

Health Systems Trust

Annual Report 2010/11



Health System Strengthening:
BLOCK *by* **BLOCK**



Health Systems Trust (HST)

is a dynamic not-for-profit organisation established in 1992 to support the transformation of the health system in a new democratic South Africa. Subscribing to a primary health care approach, HST actively supports the current and future development of a comprehensive health system, through strategies designed to promote equity and efficiency in health and healthcare delivery in southern Africa.

[For more detailed information about our organisation, see our Brief Profile downloadable from http://www.hst.org.za/about_us]

VISION

“Health systems supporting health for all in southern Africa.”

MISSION

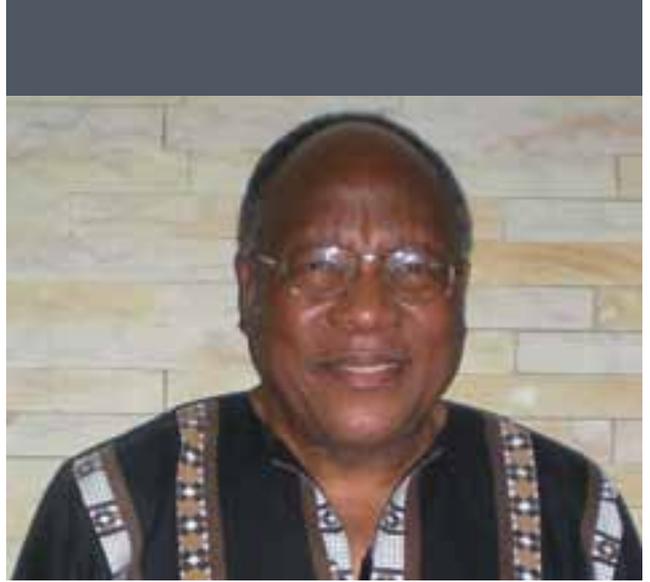
To contribute to building comprehensive, effective, efficient and equitable national health systems by supporting the implementation of functional health districts in South Africa and the southern African region.

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CHAIRPERSON'S REPORT

Professor
Welile Shasha



Towards the middle of the last decade, global health fora began shifting their focus from vertical disease management to the importance of health systems strengthening. The World Health Organization (WHO) lists the six building blocks of a health system as good health service delivery, a well-performing health workforce, a well-functioning health information system, access to essential medical products, vaccines and technologies, good health financing and leadership and governance. The South African Ministry of Health subscribes to health systems strengthening and has recommitted its Department of Health to the primary health care approach, identifying three priority areas for the re-engineering of primary health care in South Africa.

Public health specialists in South Africa have always advocated a health systems approach. It was also in the belief that only through strengthening and maintaining the whole system would South Africa be able to provide for the health needs of its people, that Health Systems Trust (HST) was established 19 years ago. This report describes HST's activities for the 2010/11 year in the areas of health systems research and health systems strengthening interventions. The report also describes the activities of HST's very capable corporate services directorate that facilitates the achievements of the two aforementioned units.

It is my honour, as chairperson of the Board of Trustees, to lead a team of men and women who provide guidance and support to HST management and staff in their commitment to facilitate better health outcomes for the people of southern Africa. I extend my appreciation to my fellow Trustees for their commitment to our purpose in this regard. During this year we said goodbye to Mr Sagie Pillay, who completed his term as a Trustee, and the Board was augmented by Dr Victor Litlhakanyane and Mr Shadrack Shuping who join us in our endeavour to provide stewardship to HST.

On behalf of the Board I congratulate the staff on their achievements described in this report. We thank HST's implementation partners, as well as all funders (acknowledged elsewhere in this report) who have generously supported the work of the organisation during this year. ■

Professor Welile Shasha

Chairperson

Health Systems Trust Board of Trustees

BOARD OF TRUSTEES

A brief resumé of each Trustee can be found on our website at

<http://www.hst.org.za/board-trustees>



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Dr Tim
Wilson



Dr Sibongile
Zungu

Trustees whose term of office ended during the reporting period:



Mr Sagie Pillay

MESSAGE FROM THE CEO

Ms.
Jeanette R Hunter



“ *Through our work we strive to inspire – not only our clients, but also ourselves.* ”

Health Systems Trust (HST) will celebrate twenty years of supporting health service delivery in South and southern Africa in 2012. This is a long time in the life of any non-governmental organisation and we attribute this to HST’s enduring commitment to quality and never being content to deliver simply technically correct products and services that merely meet the minimum requirements of health systems strengthening policies and frameworks. Through our work we strive to inspire – not only our clients, but also ourselves. We strive to be associated with products and services that are inspirational and we realise how important it is to have our own internal systems operating like clockwork to enable us to execute our vision and mission.

During the 2010/11 financial year the organisation was ably guided by a full complement of 12 Trustees. We redefined our strategic focus to include the field of training and we acquired the human resource skills needed to deliver inspiring products and services. To support this, we continued to improve our operations and functions. HST has adopted and is implementing an ideal structure and size. We now strive to keep, more-or-less, to this structure and size and work with partners when a larger workload increases HST’s human resource needs. The change of structure results in HST’s four directorates being

reduced to three — our two programme directorates (Health Systems Strengthening Research and Health Systems Strengthening Interventions) and our corporate services directorate (Human Resources, ICT, Administration and Finance). Our corporate services directorate's proven and increasing efficiency enables it to manage and deliver on projects of its own, selling services and expertise to other organisations.

We continue to base our services and products on our mission of "health systems supporting Health for All in southern Africa", conducting research and facilitating the implementation of interventions that promote good practice. Our projects continue contributing to improved quality, access to and use of health information. Our website, together with our flagship publications (*South African Health Review* and *District Health Barometer*) and the HST Bulletin, sent to over 1500 subscribers on a fortnightly basis, secures HST as a front runner in knowledge management in the public health domain. These products successfully package and distil key public health information for health workers, policy makers, journalists, researchers, donor organisations and consultants.

In February 2011, against strong competition, HST was awarded the National Health Facilities Audit project by the South African Department of Health. Within two weeks of winning the bid we mobilised 95 additional professionals who began their training in preparation for implementation of the project, thus emphasizing HST's ability to deliver, while keeping our eye on the quality ball.

The details of our various projects are shared in this report and the achievements of HST's staff over these past 12 months inspire me. I salute my colleagues for their commitment to collabora-

tion and cooperation, both internally and external to our organisation. In this we recognise that the contributions of many lead to the one beautiful bouquet we all aspire to, namely, an improved public health system. ■



Jeanette R Hunter

Chief Executive Officer

HST STAFF

Reflective Commentary



“ *We do this work because of an unwavering commitment to strengthening health systems, especially in underserved rural areas.* ”



April 2012 sees Health Systems Trust (HST) celebrating twenty years of supporting health service delivery in South and southern Africa. This is a long time in the life of any non-governmental organisation: many fade out along the way. Those that survive, especially in the current financial climate and keenly competitive environment, are likely to be delivering something worthwhile – and it is likely that they have also recreated themselves from time to time to remain relevant to a rapidly changing landscape.

From a staff perspective it is interesting to note that, in the beginning, there were more Trustees than there were staff members. This did not last long, however, and the veterans among us remember a time when the staff complement exceeded 100 people. What a nightmare arranging the year-end strategic meeting – trying to coordinate the travel arrangements for over 100 people from numerous locations around the country. As with any dynamic, growing organisation our staff profile has fluctuated over the years with many HST alumni now serving in top positions in public and private health, academic institutions and in other health-related activities, both locally and internationally. It is this transition from being an HST staff member to occupying leadership and management positions throughout the world that confirms for us current staff members that we are part of a larger network, a larger movement, and

part of an unbreakable chain in a quest to improve and strengthen health systems wherever we may be.

As HST staff we take pride in the work we do, which extends from strengthening District Health Management Teams in planning and practice, through to worthwhile contributions in health policy and providing support at strategic levels within the South African Department of Health and in neighbouring countries such as Lesotho. With the continued production of the *South African Health Review*, which is approaching its 15th edition and has consistently delivered relevant health-related information for policy makers and implementers alike, and the *District Health Barometer*, which provides an overview of the delivery of primary health care services in the public health sector, we are reassured that we are continuing to fulfill our mandate of providing cutting-edge information and commentary on prevailing public health issues.

Believing in equity and a commitment to a primary health care approach, some of us work away from home for extended periods of time, often leaving in the early hours of the morning and returning late at night. We do this work because of an unwavering commitment to strengthening health systems, especially in underserved rural areas. We understand that educating informal shack dwellers and inhabitants of rural areas is as important as influencing policy and decision makers in the corridors of power and we seek to blend these two aspects of our work in order to create a powerful alchemy of change.

So ... be it creditors clerk, CEO or facilitator, in working with HST we all have one thing in common – to foster change and improvement in our health system and to contribute to building equitable access to health care. ■

HST Staff Forum 2010: Various shots from a fun and collaborative day



HST PROGRAMMES REPORT



“ If a wall is to be strong, each brick must be laid with care and precision so that that which follows can be built on a solid foundation. So too, HST strives to ensure that each contribution will withstand the test of time. ”



Health Systems Trust’s vision of “health systems supporting health for all in southern Africa” underpins all that we do and all that we stand for. To achieve this vision we contribute to building comprehensive, efficient and equitable national health systems. We support the implementation of functional health districts – the cornerstone of the District Health System and, therefore, of the national re-engineering of PHC initiative.

During the reporting period HST’s Health Systems Research and Strengthening units have bid for and undertaken a rich tapestry of projects¹. Our areas of expertise² and relevant, on-the-ground experience contribute to our basket of satisfied clients and funders to whom we are committed and determined to deliver an exceptional product. To this we add a quiet determination to make a difference to the public health system by striving for sustainability in our interventions. If a wall is to be strong, each brick must be laid with care and precision so that that which follows can be built on a solid foundation. So too, HST strives to ensure that each contribution will withstand the test of time.

Typical of our health systems strengthening approach is the **Lesotho Health Systems Strength-**

¹ Further details of all projects mentioned in this report are accessible through our recently reconstructed website. See in particular our project one-pager’s for a brief overview of any particular project.

² Listed on page 6 of our organisation’s Brief Profile, which is downloadable from our website or directly via <http://www.hst.org.za/sites/default/files/CompanyProfile032011CS4.pdf>



Lesotho Project: Electronic Medical Records Review Trip



Lesotho Project: Nohana Health Centre



Lesotho Project: Discussion

ening Technical Assistance project, a three-year multi-million US dollar project being implemented in partnership with two international development agencies. Thorough assessment of the Health and Social Welfare Ministry's health management information system needs, together with innovative solutions to service these needs, promises major improvement in the health status of the Basotho. Amidst a plethora of outstanding outcomes is an on-line Basic Computer Literacy Training and Evaluation Course, known as the IT Driving Licence, developed to test health workers' level of proficiency in computer skills as a guide to their future training needs and which issues a certificate of competence to those who pass.

Promoting good practice

Promoting good practice in district and sub-district management and in implementing priority

health programmes is a key strategy in strengthening health systems. HST's complementary activities of research and implementation provide the ideal mix for supporting clients' health systems development and strengthening needs.

Following the success of an earlier project and supported by the recommendations of the external evaluators, HST was granted further funding by The Atlantic Philanthropies to continue **Strengthening District and Sub-district Health Management Teams' Capacity for Service Delivery**. The project supports the national re-engineering PHC initiative, using North West as a piloting province, via learning sites through which good-practice models may be identified. The project's focus areas include: implementing PHC outreach teams; improving maternal and newborn clinical governance at district level; and improving school health services.

Although the 'earlier project' referred to in the paragraph above is not strictly part of this reporting period, two excerpts from the external evaluator's report illustrate the high level of expectation and delivery that the follow-up project must live up to:

She wished to commend the HST staff on their approach, as "they never appeared to be pushing their own criteria or agenda". It was stated that they rather assess the situation and determine what is needed specifically for the Province, and then adapt their approach accordingly. She said, "The HST staff has a passion for delivery."

The Chief Director added that HST is regarded as a strategic and credible partner who understands the SA Health System, and said that the project needs to continue as its full impact will only be seen in the future.

While the *2010 South African Health Review* reported on the country's progress in reaching the Millennium Development Goals (MDGs), HST's involvement in the **Maternal, Neonatal and Child Health and Nutrition Services (MNCH&N)** project enhanced provinces' capacity to meet the health-related MDGs, specifically goals 4, 5 and 6, in seven of the Department of Health's 18 priority districts. This UNICEF-funded project supported the implementation of key MNCH&N interventions to improve health outcomes and to monitor progress in these focus areas. Together with other development partners, integrated MNCH&N plans based on a baseline assessment were developed and these were incorporated into the District Health Plans. The project also focused on prevention of mother-to-child transmission (PMTCT) and community-based interventions, as current research shows that



UNICEF Baseline Project Meeting - Casteel Clinic

AIDS-related illness is a major cause of maternal and under-five childhood mortality. Improved use of routine health information further strengthened these services in the supported districts. Provincial exit meetings and project completion report-backs delivered to the funder, the department and participating provinces solicited positive feedback, with commitments to act on the recommendations emanating from the reported baseline findings.

Congratulations and thanks for sending the detailed final report, it is very comprehensive and the details in the annexes of progress since baseline are very useful as they reveal many programming bottlenecks we need to address.

- *From the funder's office.*

In another recently completed project, HST was sub-contracted by the University Research Cooperation (URC) to support the implementation of the new **Provider-Initiated Counselling and Testing (PICT)** policy in three provinces, Mpumalanga, KwaZulu-Natal and the Eastern Cape. The project aimed to assist in meeting the National Strategic Plan's target of increasing the number of individuals who have ever had an HIV test to 70% by 2011. One approach was to build a network of health service facilities routinely offering HIV Counselling and Testing (HCT) serv-

ices, with opt-out options, to reduce missed opportunities for enhancing early diagnoses and limiting further spread of HIV. The supported districts achieved significant improvements in PICT services. District managers praised the project's positive role in changing the nursing staffs' attitude towards HCT and in empowering health-care workers at operational level to understand the policy. A narrative review of the project team members' collective experiences is being drafted and will, in due course, be published on the HST website and shared with the provincial and national Departments of Health.

Further work in priority programmes includes our **HIV Counselling and Testing (HCT) Strengthening Project** which focuses on strengthening HCT data quality from facilities that are performing poorly in terms of data collection and reporting. This focus is extended in the soon-to-be-completed **HIV and AIDS Handbook for Women of Reproductive Age** that offers health staff a comprehensive, step-by-step guide to

the management of HIV-positive women with a view to improving their quality of care. The handbook is to be disseminated to public and private healthcare facilities.

An interesting project relating to monitoring and evaluation of public-private partnerships in antiretroviral treatment, an **Evaluation of the BroadReach ART Down-Referral Model**, funded by the International Health Division of Abt Associates Inc. and conducted in North West province, provided useful evidence on what has sustained the implementation of the BroadReach model, key innovations introduced by the model, the model's alignment to national priorities for HIV and AIDS treatment, care and support, as well as implications for expanding and replicating the model in South Africa. Six clear recommendations emanated from the evaluation, including adoption and piloting further roll out of the model in other provinces and aligning the BroadReach monitoring and evaluation approach to the existing national data collection systems.



Health Information Systems Data Capture Training, Hammanskraal

In July 2010, the Australia-based Fred Hollows Foundation evaluated progress in the Eastern Cape Blindness Prevention Partnership Program. An HST staff member served on the evaluation team. The evaluation focused on assessing progress with regard to the prevention and alleviation of avoidable blindness - specifically for the rural poor, challenges faced and lessons learned. The findings will inform future programming in the Eastern Cape, as well as plans to expand the programme into other provinces in the country.

Using latest research findings further strengthens the impact and appropriateness of our systems strengthening activities. Research into tuberculosis, through a project investigating **Economic Incentives for Improving Clinical Outcomes in Patients with TB in South Africa: a study of feasibility and effectiveness**, has provided valuable insights. The study found that financial incentives, in the form of a voucher programme, has led to improved treatment success rates in pulmonary tuberculosis patients in public sector health clinics. Furthermore, analysis disproves the commonly-held opinion that patients spend social support money on “irrelevant” or unhealthy items. The research findings show that, almost universally, vouchers were spent on healthy foodstuffs. At a time when there is much debate around the utility of social grants in South Africa, this study provides valuable insights into how patients respond to material support specifically linked to an illness and on how feasible and effective this support is “on the ground”.

Recognising the value and importance of research in understanding the health challenges and developing the best strategies to address these challenges, HST partnered with the University Research Council (URC) Inc. to develop a **Research Methodology Manual** and training

programme. Training for up-and-coming health professionals with healthcare backgrounds in the use of the manual is due to start in the 2011/12 reporting period.

Our health programme-related work is not necessarily restricted to the priority health programmes. Stemming from earlier research investigating Silicosis, one study looked at the **Provision of Benefit Medical Examinations for Former Miners in the Eastern Cape: feasibility, experiences and lessons learnt**. This joint research and implementation project assisted Eastern Cape ex-mine workers who had contracted silicosis to access their rightful occupational compensation. Challenges experienced during the process included transport difficulties in getting to the hospitals, the hospital personnel’s reluctance to conduct the medical examination, and non-functional X-ray machines. Highlighting the challenges to accessing compensation enables the health authorities to initiate corrective action.

Information for Managing Health Systems

Valid, reliable and recent data will be needed in order to ensure that South Africa’s National Health Insurance scheme is implemented in a coherent and sustainable manner. To this end HST, together with the consortium of partners (Arup, Exponent, MRC and HISP), is in the process of conducting an independent audit of all public health facilities in the country. Components of the **Baseline Audit of National Health Care Facilities** include infrastructure, equipment, human resources, financial management, the services provided and quality of care. Through a process of direct observation, records review and patient and staff interviews, the audit provides a baseline for improvement and upgrading of identified facilities. In the first three months following the project’s inception on 03 May 2011, 21% of country’s 4210 facilities

were audited. While some preliminary results are available, the audit is expected to be completed by May 2012.

In addition to sound baseline information, dependable health management information allows for meaningful monitoring and evaluation to enhance quality of care in the delivery of health services. HST's in-depth experience in this field enhances the outputs from the Health Information Systems for Data Capturers project which trained, as part of a consortium, over 2 400 Data Capturers in a 21-day certificated programme – thereby building national capacity in the all-important data management abilities at facility level, the foundation of any national health information system. Of the total number trained, 1 703 (70%) Data Capturers have been absorbed into employment within the public sector.

The information revolution has caused a shift towards automation in every sector around the

globe. The health sector, important for any nation, is often seen as lagging behind in adopting information technology, especially in the sub-Saharan region. There have, however, been initiatives towards changing this in recent years. In an innovative study on the **Effective Use of Technology in Addressing Access and Costs Associated with Treating Patients in Public Sector Tertiary Facilities in South Africa**, HST and Intel Corporation South Africa assessed the value of information systems to national healthcare in two tertiary hospitals in KwaZulu-Natal and Gauteng provinces. The study looked at reasons for investing in system automation, the overall impact of such automation and the organisational influence on successful systems implementation in South African public sector health facilities. The study showed that nurses and administrative staff readily accept hospital automation, but that doctors were generally not keen. The issue of internal security was raised as an area of concern.



Zululand District Feedback Meeting - National Healthcare Facilities Audit

Hospital automation has had a positive impact on patient care, resulting especially in reduced patient waiting times – one of the objectives of hospital automation.

One of the key findings of a Five-Year Evaluation of the Global Fund Health Impact Study was the lack of quality data within countries. HST participated in the **Development of a Data Quality Assessment Toolkit** during the Country Health Systems Surveillance (CHeSS) meetings in Kenya and Cape Town in April and October 2010. HST facilitated sessions on improving data quality using the Data Quality Assessment tool and also coordinated sessions on communication of health data.

The idea of using Health Information Technology (HIT) to support the delivery of quality healthcare services to all South Africans, especially to those who live in the rural areas, has received increasing attention in recent years. In a formative evaluation, **Evaluation of an Electronic Monitoring and Evaluation Solution for Community Caregiver Programmes**, HST interviewed 120 community caregivers (CCGs) working for not-for-profit organisations in three provinces. Work was conducted in KwaZulu-Natal, Western Cape and Limpopo to assess the effectiveness of an electronic/mobile information and communication system, known as the e-MuM® solution. The assessment measured and evaluated CCG performance in community-based services. The results showed that, although challenges were experienced with the electronic solution, it speeded up CCGs collection and checking of their clients' information and thereby saved time during home visits. The electronic system also enabled greater confidentiality of personal information and reduced the amount of paper work.

In keeping with HST's expertise in the health information field, we support the Department of Health in managing, analysing and reporting health and



Community caregivers receiving their new e-solution cell phones at a training session

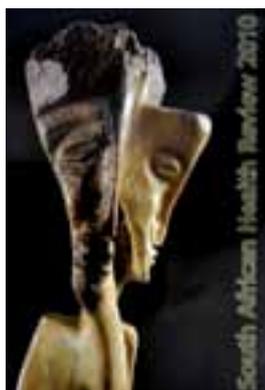
health-related information. The technical expertise provided thus far includes support for setting up a National Information Centre, guidance on visual presentation of data and indicators required for decision-making, and analysis of data to guide the strengthening of primary health care in the districts. This project again demonstrates HST's continued commitment to supporting important national policy initiatives in the country.

It is not only at national level but also at provincial and local level that HST is making a difference. The Western Cape Provincial Department of Health entered into a Service Level Agreement with HST to assist in **Strengthening Health Information Systems**, mainly by supporting the health workers in their use of health information data. Training is a regular part of the support and the customary post-course evaluation regularly elicits very complimentary remarks – both on the skills of the trainer and on the quality of the course content – as per the example below:

“Just to congratulate you on the input you gave over the three days.

I admired the way you presented the information - very clear and concise. With your Nursing background and keeping abreast with all the new clinical information and developments I doubt it whether trainers in future will be able to meet your standard!”

Knowledge Management



HST is well-known for its sustained contribution through the years to high quality information dissemination in the country and abroad. The **South African Health Review (SAHR)** is a case in point where the 14th

edition, launched in December 2010, combines reflections on South Africa's progress towards achieving the Millennium Development Goals and perspectives on a National Health Insurance for South Africa. The SAHR provides a South African perspective on prevailing local and international public health issues and has rapidly become a flagship product that is widely read, used and quoted as an authoritative reference work. An extract from the Deputy Minister of Health's glowing accolade shared at the publication's launch in December attests to its worth:

This launch of the SAHR is a great achievement not only for HST but for all of us who appreciate excellence. On behalf of our people and those who benefit from our services, the Ministry of Health of the Republic of South Africa and the Department of Health, we note with appreciation the launch of this report. The *South African Health Review (SAHR)* is a very valuable resource, especially for academics, students, researchers, scientists, policy makers, health activists and leaders in South Africa and abroad. Since 1995 when the first SAHR was published, it has developed into a user-friendly and authoritative reference manual for those who need well-researched information about the South African National Health System. The Board and staff of Health Systems Trust is [to be] highly commended ...

While the SAHR has a new theme and focus each year, the customary final chapter on Health and Related Indicators has become a much sought-after source of information. All 14 editions, since 1995, have shared this important information, although growing in volume by the year. The chapter authors and the two editors are richly deserving of the praises presented in the two excerpts below:

I have just dipped into the SAHR for the first time in ages to look for some TB indicator data. Just to say that what you ... have put together there is a phenomenal resources and a real *tour de force*."

- A medical doctor and researcher

"As I use some of the health and related indicators year after year, I always appreciate the useful information as well as your ... dedication to keep the information up-to-date. Coming from 1995 - the very first edition of the Health Review - the health and related indicators have indeed become a most appreciated source of information - and I suppose also the most frequently used and cited part of the SA Health Review.

Keep up the hard work that accompanies your efforts and [that goes] into the excellent product. And be assured that many, many researchers appreciate and applaud this valuable source. Lately I read the formidable section on the appraisal of SA progress and achievements re the MDGs - excellent! Excellent!!

- University professor and director of a health research institute

The next edition of the much newer **District Health Barometer (DHB)**, first published in November 2005, is scheduled to be launched at the end October 2011. The DHB provides an

overview of the delivery of primary health care services in the public health sector across the provinces and districts in South Africa. It seeks to highlight inequities in health outcomes, health resource allocation and delivery, as well as track the efficiency of health processes across provinces and districts in the country, with particular emphasis on rural, disadvantaged and urban (metropolitan) districts. This latest edition of the DHB, covering health information up to 2010/11, has a number of new features, including reporting for the first time on Burden of Disease (cause of death) data at district level and analysis of early diagnosis of HIV in infants (PCR testing).

The consistently high standard of written output to which HST continually strives was rewarded recently when the organisation was commissioned to edit a special issue of the Journal of Public Health Policy.

As a contribution to research management in the country, HST developed and maintains the **Na-**

tional Health Research database for the Department of Health in order to keep track of research done in the various provinces. The platform allows researchers to apply for permission to conduct research in the provinces and allows the national and provincial Departments of Health to monitor the status of various research projects. The **Research Application Management System (RAMS)**, which is also a repository for up-to-date journal articles, is live and can be accessed via the National Department of Health's website.

HST continues to disseminate information relevant to health systems strengthening to as wide an audience as possible. Our recently re-structured



HST website, which still contains its comprehensive list of public health-related information produced by ourselves and other organisations, has attracted encouraging commendations. A programme manager from

Candy Day presenting at the WHO Health Progress and Performance Reviews Conference, Bangkok, Thailand



the US Centers for Disease Control and Prevention was recently sincerely and specifically complimentary about the HST website, its content and what he called the transparency of the organisation on our website. Numerous other compliments, from which a few are included below, followed the restructuring of the site – thus making the investment very worthwhile:

The website is very user friendly and fast. I was very impressed and have joined two mailing lists. Congratulations to the team. Will most definitely promote the use of this website.”

- A deputy director in a provincial health department

“Thank-you for the update on the website. I think it’s great and a wonderful resource.”

- A medical officer and researcher

“Up, up, HST - you are making us proud!! Thanks a trillion for all the good, hard work with your team there.

- A deputy director: health information in a metropole

HST also hosts a variety of electronic discussion lists moderated by internal and external experts in their particular fields, providing a forum for members to discuss issues of interest and for which appreciation has been expressed:



From the RuDASA committee, we would also like to take this opportunity to thank HST for the hosting of mailadoc (and the rudasa.com list that is still very much active). These lists have been really important to facilitate communication, particularly for an organisation such as RuDASA, where we are very dispersed. You really have played an important part in supporting rural health in this way – and for many of us, were the first taste of what electronic media is able to do for rural doctors!

The HST Bulletin, sent to over 1500 subscribers on a fortnightly basis, distils and packages key public health information for health workers, policy makers, journalists, researchers, donor organisations and consultants, focusing on areas such as health systems development, primary health care, public health and HIV. Messages of appreciation, such as the two below, are received from time to time – one making reference to the relatively recently revamped format:

Much appreciated as I value the very worthwhile [HST Bulletin] updates”

“Thank you for the informative HST Bulletin and the format!

HST PUBLICATIONS & PRESENTATIONS

Publications

Fonn S, Padarath A, editors. South African Health Review 2010. Durban: Health Systems Trust; 2010

Ogunmefun C, Friedman I, Mothibe N, Mbatha T. A national audit of home and community-based care organisations in South Africa. *AIDS Care Journal*. In press.

Ogunmefun C, Gilbert L, Schatz E. Elderly female care-givers and HIV/AIDS-related stigma in rural South Africa. *Journal of Cross-Cultural Gerontology*. 2010; 26(1): 85-102.

Walters E, Lutge E, Gie RP. Tuberculosis: the special needs of children. In: Hollar D (ed). *Springer Handbook on the Special Needs of Children*. In press.

Presentations

Cassiem I, Ngcobo H, Liebenberg J, Bhana R. Data capturer internship program at health facility level (poster). MEDINFO 2010, 13th World Congress on Medical and Health Informatics. Cape Town, 12-15 September 2010.

Day C. Communicating data effectively. *Health Progress and Performance Reviews: Analysis Methods and Tools Workshop with WHO, ICF Macro and others*. Cape Town, October 2010.

Day C. Sub-national health system performance assessment. *First Global Symposium on Health Systems Research*. Montreux, Switzerland, November 2010.

Day C. The Millennium Development Goals – planning for the last lap. *Pharmacy 2011, Commonwealth Pharmacists Association conference*. Durban, May 2011.

Madale R, Mothibe N, Friedman I. A rapid appraisal of the available biostatisticians and statisticians within the health-related institutions in South Africa (poster). PHASA 2010, 6th Public Health Association of South Africa conference. East London, 29–30 November 2010.

Magingxa N, Khumisi O, September L, Nyanga N, Thabethe T, Masuku M. A baseline assessment of Maternal, Neonatal, Child Health and Nutrition services in seven districts. PHASA 2010. 6th Public Health Association of South Africa conference. East London, 30 November 2010.

Ogunmefun C. An audit of home and community-based care organisations in South Africa (poster). PHASA 2010, 6th Public Health Association of South Africa conference. East London, 29–30 November 2010.

Smith J. Handbook for the management of HIV-positive women of reproductive age (satellite presentation). 5th South African AIDS Conference. Durban, 9 June 2011.

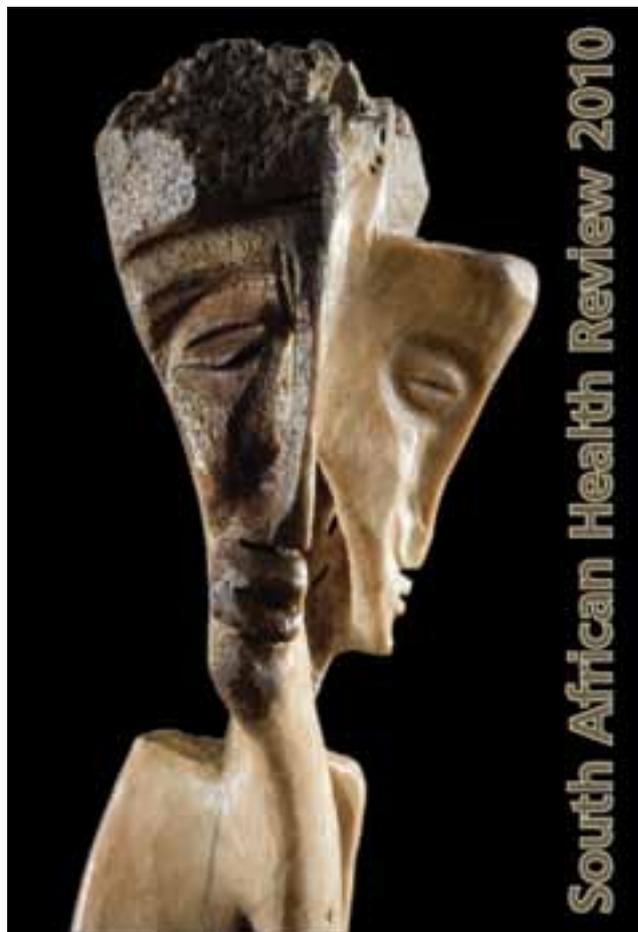
SOUTH AFRICAN HEALTH REVIEW 2010 LAUNCH

“The Board and staff of the Health Systems Trust (HST) is highly commended for the consistency that it has displayed in compiling these reports and also the high quality of work that year-after-year is dedicated to the production of this publication. This publication of the HST has gained a reputation of being an independent assessment of the performance of the South African national health system. Every year the SA Health Review provides its compilers an opportunity to analyze new and existing data, make informed conclusions about the pace of progress and recommend to decision makers and implementers what needs to be done in order to reach the targets. The SAHR also provides invaluable yearly statistical updates on a compendium of health and development indicators. Your decision to sharply focus in the 2010 SA Health Review the MDGs and the National Health Insurance (NHI) indicates the value that you put on health outcomes and ongoing health policy reform. This edition therefore provides the reader with an in-depth analysis of health MDGs and their linkages to other development goals and health interventions being implemented in our country.”

- An extract from Delivering the keynote address at the launch of the 14th edition of the South African Health Review, Deputy Minister of Health, Dr Gwen Ramokgopa



Deputy Minister of Health Dr Gwen Ramokgopa, HST Chairperson Dr Welile Shasha, Guest Editor Prof. Sharon Fonn, HST Trustee Obakeng Mongale, HST CEO Jeanette Hunter, HST staff Rakshika Bhana, Ronel Visser, Waasila Jassat, André Rose, Deena Govender



COVER PHOTO BY JOHN HODGKISS OF A BONE SCULPTURE BY PITIKA NTULI, OUPA SEREMANE OWNS THE SCULPTURE.

“Sankofa, the bird that flies to the past in order to lead us into the future”.



Dr Yogan Pillay, Deputy Director-General: Health Programmes, Department of Health

CORPORATE SERVICES REPORT



HST Staff Forum 2010

Corporate Services provides support to the various operational sectors, ensuring the availability of well-trained and experienced staff to provide effective, efficient and economically-delivered support. Programme staff are thus able to concentrate on their core health system strengthening and research activities and are not distracted by routine administrative tasks.

Having the different components of human resource management, finance, information technology and administration all under one umbrella has allowed for optimising our scale of operations and promotes smooth coordination of corporate service delivery.

Through increased efficiencies the sector is able to take on projects of its own and has evolved to act as a service provider to other organisations. During the year under review, HST has been actively involved a project designed to boost the government's HCT campaign. The project involves the procurement and distribution of HIV test kits and related commodities, as well as TB prophylaxis, to the public sector and to private sector partners throughout the country. This joint endeavour between the South African National AIDS Council, HST and the Department of Health, with funding from the National Lottery Distribution Trust Fund, attempts to address the twin epidemics of HIV and tuberculosis and to



HST Corporate Services: HIV Tests Kits for the Lotteries Project

provide supplies in a coherent, measured and sustainable manner.

Human Resources

At the end of June 2011 HST's staff complement totalled 46 employees. During the year under review six new staff members were welcomed into the organisation. Sadly, although largely as a result of organisational restructuring, we said goodbye to 22 staff members. As mentioned elsewhere in this report, this attrition links to the initial implementation of a new policy to maintain a small core of highly skilled individuals and recruit project-based staff linked explicitly to projects. This approach will resolve a past tendency to expand the workforce in economically favourable times and contract the workforce as funding decreases.

HST continually strives to achieve equity in the workplace. HST's current staff complement is predominantly female (78%), of which 50% are black. Overall, black staff comprise 46% of the total staff complement, whilst 80% of the total staff complement is from previously disadvantaged population groups.

HST recruitment processes encourage suitably qualified disabled people to apply for vacant positions. Special efforts are made to publicise this fact during talent searches.

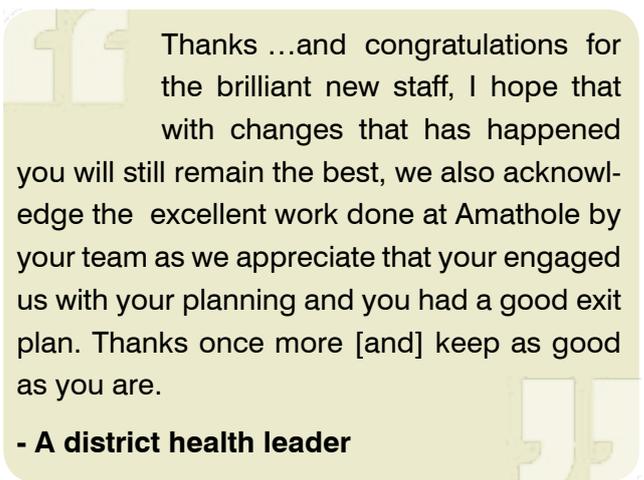
Finance

The annual financial statement as at 30 June 2011 reflected assets to the value of R 41 646 718,

clearly reflecting a financially viable organisation. The Finance and Audit committees provide strategic direction, while playing an important oversight role in governance of the organisation. HST's internal audit function is outsourced.

Information Technology

HST has, in the past, relied solely on Open Source software for our networking applications – mainly to avoid the high cost of similar commercially-available products. Although many of these software applications served their purpose well in past years, changing circumstances in the organisation indicated advantages in acquiring some of the enhanced functions offered by proprietary products. Following careful analysis HST has changed to a Microsoft environment. Fortunately, HST qualifies to receive certain Microsoft products as part of their NGO support programme. HST is, therefore, now busy converting from a Linux network to a Microsoft network and we are looking forward to utilising the new and exciting tools that come with the software application. ■



HST STAFF



HST staff arriving in Mpumalanga for the "Strengthening the District Health System for Service Delivery" Review

Office of the CEO

Jeanette Hunter
Chief Executive Officer

Lindiwe Nhlapo

Corporate Services

Deena Govender
Director, Corporate Services

Beverley Hamiel

Charmaine Singh

Delene King

Dudu Zondi

Fazila Khan

Joyce Mareme

Julia Elliot

Kemona Pillai

Khuphukile Nyawose (until 31 December 2010)

Lloyd Lowe

Mahomed Hoosen Imam

Nonphumelelo Zulu

Primrose Ndokweni

Quintin Dreyer (until 31 December 2010)

Racheal James (until 15 June 2011)

Rakesh Brijlal (until 31 December 2010)

Salome Lekoto

Siemonne Ogle (until 31 March 2011)

Yandiswa Magwevana

Programmes

Ronel Visser
Director, Programmes

René English
*Senior Programme Manager,
Health Systems Research*

Waasila Jassat
*Senior Programme Manager,
Health Systems Strengthening*

André Rose

Ashnie Padarath

Candy Day

Catherine Ogunmufen

Elizabeth Lutge

Evelyn (Oumiki) Khumisi (until 31 December 2010)

Fiorenza Monticelli

Frank Tlamama

Halima Hoosen Preston

Hlengiwe Ngcobo

Programmes con't

Imeraam Cassiem

Irwin Friedman (until 31 October 2010)

Jackie Smith

Khetiwe Danisa (until 30 November 2010)

Khosi Nyawo

Lwandlekazi September (until 31 December 2010)

Marion Stevens (until 15 July 2010)

Mary Dorasami (until 31 December 2010)

Muzi Matse

Mzi Masuku

Nandy Mothibe

Naomi Massyn

Nombulelo Bomela (until 31 December 2010)

Nomthandazo Magingxa

Nonceba Languza

Ntombomhlaba Nyanga (until 31 December 2010)

Patela Giyose (until 31 December 2010)

Rakshika Bhana

Rhulane Madale

Ross Haynes

Sibongile Mkhize (until 31 December 2010)

Siyabonga Nzimande (until 31 December 2010)

Stiaan Byleveld

Sylvia Hadzhi (until 31 January 2011)

Thembekile Lushaba

Thokozani Mbatha

Thulile Mthunzi (until 31 January 2011)

Thulisile Thabethe (until 31 December 2010)

Tshitshi Ngubo

Tsholofelo Mhlaba (until 30 September 2010)

Tumelo Mampe

Zimisele Ndlela (until 31 December 2010)

Zungezi Thuthu (until 31 December 2010)



ANNUAL FINANCIAL STATEMENTS



TRUST FOR HEALTH SYSTEMS PLANNING AND DEVELOPMENT

STATEMENT OF RESPONSIBILITY FOR FINANCIAL REPORTING BY THE BOARD OF TRUSTEES

for the year ended 30 June 2011

The Board of Trustees is responsible for the preparation of the financial statements of the Trust For Health Systems Planning and Development (“the Trust”). In presenting the annual financial statements IFRS for SMES has been followed, appropriate accounting policies have been used, while prudent judgements and estimates have been made.

The Board of Trustees is also responsible for ensuring that proper systems of internal control are employed by or on behalf of the Trust. These controls are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability for assets, to record liabilities, and to prevent and detect material misstatement and loss. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Board of Trustees to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements have been prepared on the going concern basis, as the Board of Trustees has no reason to believe that the Trust will not be a going concern in the foreseeable future based on reserves forecasts, available cash resources, and on the assumption that the Trust will continue to receive sufficient donor funding to meet its financial obligations.

The annual financial statements have been audited by the independent accounting firm, Deloitte & Touche, which was given unrestricted access to all financial records and related data, including minutes of all meetings of members, the Board of Trustees and committees of the Board. The Board of Trustees believes that all representations made to the independent auditors during their audit were valid and appropriate. The Deloitte & Touche audit report is presented on pages 7 – 8.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS BY THE BOARD OF TRUSTEES

The annual financial statements set out on pages 9 to 24 and the supplementary information set out on pages 25 to 29 were approved by the Board of Trustees on 28 October 2011 and signed on its behalf by:

Chairperson

Trustee

An abbreviated version of the Annual Financial Statements (AFS) is included in this Annual Report. A full copy is available on request. Page numbers in the AFS refer to the full version.

The Trust for Health Systems Planning and Development (“the Trust”) confirms its commitment to the principles of openness, integrity and accountability as advocated in the King III Code on Corporate Governance. Through this process stakeholders may derive assurance that the Trust is being ethically managed according to prudently determined risk parameters in compliance with generally accepted corporate practices. Monitoring the Trust’s compliance with the King Code on Corporate Governance where practical, forms part of the mandate of the Trust’s audit committee. The Trust has complied with the Code, relative to HST’s business during the year under review.

Board of Trustees

RESPONSIBILITIES

The Board of Trustees (“the Board”) was established on the basis of a legal Deed of Trust document, supplemented by a formally approved written charter. Its composition is balanced so that no individual or small group dominates decision-making. The Board meets regularly, at least quarterly, and is responsible for oversight and ensuring proper accountability by the Executive Management. The Executive Management attends the Board meetings by invitation.

The roles of chairpersons and executives do not vest in the same persons and the chairpersons are always non-executive Trustees. The chairpersons and chief executive provide leadership and guidance to the Trust’s Board and encourage proper deliberation on all matters requiring the Board’s attention, and they obtain optimum input from the other Trustees. New appointments to the Board are submitted to the Board as a whole for approval prior to appointment.

The Board has ultimate responsibility for the management and strategic direction of the Trust, as well as for attending to legislative, regulatory, and best practice requirements. Accountability to stakeholders remains paramount in Board decisions, and this is balanced against the demands of the regulatory environment in which the Trust operates, and the concerns of its other stakeholders.

GOVERNANCE STRUCTURES

To assist the Board in discharging its collective responsibility for corporate governance, several committees have been established, to which certain of the Board’s responsibilities have been delegated. These committees operate with written terms of reference and comprise, in the main, non-executive Trustees. The chairman of each committee is a non-executive Trustee. The following Committees play a critical role to the governance of the trust:

Audit committee

The role of the audit committee is to assist the Board by performing an objective and independent review of the functioning of the organisation’s finance and accounting control mechanisms. It exercises its functions through close liaison and communication with executive management and the internal and

external auditors. The committee met twice during the 2011 financial year.

The audit committee operates in accordance with a written charter authorised by the Board, and provides assistance to the Board with regard to:

- Ensuring compliance with applicable legislation and the requirements of regulatory authorities;
- Matters relating to financial accounting, accounting policies, reporting and disclosure;
- Internal and external audit policy;
- Activities, scope, adequacy, and effectiveness of the internal audit function and audit plans;
- Review/approval of external audit plans, findings, problems, reports, and fees;
- Compliance with the Code of Corporate Practices and Conduct;
- Review of ethics policies; and
- Risk assessment

The audit committee consists of the following non-executive members :

Attendees	Meeting Dates	
	9/12/2010	20/05/2011
S Govindsamy (External member)	✓	✓
I Lax (External Member)	✗	✓
M Hendricks (Trustee)	✓	✓
V Litlhakanyane (Trustee)	✓	✗

The audit committee addressed its responsibilities properly in terms of the charter during the 2011 annual financial year. No changes to the charter were adopted during the 2011 financial year.

Management has reviewed the annual financial statements with the audit committee, and the audit committee has reviewed them without management or the external auditors being present. The quality of the accounting policies was discussed with the external auditors.

Personnel committee

The personnel committee advises the Board on human resources and other personnel related policies including remuneration packages, and other terms of employment for senior executives. Its specific terms of reference also include recommendations to the Board on matters relating, inter alia, to executive remuneration, Trustees honorariums and fees and service contracts. Whenever necessary, the committee is advised by independent professional advisers. The committee met three times during the 2011 annual financial year.

The personnel committee consists of the following members:

Attendees	Meeting Dates		
	15/10/2010	03/03/2011	19/07/2011
O Mongale (Trustee)	✓	✓	✓
M Tong (Trustee)	✗	✗	✓
G Twala (Trustee)	✗	✓	✓
M Modipa (External Member)	✗	✗	✓
I Matsheka (External Member)	✓	✗	✗

Finance committee

The finance committee operates in accordance with a written charter authorised by the Board, and provides assistance to the Board in the overall management of the financial affairs in a manner that will ensure generally accepted reporting, transparency and effective use of the Trust's resources, and to periodically review, evaluate and report on the financial affairs of the Trust.

The finance committee consists of the following Trustees:

Attendees	Meeting Dates		
	15/10/2010	03/03/2011	19/07/2011
M Hendricks (Trustee)	✓	✓	✓
G Twala (Trustee)	✗	✓	✓
O Mongale (Trustee)	✓	✓	✓
S Shuping (Trustee)	✗	✗	✓

EXECUTIVE MANAGEMENT

Being involved with the day-to-day business activities of the Trust, these officers are responsible for ensuring that decisions, strategies, and views of the Board are implemented.

RISK MANAGEMENT AND INTERNAL CONTROL

Effective risk management is integral to the Trust's objective of consistently adding value to the business. Management is continuously developing and enhancing its risk and control procedures to improve the mechanisms for identifying and monitoring risks.

Operating risk refers to the potential for loss to occur due to a breakdown in control information, business processes, and compliance systems. Key policies and procedures which are in place to manage operating risk involve segregation of duties, transactions authorisation, supervision, monitoring, and financial and managerial reporting.

To meet its responsibility with respect to providing reliable financial information, the Trust and its divisions maintain financial and operational systems of internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's authority, that the assets are adequately protected against material loss or unauthorised acquisition, use, or disposal, and that transactions are properly authorised and recorded.

The system includes a documented organisational structure and division of responsibility, established policies, and procedures, including a Code of Ethics to foster a strong ethical climate, which is communicated throughout the Trust. It also includes the careful selection, training, and development of people.

Internal auditors monitor the operation of the internal control system and report findings and recommendations to management and the Board of Trustees. Corrective actions are taken to address control deficiencies and other opportunities for improving the system as they are identified. The Board, operating through its audit committee, provides supervision of the financial reporting process and internal control system.

The Trust assessed its internal control system as at 30 June 2011 in relation to the criteria for effective internal control over financial reporting. The internal control process has been in place up to the date of approval of the annual report and annual financial statements. The Trust believes that its system of internal control over financial reporting and safeguarding of assets against unauthorised acquisitions, use, or disposition, met those criteria.

INTERNAL AUDIT

Gobodo Inc served as internal auditors for the financial year. Their findings have been received by management and appropriate measures have been implemented to address the areas of improvement noted.

ETHICAL STANDARDS

The Trust has developed a Code of Conduct (the Code), which has been fully endorsed by the Board and applies to all Trustees and employees. The Code is regularly reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism.

In summary, the Code requires that, at all times, all Trust personnel act with the utmost integrity and objectivity and in compliance with the letter and the spirit of both the law and trust policies. Failure by employees to act in terms of the Code results in disciplinary action.

The Code is discussed with each new employee as part of his or her induction training, and all employees are asked to sign an annual declaration confirming their compliance with the Code. A copy of the Code is available to interested parties upon request.

ACCOUNTING AND AUDITING

The Board places strong emphasis on achieving the highest level of financial management, accounting, and reporting to stakeholders. The Board is committed to compliance with the South African Statements of Generally Acceptable Accounting Practice. In this regard, Trustees shoulder responsibility for preparing financial statements that fairly present:

The state of affairs as at the end of the financial year under review;

- Surplus or deficit for the period;
- Cash flows for the period; and
- Non-financial information.

The external auditors observe the highest level of business and professional ethics and their independence is not impaired in any way.

The external auditors were given unrestricted access to all financial records and related data, including minutes of all meetings of Trustees, the Board of Trustees, and committees of the Board. The Trustees believe that all representations made to the independent auditors during their audit are valid and appropriate.

The external auditors provide an independent assessment of systems of internal financial control to the extent necessary for the audit, and express an independent opinion on whether the financial statements are fairly presented. The external audit function offers reasonable, but not absolute assurance, as to the accuracy of financial disclosures.

The Board of Trustees present their annual report, which forms part of the audited annual financial statements of the Trust for Health Systems Planning and Development for the year ended 30 June 2011.

1. General review

The Trust for Health System Planning and Development (“the Trust”) is a dynamic independent non-government organisation that actively supports the current and future development of a comprehensive healthcare system, through strategies designed to promote equity and efficiency in health and health-care delivery in South Africa.

Goals

- Facilitate and evaluate district health systems development;
- Define priorities and commission research to foster health systems development;
- Build South African capacity for health systems research, planning, development and evaluation;
- Actively disseminate information about health systems research, planning, development and evaluation; and
- Encourage the use of lessons learnt from work supported by the Trust.

2. Financial results

- 2.1** Full details of the financial results are set out on pages 11 to 24 in the attached annual financial statements.
- 2.2** As set out in the annual financial statements, the Trust had a total surplus for the year of R6 277 992 (2010: R1 480 128).
- 2.3** The ratio of administration expenses (excluding the unusual and extraordinary items), against gross income is 4% which is in line with the prescribed limit as set out in the trust deed.

3. Trustees

Trustees serve on a voluntary basis and are not remunerated for their services.

The Trustees of the Trust at year end and the date of this report are:

Name	Date appointed	Date resigned/tenure ended
W Shasha	1 August 2008	
DN Pillay	29 July 2004	July 2010
T Wilson	1 August 2008	
L Rispel	1 August 2008	
K Mfenyana	1 August 2008	
S Zungu	1 August 2008	
K Bellis	1 August 2008	

Name	Date appointed	Date resigned/tenure ended
M Hendricks	1 August 2008	
O Mongale	26 June 2009	
K M Tong	01 April 2010	
G Twala	01 April 2010	
V Litlhakanyane	19 November 2010	
S Shuping	01 February 2011	

4. The Lovelife Trust's assets and liabilities

With the transfer of the Lovelife division, all the assets and liabilities of the Lovelife division were to be transferred into The Lovelife Trust.

As at 30 June 2011, land and buildings comprising the remainder of Erf 5 Wierda Valley Township were still registered in the name of Trust for Health Systems Planning and Development. This has correctly not been recorded in the financial statements, as the property is owned by The Lovelife Trust. Management of The Lovelife Trust were informed of this matter and have taken steps to rectify this.

5. Material events after year end

The trustees are not aware of any matters or circumstances which are material to the financial affairs of the trust, that have occurred between year-end and the date of approval of the financial statements.

6. Prior period adjustments

Due to an error in the recording of administration fee income in the prior periods, opening accumulated surplus funds was understated by R1 002 466. This was corrected in the current period. Note 13 of the annual financial statements provides detail in this regard.

7. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of activities of the Trust.

TRUST FOR HEALTH SYSTEMS PLANNING AND DEVELOPMENT**STATEMENT OF FINANCIAL POSITION**

for the year ended 30 June 2011

	Notes	2011 R	Restated 2010 R	Restated 2009 R
ASSETS				
Non-current assets				
Property, plant and equipment	6	858 851 842 697	905 411 884 619	3 355 806 3 327 778
Intangible assets	7	16 154	20 792	28 028
Current assets				
Trade and other receivables	8	40 787 867 7 942 482	73 345 351 3 303 402	39 044 372 6 774 743
Cash and cash equivalents	9	28 227 755	65 768 364	32 269 629
Accrued revenue	2	4 617 630	4 273 585	-
Total assets		41 646 718	74 250 762	42 400 178
EQUITY				
Accumulated surplus funds		22 086 238	15 808 246	14 328 118
LIABILITIES				
Non-current liabilities				
Interest bearing borrowings		-	-	1 790 542
Current liabilities				
Trade and other payables	10	19 560 480 3 351 051	58 442 516 2 833 229	26 281 518 2 794 124
Deferred revenue	2	16 209 429	55 609 287	23 258 460
Current portion of interest bearing borrowings		-	-	228 934
Total liabilities		19 560 480	58 442 516	28 072 060
Total equity and liabilities		41 646 718	74 250 762	42 400 178

TRUST FOR HEALTH SYSTEMS PLANNING AND DEVELOPMENT**STATEMENT OF COMPREHENSIVE INCOME**

for the year ended 30 June 2011

			Restated
	Notes	2011	2010
		R	R
GRANT INCOME	2	83 653 373	42 374 976
Other income		5 507 278	1 245 394
Project expenses		(81 405 616)	(36 349 880)
Grants paid		-	(2 131 850)
Administration expenses		<u>(3 697 568)</u>	<u>(5 084 649)</u>
SURPLUS BEFORE INTEREST AND TAXATION	3	4 057 467	53 991
Interest paid	4	(31)	(62 669)
Interest received	4	<u>2 220 556</u>	<u>1 488 806</u>
SURPLUS BEFORE TAXATION		6 277 992	1 480 128
Taxation	5	<u>-</u>	<u>-</u>
NET SURPLUS AFTER TAXATION		6 277 992	1 480 128
Other comprehensive income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>6 277 992</u>	<u>1 480 128</u>

TRUST FOR HEALTH SYSTEMS PLANNING AND DEVELOPMENT**STATEMENT OF CHANGES IN EQUITY**

for the year ended 30 June 2011

	Note	District Support Community Development (DSCD)	Research	Heathlink	Central Admin (CORE)	Total
Opening balance as at 1 July 2008		3 085 630	2 024 544	3 156 831	5 210 129	13 477 134
Restatement of opening balance accumulated profits		-	-	-	850 984	850 984
Opening balance as at 1 July 2009 - restated	13	3 085 630	2 024 544	3 156 831	6 061 113	14 328 118
Total surplus/(deficit) for the year - restated	13	3 903 714	(636 837)	(757 149)	(1 029 600)	1 480 128
Opening balance 1 July 2010 - restated	13	6 989 344	1 387 707	2 399 682	5 031 513	15 808 246
Total (deficit)/surplus for the year		(233 186)	(661 625)	(3 016 367)	10 189 170	6 277 992
Closing balance as at 30 June 2011		6 756 158	726 082	(616 685)	15 220 683	22 086 238

TRUST FOR HEALTH SYSTEMS PLANNING AND DEVELOPMENT

STATEMENT OF CASH FLOWS

for the year ended 30 June 2011

	Notes	2011 R	Restated 2010 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in)/generated from operations	A	(39 589 033)	32 692 334
Interest paid		(31)	(62 669)
Interest received		2 220 556	1 488 806
Net cash flows (used in)/from operating activities		(37 368 508)	34 118 471
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, and equipment		136 826	2 157 125
Acquisition of property and equipment		(295 383)	(728 335)
Acquisition of intangible assets		(13 544)	(29 050)
Net cash flows (used in)/from investing activities		(172 101)	1 399 740
CASH FLOWS FROM FINANCING ACTIVITIES			
Re-payment of long term loan		-	(2 019 476)
Net cash flows used in financing activities		-	(2 019 476)
Net (decrease)/increase in cash and cash equivalents		(37 540 609)	33 498 735
Cash and cash equivalents at beginning of year		65 768 364	32 269 629
Cash and cash equivalents at end of year		28 227 755	65 768 364

A.RECONCILIATION OF SURPLUS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

Surplus before taxation		6 277 992	1 480 128
Adjustments for:			
Depreciation		312 434	348 573
Amortisation		18 182	36 285
(Profit)/loss on disposal of property, plant and equipment		(111 955)	651 368
Assets scrapped		-	14 429
Interest paid		31	62 669
Interest received		(2 220 556)	(1 488 806)
Cash generated from operations before working capital changes		4 276 128	1 104 646
Working capital changes:			
Increase in trade and other receivables		(4 983 125)	(802 244)
(Decrease)/increase in trade and other payables		(38 882 036)	32 389 932
Cash (used in)/generated from operations		(39 589 033)	32 692 334

A Full Copy of HST Audited Financial Reports is Available on Request.

FUNDERS & FUNDING PARTNERS



Abt Associates Inc.
Fred Hollows Foundation
Futures Group
ICF Macro
Intel Corporation
Medical Research Council, South Africa
Millennium Challenge Account, Lesotho
National and Provincial Departments of Health, South Africa
National Institute of Health and Welfare, Lesotho
National Lottery Distribution Trust Fund
Open Society Foundation for South Africa
The Atlantic Philanthropies
The Henry J. Kaiser Family Foundation
United Nations Children's Fund
University of Cape Town
University of Witwatersrand, Johannesburg
University Research Co., LLC
World Health Organization
Wellcome Trust



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