

UNIVERSITY OF EDUCATION, WINNEBA
COLLEGE OF TECHNOLOGY EDUCATION-KUMASI

ASSESSING BUDGET AND BUDGETORY CONTROL PRACTICES IN
SEVENTH-DAY ADVENTIST HOSPITAL, KWADASO - KUMASI



MASTER OF BUSINESS ADMINISTRATION (ACCOUNTING)

2019

UNIVERSITY OF EDUCATION, WINNEBA
COLLEGE OF TECHNOLOGY EDUCATION-KUMASI

ASSESSING BUDGET AND BUDGETORY CONTROL PRACTICES IN
SEVENTH-DAY ADVENTIST HOSPITAL KWADASO - KUMASI

FREDERICK AMOAH

(7171320010)



**A Project Report in the Department of Accounting Studies Education, Faculty of
Business Education Submitted to the School of Graduate Studies in partial
fulfillment of the requirements for the Award of the Degree of Master in
Business Administration (Accounting) in the University of Education, Winneba**

JULY, 2019

DECLARATION

STUDENT'S DECLARATION

I, **FREDERICK AMOAH**, declare that this dissertation, with the exception of quotations and references contained in published works which have all been identified and duly acknowledged, is entirely my own original work, and it has not been submitted, either in part or whole, for another degree elsewhere.

FREDERICK AMOAH

Signature:

Date:



SUPERVISOR'S DECLARATION

I hereby declare that the preparation and presentation of this work was supervised in accordance with the guidelines for supervision of dissertation as laid down by the University of Education, Winneba.

MR. WILLIAMS KWASI BOACHIE

Signature:

Date:

DEDICATION

This work is dedicated to my lovely Mum (Rosemary Dapaah) and my Brother (Dr. Charles Adofo) whose love and support has contributed immensely to my attainment of this academic height.



ACKNOWLEDGEMENT

The completion of this study gives me joy and relief. It has really tasked me a lot, and I hope it will be of great help to many organizations who lay hands on it. I appreciate and acknowledge the support given me by others in various ways and at different times during these critical moments.

I wish to acknowledge and give thanks and gratitude to many people whose support and help I received in this programme and the preparation of the dissertation. However, it is only possible to mention just a few. I am deeply grateful to my supervisor Mr. Williams Kwasi Boachie whose patience, guidance, suggestions and encouragement has brought this work to fruition. I am equally grateful to all the Lecturers at University of Education Winneba- Kumasi, (Accounting Department) for their contribution toward my study.

My final gratitude goes to the officials of SDA hospital, Kumasi for providing me the needed data so willingly for this work to be completed successfully. God, when shall I cease giving thanks and praises unto your name! You are wonderful.

TABLE OF CONTENTS

CONTENTS	PAGES
TITLE PAGE	i
DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
TABLE OF TABLES	viii
TABLE OF FIGURES	ix
ABSTRACT	x
CHAPTER ONE: INTRODUCTION	1
1.0 Overview.....	1
1.1 Background of the Study	1
1.2 Problem Statement	3
1.3 Research Objectives.....	4
1.4 Research Questions.....	4
1.5 Significance of Research.....	5
1.6 Limitations of the Study.....	5
1.7 Organization of the Study	6
CHAPTER TWO: LITERATURE REVIEW	7
2.1 Introduction.....	7
2.2 History and Theoretical Framework	7
2.2.1 The Budgeting Function	7

2.2.2 Budgetary Control.....	11
2.2.3 The Concept of Budgeting and Budgetary Control	13
2.2.4 Types of Budget.....	14
2.2.5 A Budget Manual.....	18
2.2.6 Merits of Budget and Budgetary Control.....	19
2.3 Monitoring Expenditure.....	20
2.3.1 Falling Short of Budgeted Figures.....	20
2.3.2 Exceeding Budgeted Figures	20
2.4 Challenges Associated with Budgeting and Budgetary Control.....	21
2.5 Budget Preparation Process	23
2.6 Budget Implementation.....	24
2.7 Evaluation of Budget Variances	24
CHAPTER THREE: RESEARCH METHODOLOGY	27
3.1 Introduction to Research Methodology	27
3.2 Research Design.....	27
3.3 Target Population.....	29
3.4 Sampling Technique	29
3.5 Sample Size.....	29
3.6. Data Collection	29
3.6.1 Data Collection Tools	30
3.6.2 Data Analysis Technique	30
3.7 Profile of the Hospital.....	31
CHAPTER FOUR: RESULT OF THE STUDY.....	36
4.1 Introduction.....	37

4.2 Interview Results	37
4.2.1 Background Information of Interviewees	37
4.2.2 Budget Preparation Process in the Hospital.....	38
4.2.3 Budget Implementation in the Hospital	39
4.2.4 Budgetary Monitoring/Control Processes.....	40
4.2.5 Challenges Militating against Budgetary Controls	42
4.3 Budget Variances Analysis	43
4.3.1– Analysis of Income	44
4.3.1.1 –Sale of Health Services Variances	46
4.3.1.2 – Drugs Sales	48
4.3.2– Analysis of Expenditure.....	51
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND	
RECOMMENDATIONS.....	58
5.1 Introduction.....	58
5.2 Summary of Findings.....	58
5.2.1 Budget Preparation Process	58
5.3 Recommendations.....	60
5.4 Conclusion	62
REFERENCES.....	63
APPENDICES	68
APPENDIX I – INTERVIEW GUIDE	68
APPENDIX II –BUDGET DETAILS	69

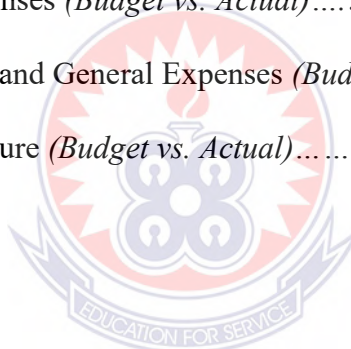
TABLE OF TABLES

TABLES	PAGES
Table 1: Staff Strength of the SDA Hospital	34
Table2: Background information of Interviewees.....	36



TABLE OF FIGURES

FIGURES	PAGES
Fig. 3.1 – Organogram of SDA Hospital	31
Fig 3.2–Organogram of the Kwadaso SDA Hospital	33
Fig 4.2 – Total Income (<i>Budget vs. Actual</i>).....	43
Fig. 4.2a – Income from Health Services (<i>Budget vs. Actual</i>).....	.45
Fig 4.2b – Income from Drug Sales (<i>Budget vs. Actual</i>).....	46
Fig 4.3 – Other Income (<i>Budget vs. Actual</i>).....	47
Fig 4.4 – Government Subvention (<i>Budget vs. Actual</i>).....	48
Fig 4.5 – Workers Salaries and Allowances (<i>Budget vs. Actual</i>	50
Fig 4.6 – Operating Expenses (<i>Budget vs. Actual</i>).....	52
Fig 4.7 – Administrative and General Expenses (<i>Budget vs. Actual</i>).....	53
Fig 4.8–Capital Expenditure (<i>Budget vs. Actual</i>).....	54



ABSTRACT

Budgeting is a form of financial planning and a control mechanism in an organization. Thus, it is utilized to impose the strategy of an organization. Consequently, a budget is composed of different functional plans that could help both short and long term development of an organization. The Kwadaso SDA Hospital is decentralized private organization and it engages in the preparation of annual budgets to facilitate its financial operations. However, the budget preparation, implementation and monitoring seem to face challenges, especially with regards to interferences from central authority into the activities of decentralized organizations within the Seventh Day Adventist Health Sector. This study adopts a case study approach in which face-to-face interviews were extensively conducted to collect information on the budget preparation, implementation and monitoring as well as the practical challenges that face these processes. Documentary analysis was also conducted on the annual budgets of the Hospital in order to determine possible budgetary variances. It was found out that the budget preparation goes through a bottom-up approach and final approval given by the Hospital's Board of Governors. However, the implementation is sometimes interfered with central authority directives, such as taking on new staff, which makes it difficult to achieve budget goals resulting in unfavorable variances. The target populations for the study are the Management and staff of the accounts department and other senior members of the Hospital involved in the budget preparation and monitoring activities. Purposive sampling method was chosen for the study to enable the researcher get to the core targets for the study and eliminate collection of irrelevant data. The techniques used by the researcher to select the sample size required prior knowledge of the target population which allowed a determination of the size of the sample needed to achieve a reasonable estimate with accepted precision and accuracy of the population. The quantitative data obtained from the study of the financial information of the Hospitals data were analyzed using statistical methods such as curves and graphs to describe the extent of variances in financial figures obtained from budgets over the five year period. Both qualitative and quantitative methods of investigations were employed in the analysis and interpretation of data for the study. Based on the analysis and their interpretations, conclusions were drawn and recommendations given. My findings reveals that, just like in all other SDA Hospitals, the budget preparation process must be guided by the Adventist working policies although there is no specific budget manual in place. It has

been found out that the Budget preparation process in the Hospital takes a bottom-up approach, where information for preparing the budget is obtained from staff of all departments, channeled through the Head of the Accounting Section, plays the pivotal role. After all the information are put together by the accountant, they are presented to the management of the hospital for detailed deliberations. Feedback is taken from the information if necessary. The final stage of the preparation is where the Board of Governors for the Hospital would have to give a final approval for it to become operational. The results of the budget variances analysis indicated that the Hospital has not been achieving its income target for the past five years and this could be due to factors such as low turnout of patients, unexpanded services and health insurance policy implementation challenges. The expenditure variances also recorded adverse variances in larger portion of the period under analysis and this could be attributed to interferences from the Central authority that is supposed to supervise the activities of the Hospital. These interferences tend to result in increase in expenditure levels thus making it difficult to achieve budget goals. Concerning the budget preparation process, the hospital is encouraged to incorporate the suggestions and input from the executives of the Ghana Adventist Health Service during the initial stages before final approval is given by the Governing Board of the Hospital. Also during the implementation of the budget it is expected that much more autonomy would be given to the Hospital in order to minimize or eliminate the adverse impact wrought by interferences from the central authority (i.e. Ghana Adventist Health Service). In order to avoid having adverse variances during the implementation of the budget, the Hospital should ensure that the internal control mechanisms are strengthened and regularized. This will ensure that the periodic monitoring is effective in terms of ensuring that strategies are put in place to minimize or overcome all challenges that militate against the achievement of budget goals. Also new strategies that will enhance favorable variances i.e. meeting or exceeding income targets and not controlling expenditure within budget, could then be established.

CHAPTER ONE

INTRODUCTION

1.0 Overview

The main purpose of this study is to assess the budget and budgetary control practices in SDA hospital Kwadaso-Kumasi. This chapter presents the background of the study, problem statement, research questions, objectives of the research, significance of the research and limitations to the study.

1.1 Background of the Study

Planning and control are major activities of management in all organizations. Budgets are central to the process of planning and control. Budgeting places the management accountant as a key player in the provision of management information. Budgeting is an integral part of medium term planning and control in an organization (Merchant, 1981). Budgeting is defined as a form of financial planning and as such budget is utilized to impose the strategy of an organization. A budget is composed of different functional plans that could help, at large, a country's development as well as a small organization (Smith & Mcgeary, 1997). Among the essential reasons for having a budget are to effectively allocate resources and coordinate activities and efficient communication within an organization.

In budgeting, the focus is not only to prepare the budget, but more importantly to produce a budget that management is able to use budgetary control systems to monitor and compare to actual results. Budgetary control as a proven management tool helps organization management, and enhances improved performance of any

economy in different ways (Chandler, 1990). Its primary function is to serve as a guide to financial planning operators; it also establishes limits for departmental excesses. It helps administrative officials to make careful analysis of all existing operations, thereby justifying expanding, eliminating or restricting present practice (Musselman and Hughes, 1981).

An internal audit function is an essential part of any management system and should ensure that spending is within budgetary provisions; disbursements comply with specified procedures provides for the timely reconciliation of accounts and effective systems for managing and accounting for physical and financial assets (Commonwealth Secretariat, 2005). The Seventh Day Adventist (SDA) Division in Ghana comprises various conferences, which are the managers of the SDA churches under their respective territories. The conferences establish hospitals and clinics, which are supervised by Ghana Adventist Health Service, a national oversight body. The hospitals and the clinics are decentralized and have powers to make their own decisions, concerning functions such as budget preparation and revenue generation. Thus they are responsible for dispensing operation and administrative expenditure.

The budget preparation process in the SDA Hospitals is carried out by, the in-house administration of the respective decentralized hospitals and this involves meeting with various departments for their inputs and considering suggestions from the Hospital's Board before coming out with the final budget. The budget implementation is left in the hands of the in-house administration spearheaded by the accounting unit of the hospital. The unit is to ensure that expenses are not exceeded without approval from the Board. Expenditure items that pertain to a particular department is made known to

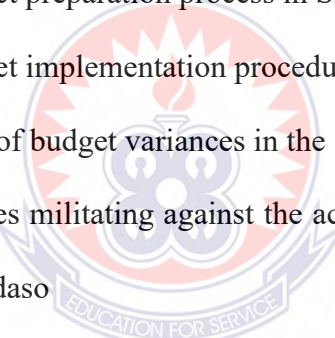
them and periodically monitored. The accountant is expected to periodically appraise the Chief Executive Officer of the hospital who is the principal signatory of all bank accounts with the remaining budget provision to enable him to make appropriate authorization. To ensure the achievement of budget goals and also facilitate effective monitoring, it is a policy of the hospital to submit monthly and quarterly reports to the in-house administration and the Hospital's Board of Governors respectively. This statements matches actual expenditure with budgeted and brings out variances, which are further analyzed. Where negative variances are significant, committees are formed to investigate them and where necessary budgets are revised. If variances are seen to be those that could have been avoided, cautions and sanctions are administered.

1.2 Problem Statement

In any organization, controls are mainly in-built in the financial management system. The financial management includes the legal and organizational framework within any organization. This dictates the kind of budget preparation and control measures that are put in place. Such framework centers on the activities of setting budget goals and monitoring to achieve them. However in most private organizations, practices pose challenges and difficulties in the achievement of budget goals. The case of Kwadaso SDA Hospital is not different. The Hospital is a decentralized private organization and its autonomy seems to be partial in view of intermittent interference from central authority. It is possible that this could lead to budgetary implementation difficulties and subsequently inability to achieve budget goals. There is the need to obtain scientific data on these practices in the private sector to enable assessment of the challenges that prevent such private organizations from achieving their budgeting goals. The SDA Hospital has been a safe haven for large number of the sick especially

in times when public hospitals in the Kumasi Metropolis do not operate. It is important to assess the budget and budgetary control practices of the Hospital and ascertain whether budget goals are achieved. It is also not clear as to the systematic process the hospital goes through in the preparation of its budgets. The reason why actual revenue and expenditure vary from budget revenue and expenditure needs to be established. Hence there is the need to carry out scientific through this research. Also as a decentralized hospital, the implementation of budget is prone to interferences from central authority and this could be a challenge to achievement of budget goals.

1.3 Research Objectives

1. To ascertain the budget preparation process in SDA Hospital, Kwadaso
 2. To ascertain the budget implementation procedures in SDA Hospital, Kwadaso
 3. To carry out analysis of budget variances in the SDA Hospital, Kwadaso
 4. To find out challenges militating against the achievement of budget goals of the SDA Hospital, Kwadaso
- 

1.4 Research Questions

- What is the budget preparation process in Kwadaso SDA Hospital?
- What are the procedures employed to implement the budget of the Hospital?
- Do variances occur during the implementation of the Hospital's budget and what are the causes of these variances?
- What are the challenges that militate against the achievement of budget goals of the Hospital?

1.5 Significance of Research

The broad objectives of financial management are to: achieve overall fiscal discipline, allocate resources to priority needs, and provide efficient and effective allocation of goods and services. It is anticipated that a clearer basis for achieving these broad objectives in a decentralized private organization such as the Kwadaso SDA Hospital would be laid down through this research. The results of this research will greatly help improve the budget preparation process in the Hospital. It is also anticipated that findings of this research will help the Hospital to institute mechanism that will enable it to achieve budget goals.

Also, the researcher will have developed the capacity to undertake policy changes required to minimize or eradicate challenges that prevent private organizations from achieving their budgetary objectives. It is believed that awareness of the importance of minimizing budgetary control deficiencies in private organization shall have been created through the findings of this research. Ultimately the national economy will benefit since the private sector is regarded as the engine of economic growth and therefore best budget control practices is needed to enhance such growth.

1.6 Limitations of the Study

Few challenges were encountered by the researcher during the data collection:

- Situations where obtaining the needed documents were difficult as they had to be searched from old records
- Some respondents having been assured of their anonymity of their personalities were still reluctant from the beginning. It was after persistent persuasion that

they accepted to offer any assistance especially with regards to the problems of budgetary control that could be attributed to top management.

1.7 Organization of the Study

This study assess the budget and budgetary control practices in SDA hospital Kwadaso-Kumasi. The work have been divided into five different chapters.

Chapter one explains the details of the research topic, problem statement, objectives and limitation to the study, followed by Chapter two which discusses the literature review, consisting of the history and theoretical framework , the concept of budget and budget control practices and the types of budget, in addition to explore the importance, challenges and implementation of budgets, on the other hand, Chapter three gives an in depth knowledge about the research methodology, the design and brief background of SDA hospital Kwadaso, moreover, Chapter four presents data presentation, analysis and discussion, finally, Chapter five summarizes the conclusions and recommendations of the research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Budgeting is a familiar and very important type of short range plan; a plan that is expressed in a numerical terms how the resources of a company can be distributed to attain a desired profit. Since working out a budget force a company to determine how much money will be coming in, what cost will be incurred, it serves a dual purpose to become a controlling as well as a planning tool. And since the budget is a guideline to what will take place over a lengthy period of time, a great deal of careful thought must go into its planning. (Agu Chika, 2006)

In this chapter, research works of the theoretical literature are carried out by scholars on the concept of Budgeting and Budgetary Control style are reviewed and discussed. There is also a presentation of the theories on main types of budgetary, the principal budgets factor/forecasting and problems associated with budgeting and control. Furthermore, the factors that could yield variance between the actual values and budgeted values are explored.

2.2 History and Theoretical Framework

2.2.1 The Budgeting Function

According to Akintoye (2008) Budget control and Budgeting are concepts traceable to the bible days, precisely the days of Joseph in Egypt. It was reported that nothing was given out of the treasure without a written order. History has it that Joseph budgeted and stored grains which lasted the Egyptians throughout the seven years of famine.

Budgets were first introduced in the 1920s as a tool to manage costs and cash-flows in large industrial organizations. Johnson (1996), states that it was the 1960s that companies began to use budgets to direct what people needed to do in an organization. In the 1970s performance improvement was based on meeting financial targets rather than effectiveness, companies then faced problems in the 1980s when they were not willing to spend money on innovations in order to stay with the rigid budgets, they were no longer concerned about how customers were being treated, only meeting sales targets became essential. Budgeting in business organization is formally associated with the advent of industrial capitalism for the industrial revolution of the eighteenth century, which presented a challenge for industrial management.

Budget is an important tool for effective short-term planning and control in organizations and it is the result from a budgeting process. Budget serves diverse purposes and budget is translating financial resources into human purposes. The term budget has many different definitions due to the fact that it has somewhat different meaning in the different environments. In this case where budget is an attempt to predict what is going to happen in the company's near future the amount of definitions are not lacking.

Glautier and Under (1987) state that, the emergence of scientific management philosophy as a basis for taking decision provided a tremendous impetus for the development of management accounting and indeed budgeting techniques. However, budgeting at the early stage of its development was concerned with preparing and presenting credible information to legitimize accountability and to permit correct performance evaluation and consequently, rewards.

Over the years, the function and focus of budgeting has shifted considerably and business organization become more complex and their environment becomes dynamic coupled with the emergence trend, the term budget and budgeting have been differently defined and examined by various scholars in several ways. Omolehinwa (1989) defined a budget as “a plan of dominant individuals in an organization expressed in monetary terms and subject to the constraints imposed by the participants and the environments, indicating how the available resources may be utilized, to achieve whatever the dominant individuals agreed to be the organization’s priorities”. These dominant individuals could be the management of the Hospital or the authorities of headquarters of the hospital being a decentralized organization.

The notable thing about this definition is that, it recognizes the constraint imposed on the budget by the other participants who are to ensure that the objectives and targets enunciated in the budget are achieved. This practice, if carried out in an organization could pose a challenge during the implementation of the budget. From this it can be said that budget has been playing an import role both for the employees in the businesses as well as the management. If we look at the article by Jan Wallander published in 1999 the budget is described as a forecast and a plan for the company for the next year, and in some cases for the next two, three or even five years. The budget is built on forecasts concerning the general development of demand, prices, exchange rates, wages, costs and so on (Wallander, 1999).

Budget is an action plan to guide managers in achieving the objectives of the firm. Lucey (2003), in his formal definition defines budget as a qualitative statement, for a defined period of time, which may include planned revenue, expenses, assets,

liabilities and cash-flows. A budget provides a focus for the organization; aids the coordination of activities and facilitates control whereas control is generally exercised through the comparison of actual and flexible budget. In an survey conducted by Shastri and Stout (2008) it was found that what companies considered budgets most useful in relation to decisions concerning strategy planning, resource/operational planning, communication, incentive rewards determination and operational control. When defining budgeting we can look at Blumentritt (2006) definition of budgeting as the process of allocating an organization's financial resources to its units, activities and investments. He states that many budgeting processes include a review of the prior period's financial results, projections for sales, operating expenses fixed, variable, and semi-variable) and financing expenses, examination of proposals for capital expenditures, and means of rolling up and rationalizing figures.

Lucey (2003) in his recent definition of budget defines it as a quantitative expression of a plan of action prepared for the business as a whole for departments, for functions such as sales and production or for financial resource items such as cash, capital expenditure, manpower purchase, etc. The process of preparing and agreeing budgets is a means of translating the overall objectives of the organization into detailed, feasible plans of action. Budgeting is the only comprehensive approach to managing so far developed that, if utilized with sophistication and good judgment, fully recognizes the dominant role of the manager and provides a framework for implementing such fundamental aspects of scientific management as management objectives, effective communication, participative management, dynamic control, continuous feedback, responsibility accounting, management by exception and management flexibility.

2.2.2 Budgetary Control

Budgetary control is highly necessary since it checks whether the plans are being realized and ensures that corrective measures are put in place, where deviation or short-fall is occurring. (Egan, 1997) Egan emphasized that without effective controls, an enterprise will be at the mercy of internal and external forces that disrupts its efficiency, and be unaware; such enterprise will be able to combat such forces. When a budgeting and control system is in use, budgets are established which set out in financial terms, the responsibility of managers in relation to the requirement of the overall policy of the company. Continuous comparison is made between the actual and budget results, which are intended to either secure, through action of managers, the objectives of policy or to even provide a basis for policy revision. It is above all managerial tool; in essence, it is the best tool for making sure that key resources, especially performance resource are assigned to priorities and to results. It is a tool that enables the manager to know when to review and revise plans, either because results are different from expectation or due to environmental, economic conditions, market conditions or technologies change, which no longer correspond to the assumptions of the budget. Morgan emphasized that the budget should be used as a tool for planning and control.

Budgetary control involves the making of decisions based on relevant information which leads to plans and actions that improve the utilization of the productive assets and services available to organizations management. Effective control is said to be based on standards which actual performance can be compared. If there are no standards, then there can be no effective measure of attainment. This research intends to study the effectiveness of budgetary control in light of these categories of

standards. This study is highly important since effective control is a key management task which ensures that efforts produced at all levels commensurate with those required to ensure the long-term future effectiveness and success of an organization (Stewart, 1997).

Budget is not a means of limiting expenditure. Rather, it is a method to improve operations, a tool for obtaining the most productive and profitable uses of the companies resources through careful planning and controlling. They went further to say that well managed organizations usually have the following budget cycle:

Planning the performance of the organization as well as its units. The entire management term agrees as to what is expected. Providing a frame of reference, a set of specific expectation against which actual result can be measured. Investigating variance form plans, corrective action follows investigation. Planning again, considering feedback and charged conditions.

A budgetary control system is a method of monitoring and controlling income, and expenditure and for managing the demands for cash, minimizing borrowings. It can be applied in a business context or by an individual in relation to his or her personal finances. In a business environment it is most valuable as a tool to control the flow of cash because a good system would monitor cash inflow and flag-up any projected shortfalls so that corrective action could be taken, for example if some customers were habitually not paying promptly or there was a sudden and unusual need for spending. Additionally, such a system would also ensure that cash was always available for essential business purposes like buying raw materials. According to Appiah-Mensah (1993), if actual performance is not controlled, then it will differ

from planned performance and the business will not achieve its objectives. The budgetary control report is very important in the feedback process and it is to ensure maximum effectiveness.

2.2.3 The Concept of Budgeting and Budgetary Control

There is a consensus among authors that, in order to avert business failure, an enterprise must have a vision of where it wants to be in near future and accordingly draws up a strategic business plan. In order to attain the set business objectives of an organization, long term plans are further broken down into detailed step by step procedures resulting in short and medium terms. The end result of this step by step planning is to minimize cost and maximize profit, which is also a benchmark for judging management and organizational performance.

More practitioners are of the view that budgeting is a service function and that budgets do not replace management and also observes that planning goes from top down where budget formulation flows from bottom to up. This pattern of budget preparation could affect control positively or negatively and through this research the preparation process would be ascertained. In the case study of 'budgeting and budgetary control in business organization,' "Budgetary control is the use of the budget as an instrument for the guidance of business operations. In that case, budgets serve as a yardstick for executive control of operation, to determine the extent to which planned goals and objectives are being attained and to arrest off-line drifts on time. While agreeing that budgetary control follows budget preparation, budgets require not only top managerial support but that control is assisted as well by participation of budgets operators/implementers to get solution to the problems which

may arise. The top-bottom and bottom-top approach in budget preparation and budgetary control is illustrated in another way, which indicates that budgets fulfill two basic requirements in the overall control process:

- Feed forward: To provide a basis for control at the point of action, that is at the decision point.
- Feedback: To provide a basis for measurement of the effectiveness of control after the point of action.

Control promotes efficiency and reduces waste. Control ensures that corrective actions are taken where necessary and possibly, helps bridge the gap between the budget and the actual performance and to also aid review of unrealistic budgets.

2.2.4 Types of Budget

Fixed and Flexible Budget

A fixed budget is a budget which is designed to remain unchanged irrespective of the volume of output or turnover attained. That is, it is a single budget with no analysis of cost. The purpose of a fixed budget is at the planning stage when it serves to define the broad objectives of the organization where there is no analysis of cost into fixed and variable. The fixed budget is unlikely to be of any real value for control purpose except if the level of activity turned out to be exactly as planned. On the other hand flexible budget is that which, by recognizing different cost behaviour patterns, is designed to change as the volume of activity changes for control purpose. It is vital that flexible budgeting is used only by comparing what the cost should have been with the expenditure incurred at the actual activity level can any control be exercised.

A flexible budget often reflects, increase or decrease in business activity throughout an organization. In some organizations, changes may be greater in some departments and smaller in others. In some department's ability to produce more units without incurring high additional cost while in another, cost increase or decrease in direct proportion to production increase or decrease. The flexible budget attempts to deal with this situation with a fair degree of accuracy. It keeps the expense to the level of activity possible and so facilitates the control of expenditure and comparison of expense with revenue or volume of production.

Capital Budget

A capital budget estimates all capital asset acquisitions and summarizes all expenses and costs of major purchases for the next year. Capital assets include items that have useful lives of more than 12 months, such as buildings, building improvements, land, furniture, fixtures, equipment, computers, musical instruments, works of art and books (Maddox, 2010) The main purpose of a capital budget is to forecast costs of major capital purchases.

Master Budget

The master budget also known as profit plan is a comprehensive set of budgets covering all phases of an organizations operations for a specified period of time. The master budget is the principal output of a budgeting system. It is a comprehensive profit plan, that tie together all phases of an organizations operations. It is comprised of separate budgets that are independent. They are operation budget and financial budget

Operation Budget

Operating budgets indicate the products and services a firm expects to use in a budget period. It describes all the income-generating activities of a firm, including production, sales and inventories of finished goods (Peng, 2004). An operating budget typically has two distinct parts: the expense budget and the revenue budget. The expense budget indicates all expected expenses of a firm for the coming year, while the revenue budget shows all projected revenues for the coming year. This shows how operations will be carried out to produce an organizations goods and services. The essence of operational budget is for the organization to be able to meet the demand of its goods and services.

Financial Budget

This shows how an organization will acquire financial resources during the budget period (Africa Research Bulletin, 2013). It embraces the impacts of the financial decisions of the firm. It is a plan including a budgeted balance sheet, which shows the effects of planned operations and capital investments on assets, liabilities, and equities. It also includes a cash budget, which forecasts the flow of cash and other funds in the business. Cash budgeting (cash planning) is a critical part of budgeting because it is essential to have the right sums of cash available at the right times.

Cash Budget

A cash budget projects all cash inflows and outflows for the next year. Cash budgets have four distinct elements: cash disbursements, cash receipts, net change in cash and new financing, Maddox, (2010). A cash budget is important, because it allows

administrators to timely identify periods with cash overages and shortages so they can take necessary remedial action. The study will ascertain whether this kind of budget is used for the Hospital's financial operations. A cash budget involves detailed estimate of anticipated cash receipts and payments for the fourth coming year or period. This is because while it may be possible for an organization to exist and continue to survive without profit, the existence of an organization is doubtful without liquidity. A cash budget identifies potential period of cash deficit or cash surplus to the organization. This organization will therefore assist the adverse effect of cash squeeze (lack of cash) by arranging for an overdraft facility or to maximize the benefit associated with surplus fund through short-term investment.

Sales Budget

Sales budgets indicate the sales a firm expects to make in units and dollars for a budget year. They detail the quantities of products or services a firm expect to sell, revenues incurred from those sales and all expenses accrued during selling. A sales budget is a planning instrument and a control mechanism. Sales budget forecasts determine sales potential, or the maximum number of sales an organization can make. This information is then used to plan resource allocations to achieve those sales levels. Sales budgets serve as benchmarks or yardsticks against which actual sales performance is measured and variables such as sales volume, profitability and selling expenses are controlled.

Sales budget also shows the quantities of each product that the company plans to sell and the intended selling price. This budget is also very important because it is an estimate of the revenue to be generated by the organization from its operations. It

provides the prediction of the total revenue from which cash receipts from customers will be estimated and it also supplies the basic data for constructing budgets for production cost and for selling, distribution and administrative expenses. The sale budget is the foundation of all other budgets since all expenditure is ultimately dependent on the volume of sales. This budget also serves as a tool for inventory management. This type of budget forms a significant part of this research since it provides basis for assessing variances.

Personnel Budgets

Personnel budgets, or salary and wage budgets, are cost estimations related to labor. They forecast the costs of recruitment, hiring, training, assignment, salaries, overtime costs, additional benefits and discharge. Calculating personnel budgets includes estimating the number of staff, staffing ratios and overheads, Guess and Farnham (2000) It is not clear whether all private organizations prepare all these types of budgets. Organizations may choose to prepare only those they deem to be appropriate or necessary for their operations. The lack of technical capacity to prepare any of these budgets could be a challenge that this study would have to look at.

2.2.5 A Budget Manual

The presence of budget manual would show the level of development of an organization in terms of financial management and operation. A budget manual has the object of establishing a budget cycle and defining a high level process that enables the following benefits to be delivered when any agreed changes are implemented:

Reduce the time frame within which budget is updated and completed. To clarify the roles and responsibility of who provide the needed budget information. To help make

the budget the true reflection of our underlying business. To reflect the evolving business operating model in the budget process. To consolidate and understand all detailed functional budgets. To review and understand the full financial budget to ensure that it meets the projects targets, the regional strategy and the group guidelines. To demystify the budget review process. To see budget as the instrument for watching plan performance. It serves as a means of educating managers. It serves as a formal record defining the functions and responsibility of each executive. By designation both regarding the preparation and the execution of the budget. It helps managers to develop team spirit where participation in budgeting process is encouraged. This study finds out whether there is a budget manual developed for the organization being case-studied.

2.2.6 Merits of Budget and Budgetary Control

Based on Lau (2001) findings, budgeting and institution of control measures for the monitoring of budget in an organization has got some advantages as outlined which includes:

Compels management to think about the future, which is probably the most important feature of a budgetary planning and control system; Forces management to look ahead, to set out detailed plans for achieving the targets for each department, operation and ideally each manager, to anticipate and give the organization purpose and direction; Promotes coordination and communication; Clearly defines areas of responsibility. Requires managers of budget centers to be made responsible for the achievement of budget targets for the operations under their personal control; provides a basis for performance appraisal (variance analysis). A budget is basically a yardstick against which actual performance is measured and assessed. Control is

provided by comparisons of actual results against budget plan. Departures from budget can then be investigated and the reasons for the differences can be divided into controllable and non-controllable factors. Enables remedial action to be taken as variances emerge. Motivates employees by participating in the setting of budgets. Improves the allocation of scarce resources. Economizes management time by using the management by exception principle.

2.3 Monitoring Expenditure

2.3.1 Falling Short of Budgeted Figures

When a business is not able to meet budgeted figures, it is better to start reviewing the business strategy that formed the basis for the budget. Some aspect of implementing a business strategy would not happen as expected. It could be that the market was misunderstood or too little information. Or there could be uncertainty about change of the budget in the future. In order not to fall short of budgeted figures an organization must still plan for profitable performance based on this business strategy. An organization also needs to take a hard look at the budget figures, paying close attention to the major components of profitability—sales, cost of goods and services sold, and operating expenses. Maybe sales goals have been met and the cost of goods sold understood, but operating expenses misjudged. It is therefore necessary also to a private organization such as the SDA hospital evaluates the changes to be made in future budgets to include this new knowledge.

2.3.2 Exceeding Budgeted Figures

Entrepreneurs would much prefer to exceed the budget rather than fall short. A considerable variation between forecasted amounts and actual amounts, however,

places some doubt in the budgeting process, even when it is in favor of the business organization. Exceeding the budget by a great deal implies that the budget was either too easy or inaccurate. In either case, one would want to review each of the major components of profitability to determine where the variations occurred. When the reasons for the discrepancies are discovered, it helps form a more accurate future budget that will be more helpful in guiding financial plans.

2.4 Challenges Associated with Budgeting and Budgetary Control

According to Neely et al. (2001) the following could be:

Lack of coordination: Staff cooperation is usually not available during Budgetary Control exercise.

Time and Cost: The introduction and implementation of the system may be expensive. Whilst budgets may be an essential part of any marketing activity they do have a number of disadvantages, particularly in perception terms.

Budgets can be seen as pressure devices imposed by management, thus resulting in bad labour relations and inaccurate record-keeping. Departmental conflict arises due to disputes over resource allocation and departments blaming each other if targets are not attained. It is difficult to reconcile personal or individual and corporate goals.

Waste may arise as managers adopt the view, "we had better spend it or we will lose it". This is often coupled with "empire building" in order to enhance the prestige of a department. Responsibility versus controlling, i.e. some costs are under the influence of more than one person, e.g. power costs. Managers may overestimate costs so that they will not be blamed in the future should they overspend

Almost every firm uses some form of budgeting. It is integrated in the structure of the organization. The research by Neely et al. (2001) showed that 80% of the firms agree that the planning and budgeting process does not function properly for several reasons and it does not add value to the organization. Hope and Fraser (2003a, 2003b) argued that budgeting is “an annual performance trap” and “as long budgeting dominates business planning, a self-motivated workforce is a fantasy, however many cutting-edge tools and techniques a company embraces.”

Even though the compelling words by Hope and Fraser, budgeting is still in use at most companies. They do not want to radically change their budgetary process as they cannot afford to lose central strategic control. Alternative budgeting techniques have been developed to overcome these critics. This has led to the question: do we choose to improve the current budgeting process to overcome the weaknesses or should we go to a radical different approach which exclaims the abandonment of the traditional budgeting process? Hence, will it be Better Budgeting or Beyond Budgeting? The major change required by beyond budgeting will raise some resistance to change. Organizations will differ in scale, culture and business context. It would be challenging to demonstrate to key stakeholders that control can still be achieved without a budget. Beyond budgeting may raise issues such as doubt of loosening control, giving front-line people decision-making authority, and trusting people to act in the best interest of the business that is not easy change to contemplate (Hope & Fraser, 1999).

However if these issues can be handled, the business may gain success in long term. For example, the companies that have successfully practiced beyond budgeting and

abandoned the traditional budgeting system are Volvo (one of Europe's most profitable car manufacturers), IKEA (the world's largest furniture manufacturer and retailer), etc. (Hope & Fraser, 1999). Many organizations that have gone beyond budgeting found that their performance has improved once the budgeting process was abandoned in favour of more relative and adaptive means of planning, evaluating performance and control (Stewart, 2004).

2.5 Budget Preparation Process

Managers and accountants have always been faced with the need to demonstrate the value of the services and products for which they budget. The budget is a powerful management tool and essential for explaining goals and objectives. There are step-by-step guidelines to the budget preparation process, including the need for timelines, definitions of common accounting terms, and specific suggestions for budget preparation and presentation. The need to formalize and strengthen the relationship between the accounts department and other departments is essential a strategic planning and control of an organizations finances. The research will attempt to look at the effect that the relationship between various departments have on the preparation process of the Hospital's budget. While the budget is frequently described as a means of planning and control, it is also a means of communicating with the people who control the organization's funding. In fact, the budget preparation and presentation may be the only regularized, direct exchange between a decentralized organization and central authorities and the community the organization seeks to serve. When the budget becomes a tool for communication, articulating an organization's needs, it leads to a process of successful negotiations in order to achieve budget goals.

2.6 Budget Implementation

The costs associated with the acquisition, implementation, and operation of financial information. As these costs sometimes account for budget shortfalls, it is important to recognize problem areas and minimize their impact on the organization. Potential hidden costs, including costs that may be hidden by managers, as well as costs that may be hidden from them, should be identified and recommendations offered for avoiding serious consequences.

The topic of budget implementation has always received a considerable interest among researchers. There are conflicting findings on the significance of budgetary implementation process. Rewards are productivity-boosting (behavioral management) techniques that are intended to provide positive motivation. This is based on the idea that a behavior leading to a positive consequence (reward) tends to be repeated. By providing the right rewards one can change a person's behavior. Participation of employees in the process of budget preparation also motivates them to achieve budget goals. Budgets should be used to motivate subordinates to increase their output and efficiency by encouraging their participation during budget preparation.

2.7 Evaluation of Budget Variances

In implementing budget feedback is an important role of budgeting for and helpful in attaining the expected quality and standards in planning, control and leadership and staffing. According to Cook (1968), feedback is generally positively associated with budget performance. Feedback focuses on the extent to which employees have achieved expected levels of work during a specified time period. Budgets being a standard for performance are also used to evaluate managerial performance

(Srinivasan, 1987). Similarly, Douglas (1994) used a case study approach and found that budgeting places a high importance on the budget-to-actual comparison for performance evaluation purposes both at the corporate and the subsidiary levels. Anderson (1993) also supported this view, stating that in most US companies the development of budget is still used as the main performance measurement system. Weisenfeld and Tyson (1990), in a sample of 68 US managers from two companies, found that budgeting and variance analysis can be positive tools, if the accounting information/communication process is functioning appropriately. A total of 90 percent of the respondents indicated that variances were a good way to measure their performance. All of them agreed that variance reports positively influenced them to improve performance and increase their bonuses.

A study by Joye and Blayney (1990) found that budget variances were used by 93 percent of respondents for setting goals and evaluating performance by Australian firms. In a more recent study, Guilding et al. (1998) found that accountants in New Zealand (NZ) and the UK tend to see variances from budget as being important, and performance appraisal was based mainly on budget achievement. In a recent survey of 250 respondents in the US, Blansfield (2002) found that only 14 percent of companies have a fully integrated planning process that combines long term and operational planning, performance measures and reporting. The survey further underscored the fact that financial executives still struggle with the need to synthesize financial and non-financial data and performance measurements in a single system in which they can also perform planning, budgeting, forecasting, financial consolidation, reporting and analysis in real time. Thus, the above literature review sheds light on the use of budgets as a planning and control tool. However, these studies were mainly confined

to organizations in advanced countries, and very limited evidence is available on budgetary practices in private organizations in developing countries, especially in Ghana. Therefore, this study contributes to filling that gap in knowledge by studying the budgetary practices of private sector organization in Ghana.

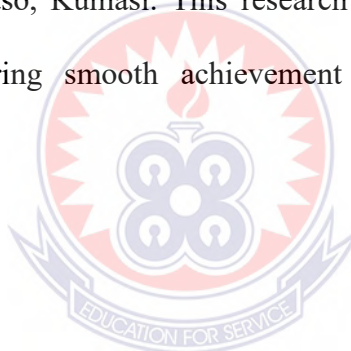


CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction to Research Methodology

This chapter presents the methods of data collection and data analysis. This research is descriptive and is purposed to among other things gather data to ascertain why budget goals are not achieved over the years and recommend solutions to address the relevant challenges. The data are collected through interviews and examination of organization's documents. The study uses both primary and secondary data to examine and determine the current practices of budgeting and budgetary control in the SDA Hospital at Kwadaso, Kumasi. This research is to address practical problems believed to be hampering smooth achievement of budget goals in a private organization.



3.2 Research Design

Research design is the strategy, plan and structure of conducting a research project (Kweit and Kweit, 1981; Leedy, 1993). As a starting point in describing the research design, Figure 3.1 below is a diagrammatical representation of the research design employed for the purposes of this study. Research requires gathering and organizing data in order to pinpoint the research philosophies and theories that underpin the research. In this study, the descriptive approach is employed and both qualitative and quantitative data are gathered. Although the study is centralized at a particular geographical location, painstaking and detailed efforts have been taken to critically study the organization's documents, especially the budgets prepared over the past five

years and the monitoring reports. This has been done in order to describe the existing situation, ascertain challenges and analyze and make the relevant inferences.

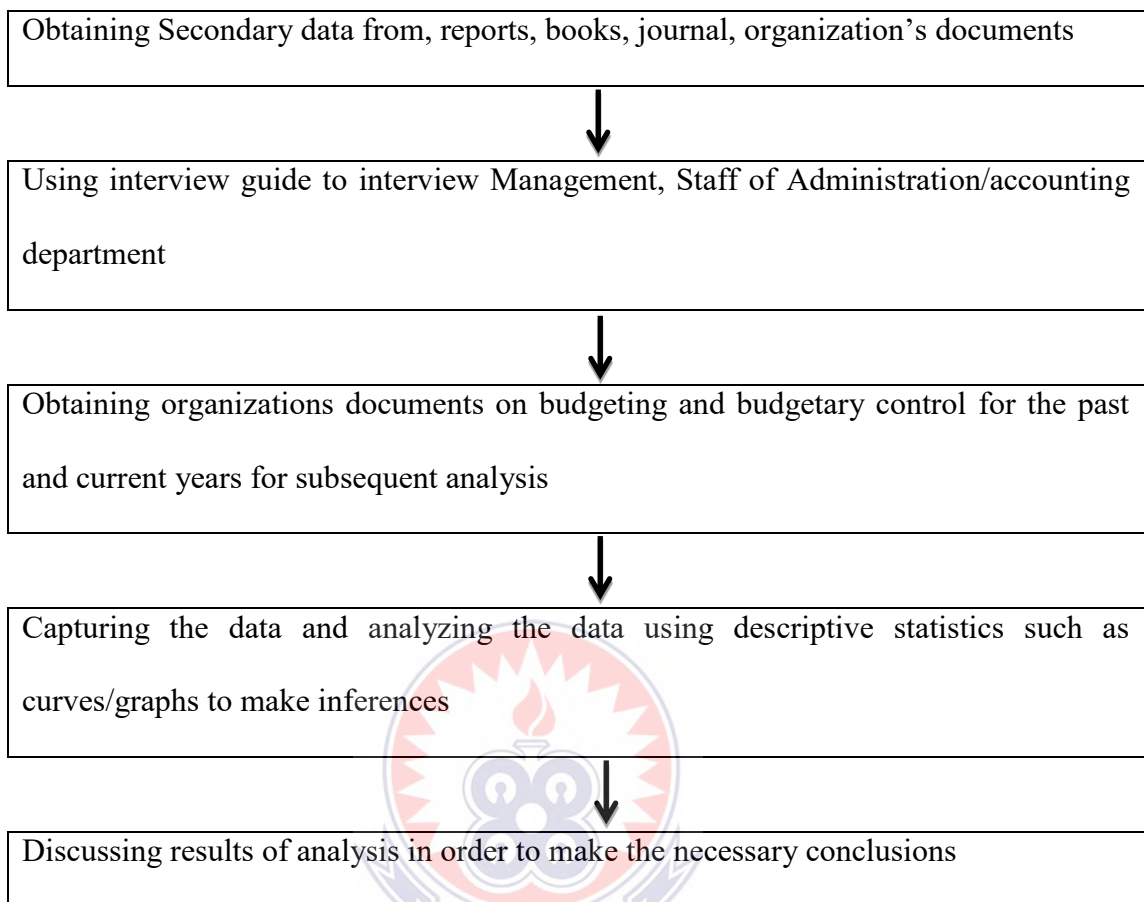


Figure 3.1: A Schematic Representation of the Research Design Employed

Adopted from Leedy, (1993)

Descriptive method of research is to gather information about the present existing condition. The purpose of employing this method is to describe the nature of the situation, as it exists at the first time of the study and to explore the cause or causes of a particular phenomenon. The researcher opted to use this kind of research considering the desire of the researcher to obtain first hand data from the interviewees so as to formulate rational and sound conclusions and recommendations for the study.

3.3 Target Population

The target populations for the study are the Management and staff of the accounts department and other senior members of the Hospital involved in the budget preparation and monitoring activities.

3.4 Sampling Technique

Purposive sampling method was chosen for the study to enable the researcher get to the core targets for the study and eliminate collection of irrelevant data. The techniques used by the researcher to select the sample size required prior knowledge of the target population which allowed a determination of the size of the sample needed to achieve a reasonable estimate with accepted precision and accuracy of the population.

3.5 Sample Size

Four members of staff of the hospital were selected for the interview. They provided the needed and necessary data to make this research accurate and authentic. All the personnel purposively sampled for the interview were members of the top management that are well vexed in the preparation and monitoring processes of the budget.

3.6. Data Collection

The researcher made use of both primary and secondary sources of data including published and unpublished materials. This will be done to combine the advantages of utilizing both sources of data in order to minimize the disadvantages of using only one source. Primary source involved the collection of information directly from the interviewees concerning the subject under study through interview. Secondary sources

included extraction of facts and figures from annual budgets, which contained review of budgets and actual expenditure values of the Hospital for the past five years. The main primary data collection technique that was used for the study is face –to- face interviews that would be carried out with the selected members of Management and Staff of the Hospital. The interview was meant to explore the budget preparation procedures and the effectiveness of monitoring and control of the Hospital’s budget.

3.6.1 Data Collection Tools

The instrument used for the collection of primary data was an interview guide that contained semi-structured set of questions to help the researcher obtain relevant information on the same issues under the subject under study. The guide was designed to contain mostly open-ended questions. These open-ended questions allowed interviewees to answer easily and bring on board useful views and opinions that would facilitate discussions of the results of the data analysis. The researcher will obtain the annual budgets and budget monitoring reports of the Hospital directly from the accounts department.

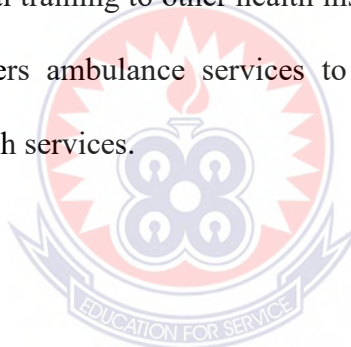
3.6.2 Data Analysis Technique

The answers obtained from the interview were mostly qualitative in nature and were therefore given close examination in order to draw common themes that emerge and put them together. The quantitative data obtained from the study of the financial information of the Hospitals data were analyzed using statistical methods such as curves and graphs to describe the extent of variances in financial figures obtained from budgets over the five year period. Both qualitative and quantitative methods of investigations were employed in the analysis and interpretation of data for the study.

Based on the analysis and their interpretations, conclusions were drawn and recommendations given.

3.7 Profile of the Hospital

The profile of the hospital, as presented below, was obtained during the data collection to aid capturing its activities and the operating structure. Generally, according to the Medical Director who is the Chief Executive Officer of the hospital, activities of the SDA Hospital at Kwadaso in Kumasi center on the normal health services rendered by any health institution of Hospital Status. It mostly operates by the National Health insurance policy and therefore encounters a lot of patients daily. Besides, it offers practical training to other health institutions such as Nurses Training Colleges and also renders ambulance services to other organizations or separate individuals who need such services.



Brief Background

The Hospital is a Mission Hospital which was established in 13th June, 1991 when Pastor W. G. Mensah was the president of the Central Ghana Conference. It came into existence through the advice of a foreign doctor called Dr. Wiafe. The hospital started as a clinic at the premises of Central Ghana Conference of SDA Church and was operating on Out Patient Department (OPD) basis to take care of conference workers and their family. It was a day clinic with one medical officer, who worked on part-time with one nurse who took care of all round activities. In May, 1992, a mini theatre was created in the same premises, where three (3) minor surgeries were performed. In October, 1994 employed a resident Medical Assistant and one staff were employed and since then has been able to provide a 24-hour services.

In 1997, the Out Patient Department (OPD) was expanded with additional four (4) consulting rooms. Wards were expanded to become 78-bed hospital beds. They had a residence surgeon and complete theatre. Ultra-sonographic services were provided. Preventive health, reproductive and child health as well as counseling services were provided in 1999. In August, 2003, Adolescent Reproductive Health/Youth Friendly Services (YFS) and Tuberculosis centre was introduced to treat TB cases. In 2005 a Nursing Training School was established to run a Diploma in General Nursing. This training school is attached to the hospital. In 2007, a Chronic Centre was added to the facility. This is a special clinic organized on Wednesdays for chronic cases like Hypertension, Diabetes, Sickling Positive, HIV/AIDS etc. The hospital receives and precepts students from Certificate/Diploma schools and Universities.

Currently, services provided are; In-Patient Care, Antenatal/Post Natal Care, Pharmacy and Child Reproductive Clinic, Ophthalmology clinic, ear, nose and throat clinic, Dental clinic, urology clinic, mother and baby unit (MBU). The hospital can as at now boast of 254 Staff Including, Doctors, Nurses, Pharmacists, Laboratory Technicians, orderlies and Security and other administrative staff Personnel. From the Hospital Statistician, about 500 people visit the hospital each day and 55% out of this report of Malaria. The hospital now serves as a training center for the SDA Nurses' Training School and also for the Health Sector, Ghana Youth Employment Program. The Laboratory has been expanded and more equipment has also been provided.

Implication for Policies

1. Based on the policies and standards set by the Ministry of Health and
2. Seventh-Day Adventist Working Policies

3. The management is planning to specialize in orthopedic services, expand their maternity unit and also improve upon their mother and baby unit (MBU).

Organizational structure of the Hospital

MEDICAL DIRECTOR

a. CLINICAL DIRECTOR

- i. CLINICAL SERVICES
- ii. DIAGNOSTICS
- iii. PUBLIC HEALTH
- iv. QUALITY ASSURANCE. ETC

b. CHAPLAIN

- i. STAFF/PATIENT SPIRITUAL WELFARE
- ii. COUNSELLING

c. DDNS/NURSE MANAGER

- i. NURSES
- ii. WARD
- iii. MATERNITY
- iv. MCH
- v. THEATRE

d. ACCOUNTANT

- i. REVENUE MOBILIZATION
- ii. FINANCIAL MANAGEMENT & CONTROL
- iii. HEALTH INSURANCE

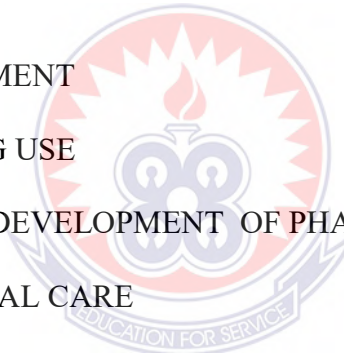


e. ADMINISTRATOR

- i. PLANNING, MONITORING AND EVALUATION
- ii. HUMAN RESOURCE MANAGEMENT
- iii. GENERAL ADMIN
- iv. I.T
- v. STATS/RECORD
- vi. TRANSPORT
- vii. MAINTENANCE
- viii. SECURITY
- ix. GROUNDS

F. PHARMACIST

- I. DRUG MANAGEMENT
- II. RATIONAL DRUG USE
- III. PROFESSIONAL DEVELOPMENT OF PHARMACY STAFF
- IV. PHARMACEUTICAL CARE



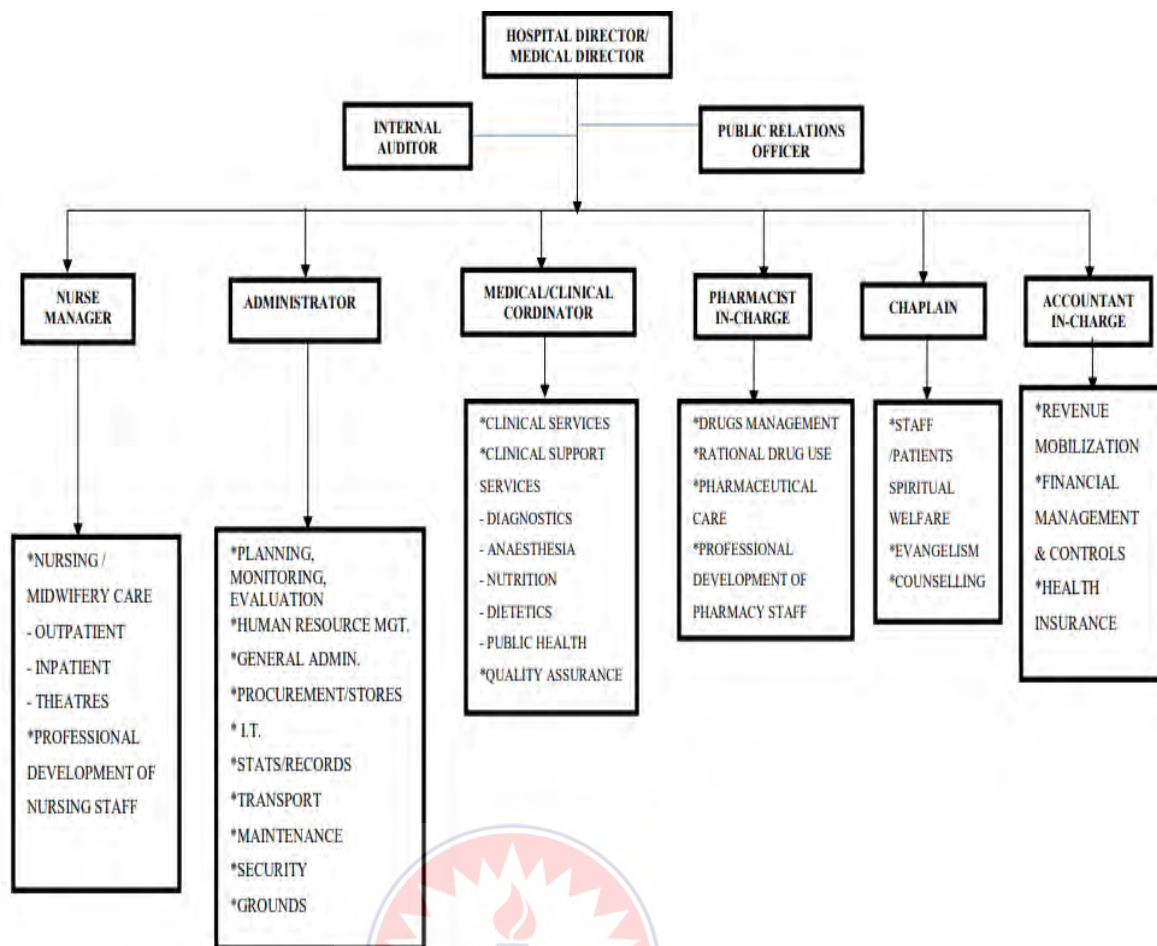


Fig 3.2–Organogram of the Kwadaso SDA Hospital

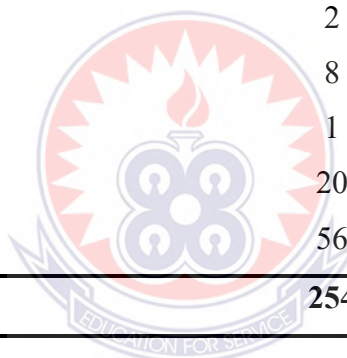
The board of governors consists of:

- ❖ Chairman (The President of Central Ghana Conference (CGC) of S.D.A.)
- ❖ Treasurer of C.G.C of S.D.A.
- ❖ The Secretary of CGC of S.D.A.
- ❖ Director of Ghana Adventist Health Service(GAHS)
- ❖ Administrator of GAHS
- ❖ Hospital Lawyer
- ❖ Medical Director of the hospital
- ❖ Administrator of the Hospital
- ❖ Deputy Director of Nursing

- ❖ Accountant of the hospital
- ❖ Pharmacist of the hospital

Table 3.1: Staff strength of SDA Hospital

PROFESSION	NUMBER
Doctors	16
Physician Assistant	8
Nurses	90
Midwives	17
Auxiliary Nurses	28
Pharmacist	2
Dispensing Technicians	6
Biochemist	2
Laboratory Technicians	8
Administrator	1
Accounting Staff	20
Others	56
TOTAL	254



CHAPTER FOUR

RESULT OF THE STUDY

4.1 Introduction

The data obtained through interview of staff of the SDA Hospital, Kumasi and those gleaned from documentary analysis of the budget of the hospital for the past five (5) years are presented in this chapter. The qualitative data obtained from the interview are outlined and the contents critically examined and discussed. The results obtained from the analysis of the budgetary variances are also discussed accordingly to enable scientific conclusions to be made.

4.2 Interview Results

4.2.1 Background Information of Interviewees

In all four (4) top management staff members of the Hospital were interviewed. They include the Medical Director, the Internal Auditor, the Head of Accounts (The Hospital Accountant) and the Administrator. These are the top management members of the Hospital who are all deeply involved in the preparation process of the budget, the monitoring process and are well familiar with the challenges that face budgetary controls. Each of the interviewees is above forty (40) years old and has worked with the Hospital for not less than ten (5) years. They are therefore regarded to be experienced. Table 4.1 gives further background information.

TABLE 4.1 – Background Information of Interviewees

POSITION	GENDER	EDUCATION LEVEL	YRS IN HOSPITAL	YRS IN CURRENT POSITION
INTERNAL AUDITOR	male	1 st degree	25	8
ADMINISTRATOR	male	2 nd degree	17	5
MEDICAL DIRECTOR	male	Specialist	15	6
HEAD OF ACCOUNTS	male	2 nd degree	12	5

4.2.2 Budget Preparation Process in the Hospital

The CEO noted that the preparation of budget in the SDA Hospital is supposed to conform to Adventist Policies. The budget covers the main areas of income and expenses on the day-to-day activities of the institution. Income represents sales of drugs and services provided to patients. Expenses include costs of drugs as well as operation and administrative expenses directly related to the hospital' core activities. Annual operating budgets are usually broken down into smaller reporting periods, i.e. monthly or quarterly. Managers compare ongoing results to budget throughout the year, planning and adjusting for variations in revenue. The Head of accounts, who is one an integral member when it comes to the budget preparation process in the Hospital, indicated that, budget preparation process in the hospital is carried out by the management of the Hospital under the coordination of accounts department. The following are the prominent stages gone through by the team throughout the preparation process:

- a. Meeting with various departmental heads for their inputs
- b. Putting the inputs together and matching them with the expected income to see whether there is a balance.

- c. Giving feedback to the departments for them to know what can be contained in the budgets out of their proposals.
- d. Preparation and discussion of proposed/draft budget to the board meeting for suggestions and approval.
- e. A final budget is then prepared by the management through the Accountant.

The accountant stated clearly that, the hospital does not have a budget committee to coordinate budget preparation process. The accounting section/department is the coordinating unit with the whole preparation phase being supervised by the Hospital's Management and finally the Board of Governors. This structure seems to be a permanent body for the preparation of the Hospital's budget.

4.2.3 Budget Implementation in the Hospital

More information on budget implementation and monitoring process was gathered from the Internal Auditor as he is more familiar in this area of the budget cycle. She said that implementation is left in the hands of the management also referred to as "in-house administration". This is still carried out under the coordination of the Accountant of the hospital. They are to ensure that budgeted expenses are not exceeded without approval from the Board of Governors. Various departments are made aware of the expenditure items that pertain to a particular department is made known to them and periodically monitored. She hinted that the Hospital Accountant is expected to update the Chief Executive Officer (Medical Director) of the hospital, who is the principal signatory of all bank accounts, with the remaining budget provisions for the expenditure concerned before authorization.

He also indicated that, in order to assess the achievement of budgets goals in the hospital, it is a policy of the hospital's management to produce monthly and quarterly financial statements to the Board of Governors for monitoring purposes. From the interview with the Pharmacist, he opined that the purpose of these periodic statements is to compare actual expenditure with budgeted in order to bring out any variances. Subsequently, such variances, he continued, if identified to be unfavorable, are investigated. Where negative variances are significant, committees are formed to investigate them and if there is the need, budgets are revised. But if those variances are seen to be those that could have been avoided, cautions and sanctions are administered. The accountant confirmed this. There are these types of budgets available: balanced budget, deficit budget and surplus budget, Drury (2006). However, the Accountant's indicated that the one commonly used in the SDA institutions is balanced budget, where it is assumed that actual expenditure must agree with the budgeted at the end of budget year.

Significantly, the Accountant intimated that, the Hospital does not have a budget manual that guides the preparation and implementation of its budget. He however confirmed the words of the CEO that the SDA working policy had been adopted as the general guideline that underpins the operations of the Hospital's budget.

4.2.4 Budgetary Monitoring/Control Processes

According to Drury (2006), budgetary monitoring and control is a deterrent process against misappropriation of funds in terms of procedures and rules that establish the boundaries of financial behaviour. Once budgets have been implemented, there is the need for them to be monitored and controlled. Accountants normally analyze and

interpret financial data to help management and departments identify how closely performance is aligned to budgets over a defined period. These involve much more than simply whether income or expenses have moved down or up.

Both the Accountant and Internal Auditor specified that, monitoring and controlling includes the regular examination of costs, cash, working capital and assets of the Hospital. The Accountant indicated that the accounting staff members are normally worked hard to put actual figures together within specific periods to identify variances between budgeted and actual figures, tracking relevant trends and communicating their findings to senior management or department heads.

In order to do this, he sometimes put systems in place to record figures on a timely basis and allow meaningful comparison against budgets as swiftly and accurately as possible (especially where management rely on them for driving individual and team performance, or for focusing on income-generating activity). Where variations arise, the accountant would need to find the right questions to ask in order to explain and make any relevant recommendations for actions arising from them. More importantly, he added that, ideally, it is crucial that his findings are presented to management in a way that's easy to understand, particularly by those who are not used to financial terminology. That means 'translating' accounting-speak for end users in plain language that leaves no doubt as to what's being communicated.

The Accountant continued that this monitoring is supposed to assist the Hospital with ongoing resource allocation and overall financial performance as the Hospital makes any necessary operational changes arising from reported variances or from indications that income or expense forecasts are being met or exceeded. The Auditor confirmed

that this reporting is required to usually aid management to track flow of resources accurately and consistently. Some of the interviewees, especially the CEO and the Pharmacist, however admitted that sometimes the desire to make this control process continuous through the year is not met due to interferences of other activities of the hospital which are regarded more “urgent” and “important”. This is observed to be simply a negligence of the duties of the technical staff since such a situation has a high tendency of affecting the objectives of budgetary control of the organization which ultimately prevents achievement of set targets.

4.2.5 Challenges Militating against Budgetary Controls

One of the purposes of the interview was to review the system of budgeting and budgetary control in practice' and the management of scarce financial resources at the disposal of the hospitals to fulfill their functions & objectives. The controls of both financial and non-financial activities are of paramount importance and therefore form an integral part of this study. This research was necessitated as a result of certain factors found to be militating against effective budgeting and budgetary control system in the hospital. Some of the challenges mentioned by CEO include unstable economic situation of the country, ever declining value of the currency, prohibitive cost of materials and medical equipment.

Hence, he suggested that in order for the hospital to be able to provide high quality and efficient services to patients, internally generated revenue should be improved to supplement whatever subvention the government is able to afford in the present economic climate. The management of hospital sees budgeting and its control as a

tool in achieving the organizational goal; hence the system of budgeting and budgetary control adopted by the hospital needs to be given serious attention.

The Pharmacist also, hinted that in spite of internal challenges the hospital encounters, there are other problems that also emanate externally from Ghana Adventist Health Service (GAHS), an external body that exercise supervisory control over the decentralized hospitals such as the case under study. It was confirmed from the CEO that, The Ghana Adventist Health Service, which is supposed to coordinate the affairs of the decentralized hospitals, sometimes impose staff members on the hospital without the knowledge and approval of the hospital management and this ends up putting unexpected strain on the resources of the hospital.

Also, directives are sometimes given by the Ghana Adventist Health Service that drugs and other commodities are to be procured from specific places, where mostly, the prices at such places tend to be higher than the open market prices as budgeted. This situation does not give way for use of alternative procurement routes that encourage competition and also eliminates avoidable inconveniences and costs associated with getting supplies through such restricted procurement methods. It was realized that all the interviewees were worried about such instructions and directives from external superiors or central authority in view of the fact that such situations always result in inability to achieve budget goals.

4.3 Budget Variances Analysis

In analyzing the budgeted figures against the actual, documents used include the Hospital's Annual Budgets for the past five years (i.e. 2013 – 2017). The analysis was

carried out in two main forms: Analysis of Income and Analysis on Expenditure. Under each of the two main forms, there were various sub-components and these are extensively discussed in the subsequent passages.

4.3.1– Analysis of Income

The income component of the Hospital's budget was divided into three;

- i. Income;
- ii. Other income; and
- iii. Government Subvention.

The variances obtained could be favorable or adverse. Adverse variances refer to the negative figures, which indicate that income targets were not met.

Income

This comprises, revenue obtained from the health services rendered by the hospital and second, drugs sold by the hospital. The health services cover areas such as, Doctors' consultation, laboratory services, theatre surgery and dressing of wounds, admission fee, delivery service, ultrasound services, x-ray services and physiotherapy services provided. The drugs sold by the hospital could be those manufactured internally or those procured externally.

Other income

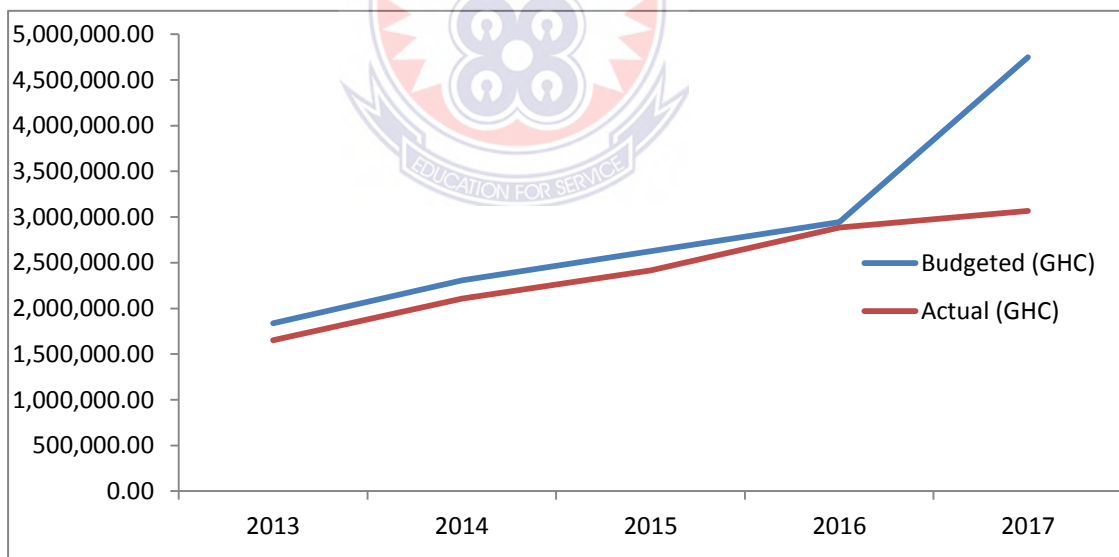
This section includes income realized from services rendered to academic institutions, ambulance service rendered to external bodies and interests obtained from the Hospital's reserves and savings. This includes other miscellaneous income such as donations and canteen proceeds. The level of income obtained under this category is low as compared to the main income category.

Government Subvention

This mainly refers to the salaries of mechanized staff of the Hospital that are received from the government. The Hospital receives this income from the government to enable it meet personal emoluments level. This amount is budgeted for on view of knowledge of number of mechanized staff members of the Hospital. During implementation, the accountant hinted that the government subvention income received could be more than the budgeted amount when the Hospital's mechanized staff membership increases by way of transfers or new recruitment.

Total Income

Fig. 4.2 – 4.4 demonstrates the trend of variances between the budgeted total income and actual income for the Hospital for the years 2013 – 2017.



Budgeted (GHC)	1,838,000.0	2,306,070.0	2,624,000.0	2,943,440.0	4,747,638.36
Actual (GHC)	1,649,877.25	2,108,610.30	2,416,678.35	2,886,546.38	3,066,140.91
Variance (GHC)	(188,122.75)	(197,459.70)	(207,321.65)	(56,893.62)	(1,681,497.45)

Fig. 4.2 –Total Income (*Budget vs. Actual*)

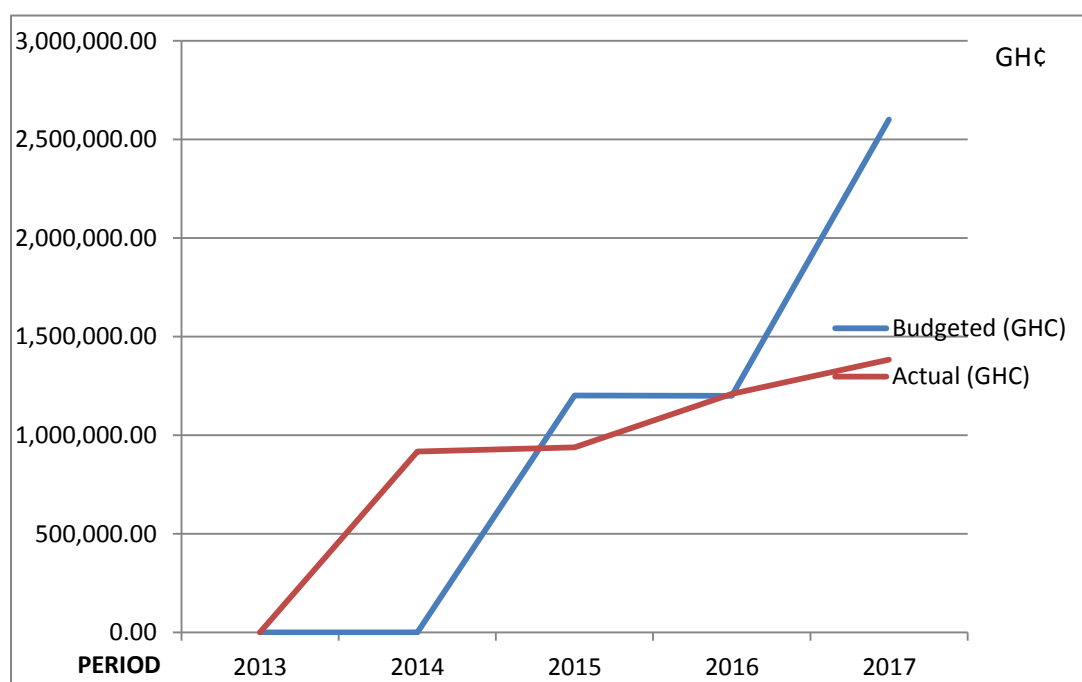
From Fig 4.2 it can be realized that the trend over the five-year period demonstrates that targeted incomes to be realized from sales was not met in any of the years. It was in year 2016 that the actual came close to the budgeted with an unfavorable variance of GHC 56,893.26 which is comparatively smaller. In the year 2017, the Hospital did not come close to its sales target; a big difference between the budgeted and actual was realized. This could be attributed to some challenges posed by operation of the National Health Insurance, as suggested by the Accountant and Pharmacist during the interview, which could have further reduced the rate of visit of patients to the Hospital for the year. Further, issues were raised by some of the interviewees, as discussed in the succeeding passages, which could have contributed to inability of the Hospital to achieve the services and drugs income targets, the two main sub-components on the income.

4.3.1.1 –Sale of Health Services Variances

As has been previously indicated, the sale of the health services is the core business of the Hospital and it is important that the variances emerging out of this significant component of the budget is highlighted. Although Fig. 4.2a below shows a trend where the income obtained from services assumes an up and down variance trend, yet the budgeted services curve assumes a sharp positive trend over the years while the actual services income curve has comparatively more gentle slope. This is an

indication that while the Hospital increases its income targets for services as the years go by, the unfavorable gap between budgeted and the actual keeps on widening by the years. Hence, over this period under consideration, the Hospital has not been improving in the achievement of services income and this could probably be attributed to inability to expand the scope of services rendered to the public.

Also, it was found out that there is not a standing committee that is entrusted with the sole responsibility of monitoring the budget implementation in order to come out with strategies of meeting targets income. In view of that, it is possible for the Hospital to be overcome by bottlenecks such as low customer turn out and lack of marketing strategies to increase the level of patronization at an increasing rate. There is however a strange phenomenon in the years 2013 and 2014, where no provision was made for the services component in the budget. Upon persistent effort to obtain information on those areas it was found out that the services component was not been captured in the budget at the initial stage and this indicates weak capacity of personnel involved in the preparation of the budget during those years. This could also be due to lack of proper planning, as revealed by Neeley (2001), during those years.

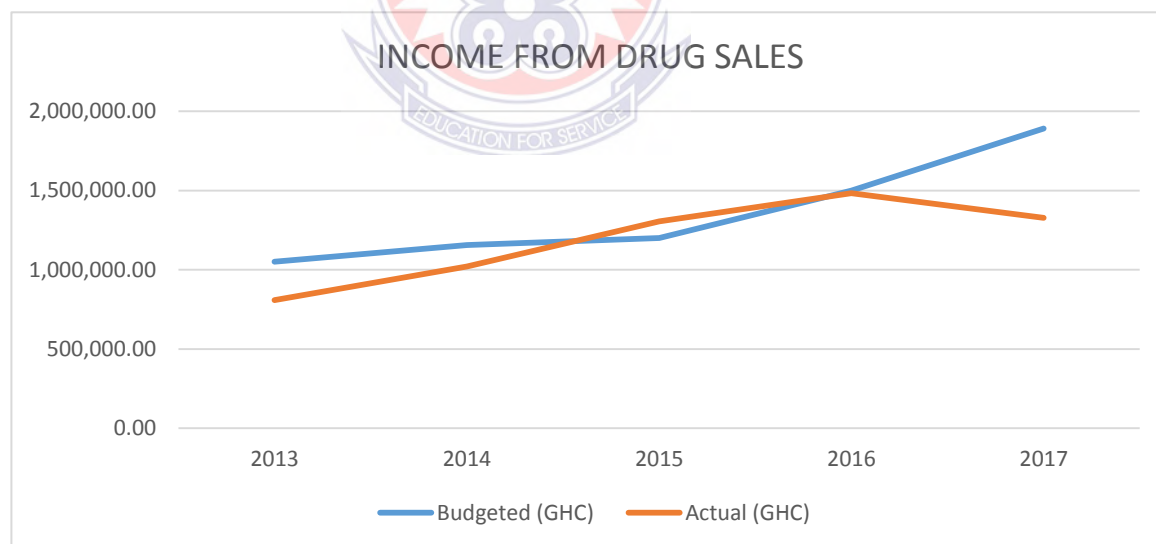


Budgeted	-	1,202,000.00	1,200,000.00	2,600,000.00
Actual	917,396.76	938,550.83	1,209,821.70	1,382,408.90
Variance	917,396.76	(263,449.17)	9,821.70	(1,217,591.10)

Fig. 4.2a–Income from Health Services (*Budget vrs Actual*)

4.3.1.2 – Drugs Sales

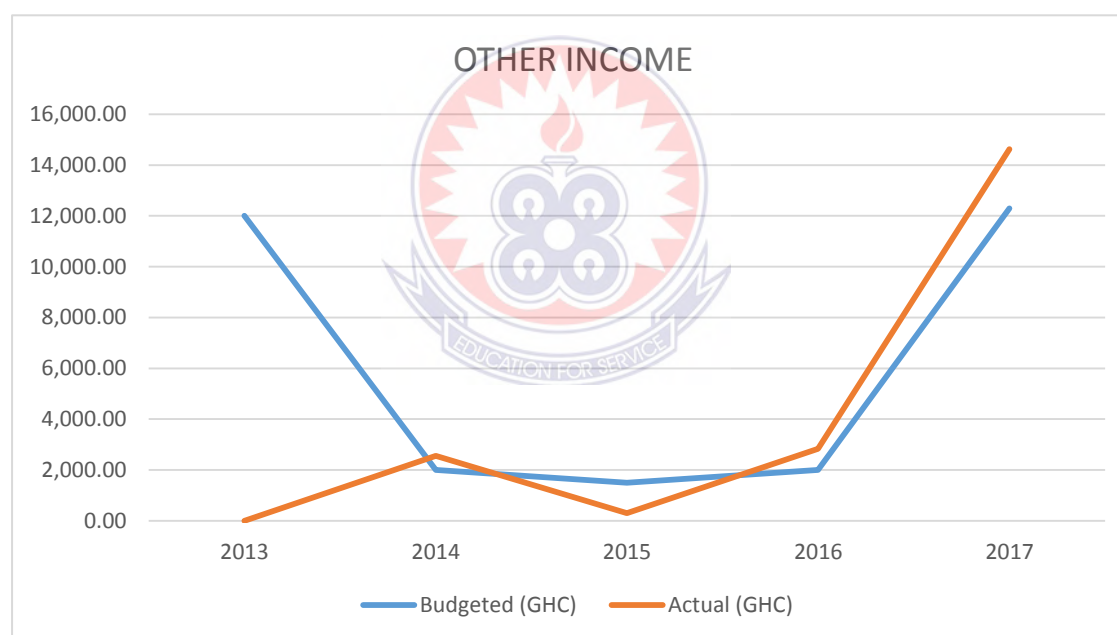
Information gathered from the Accountant indicates that, drugs tend to be the major product or goods that the hospital derives income from. The pharmacist said that the Hospital has a central pharmacy that manufactures some selected drugs to supplement other drugs that are procured externally. It is important to note that, in view of the operations of National Health Insurance Policy, the Hospital may not be able to obtain income from the sale of these drugs at targeted periods.



Budgeted	1,050,000.00	1,155,000.00	1,200,000.00	1,500,000.00	1,890,558.36
Actual	807,770.05	1,020,109.36	1,304,633.17	1,482,643.30	1,328,388.48
Variance	(242,229.95)	(134,890.64)	104,633.17	(17,356.70)	(562,169.88)

Fig. 4.2b–Income from Drugs Sale (*Budget vrs Actual*)

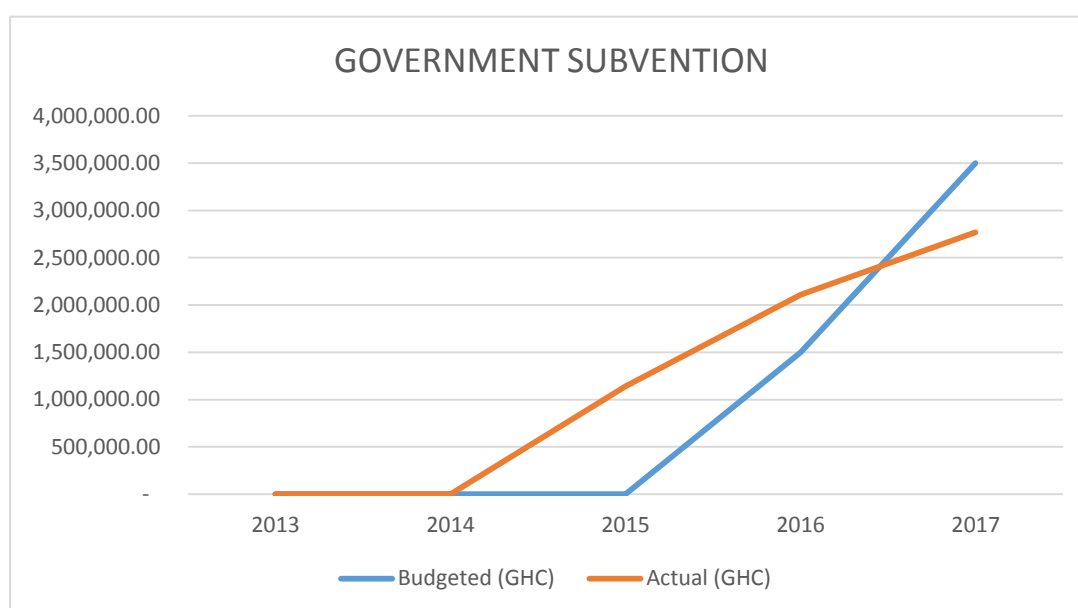
Fig. 4.2b portrays a situation where targeted sales income has always been unachieved since the year 2013. Interviewees were very quick to point out the challenges associated with the operation of the National Health insurance Scheme where monies due the hospital as a result of sale of are not paid on time after claims are presented. However the short income could also be attributed to unachieved expected turn out level of patients. Further consideration of this situation reveals that sometimes seasonal diseases cause the sale of different drugs which may not be available in the normal drugs usually administered by the Hospital thus leading to patients securing the required drugs elsewhere.



Budgeted (GHC)	12,000.00	2,000.00	1,500.00	2,000.00	12,300.00
Actual (GHC)	-	2,549.00	300.00	2,836.25	14,631.97
Variance (GHC)	(12,000.00)	549.00	(1,200.00)	836.25	2,331.97

Fig. 4.3 – Other Income (*Budgeted vs. Actual*)

From Fig 4.3, during the year 2013, it was realized that the hospital was not able to generate revenue from other sources apart from those related to the core health services, which is the main source of income for the hospital. However over the years efforts were made to diversify income and therefore surplus income were obtained as some of the budgeted income figures were even exceeded as indicated in Fig 4.3. For the years that income targets were not met, reasons that could be assigned to such phenomenon include: harsh general economic conditions, reduced customers and low level of donations in the other services rendered by the hospital and then also shortage of resources to pursue these other targeted income. These possible challenges were outlined by the CEO of the Hospital. From Fig 4.4 below, it can be realized that the trend over the five-year period, which is continuously increasing, demonstrates that targeted incomes to be realized from Government subvention keeps on increasing. It could be due to the fact that those who are mechanized, being permanent employees on government payroll, keep on increasing each year. Also, for the few instance where the budgeted exceeded the actual as in 2017, the Accountant indicated that the hospital sometimes plan to increase their staff in the coming year but fail to achieve government clearance for employment of new staff.



Year	2013	2014	2015	2016	2017
Budgeted	-	-	-	1,500,000.00	3,500,000.00
Actual	-	-	1,142,133.00	2,108,748.30	2,768,914.12
Variance	-	-	(1,142,133.00)	(608,748.30)	731,085.88

Fig. 4.4 – Government Subvention (*Budget vrs. Actual*)

4.3.2– Analysis of Expenditure

The expenditure component of the Hospital's budget was divided into four main sub-components;

- i. Workers' salaries & allowances (Personal emoluments);
- ii. Operating expenses;
- iii. Administrative and general expenses: and.
- iv. Capital expenditure

Adverse variances are the negative figures, which indicate that the actual expenditure exceeds the budgeted expenditure.

Workers 'salaries and allowances

This comprises salaries of all staff members of the hospital including permanent and contracted workers. Allowances paid include *inter alia* education allowance, transportation allowances, mission allowance. Information gathered on the allowances also indicated that, Management members receive utility, car maintenance, rent and responsibility allowance.

Operating Expenses

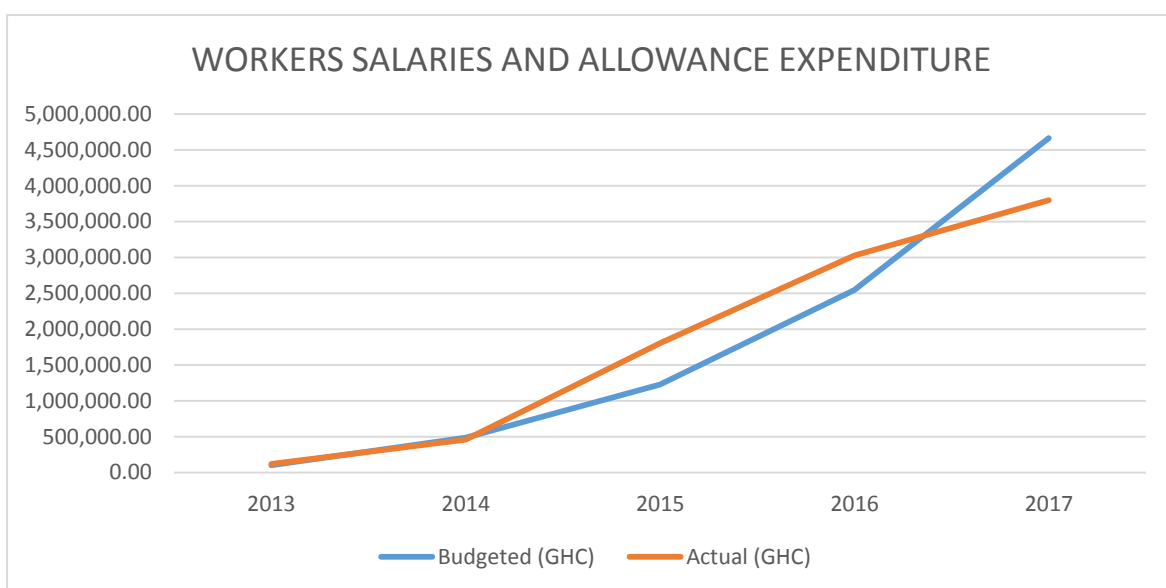
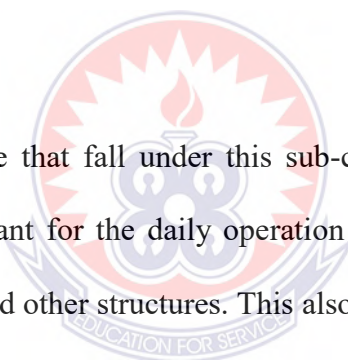
This covers the costs of acquisition of materials such as drugs and surgery items, syringes, needles, gauze, plaster, spirit laboratory regents, disinfectant and equipment such as theatre equipment for the normal daily operations of the hospital.

Administrative and general expenses

This refers to the expenses incurred by the Hospital in paying office travels, stationery, Social Security Fund (SSF) contributions for the staff members who are not mechanized unto government payroll but being paid through the hospital’s internally generated fund, utility and communication bills, training of staff, maintenance, etc.

Capital expenditure

The items of expenditure that fall under this sub-component include purchase and repairs of equipment meant for the daily operation of the hospital and construction and repair of buildings and other structures. This also includes reserves.



Budgeted	99,658.00	486,553.12	1,225,750.00	2,543,400.00	4,664,960.60
----------	-----------	------------	--------------	--------------	--------------

Actual	118,482.72	459,048.19	1,800,527.16	3,024,789.24	3,799,831.76
Variance	(18,824.72)	27,504.93	(574,777.16)	(481,389.24)	865,128.84

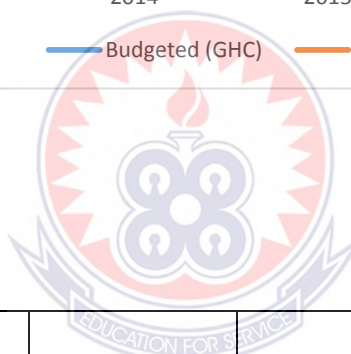
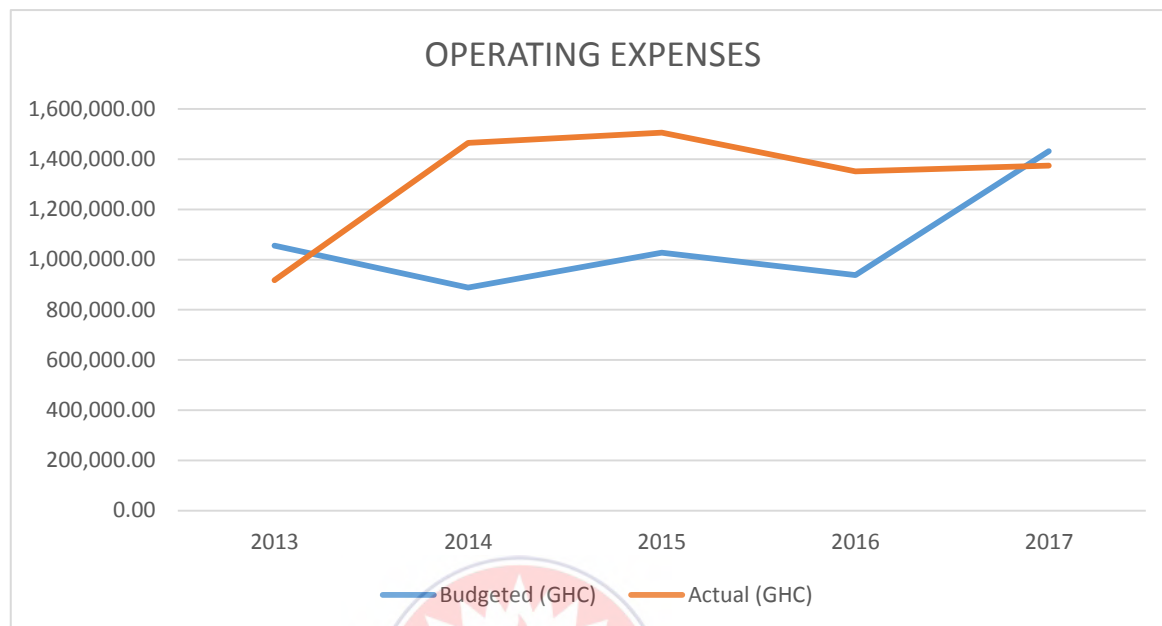
Fig. 4.5 – Workers’ Salaries and Allowances Expenditure (*Budget vs. Actual*)

The trend indicated above in Fig 4.5 is not consistent. However, in three of the five years where budgeted figures were exceeded, I gathered from the CEO that non-mechanized staff members that are imposed on the hospital either by means of transfer or new employment, after annual budgets are being implemented, could be the reason for such variances observed in Fig. 4.5. It is in some of these situations where the effect of the interference from central authority into the exercise of autonomy by the decentralized organizations is made manifest. This clearly a case of lack of coordination between staff members, as asserted by Neely (2001) though not entirely internal staff. This is a practice or culture within the SDA Hospital that makes control of budget difficult as Max (2005) indicated in his study into organization different business contexts that affects budgeting that organizations differ in scale, culture and business context and this is challenging.

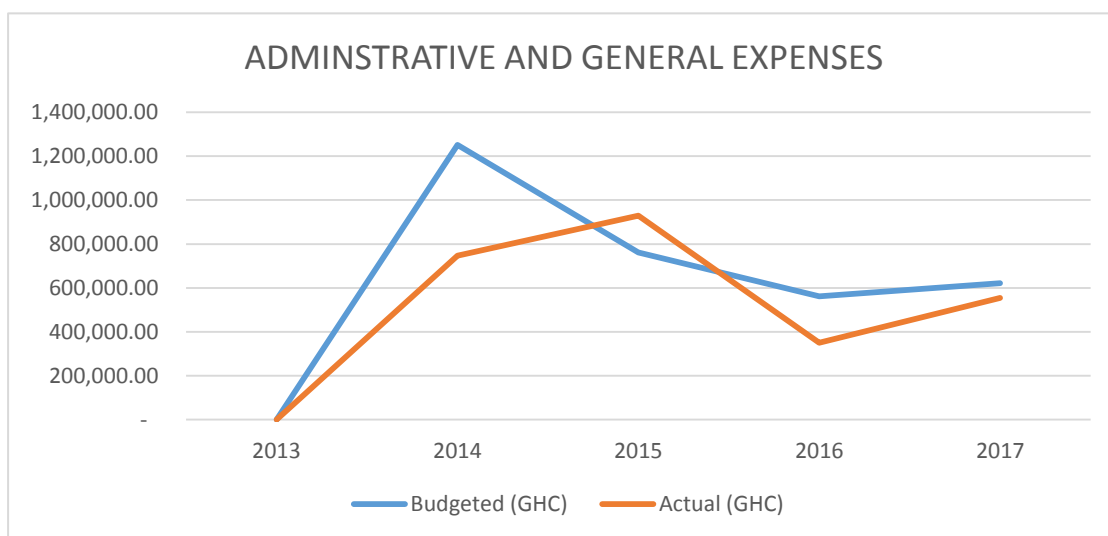
Operating Expenses

From Fig 4.6 below, it can be observed that the adverse variances are considerably higher than the few minority favourable variances that occurred over the period under consideration. Apparently, the instances of the favourable variances could be due to stringent measures taken by the Hospital to reduce running and operating expenditure which most of the times experience less interference from external authorities. The adverse variances instances could also be attributed to unfavorable economic

conditions that result in soaring of prices of commodities, a challenging situation mentioned by some of the interviewees.



Budgeted	1,055,200.00	888,000.00	1,028,000.00	938,000.00	1,432,000.00
Actual	918,266.50	1,465,271.44	1,505,871.60	1,351,280.54	1,374,791.02
Variance	136,933.50	(577,271.44)	(477,871.60)	(413,280.54)	57,208.98



Budgeted		1,251,919.00	762,200.00	562,150.00	621,188.46
Actual	-	746,838.36	928,562.81	350,978.05	554,523.55
Variance	-	505,080.64	(166,362.81)	211,171.95	66,664.91

Fig. 4.7 – Administrative & General Expenses (*Budget vs. Actual*)

The curves in Fig. 4.7 above gives an indication that the level of expenditure made towards administrative and general items assumes a downward trend over the years. The positive variances recorded in most of the years could have informed this downward trend. The accountant hinted that the purpose of collecting inputs from various departments for the preparation of the budget is to help make an informed decision in fixing figures and therefore the trend of expenditure in past years influences the figures that are used to prepare the budget for a current year. The other possible reason that could give cause to the trend indicated in this curve could be due to the situation where, as intimated by the accountant, there is usually a diversion of focus of expenditure towards other components of the budget having taken into consideration expenditure trend over the previous years. This can be confirmed from referring to Fig. 4.5 where there was a clear positive trend in the Worker's Salaries

and allowances curve over the period as number of workers keep on increasing. This finding buttresses the work of Omolehiwa (1989), in which he asserted that budget preparation is mostly influenced by what dominant individuals agree to be an organizations priorities within a given period.

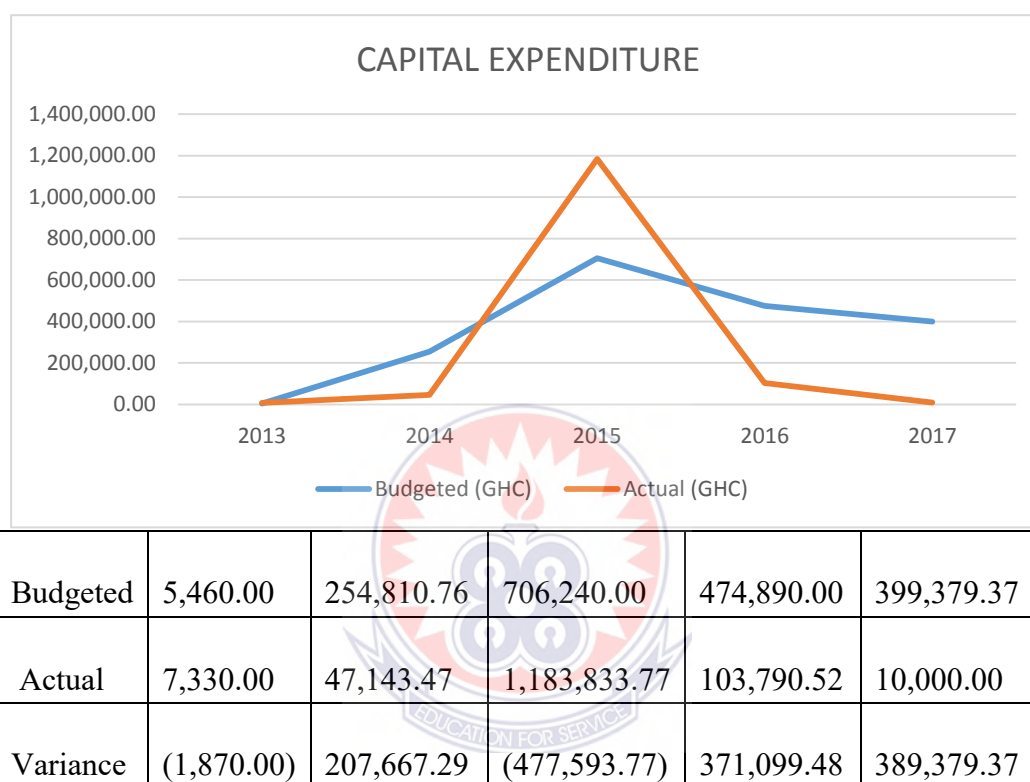


Fig. 4.8 – Capital Expenditure (*Budget vs. Actual*)

Fig 4.8 above also depicts a situation where favourable variance is dominant over the years. This confirms that the Accountants revelation that the Hospital has been very reluctant in pursuing huge capital investments over the years. This could stem from the strong demand from other components of the budget such as the workers' salaries and allowances. There is however a contrasting behavior of the curve during the 2015 fiscal year where there is a huge adverse variance. During further interview, the Accountant confirmed that in the year 2015 a huge investment was made by the

Hospital into capital reserves resulting in the adverse variance depicted by the curve in year 2015. *(See appendix for detail).*

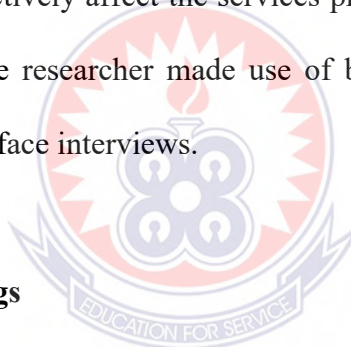


CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The broad objective of this study is to examine and determine the current practices of budget and budgetary controls in organizations and the factors affecting the achievement of budget plan. Addressing this objective, Management and Staff of SDA hospital, Kumasi was chosen for the study. In an effort to investigate the broad objective of the research, four specific objectives were explored. Thus, to examine the current practices of budget preparation and budgetary control of SDA hospital and identify factors that effectively affect the services provided to achieve their goals. As an exploratory study, the researcher made use of both primary and secondary data which include face - to - face interviews.



5.2 Summary of Findings

5.2.1 Budget Preparation Process

The current practice at Hospital reveals that, just like in all other SDA Hospitals, the budget preparation process must be guided by the Adventist working policies although there is no specific budget manual in place. It has been found out that the Budget preparation process in the Hospital takes a bottom-up approach, where information for preparing the budget is obtained from staff of all departments, channeled through the Head of the Accounting Section, plays the pivotal role. After all the information are put together by the accountant, they are presented to the management of the hospital for detailed deliberations. Feedback is taken from the information if necessary. The final stage of the preparation is where the Board of

Governors for the Hospital would have to give a final approval for it to become operational. During implementation of the budget the hospital management, through the coordination of the Accountant, is expected to regularly monitor the budget periodically and come out with reports on any identified challenges against achievement of budget goals and the recommendations for corrective actions thereof. This report would then be sent to the Board of Governors for further action. However some of the interviewees disclosed that seldom done in view of aparent engagement in other seemingly more important activities.

The results of the budget variances analysis indicated that the Hospital has not been achieving its income target for the past five years and this could be due to factors such as low turnout of patients, unexpanded services and health insurance policy implementation challenges. The expenditure variances also recorded adverse variances in larger portion of the period under analysis and this could be attributed to interferences from the Central authority that is supposed to supervise the activities of the Hospital. These interferences tend to result in increase in expenditure levels thus making it difficult to achieve budget goals. The result in this study revealed that, the major challenge to the achievement of budget goals of the Hospital are:

- a) The executive of Ghana Adventist Health Service (GAHS) sometimes impose new staff members on the hospital without the foreknowledge of the management.
- b) GAHS also instruct the hospital management to purchase their drugs, print their documents and other items from specific places, while they could be getting these commodities cheaper elsewhere as budgeted.
- c) Unstable economic situations of the country,

- d) Ever declining value of the currency,
- e) Prohibitive cost of materials and medical equipment.

5.3 Recommendations

Concerning the budget preparation process, the hospital is encouraged to incorporate the suggestions and input from the executives of the Ghana Adventist Health Service during the initial stages before final approval is given by the Governing Board of the Hospital.

Also during the implementation of the budget it is expected that much more autonomy would be given to the Hospital in order to minimize or eliminate the adverse impact wrought by interferences from the central authority (i.e. Ghana Adventist Health Service)

In order to avoid having adverse variances during the implementation of the budget, the Hospital should ensure that the internal control mechanisms are strengthened and regularized. This will ensure that the periodic monitoring is effective in terms of ensuring that strategies are put in place to minimize or overcome all challenges that militate against the achievement of budget goals. Also new strategies that will enhance favorable variances i.e. meeting or exceeding income targets and not controlling expenditure within budget, could then be established.

The major challenge of the Hospital being the interferences from central authority can be curtailed by ensuring that the Ghana Adventist Health Service's input is obtained at the initial stages of the budget preparation. The Ghana Adventist Health Service should also concentrate more on supervisory role and building of capacity of the Hospitals to carry out effective budget preparation and monitoring.

From the results obtained in this study, The SDA Hospital must pay attention to the following to enhance its budget preparation and implementation activities:

Budget revision control procedures; this will help the Management to effectively monitor budget performance as a result of data inaccuracies and also give meaningful justifications for any revision of budget during its execution.

Risk identification, assessment and its management: This helps management to set objectives, identifies, analyzes, and responds to those risks that could potentially impact its ability to realize organizations objectives and budgetary goals.

Training workshops on preparation and monitoring and controlling of budgets must be conducted to ensure that all the concerned staff members are conscious of the risks it faces, make informed decisions in managing these risks, and identify and harnesses potential opportunities.

Workshops on budget preparation and monitoring procedures must be conducted to ensure that the Hospital adheres to laid down procedures (Adventist working policy); failure to comply with these procedures may be treated as breach of financial discipline.

Seminars/workshops to educate management, governing board of the Hospital and executives of the Ghana Adventist Health Service on their individual roles in order to avoid role conflicts must be conducted by the Ghana Adventist Health Service.

Ghana Adventist Health Service should rather Intensify their on-site supervision and support programmes for the Hospital's relevant staff members to increase capacity building in budget preparation, monitoring and control.

Quality assurance processes Adventist Health Sector should be strictly adhered to

Accountant should plan and perform their budget preparation and implementation procedures, evaluate and report on the results thereof, recognizing that non-compliance by the Hospital

The increasing sophistication of control and risk management systems requires the expertise of Accountants and the relevant financial professionals who are well vexed in budget preparation and implementation procedures.

5.4 Conclusion

Through this study, information on the budget preparation and monitoring processes of the Kwadaso SDA Hospital, as well as the challenges associated with them, has been obtained by means of interview. The information indicates that there are challenges both within and without, especially with regards to interferences from the central authority, which militate against the achievement of budget goals. Further, documentary analysis of the budgets of the Hospital indicates that there are adverse variances over the years, thus, confirming the difficulty of the Hospital to achieve its budget goals as a result of internal and external challenges.

REFERENCES

- A D Chandler -1990-book.google.com
- Africa Research Bulletin (2013),: Botswana Budget (2013/14):. Economic, Financial and Technical Series, 50: 19843B–19844A. doi: 10.1111/j.1467-6346.2013.04978.
- Agu C. E., (2006) Budgeting and Budgetary Control in Business organisation. (A case study of Emenite Nigeria Limited Emene Enugu Branch), <http://www.caritasuni.edu.ng/pro/management/acc6.doc> (17th July 2012)
- Appiah M, (1993) Principle of cost accounting, Cape-Coast Nabb publication.
- Arthus, J. K, William, P, John, D. M, David, F. Scott, (2002), Foundation of Finance: The Logic and Practice of Financial Management, Prentice Hall 10-14-2002: New Delhi.
- Blumentritt, T. (2006); Integrating strategic management and budgeting; *Journal of Business Strategy*, Vol. 27, No. 6; Emerald Group Publishing Limited; pp. 73-79.
- Brownell, P., McInnes, M. (1986); Budgetary Participation, Motivation, and Managerial Performance; *The Accounting Review*, Vol. 61, No. 4; pp. 587-600.
- Brownell, P. (1982b). “The Role of Accounting Data in Performance Evaluation, Budgetary Participation, and Organizational Effectiveness”, in: *Journal of Accounting Research*, Vol. 20(1), pp. 12-27.
- Chandra, Prasanna, 1985. Managers' Guide to Finance and Accounting, Tata McGraw-Hill: Delhi (Chapter 8 & 24).
- Cherrington J, Hubbard M and Luthy D, (1988) Cost Accounting Managerial Approach (2nd end) San Francisco West publishing co.

- David Anthony Holloway; (2006) Strategic Management Accounting and Managerial Decision Making re-conceptualised: towards a collaboratively Oriented theory of Organizational Decision Enhancement (ODE) <http://researchrepository.murdoch.edu.au/104/1/01Front.pdf> (20th December, 2012)
- David A Palmer, 2000; Budget Control and Variance Analysis ;(<http://www.financialmanagementdevelopment.com/Slides/handouts/213.pdf>) (17th January 2012) – GershonKpedor(2012); ATS Budget Manual (ATS Server)
- Douglas, B.R. (1994). “The Budgeting Process in A Multinational Firm”, in: *Multinational Business Review*, Vol. 2(2), pp.59-63.
- Drury, C. (2006) “*cost and management accounting*”.
- Commonwealth Secretariat (2005), *Guidelines for Public Expenditure Reform*, London, Marlborough House
- G Stewart logistics information management, 1997-emeraldinsight.com
- Guess, George M.and Paul, G. Farnham.(2000)Cases in Public Policy Analysis. *Second Edition*. Washington, dc: Georgetown University Press. pp. 249-302.
- Hope, J., Fraser, R. (2003a); Who needs budgets?;*Harvard Business Review*; pp. 108-115.
- Hope, J., Fraser, R. (2003b); How managers can break free from the annual performance trap; Harvard Business Pres; Cambridge, MA.
- Horngren C, Forster D and Dater (1997) Cost Accounting a managerial Emphasis San Francisco, A Simon and Schuster co. .
- Ishola Rufus Akintoye (2008) “Budget and Budgetary Control for Improved Performance: A Consideration for Selected Food and Beverages

- Companies in Nigeria”) Article from European Journal of Economics, (http://www.eurojournals.com/ejefas_12_01.pdf) (17th January 2012)
- Izhar R, (1990) Accounting Costing and Management, (3rd edition) Oxford: Oxford university press.
- IR Akintoye –European journal of Economics, Finance and, 2008
academia.edu
- JF Weston, EF Brigham (1992) – “*Managerial Finance*” Dryden Press Hinsdale, Ill
- J. White, AB wildavsky 1989- book.google.com
- J wallander-scandinavian journal of management, 1999- Elsevier
- K Egan – 1997- bookgoogle.com
- Lau, C.M., Tan, S.L.C. (1998); The impact of budget emphasis, participation and task difficulty on managerial performance: A cross-cultural study of the financial services sector; *Management Accounting Research*, Vol. 9; pp.163-183.
- Lau, CM., Tan, S.L.C. (2006); The effects of procedural fairness and interpersonal trust on job tension in budgeting; *Management Accounting Research*, Vol. 17; pp. 171–186.
- Lucey T (1993) costing (4th ed) Braye Road: Guernsey co. Ltd.
- Maheshwari, S.N. 1987. Management Accounting and Financial Control, Sultan Chand: New Delhi.
- Maddox, David C. (2010) “Budgeting for Not-for-Profit Organizations. ”Prentice Hall; 7 edition (February 7, 2010) **ISBN-10:** 0136113656**ISBN-13:** 978-0136113652
- MA Hitt, RE Hoskisson, RA Johnson of management journal, 1996- journals.aom.org
- M Mehta-Journal Impact Factor, 2014 academia.edu

- McAlpine, T.S. 1976. *The Basic Arts of Budgeting*, Business Books (Chapter 2, 6, 7, and 9).
- Merchant, K.A. (1981); *The Design of the Corporate Budgeting System: Influences on Managerial Behaviour and Performance*; *The Accounting Review*, Vol. 1, No. 4; pp. 813-829.
- Neely, A., Bourne, M., Adams, C. (2003); *Better Budgeting or Beyond Budgeting?; Measuring Business Excellence*, Vol. 7, No. 3; pp. 22-28.
- Neely, A., Sutcliff, M.R., Heyns, H.R. (2001); *Driving value through strategic planning and budgeting*; Accenture.
- Peng J (2004) - *Public Pension Funds and Operating Budgets: A Tale of Three States*. Public › Vol 24 Issue 2
- Prem Chand(1969)*Pursuance Budgeting*, Academic Books: New Delhi.Pyhr, Peter A 1973. *Zero Base Budgeting*, John Wiley & Sons: New York.
- Shastri, K., Stout, D.E. (2008); *Budgeting: Perspectives from the Real World; Management Accounting Quarterly*, Vol. 10, No. 1; pp. 18-25.
- Smith, PM., and Mcgeary, M (1997), *Don't Look Back: Science Funding for the Future*” *Issues in Science and Technology*, 33
<http://www.questia.com/PM.qst>.
- Stephen C Hansen, David T Otley, Wim A. Van de Stede (2003); (Practice Developments in Budgeting: An Overview and Research Perspective): *Journal of Management Accounting Research* Volume Fifteen pp. 95–116, (20th December, 2011)

Stede, W.A. van der (2000); The relationship between two consequences of budgetary controls: budgetary slack creation and managerial short-term orientation; *Accounting, Organizations and Society*, Vol. 25; pp. 609-62



APPENDICES

APPENDIX I – INTERVIEW GUIDE

UNIVERSITY OF EDUCATION, WINNEBA

COLLEGE OF TECHNOLOGY EDUCATION-KUMASI

DEPARTMENT OF ACCOUNTING STUDIES EDUCATION

PROJECT TITLE:

**ASSESSING BUDGET AND BUDGETARY CONTROL PRACTICES IN
KWADASO SDA HOSPITAL**

INTERVIEW GUIDE

SECTION A – INTERVIEWEE PERSONAL DATA

Please provide the following personal data.

Gender _____

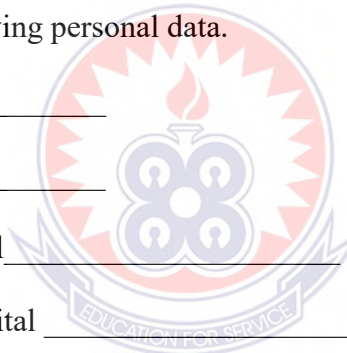
Age _____

Years worked in Hospital _____

Current Position in Hospital _____

Years spent in current position _____

Management Position _____



SECTION B – ACTUAL INTERVIEW

1. Name of Section/Department of interviewee.....
2. How long have you worked in this Institution?
3. How long have you been in your current position?

SECTION C - PREPARATION OF BUDGET

4. Do you consider yourself to be involved in preparing budgets in your department?
5. What kind of information do you give for the preparation of the budget?
6. The frequency of budget-related discussion with superiors initiated by me.
7. How important is your contribution to the success of the preparation of the annual budget of the Hospital?
8. How would you rate the quality or accuracy of budget produced?
9. Do you think the Budgeting preparation process have any impact on the performance of the Budget? Explain How.

SECTION D – IMPLEMENTATION OF THE BUDGET

10. How would you describe the growth of profit in the Hospital over the last 5 years?
11. In Determining goals, policies and courses of action in the Hospital does budget preparation play any role? Explain How,
12. How often do you exchanging information with people in your organization as a way of getting feedback to adjust programs and plans?
13. Are you involved in assessment and appraisal of budgets for reporting on performance?
14. How often do you meet the budget goals of your company (have favorable variances)?
15. What goes into setting of budgetary goals?
16. How often do you review your annual budget? Is the review process different from the preparation process?

17. To what extent do you think budgets prepared cover different areas of operation in your organization?
18. Would say the clarity of budget goals is satisfactory? Please explain your answer.
19. In general, how would you characterize the budgetary goals of your unit?
20. How many technical staffs are involved in the budget preparation process in your company?
21. How often do you think your organization calculate the difference between actual performance and budgeted performance?
22. To what extent do the budget variances (calculating difference between actual performance and budgeted performance) cover the different items of operation activities, revenues, and cost.
23. What are some of the appropriate corrective actions taken to address any adverse variances?
24. Are rewards given in the case of positive budgetary variances occur? How often does your superior seek your requests, opinions, and/or suggestions when the budget is being set or reviewed or monitored?
25. Do you have any policy or policies guiding the preparation of budgets in your company?
26. Have you been implementing it?
27. Have you been reviewing such a policy periodically? How often?
28. Do you have a budget manual?
29. How do you use it in the preparation of budgets?
30. What will be recommendation for improving budget implementation in your organization?



APPENDIX II –BUDGET DETAILS

EARNED OPERATING INCOME	BUDGET 2018	ACTUAL 2017	BUDGET 2017	ACTUAL 2016	BUDGET 2016	ACTUAL 2015	BUDGET 2015	ACTUAL 2014	BUDGET 2014	ACTUAL 2013	BUDGET 2013
SCHEDULE 1 - INCOME	4,494,383.37	3,066,140.91	4,747,638.36	2,886,546.38	2,943,440.00	2,416,678.35	2,624,000.00	2,108,610.30	2,306,070.00	1,649,877.25	1,838,000.00
SCHEDULE 2 - OTHER INCOME	16,000.00	14,631.97	12,300.00	2,836.25	2,000.00	300.00	1,500.00	2,549.00	2,000.00	-	12,000.00
GOVERNMENT SUBVENTION	3,500,000.00	2,768,914.12	3,500,000.00	2,108,748.30	1,500,000.00	1,142,133.00	-	-			
TOTAL EARNED INCOME	8,010,383.37	5,849,687.00	8,259,938.36	4,998,130.93	4,445,440.00	3,559,111.35	2,625,500.00	2,111,159.30	2,308,070.00	1,649,877.25	1,850,000.00
EXPENDITURE											
SCHEDULE 3 - WORKERS' SAL. & ALL.	4,715,869.88	3,799,831.76	4,664,960.60	3,024,789.24	2,543,400.00	1,800,527.16	1,225,750.00	459,048.19	486,553.12	118,482.72	99,658.00
SCHEDULE 4 - OPERATING EXPS.	1,892,000.00	1,374,791.02	1,432,000.00	1,351,280.54	938,000.00	1,505,871.60	1,028,000.00	1,465,271.44	888,000.00	862,603.79	1,055,200.00
SCHEDULE 5 - ADMIN. & GEN. EXPS.	811,333.49	554,523.55	621,188.46	350,978.05	562,150.00	928,562.81	762,200.00	746,838.36	1,251,919.00		
TOTAL EXPENDITURE	7,419,203.37	5,729,146.33	6,718,149.06	4,727,047.83	4,043,550.00	4,234,961.57	3,015,950.00	2,671,157.99	2,626,472.12	10,749,383.37	10,749,383.37
SURPLUS (DEFICIT)	591,180.00	120,540.67	1,541,789.30	271,083.10	401,890.00	(675,850.22)	(390,450.00)	(559,998.69)	(318,402.12)	668,790.74	202,560.00
CAPITAL DONATIONS	-	-	-	-	-	-	-	-	4,000.00		8,400.00
TOTAL	591,180.00	120,540.67	1,541,789.30	271,083.10	401,890.00	(675,850.22)	(390,450.00)	(559,998.69)	(318,402.12)	668,790.74	210,960.00
CAPITAL EXPENDITURE	577,800.00	10,000.00	399,379.37	103,790.52	474,890.00	171,725.19	362,400.00	47,143.47	249,810.76	ACTUAL	BUDGET

RESERVES					-	1,012,108.58	343,840.00	-	5,000.00	-	5,460.00
											----- -----
TOTAL	577,800.00	10,000.00	399,379.37	103,790.52	474,890.00	1,183,833.77	706,240.00	47,143.47	254,810.76	#VALUE!	#VALUE!
INCREASE (DECREASE) TO FUND BAL.					-						
	(13,380.00)										

Page -1

SCHEDULE: 1	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
INCOME	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
SURGERY FEE	45,000.00	30,016.47	38,500.00	22,566.26	20,000.00	16,128.00	15,000.00	10,638.34	184,800.00	15,090.15	176,000.00
ADMISSION FEE	58,720.85	46,126.79	45,000.00	34,187.21	40,000.00	30,877.12	40,000.00	33,469.02	-	39,273.81	77,000.00
DRESSING FEE	48,000.00	32,627.98	23,000.00	17,629.44	15,000.00	13,929.10	8,000.00	7,151.90	25,750.00	7,317.00	25,000.00
MCH - SALE OF HEALTH FOODS	1,407.47	954.00	1,500.00	133.00	1,000.00	258.00	1,000.00	521.00	1,500.00	-	1,000.00
DELIVERY FEE	25,281.20	18,018.50	9,600.00	5,658.28	10,000.00	5,258.50	2,000.00	1,800.40	13,000.00	2,482.00	13,000.00
CARD SALE	20,000.00	16,941.10	14,000.00	10,867.08	12,000.00	10,577.09	14,000.00	12,926.46	35,000.00	10,360.10	35,000.00
LAMINATION CHARGES			-	10.00	4,000.00	2,880.87	4,000.00	3,380.66	5,200.00	2,074.15	5,200.00
REGISTRATION&CONSULTATION FEE	100,336.90	86,570.80	40,000.00	34,362.90	50,000.00	39,427.65	50,000.00	46,068.40	236,000.00	664,298.75	220,000.00
LABORATORY FEE	63,489.09	50,458.26	38,000.00	33,210.34	40,000.00	32,615.30	40,000.00	37,200.44	99,750.00	37,321.05	95,000.00
DRUG SALES	1,976,374.75	1,328,388.48	1,890,558.36	1,482,643.30	1,500,000.00	1,304,633.17	1,200,000.00	1,020,109.36	1,155,000.00	807,770.05	1,050,000.00
DOCUMENTATION	49,173.11	40,890.34	16,000.00	13,022.37	20,000.00	14,326.22	18,000.00	17,147.56	41,820.00	12,497.29	41,000.00
ULTRASOUND INCOME	33,000.00	19,389.29	20,000.00	11,562.50	20,000.00	1,520.00	30,000.00	800.00	100,000.00	-	8,000.00
X-RAY INCOME	33,000.00	1,500.00	-	-	-	-	-	-	162,250.00	-	74,000.00
SERVICES	2,000,000.00	1,382,408.90	2,600,000.00	1,209,821.70	1,200,000.00	938,550.83	1,202,000.00	917,396.76	-		

DONATION INCOME	30,000.00	11050	10,000.00	10,632.00	10,000.00	4,296.50	-	-	10,000.00	-	10,000.00
CANTEEN RENTAL INCOME	600.00	320	1,480.00	240.00	1,440.00	1,400.00	-	-	236,000.00	51,392.90	5,000.00
PHYSIOTHERAPY INCOME	10,000.00	480									
TOTAL INCOME	4,494,383.37	3,066,140.91	4,747,638.36	2,886,546.38	2,943,440.00	2,416,678.35	2,624,000.00	2,108,610.30	2,306,070.00	1,649,877.25	1,838,000.00

SCHEDULE: 2	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
MISC. INCOME	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
INTEREST ON LOANS	2,000.00	1,553.35	800.00	531.25	500.00	300.00	500.00	-	2000	-	-
OTHERS	10,000.00	9,450.61	1,500.00	2,305.00	1,500.00	-				-	-
RENT INCOME	3,000.00	2,780.98								-	12,000.00
AMBULANCE SERVICES	-	0	10,000.00	-							
BANK INTEREST	1,000.00	847.03	-	-	-					-	-
EXCHANGE GAIN/LOSS	-		-	-			1,000.00	540.00		-	12,000.00
TOTAL	16,000.00	14,631.97	12,300.00	2,836.25	2,000.00	300.00	1,500.00	2,549.00	2000		

SCHEDULE: 3	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
WORKERS SALARIES & ALLOWANCES	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
										11,337.15	-

SALARIES	3,830,248.05	3,119,340.09	3,984,150.80	2,447,311.19	1,885,000.00	1,498,304.23	970,200.00	208,209.57	221,086.12	71,111.59	80,000.00
LOCUM FEE	79,240.00	82,621.02	36,000.00	169,850.27	123,500.00	113,455.54	53,000.00	70,105.48	65,000.00	-	-
HOUSE KEEPERS ALLOWANCE	26,400.00	14,647.00	18,120.00	9,211.00	8,000.00	7,248.00	7,200.00	6,546.00	-	3,145.34	5,000.00
MISSION ALLOWANCE	420,000.00	324,976.60	334,370.00	191,060.00	350,000.00	64,959.00	64,500.00	62,606.00	78,137.00	2,794.34	3,500.00
UTILITY ALLOWANCE	25,584.00	2,891.84	1,376.00	4,812.38	12,800.00	7,770.90	9,200.00	7,901.63	9,600.00	-	350.00
STAFF MEDICAL ALLOW.	24,000.00	16,549.79	32,600.00	26,329.70	10,000.00	7,655.11	7,100.00	5,593.03	3,880.00	89.00	1,000.00
PER DIEM	-	-	-	-	-	-	2,300.00	2,868.78			
TRANSPORT ALLOWANCE	203,181.16	162,569.79	167,983.80	113,551.76	82,000.00	57,075.84	71,000.00	57,455.91	62,850.00	1,581.85	3,500.00
RENT ALLOWANCE	15,000.00	17,731.20	13,200.00	28,115.00	12,000.00	8,989.15	8,000.00	6,909.93	10,000.00	2,542.37	1,000.00
ATTACHMENT ALLOWANCE	5,900.00	3,520.00	6,480.00	-	4,400.00	3,518.00	2,700.00	2,170.00	1,900.00	-	600.00
MOVING ALLOWANCE	22,500.00	5,254.18	2,900.00	-	500.00	300.00	1,500.00	1,139.33	3,100.00	-	200.00
RESPONSIBILITY ALLOWANCE	24,816.67	20,550.00	20,880.00	14,900.00	13,200.00	2,550.00	2,300.00	2,868.78	-	-	1,000.00
BOOK & EQUIPMENT ALLOW.	-	-	-	50.00	1,000.00	-	1,150.00	240.00	600.00	6,032.72	-
LEAVE ALLOWANCE	-	-	-	-	-	-	-	-	-	16,929.01	-
CASHIER ALLOWANCE	2,500.00	2,140.00	2,400.00	1,980.00	3,000.00	2,100.00	2,000.00	1,970.00	-	-	-
										2,008.00	2,008.00
TOTAL	4,715,869.88	3,799,831.76	4,664,960.60	3,024,789.24	2,543,400.00	1,800,527.16	1,225,750.00	459,048.19	486,553.12	118,482.72	99,658.00
SCHEDULE: 4											
OPERATING EXPENSES											
COST OF DRUGS SALE	1,500,000.00	1,092,989.66	1,100,000.00	1,070,326.02	600,000.00	1,181,894.01	800,000.00	1,212,500.00	698,500.00	598,371.05	635,000.00
SURGERY CLAIM	25,000.00	17,413.56	70,000.00	38,697.23	20,000.00	17,438.74	3,000.00	1,493.14	16,500.00	18,779.12	13,100.00
PHYSIOTHERAPY EXPENSES	8,000.00	-								4,246.37	5,000.00
DISPENSARY SUPPLIES EXP	7,500.00	7,232.40	6,000.00	5,713.35	15,000.00	12,659.10	10,000.00	9,144.74	70,000.00		5,000.00
THEATRE SUPPLIES EXP	80,000.00	34,960.04	85,000.00	83,435.70	100,000.00	82,166.67	20,000.00	55,739.98	40,000.00	-	-

HOSPITAL SUPPLIES EXP	45,000.00	26,082.58	10,000.00	6,395.48	20,000.00	10,001.70	20,000.00	17,028.31	10,000.00		14,800.00
LABORATORY SUPPLIES EXP	80,000.00	82,799.06	70,000.00	61,177.90	120,000.00	94,078.34	25,000.00	57,577.24	40,000.00	12,875.00	20,000.00
DIETARY FOOD SUPPLEMENT EXP	1,500.00		1,000.00	-	3,000.00	258.00	1,000.00	317.50	500.00	5,156.04	9,000.00
DISPOSABLE SUPPLIES EXP	105,000.00	111,773.72	60,000.00	61,971.26	50,000.00	85,436.54	45,000.00	41,842.29		7,177.05	5,800.00
DRUG INVENTORY	-		-	-	-	-	90,000.00	65,069.24			4,200.00
OPD CARDS & LAM. SUPPLIES Expense	35,000.00		25,000.00	21,481.60	10,000.00	21,938.50	7,000.00	1,559.00		821,812.18	961,800.00
ULTRASOUND SUPPLIES EXPENSE	5,000.00	1,540.00	5,000.00	2,082.00	-	-	7,000.00	3,000.00	12,500.00	11,337.15	----- ----
TOTAL	1,892,000.00	1,374,791.02	1,432,000.00	1,351,280.54	938,000.00	1,505,871.60	1,028,000.00	1,465,271.44	888,000.00	862,603.79	1,055,200.00
SCHEDULE: 5											
ADMINISTRATIVE EXPENSES											
TRAVELS	29,400.00	14,731.13	19,100.00	19,905.91	9,400.00	10,913.46	12,300.00	10,512.32	20,980.00		
13.5% SSF CONTRIBUTION	44,583.49	33,919.52	65,360.36	19,308.19	25,200.00	20,088.14	25,500.00	20,639.07	22,920.00	1,736.12	350.00
DONATION	7,000.00	6,950.00	5,000.00	3,900.00	55,500.00	59,703.79	5,000.00	1,470.00	9,000.00	18,779.12	9,000.00
MANPOWER TRAINING	11,500.00	15,242.10	6,000.00	2,156.37	21,000.00	20,000.00	3,500.00	-	1,800.00		
TRAINING & WORKSHOP	28,400.00	0	0								
WORKERS OTHER BENEFITS	40,100.00	20,195.77	30,000.00	4,672.30	29,000.00	19,639.72	-	5,000.00	2,509.00	-	-
ENTERTAINMENT	33,000.00	18,161.18	10,500.00	17,552.50	19,000.00	16,555.28	6,500.00	-	12,800.00		14,800.00
OFFICE SUPPLIES	99,800.00	58,551.72	58,000.00	44,167.08	-	990.40	2,700.00	6,111.66	27,800.00	12,875.00	20,000.00
TELEPHONE & FAX	8,150.00	3,439.25	4,090.00	2,831.49	8,000.00	3,937.63	4,900.00	4,044.14	8,000.00	5,156.04	9,000.00
GENERAL EXPENSES	8,000.00	4,924.75	15,178.10	5,286.65	2,800.00	1,307.48	7,200.00	5,189.79	8,100.00	7,177.05	5,800.00
UTILITY EXPENSES	600.00	634.35	600.00	835.16	1,550.00	875.59	8,000.00	7,901.63	2,500.00		4,200.00
ELECTRICITY & MAINT.	60,600.00	44,171.00	20,000.00	12,787.50	60,000.00	44,502.50	14,900.00	10,679.75	17,500.00	11,337.15	
WORKERS VEHICLE DEPR.	78,000.00	46,070.00	44,640.00	21,660.00	21,500.00	19,260.00	21,700.00	19,290.00	28,600.00		
OTHERS	362,200.00	287,532.78	342,720.00	195,914.90	309,200.00	710,788.82	650,000.00	656,000.00	1,089,410.00	821,812.18	961,800.00

TOTAL	79,240.00	82,621.02	36,000.00	169,850.27	123,500.00	113,455.54	53,000.00	70,105.48	65,000.00	60,165.74	64,000.00
--------------	------------------	------------------	------------------	-------------------	-------------------	-------------------	-----------	------------------	------------------	------------------	------------------

	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
MISSION ALLOWANCE	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
SURGICAL & MEDICAL	327,600.00	254,376.60	264,280.00	146,207.00	200,000.00	34,425.00	31,000.00	32,908.00	42,000.00	31,274.14	40,000.00
ADMINISTRATION	42,000.00	31,740.00	35,400.00	23,182.00	100,000.00	18,152.00	20,000.00	17,661.00	17,850.00	18,125.11	17,000.00
DISPENSARY	12,600.00	9,990.00	8,400.00	5,806.00	12,000.00	3,424.00	3,500.00	3,228.00	5,775.00	3,406.88	5,500.00
LABORATORY	12,600.00	9,450.00	8,400.00	5,504.00	12,000.00	2,646.00	3,000.00	2,466.00	3,675.00	2,794.34	3,500.00
OUT PATIENT DEPT.	12,600.00	8,900.00	7,200.00	5,356.00	11,000.00	2,742.00	3,000.00	2,945.00	3,150.00	2,954.65	3,000.00
MAINTENANCE	12,600.00	10,520.00	10,690.00	5,005.00	15,000.00	3,570.00	4,000.00	3,398.00	5,687.00	4,062.32	5,800.00

TOTAL	420,000.00	324,976.60	334,370.00	191,060.00	350,000.00	64,959.00	64,500.00	62,606.00	78,137.00	62,617.44	74,800.00

UTILITY ALLOWANCE											
SURGICAL & MEDICAL	18,696.00	1,255.50	800.00	3,582.17	10,000.00	6,677.50	7,000.00	6,784.65	8,500.00	8,272.47	7,500.00
ADMINISTRATION	2,952.00	907.23	576.00	670.55	1,000.00	779.59	1,000.00	933.15	1,100.00	854.57	1,000.00
DISPENSARY	984.00	-	-	-	500.00	-	300.00	-	-	-	350.00
LABORATORY	984.00	-	-	-	500.00	-	300.00	-	-	-	350.00
OUT PATIENT DEPT.	984.00	19.00	-	-	500.00	-	300.00	183.83	-	-	-
MAINTENANCE	984.00	710.11	-	559.66	300.00	313.81	300.00	-	-	250.53	200.00

TOTAL	25,584.00	2,891.84	1,376.00	4,812.38	12,800.00	7,770.90	9,200.00	7,901.63	9,600.00	9,377.57	9,400.00
CHILD EDUCATION ALLOW.											
SURGICAL & MEDICAL	20,000.00	18,289.02	30,000.00	12,224.34	30,000.00	20,023.88	15,000.00	14,539.13	18,900.00	15,710.34	25,000.00
ADMINISTRATION	6,000.00	3,289.03	8,000.00	2,459.95	3,000.00	2,261.45	3,000.00	2,720.32	5,000.00	3,331.08	5,000.00
DISPENSARY	2,000.00	899.76	1,000.00	526.00	500.00	363.00	400.00	389.50	1,000.00	420.02	1,000.00
LABORATORY	1,000.00	415.5	500.00	296.50	500.00	513.50	700.00	685.50	1,500.00	911.35	1,500.00
OUT PATIENT DEPT.	2,500.00	1,552.49	2,000.00	953.45	2,000.00	1,638.61	2,500.00	2,309.28	2,500.00	2,533.59	2,500.00
MAINTENANCE	5,000.00	2,594.45	3,000.00	1,157.70	2,000.00	1,800.95	2,000.00	1,820.02	1,500.00	1,385.38	1,500.00
TOTAL	36,500.00	27,040.25	44,500.00	17,617.94	38,000.00	26,601.39	23,600.00	22,463.75	30,400.00	24,291.76	36,500.00
STAFF MEDICAL ALLOWANCE											
SURGICAL & MEDICAL	15,000.00	9,967.91	25,000.00	21,608.63	5,000.00	3,164.46	4,000.00	3,138.33	2,200.00	1,917.11	11,000.00
ADMINISTRATION	3,500.00	3,085.90	3,000.00	2,210.22	1,500.00	1,296.90	1,000.00	773.95	450.00	408.50	3,200.00
DISPENSARY	2,500.00	1,348.30	2,000.00	1,413.29	1,000.00	734.40	500.00	382.50	160.00	138.00	1,500.00
LABORATORY	1,000.00	1,697.00	1,000.00	279.30	1,000.00	192.00	800.00	640.70	100.00	89.00	1,000.00
OUT PATIENT DEPT.	1,000.00	155.30	1,000.00	340.00	1,000.00	1,855.60	400.00	346.50	620.00	516.30	3,500.00
MAINTENANCE	1,000.00	295.38	600.00	478.26	500.00	411.75	400.00	311.05	350.00	313.15	1,200.00
TOTAL	24,000.00	16,549.79	32,600.00	26,329.70	10,000.00	7,655.11	7,100.00	5,593.03	3,880.00	3,382.06	21,400.00
Page - 5											
RESPONSIBILITY ALLOWANCE	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET

	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
SURGICAL & MEDICAL	8,000.00	8,310.00	9,720.00	3,030.00	7,200.00	1,050.00	1,000.00	2,539.78	-	-	2,000.00
ADMINISTRATION	12,000.00	8,440.00	8,280.00	10,990.00	6,000.00	1,500.00	500.00	224.00	-	-	4,500.00
DISPENSARY	2,666.67	2,110.00	600.00	120.00	-	-	200.00	-	-	-	1,500.00
LABORATORY	750.00	550.00	600.00	200.00	-	-	200.00	-	-	-	1,000.00
OUT PATIENT DEPT.	800.00	600.00	600.00	200.00	-	-	200.00	-	-	-	500.00
MAINTENANCE	600.00	540.00	1,080.00	360.00	-	-	200.00	105.00	-	-	500.00
TOTAL	24,816.67	20,550.00	20,880.00	14,900.00	13,200.00	2,550.00	2,300.00	2,868.78	-	-	10,000.00
TRANSPORT ALLOWANCE											
SURGICAL & MEDICAL	108,094.56	99,865.03	110,406.12	65,381.74	50,000.00	30,789.04	40,000.00	33,737.50	36,750.00	36,217.67	35,000.00
ADMINISTRATION	29,889.74	24,907.46	29,056.08	26,165.69	20,000.00	15,914.44	20,000.00	14,610.23	15,600.00	14,499.45	15,000.00
DISPENSARY	11,647.96	7,439.33	5,469.12	4,547.20	2,000.00	1,902.44	2,000.00	1,487.81	2,500.00	1,188.72	2,500.00
LABORATORY	18,897.45	7,022.76	5,357.16	4,147.08	2,000.00	1,905.88	2,000.00	1,640.29	3,500.00	1,581.85	3,500.00
OUT PATIENT DEPT.	14,651.46	7,012.70	4,639.56	4,432.20	3,000.00	2,098.59	3,000.00	2,081.39	2,000.00	1,593.48	2,000.00
MAINTENANCE	20,000.00	16,322.51	13,055.76	8,877.85	5,000.00	4,465.45	4,000.00	3,898.69	2,500.00	2,868.50	2,500.00
TOTAL	203,181.16	162,569.79	167,983.80	113,551.76	82,000.00	57,075.84	71,000.00	57,455.91	62,850.00	57,949.67	60,500.00
RENT ALLOWANCE											
SURGICAL & MEDICAL	10,200.00	13,851.40	10,800.00	25,167.20	10,000.00	7,524.75	6,000.00	5,359.85	6,000.00	4,849.20	6,000.00
ADMINISTRATION	4,800.00	3,879.80	2,400.00	2,947.80	2,000.00	1,464.40	2,000.00	1,550.08	4,000.00	2,542.37	1,000.00

DISPENSARY			-	-	-	-	-	-	-		-
LABORATORY			-	-	-	-	-	-	-		-
OUT PATIENT DEPT.			-	-	-	-	-	-	-		-
MAINTENANCE			-	-	-	-	-	-	-		-
TOTAL	15,000.00	17,731.20	13,200.00	28,115.00	12,000.00	8,989.15	8,000.00	6,909.93	10,000.00	7,391.57	7,000.00

Page - 6

	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
ATTACHMENT ALLOWANCE	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
SURGICAL & MEDICAL	3,500.00	620.00	2,880.00	-	500.00	220.00	500.00	450.00	100.00	200.00	100.00
ADMINISTRATION	500.00	2,345.00	1,440.00	1,620.00	3,500.00	3,028.00	1,000.00	1,080.00	800.00	1,225.00	800.00
DISPENSARY	400.00	250.00	720.00	-	-	-	400.00	360.00	300.00	-	300.00
LABORATORY	500.00	125.00	720.00	-	200.00	100.00	400.00	280.00	300.00	-	300.00
OUT PATIENT DEPT.	800.00	180.00	720.00	-	200.00	170.00	400.00	-	200.00	225.00	200.00
MAINTENANCE	200.00	-	-	-	-	-	-	-	200.00	-	200.00
TOTAL	5,900.00	3,520.00	6,480.00	1,620.00	4,400.00	3,518.00	2,700.00	2,170.00	1,900.00	1,650.00	1,900.00
MOVING ALLOWANCE											
SURGICAL & MEDICAL	10,000.00	2,452.90	2,000.00	-	500.00	300.00	1,000.00	1,139.33	600.00	-	600.00
ADMINISTRATION	4,500.00	1,949.28	900.00	-	-	-	500.00	-	500.00	-	600.00
DISPENSARY	3,000.00	-	-	-	-	-	-	-	500.00	-	100.00
LABORATORY	2,000.00	852.00	-	-	-	-	-	-	500.00	-	100.00
OUT PATIENT DEPT.	1,500.00	-	-	-	-	-	-	-	500.00	-	100.00

	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
VEHICLE DEPRECIATION	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
SURGICAL & MEDICAL	58,800.00	34,170.00	34,560.00	16,350.00	15,000.00	13,470.00	16,000.00	14,340.00	19,800.00	16,723.00	18,000.00
ADMINISTRATION	14,400.00	9,660.00	8,160.00	4,230.00	5,000.00	4,710.00	5,000.00	4,320.00	8,800.00	4,620.00	8,000.00
DISPENSARY	2,400.00	2,240.00	1,920.00	1,080.00	1,500.00	1,080.00	700.00	630.00	-	-	1,500.00
LABORATORY	2,400.00	-	-	-	-	-	-	-	-	-	-
OUT PATIENT DEPT.		-	-	-	-	-	-	-	-	-	-
MAINTENANCE		-	-	-	-	-	-	-	-	-	-
TOTAL	78,000.00	46,070.00	44,640.00	21,660.00	21,500.00	19,260.00	21,700.00	19,290.00	28,600.00	21,343.00	27,500.00
TOTAL	79,240.00								550,733.12	486,133.08	592,240.00
											
HOUSE KEEPERS ALLOWANCE											
SURGICAL & MEDICAL	26,400.00	14,647.00	18,120.00	9,211.00	8,000.00	7,248.00	7,200.00	6,546.00		-	-
ADMINISTRATION	-	-	-	-	-	-	-	-	-	-	-
DISPENSARY	-	-	-	-	-	-	-	-	-	-	-
LABORATORY	-	-	-	-	-	-	-	-	-	-	-
OUT PATIENT DEPT.	-	-	-	-	-	-	-	-	-	-	-
MAINTENANCE	-	-	-	-	-	-	-	-	-	-	-
TOTAL	26,400.00	14,647.00	18,120.00	9,211.00	8,000.00	7,248.00	7,200.00	6,546.00	-	-	-

										-	-
										-	-
										-	-
EXHIBIT 2										-	-
ADMINISTRATIVE EXPENSES											-
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	-	-
TRAVELS	2018	2017	2017	2016	2016	2015	2015	2014	2014	-	-
SURGICAL & MEDICAL	1,000.00	1,173.00	1,000.00	565.00	1,000.00	99.00	2,000.00	1,456.40	3,000.00	2,081.99	2,000.00
ADMINISTRATION	1,500.00	848.16	800.00	738.20	500.00	275.00	1,000.00	505.43	2,000.00	2,591.97	2,000.00
DISPENSARY	2,000.00	11.00	100.00	9.00	100.00	81.40	300.00	157.05	500.00	667.22	500.00
LABORATORY	500.00	213.00	100.00	20.00	100.00	105.00	100.00	58.00	300.00	194.80	500.00
OUT PATIENT DEPT.	100.00	-	100.00	3.00	100.00	-	100.00	-	50.00	2.50	500.00
MAINTENANCE	800.00	122.80	500.00	665.70	100.00	115.50	300.00	127.00	80.00	56.90	600.00
ACCOUNTANTS	3,000.00	2,136.80	3,000.00	-	2,000.00	1,578.50	3,000.00	2,336.75	3,750.00	1,776.36	3,000.00
ADMINISTRATOR	3,500.00	1,952.77	4,000.00	3,649.69	1,000.00	866.60	1,500.00	1,120.10			
HUMAN RESOURCE	4,000.00	-	-	-	-	-	-	-	-	294.50	2,000.00
MEDICAL DIRECTOR	7,000.00	6,556.53	4,000.00	5,919.12	2,000.00	4,790.63	2,000.00	1,353.32	3,000.00	3,556.18	3,000.00
DIRECTOR OF NURSING	3,000.00	1,644.20	500.00	-	500.00	-	1,000.00	-	300.00	220.00	2,000.00
SPECIAL TRAVELS – ADMIN	3,000.00	72.87	5,000.00	8,336.20	2,000.00	3,001.83	1,000.00	3,398.27	8,000.00	7,528.54	2,000.00
SPECIAL TRAVELS - S&M	6,000.00	264.75									
TOTAL	29,400.00	14,731.13	19,100.00	19,905.91	9,400.00	10,913.46	12,300.00	10,512.32	20,980.00	18,970.96	18,100.00
13.5% SSF CONTRIBUTION											

SURGICAL & MEDICAL	22,122.83	6,782.70	29,532.08	7,590.47	5,000.00	3,840.99	5,000.00	4,076.31	5,500.00	4,246.37	5,000.00
ADMINISTRATION	10,125.00	7,967.69	10,458.67	7,458.52	15,000.00	11,828.54	10,000.00	8,345.72	7,500.00	6,366.21	4,300.00
DISPENSARY	1,350.00	13,021.02	17,550.00	-	-	-	3,000.00	2,195.21	2,420.00	2,044.90	2,200.00
LABORATORY	1,620.00	1,702.89	1,350.00	-	-	-	2,500.00	1,845.67	2,000.00	1,736.12	350.00
OUT PATIENT DEPT.	2,053.62	1,101.10	-	1,235.79	200.00	186.42	3,000.00	2,990.25	1,500.00	1,297.95	950.00
MAINTENANCE	7,312.03	3,344.12	6,469.61	3,023.41	5,000.00	4,232.19	2,000.00	1,185.91	4,000.00	3,087.57	300.00
TOTAL	44,583.49	33,919.52	65,360.36	19,308.19	25,200.00	20,088.14	25,500.00	20,639.07	22,920.00	18,779.12	13,100.00
DONATION EXPENSES											
SURGICAL & MEDICAL	2,000.00	700.00	2,000.00	-	4,000.00	3,083.79	1,000.00	1,470.00	3,000.00		3,000.00
ADMINISTRATION	5,000.00	6,250.00	2,000.00	-	50,000.00	56,120.00	2,000.00	-	5,000.00		5,000.00
DISPENSARY	-		500.00	-	500.00	-	500.00	-			-
LABORATORY	-		500.00	-	500.00	-	500.00	-	500.00		500.00
OUT PATIENT DEPT.	-		-	-	500.00	500.00	500.00	-	500.00		500.00
MAINTENANCE	-		-				500.00	-			-
TOTAL	7,000.00	6,950.00	5,000.00	-	55,500.00	59,703.79	5,000.00	1,470.00	9,000.00	-	9,000.00
MANPOWER TRAINING											
SURGICAL & MEDICAL	5,000.00	10,715.94	3,000.00	1,213.25	15,000.00	20,000.00	1,000.00	-	500.00		
ADMINISTRATION	2,000.00	4,194.26	2,000.00	533.12	6,000.00	-	1,000.00	-	500.00		
DISPENSARY	1,000.00	295.00	1,000.00	410.00	-	-	500.00	-	200.00		
LABORATORY	1,000.00	14.76	-	-	-	-	500.00	-	200.00		
OUT PATIENT DEPT.	1,500.00	14.76	-	-	-	-	500.00	-	200.00		

MAINTENANCE	1,000.00	7.38	-	-	-	-	-	-	200.00		
TOTAL	11,500.00	15,242.10	6,000.00	2,156.37	21,000.00	20,000.00	3,500.00	-	1,800.00		
TRAINING & WORKSHOP											
SURGICAL & MEDICAL	15,000.00										
ADMINISTRATION	5,000.00										
DISPENSARY	2,600.00										
LABORATORY	2,600.00										
OUT PATIENT DEPT.	2,600.00										
MAINTENANCE	600.00										
TOTAL	28,400.00	0	0	0	0	0	0	0	0		
WORKERS OTHER BENEFITS											
SURGICAL & MEDICAL	35,000.00	20,154.03	25,000.00	3,419.14	20,000.00	16,749.72	-	5,000.00	9.00		12,000.00
ADMINISTRATION	4,000.00	41.74	2,000.00	1,253.16	2,000.00	-	-	-	500.00		3,500.00
DISPENSARY	1,100.00	-	1,000.00	-	2,000.00	-	-	-	500.00		500.00
LABORATORY		-	1,000.00	-	2,000.00	1,250.00	-	-	500.00		500.00
OUT PATIENT DEPT.		-	500.00	-	1,000.00	-	-	-	500.00		500.00
MAINTENANCE		-	500.00	-	2,000.00	1,640.00	-	-	500.00		500.00
TOTAL	40,100.00	20,195.77	30,000.00	4,672.30	29,000.00	19,639.72	-	5,000.00	2,509.00	-	17,500.00

	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
ENTERTAINMENT	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
SURGICAL & MEDICAL	30,000.00	17,196.18	10,000.00	15,981.00	15,000.00	13,340.68	3,000.00	2,000.00	9,000.00		10,000.00
ADMINISTRATION	3,000.00	965.00	500.00	1,571.50	4,000.00	3,214.60	2,000.00	500.00	3,000.00		4,000.00
DISPENSARY	-	-	-	602.50	-	-	500.00	500.00	200.00		200.00
LABORATORY	-	-	-	-	-	-	500.00	-	200.00		200.00
OUT PATIENT DEPT.	-	-	-	-	-	-	500.00	-	200.00		200.00
MAINTENANCE	-	-	-	-	-	-	-	-	200.00		200.00
TOTAL	33,000.00	18,161.18	10,500.00	18,155.00	19,000.00	16,555.28	6,500.00	3,000.00	12,800.00	-	14,800.00
OFFICE SUPPLIES											
SURGICAL & MEDICAL	15,000.00	1,757.25	2,000.00	317.00	-	50.50	1,000.00	237.50	7,500.00	-	500.00
ADMINISTRATION	50,000.00	23,759.22	20,000.00	15,744.08	-	572.40	300.00	4,888.16	8,800.00	8,063.40	8,000.00
DISPENSARY	25,000.00	3,600.00	-	-	-	100.00	400.00	300.00	500.00	-	500.00
LABORATORY	4,800.00	453.5	1,000.00	-	-	-	100.00	60.00	500.00	-	500.00
OUT PATIENT DEPT.	5,000.00	28,981.75	35,000.00	28,106.00	-	267.50	700.00	626.00	10,000.00	4,811.60	10,000.00
MAINTENANCE			-	-	-	-	200.00	-	500.00	-	500.00
TOTAL	99,800.00	58,551.72	58,000.00	44,167.08	-	990.40	2,700.00	6,111.66	27,800.00	12,875.00	20,000.00

TELEPHONE & FAX											
SURGICAL & MEDICAL	3,000.00	1,752.00	1,500.00	829.49	2,500.00	1,877.29	2,100.00	1,849.50	3,000.00	2,748.00	3,000.00
ADMINISTRATION	4,400.00	1,309.75	2,000.00	1,760.50	2,000.00	1,541.34	2,500.00	2,079.14	3,000.00	2,289.54	4,000.00
DISPENSARY	300.00	98	300.00	-	1,000.00	-	-	-	500.00	30.00	500.00
LABORATORY	100.00	35	-	-	1,000.00	-	-	-	500.00	-	500.00
OUT PATIENT DEPT.	200.00	110	90.00	82.50	1,000.00	345.00	-	-	500.00	7.50	500.00
MAINTENANCE	150.00	134.5	200.00	159.00	500.00	174.00	300.00	115.00	500.00	81.00	500.00
TOTAL	8,150.00	3,439.25	4,090.00	2,831.49	8,000.00	3,937.63	4,900.00	4,043.64	8,000.00	5,156.04	9,000.00
GENERAL EXPENSES											
SURGICAL & MEDICAL	2,000.00	708.10	10,778.10	3,550.90	1,000.00	401.70	500.00	276.00	2,000.00	1,585.50	2,500.00
ADMINISTRATION	4,000.00	2,775.80	4,000.00	1,101.05	1,000.00	843.28	300.00	109.00	1,800.00	1,799.30	1,500.00
DISPENSARY	300.00	300.00	200.00	50.00	200.00	-	100.00	290.40	100.00	72.00	300.00
LABORATORY	-	75.00	200.00	-	200.00	-	100.00	-	100.00	-	400.00
OUT PATIENT DEPT.	1,500.00	100.00	-	-	200.00	-	100.00	-	100.00	50.00	300.00
MAINTENANCE	200.00	965.85	-	584.70	200.00	62.50	100.00	8.00	4,000.00	3,670.25	800.00
TOTAL	8,000.00	4,924.75	15,178.10	5,286.65	2,800.00	1,307.48	1,200.00	683.40	8,100.00	7,177.05	5,800.00

Page - 10

	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
UTILITY EXPENSES											
SURGICAL & MEDICAL	600.00	634.35	600.00	555.16	1,000.00	603.23	1,000.00	584.80	2,500.00	-	2,500.00
ADMINISTRATION	-	-	-	280.00	500.00	240.00	500.00	-	500.00		500.00
DISPENSARY	-	-	-	-	-	-	-	-	300.00	-	300.00
LABORATORY	-	-	-	-	-	-	-	-	300.00	-	300.00

OUT PATIENT DEPT.	-		-	-	-	-	-		300.00	-	300.00
MAINTENANCE	-		-	-	50.00	32.36	-		300.00	-	300.00
			-								-----
TOTAL	600.00	634.35	600.00	835.16	1,550.00	875.59	1,500.00	584.80	4,200.00	-	4,200.00
ELECTRICITY & MAINT.											
SURGICAL & MEDICAL	26,400.00	21,181.00	9,000.00	5,560.00	36,000.00	23,417.00	6,000.00	3,952.00	8,000.00	5,783.60	8,000.00
ADMINISTRATION	7,800.00	6,375.00	3,000.00	2,102.50	5,000.00	4,240.50	2,000.00	1,500.75	2,000.00	1,170.00	2,000.00
DISPENSARY	7,800.00	2,125.00	1,500.00	695.00	2,000.00	1,363.50	400.00	390.25	1,000.00	-	1,000.00
LABORATORY	3,000.00	6,375.00	2,500.00	1,650.00	5,000.00	4,565.50	3,000.00	2,170.75	2,000.00	420.00	2,000.00
OUT PATIENT DEPT.	7,800.00	6,375.00	3,000.00	2,085.00	5,000.00	4,540.50	2,000.00	1,570.75	4,000.00	3,000.00	4,000.00
MAINTENANCE	7,800.00	1,740.00	1,000.00	695.00	7,000.00	6,375.50	1,500.00	1,095.25	500.00	963.55	500.00

TOTAL	60,600.00	44,171.00	20,000.00	12,787.50	60,000.00	44,502.50	14,900.00	10,679.75	17,500.00	11,337.15	17,500.00
OTHERS											
BOARD MEETINGS	2,000.00	824.60	1,500.00	1,235.10	2,000.00	1,118.20	500.00	283.50	600.00	-	6,000.00
FUNERAL EXPENSE	2,000.00	-	2,000.00	1,656.50	-	-	-	-	-	154.26	600.00
BANK CHARGES	4,000.00	2,866.34	5,000.00	2,606.00	15,000.00	8,000.00	7,000.00	6,539.74	15,500.00	13,418.37	10,500.00
NEWSPAPERS	1,500.00	1,110.50	900.00	874.50	700.00	604.00	500.00	481.30	600.00	542.20	500.00
G.A.H.S. FUND		20,000.00	15,000.00	5,000.00	15,000.00	12,666.86	7,000.00	6,693.99	5,000.00	1,830.76	5,000.00
A.H.S. FUND		4,000.00	6,000.00	-	5,000.00	3,560.64	6,000.00	5,109.45	5,000.00	1,830.76	5,000.00
POSTAGES	200.00	72.50	200.00	105.60	500.00	111.80	100.00	27.10	100.00	79.40	100.00
BAD DEBTS		-	20,000.00	-	-	-	-	-	2,500.00	-	2,500.00

DEPRECIATION - OTHER ASSETS	3,000.00	1,531.47	3,000.00	2,502.95	5,000.00	2,020.00	1,000.00	1,055.60	4,500.00	4,085.70	4,000.00
DEPRECIATION – VEHICLE	7,000.00	4,994.82	10,000.00	6,659.76	-	-					
LEGAL & COSULTANCY FEE	3,000.00	-	3,000.00	-	-	-	2,200.00	1,050.00	14,000.00	11,000.00	-----
TOTAL	362,200.00	287,532.78	342,720.00	195,914.90	309,200.00	216,567.16	171,800.00	166,828.43	253,960.00	101,937.90	222,600.00
TOTAL ADMIN. & GEN. EXPENSES											-----

CAPITAL EXPENDITURE	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
	2018	2017	2017	2016	2016	2015	2015	2014	2014	2013	2013
EVANGELISM EQUIPMENT					3,000.00	-	3,000.00	2,200.00	5,000.00	-	7,500.00
CHILD HEALTH & MATERNITY BLOCK	200,000.00	-	220,000.00	-	218,000.00	-	200,000.00	8,663.90	154,810.76	-	70,000.00
OPD EXTENSION	20,000.00									1,530.00	10,000.00
THEATRE EQUIPMENT	30,000.00	10,000.00	15,000.00	2,739.40	30,000.00	12,874.65	10,000.00	2,035.00	30,000.00		30,000.00
DEDICATED TRANSFORMER	-		-	-	30,000.00	-	15,000.00	-	-	5,300.00	10,000.00
HOSPITAL FURNITURE & EQUIPMENT	20,000.00		16,516.37	19,695.06	30,000.00	59,959.54	10,000.00	2,764.00	10,000.00	500.00	15,000.00
OFFICE FURNITURE & EQUIPMENT	48,800.00		20,000.00	12,837.40	20,000.00	10,000.00	10,000.00	26,820.57	10,000.00		15,000.00
LABORATORY EQUIPMENT	15,000.00		2,000.00	1,700.00	30,000.00	28,931.00	10,000.00	4,660.00	10,000.00		35,000.00
EDUCATIONAL LOAN	60,000.00		77,000.00	59,138.66	38,890.00	-	-	-	-		13,000.00
VEHICLE LOAN	-		-	7,680.00	20,000.00	12,960.00	14,400.00	-	-		
AUTOMATIC SWITCH	-		-	-	10,000.00	-	10,000.00	-			
OFFICE COMPLEX (CGC)	-		-	-	25,000.00	40,000.00	40,000.00	-		-	-
CLINICAL PHAMRACY UNIT	-		4,863.00	-	-	-	-	-	-		

HOSPITAL AMBULANCE	-		35,000.00	-	20,000.00	-	20,000.00	-			
UROLOGY EQUIPMENT	148,000.00										
ULTRASOUND SCANNER	36,000.00		9,000.00	-	-	7,000.00	20,000.00	-	30,000.00		
TOTAL	577,800.00	10,000.00	399,379.37	103,790.52	474,890.00	171,725.19	362,400.00	47,143.47	249,810.76	7,330.00	205,500.00

