processes are operating effectively.

### 5.2 Planned Audits–January To December 2022

The following were the **planned Audits** during the year

- a. Loans and Salary advance audit;
- b. Casual Wages audit;
- c. Revenue Assurance audit;
- d. Imprest Audit (Subsistence allowance and other imprest) and;
- e. Medicines audit.



### 5.3 Audits Carried Out–January To December 2022

- a. Loans and Salary advance audit; .
- b. Casual Wages audit;
- c. Revenue Assurance audit;
- d. Imprest Audit (Subsistence allowance and other imprest);
- e. Audit of inks – **Unplanned;**
- f. Fuel uplift audit – **Unplanned;**
- g. Statutory compliance audit – **Unplanned;**
- h. Stock count of obsolete items/report produced and;
- i. Corporate governance audit – **Unplanned.**

### 5.4 Summary/Major Findings

- a. Delayed banking of **36** transactions amounting to **ZMW71, 335.65;**
- b. Cash holding for unpaid wages drawn for East 1 and West 5, in February 2022 and March 2022 amounting to **ZMW13, 768.80;**
- c. 16 fuel receipts were misplaced, amounting to **ZMW112, 529.53 and;**
- d. NAPSA and PAYE, late payments - 4 (separate) months.

### 5.5 Steps Taken To Address The Findings

- a. Daily monitoring of cash banking;
- b. Amounts involved were banked back and;
- c. All statutory payments to be made by 5<sup>th</sup> of every month.



**STATUS OF THE FINDING AS AT 31<sup>ST</sup> DEC.**

**INTERIM AUDITED FINANCIAL REPORT**



**REPUBLIC OF ZAMBIA  
MINISTRY OF HEALTH**

**ZAMBIA FLYING DOCTOR SERVICE**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

Peter Zuze Zambia Air Force Base  
P.O. Box 71856  
**NDOLA**

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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## **THE INSTITUTION PERFORMANCE REPORT**

It is my honor and privilege to provide the background and overview of the performance of the Zambia Flying Doctor Service for the financial year ended 31<sup>st</sup> December 2022.

### **Background**

#### **Location**

Zambia Flying Doctor Service is situated at Plot number 2965, Hangar No 1B at Zuze Airforce base, Ndola.

#### **Mandate**

The Zambia Flying Doctor Service is a grant-aided service delivery statutory board under the Ministry of Health that was created under an Act of Parliament No 37 of 1967 with amendment No 18 of 1972 and repealed by act No 25 of 1975 Chapter 298 of the Laws of Zambia. It was founded by Dr. James Lawless in 1965. The FDS Act provides for the establishment, management and development of the Zambia Flying Doctor Service.

The core business of ZFDS is to combat disease among and to promote the health and material well-being of the inhabitants of the rural areas of Zambia and also to provide aero-medical and other health services countrywide.

#### **Vision**

To be a leading and preferred aero-medical service provider throughout Zambia by 2030.

#### **Mission**

To provide cost effective, quality and efficient aero-medical services to remote hard to reach areas and other places countrywide in order to contribute to the improvement of the wellbeing of Zambia people

#### **Values**

The Service seeks to provide its services competitively with care, empathy, respect, integrity, compassion, confidentiality, and without discrimination in a clean environment.

#### **Business background**

ZFDS was established in 1967 and set up 31 Health Facilities around the country most of which have since been handed over to the Ministry of Health. It also runs a Medical Centre in Ndola, which is NHIMA accredited and a recognized ART and Tuberculosis Centre which also offers MCH services. The Medical Centre provides the following services:

1. General medicine
2. Eye care

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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3. Dental/Oral Health
4. Laboratory; and
5. Pharmacy

**Corporate Governance**

The Flying Doctor Service Act establishes a Board of nine (9) members appointed by the Honorable Minister of Health. The Board is responsible for strategic direction, and the Board Charter governs ZFDS's corporate governance and mandate. The chairperson of the FDS Board reports directly to the Minister of Health.

**Management**

The day-to-day operations of the Service are managed by the Chief Executive Officer who is assisted by four (4) directors and 4 Chiefs responsible for Medical Services, Aviation Services, Legal, and Corporate Affairs, Finance and Administration, Internal Audit, Procurement, and Security.

**Address**

Zambia Flying Doctor Service  
Peter Zuze Zambia Air Force Base  
P.O. Box 71856  
**NDOLA**

**Major Developments / Key Policies Implemented During the Year**

In an effort to address important community health care needs in 2022, the Service carried out a number of activities during the year which included the following:

Item No	Description	Indicator	2021 Achieved	2022 Achieved
1	Aeromedical outreach visitations	No. of Facility Visits	28	76
		No. of Patients attended to	7	23
2	Medical evacuations	No. of Medical evacuations carried out	11	27
3	Number of Patients seen		4,074	12,138

**Dr. George Ng'uni**

**CHIEF EXECUTIVE OFFICER**

**Date**.....

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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**EXECUTIVE MANAGEMENT’S REPORT**

I have the pleasure of presenting the report of the Service together with the financial statements for the year ended 31<sup>st</sup> December 2022 which discloses the sources, utilization and balances of cash for the Service during the year under review.

**OPERATING RESULTS**

**Revenue Performance**

During the year under review, the Service collected non-tax revenue amounting to K40,803,326.

**Revenue Performance (Table 1)**

<b>Revenue</b>	<b>2022</b>	<b>2021</b>
	<b>ZMW</b>	<b>ZMW</b>
Government Grants	<b>30,707,988</b>	<b>22,461,808</b>
Flight Charters	<b>3,856,878</b>	<b>680,350</b>
Medical Evacuation	<b>1,807,173</b>	<b>986,878</b>
Medical Fees	<b>4,396,648</b>	<b>768,515</b>
Land Ambulance Hire	<b>34,640</b>	<b>30,200</b>
Ground Radio Income		-
	<b>40,803,326</b>	<b>24,927,751</b>
<b>Other operating income</b>		
Bank interest	<b>64,935</b>	<b>88,094</b>
Rentals	<b>198,290</b>	<b>185,220</b>
Sundry income	<b>135,637</b>	<b>56,441</b>
Amortisation of capital grants	<b>8,582,000</b>	-
Donations	<b>5,299,179</b>	-
	<b>14,280,040</b>	<b>329,755</b>
<b>Total Revenue</b>	<b>55,083,367</b>	<b>25,257,506</b>

**Operational Performance**

**Income**

The total income amounted to K55,083,367 compared to K25,257,506 for the previous year representing an increase amounting to K 29,825,861. This is attributable to the capital grant amortisation of K8,582,000 representing 17.2% of total revenue for the year. Flight charters and medical both increased by more than 80% compared to the previous year while donations predominantly from ZAMMSA increased by 100%.

### **Expenditure**

Total expenditure amounted to K50,497,404 compared to K20,500,830 for the previous year representing an increase amounting of K29,996,574. This is attributable to costs associated with the generation of high revenues and turnaround operations recorded during the period under review.

### **Increase /(Decrease) in Cash**

Increase in cash for the year was by K5,313,132 from K7,729,344 the previous year. This was mainly due to an increase in the internally generated funds by the Service.

### **Related Party Transactions**

There were no related party transactions during the financial year ended 31<sup>st</sup> December 2022.

### **Property, Plant and Equipment**

The Service acquired property, plant and equipment amounting to K 44,305,162 in the year under review compared to K206,092 in the previous year. Furthermore, the engaged external expert property valuers to conduct a fixed asset valuation because this has not been done for some time now despite the service acquiring property and the revaluation exercise was conducted resulting in our balance sheet position to move from around K19 million to K230 million. No property, plant and equipment were disposed of during the year.

### **Intangible Assets**

There were no purchases of intangible assets during the financial year ended 31<sup>st</sup> December 2022.

### **Employees**

The number of employees at the beginning of the year was 50, which increased to 70 at the end of the year. The increase was due to mass recruitment conducted during the third quarter of the year and the service saw some employees proceeding on retirement.

The total amount spent on employees' remuneration and welfare during the year was K19,567,278 compared to K13,140,985

### **Events**

Throughout the year, the Service continued to deliver aero-medical services to rural Zambia's hard-to-reach locations. These services were provided in partnership with the District Health Management Teams in each district. Routine and specialized medical outreach initiatives, as well as emergency medical evacuations, were among the services provided. This allowed the

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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Service to contribute to the general theme of "Universal Health Coverage" promoted by the Ministry of Health.

**Health and Safety of Employees**

The Zambia Flying Doctor Service is aware of its responsibilities regarding the safety and health of employees as prescribed in the Occupational Health and Safety Act No.36 of 2010 and took appropriate measures to safeguard their safety and health during the year under review.

**Auditor**

In line with Article 250 of the Constitution of Zambia (Amendment) Act No.2 of 2016 and Section 73 of the Act of No 25 (repealed) of 1975 Chapter 298, Zambia Flying Doctor Service is audited by the Auditor General.

**Dr. George Ng'uni**  
**Chief Executive Officer**  
**Zambia Flying Doctor Service**

**Date.....**

**STATEMENT OF RESPONSIBILITIES FOR ANNUAL FINANCIAL STATEMENTS**

In line with requirements of The Flying Doctor Service Act No 25 (repealed) of 1975 Chapter 298 of the Laws of Zambia, Management is responsible for preparing of the financial statements each year which give a true and fair view in all material respects of the state of affairs and of the surplus or deficit for the year, in accordance with the International Public Sector Accounting Standards (IPSASs).

In preparing the financial statements, the Service is required to:-

- Designing, Implementing and maintaining a system of internal controls;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed; and
- Prepare the financial statements on the going concern basis.

Management is responsible for ensuring that proper accounting records are kept that disclose with reasonable accuracy at any time the financial position of the Service. Management is also responsible for safeguarding the Service’ assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with the Act, the Board of the Zambia Flying Doctor Service, are of the opinion that:

- a) The Statement of Financial Performance is drawn so as to give a true and fair view of the surplus of income over expenditure of the Service for the year ended 31<sup>st</sup> December 2022,
- b) The Statement of Financial Position gives a true and fair view of the state of affairs of the Service as at 31<sup>st</sup> December 2022; and
- c) There are reasonable grounds to believe that the Service will be able to pay its debts as and when they fall due.

Signed on behalf of the Service on.....

By:

.....

**Dr. Rosemary Kumwenda**  
**Board Chairperson**  
**Zambia Flying Doctor Service**

.....

**Dr. George Nguni**  
**Chief Executive Officer**  
**Zambia Flying Doctor Service**



REPUBLIC OF ZAMBIA  
OFFICE OF THE AUDITOR GENERAL

**INDEPENDENT AUDITOR'S REPORT**

**STAND No.7901**  
**HAILE SELASSIE AVENUE, LONGACRES**  
**P.O BOX 50071**  
**LUSAKA, ZAMBIA**  
**E-mail: [auditorg@ago.gov.zm](mailto:auditorg@ago.gov.zm)**  
**Website: [www.ago.gov.zm](http://www.ago.gov.zm)**  
**Telephone: +260211252611/252771**

To: To the Board of the Zambia Flying Doctor Service

**Report on the Audit of the Financial Statements of Head 90 - Office of the President,  
Lusaka Province for the Financial Year Ended 31<sup>st</sup> December 2022**

**Unmodified Opinion**

I have audited the financial statements of the Zambia Flying Doctor Service (ZFDS), which comprise the Statement of Profit and Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows for the year ended 31<sup>st</sup> December 2022, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements of the Zambia Flying Doctor Service are prepared, in all material respects, in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis of Accounting.

**Basis for Opinion**

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under these standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Zambia Flying Doctor Service (ZFDS) in accordance with the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics together with the ethical requirements that are relevant to my audit of the financial statements in Zambia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the INTOSAI Code. I believe that the audit evidence I have obtained is enough and appropriate to provide a basis for my opinion.

**Emphasis of Matter**

I draw your attention to the Statement of Financial Position which shows that the Service's current liabilities exceeded its current assets by K12,458,200 and posted closing retained deficit of K8,307,003 in the financial year under review and this has been the trend since 2016.

My opinion is not modified in respect of this matter.



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OFFICE OF THE AUDITOR GENERAL**

### **Key Audit Matters**

Key audit matters of the audit are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period.

However, I have determined that there are no key audit matters to communicate in my report.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis of Accounting and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Service'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 management either intends to liquidate the Service or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Service's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs 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 based on these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is enough and appropriate to provide a basis for my 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 Service's internal control.



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OFFICE OF THE AUDITOR GENERAL**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding Independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable related safeguards.

**Report on Other Legal and Regulatory Requirements**

In my opinion, the financial statements for the Zambia Flying Doctor Service (ZFDS) for the year ended 31<sup>st</sup> December 2020, have been prepared in accordance with the Flying Doctor Service Act CAP.298.

.....

Dr. Ron M. Mwambwa, FCMA, FZICA, CGMA, CFE  
**ACTING AUDITOR GENERAL**

**Date:.....**

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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**STATEMENT OF FINANCIAL PERFORMANCE**

**For the Year Ended 31<sup>st</sup> December 2022**

	Note	<b>2022</b> <b>ZMW</b>	2021 <b>ZMW</b>
Income	4	<b>40,803,326</b>	<b>24,927,751</b>
Other operating income	5	<b>14,280,040</b>	<b>329,755</b>
Personel Emoluments	6	<b>(19,567,278)</b>	<b>(13,140,985)</b>
Medical expenses	6	<b>(2,628,336)</b>	<b>(725,923)</b>
Aviation expenses	6	<b>(2,944,019)</b>	<b>(2,155,105)</b>
Other Administrative expenses	6	<b>(6,441,338)</b>	<b>(3,221,070)</b>
Depreciation and Amortization	6	<b>(18,916,434)</b>	<b>(1,289,150)</b>
Surplus/(Deficit)		<b><u>4,585,962</u></b>	<b><u>4,725,273</u></b>

These financial statements were approved by the Zambia Flying Doctor Service on.....and signed on its behalf by:

**Dr. Rosemary Kumwenda**  
**Board Chairperson**  
**Zambia Flying Doctor Service**

**Dr. George Nguni**  
**Chief Executive Officer**  
**Zambia Flying Doctor Service**

*(The notes on pages 15 to 30 form part of the financial statements)*

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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**STATEMENT OF FINANCIAL POSITION**

	Note	2022 ZMW	2021 ZMW
Non-current assets			
<b>Property, plant and equipment</b>	7	<b>194,818,427</b>	6,969,573
		<b>194,818,427</b>	<b>6,969,573</b>
<b>Current assets</b>			
Inventories	10	18,836,309	341,699
Trade and other receivables	11	3,468,835	3,887,342
Cash at bank and in hand	12	13,042,476	7,729,344
		<b>35,347,620</b>	<b>11,958,385</b>
Total assets		<b>230,166,047</b>	<b>18,927,958</b>
<b>REPRESENTED BY</b>			
<b>LIABILITIES AND ACCUMULATED FUNDS</b>			
<b>Current liabilities</b>			
Trade and other payables	13	(62,844)	(54,039)
Provisions and accruals	14	15,277,295	18,521,739
<b>Total current liabilities</b>		<b>15,214,451</b>	<b>18,467,700</b>
<b>Other long term Liabilities</b>			
Other long term Liabilities		30,258,804	-
<b>Revaluation Reserves and Accumulated Funds</b>			
Revaluation reserves		183,616,766	3,936,587
Accumulated (deficit)/Surplus		1,076,026	(3,476,329)
Accumulated deficit attributable to the owners of the Service		184,692,792	460,258
<b>Total accumulated deficit and liabilities</b>		<b>230,166,046</b>	<b>18,927,958</b>

These financial statements were approved by the Zambia Flying Doctor Service on.....and signed on its behalf by:

**Dr. Rosemary Kumwenda**  
**Board Chairperson**  
**Zambia Flying Doctor Service**

**Dr. George Nguni**  
**Chief Executive Officer**  
**Zambia Flying Doctor Service**

*(The notes on pages 15 to 30 form part of the financial statements)*

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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**STATEMENT OF CHANGES IN ACCUMULATED FUNDS**

	<b>Accumulated Funds ZMW</b>	<b>Capital Grant ZMW</b>	<b>Revaluation Reserves ZMW</b>	<b>Total ZMW</b>
As at 1st January 2022	(3,476,329)	-	3,936,587	460,258
Amortisation of grants	-	34,328,000		34,328,000
Amortisation of reserves	-	-	-	-
Movement during the year	-		179,680,179	179,680,179
Net Surplus/(Deficit) for the year	4,585,962	-		4,585,962
<b>As at 31<sup>st</sup> December 2022</b>	<b>1,109,633</b>	<b>34,328,000</b>	<b>183,616,766</b>	<b>219,054,399</b>
	-		-	-
As at 1st January 2021	(8,307,007)		4,030,315	(4,276,692)
Amortisation of grants	-	-	-	-
Amortisation of reserves	93,728	-	(93,728)	-
Prior year adjustment	11,677	-		11,677
Net deficit for the year	4,725,273			4,725,273
<b>As at 31<sup>st</sup> December 2021</b>	<b>(3,476,329)</b>	<b>-</b>	<b>3,936,587</b>	<b>460,258</b>

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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**STATEMENT OF CASH FLOWS**

	Note	2022 ZMW	2021 ZMW
<b>Cash flows from operating activities</b>			
Surplus/(Deficit )		4,585,962	4,756,673
Adjustments for:			
Depreciation on property, plant and equipment	7	18,916,433	1,289,150
Prior year adjustment		-	11,677
Asset adjustment			-
Amortisation of capital grants		(8,582,000)	
Interest Received	5		(88,094)
		<b>14,920,396</b>	<b>5,969,406</b>
Inventory	8	(18,494,610)	(54,730)
Trade and other receivables	9	418,507	(582,253)
Trade and other payables	12	27,005,555	(1,145,391)
		<b>23,849,848</b>	<b>4,187,032</b>
<b>Cash flows from investing activities</b>			
Interest Received	5	49,409	88,094
Purchase of property, plant and equipment	7	(18,586,125)	(108,616)
Net cash (used in) investing activities		<b>(18,536,716)</b>	<b>(20,522)</b>
Net (decrease) in cash and cash equivalents		<b>5,313,132</b>	<b>4,166,510</b>
Cash and cash equivalents at start of year		7,729,344	3,562,834
Cash and cash equivalents at end of year	10	<b>13,042,476</b>	<b>7,729,344</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. Regulatory Framework and Principal Activities**

The Zambia Flying Doctor Service was established by an Act of Parliament. The main functions of the Service is to combat disease among and to promote the health and material well-being of the inhabitants of the rural areas of Zambia and also to provide aero-medical and other health services countrywide.

### **Significant Accounting Policies**

#### **1. Accounting Conversion**

The significant accounting policies adopted in the preparation of these financial statements which have been prepared in conformity with International Public Sector Accounting Standards (IPSAS) Accrual Basis of Accounting are:

##### **a) Basis of preparation of financial statements**

The financial statements have been prepared on the basis of historical cost convention.

##### **b) Functional and Presentation Currency**

The financial statements are expressed in the Zambian Kwacha (ZMW).

##### **c) Depreciation**

Depreciation is calculated using the straight-line method to write down the cost of each asset to its residual value over

	Rate - %
Leasehold land and buildings	2
Motor vehicles	20
Furniture & fittings	20
Plant and machinery	20
Office equipment	20
Aircraft	7

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

In accordance with IPSAS 21, and 26, property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

**a) Intangible Assets**

Software licence costs are stated at historical cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated using the straight-line method to write down the cost of the software to its residual value over the estimated useful life using an annual rate of 15%.

**b) Translation of Foreign Currencies**

Transactions in foreign currencies during the year are converted into Zambian Kwacha using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into Zambian Kwacha using the exchange rate prevailing as at that date. The resulting gains and losses from the settlement of such transactions and translations are recognised on a net basis in the profit and loss account in the year in which they arise.

**c) Inventories**

Inventories are stated at the lower of cost and net realisable value in accordance with IPSAS 12, Inventories. Cost is determined using the first-in first-out method. Cost comprises the cost of purchase and all other costs attributed to bring the goods to that particular condition and location. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**d) Provision for Liabilities and Charges**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

**e) Retirement Benefit Obligations**

The Service and the employees contribute to the National Pensions Authority (NAPSA) and Health Sector Grant Aided Institution Pension Scheme (HseGaips), a second tier defined contribution scheme. Contributions are determined by local statute and the Service's contributions are charged to the income and expenditure account in the year to which they relate.

**f) Employee Entitlements**

Employee entitlements to long service awards, gratuity (at 35% of exit basic pay by period of contract), accrued rights and terminal benefits are recognised as liabilities based on the service rendered by the employees up to the statement of financial

position date. The estimated monetary liability for employees accrued annual leave entitlement at the balance sheet date is recognised as an expense accrual.

**g) Borrowing Costs**

Borrowing costs are recognised as an expense in the year in which they are incurred.

**h) Taxation**

Tax expense in the profit and loss account is the current income tax.

**i) Current Tax**

Current tax is provided on the basis of results for the year adjusted in accordance with the fiscal laws of Zambia.

**ii) Deferred Tax**

Deferred tax is provided in full on all temporary differences except those arising at the initial recognition of an asset or liability, other than a business combination, that at the time of the transaction affects neither the accounting nor taxable profit or loss. Deferred tax is provided using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, using tax rates enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

**i) Financial Instruments**

The Service classifies its investments into the following categories:

- i) Held-to-maturity investments which are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has a positive intention to hold to maturity.
- ii) Loans and receivables which are non-derivative financial assets created by the company by providing money or products directly to the debtor other than those with the intent to be sold immediately or in the short run.
- iii) Available-for-sale financial assets which are assets held for an indefinite period of time, but may be sold in response to needs for liquidity or changes in interest rates.

All financial assets are classified as non-current except those with maturities of less than 12 months from the balance sheet date, those which the directors have the

**ZAMBIA FLYING DOCTOR SERVICE**  
**Financial Statements for the Year Ended 31<sup>st</sup> December 2022**

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express intention of holding for less than 12 months from the balance sheet date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

All financial assets are recognised initially using the trade date accounting which is the date the company commits itself to the purchase or sale and recorded at the fair value of the consideration given plus the transaction costs. Subsequently, held-to-maturity investments and loans and receivables are carried at amortised cost using the effective interest method.

The directors classify financial assets as follows:

- Receivables are classified as 'loans and receivables' and are carried at amortised cost using the effective interest method.
- Term, current and call deposits with banking institutions are classified as 'held-to-maturity investments' and are carried at amortised cost using the effective interest method.

**Financial liabilities**

All financial liabilities including borrowings are recognised initially at fair value plus the transaction costs and subsequently carried at amortised cost using the effective interest method.

**j) Receivables**

Receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method.

A provision for impairment is recognised in the profit and loss account in the year when recovery of the amount due as per the original terms is considered doubtful. The provision is based on the difference between the carrying amount and the present value of the expected cash flows, discounted at the effective interest rate.

Receivables not collectable are written off against the related provisions. Subsequent recoveries of amounts previously written off are credited to the profit and loss account in the year of recovery.

**k) Cash and Cash Equivalentents**

Cash and cash equivalentents include cash in hand, term and call deposits with banking institutions and other short-term highly liquid investments in money market instruments with maturities of three months or less from the date of acquisition net of bank overdrafts. In the balance sheet, bank overdrafts are included as borrowings under current liabilities.

**l) Operating Leases**

Leases of assets where a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments

made under operating leases are charged to the profit and loss account on a straight-line basis over the lease period. Prepaid operating lease rentals are recognised as assets and are subsequently amortised over the lease period.

**m) Comparatives**

The comparatives figures were audited by ourselves.

**2. Financial Risk Management Objectives and Policies**

The company's activities expose it to a variety of financial risks including credit liquidity and interest rates risks and changes in market prices of the company's products. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is extended to customers with an established credit history.

**3. Critical Accounting Estimates and Judgements**

The company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

i) Property, Plant and Equipment

Critical estimates are required in determining the depreciation rates for property, plant and equipment. The management determines these rates of depreciation based on their assessment of the useful lives of the various items of property, plant and equipment.

ii) Intangible Assets

Critical estimates are made by management in determining the amortisation rates for intangible assets. The management determines these rates of amortisation based on their assessment of the useful lives of the intangible assets.

iii) Income Taxes

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amounts that were initially recorded, such

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differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

iv) Impairment Losses on Receivables

The Service regularly reviews its receivables to assess impairment. In determining whether an impairment loss should be recorded in the profit and loss account, the Service makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows of any receivables. IPSAS 41 is applicable to the Institutional financial assets including accounts receivables.

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**NOTES TO THE FINANCIAL STATEMENTS**

<b>Revenue</b>	<b>2022</b>	<b>2021</b>
	<b>ZMW</b>	<b>ZMW</b>
<b>4</b>		
Government Grants	30,707,988	22,461,808
Flight Charters	3,856,878	680,350
Medical Evacuation	1,807,173	986,878
Medical Fees	4,396,648	768,515
Land Ambulance Hire	34,640	30,200
Ground Radio Income		-
	<u>40,803,326</u>	<u>24,927,751</u>
<b>Other operating income</b>		
Bank interest	64,935	88,094
Rentals	198,290	185,220
Sundry income	135,637	56,441
Amortisation of capital grants	8,582,000	-
Donations	5,299,179	-
	<u>14,280,040</u>	<u>329,755</u>
<b>Total Revenue</b>	<b>55,083,367</b>	<b>25,257,506</b>
<b>5 Operating profit</b>		

**(a) Items charged**

The following items have been charged in arriving at the Surplus:

Depreciation on property, plant and equipment (Note 7)	18,916,433	1,320,553
Audit fees	81,200	60,000

**6 Administration Expenses**

This represents expenditure amounting to K50,531,012 for the year ended 2022 and K20,500,830 for the year ended 2021. (See appendix ii for details)

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SCHEDULES TO THE FINANCIAL STATEMENTS

\*\*\*Schedule 2: Administrative Expenses for the Year Ending 31<sup>st</sup> December 2022 –

	<b>2022</b>	2021
Personnel Emoluments		
Basic Salary	<b>8,658,944</b>	<b>7,064,982</b>
Housing Allowance	<b>1,654,107</b>	<b>1,263,704</b>
Motor Vehicle Allowance	<b>780,820</b>	<b>563,828</b>
Transport Allowance	<b>971,665</b>	<b>794,442</b>
Acting Allowance	<b>292,502</b>	<b>271,005</b>
Responsibility Allowance	<b>75,412</b>	<b>65,655</b>
Overtime	<b>59,970</b>	<b>52,742</b>
Rural Hardship Allowance	<b>44,983</b>	<b>45,018</b>
Leave days Allowance	<b>720,269</b>	<b>198,327</b>
Leave Commutation	<b>254,345</b>	<b>153,985</b>
Settling in Allowance	<b>1,213,332</b>	<b>112,296</b>
HeSGAIPS - Coy Contribution	<b>258,206</b>	<b>242,919</b>
NAPSA - Coy Contribution	<b>534,294</b>	<b>850,763</b>
Salary arrears	<b>592,879</b>	-
Gratuity Provision	<b>2,020,212</b>	<b>1,076,511</b>
Repatriation Pay	<b>5,000</b>	<b>44,773</b>
NHIMA Employer Contribution	<b>77,084</b>	<b>70,204</b>
Locum Wages	<b>1,022,331</b>	<b>180,189</b>
Casual Wages	<b>169,910</b>	<b>89,556</b>
Education Allowance	<b>90,000</b>	-
Other PE Costs / Recoveries	<b>71,011</b>	<b>86</b>
<b>Total</b>	<b><u>19,567,278</u></b>	<b><u>13,140,985</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS**

	Leasehold land ZMW 0	Leasehold Buildings ZMW 2%	Plant and Machinery ZMW 20%	Motor Vehicles ZMW 20%	Aircraft ZMW 7%	Office Equipment ZMW 20%	ICT Equipment ZMW 20%	Work in Progress ZMW	Total ZMW
<b>Cost as at 31st December 2022</b>									
At start of year	6,639,523	-	1,114,407	1,804,755	13,876,520	208,952	527,356	44,280	24,215,793
Revaluation surplus/(deficit)	496,477	35,212,339	120,336	1,589,516	107,723,480	380,438	574,112		146,096,699
Additions	-	108,261	489,012	42,910,000		598,586	199,304		44,305,162
Disposals	-							(44,280)	(44,280)
At end of year	<b>7,136,000</b>	<b>35,320,600</b>	<b>1,723,755</b>	<b>46,304,271</b>	<b>121,600,000</b>	<b>1,187,976</b>	<b>1,300,772</b>	<b>-</b>	<b>214,573,374</b>
<b>Depreciation at 31st December 2022</b>									
At start of year		-	838,514	-	-			-	838,514
Charge for the year		706,412	344,751	9,260,854	8,106,667	237,595	260,154		18,916,433
At end of year	<b>-</b>	<b>706,412</b>	<b>1,183,265</b>	<b>9,260,854</b>	<b>8,106,667</b>	<b>237,595</b>	<b>260,154</b>	<b>-</b>	<b>19,754,947</b>
<b>Net book value</b>									
As at 31 December 2022	<b>7,136,000</b>	<b>34,614,188</b>	<b>540,491</b>	<b>37,043,417</b>	<b>113,493,333</b>	<b>950,381</b>	<b>1,040,618</b>	<b>-</b>	<b>194,818,427.09</b>

**Note:** Work in Progress amount related to the cost for drilling a borehole and rehabilitation of the water reticulation system at the Zambia Flying Doctor Service Headquarters and at the Medical Centre was completed and no works in progress as at 31<sup>st</sup> December,2022.



	2022 ZMW	2021 ZMW
<b>10 Inventories</b>		
Stationery	61,427	65,786
Cleaning Material	13,502	27,508
Computer Supplies	86,396	41,849
Aircraft Spares (Islanders)	65,569	49,869
Aircraft Spares (Caravans)	9,040,603	149,607
Sundry Stores	7,080	7,080
	<u>9,274,577</u>	<u>341,699</u>
Assets held held for sale	9,561,732	

There were no impairment losses recognised in respect of inventory during the year, hence no write-down was made during the year.

#### 11 Trade and other receivables

Trade Receivables	2,846,429	3,277,001
Unretired Imprest	92,480	60,935
Medical Aid imprest	724	724
Separated Staff Receivables	176,396	176,396
Medical Staff Receivables	5,402	6,527
General Purpose Loans	238,060	254,869
Staff Advances	104,043	75,850
Mid Months Staff Receivables	5,300	35,040
	<u>3,468,835</u>	<u>3,887,342</u>

There were no impairment losses recognised in respect of trade receivables during the year (2022):

#### 12 Cash and cash equivalents

First Alliance Bank	2,408,815	6,024,588
Finance Bank	2,712,402	234,185
Zanaco - Radio W/S	5,129,019	1,102,890
Indo Zambia Bank	638	68,831
Zanaco Medical Aid	38,443	42,007
Zanaco USD	2,727,582	234,792
Bank Transfer Control Account	-	12,070
Petty Cash	16,814	7,436
Cash Sales(Aeromed)	6,218	-
Global Funds Project Account	2,545	2,545
	<u>13,042,476</u>	<u>7,729,344</u>

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

Cash and Bank balances	13,042,476	<u>7,729,344</u>
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	2022 ZMW	2021 ZMW
<b>13 Trade and other payables</b>		
Trade payables	(62,844)	(84,644)
GRN Control Account	-	30,605
Total trade payables	<u>(62,844)</u>	<u>(54,039)</u>
<b>14 Provisions and accruals</b>		
Wages Clearing Account	-	2,861
Retirement Benefits	-	-
Accrued Rights	508,716	2,132,614
Global Funds	45	45
Gratuity	842,815	1,919,326
Other Payroll Creditors	13,747	(121)
Statutory obligations	10,811,691	12,262,300
Long Service Bonus	35,801	35,801
Provision for Leave Days	2,348,296	1,684,027
Provision for bad debt	411,198	371,526
Security Deposit	-	12,000
Audit Fees	81,200	60,000
Legal Fees	50,000	-
Other Staff Payables	102,346	3,755
Medical Aid By Employee	71,439	37,605
	<u>15,277,295</u>	<u>18,521,739</u>

### 15 Related Party

The Service has no related party transactions or having common directors with another Service.

### 16 Contingent liabilities

The Service had no contingent liabilities.

### 17 Commitments

There were no commitments to acquire property, plant and equipment during the year (2022: Nil).

### 18 Period of reporting

The financial statements have been prepared for a period of 12 months (2022: 12 months).





	2022 ZMW	2021 ZMW
<b>Employment:</b>		
Salaries and wages ***	19,567,278	13,140,985
Total employment costs	<u>19,567,278</u>	<u>13,140,985</u>
<b>Other administrative expenses:</b>		
Audit fees	81,200	60,000
Board Expenses	423,237	-
Medical supplies	172,276	251,792
Medicines supplies	642,787	-
Printing & Stationery	226,696	42,527
Cleaning materials	87,454	59,749
Computer supplies	376,176	159,657
Protective clothing (corporate attire)	182,329	19,663
Clothing / Beddings / Linen	43,779	12,858
Tools and Hardware	5,070	32,019
Aircraft fuel and lubricants	1,750,431	443,866
Motor vehicle fuel and lubricants	307,913	132,674
Sundry Stores		400
Utilities	185,355	192,091
Local travel and lodging	1,813,272	474,131
Foreign Travel and Lodging	278,382	12,556
Repairs and maintenance-building and grounds	591,144	47,065
Repairs and maintenance-aircraft	760,568	1,496,029
Motor Vehicle Repair expenses	449,990	54,563
Repairs and maintenance-machinery and equipment	130,125	67,741
Repairs and maintenance-office furniture/equip	630	29,819
Licenses	132,740	179,301
Insurance	692,449	537,494





Office consumables expenses	103,188	59,836
Meetings expenses	50,899	30,858
Subscription	16,832	-
Library expenses	29,200	69,505
Seminars and workshop	193,234	151,941
Education and training	245,970	375,506
Medical expenses	34,223	52,668
Courier and Postage	5,323	5,163
Funeral expenses	18,000	32,000
National & International Days events	369,492	91,818
Canteen subsidy	-	-
Legal fees	101,000	30,000
Bad Debts	39,672	-
Donations	2,700	-
Aviation Charges	15,896	31,268
Advertising	205,085	62,320
Exchange Gain / Loss	315,693	455,752
Bank charges	37,534	27,331
Departure/landing and navigation charges	40,939	4,641
Security charges	194,053	150,389
Transport hire	-	16,000
Shipping & Freight changes	226,614	-
Sundry expenses (General)	83,533	94,630
Workers compensation	34,124	21,643
Staff welfare programs	250,200	-
Cleaning and Sanitation Services	6,515	1,431
Recruitment	59,772	-
Depreciation	18,916,434	1,289,150
Total Other Administrative Expenses	<u>30,930,127</u>	<u>7,359,845</u>
<b>Total Administrative Expenses</b>	<b><u>50,497,404</u></b>	<b><u>20,500,830</u></b>



## APPENDICES TO THE FINANCIAL STATEMENTS

### Appendix I: Government Grants Received during the year

S/N	Month	Amount as per Yellow Book ZMW	Amount Received ZMW
1	Jan-22	2,558,999	2,558,999
2	Feb-22	2,558,999	2,558,999
3	Mar-22	2,558,999	2,558,999
4	Apr-22	2,558,999	2,558,999
5	May-22	2,558,999	2,558,999
6	Jun-22	2,558,999	2,558,999
7	Jul-22	2,558,999	2,558,999
8	Aug-22	2,558,999	2,558,999
9	Sep-22	2,558,999	2,558,999
10	Oct-22	2,558,999	2,558,999
11	Nov-22	2,558,999	
12	Dec-22	2,558,999	5,117,998
	<b>TOTAL</b>	<b>30,707,989</b>	<b>30,707,989</b>

