



CONSOLIDATED & MINISTERIAL FINANCIAL STATEMENTS OF THE HIRSHABELLE STATE OF SOMALIA

For the Year Ended 31 December 2024

*Prepared in accordance with the International
Public Sector Accounting Standard (IPSAS) -
Financial Reporting Under the Cash Basis of
Accounting (2017)*

**Prepared by the Ministry of Finance
& Economic Development**
Hirshabelle State of Somalia

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Jamhuuriyadda Federaalka Soomaaliya
Dowlad Goboleedka Hirshabelle
Wasaaradda Maaliyadda & Horumarinta
Dhaqaalaha



جمهورية الصومال الفيدرالية
حكومة إقليم هيرشبيلى
وزارة المالية والتنمية الاقتصادية

Xafiiska Wasiirka

Federal Republic of Somalia
Hirshabelle State of Somalia
Ministry of Finance & Economic Development
Office of the Minister

مكتب الوزير

Ref: W/MMHD/DHS/0120/2025

Jowhar

Date: 15- March- 2025

To: Office of Auditor General

Statement of Certification - 2024 Financial Statements

I hereby certify that the financial statements of the Hirshabelle Ministry of Finance and Economic Development for the fiscal year ended December 31, 2024, have been prepared in accordance with the applicable financial reporting framework, accounting standards, and regulatory requirements.

We confirm that these financial statements present a true and fair view of the financial position, performance, and cash flows of the Ministry for the stated period.

The preparation of these statements ts has been conducted with diligence, ensuring that all relevant financial transactions have been properly recorded and that internal controls have been maintained to safeguard the integrity and accuracy of financial reporting.

This certification is made in good faith and with full accountability, in accordance with our roles and responsibilities in financial management and oversight.

Abdirahim Isse Adow

Minister of Finance and Economic Development,
Hirshabelle State
Jowhar -Somalia



Xafiiska Wasiirka Wasaaradda Maaliyadda iyo Horumarinta Dhaqaalaha Dowladda Hirshabelle
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Executive Summary

Overview of the Financial Statements

The Financial Statements of the Hirshabelle State of Somalia provides a record of the Government's financial performance over the financial year, 2024 as outlined in the Statement of Receipts and Payments and the Statement of Comparison of Budget and Actual Amounts. The Financial Statements further summarize all financial transactions for the year ended 31st December 2024 and the HSS financial cash position as of the 31st of December 2024. These statements have been prepared by the Treasury Department of the Ministry of Finance of Hirshabelle State of Somalia and includes financial information related to all Hirshabelle State Ministries, Departments and Agencies (MDAs).

The 2024 financial statements focus on reporting, primarily budgeted activities of the HSS for which an Annual Budget Statement was prepared for and authorized by the Hirshabelle State's parliament for the 2024 fiscal year. The budget and annual financial statements are produced to support HSS strategic business and financial decisions critical to the fiscal and economic wellbeing of the state. The annual reports include the financial and budget activities of MDAs which directly and indirectly receive budget allocations from the State.

Disclosure has also been made on the extrabudgetary funds consolidating the financial information that MDAs have provided in respect of their extrabudgetary transactions.

Format of the Financial Statements and additional disclosures

Financial statements of the Hirshabelle State of Somalia have been prepared on a cash basis with activities and related transactions recognized when cash is received, and payments are made. The financial statements for the financial year have been compiled and presented to make a fair presentation of HSS State financial information and have been prepared in compliance with Part 1 of the IPSAS Cash Basis of Accounting which requires the following mandatory information to be disclosed:

Statement of Cash Receipts and Payments

This is a statement of financial performance and measures the net surplus or deficit (the difference between total receipts and total payments) for the year. The statement provides information on the HSS sources of revenue and the cost of its activities.

Statement of Comparison of Budget and Actual Amounts by Economic Nature

The statement of comparison of budget and actual amounts presents a comparison of the budget amounts and the actual amounts for the year based on the GFS economic classification. The statements are prepared to provide information on the extent to which resources were obtained.

Accounting Policies

These are the specific principles, bases, conventions, rules, and practices adopted by the Hirshabelle State of Somalia in preparing and presenting the financial statements.

Explanatory Notes to the Financial Statements

The explanatory notes to the financial statements assist in understanding the information reported in the principal statements to provide full disclosure and are considered an integral part of the financial statements.

Additional Disclosures

In order to meet the requirements under Article 49 of the PFM Act (2018) and also to provide further information to the financial statements reported under IPSAS, Cash Basis of Accounting, the following additional disclosures have been provided so as to provide more information necessary for accountability and decision-making purposes.

Statement of Cash flow

The statement of cash flow presents the movements of cash during the year resulting from operating, investing, and financing activities. This statement provides information on how cash has been raised and used during the year, including borrowing and repayment of borrowing, and the acquisition and disposal of fixed assets.

Summary of Financial Results

Financial Statement Highlights and Analysis

Table 1: Summary of Financial Performance

	2024	2023
	USD	USD
Revenue	19,477,199	15,383,408
Expenditure	19,447,196	14,584,208
Surplus	30,003	799,200
% Change in Revenue	27%	
Original Budget	20,013,663	24,957,854
Revised Budget	32,324,522	34,221,000
Actual Expenditure	19,447,196	14,584,208
Under spending/Budget saving	566,467	
% Change in Expenditure	33%	

Revenue Analysis

The revenue data for 2024 shows a significant growth compared to 2023. Taxes experienced the largest increase, rising by 60%, which indicates a strong economic recovery or improved tax collection. Other revenue saw a remarkable surge of 142%, highlighting a sharp rise in non-tax income, possibly due to new or unexpected income sources. Grants grew steadily by 14%, suggesting stable support from external funding but with a more modest rate of growth compared to the other categories. Overall, total revenue increased by 27%, driven primarily by the large rise in taxes and the explosive growth in other revenue. This growth reflects a healthier financial position in 2024, though the dramatic rise in other revenue warrants further attention to assess its sustainability.

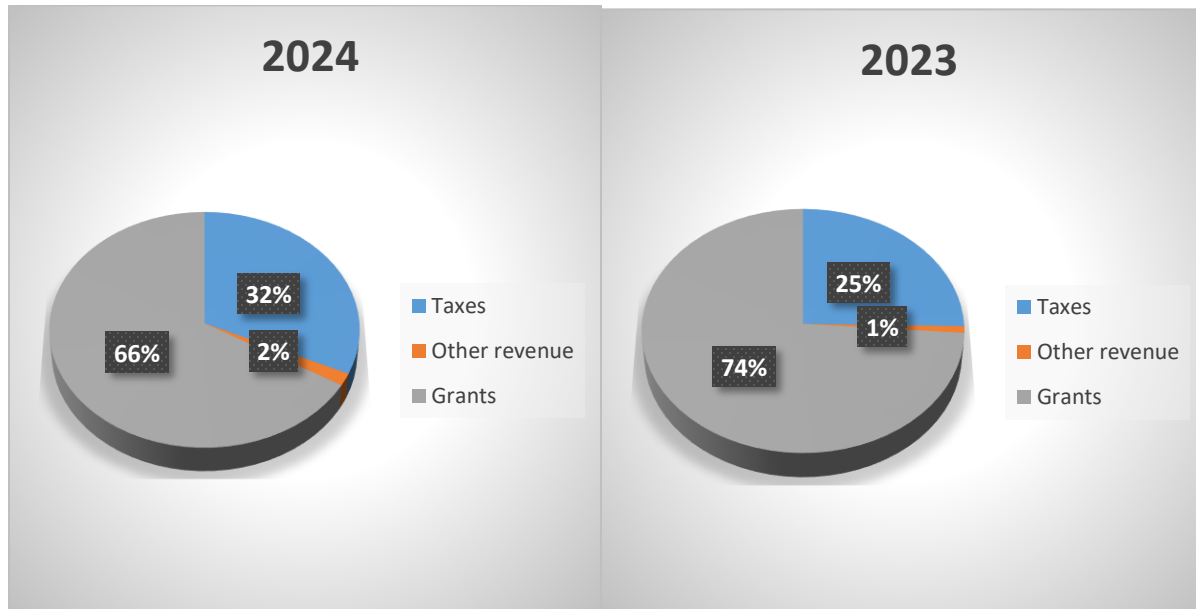
Table 2: Summary of Receipts

Revenue Type	2024	2023	Difference
	USD	USD	USD
Taxes	6,218,025	3,893,782	2,318,110
Other revenue	271,851	133,264	188,866
Grants	12,987,323	11,356,363	1,586,815
Total revenue	19,477,199	15,385,431	4,093,792

The following chart further highlights the breakdown of revenue collections for the fiscal year 2024 the external grants accounted for 66% of the total receipts where in 2023 grants represented 74% of the total revenue.

Chart 2: Sources of revenue 2024

Chart 1: Sources of revenue 2022



Tax Receipts

The fiscal year 2024 saw revenue from taxes increase from \$3,893,782 last year to \$6,211,892 million. This increase has been mainly attributed to the taxes on payroll and workforce, taxes on international trade and transactions and other revenue.

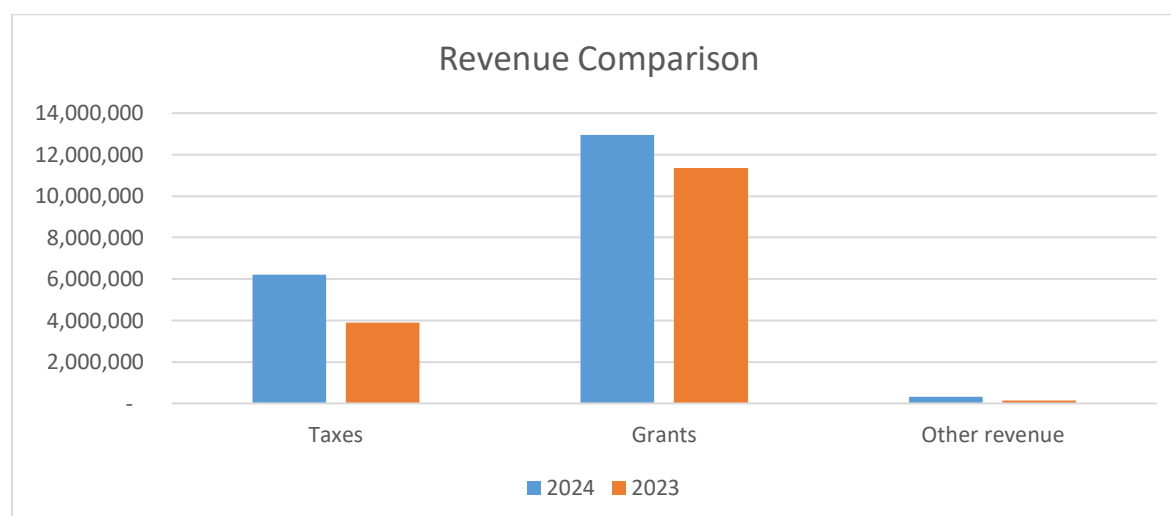
Other revenue

Financial year 2024 other revenue accounted for just 2% of the total revenue for the year. Main sources from this revenue came from the Sale of goods and services.

Grants

External assistance and grants from international partners and transfers from the Federal Government of Somalia were still significant sources of funds accounting for (66%) of total revenue compared to (74%) in the previous year.

Further illustration and comparisons between current year and previous year is highlighted in Chart 3

Chart 3: Revenue comparison 2024 v 2023

Expenditure Analysis

In 2024, the total expenditure amounted to USD 19,322,905, while in 2023, it was lower at USD 14,076,131, reflecting a difference of USD 5,246,774. The most significant changes were seen in the categories of "Use of Goods and Services" and "Grants." In 2024, the expenditure for "Use of Goods and Services" was significantly higher at USD 9,725,294 compared to USD 5,232,920 in 2023, indicating an increase of USD 4,492,374. Grants also increased from USD 1,829,979 in 2023 to USD 2,440,000 in 2024, a rise of USD 610,021. The "Compensation of Employees" category saw a slight increase from USD 6,563,160 in 2023 to USD 6,877,278 in 2024, marking an increase of USD 314,118. However, the "Nonfinancial assets" category declined in 2024, with spending dropping to USD 278,309 compared to USD 448,049 in 2023, a decrease of USD 169,740.

Overall, while total expenditure increased in 2024 compared to 2023, the largest increase was seen in recurrent costs such as "Use of Goods and Services," while capital-related spending, reflected in "Nonfinancial assets," decreased.

Table 3 below shows expenditure categories for the 2024 financial year in comparison to the 2023 financial year.

Table 3: Summary of expenditure for 2 years

Main Expenditure categories	2024	2023
Compensation of Employees	6,877,278	6,563,160
Use of Goods and Services	9,725,294	5,232,920
Grants	2,440,000	1,829,979

Nonfinancial assets	278,309	448,049
Total Expenditure	19,322,905	14,076,131

Chart 4: Summary of expenditure for 2 years

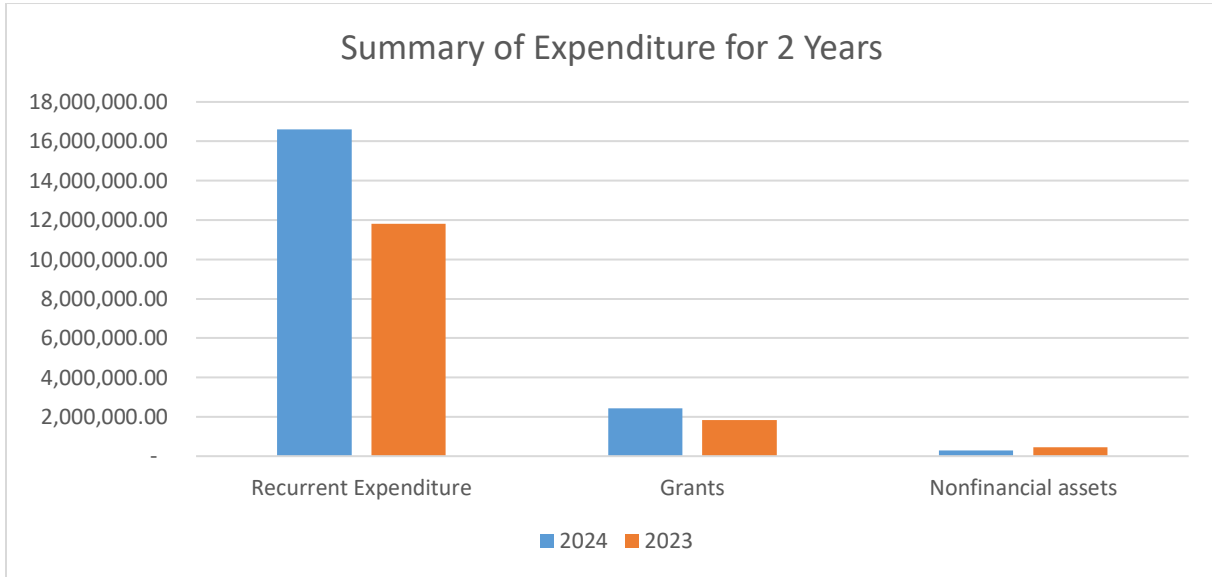


Chart 5: Expenditure paid in FY 2024

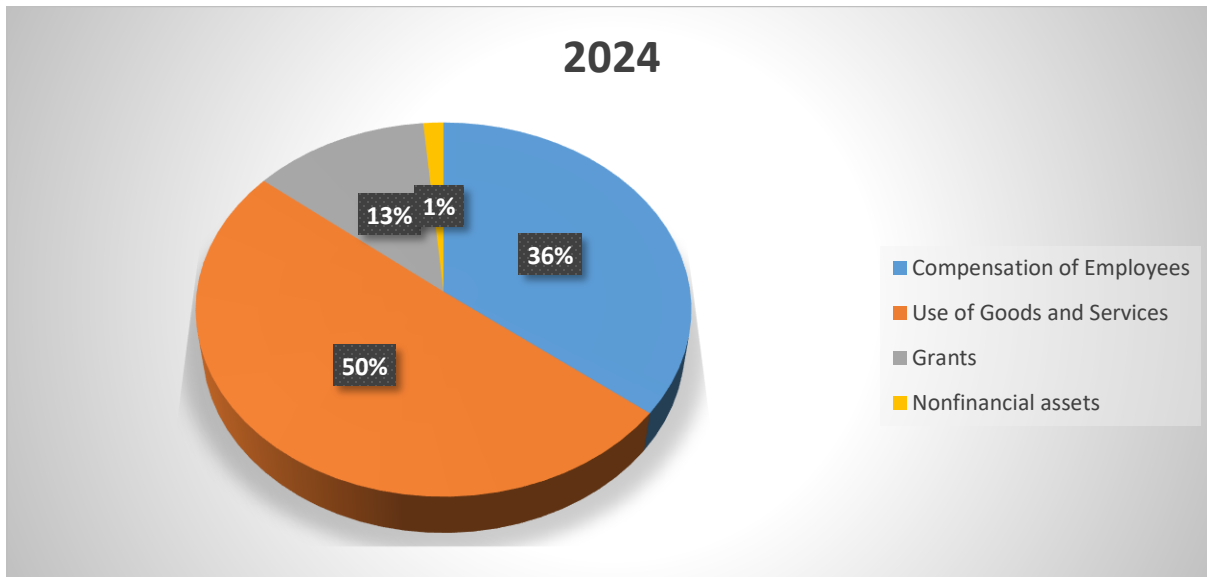
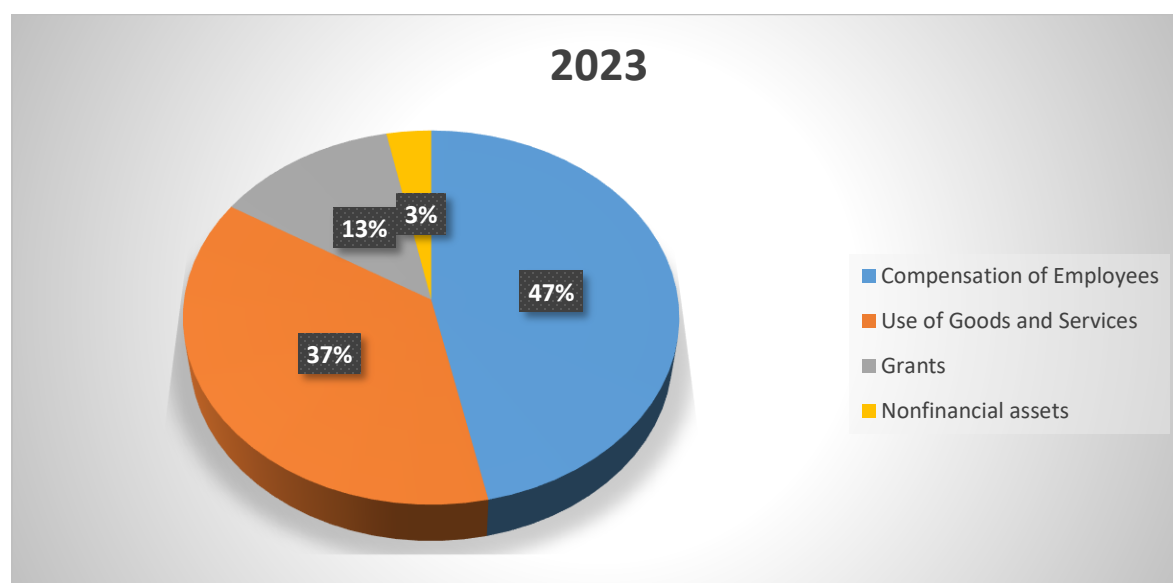


Chart 6: Actual expenditure 2023



Capital Expenditure Analysis (Non-Financial Assets)

In 2024, total spending on nonfinancial assets amounted to USD 278,309, which is a decrease from USD 448,049 in 2023, reflecting a reduction of USD 169,739.99. Notable changes within the specific asset categories include no spending on building and cars in 2024.

"Information, computer, and telecommunication (CIT) equipment" expenditures grew substantially from USD 2,800 in 2023 to USD 74,542 in 2024, marking a sharp rise. On the other hand, "Machinery and equipment not elsewhere classified" was only recorded in 2024 with a spending of USD 100,000. Meanwhile, "Furniture and fixture" saw a recorded expenditure of USD 103,767 in 2024.

Overall, the total expenditure in 2024 was lower, driven by a notable reduction in some categories.

Table 4: Summary of Capital Expenditure for 2024 and 2023

	2024	2023
	Actual	Actual
Information, computer, & telecom. (ICT) equipment	74,542	2,800
Machinery and Equipment not elsewhere classified	100,000	-
Buildings other than dwellings		100,204
Cars		345,045
Furniture & Fixture	103,767	-
Wells and water holes		-
Total	278,309	448,049

Budget and Expenditure Analysis

The annual budget of the Hirshabelle State of Somalia is the principal document by which the Government sets out its financial plan for the year. The original budget or financial plan approved by the State Parliament for the budgeted. Expenditure for the year was \$19,320,881 million.

Budget execution rate for 2024 financial year was 68% while the budget execution rate was 43% in FY 2023.

The table below depicts the allocations and actual payments of each category of the expenditure.

Table 5: Expenditure - Budget v Actual

	2024			
	Budget	Actual	Budget underspending	% Budget not executed
Main expenditure categories	USD	USD	USD	USD
Recurrent expenditure	24,703,061	16,602,572	8,100,489	33%
Grants	2,497,640	2,440,000	57,640	2%
Social benefits			-	
Capital expenditure	1,074,209	278,309	795,900	74%
Total Expenditure	28,274,910	19,320,881	8,954,029	32%

Recurrent expenditure				
Compensation of employees	9,488,641	6,877,278	2,611,363	28%
Use of Goods and Services	15,214,420	9,725,294	5,489,126	36%
Total recurrent expenditure	24,703,061	16,602,572	8,100,489	33%

Main expenditure categories	2023			
	Budget USD	Actual USD	Budget underspend USD	% Budget not executed USD
Recurrent expenditure	27,372,864	11,796,080	15,576,784	57%
Grants	4,000,420	1,829,979	2,170,441	54%
Social benefits		-	-	
Capital expenditure	1,723,766	448,056	1,275,710	74%
Total Expenditure	33,097,050	14,074,115	19,022,935	57%

Recurrent expenditure				
Compensation of employees	15,438,604	6,563,160	8,875,443	57%
Use of Goods and Services	11,934,261	5,232,920	6,701,340	56%
Total recurrent expenditure	27,372,864	11,796,080	15,576,784	57%

Net financial worth

The Hirshabelle State of Somalia net financial worth decreased to \$278,309 in 2024 from a net worth of \$448,056 at the end of 2023 a net decline of 169,740.

Consolidated Fund Statement of Cash Receipts and Payments

Hirshabelle State of Somalia
Consolidated Fund Statement of Cash Receipts and Payments
Treasury Single Account
for the Year Ended 31 December 2024

Account		2024	2023
		Controlled by TSA	Controlled by TSA
Receipts / Inflows			
Taxes	Notes	USD	USD
Taxes on payroll and workforce	2	971,916	464,550
Taxes on goods and services	3	4,096,883	2,706,183
Taxes on international trade and transactions	4	630,875	399,175
Other taxes	5	518,350	323,875
Taxes		6,218,025	3,893,782
Grants			
From international organizations	6	1,990,004	2,377,053
From other general government units	7	10,997,319	8,979,310
Grants		12,987,323	11,356,363
Other Revenue			
Sale of goods and services	8	271,851	133,264
Other Revenue		271,851	133,264
Receipts / Inflows		19,477,199	15,383,408
Payments / Outflows			
Compensation of Employees			
Wages and Salaries	9	6,877,278	6,563,160
Compensation of Employees		6,877,278	6,563,160
Use of Goods and Services			
Travel & Conferences	10	2,378,126	1,175,016
Operating Expenses	11	3,546,227	2,167,325
Rent	12	693,872	328,163
Other Operating Expenses	13	2,275,068	1,127,421
Conflict Resolution Expenses	14	832,000	434,996
Use of Goods and Services		9,725,294	5,232,920
Grants			
Grants To Other General Government Units	15	2,440,000	1,829,979
Grants		2,440,000	1,829,979
Other Expenses			
Miscellaneous other expense	16	126,315	510,100
Other Expenses		126,315	510,100
Nonfinancial assets			
Fixed Assets	17	278,309	448,049
Nonfinancial assets		278,309	448,049
Payments / Outflows		19,447,196	14,584,208
Increase Decrease in Cash		30,003	799,200
Cash at Beginning of Year		1,071,925	272,725
Cash at End of Year	1.4	1,101,927	1,071,925

Consolidated Fund Statement of Comparison of Budget and Actual Amounts

Hirshabelle State of Somalia
Consolidated Fund Statement of Comparison of Budget and Actual Amounts
Treasury Single Account
for the Year Ended 31 December 2024
Appropriation Budget Approved on Cash Basis
Classification of Payments By Economic Class
2024

Account		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	2023 Controlled by TSA
		A	B	C	C-B	C
	Notes	USD	USD	USD	USD	USD
Receipts / Inflows						
Taxes						
Taxes on income, profits, and capital gains						
Taxes on payroll and workforce		515,792	515,792	971,916	456,125	464,550
Taxes on goods and services		3,829,057	3,829,057	4,096,883	267,826	2,706,183
Taxes on international trade and transactions		900,000	900,000	630,875	(269,125)	399,175
Other taxes		1,158,371	1,158,371	518,350	(640,021)	323,875
Taxes	17	6,403,220	6,403,220	6,218,025	(185,195)	3,893,782
Grants						
From foreign governments						
From international organizations		2,572,368	2,590,368	1,990,004	(600,364)	2,377,053
From other general government units		22,661,735	22,661,735	10,997,319	(11,664,416)	8,979,310
Grants	18	25,234,102	25,252,102	12,987,323	(12,264,779)	11,356,363
Other Revenue						
Sale of goods and services		669,200	669,200	271,851	(397,349)	133,264
Other Revenue		669,200	669,200	271,851	(397,349)	133,264
Receipts / Inflows	19	32,306,522	32,324,522	19,477,199	(12,847,323)	15,383,408
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		9,488,641	9,488,641	6,877,278	(2,611,363)	6,563,160
Compensation of Employees	20	9,488,641	9,488,641	6,877,278	(2,611,363)	6,563,160
Use of Goods and Services						
Travel & Conferences		3,032,011	3,050,011	2,378,126	(671,885)	1,175,016
Operating Expenses		5,091,173	5,091,173	3,546,227	(1,544,946)	2,167,325
Rent		814,826	814,826	693,872	(120,954)	328,163
Other Operating Expenses		4,709,791	4,709,791	2,275,068	(2,434,722)	1,127,421
Conflict Resolution Expenses		944,000	944,000	832,000	(112,000)	434,996
RCRF Non-Salary Recurrent Cost		589,619	589,619		(589,619)	
Contingency		15,000	15,000		(15,000)	
Use of Goods and Services	21	15,196,420	15,214,420	9,725,294	(5,489,125)	5,232,920
Grants						
Grants To Other General Government Units		2,497,640	2,497,640	2,440,000	(57,640)	1,829,979
Grants	22	2,497,640	2,497,640	2,440,000	(57,640)	1,829,979
Social Benefits						
Social Assistance Benefits		90,000	90,000		(90,000)	
Social Benefits		90,000	90,000		(90,000)	
Other Expenses						
Miscellaneous other expense		126,315	126,315	126,315		510,100
Premiums,fees,claims related to non-life insurance		3,500	3,500		(3,500)	
Other Expenses	23	129,815	129,815	126,315	(3,500)	510,100
Nonfinancial assets						
Fixed Assets		4,897,986	4,897,986	278,309	(4,619,677)	448,049
Inventories		6,000	6,000		(6,000)	
Nonfinancial assets	24	4,903,986	4,903,986	278,309	(4,625,677)	448,049
Payments / Outflows		32,306,502	32,324,502	19,447,196	(12,877,306)	14,584,208

Hirshabelle State of Somalia
Statement of Government Operations
For the Year Ended 31 Decembe 2024

Name	2024	2023
Revenue	19,477,199	15,383,408
Taxes	6,218,025	3,893,782
Taxes on income, profits, and capital gains	0	0
Taxes on payroll and workforce	971,916	464,550
Taxes on goods and services	4,096,883	2,706,183
Taxes on international trade and transactions	630,875	399,175
Other taxes	518,350	323,875
Grants	12,987,323	11,356,363
From foreign governments	0	0
From international organizations	1,990,004	2,377,053
From other general government units	10,997,319	8,979,310
Other Revenue	271,851	133,264
Sale of goods and services	271,851	133,264
Expense	19,168,888	14,136,159
Compensation of Employees	6,877,278	6,563,160
Wages and Salaries	6,877,278	6,563,160
Use of Goods and Services	9,725,294	5,232,920
Travel & Conferences	2,378,126	1,175,016
Operating Expenses	3,546,227	2,167,325
Rent	693,872	328,163
Other Operating Expenses	2,275,068	1,127,421
Conflict Resolution Expenses	832,000	434,996
Grants	2,440,000	1,829,979
Grants To Other General Government Units	2,440,000	1,829,979
Other Expenses	126,315	510,100
Miscellaneous other expense	126,315	510,100
Gross Operating Balance	308,311	1,247,248
Transactions In Non Financial Assets		
Change In Net Worth. Transactions (Assets)	278,309	448,049
Nonfinancial assets	278,309	448,049
Fixed Assets	278,309	448,049
Transactions in Financial Assets & Liabilities		
Change In Net Worth. Transactions (Assets)	-112,700	585,575
Financial assets	-112,700	585,575
Liabilities	0	0
Liabilities	0	0
Liabilities	0	0

Notes to the Financial Statements

1 Accounting Policies

1.1. Basis of Preparation

The Hirshabelle State of Somalia's (HSS) consolidated financial statements have been prepared in accordance with the *Public Financial Management Act 2018* and the International Public Sector Accounting Standard (IPSAS) - *Financial Reporting under the Cash Basis of Accounting (2017)*. The notes to the financial statements form an integral part to understanding the statements and must be read in conjunction with the statements.

The accounting policies have been applied consistently throughout the period.

1.2. Reporting Entity

The Financial statements are for the Hirshabelle State of Somalia. The Hirshabelle Government operates in Jowhar which is the capital city of State. The principal address of the Government is: Jowhar Middle Shabelle region

The principal activities of the Government and its controlled entities include the provision of health, education, defense, security, and public services.

The financial statements encompass the reporting entities as specified in the *Appropriation Act No. 1 2024* and are comprised of:

- 1 Ministry of Justice & Religious Affairs
- 2 Ministry of Livestock, Forestry and Vegetation
- 3 Ministry of Ports and Maritime Transport
- 4 Ministry of Youth and Sports
- 5 Ministry of Postal, Communication and Modern Technology
- 6 Ministry of Education and Tertiary
- 7 Ministry of Environmental and Sea Protection
- 8 Ministry of Agriculture and Irrigation
- 9 Ministry of Health and Social Care
- 10 Ministry of Fishery & Marine Resources
- 11 Ministry of Public Works and Reconstruction
- 12 Ministry of Information and Culture
- 13 Ministry of Interior and Local Government
- 14 Ministry of Planning, Investment, and International Cooperation
- 15 Ministry of Transport, Air and Land
- 16 Ministry of Security and Rehabilitation
- 17 Ministry of Labor and Employment
- 18 Ministry of Finance and Economic Development

- 19 Ministry of Constitution & Federal Affairs
- 20 Ministry of Commerce & Industry
- 21 Ministry of Women & Human Rights
- 22 Ministry of Water, Energy and Minerals
- 23 Ministry of Humanitarian and Disaster Management
- 24 Civil Service Commission
- 25 Hirshabelle Parliament
- 26 Auditor General's Office
- 27 Ministry of State Presidency
- 28 Ministry of Rehabilitation and Disbarment
- 29 Ministry of Religious and Endowments
- 30 Ministry of Petroleum and mining
- 31 Ministry of Reconciliation and Resettlement
- 33 Ministry of Rural Development

Ministries were created by a preceding Presidential Decree on 20th February 2017 entitled *A Decree Establishing Ministries of Hirshabelle State of Somalia and Defining Roles and Functions of Ministries*. Number of Ministries/Agencies were increased to 31 by a preceding Presidential Decree on 22nd January 2019. The Ministry of Finance & Economic Development and Revenue Collection Authority was Established by a Presidential Decree in March 2017. The purposes of establishing the Ministry of Finance & Economic Development and Revenue Collection Authority was to ensure that the Hirshabelle State of Somalia has a Ministry of Finance & Economic Development that is responsible for the overall financial management of the Hirshabelle State of Somalia and to also ensure that within the Ministry of Finance & Economic Development there is a Revenue Collection Authority that is fully staffed, organized, administered and empowered to collect & deposit into the Treasury Single Account (TSA) all legally established taxes and other revenues of the Hirshabelle State of Somalia and Other Related Matters.

The Decree Establishing the Ministry of Finance & Economic Development was changed into an Act of Parliament on 06th February 2018. The Auditor General's Office was also created via Presidential Decree in 2018 and changed to an Audit Act 18th March 2019 and became operational during the 2019 financial year.

A subsequent decree on establishing the Civil Service Commission (CSC) and its purpose entitled *A Decree for establishing the Civil Service Commission of the Hirshabelle State of Somalia dated December, 2017* established the office of the Civil Service Commission. Companion Decrees also established the Civil Service and the Civil Service Salary structure. The inauguration of the HSS constitution automatically established the Hirshabelle Parliament. The Civil Service Commission (CSC) was changed into an Act in October 2018. The respective statements of all the listed entities form part of the consolidated Financial statements as these entities were included as part of the *HSS Appropriation Act No. 1, 2020*.

The consolidated financial statements include all entities controlled during the year. None of the entities own another entity. However, HSS Municipalities is controlled by the Ministry of Interior and Local Government.

1.3. Treasury Single Account & Project Accounts

Twenty Five bank accounts were operational during the 2024 financial year, the Treasury Single Account (TSA), and sub-accounts of the TSA: a Project account that relates to the RCRF III project account, the HSS GPE Project Account, Ministry of Interior and Local Governance RCRFIII Project Account, HSS WB RCRF PBCS Budget Support, HSS SURPII Project Account Ministry of Public Work & Reconstruction HSS Local Development Fund (LDF) and Ministry of Education and Higher Education As of the end of the 2024 financial year, the balances of these accounts were as follows:

	2024	2023
	USD	USD
Treasury Single Account - Main	1	1
HSS GPE Project Account	-	-
Wasaaradda Arimaha Gudaha Hirshabelle	17	17
Project Account - RCRF III	100,346	27,166
HSS WB RCRF PBCS BUDGET SUPPORT PROJECT ACCOUNT	304,142	395,904
HSS SURPII PROJECT ACCOUNT	189,065	9,506
MINISTRY OF PUBLIC WORK AND RECONSTRUCTION	14	14
HSS LOCAL DEVELOPMENT FUND(LDF)	1,034	1,034
Ministry of Education and Higher Education	3,432	0
HSS DAMAL CAFIMAD PROJECT ACCOUNT	3,956	30,732
Hirshabelle Treasury Single Account - DHSE	669	1,856
SWRR HIRSHABELLE STATE OF SOMALIA	76,808	172,728
Ministry of Agriculture and Irrigation of Hirshabelle	3,076	104,476
Ministry of Health & Social Care of Hirshabelle	63,039	114,866
MINISTRY OF WATER AND ENERGY HIRSHABELLE	7,603	-
MOHADM HIRSHABELLE	6,721	31,896
Ministry of Humanit Affairs and Disaster Management Hirshabelle	728	5,000
Ministry of Women and Human Rights of Hirshabelle State	6,765	75
GWR PROJECT ACCOUNT HIRSHABELLE STATE OF SOMALIA	48,332	31,911
HSS SEHCD PROJECT	164,141	144,743
HIRSHABELLE TREASURY SINGLE ACCOUNT-Amal Bank	1	-
Hirshabelle Somali Food System Resilience Project Account (SFSR)	73,285	-
SERP HSS Project Account	45,522	-
MINISTRY OF ENVIRONMENT C CHANGE & R D HIRSHABELLE	565	-
MINISTRY OF AGRICULTURE DHS	2,665	-
TOTAL	1,101,927	1,071,925

1.4. Cash & Cash Equivalents

Cash and Cash Equivalents means notes and coins held, and any deposits held at call with a bank or financial institution. Cash is recognized at its nominal amount. Somali banks do not pay interest.

Cash included in the statement of cash receipts and payment comprises the following amounts:

	<u>2024</u>	<u>2023</u>
	<u>USD</u>	<u>USD</u>
Cash on Hand		
Balances held with Banks	1,101,927	1,071,925
Total cash on Hand and bank balances	<u>1,101,927</u>	<u>1,071,925</u>

1.5. Reporting Currency

The reporting currency is the United States Dollar (\$) and rounded to the nearest dollar.

1.6. Borrowings

HSS did not receive any loans during the 2024 financial year and has no balances owing in respect of banks, and other commercial institutions.

1.7. Original and Final Approved Budget and Comparison of Actual and Budget Amount

The approved budget is developed on the same accounting basis (Cash basis), same classification basis and for the same period (From 1st January 2024 to 31st December 2024) as the financial statements. It encompasses the same entities as the consolidated financial statement (these are identified in Note 1.2)

The original budget was approved by the Hirshabelle Parliament on **21nd December 2024**. No Supplementary Budget was passed in FY 2024.

1.8. Authorization Date

The financial statements were authorized to be issued on 15 March 2025 by HE Abdirahim Isse Adow, Minister of Finance and Economic Development.

2 Taxes on Payroll and Workforce

In 2024, taxes on payroll reached 971,916 USD, almost double the 464,550 USD recorded in 2023. This rise reflects the role of the newly adopted progressive income tax regime. Under such a system, tax rates increase as income levels rise, meaning higher-income employees are now subject to greater taxation.

Description	<u>2024</u>	<u>2023</u>
	<u>USD</u>	<u>USD</u>
Taxes on payroll and workforces	971,916	464,550
TOTAL	<u>971,916</u>	<u>464,550</u>

3 Taxes on Goods and Services

The comparative analysis of taxes on goods and services between 2024 and 2023 shows a significant increase. In 2024, taxes amounted to 4,096,883 USD, which is a considerable rise from 2,706,183 USD in 2023. This increase may suggest a progress in the tax administration.

Description	2024	2023
	USD	USD
Taxes on goods and services	4,096,883	2,706,183
TOTAL	4,096,883	2,706,183

4 Taxes on international trade and transactions

Taxes on International Trade incorporate all taxes that are imposed on goods and services exported out of and imported into Hirshabelle State of Somalia. During this financial year, Custom duties levied on imports are the only tax collected under this class. During this Fiscal Year 2024, \$630,875 was received from Khat imports compared to \$399,175 in 2024.

Description	2024	2023
	USD	USD
Khat	630,875	399,175
TOTAL	630,875	399,175

5 Other taxes

The comparative analysis of other tax collections from local government between 2024 and 2023 shows a significant increase. In 2024, the total amount reached 518,350 USD, compared to 323,875 USD in 2023. This rise shows the expansion in local government tax revenues driven by changes in local tax policy and administration. Municipalities like Jowhar, Beledwayne and Balcad raise revenue from sources such as taxing mobile shops and local public transport. Through an agreement drafted between the MoF and Local Governments, all collections by these Municipalities must be deposited with the TSA and subsequent payments made following the set standard procedures laid down by the MoF.

Description	2024	2023
	USD	USD
Other tax collections from local government	518,350	323,875
TOTAL	518,350	323,875

6 Grants from International Organizations

In the 2024 financial year, total amount of grants received from international organizations decreased to \$1,990,004 compared to \$2,377,053 in 2023. Major contributors to the 2024 funding were FAO Projects, UNICEF, and GIZ. In comparison to 2023, there was a notable drop in funding for UNDP, WFP, and UNICEF, while FAO and GIZ saw significant increases.

	2024	2023
	USD	USD
UNDP	103,885	177,168
WFP	116,286	155,405
GIZ	226,223	127,976
United Nations for Gender Equality and the Women	100,955	53,189
United Nations International Children's Emergency Fund	642,388	1,628,472
SAVE THE CHILDREN	-	-
FAO Projects	780,312	174,843
SEED SYSTEMS GROUP	-	60,000
PREMIS	19,955	-
TOTAL	1,990,004	2,377,053

7 Grants from Other Government Units

During 2024 financial year the Federal Government of Somalia granted a total of \$10,997,319 compared to \$8,979,310 in 2023 to the Hirshabelle State of Somalia. Funds include budget support, RCRFIII project administered by the World, SURP Project, SEHCD project and other projects.

	2024	2023
	USD	USD
Unconditional Budget Support	143,276	-
Budget Support	5,636,280	4,854,996
MOE GPE Project	148,025	74,392
Examination fees	44,145	-
SURPII PROJECT	578,635	180,263
Health service deliver PBCS Project	461,115	618,955
RCRF11I	2,166,443	1,972,650
DAMAL CAFIMAAD PROJECT	262,670	266,054
Barwaaqo Project	304,392	646,191
SEHCD PROJECT	570,683	265,809
GWR PROJECT	155,455	100,000
SERP PROJECT HSS	200,000	-
SFS	326,200	
TOTAL	10,997,319	8,979,310

8 Sale of Goods and Services

In 2024, the total expenses increased to \$315,996 compared to \$133,264 in 2023. A major contributor to this rise was the significant increase in education services fees, which jumped from \$47,018 in 2023 to \$111,937 in 2024. Court filing fees also saw a substantial rise from \$4,401 in 2023 to \$133,509 in 2024. Other categories, such as business licenses and local NGO registration, experienced a reduction in costs, while there were new expenses in local company registrations. Overall, the increase in education and court filing fees was the main factor behind the total rise in expenses.

Description	2024	2023
	USD	USD
Visa fees	-	1,645
Work permit taxes	-	10,600
Business & Professional Licenses	17,800	50,000
Local NGO's Registraton	7,000	12,600
Local company registrations	1,400	-
Education services fees	111,937	47,018
Examination fees	44,351	
Election Registration Fee	-	7,000
Court filing fees	133,509	4,401
	315,996	133,264

9 Wages and Salaries

In 2024, total expenditures increased to \$6,877,278 from \$6,563,160 in 2023. Major contributors to this rise included higher costs for contract employees, which grew from \$352,612 to \$613,175, and temporary staff salaries, which saw an increase from \$27,740 to \$165,732. There was also a notable increase in security forces expenditures, rising from \$1,819,585 to \$1,911,549. Additionally, new expenses for political appointees' salaries and daily meals were recorded in 2024. However, costs for teacher salaries, legislature allowances, and regular food provision saw decreases. Overall, the increase in contract and temporary staff salaries, alongside new expenses in certain areas, contributed to the overall rise in total expenditures.

	2024	2023
	USD	USD
Basic salaries for general Civil Service	932,564	886,323
Contract employees	613,175	352,612
Temporary staff salary	165,732	27,740
Temporary staff allowances	245,926	399,416
Security forces (Police, intel forces and prison)	1,911,549	1,819,585
Security sector allowances	99,996	
Legislature allowances	981,310	1,257,000
Political appointees salary	55,310	-
Teacher salary	370,800	494,400
Health workers salary	336,596	245,440
Regular Food Provision	550,000	1,080,644
Daily Meals	614,320	-
TOTAL	6,877,278	6,563,160

10 Travel and Conferences

In 2024, total travel and conference-related expenses increased significantly to \$2,378,126 from \$1,175,016 in 2023. The major contributors to this rise were local conferences, which saw a substantial increase from \$667,820 in 2023 to \$1,668,493 in 2024. External travel expenses also grew, rising from \$97,812 to \$219,793. Internal travel costs increased slightly from \$406,383 to \$478,821. Accommodation expenses saw a modest rise from \$3,000 to \$11,020. Overall, the primary driver of the increase was the large jump in spending on local conferences. The following provides a breakdown

	2024	2023
	USD	USD
Internal Travel	478,821	406,383
External Travel	219,793	97,812
Local conferences	1,668,493	667,820
Accommodation	11,020	3,000
TOTAL	2,378,126	1,175,016

of the total costs:

11 Operating Expenses

In 2024, total operational expenses rose to \$3,546,227 from \$2,167,325 in 2023. A major contributor to this increase was the substantial rise in diesel and oil costs, which jumped from \$107,200 in 2023 to \$649,949 in 2024. Additionally, Stationery costs also saw an increase, rising from \$266,220 to \$457,699. Other notable increases included internet fees (\$109,805 from \$51,805) and maintenance and repairs of furniture (\$300,000). On the other hand, water expenses dramatically decreased from \$342,966 to \$400. Overall, higher maintenance and fuel-related expenses were the main drivers of the total increase in 2024.

	2024	2023
	USD	USD
Water	400	342,966
Electricity	75,846	109,153
Refuse collection	-	3,450
Satellite fees	15,000	55,000
Telephone fees	400	
Internet	109,805	51,805
Diesel and oil	649,949	107,200
Refreshment	203,387	189,962
Stationary	457,699	266,220
Publications	-	500
Cleaning Supplies	16,160	4,243
Agricultural materials, supplies and		
Small Equipment	41,266	
Fugicides, Insecticides and Sprays	10,666	
Medical Supply	550,000	600,000
Maintenance and repair of		
equipment and heavy machineries	32,419	423,830
Maintenance and repairs of furniture and	300,000	-
Maintenance and repairs of		
vehicles, boats and vessels	324,920	4,800
Maintenance and repairs of building	750,000	
Maintenance contracts	8,310	8,198
	3,546,227	2,167,325

12 Rent

In 2024, rent expenses amounted \$693,872 compared to \$328,163 in 2023 and was funded through a grant from to RCRFIII project account with the purpose of paying the Office Rent for the Civil Service Commission and the Auditor General's Office.

	2024	2023
	USD	USD
Office Rent	212,566	214,490
Vehicle rent	472,707	98,023
Venue rent	8,600	7,750
Other rents	-	7,900
TOTAL	693,872	328,163

13 Other Operating Expenses

In 2024, total expenses increased to \$2,275,068 from \$1,127,421 in 2023. The primary contributors to this rise were consultation fees, which grew from \$766,645 in 2023 to \$1,004,082 in 2024, and fees for non-consultancy services, which surged from \$319,207 to \$1,241,718. Training tuition fees, however, decreased from \$34,416 to \$22,770. Bank charges saw a slight increase, while television and newspaper advertisements remained relatively stable. The overall rise was primarily driven by significant increases in consultation and non-consultancy service fees.

	2024	2023
	USD	USD
Training Tuition fee	22,770	34,416
Consultation Fees	1,004,082	766,645
Fees for Service Provided (non Consultancy Service)	1,241,718	319,207
Bank Charges	228	134
Television and Newspaper Advertisement	6,270	7,020
TOTAL	2,275,068	1,127,421

14 Conflict Resolution Expenses

In FY 2024, a sum of \$832,000 was spent on conflict resolution compared to \$434,996 in 2023. Conflict resolution expenses refer to costs that were incurred in solving conflicts and underpinning peaceful resolutions in Hirshabelle. The spending on conflict resolution increased in 2024 due to the recurrent conflict resolution conferences in many parts of the state. The Conflict resolution expenses

	2024	2023
	USD	USD
Conflict Resolution Expenses	832,000	434,996
TOTAL	832,000	434,996

were predominantly incurred by the Ministry of Reconciliation and Resettlement in solving recurrent conflicts within the Hirshabelle State of Somalia.

15 Grants to other General Government units

In 2024, the budget for grants to other general units was \$2,497,640, with actual spending amounting to \$2,440,000, resulting in a variance of \$57,640. This is a significant decrease compared to 2023, where the budget was \$4,000,420, but the actual spending was only \$1,829,979, leading to a variance of \$2,170,441. The variance in 2024 reflects a much smaller discrepancy between the budget and actual figures, in contrast to the larger gap seen in 2023. The overall trend shows a reduction in both the budgeted amount and the actual expenditure from 2023 to 2024.

	2024			2023		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Grants To Other General G Unit	2,497,640	2,440,000	57,640	4,000,420	1,829,979	2,170,441
TOTAL	2,497,640	2,440,000	57,640	4,000,420	1,829,979	2,170,441

16 Miscellaneous Other Expenses

	2024			2023		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Scholarships and other educational benefits payable for household	129,815	126,315	(3,500)	30,000	510,100	480,100
Obligations			-	510,200		(510,200)
Vehicle insurance	3,500		(3,500)	3,500		(3,500)
TOTAL	133,315	126,315	(7,000)	543,700	510,100	(33,600)

17 Fixed Assets

Non-Financial Assets consist of costs that were incurred for building other than dwellings, machinery and equipment not elsewhere classified, and Information, computer, and telecom (ICT) equipment. In 2024 total amount of \$278,309 spent on non-financial assets in comparison to \$448,049 in the previous year. Following are the details:

	2024	2023
	USD	USD
Buildings other than dwellings	-	100,204
Machinery and Equipment not elsewhere classified	100,000	345,045
Information, Computer and telecom (ICT) equipment	74,542	2,800
Furniture & fixtures	103,767	-
	278,309	448,049

18 Taxes

In 2024, total tax collections were \$6,218,025, slightly lower than the budgeted amount of \$6,403,220, with a variance of -\$185,195. The most notable difference came from public taxes on payroll and workforces, where actual collections exceeded the budget by \$54,184. Similarly, private payroll taxes on non-civil servants had a significant variance, with actual collections of \$737,732, surpassing the budget by \$401,941. Road user taxes also saw a positive variance, increasing by \$587,222. On the other hand, turnover tax, local passenger charges, and khat taxes experienced negative variances, with collections falling short of the budget. In comparison to 2023, where total tax collections amounted to \$3,893,782, significantly below the budget of \$12,618,336, 2024 saw a notable improvement in tax revenue, despite some shortfalls in specific categories. The large discrepancies in 2023, especially in road user taxes and private payroll taxes, were a major factor in the lower actual collections for that year.

	2024			2023		
	Budget	Actual	Variance	Budget	Actual	Variance
Public Taxes on payroll and workforces	180,000	234,184	54,184	300,000	114,596	(185,404)
Private Payroll taxes on non-civil servants	335,792	737,732.03	401,941	1,220,000	349,954	(870,046)
Turnover tax	1,178,489	902,960	(275,529)	803,890	952,069	148,179
Local passenger charge	50,000	6,133	(43,867)	145,509	770	(144,739)
Road user taxes	2,600,568	3,187,791	587,222	8,068,937	1,753,343	(6,315,594)
Khat	900,000	630,875.00	(269,125)	1,080,000	399,175.00	(680,825)
Stamp duties on invoices and contracts		16,738	16,738	-	-	-
Other tax collections from local government	1,158,371	501,612	(656,759)	1,000,000	323,875	(676,125)
	6,403,220	6,218,025	-185,195	12,618,336	3,893,782	-8,724,554

19 Grants

In 2024, total grants of \$ 12,987,323 were received against an annual estimate of \$25,234,102. These grants comprised grants from the Federal Government and grants from the international organization. Grants from Federal Government and International organizations were not received as estimated with the difference mainly due to an over optimistic estimate. Below is details of grants:

	2024			2023		
	USD			USD		
	Estimate	Actual	Variance	Estimate	Actual	Variance
From international organizations	2,572,368	1,990,004	(582,364)	901,590	2,377,053	1,475,463
From other general government	22,661,735	10,997,319	(11,664,415)	9,287,051	8,979,310	(307,741)
From foreign governments				84,182	-	(84,182)
TOTAL	25,234,102	12,987,323	(12,246,779)	10,272,823	11,356,363	1,083,540

19.1 Grants from Federal Government

In 2024, total funding increased to \$10,997,319 from \$8,979,310 in 2023. Several projects saw increases, including Budget Support, MOE GPE, SURPII, and SEHCD Projects. However, the Health Service Delivery PBCS and Barwaaqo Projects experienced reductions. Overall, most projects received higher funding, contributing to the overall growth in the budget.

	2024	2023
	USD	USD
Unconditional Budget Support	143,276	-
Budget Support	5,636,280	4,854,996
MOE GPE Project	148,025	74,392
Examination fees	44,145	-
SURPII PROJECT	578,635	180,263
Health service deliver PBCS Project	461,115	618,955
RCRF11I	2,166,443	1,972,650
DAMAL CAFIMAAD PROJECT	262,670	266,054
Barwaaqo Project	304,392	646,191
SEHCD PROJECT	570,683	265,809
GWR PROJECT	155,455	100,000
SERP PROJECT HSS	200,000	-
SFS	326,200	
TOTAL	10,997,319	8,979,310

20 Other Revenue

Other revenue collections of 2024 consist of sale of goods and services and other taxes. A total of \$2,824,487 was budgeted in the year of 2024 and actually a sum of \$133,264 was collected. The low collection in this category was due to state's fragility, political instability, and the low capacity to collect the revenues.

	2024			2023		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Visa fees	5,000		(5,000)		1,645	1,645
Work permit taxes	40,000		(40,000)	9,856	10,600	744
Business and profession licenses	150,000	17,800	(132,200)		50,000	50,000
Local NGO's registrations.	40,000	7,000	(33,000)	9,450	12,600	3,150
Local company registrations	40,000	1,400	(38,600)		-	-
Fishing licenses fees	348,000		(348,000)		-	-
Education services fees	46,200	111,937	65,737		47,018	47,018
Examination fees		44,351	44,351		-	-
Election Registration Fee					7,000	7,000
Court filing fees		133,509	133,509		4,401	4,401
TOTAL	669,200	315,996	(353,204)	19,306	133,264	113,958

21 Employee Compensation

In 2024 a total of \$6,877,278 was spent on employee compensation against a budget of \$9,488,641. There was underspending of \$2,611,363 (-28% variance). A total amount of \$6,563,160 was spent on employee compensation in 2023 which was lower the current year's spending on employees. Key differences include a significant increase in health workers' salaries (from \$245,440 in 2023 to \$336,596 in 2024). Temporary staff salaries rose sharply in 2024 (\$165,732) compared to 2023 (\$27,740). Political appointees had no expenditure in 2023, while 2024 saw \$55,310 spent. The security sector, contract employee expenses, and legislature allowances were also lower in 2024 compared to 2023. Overall, 2024 showed more controlled spending across most categories.

	2024			2023		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Basic salaries for general Civil Service	1,862,725	932,564	(930,161)	1,507,555	886,323	(621,232)
Teachers salary	499,170	370,800	(128,370)	514,800	494,400	(20,400)
Health workers salary	404,000	336,596	(67,404)	369,600	245,440	(124,160)
Temporary staff salary	196,242	165,732	(30,510)	47,834	27,740	(20,094)
Political appointees salary	556,000	55,310	(500,690)	1,842,300		(1,842,300)
Security sector	1,919,000	1,911,549	(7,451)	4,062,293	1,819,585	(2,242,708)
Contract Employees	919,210	613,175	(306,035)	424,670	352,612	(72,058)
Regular food and supplies	550,000	550,000	-	1,713,642	1,080,644	(632,998)
Daily meals	650,000	614,320	(35,680)	638,683		(638,683)
Health workers allowances	51,364		(51,364)	10,000		(10,000)
Temporary staff allowances	363,200	245,926	(117,274)	955,226	399,416	(555,810)
Legislature allowances	1,367,730	981,310	(386,420)	2,818,800	1,257,000	(1,561,800)
Security sector allowances	150,000	99,996	(50,004)	273,200		(273,200)
Total	9,488,641	6,877,278	(2,611,363)	15,178,604	6,563,160	(8,615,443)

22 Use of Good Services

The ability to spend is limited to the amount of revenue that was collected. In the case of goods and services, in 2024 a total of \$9,725,294 was spent on different goods and services against a budget of \$15,214, 420. Last year total spending on goods and services was \$5,232,921. There is an increase

	2024			2023		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Internal Travel	639,184	478,821	160,363	946,310	406,383	539,927
External Travel	343,871	219,793	124,078	403,141	97,812	305,329
Local conferences	2,047,899	1,668,493	379,406	983,202	667,820	315,382
Overseas Conferences	5,000	-	5,000	27,900	-	27,900
Accommodation	14,058	11,020	3,038	3,000	3,000	-
Water	3,800	400	3,400	402,976	342,966	60,010
Electricity	138,000	75,846	62,154	198,971	109,153	89,818
Refuse collection	-	-	-	3,450	3,450	-
Telephone fees	1,400	400	1,000	11,450	-	11,450
Internet	191,660	109,805	81,855	142,015	51,805	90,210
Satellite fees	60,000	15,000	-	60,000	55,000	-
other communication expense	32,000	-	-	-	-	-
Diesel and oil	783,500	649,949	133,551	459,300	107,200	352,100
Stationary	658,243	457,699	200,543	378,803	266,220	112,583
Publications	500	-	500	11,406	500	10,906
Refreshment	290,444	203,387	-	694,506	189,962	-
Cleaning Supplies	39,000	16,160	22,840	70,119	4,243	65,876
Computer consumables	1,000	-	-	-	-	-
Medical Supply	550,000	550,000	-	616,350	600,000	16,350
Agricultural materials, supplies and Small Equipment	41,266	41,266	-	-	-	-
Fugicides, Insecticides and Sprays	10,666	10,666	-	-	-	-
Maintenance and repair of equipment and heavy machinery	32,470	32,419	51	547,388	423,830	123,558
Maintenance and repairs of furniture and fittings	404,800	300,000	104,800	10,360	-	10,360
Maintenance and repairs of vehicles, boats and vessels	371,653	324,920	46,733	453,200	4,800	448,400
Maintenance and repairs of building	848,500	750,000	98,500	80,000	-	80,000
Maintenance contracts	8,324	8,310	14	8,324	8,198	126
Wales, canals and dwellings maintenance	623,948	-	-	-	-	-
Office Rent	273,080	212,566	60,515	328,480	214,490	113,990
Vehicle Rental	528,046	472,707	-	139,740	98,023	-
Venue Rent	13,700	8,600	-	10,050	7,750	-
Other Rent	-	-	-	300,000	7,900	292,100
Education Tuition Fee	85,000	-	-	-	-	-
Training Tuition fee	388,000	22,770	-	131,034	34,416	-
Study tour	20,000	-	-	-	-	-
Consulting and professional fees	1,812,100	1,004,082	808,018	1,062,894	766,645	296,249
Audit Fees	-	-	-	20,000	-	20,000
Fee for Service Provided (non Consultancy Service)	2,363,146	1,241,718	1,121,428	1,419,530	319,207	1,100,324
Bank commissions	21,695	-	21,695	-	-	-
Bank charges	7,380	228	7,152	18,020	134	17,886
Television and Newspaper Advertisements	12,470	6,270	6,200	26,550	7,020	19,530
Conflict Resolution Expenses	944,000	832,000	112,000	840,416	434,996	405,420
Contingency	15,000	-	15,000	388,809	-	388,809
Holding account	589,619	-	-	736,567	-	-
TOTAL	15,214,420	9,725,294	3,579,832	11,934,261	5,232,921	5,314,592

of \$ 4,492,373 (86% increase). In 2024, overall expenditures increased compared to 2023, with notable changes in several categories.

23 Grants to Other General Government Units

In 2024, the actual grants to lower levels of government totaled \$2,440,000, which was slightly under the budget of \$2,497,640, resulting in a modest variance of \$57,640. This marked a significant improvement compared to 2023, when actual grants amounted to \$1,829,979, far below the budgeted \$4,000,420, leading to a much larger variance of \$2,170,441. The lower-level municipalities of the Middle Shabelle and Hiran Regions operating under an informal agreement between the MoF and HSS Municipalities operate their own standard procedures in managing funds as stipulated in the informal agreement with the MoF.

	2024			2023		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Grants to Low Level of Government	2,497,640	2,440,000	57,640	4,000,420	1,829,979	2,170,441
TOTAL	2,497,640	2,440,000	57,640	4,000,420	1,829,979	2,170,441

24 Non-Financial Assets

In 2024, actual capital expenditures were significantly lower than the budget across various categories, with notable shortfalls in buildings, wells, and water holes, all of which had no actual spending. CIT equipment and machinery also saw large under-expenditures. In comparison, 2023 also experienced substantial under-spending, but the variance was smaller than in 2024. Overall, 2024 had a larger total shortfall, reflecting tighter spending compared to 2023.

	2024			2023		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Buildings other than dwellings	528,116		(528,116)	1,099,626	100,204	(999,422)
Wells and water holes	693,616		(693,616)	398,000		(398,000)
Cars	458,000		(458,000)	470,000	345,045	(124,955)
Information, computer, and telecommunication (CIT) equipment	419,279	74,542	(344,737)	154,140	2,800	(151,340)
Machinery and equipment not elsewhere classified	485,250	100,000	(385,250)	57,550		(57,550)
Furniture and fixture	169,680	103,767	(65,913)	124,700		(124,700)
Total	2,753,942	278,309	(2,475,633)	2,304,016	448,049	(1,855,967)

25 Undrawn External Assistance

During the 2018 financial year, HSS became eligible to participate in the Recurrent Cost and Reform Financing (RCRF III) project. This project runs through to 30 June 2024 and is reviewable on an annual basis. The RCRF III project is a multi-partner fund administered by the International Development Association (IDA), with funds flowing through the Federal Government of Somalia to HSS. The objective of the project is to support the recipient to provide a credible and sustainable payroll, and to establish the foundation for efficient budget execution and payment systems for the non-security sectors in the Federal Government, eligible Federal Member States and Interim and Emerging Administration.

As specified in a binding agreement *Number TFOA0534 Dated 29 June 2015* between the Federal Government of Somalia (FGS), acting on behalf of all other existing & emerging states, and the International Development Association (IDA), the Hirshabelle State of Somalia, by virtue of a sub-agreement with FGS, has a current project which will last to 30 June 2024.

Undrawn External assistance in respect to the RCRF III project is contingent upon HSS meeting the threshold conditional requirements of the project. The RCRF III budget outlined in the Project Appraisal Document (PAD) does not identify the budgeted breakdown for HSS in particular the grant amount is subject to annual review and approval by the IDA.

As at the 31 December 2024, HSS had accessed a total of \$ \$2,591,165 (\$1,459,909 in 2023) of the RCRF III project funds since becoming eligible. The variance resulted from a number of Civil Servants not being recruited as originally planned and some staff turnover during 2024 and 2023 fiscal years. It is expected that conditions will continue to be satisfied and the projects are anticipated to continue under the terms of agreement between the donor and HSS. There have been no instances of non-compliance with terms and conditions which can result in cancelation of external assistance grants.

	Year											
	2023		2022		2021		2020		2019		2018	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
External Assistance	3,863,049	2,591,605	5,447,994	2,505,218	3,225,785	1,459,909	1,707,180	972,834	1,254,254	589,302	45,067	198,423

26 Statements of Operations.

The Statement of Operations report is in accordance with the Government Finance Statistics Manual 2014 (GFSM 2014). Government Finance Statistics (GFS) is an accounting framework developed by the International Monetary Fund (IMF) to provide guidelines for the compilation of fiscal accounts. The GFS framework is designed to provide statistics that enable policymakers and analysts to study developments in the financial operations and financial position of government. It is also used to analyze the operations of a specific level of government, transactions between levels of government, and the public sector

The Statement of Operations produces summary information on the overall performance and financial position of the general government. This statement is divided into three sections that present: revenue and expense transactions; transactions in non-financial assets; and transactions in financial assets and liabilities. This statement is a voluntary disclosure and not a reporting requirement under the International Public Sector Accounting Standards, Financial Reporting under the Cash Basis of Accounting standard, which is the standard adopted in preparing these financial statements.

HIRSHABELLE STATE OF SOMALIA
INDIVIDUAL BUDGET ENTITY
STATEMENT OF CASH RECEIPTS & PAYMENTS &
COMPARISON TO BUDGET

For the Year Ended 31 December 2024
Prepared in accordance with the
International Public Sector Accounting Standard (IPSAS) - Financial Reporting Under the Cash Basis of Accounting (2017)

Ministry of Justice & Religious Affairs

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		112,040	112,040	55,310	(56,730)	
Grants						
From other general government units		15,420	15,420		(15,420)	
Grants	3	15,420	15,420		(15,420)	
Other Revenue						
Sale of goods and services				133,509	133,509	
Other Revenue	5			133,509	133,509	
Receipts / Inflows		127,460	127,460	188,819	61,359	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		109,640	109,640	55,310	(54,330)	
Compensation of Employees	6	109,640	109,640	55,310	(54,330)	
Use of Goods and Services						
Operating Expenses		2,400	2,400		(2,400)	
Use of Goods and Services	8	2,400	2,400		(2,400)	
Payments / Outflows		112,040	112,040	55,310	(56,730)	
Increase Decrease in Cash		15,420	15,420	133,509	118,089	

Ministry of Livestock, Forestry and Vegetation
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

Account	Note	2024			2023	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		1,994,194	1,994,194	154,145	(1,840,049)	64,850
Grants						
From other general government units		1,959,574	1,959,574		(1,959,574)	
Grants	2	1,959,574	1,959,574		(1,959,574)	
Receipts / Inflows		3,953,769	3,953,769	154,145	(3,799,624)	64,850
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		271,464	271,464	19,260	(252,204)	6,050
Compensation of Employees	3	271,464	271,464	19,260	(252,204)	6,050
Use of Goods and Services						
Travel & Conferences		93,078	93,078	22,758	(70,320)	
Operating Expenses		312,100	312,100	43,106	(268,994)	7,200
Rent		60,000	60,000	31,890	(28,110)	
Other Operating Expenses		421,656	421,656	37,131	(384,525)	2,400
Use of Goods and Services	5	886,834	886,834	134,885	(751,949)	9,600
Nonfinancial assets						
Fixed Assets		835,896	835,896		(835,896)	49,200
Nonfinancial assets	6	835,896	835,896		(835,896)	49,200
Payments / Outflows		1,994,194	1,994,194	154,145	(1,840,049)	64,850
Increase Decrease in Cash		1,959,574	1,959,574		(1,959,574)	

Ministry of Ports and Maritime Transport

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	2024				2023
	Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Notes				
	3	USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations		50,040	50,040	(50,040)	
Grants					
From other general government units		15,420	15,420	(15,420)	
Grants	5	15,420	15,420	(15,420)	
Receipts / Inflows		65,460	65,460	(65,460)	
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		47,640	47,640	(47,640)	
Compensation of Employees	6	47,640	47,640	(47,640)	
Use of Goods and Services					
Operating Expenses		2,400	2,400	(2,400)	
Use of Goods and Services	8	2,400	2,400	(2,400)	
Payments / Outflows		50,040	50,040	(50,040)	
Increase Decrease in Cash		15,420	15,420	(15,420)	

Ministry of Youth and Sports

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	2024				2023
	Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Notes				
	USD	USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations		50,040	50,040	(50,040)	
Grants					
From other general government units		15,420	15,420	(15,420)	
Grants	3	15,420	15,420	(15,420)	
Receipts / Inflows		65,460	65,460	(65,460)	
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		47,640	47,640	(47,640)	
Compensation of Employees	5	47,640	47,640	(47,640)	
Use of Goods and Services					
Operating Expenses		2,400	2,400	(2,400)	
Use of Goods and Services	6	2,400	2,400	(2,400)	
Payments / Outflows		50,040	50,040	(50,040)	
Increase Decrease in Cash		15,420	15,420	(15,420)	

Ministry of Postal, Communication and Modern Technology
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			Difference Between Final Budget and Actual	2023 Controlled by TSA
		Original Estimate	Final Estimate	Controlle		
		Appropriation	Appropriation	d by TSA		
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		50,040	50,040		(50,040)	
Grants						
From other general government units		15,420	15,420		(15,420)	
Grants	3	15,420	15,420		(15,420)	
Receipts / Inflows		65,460	65,460		(65,460)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		47,640	47,640		(47,640)	
Compensation of Employees	5	47,640	47,640		(47,640)	
Use of Goods and Services						
Operating Expenses		2,400	2,400		(2,400)	
Use of Goods and Services	6	2,400	2,400		(2,400)	
Payments / Outflows		50,040	50,040		(50,040)	
Increase Decrease in Cash		15,420	15,420		(15,420)	

Ministry of Education and Tertiary

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			Difference Between Final Budget and Actual	2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA		Controlled by TSA
		USD	USD	USD		USD
Receipts / Inflows						
Consolidated Fund Appropriations		4,560,458	4,560,458	2,562,505	(1,997,953)	1,293,552
Grants						
From international organizations		172,100	172,100	128,386	(43,714)	82,809
From other general government units		3,677,538	3,677,538	718,708	(2,958,831)	495,722
Grants	3	3,849,638	3,849,638	847,094	(3,002,544)	578,531
Other Revenue						
Sale of goods and services		46,200	46,200	156,288	110,088	47,018
Other Revenue		46,200	46,200	156,288	110,088	47,018
Receipts / Inflows	4	8,456,297	8,456,297	3,565,887	(4,890,410)	1,919,102
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		1,215,460	1,215,460	982,060	(233,400)	856,972
Compensation of Employees	5	1,215,460	1,215,460	982,060	(233,400)	856,972
Use of Goods and Services						
Travel & Conferences		771,521	771,521	717,759	(53,763)	160,403
Operating Expenses		272,217	272,217	189,361	(82,856)	131,532
Rent		35,571	35,571	30,392	(5,179)	
Other Operating Expenses		734,190	734,190	516,619	(217,571)	144,645
Use of Goods and Services	6	1,813,498	1,813,498	1,454,130	(359,368)	436,580
Other Expenses						
Miscellaneous other expense		126,315	126,315	126,315		
Other Expenses	7	126,315	126,315	126,315		
Nonfinancial assets						
Fixed Assets		1,405,185	1,405,185		(1,405,185)	
Nonfinancial assets	8	1,405,185	1,405,185		(1,405,185)	
Payments / Outflows		4,560,458	4,560,458	2,562,505	(1,997,953)	1,293,552

Ministry of Environmental and Sea Protection

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023	
		Original Estimate	Final Estimate	Controlled	Difference Between	Controlled
		Appropriation	Appropriation	by TSA	Final Budget and	by TSA
					Actual	
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		541,733	541,733	131,711	(410,022)	66,557
Grants						
From international organizations		95,872	95,872	86,285	(9,587)	
From other general government units		411,241	411,241		(411,241)	
Grants	3	507,113	507,113	86,285	(420,828)	
Receipts / Inflows		1,048,845	1,048,845	217,996	(830,850)	66,557
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		70,040	70,040	17,500	(52,540)	4,000
Compensation of Employees	5	70,040	70,040	17,500	(52,540)	4,000
Use of Goods and Services						
Travel & Conferences		63,600	63,600	38,285	(25,315)	
Operating Expenses		27,072	27,072	9,509	(17,563)	7,200
Rent		8,000	8,000	6,703	(1,297)	
Other Operating Expenses		196,771	196,771	41,514	(155,257)	6,157
Use of Goods and Services	6	295,443	295,443	96,011	(199,432)	13,357
Nonfinancial assets						
Fixed Assets		176,250	176,250	18,200	(158,050)	49,200
Nonfinancial assets	8	176,250	176,250	18,200	(158,050)	49,200
Payments / Outflows		541,733	541,733	131,711	(410,022)	66,557
Increase Decrease in Cash		507,113	507,113	86,285	(420,828)	

Ministry of Agriculture and Irrigation

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Controlled by TSA
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	2	2,637,057	2,655,057	1,062,700	190,164
Taxes					
Taxes on income, profits, and capital gains					
Taxes					
Grants					
From foreign governments					
From international organizations		972,144	990,144	741,912	225,843
From other general government units		1,630,303	1,630,303	326,200	
Grants	3	2,602,447	2,620,447	1,068,112	225,843
Receipts / Inflows		5,239,503	5,275,503	2,130,812	416,007
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		177,960	177,960	88,210	4,000
Compensation of Employees	5	177,960	177,960	88,210	4,000
Use of Goods and Services					
Travel & Conferences		292,630	310,630	197,943	6,447
Operating Expenses		407,337	407,337	285,642	52,174
Rent		395,235	395,235	365,901	72,843
Other Operating Expenses		602,047	602,047	52,976	5,500
Contingency		15,000	15,000		
Use of Goods and Services	6	1,712,249	1,730,249	902,462	136,964
Social Benefits					
Social Assistance Benefits		90,000	90,000		
Social Benefits	7	90,000	90,000		
Nonfinancial assets					
Fixed Assets		656,848	656,848	72,028	49,200
Nonfinancial assets	8	656,848	656,848	72,028	49,200
Payments / Outflows		2,637,057	2,655,057	1,062,700	190,164
Increase Decrease in Cash		2,602,447	2,620,447	1,068,112	225,843

Ministry of Health and Social Care

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Controlled by TSA
		Difference Between Final Budget and Actual			
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	3	3,858,254	3,858,254	2,830,895	(1,027,359)
Grants					
From foreign governments					
From international organizations		696,266	696,266	585,408	(110,858)
From other general government units		1,997,368	1,997,368	262,670	(1,734,698)
Grants	5	2,693,634	2,693,634	848,078	(1,845,556)
Receipts / Inflows		6,551,888	6,551,888	3,678,973	(2,872,915)
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		818,538	818,538	668,296	(150,242)
Compensation of Employees	6	818,538	818,538	668,296	(150,242)
Use of Goods and Services					
Travel & Conferences		585,882	585,882	529,690	(56,192)
Operating Expenses		708,675	708,675	654,712	(53,963)
Rent					
Other Operating Expenses		1,248,908	1,248,908	978,197	(270,711)
RCRF Non-Salary Recurrent Cost		439,619	439,619		(439,619)
Use of Goods and Services	7	2,983,084	2,983,084	2,162,599	(820,485)
Nonfinancial assets					
Fixed Assets		50,632	50,632		(50,632)
Inventories	8	6,000	6,000		(6,000)
Nonfinancial assets		56,632	56,632		(56,632)
Payments / Outflows		3,858,254	3,858,254	2,830,895	(1,027,359)

Ministry of Fishery & Marine Resources

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	2	59,676	59,676	9,636	(50,040)
Grants					
From other general government units		25,056	25,056	143,276	118,220
Grants	3	25,056	25,056	143,276	118,220
Other Revenue					
Sale of goods and services		348,000	348,000		(348,000)
Other Revenue		348,000	348,000		(348,000)
Receipts / Inflows		432,732	432,732	152,912	(279,820)
Payments / Outflows	5				
Compensation of Employees					
Wages and Salaries		57,276	57,276	9,636	(47,640)
Compensation of Employees		57,276	57,276	9,636	(47,640)
Use of Goods and Services	6				
Operating Expenses		2,400	2,400		(2,400)
Use of Goods and Services		2,400	2,400		(2,400)
Payments / Outflows	8	59,676	59,676	9,636	(50,040)
Increase Decrease in Cash		373,056	373,056	143,276	(229,780)

Ministry of Public Works and Reconstruction

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	3	81,940	81,940	(81,940)	51,970
Grants					
From international organizations		31,900	31,900	(31,900)	51,970
From other general government units		15,420	15,420	(15,420)	
Grants	5	47,320	47,320	(47,320)	51,970
Receipts / Inflows		129,260	129,260	(129,260)	103,940
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		68,440	68,440	(68,440)	
Compensation of Employees	6	68,440	68,440	(68,440)	
Use of Goods and Services					
Travel & Conferences		1,200	1,200	(1,200)	14,950
Operating Expenses		7,200	7,200	(7,200)	15,180
Rent		5,100	5,100	(5,100)	1,000
Other Operating Expenses					20,840
Use of Goods and Services	8	13,500	13,500	(13,500)	51,970
Payments / Outflows		81,940	81,940	(81,940)	51,970

Ministry of Information and Culture

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	3	272,440	272,440	169,100	(103,340)
Grants					
From other general government units		15,420	15,420		(15,420)
Grants	5	15,420	15,420		(15,420)
Receipts / Inflows		287,860	287,860	169,100	(118,760)
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		115,090	115,090	59,150	(55,940)
Compensation of Employees	6	115,090	115,090	59,150	(55,940)
Use of Goods and Services					
Travel & Conferences		94,950	94,950	94,950	
Operating Expenses		62,400	62,400	15,000	(47,400)
Use of Goods and Services	8	157,350	157,350	109,950	(47,400)
Payments / Outflows		272,440	272,440	169,100	(103,340)
Increase Decrease in Cash		15,420	15,420		(15,420)

Ministry of Interior and Local Government
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

Account	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		3,747,018	3,747,018	2,860,898	(886,120)	2,304,394
Taxes						
Taxes on international trade and transactions						
Other taxes		1,158,371	1,158,371	501,612	(656,759)	322,880
Taxes	2	1,158,371	1,158,371	501,612	(656,759)	322,880
Grants						
From foreign governments						
From international organizations						111,198
From other general government units		1,264,758	1,264,758	578,635	(686,123)	180,263
Grants	3	1,264,758	1,264,758	578,635	(686,123)	291,461
Other Revenue						
Sale of goods and services		230,000	230,000	22,000	(208,000)	67,200
Other Revenue	4	230,000	230,000	22,000	(208,000)	67,200
Receipts / Inflows		6,400,147	6,400,147	3,963,145	(2,437,003)	2,985,934
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		70,226	70,226	33,336	(36,890)	5,000
Compensation of Employees	5	70,226	70,226	33,336	(36,890)	5,000
Use of Goods and Services						
Travel & Conferences		78,172	78,172	49,775	(28,397)	10,494
Operating Expenses		25,300	25,300		(25,300)	15,820
Rent		17,000	17,000	16,979	(22)	
Other Operating Expenses		657,930	657,930	308,960	(348,971)	293,052
Use of Goods and Services	6	778,402	778,402	375,713	(402,689)	319,366
Grants						
Grants To Other General Government Units		2,497,640	2,497,640	2,440,000	(57,640)	1,829,979
Grants	7	2,497,640	2,497,640	2,440,000	(57,640)	1,829,979
Other Expenses						
Premiums,fees,claims related to non-life insurance		3,500	3,500		(3,500)	
Other Expenses		3,500	3,500		(3,500)	
Nonfinancial assets						
Fixed Assets		397,250	397,250	11,849	(385,401)	150,049
Nonfinancial assets	8	397,250	397,250	11,849	(385,401)	150,049
Payments / Outflows		3,747,018	3,747,018	2,860,898	(886,120)	2,304,394

Ministry of Planning, Investment and International Cooperation
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023	
		Original Estimate	Final Estimate	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		Appropriation	Appropriation			
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		484,500	484,500	173,794	(310,706)	211,335
Grants						
From other general government units		449,880	449,880	304,392	(145,488)	646,191
Grants	3	449,880	449,880	304,392	(145,488)	646,191
Receipts / Inflows		934,380	934,380	478,186	(456,194)	857,525
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		68,040	68,040	5,900	(62,140)	8,000
Compensation of Employees	5	68,040	68,040	5,900	(62,140)	8,000
Use of Goods and Services						
Travel & Conferences		81,430	81,430	44,705	(36,725)	17,889
Operating Expenses		21,300	21,300	6,820	(14,480)	7,200
Other Operating Expenses		285,260	285,260	116,369	(168,891)	79,846
Use of Goods and Services	6	387,990	387,990	167,894	(220,096)	104,935
Nonfinancial assets						
Fixed Assets		28,470	28,470		(28,470)	98,400
Nonfinancial assets	8	28,470	28,470		(28,470)	98,400
Payments / Outflows		484,500	484,500	173,794	(310,706)	211,335
Increase Decrease in Cash		449,880	449,880	304,392	(145,488)	646,191

Ministry of Transport, Air and Land

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023	
		Original Estimate	Final Estimate	Controlled	Difference Between	Controlled
		Appropriation	Appropriation	by TSA	Final Budget and	by TSA
					Actual	
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations	3	50,040	50,040		(50,040)	
Taxes						
Taxes on goods and services		50,000	50,000	6,133	(43,867)	770
Taxes	5	50,000	50,000	6,133	(43,867)	770
Grants						
From other general government units		15,420	15,420		(15,420)	
Grants	6	15,420	15,420		(15,420)	
Receipts / Inflows		115,460	115,460	6,133	(109,327)	770
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		47,640	47,640		(47,640)	
Compensation of Employees		47,640	47,640		(47,640)	
Use of Goods and Services						
Operating Expenses		2,400	2,400		(2,400)	
Use of Goods and Services	8	2,400	2,400		(2,400)	
Payments / Outflows		50,040	50,040		(50,040)	
Increase Decrease in Cash		65,420	65,420	6,133	(59,287)	770

Ministry of Security and Rehabilitation

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	2024				2023
	Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	USD	USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	2,919,040	2,919,040	2,861,498	(57,542)	2,900,229
Grants					
From other general government units	15,420	15,420		(15,420)	
Grants	3 15,420	15,420		(15,420)	
Receipts / Inflows	2,934,460	2,934,460	2,861,498	(72,962)	2,900,229
Payments / Outflows					
Compensation of Employees					
Wages and Salaries	2,716,640	2,716,640	2,661,498	(55,142)	2,900,229
Compensation of Employees	5 2,716,640	2,716,640	2,661,498	(55,142)	2,900,229
Use of Goods and Services					
Operating Expenses	102,400	102,400	100,000	(2,400)	
Use of Goods and Services	6 102,400	102,400	100,000	(2,400)	
Nonfinancial assets					
Fixed Assets	100,000	100,000	100,000		
Nonfinancial assets	8 100,000	100,000	100,000		
Payments / Outflows	2,919,040	2,919,040	2,861,498	(57,542)	2,900,229
Increase Decrease in Cash	15,420	15,420		(15,420)	

Ministry of Labor and Employment

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	2024				2023
	Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	USD	USD	USD	USD	USD
Notes					
Receipts / Inflows					
Consolidated Fund Appropriations	50,040	50,040		(50,040)	
Grants					
From other general government units	15,420	15,420		(15,420)	
Grants	15,420	15,420		(15,420)	
Other Revenue					
Sale of goods and services	45,000	45,000		(45,000)	12,245
Other Revenue	45,000	45,000		(45,000)	12,245
Receipts / Inflows	110,460	110,460		(110,460)	12,245
Payments / Outflows					
Compensation of Employees					
Wages and Salaries	47,640	47,640		(47,640)	
Compensation of Employees	47,640	47,640		(47,640)	
Use of Goods and Services					
Operating Expenses	2,400	2,400		(2,400)	
Use of Goods and Services	2,400	2,400		(2,400)	
Payments / Outflows	50,040	50,040		(50,040)	
Increase Decrease in Cash	60,420	60,420		(60,420)	12,245

Ministry of Finance and Economic Development
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

Account	2024				2023
	Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
Receipts / Inflows					
Consolidated Fund Appropriations	1,385,815	1,385,815	760,445	(625,369)	710,526
Taxes					
Taxes on income, profits, and capital gains					
Taxes on payroll and workforce	515,792	515,792	971,916	456,125	464,550
Taxes on goods and services	3,779,057	3,779,057	4,090,750	311,693	2,705,413
Taxes on international trade and transactions	900,000	900,000	630,875	(269,125)	399,175
Other taxes			16,738	16,738	995
Taxes	5,194,849	5,194,849	5,710,280	515,431	3,570,132
Grants					
From international organizations	100,132	100,132		(100,132)	
From other general government units	8,757,453	8,757,453	8,463,838	(293,615)	6,827,646
Grants	8,857,585	8,857,585	8,463,838	(393,747)	6,827,646
Other Revenue					
Sale of goods and services			4,200	4,200	6,801
Other Revenue			4,200	4,200	6,801
Receipts / Inflows	15,438,248	15,438,248	14,938,763	(499,485)	11,115,105
Payments / Outflows					
Compensation of Employees					
Wages and Salaries	455,409	455,409	304,454	(150,955)	299,703
Compensation of Employees	455,409	455,409	304,454	(150,955)	299,703
Use of Goods and Services					
Travel & Conferences	131,320	131,320	90,848	(40,472)	132,062
Operating Expenses	221,924	221,924	189,396	(32,528)	212,127
Rent	12,000	12,000	12,000		
Other Operating Expenses	300,760	300,760	163,747	(137,013)	63,834
RCRF Non-Salary Recurrent Cost	150,000	150,000		(150,000)	
Use of Goods and Services	816,004	816,004	455,991	(360,012)	408,023
Nonfinancial assets					
Fixed Assets	114,402	114,402		(114,402)	2,800
Nonfinancial assets	114,402	114,402		(114,402)	2,800
Payments / Outflows	1,385,815	1,385,815	760,445	(625,369)	710,526

Ministry of Constitution & Federal Affairs

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			Difference Between Final Budget and Actual	2023 Controlled by TSA
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA		
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations	3	50,040	50,040		(50,040)	
Grants						
From other general government units		15,420	15,420		(15,420)	
Grants	5	15,420	15,420		(15,420)	
Receipts / Inflows		65,460	65,460		(65,460)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		47,640	47,640		(47,640)	
Compensation of Employees	6	47,640	47,640		(47,640)	
Use of Goods and Services						
Operating Expenses		2,400	2,400		(2,400)	
Use of Goods and Services	8	2,400	2,400		(2,400)	
Payments / Outflows		50,040	50,040		(50,040)	
Increase Decrease in Cash		15,420	15,420		(15,420)	

Ministry of Commerce & Industry

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Note	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	3	50,040	50,040	(50,040)	
Grants					
From other general government units		15,420	15,420	(15,420)	
Grants	5	15,420	15,420	(15,420)	
Receipts / Inflows		65,460	65,460	(65,460)	
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		47,640	47,640	(47,640)	
Compensation of Employees	6	47,640	47,640	(47,640)	
Use of Goods and Services					
Operating Expenses		2,400	2,400	(2,400)	
Use of Goods and Services	8	2,400	2,400	(2,400)	
Payments / Outflows		50,040	50,040	(50,040)	
Increase Decrease in Cash		15,420	15,420	(15,420)	

Ministry of Women & Human Rights

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		144,285	144,285	94,245	(50,040)	53,104
Grants						
From foreign governments						
From international organizations		94,255	94,255	100,955	6,700	53,189
From other general government units		15,420	15,420		(15,420)	
Grants		109,675	109,675	100,955	(8,720)	53,189
Receipts / Inflows		253,960	253,960	195,200	(58,760)	106,293
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		47,640	47,640		(47,640)	
Compensation of Employees		47,640	47,640		(47,640)	
Use of Goods and Services						
Travel & Conferences		31,345	31,345	31,345		
Operating Expenses		52,700	52,700	50,300	(2,400)	43,850
Rent		6,850	6,850	6,850		4,050
Other Operating Expenses		5,750	5,750	5,750		5,204
Use of Goods and Services		96,645	96,645	94,245	(2,400)	53,104
Payments / Outflows		144,285	144,285	94,245	(50,040)	53,104
Increase Decrease in Cash		109,675	109,675	100,955	(8,720)	53,189

Ministry of Water, Energy and Minerals

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		2,114,354	2,114,354	333,511	(1,780,843)	452,990
Grants						
From foreign governments						
From international organizations		200,279	200,279	139,938	(60,341)	322,976
From other general government units		1,879,456	1,879,456	155,455	(1,724,000)	100,000
Grants	3	2,079,734	2,079,734	295,393	(1,784,341)	422,976
Receipts / Inflows		4,194,089	4,194,089	628,904	(3,565,185)	875,966
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		233,660	233,660	87,789	(145,871)	2,525
Compensation of Employees	5	233,660	233,660	87,789	(145,871)	2,525
Use of Goods and Services						
Travel & Conferences		228,188	228,188	122,903	(105,284)	15,750
Operating Expenses		553,189	553,189	50,878	(502,311)	333,716
Rent		16,940	16,940	7,560	(9,380)	
Other Operating Expenses		179,280	179,280	37,016	(142,264)	51,799
Use of Goods and Services	6	977,597	977,597	218,357	(759,240)	401,265
Nonfinancial assets						
Fixed Assets		903,098	903,098	27,365	(875,733)	49,200
Nonfinancial assets	8	903,098	903,098	27,365	(875,733)	49,200
Payments / Outflows		2,114,354	2,114,354	333,511	(1,780,843)	452,990
Increase Decrease in Cash		2,079,734	2,079,734	295,393	(1,784,341)	422,976

Ministry of Humanitarian and Disaster Management

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Note	2024			2023	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		258,735	258,735	207,122	(51,613)	88,760
Grants						
From foreign governments						
From international organizations		208,695	208,695	187,165	(21,530)	125,646
From other general government units		15,420	15,420		(15,420)	
Grants	3	224,115	224,115	187,165	(36,950)	125,646
Receipts / Inflows		482,850	482,850	394,287	(88,563)	214,406
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		118,840	118,840	71,200	(47,640)	26,500
Compensation of Employees	5	118,840	118,840	71,200	(47,640)	26,500
Use of Goods and Services						
Travel & Conferences		41,645	41,645	40,115	(1,530)	13,440
Operating Expenses		60,760	60,760	58,357	(2,403)	24,260
Rent		37,050	37,050	37,010	(40)	21,240
Other Operating Expenses		440	440	440		3,320
Use of Goods and Services	6	139,895	139,895	135,922	(3,973)	62,260
Payments / Outflows		258,735	258,735	207,122	(51,613)	88,760
Increase Decrease in Cash		224,115	224,115	187,165	(36,950)	125,646

Civil Service Commission

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		401,219	401,219	143,781	(257,438)	78,564
Grants						
From international organizations		725	725	19,955	19,230	
From other general government units		78,564	78,564		(78,564)	
Grants	3	79,289	79,289	19,955	(59,334)	
Receipts / Inflows		480,508	480,508	163,736	(316,772)	78,564
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		74,364	74,364	59,964	(14,400)	59,964
Compensation of Employees	5	74,364	74,364	59,964	(14,400)	59,964
Use of Goods and Services						
Operating Expenses		1,500	1,500		(1,500)	
Rent		18,600	18,600	18,600		18,600
Other Operating Expenses		76,800	76,800	16,350	(60,450)	
Use of Goods and Services	6	96,900	96,900	34,950	(61,950)	18,600
Nonfinancial assets						
Fixed Assets		229,955	229,955	48,867	(181,088)	
Nonfinancial assets	8	229,955	229,955	48,867	(181,088)	
Payments / Outflows		401,219	401,219	143,781	(257,438)	78,564
Increase Decrease in Cash		79,289	79,289	19,955	(59,334)	

Hirshabelle Parliament**Combined Statement of Cash receipts and Payment & comparison to Budget****For the year Ended 31 December, 2024****Government Uses a Treasury Single Account System to Manage Funds**

Account	Notes	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations	3	1,665,730	1,665,730	1,208,965	(456,765)	1,432,000
Receipts / Inflows						
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		1,351,730	1,351,730	969,110	(382,620)	1,257,000
Compensation of Employees	5	1,351,730	1,351,730	969,110	(382,620)	1,257,000
Use of Goods and Services						
Travel & Conferences		30,000	30,000		(30,000)	
Operating Expenses		100,000	100,000	98,348	(1,652)	
Rent		184,000	184,000	141,507	(42,493)	175,000
Use of Goods and Services	6	314,000	314,000	239,855	(74,145)	175,000
Payments / Outflows		1,665,730	1,665,730	1,208,965	(456,765)	1,432,000
Increase Decrease in Cash		-1,665,730	-1,665,730	-1,208,965	456,765	-1,432,000

Ministry of State Presidency

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Controlled by TSA
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations		3,397,874	3,397,874	2,852,037	1,056,662
Grants					
From other general government units		226,824	226,824		
Grants	3	226,824	226,824	(226,824)	
Receipts / Inflows		3,624,698	3,624,698	2,852,037	1,056,662
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		850,824	850,824	740,187	238,922
Compensation of Employees	5	850,824	850,824	740,187	238,922
Use of Goods and Services					
Travel & Conferences		457,050	457,050	347,050	179,740
Operating Expenses		2,090,000	2,090,000	1,764,800	120,000
Rent					7,900
Use of Goods and Services	6	2,547,050	2,547,050	2,111,850	307,640
Other Expenses					
Miscellaneous other expense					510,100
Other Expenses					510,100
Payments / Outflows		3,397,874	3,397,874	2,852,037	1,056,662
Increase Decrease in Cash		226,824	226,824	(226,824)	

Auditor General's Office**Combined Statement of Cash receipts and Payment & comparison to Budget****For the year Ended 31 December, 2024****Government Uses a Treasury Single Account System to Manage Funds**

Account	Notes	2024			2023	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations	3	91,920	91,920	62,898	(29,022)	59,801
Grants						
From other general government units		72,420	72,420		(72,420)	
Grants		72,420	72,420		(72,420)	
Receipts / Inflows	5	164,340	164,340	62,898	(101,442)	59,801
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		71,940	71,940	44,418	(27,522)	41,321
Compensation of Employees	6	71,940	71,940	44,418	(27,522)	41,321
Use of Goods and Services						
Operating Expenses		1,500	1,500		(1,500)	
Rent		18,480	18,480	18,480		18,480
Use of Goods and Services	8	19,980	19,980	18,480	(1,500)	18,480
Payments / Outflows		91,920	91,920	62,898	(29,022)	59,801
Increase Decrease in Cash		72,420	72,420		(72,420)	

Ministry of Rehabilitation and Disarmament

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	5	34,620	34,620		(34,620)
Receipts / Inflows					
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		32,220	32,220		(32,220)
Compensation of Employees	6	32,220	32,220		(32,220)
Use of Goods and Services					
Operating Expenses		2,400	2,400		(2,400)
Use of Goods and Services	8	2,400	2,400		(2,400)
Payments / Outflows		34,620	34,620		(34,620)
Increase Decrease in Cash		-34,620	-34,620		34,620

Ministry of Religious and Endowments

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			Difference Between Final Budget and Actual	2023 Controlled by TSA
		Original Estimate	Final Estimate	Controlle		
		Appropriation	Appropriation	d by TSA		
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations	3	50,040	50,040		(50,040)	
Grants						
From other general government units		15,420	15,420		(15,420)	
Grants		15,420	15,420		(15,420)	
Receipts / Inflows	5	65,460	65,460		(65,460)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		47,640	47,640		(47,640)	
Compensation of Employees	6	47,640	47,640		(47,640)	
Use of Goods and Services						
Operating Expenses		2,400	2,400		(2,400)	
Use of Goods and Services	8	2,400	2,400		(2,400)	
Payments / Outflows		50,040	50,040		(50,040)	
Increase Decrease in Cash		15,420	15,420		(15,420)	

Ministry of Petroleum and mining

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	
				Difference Between Final Budget and Actual	
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	3	50,040	50,040	(50,040)	
Grants					
From other general government units		15,420	15,420	(15,420)	
Grants	5	15,420	15,420	(15,420)	
Receipts / Inflows		65,460	65,460	(65,460)	
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		47,640	47,640	(47,640)	
Compensation of Employees	6	47,640	47,640	(47,640)	
Use of Goods and Services					
Operating Expenses		2,400	2,400	(2,400)	
Use of Goods and Services	8	2,400	2,400	(2,400)	
Payments / Outflows		50,040	50,040	(50,040)	
Increase Decrease in Cash		15,420	15,420	(15,420)	

Ministry of Reconciliation and Resettlement

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations	3	1,058,620	1,058,620	912,000	(146,620)
Receipts / Inflows					
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		32,220	32,220		(32,220)
Compensation of Employees	5	32,220	32,220		(32,220)
Use of Goods and Services					
Travel & Conferences		50,000	50,000	50,000	100,000
Operating Expenses		32,400	32,400	30,000	(2,400)
Conflict Resolution Expenses		944,000	944,000	832,000	(112,000)
Use of Goods and Services	6	1,026,400	1,026,400	912,000	(114,400)
Payments / Outflows		1,058,620	1,058,620	912,000	(146,620)
Increase Decrease in Cash		-1,058,620	-1,058,620	-912,000	146,620

Ministry of Rural Development

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2024			2023	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlle d by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations	3	34,620.00	34,620.00		(34,620)	
Receipts / Inflows						
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		32,220.00	32,220.00		(32,220)	
Compensation of Employees	5	32,220.00	32,220.00		(32,220)	
Use of Goods and Services						
Operating Expenses		2,400.00	2,400.00		(2,400)	
Use of Goods and Services	6	2,400.00	2,400.00		(2,400)	
Payments / Outflows		34,620.00	34,620.00		(34,620)	
Increase Decrease in Cash		-34,620.00	-34,620.00		34,620	

Notes to the Financial Statements of All Budget Entities

1 Accounting Policies for All Budget Entities

1.1 Financial Statement

Unlike the two single purpose consolidated financial statements for the HSS Consolidated Fund, HSS has chosen to issue a financial statement for each budget entity that combines the *Statement of Receipts and Payments* and the *Statement of Comparison of Budget and Actual Amounts*, in accordance with the International Public Sector Accounting Standard (IPSAS) - *Financial Reporting Under the Cash Basis of Accounting* (2017)

1.2 Basis of Preparation

The individual budget entity financial statement for each ministry/authority of the Hirshabelle State of Somalia (HSS) has been prepared in accordance with the *Public Financial Management Act 2018* and the International Public Sector Accounting Standard (IPSAS) - *Financial Reporting under the Cash Basis of Accounting* (2017). These notes to the financial statements form an integral part of understanding the budget entity statements and must be read in conjunction with the statements.

The accounting policies have been applied consistently throughout the period.

1.3 Consolidated Notes

The following notes serve as notes for all budget entities. There will not be separate distinct notes given for each budget entity immediately following the respective budget entity financial statement. Where clarification is required for a particular budget entity, it will be clearly given in these combined notes.

1.4 Reporting Entities

The financial statement for each entity encompasses the reporting entity as specified in the *HSS Appropriation Act No. 1 of 2024*. All budget entities listed below are controlled by the HSS. All activities of budget entities are funded by the HSS Consolidated Budget or through 3rd Party external assistance.

The preceding financial statements are for the following public sector entities which were created by a preceding Presidential Decree on 20th

February 2017 entitled *A Decree Establishing Ministries of Hirshabelle State of Somalia and Defining Roles and Functions of Ministries*. The Ministry of Finance & Economic Development and Revenue Collection Authority was Established by a Presidential Decree in March 2017. The Decree Establishing the Ministry of Finance & Economic Development (MoFED) was changed into an Act of Parliament on 06 Feb. 2018. The Auditor General's Office was created via Presidential Decree in 2018 and changed into Audit Act on 18 March 2019, however, the Office was not established during the 2018 financial year the Office of the Auditor General come on board in 2019 and now functioning progressively.

A subsequent decree on establishing the Civil Service Commission (CSC) and its purpose entitled *A Decree for establishing the Civil Service Commission of the Hirshabelle State of Somalia dated December 2017* established the office of the Civil Service Commission. Companion Decrees also established the Civil Service and the Civil Service Salary structure. The inauguration of the HSS constitution automatically established the Hirshabelle Parliament. The Civil Service Commission (CSC) was changed to act in October 2018. The respective statements of all the listed entities form part of the consolidated financial statements as these entities were included as part of the *HSS Appropriation Act No. 1, 2024*.

NO	Budget Entities
1	Ministry of Justice & Religious Affairs
2	Ministry of Livestock, Forestry and Vegetation
3	Ministry of Ports and Maritime Transport
4	Ministry of Youth and Sports
5	Ministry of Postal, Communication and Modern Technology
6	Ministry of Education and Tertiary
7	Ministry of Environmental and Sea Protection
8	Ministry of Agriculture and Irrigation
9	Ministry of Health and Social Care
10	Ministry of Fishery & Marine Resources
11	Ministry of Public Works and Reconstruction
12	Ministry of Information and Culture
13	Ministry of Interior and Local Government
14	Ministry of Planning, Investment, and International Cooperation
15	Ministry of Transport, Air and Land
16	Ministry of Security and Rehabilitation
17	Ministry of Labor and Employment
18	Ministry of Finance and Economic Development
19	Ministry of Constitution & Federal Affairs

- 20 Ministry of Commerce & Industry
- 21 Ministry of Women & Human Rights
- 22 Ministry of Water, Energy and Minerals
- 23 Ministry of Humanitarian and Disaster Management
- 24 Civil Service Commission
- 25 Hirshabelle Parliament
- 26 Auditor General's Office
- 27 Ministry of State Presidency
- 28 Ministry of Rehabilitation and Disbarment
- 29 Ministry of Religious and Endowments
- 30 Ministry of Petroleum and mining
- 31 Ministry of Reconciliation and Resettlement
- 33 Ministry of Rural Development

1.5 Treasury Single Account

Budget entities do not operate their own bank account. The Government operates a centralized treasury function which administers cash expenditures incurred and cash receipts collected by all budget entities during the financial year. Payments made on this account in respect of the budget entities are disclosed in the Treasury Single Account (TSA) column in the *Individual Entity Combined Statement of Cash Receipts and Payments and Comparison to Budget*.

1.6 Reporting Currency

The reporting currency is the United States Dollar (\$) rounded to the nearest dollar (\$)

2 Receipts/ Inflows

Receipts / Inflows other than Consolidated Fund Appropriations relate to revenue the Budget entity collects on behalf of the Government through its collections activities and are deposited into the Treasury Single Account administered by the Treasury Department. The revenue collected cannot be used to support the operations of the Ministry / Department without specific appropriation by Parliament. Therefore, cash collected is not controlled by the Ministry / Department. Funds allocated for use by the Ministry / Department to fund expenditure are through funds appropriations as outlined in Note 3.

3 Consolidated Fund Appropriations

This represents the cumulative amount of expenditure that was funded from the consolidated fund (Treasury Single Account).

Amounts appropriated by the Hirshabelle Parliament to the budget entities are managed through a single account administered by the Treasury Department. These amounts are not controlled by the individual budget entities but are deployed on their behalf by the single account administrator (Treasury department) on completion of appropriate documentation and authorization through the Financial Management Information System (FMIS). The amount reported as Consolidated Fund Appropriations in the *Individual Entity Combined Statement of Cash Receipts and Payments & Comparison to Budget* is the amount Treasury has released through the Treasury Single Account for the benefit of the budget entities (the amount of “draw down” on the appropriation).

The amount does not reflect actual cash receipts from Treasury because the budget entities do not control their own bank account. The amount reflects the “source” of funds used to make payments.

The following are supporting not in relation to the nature of source of income and the expenses financed through general fund appropriations.

4 Taxes

Taxes refer to revenue arising from taxes on goods and services, local government tax collections (Other taxes). For 2024, a sum of \$ 6,218,025 taxes was collected by the Ministry of Finance while the fiscal year target was \$ 6,403,220, this is impressive improvement in collecting the budgeted revenue.

5 Grants

Grants from international organizations and the Federal Government of Somalia were remitted through the TSA and therefore recorded under the MoF and other MDAs directed to the grants while the MoF manages all grants received by the HSS. In certain cases, donors may fund Ministerial projects unequivocally designed for and implemented by a selected entity. Such project will fall under that particular entity even

though the funds are deposited into the TSA or sub accounts under the TSA. Grant income of \$ 25,234,102 was budgeted during the reporting period of FY2024 however \$12,987,323 was received.

6 Other Revenue

Sales of goods and services consist of income and other taxes on fines, penalties and forfeits generated from HSS providing necessary legal documents to its citizens. In 2024 financial year, the Ministries and Agencies collected a total of \$271,851. HSS provides certain services to the residents at a fee.

7 Employee Compensation

Employee Compensation entails all salaries and wages including in-kind payments. Salaries to civil servants and the security forces make up the prime part of employee compensation. The Recurrent Cost and Reform Financing (RCRF III) provides funding for the payments of salaries of permanent employees of HSS who have been recruited competitively by the Civil Service Commission. During the reporting period, the RCRF III project has paid salaries to the following Entities.

A total amount of \$ 573,108 were paid by RCRF III for all. The total number of teachers is 274 teachers across the State.

A competitive recruitment process is a fundamental condition to the project. Adhering to Prudent recruitment, inability of the Civil service commission in scaling-up the recruitment process and political dynamics restricted the uptake of the RCRFII/III Project to meet budgeted expectations.

Budget Entity	2023		2023	
	RCRFIII	# of Staff paid	RCRFIII	# of Staff paid
Ministry of Finance and Economic Development	189,533	29	186,480	30
Civil Service Commission	59,964	10	59,964	10
Office of the Auditor General	41,321	7	48,636	8
State Presidency	238,922	65	217,573	65
Ministry of Helthy	43,368	6	18,794	6
Ministry of Education	43,260	43	15,000	32
Total	573,108	160	512,653	151

8 Use of Goods and Services

HSS's ability to pay for its operating costs, goods and services and other miscellaneous expenses are determined by the ability to raise or receive sufficient revenue for its budget execution.

Budget Entity	2023		
	Final Budget	Execution	Execution %
Ministry of Education and Tertiary	94,580	14,200	15%
Ministry of Information and Culture	216,980	103,425	48%
Ministry of Interior and Local Government	4,110,400	1,840,099	45%
Ministry of Security and Rehabilitation	4,885,481	1,116,229	23%
Ministry of Finance and Economic Development	1,239,257	34,410	3%
Hirshabelle Parliament	3,209,790	916,000	29%
Ministry of State Presidency	1,541,645	17,740	1%
	15,298,133	4,042,103	1.63

9 Grants to Other Government Units

Other government units refer to lower-level governments such as Jowhar, Beledweyne, and Balcad Municipalities. These are the only active local governments in HSS that operates a revenue collection center and incurs expenditure. The Municipalities collect revenue from the public transport system and other mobile businesses within HSS. In the agreement between the Ministry of Finance and the municipalities, all revenue collections of the lower-level government shall be deposited into the TSA and request for incurring expenditures is made by the local government entity using the standard authorizing procedures of the Ministry. The municipality maintains its own set of documentation and standard business procedures in its operation, which is separate from the Ministry.

10 Non-Financial Assets

Non-financial assets consist of assets acquired by entities in running their business operations and include assets such as computers, office equipment, furniture and fixtures, tools and specialized professional services, and construction of ministerial offices. During the reporting period, a total of \$ 278,309 was disbursed on non-financial assets which represented 10% of the estimated budget. The variance was a result of cash availability for entities not being unable to utilize the budget allocation. The non-financial asset purchases were distributed as follows:

	2024			2023		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Buildings other than dwellings	528,116		(528,116)	1,099,626	100,204	(999,422)
Wells and water holes	693,616		(693,616)	398,000		(398,000)
Cars	458,000		(458,000)	470,000	345,045	(124,955)
Information, computer, and telecommunication (CIT) equipment	419,279	74,542	(344,737)	154,140	2,800	(151,340)
Machinery and equipment not elsewhere classified	485,250	100,000	(385,250)	57,550		(57,550)
Furniture and fixture	169,680	103,767	(65,913)	124,700		(124,700)
Total	2,753,942	278,309	(2,475,633)	2,304,016	448,049	(1,855,967)