



CONSOLIDATED & MINISTERIAL FINANCIAL STATEMENTS OF THE HIRSHABELLE STATE OF SOMALIA

For the Year Ended 31 December 2023

*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/WMHD/DGHS/023/2024

Jowhar

Date: 23/03/2024

Statement of Certification – 2023 Financial Statements

The 2023 financial statements, together with the accompanying notes, have been prepared in accordance with the International Public Sector Accounting Standard, Financial Reporting under the Cash Basis of Accounting (2017).

In the opinion of the Ministry of Finance and Economic Development, the financial statements of the Hirshabelle State of Somalia (HSS) as submitted for Audit in accordance with Section 30 of the Public Finance Management Act 2018 passed by the parliament, are materially accurate and provide a true and fair view of the HSS's financial position for the year ended 31 December 2023

For and on behalf of the Hirshabelle State of Somalia

Minister of Finance and Economic Development Hirshabelle

Mr Minister Abdirahim Isse Aidiow

Signature:

Xafiiska Wasiirka Wasaradda Maliyadda iyo Horumarinta Dhaqaalaha Dowladda Hirshabelle

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Jowhar, Hirshabelle State of Somalia

Executive Summary

Overview of the Financial Statements

The Financial Statements of the Hirshabelle State of Somalia provide a record of the Government's financial performance over the financial year, 2023 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 2023 and the HSS financial cash position as of the 31st of December 2023. These statements have been prepared by the Treasury Department of the Ministry of Finance and Economic development of Hirshabelle State of Somalia and includes financial information related to all Hirshabelle State Ministries, Departments and Agencies (MDAs).

The 2023 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 2023 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

	2023	2022
	USD	USD
Revenue	15,376,186	12,132,613
Expenditure	14,584,208	12,083,436
Surplus	791,978	49,176
% Change in Revenue	27%	
Original Budget	25,173,274	26,059,755.00
Revised Budget	34,221,000	32,207,267
Actual Expenditure	14,584,208	12,083,436
Under spending/Budget saving	10,589,066	
% Change in Expenditure	21%	

Revenue Analysis

The Hirshabelle State of Somalia total revenue has increased significantly from \$12,132,613 million in 2022 to \$15,376,186 million in the 2023 financial year and increase of \$3,243,573 million (27%). The main sources of the HSS's 2023 own source revenues were road user taxes, turnover tax, Khat, private payroll taxes on non-civil servants, public taxes on payroll and workforce, taxes on goods and services, taxes on international trade and transactions, other revenues (sales of goods and services) as well as external assistance from international partners and Federal Government of Somalia. Revenue from own source (taxes and fees) was \$4,027,046 compared to the previous year which was \$3,289,853. HSS has made almost 22% increase of its domestic revenue compared to 2022 respectively.

Table 2: Summary of Receipts

Revenue Type	2023	2022	Difference
	USD	USD	USD
Taxes	3,893,782	2,483,668	1,410,114
Other revenue	133,264	806,186	(672,922)
Grants	11,349,140	8,842,759	2,506,381
Total revenue	15,376,186	12,132,613	3,243,573

The following chart further highlights the breakdown of revenue collections for the fiscal year 2023 which shows that external grants were 74% of the total receipts.

Chart 2: Sources of revenue 2023

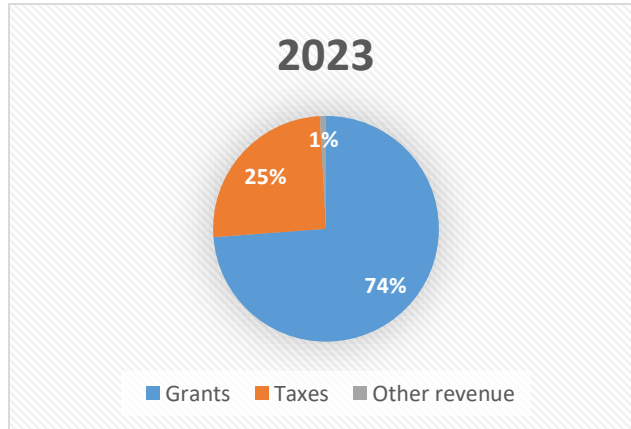
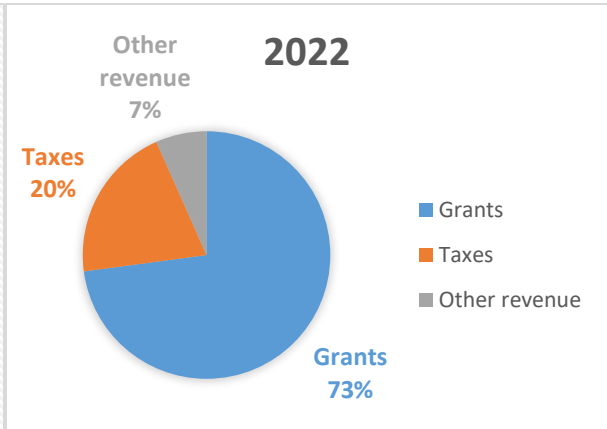


Chart 1: Sources of revenue 2022



Tax Receipts

The fiscal year 2023 saw revenue from taxes increase from \$2,483,668 last year to \$3,893,782 million. This increase has been mainly attributed to the taxes on payroll and workforce, taxes on international trade and transactions and other revenue. As depicted in Chart 1 above, revenue from taxes collected was 25%.

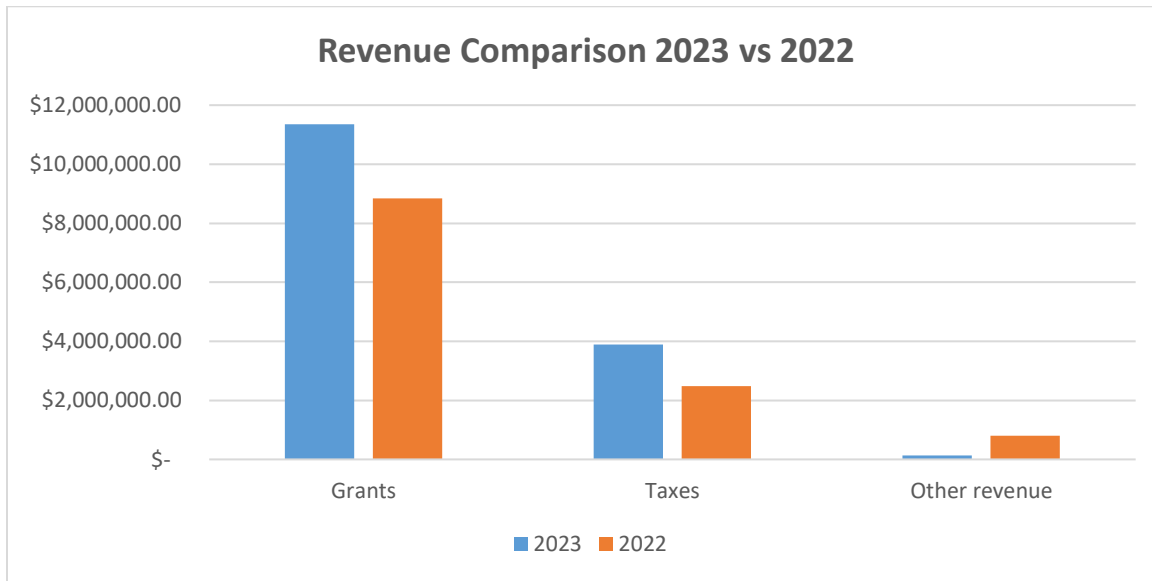
Other revenue

Financial year 2023 other revenue accounted for just 1% of the total revenue for the year. Main sources from this revenue came from fees charged on the Sale of goods and services.

Grants

External assistance and grants from international partners and transfers from the Federal Government of Somalia were significant sources of funds accounting for \$11,349,140 (74%) of total revenue compared to \$8,842,759 in the previous year, an increase of \$2,506,381.19. This is mainly due to the introduction of new projects and the transfers from the Federal Government of Somalia.

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

Chart 3: Revenue comparison 2023 v 2022

Expenditure Analysis

The HSS's payments fall into three distinct categories; recurrent, capital expenditure, and Grants paid to sub-national governments. The recurrent expenses or costs are primarily manpower related expenses and cost on goods and services for operations. The recurrent expenses also include interest and other charges. Chart 4 summarizes the major areas of expenditure incurred by HSS.

The total expenditure made during the fiscal year 2023 amounted to \$14,584,208 million in comparison to \$12,083,436 million in 2022. Overall, the HSS has increased its expenditure by \$2,500,772 (21%) year on year, with the highest increases coming from compensation of employees and use of goods and services which amounts to 81% of total expenditure. Capital expenditure payment or other expenses incurred this year of \$448,048.6.

Table 3 below shows expenditure categories for the 2023 financial year in comparison to the 2022 financial year.

Table 3: Summary of expenditure for 2 years

Main Expenditure categories	2023	2022
Compensation of Employees	6,563,160	8,513,698
Use of Goods and Services	5,232,920	2,242,497
Grants	1,829,979	1,198,451
Nonfinancial assets	448,049	128,791
Total Expenditure	14,074,108	12,083,436

Chart 4: Summary of expenditure for 2 years

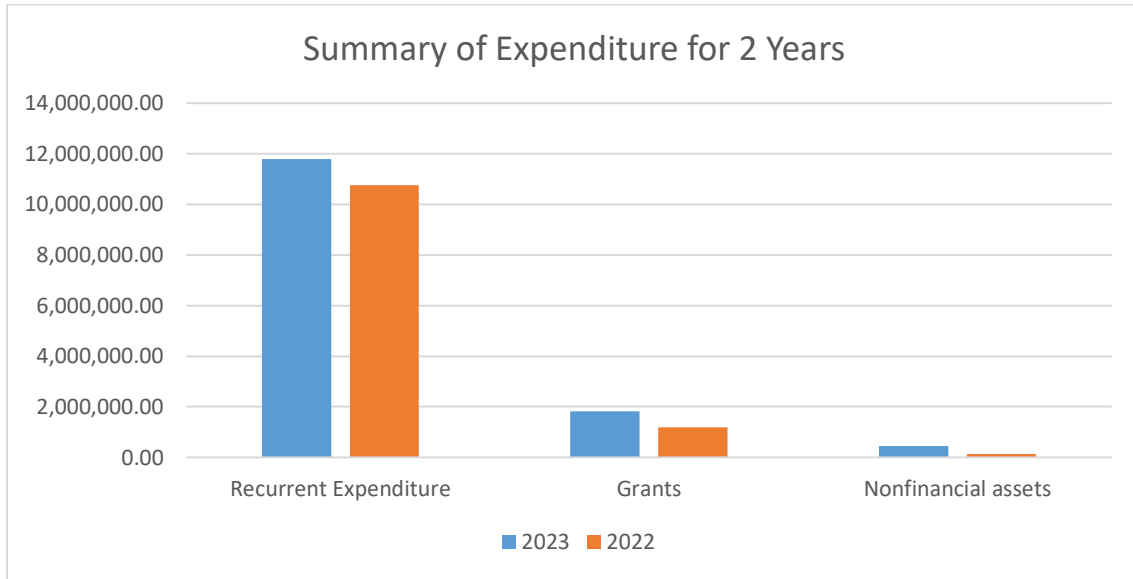


Chart 5: Expenditure paid in FY 2023

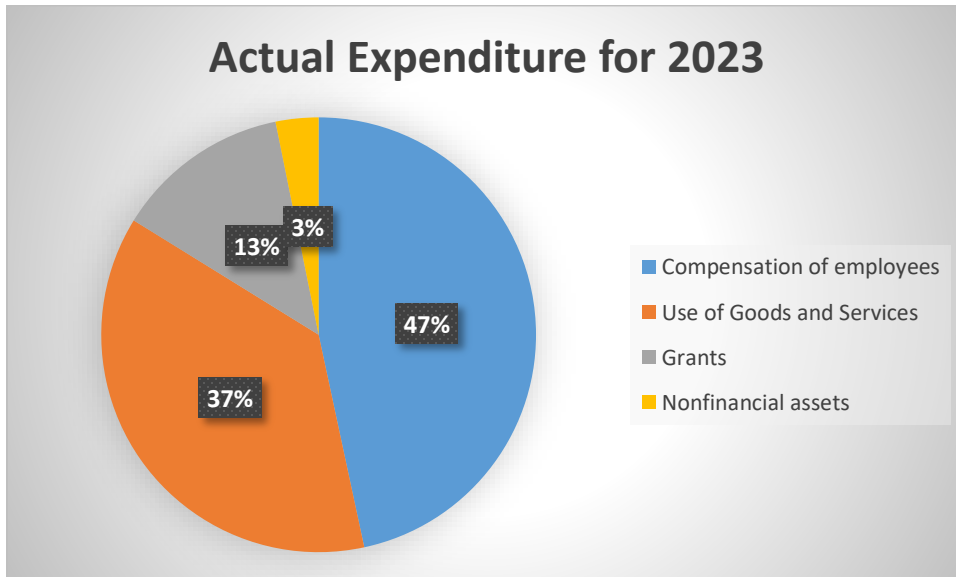
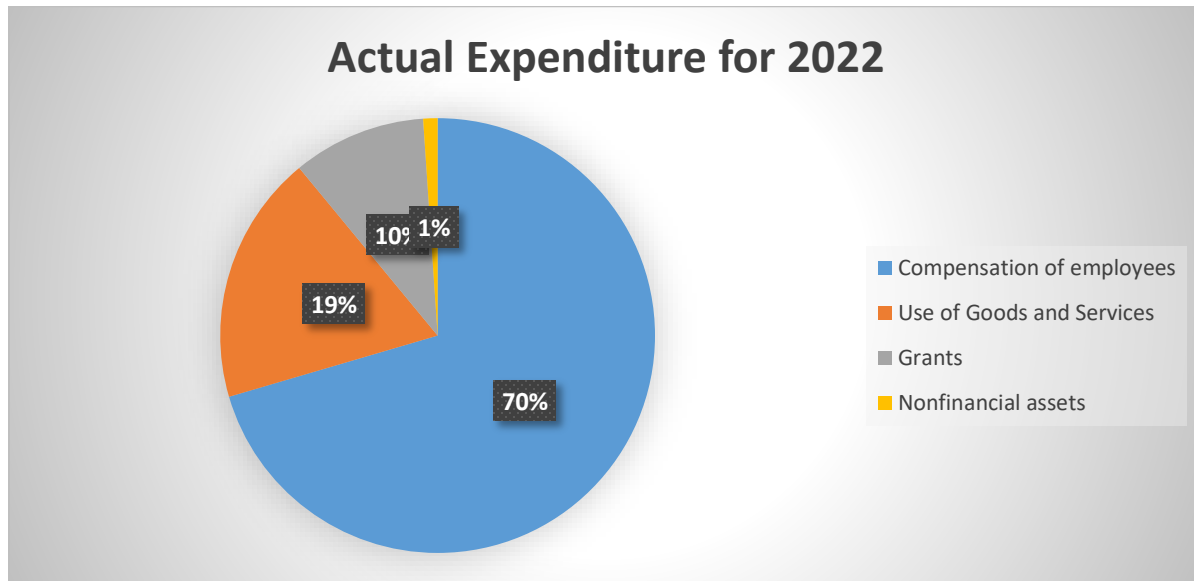


Chart 6: Actual expenditure 2022



Capital Expenditure Analysis (Non-Financial Assets)

The total expenditure made during the fiscal year 2023 amounted to \$14,584,208.08 million in comparison to \$12,083,436 million in 2022. Overall, the HSS has increased its expenditure by \$2,500,771.86 (21%) year on year, with the highest increases coming from compensation of employees and use of goods and services which amounts to 81% of total expenditure.

Capital expenditure (non-financial assets) for the year was \$448,049 compared to \$128,791 for the previous year, an increase of \$319,258 (247%). The major areas of expenditure were other fixed assets followed by buildings. In accordance with reporting on a cash-basis and complying with IPSAS, cash basis of accounting, capital expenditure is expensed in the year of acquisition.

Table 4: Summary of capital expenditure for 2023 and 2022

	2023	2022
	USD	USD
Buildings other than dwellings	100,204	80,396
Machinery and Equipment not elsewhere classified	345,045	
Information, Computer and telecom (ICT) equipment	2,800	35,395
Office equipment, Furniture & fixtures	-	13,000
	448,049	128,791

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 \$14,584,208 million.

Budget execution rate for 2023 financial year was 43% leaving 57% of the budgeted expenditure unfulfilled while in FY 2022 was lower than this year 38%.

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

Table 5: Expenditure - Budget v Actual

	2023			
	Budget	Actual	Budget underspending	% Budget not executed
Main expenditure categories	USD	USD	USD	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	2,304,016	448,049	1855967	81%
Total Expenditure	32,677,300	14,074,108	18,603,192	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%

	2022			
	Budget USD	Actual USD	Budget underspend USD	% Budget not executed USD
Main expenditure categories				
Recurrent expenditure	26,510,630	10,756,195	15,754,435	59%
Grants	4,800,400	1,198,451	3,601,949	75%
Social benefits	550,000	-	550,000	-
Capital expenditure	346,237	128,791	217,447	63%
Total Expenditure	32,207,267	12,083,436	20,123,831	62%

Recurrent expenditure				
Compensation of employees	16,571,757	8,513,698	8,058,060	49%
Use of Goods and Services	9,938,873	2,242,497	7,696,376	77%
Total recurrent expenditure	26,510,630	10,756,195	15,754,435	59%

Net financial worth

The Hirshabelle State of Somalia net financial worth increased by \$519,253 in 2023 from a net worth of \$272,725 at the end of 2022 to a positive net financial worth of \$246,528.

Hirshabelle State of Somalia
Consolidated Fund Statement of Cash Receipts and Payments
Treasury Single Account
for the Year Ended 31 December 2023

Account		<u>2023</u>	<u>2022</u>
		Controlled by TSA	Controlled by TSA
	<u>Notes</u>	<u>USD</u>	<u>USD</u>
Receipts / Inflows			
Taxes			
Taxes on income, profits, and capital gains			
Taxes on payroll and workforce	2	464,550	292,007
Taxes on property	3	-	24,364
Taxes on goods and services	4	2,706,183	1,883,675
Taxes on international trade and transactions	5	399,175	190,000
Other taxes	6	323,875	93,621
Taxes		3,893,782	2,483,668
Grants			
From foreign governments			
From international organizations	7	2,377,053	127,636
From other general government units	8	8,979,310	8,715,123
Grants		11,356,363	8,842,759
Other Revenue			
Sale of goods and services	9	133,264	806,186
Other Revenue		133,264	806,186
Receipts / Inflows		15,383,408	12,132,613
Payments / Outflows			
Compensation of Employees			
Wages and Salaries	10	6,563,160	8,513,698
Compensation of Employees		6,563,160	8,513,698
Use of Goods and Services			
Travel & Conferences	11	1,175,016	582,633
Operating Expenses	12	2,167,325	789,314
Rent	13	328,163	51,250
Other Operating Expenses	14	1,127,421	519,300
Conflict Resolution Expenses		434,996	300,000
Use of Goods and Services		5,232,920	2,242,497
Grants			
Grants To Other General Government Units	15	1,829,979	1,198,451
Grants		1,829,979	1,198,451
Other Expenses			
Miscellaneous other expense	16	510,100	
Other Expenses		510,100	
Nonfinancial assets			
Fixed Assets	17	448,049	128,791
Nonfinancial assets		448,049	128,791
Payments / Outflows		14,584,208	12,083,436

Hirshabelle State of Somalia
Consolidated Fund Statement of Comparison of Budget and Actual Amounts
Treasury Single Account
for the Year Ended 31 December 2022
Appropriation Budget Approved on Cash Basis
Classification of Payments By Economic Class
2023

Account		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	2022 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		1,520,000	1,520,000	464,550	(1,055,451)	292,007
Taxes on property		441,379	441,379		(441,379)	24,364
Taxes on goods and services		9,193,406	9,193,406	2,706,183	(6,487,223)	1,883,675
Taxes on international trade and transactions		1,296,461	1,296,461	399,175	(897,286)	190,000
Other taxes		1,000,000	1,000,000	323,875	(676,125)	93,621
Taxes	17	13,451,246	13,451,246	3,893,782	(9,557,464)	2,483,668
Grants						
From foreign governments		84,182	248,152		1,775,178	
From international organizations		901,590	1,857,664	2,377,053	519,388.50	127,636
From other general government units		9,287,051	15,839,451	8,979,310	(6,860,141)	8,715,123
Grants	18	10,272,823	17,945,267	11,356,363	(6,588,905)	8,842,759
Other Revenue						
Sale of goods and services		2,819,487	2,819,487	132,864	(2,686,624)	806,186
Fines, penalties and forfeits		5,000	5,000		(5,000)	
Other Revenue	19	2,824,487	2,824,487	132,864	(2,691,624)	806,186
Receipts / Inflows		26,548,556	34,221,000	15,383,408	(18,837,592)	12,132,613
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		12,695,977	15,438,604	6,563,160	(8,875,443)	8,513,698
Compensation of Employees	20	12,695,977	15,438,604	6,563,160	(8,875,443)	8,513,698
Use of Goods and Services						
Travel & Conferences		1,105,035	2,363,553	1,175,016	(1,188,537)	582,633
Operating Expenses		2,651,419	4,148,618	2,167,325	(1,981,293)	789,314
Rent		511,170	778,270	328,163	(450,107)	51,250
Other Operating Expenses		1,527,206	2,678,028	1,127,421	(1,550,608)	519,300
Conflict Resolution Expenses		405,420	840,416	434,996	(405,420)	300,000
RCRF Non-Salary Recurrent Cost		3,115,000	736,567		(736,567)	-
Contingency		388,809	388,809		(388,809)	-
Use of Goods and Services	21	9,704,059	11,934,261	5,232,920	(6,701,340)	2,242,497
Grants						
Grants To Other General Government Units		4,000,420	4,000,420	1,829,979	(2,170,441)	1,198,451
Grants	22	4,000,420	4,000,420	1,829,979	(2,170,441)	1,198,451
Other Expenses						
Miscellaneous other expense			540,200	510,100	(30,100)	
Premiums,fees,claims related to non-life insurance		3,500	3,500		(3,500)	
Other Expenses	23	3,500	543,700	510,100	(33,600)	
Nonfinancial assets						
Fixed Assets		294,600	2,304,016	448,049	(1,855,967)	128,791
Nonfinancial assets	24	294,600	2,304,016	448,049	(1,855,967)	128,791
Payments / Outflows		26,698,556	34,221,000	14,584,208	(19,636,792)	12,083,436
Increase Decrease in Cash		-150,000		799,200	799,200	

Hirshabelle State of Somalia
Statement of Government Operations
For the Year Ended 31 Decembe 2022

Name	2023	2022
Transactions Affecting Net Worth		
Revenue	15,383,408	12,132,613
Taxes	3,893,782	2,483,668
Taxes on payroll and workforce	464,550	292,007
Taxes on property	-	24,364
Taxes on goods and services	2,706,183	1,883,675
Taxes on international trade and transactions	399,175	127,636
Other taxes	323,875	93,621
Grants	11,356,363	8,842,759
From international organizations	2,377,053	127,636
From other general government units	8,979,310	8,715,123
Other Revenue	133,264	806,186
Sale of goods and services	133,264	806,186
Expense	14,136,159	11,954,646
Compensation of Employees	6,563,160	8,513,698
Wages and Salaries	6,563,160	8,513,698
Use of Goods and Services	5,232,920	2,242,497
Travel & Conferences	1,175,016	582,633
Operating Expenses	2,167,325	789,314
Rent	328,163	51,250
Other Operating Expenses	1,127,421	519,300
Conflict Resolution Expenses	434,996	300,000
Grants	1,829,979	1,198,451
Grants To Other General Government Units	1,829,979	1,198,451
Other Expenses	510,100	
Miscellaneous other expense	510,100	
Gross Operating Balance	1,247,248	
Change In Net Worth. Transactions (Assets)	448,049	128,791
Nonfinancial assets	448,049	128,791
Fixed Assets	448,049	128,791
Overall Statistical Discrepancy	-	-

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 2023* 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 two bank accounts were operational during the 2023 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 2023 financial year, the balances of these accounts were as follows:

	2023	2022
	USD	USD
Treasury Single Account - Main	1	344
Project Account - RCRF II	-	-
HSS GPE Project Account	-	4,885
Ministry of Interior and Local Governance	17	5,143
Project Account - RCRF III	27,166	61,241
HSS WB RCRF PBCS BUDGET SUPPORT PROJECT ACCOUNT	395,904	1
HSS SURPII PROJECT ACCOUNT	9,506	179,334
MINISTRY OF PUBLIC WORK AND RECONSTRUCTION	14	14
HSS LOCAL DEVELOPMENT FUND(LDF)	1,034	1,034
Ministry of Education and Higher Education	0	20,729
HSS DAMAL CAFIMAD PROJECT ACCOUNT	30,732	-
Hirshabelle Treasury Single Account - DHSB	1,856	-
SWRR HIRSHABELLE STATE OF SOMALIA	172,728	-
Ministry of Agriculture and Irrigation of Hirshabelle	104,476	-
Ministry of Health & Social Care of Hirshabelle	114,866	-
MINISTRY OF WATER AND ENERGY HIRSHABELLE	-	-
MOHADM HIRSHABELLE	31,896	-
Ministry of Humanit Affairs and Disaster Management Hirshabelle	5,000	-
Ministry of Women and Human Rights of Hirshabelle State	75	-
GWR PROJECT ACCOUNT HIRSHABELLE STATE OF SOMALIA	31,911	-
HSS SEHCD PROJECT	144,743	-
HIRSHABELLE TREASURY SINGLE ACCOUNT-Amal Bank	-	-
TOTAL	1,071,925	272,725

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>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
Cash on Hand		
Balances held with Banks	1,071,925	272,725
Total cash on Hand and bank balances	1,071,925	272,725

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 2023 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 2023 to 31st December 2023) 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 31nd December 2022. No Supplementary Budget was passed in FY 2023.

1.8. Authorization Date

The financial statements were authorized to be issued on 23 March 2024 by HE Abdirahim Isse Adow, Minister of Finance and Economic Development.

2 Taxes on Payroll and Workforce

The tax is paid by both private and public employees based on the total remuneration (salary/wage bill) paid to all the employees at a standard rate of 5%. In 2023 financial year \$349,954 was received from private employees and \$114,595 from public employees in Hirshabelle State of Somalia.

3 Tax on Property

In 2023 Financial Year, the State did not collect any property taxes since this tax type was not enforced during the year. However, in 2022 an amount of \$24,364 was collected as property taxes.

4 Taxes on Goods and Services

These taxes are charged on goods and services. During this financial year, HSS has collected \$2,706,183 taxes on goods and services compared to \$1,883,675 in 2022. This represents an increase of 44%. Road user tax and turnover tax account for most of the taxes on goods and services.

	<u>2023</u>	<u>2022</u>
Turnover tax	952,069.410	
Local passenger charge	770.000	
Road user taxes	1,753,343.300	
Turnover Tax		99,808.340
Business & Professional Licenses		120,000.000
Fishing Fees		27,000.000
Landing Fees		20,000.000
Local Passenger Fees		1,260.000
Road User Tax		1,459,207.000
Local NGO's Registraton		11,400.000
Livestock Fees		130,000.000
Agricultural Fees		15,000.000
TOTAL	<u>2,706,183</u>	<u>1,883,675</u>

5 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 2023, \$399,175 was received from Khat imports compared to \$190,000 in 2022.

6 Other taxes

Other taxes encompass revenue collections from the local governments. During the year, Ministry of Finance (MoF) collected revenue on behalf of the Jowhar Municipality totaling \$323,975 compared to \$93,621 in 2022. Jowhar, Beledwayne and Balcad Municipalities are the only local government entities established in the State that raises 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.

7 Grants from International Organizations

In the 2023 financial year, grants were received from international organizations totaling \$2,369,831 compared to \$127,636 in 2022. United Nations International Children’s Emergency, UNDP and FAO were the major international Organizations that funded different projects in the state during 2023 financial year.

	2023	2022
	USD	USD
UNDP	177,168	114,276
WFP	159,206	13,360
GIZ	127,976	
United Nations for Gender Equality and the Women	53,189	
United Nations International Cheldran's Emergency	1,617,449	
SAVE THE CHILDREN	-	
FAO Projects	174,843	
SEED SYSTEMS GROUP	60,000	
TOTAL	2,369,831	127,636

8 Grants from Other Government Units

During 2023 financial year the Federal Government of Somalia granted a total of \$8,979,310 compared to \$8,715,123 in 2022 to the Hirshabelle State of Somalia. Funds include budget support, RCRFIII project administered by the World, Barwaqo Project and other projects.

	2023	2022
	USD	USD
Unconditional Budget Support	-	466,576
Budget Support	4,854,996	4,830,000
HSS Drought Allocation	-	400,000
MOE GPE Project	74,392	162,721
SURPII PROJECT	180,263	350,608
Health service deliver PBCS Project	618,955	457,667
RCRF11I	1,972,650	2047551
DAMAL CAFIMAAD PROJECT	266,054	-
Barwaaqo Project	646,191	-
SEHCD PROJECT	265,809	-
GWR PROJECT	100,000	
TOTAL	8,979,310	8,715,123

9 Sale of Goods and Services

Sales of goods and services consist of money generated from HSS providing public goods and services to its citizens. In 2023 financial year, the Ministries and Agencies collected a total amount of \$133, 264 compared to \$806,186 in 2022. Election registration fee contributed to 2022 Fiscal Year high collections of sales of good and services compared to the 2023 Fiscal Year.

	<u>2023</u>	<u>2022</u>
Visa fees	1,645.000	
Work permit taxes	10,600.000	
Business and profession licenses	50,000.000	
Local NGO's registrations.	12,600.000	
Education services fees	47,018.000	
Election Registration Fee	7,000.000	
Court filing fees	4,400.500	
Education services fees		31,185.500
Election Registration Fee		775,000.000
TOTAL	<u>133,264</u>	<u>806,186</u>

10 Wages and Salaries.

Wages and salaries are a combination of all salaries, allowances, and in-kind payments. The staffs include both the civil servants and political positions. A comprehensive breakdown of wages and salaries are provided below:

Legislature Allowance encompasses salaries made to Ministers and Parliamentarians. Accommodation allowance relates to allowances such as house allowance and hotel accommodation allowances paid to Ministers, Parliamentarians, Commissioners, and the civil servants of HSS. Regular food provisions are in-kind payments to the Military forces of Hirshabelle that are made in the form of food and other related food supplies, whereas the daily meals relate to meals prepared for the different sectors of Security forces whose duties are providing security to Government Institutions.

	<u>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
Basic salaries for general Civil Service	886,323	823,849
Contract employees	352,612	326,020
Temporary staff allowances	399,416	13,560
Security forces (Police, intel forces and prison)	1,819,585	4,240,498
Legislature allowances	1,257,000	1,447,000
Teacher salary	494,400	507,952
Health workers salary	245,440	-
Temporary staff salary	27,740	-
Accommodation Allowance	-	39,100
Professional allowance	-	38,770
Transportation allowance	-	32,300
Other allowances	-	4,050
Regular Food Provision	1,080,644	500,000
Daily Meals	-	540,599
TOTAL	<u>6,563,160</u>	<u>8,513,698</u>

11 Travel and Conferences

During 2023 financial year, Travel and Conferences amount to \$1,175,016 compared to \$582,633 in 2022. It is a yearly increase of 102% and this mainly consist of travel costs, conferences costs within and outside the country The following provides a breakdown of the total costs:

	2023	2022
	USD	USD
Internal Travel	406,383	210,612
External Travel	97,812	32,856
Local conferences	667,820	339,165
Accommodation	3,000	-
TOTAL	1,175,016	582,633

12 Operating Expenses

Operating Costs are costs that are geared towards facilitating the running of the Ministries, Departments and Agencies of the HSS. Total operating costs of 2023 is \$2,167,325 compared to \$789,314. The operating costs has increased 175% during 2023 financial year. Following is a detailed breakdown of the operating costs incurred by HSS during the year.

	2023	2022
	USD	USD
Water	342,966	23
Electricity	109,153	4,593
Refuse collection	3,450	-
Satellite fees	55,000	-
Internet	51,805	38,248
Diesel and oil	107,200	43,594
Refreshment	189,962	-
Stationary	266,220	53,509
Meeting Supplies	-	4,559
Publications	500	-
Cleaning Supplies	4,243	993
Medical Supply	600,000	550,000
Maintenance and repair of equipment and heavy machineries	423,830	80,000
Maintenance and repairs of vehicles, boats and vessels	4,800	2,666
Maintenance of Vehicles	-	3,598
Maintenance contracts	8,198	7,532
	2,167,325	789,314

13 Rent

In 2023 Office rent expenses amounted \$328,163 compared to \$46,350 in 2022 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.

	2023	2022
	USD	USD
Auditor General's Office.	-	23,100
Civil Service Commission	-	23,250
Office Rent	214,490	
Vehicle rent	98,023	
Venue rent	7,750	
Other rents	7,900	4,900
TOTAL	328,163	51,250

14 Other Operating Expenses

Other operating expenses comprise of bank charges, staff training adverting and marketing costs and consultation and non-consultancy service. The amount of other operating expenses totaled \$1,127,421 in 2023 compared to \$519,300 in 2022. Other operating expenses increased to \$608,121 in 2023.

	2023	2022
	USD	USD
Training Tuition fee	34,416	68,502
Consultation Fees	766,645	393,325
Fees for Service Provided (non Consultancy Service)	319,207	52,333
Bank Charges	134	140
Television and Newspaper Advertisement	7,020	5,000
TOTAL	1,127,421	519,300

15 Conflict Resolution Expenses

In FY 2023, a sum of \$434,996 was spent on conflict resolution compared to \$300,000 in 2022. 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 2023 due to the recurrent conflict resolution conferences in many parts of the state. The Conflict resolution expenses were predominantly incurred by the Ministry of Reconciliation and Resettlement in solving recurrent conflicts within the Hirshabelle State of Somalia.

	2023	2022
	USD	USD
Conflict Resolution Expenses	434,996	300,000
TOTAL	434,996	300,000

16 Grants to other General Government units

Transfers to other government units refer to lower-level governments transfers to Jowhar, Beledwayne and Balcad Municipalities. These are the only active local governments in HSS that collect revenue and incurs expenditure. The Municipalities collect revenue from the public transport system and other mobile businesses within HSS. There is an informal agreement between the Ministry of Finance and Economic Development and the Municipalities specifying that all revenue collections shall be deposited into the TSA and request for incurring expenditures is made by the local government to the State. In the fiscal year 2023 a sum of \$1,829,979 were transferred to the Municipalities compared to \$1,198,451 in 2022. The offices of the local government operate their own standard procedures in managing this fund as stipulated in an agreement with the MoF.

	2023	2022
Grants to local level of government	1,829,979	1,198,451

17 Non-Financial 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.

	2023	2022
	USD	USD
Buildings other than dwellings	100,204	80,396
Machinery and Equipment not elsewhere classified	345,045	
Information, Computer and telecom (ICT) equipment	2,800	35,395
Office equipment, Furniture & fixtures	-	13,000
	448,049	128,791

In 2023 total amount of \$448,049 spent on non-financial assets in comparison to \$128,791 in the previous year. Following are the details:

18 Taxes

A total of \$13,451,246 tax collections were estimated to be raised in the 2023 financial year, however, the Actual revenue collected was \$3,893,782. The variance is 70% and it was mainly due to unrealistic revenue projections of 2023 Budget. These large variations are also due to the revenue checkpoints controlled by other agencies (Municipalities, Ministry of Interior, Ministry of Trade, Ministry of Public Works and across MDAs) and lack of political will and very weak revenue collection controls.

	2023			2022		
	USD			USD		
	Estimate	Actual	Variance	Estimate	Actual	Variance
Public Taxes on payroll and workforces	300,000	114,596	(185,404)	100,000	68,611	(31,389)
Private Payroll taxes on non-civil servants	1,220,000	349,954	(870,046)	1,920,000	223,396	(1,696,604)
Livestock products	-	-	-	1,967,796	130,000	(1,837,796)
Agriculture products	-	-	-	200,000	15,000	(185,000)
Fishing licenses fees	-	-	-	329,270	27,000	(302,270)
Business & Professional Licenses	-	-	-	200,100	120,000	(80,100)
International NGOs registration	-	-	-	9,864	-	(9,864)
Local NGO's Registraton	-	-	-	9,450	11,400	1,950
Local Companies Registration	-	-	-	7,890	-	(7,890)
Local passenger charge	145,509	770	(144,739)		1,260	1,260
Work permit taxes	-	-	-	9,856	-	(9,856)
Vehicle & Drivers Licences	-	-	-	19,450	-	(19,450)
Landing Fees	-	-	-	238,491	20,000	(218,491)
International Departure Tax	-	-	-	145,509	-	(145,509)
Property Tax	-	-	-	441,379	24,364	(417,015)
Turnover Tax	803,890	952,069	148,179	503,890	99,808	(404,082)
Fuel Tax	115,200	-	(115,200)	115,200	-	(115,200)
Electricity and electronic materials	59,870	-	(59,870)	59,870	-	(59,870)
Road User Tax	8,068,937	1,753,343	(6,315,594)	8,868,937	1,459,207	(7,409,730)
Customs duties - Tobacco	-	-	-	144,120	-	(144,120)
Customs duties - KHAT	1,080,000	399,175	(680,825)	482,855	190,000	(292,855)
Cigarate and tobacco product	216,461	-	(216,461)	72,341	-	(72,341)
Other tax collections from local governmen	1,000,000	323,875	(676,125)	-	93,621	93,621
Building	441,379	-	(441,379)			
TOTAL	13,451,246	3,893,782	(9,557,464)	15,846,268	2,483,668	(13,362,600)

19 Grants

In 2023, total grants of \$ 11,356,363 were received against an annual estimate of \$17,945,267. 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:

	2023	2022
	USD	USD
From international organizations	2,377,053	127,636
From other general government units	8,979,310	8,715,123
TOTAL	11,356,363	8,842,759

19.1 Grants from Federal Government

In 2023 Fiscal Year, total grant of \$15,839,451 from the Federal Government of Somalia was estimated; however, the actual grant received was \$8,979,310. The variance came as pledged flows from the Federal Government of Somalia were not received by the state. The total grants received in 2022 was \$8,715,123 against an estimate of \$13,894,437.

	2023	2022
	USD	USD
Unconditional Budget Support	-	466,576
Budget Support	4,854,996	4,830,000
HSS Drought Allocation	-	400,000
MOE GPE Project	74,392	162,721
SURPII PROJECT	180,263	350,608
Health service deliver PBCS Project	618,955	457,667
RCRF11I	1,972,650	2047551
DAMAL CAFIMAAD PROJECT	266,054	-
Barwaaqo Project	646,191	-
SEHCD PROJECT	265,809	-
GWR PROJECT	100,000	-
TOTAL	8,979,310	8,715,123

20 Other Revenue

Other revenue collections of 2023 consist of sale of goods and services and other taxes. A total of \$2,824,487 was budgeted in the year of 2023 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.

	2023			2022		
	USD			USD		
	Estimate	Actual	Variance	Estimate	Actual	Variance
Civil Servant Identification Fee	-	-	-	50,000	-	50,000
Birth Certificate Fee	500	-	500	500	-	500
Land certificate fees	221,965	-	221,965	221,965	-	221,965
Landing fees	238,491					
Livestock fees	1,370,651	-	1,370,651	-	-	-
Agriculture fees.	200,000	-	200,000	-	-	-
Business and profession licenses	200,100	50,000	150,100	-	-	-
International NGO's registration	9,864	-	9,864	-	-	-
Local NGO's registrations.	9,450	12,600	(3,150)	-	-	-
Local company registrations	7,890	-	7,890	-	-	-
Education services fees		47,018	(47,018)	-	31,186	(31,186)
Fishing licenses fees	329,270	-	329,270	-	-	-
Election Registration Fee	-	7,000	(7,000)	-	775,000	(775,000)
Court filing fees	-	4,401	(4,401)	-	-	-
Visa fees	-	1,645	(1,645)			
Driving licenses fee	19,450	-	19,450	-	-	-
Individual ID fees	50,000	-	50,000	-	-	-
Contract registration fees	2,000	-	2,000	-	-	-
Number Plate Registration	100,000	-	100,000	100,000	-	100,000
Logbook Registration	50,000	-	50,000	50,000	-	50,000
Fines/Penalties	5,000	-	5,000	5,000	-	5,000
Work permit taxes	9,856	10,600	(744)	-	-	-
TOTAL	2,824,487	133,264	2,453,477	427,465	806,186	(378,721)

21 Employee Compensation

In 2023 a total of \$6,563,160 was spent on employee compensation against a budget of \$15,438,604. There was underspending of \$8,875,444 (57% variance). This was mostly due to the States fragility and thus significant under collection of revenues. A total amount of \$8,513,698 was spent on employee compensation in 2022 which was higher the current year's spending on employees.

	2023			2022		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Basic salaries for general Civil Service	1,507,555	886,323	621,232	1,366,458	823,849	542,609
Basic allowances for general Civil Service	200,000	-	200,000			
Contract employees	424,670	352,612	72,058	469,380	326,020	143,360
Temporary staff salary	47,834	27,740	20,094	232,679	13,560	219,119
Temporary staff allowances	955,226	399,416	555,810			
Security forces (Police, intel forces and prison)	4,062,293	1,819,585	2,242,708	7,268,135	4,240,498	3,027,637
Security sector allowances	273,200		273,200			
Legislature allowances	2,818,800	1,257,000	1,561,800	4,869,600	1,447,000	3,422,600
Political appointees salary	1,842,300	-	1,842,300			
Political appointees allowances	60,000	-	60,000			
Health workers salary	369,600	245,440	124,160			
Health workers allowances	10,000		10,000			
Teacher salary	514,800	494,400	20,400	564,352	507,952	56,400
Accommodation Allowance	-	-	-	39,100	39,100	-
Professional allowance	-	-	-	101,170	38,770	62,400
Transportation allowance	-	-	-	32,300	32,300	-
Other allowances	-	-	-	13,900	4,050	9,850
Regular Food Provision	1,713,642	1,080,644	632,998	650,000	500,000	150,000
Daily Meals	638,683	-	638,683	964,683	540,599	424,084
Grand Total	15,438,604	6,563,160	8,875,443	16,571,757	8,513,698	8,058,059

22 Use of Good and Services

The ability to spend is limited to the amount of revenue that was collected. In the case of goods and services, in 2023 a total of \$5,232,921 was spent on different goods and services against a budget of \$11,934, 261. Last year total spending on goods and services was \$2,242,497. There is an increase of \$2,990,423 (133% increase). The variance distributed across the entities is mainly attributed to constraints in funds availability.

	2023			2022		
	USD			USD		
	Budget	Actual	Variance	Budget	Actual	Variance
Internal Travel	946,310	406,383	539,927	538,240	210,612	327,628
External Travel	403,141	97,812	305,329	294,817	32,856	261,961
Local conferences	983,202	667,820	315,382	392,011	339,165	52,846
Overseas Conferences	27,900	-	27,900	27,000	-	27,000
Accommodation	3,000	3,000	-	-	-	-
Water	402,976	342,966	60,010	56,204	23	56,181
Electricity	198,971	109,153	89,818	80,900	4,593	76,307
Refuse collection	3,450	3,450	-	-	-	-
Telephone fees	11,450	-	11,450	5,550	-	5,550
Mobile Phone Expenses	-	-	-	12,600	-	12,600
Internet	142,015	51,805	90,210	101,574	38,248	63,326
Satellite fees	60,000	55,000	-	-	-	-
Diesel and oil	453,300	107,200	352,100	335,000	43,594	291,406
Stationary	378,803	266,220	112,583	138,387	53,509	84,878
Books	-	-	-	9,406	-	9,406
Meeting Supplies	-	-	-	2,431,293	4,559	2,426,734
Publications	11,406	500	10,906	1,500	-	1,500
Refreshment	694,506	189,962	-	-	-	-
Cleaning Supplies	70,119	4,243	65,876	53,900	993	52,907
Cleaning Services	-	-	-	101,200	-	-
Medical Supply	616,350	600,000	16,350	1,850,000	550,000	1,300,000
Maintenance and repair of equipment and heavy machinery	547,388	423,830	123,558	107,500	-	107,500
Maintenance and repairs of furniture and fittings	10,360	-	10,360	8,926	2,666	6,260
Maintenance and repairs of vehicles, boats and vessels	453,200	4,800	448,400	443,600	3,598	440,002
Maintenance and repairs of building	80,000	-	80,000	80,000	80,000	-
Maintenance contracts	8,324	8,198	126	8,034	7,532	502
Vehicle Hire/car rental	-	-	-	10,000	-	10,000
Office Rent	182,316	214,490	(32,174)	182,316	51,250	131,066
Vehicle Rental	139,740	98,023	-	-	-	-
Venue Rent	10,050	7,750	-	-	-	-
Other Rent	300,000	7,900	292,100	300,000	-	300,000
Training/Tuition fee	131,034	34,416	-	-	-	-
Consulting and professional fees	1,062,894	766,645	296,249	526,750	393,325	133,425
Audit Fees	20,000	-	20,000	20,000	-	20,000
Staff training and Development	-	-	-	581,470	68,502	512,968
Fee for Service Provided (non Consultancy Service)	1,419,530	319,207	1,100,324	199,916	52,333	147,583
Bank charges	18,020	134	17,886	24,770	140	24,630
Television and Newspaper Advertisements	26,550	7,020	19,530	27,200	5,000	22,200
Conflict Resolution Expenses	840,416	434,996	405,420	600,000	300,000	300,000
Contingency	388,809	-	388,809	388,809	-	388,809
Holding account	736,567	-	-	-	-	-
TOTAL	11,788,097	5,232,921	5,168,428	9,938,873	2,242,498	7,595,174

23 Grants to Other General Government Units

Grants to other General Government Units relates to transfers made to lower levels of Government of HSS. In the fiscal year 2023 a sum of \$1,829,979 were transferred to the Municipalities compared to \$1,198,451 in 2022. However, in 2022 an amount of \$ 4,800,400 was budgeted for the Lower-level Governments of HSS and \$1,198,451 was actually transferred to the Middle Shabelle and Hiran Regions to facilitate their operations as well as provide key services to the Region. The lower-level municipalities of the Middle Shabelle and Hiran Regions operating under an informal agreement between the MoF and HSS Municipalities (see Note 10), operate their own standard procedures in managing funds as stipulated in the informal agreement with the MoF.

24 Non-Financial Assets

During the year, 19% of the non-financial assets budget was spent. Costs were mainly associated with the rehabilitation of Government institutions and equipment which was funded by the Federal

	2023			2022		
	USD			USD		
	Budgeted	Actual	Variance	Budgeted	Actual	Variance
Information, computer, & telecom. (ICT) equipment	154,140	2,800	151,340	74,790	35,395	39,395
Machinery and Equipment not elsewhere classified	57,550	-	57,550	59,550	-	59,550
Buildings other than dwellings	1,099,626	100,204	999,422.44	80,396	80,396	0.01
Cars	470,000	345,045	124,955	50,000	-	50,000
Furniture & Fixture	124,700	-	124,700	81,502	13,000	68,502
Wells and water holes	398,000	-	398,000			
Total	2,304,016	448,049	1,457,967	346,237	128,791	217,447

Government.

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 2023, HSS had accessed a total of \$ \$2,591,165 (\$1,459,909 in 2022) 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 2023 and 2022 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	
	1											
	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 2023
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, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations		110,000	110,000		(110,000)
Grants					
From other general government units		15,420	15,420		(15,420)
Grants		15,420	15,420		(15,420)
Receipts / Inflows	3	125,420	125,420		(125,420)
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		80,000	80,000		(80,000)
Compensation of Employees	5	80,000	80,000		(80,000)
Use of Goods and Services					
Travel & Conferences		2,400	2,400		(2,400)
Operating Expenses		22,100	22,100		(22,100)
Use of Goods and Services	6	24,500	24,500		(24,500)
Nonfinancial assets					
Fixed Assets		5,500	5,500		(5,500)
Nonfinancial assets	8	5,500	5,500		(5,500)
Payments / Outflows		110,000	110,000		(110,000)
Increase Decrease in Cash		15,420	15,420		(15,420)

Ministry of Livestock, Forestry and Vegetation

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Note	2023			Difference Between Final Budget and Actual	2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA		Controlled by TSA
		USD	USD	USD		USD
Grants						
Consolidated Fund Appropriations		335,000	544,664	64,850	(479,814)	
Taxes						
Taxes on goods and services						130,000
Taxes						
From other general government units		240,420	450,084		(450,084)	
Grants	2	240,420	450,084		(450,084)	
Other Revenue						
Sale of goods and services		1,370,651	1,370,651		(1,370,651)	
Other Revenue	3	1,370,651	1,370,651		(1,370,651)	
Receipts / Inflows		1,946,071	2,365,400	64,850	(2,300,550)	130000
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	116,950	6,050	(110,900)	
Compensation of Employees	5	80,000	116,950	6,050	(110,900)	
Use of Goods and Services						
Travel & Conferences		2,400	2,400		(2,400)	
Operating Expenses		22,100	49,450	7,200	(42,250)	
Other Operating Expenses			14,364	2,400	(11,964)	
RCRF Non-Salary Recurrent Cost		225,000	150,000		(150,000)	
Use of Goods and Services	6	249,500	216,214	9,600	(206,614)	
Nonfinancial assets						
Fixed Assets		5,500	211,500	49,200	(162,300)	
Nonfinancial assets	8	5,500	211,500	49,200	(162,300)	
Payments / Outflows		335,000	544,664	64,850	(479,814)	

Ministry of Ports and Maritime Transport

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlle d by TSA Difference Between Final Budget and Actual	
		USD	USD	USD	
Receipts / Inflows					
Consolidated Fund Appropriations		110,000	110,000	(110,000)	
Grants					
From other general government units		15,420	15,420	(15,420)	
Grants	3	15,420	15,420	(15,420)	
Receipts / Inflows		125,420	125,420	(125,420)	
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		80,000	80,000	(80,000)	
Compensation of Employees	5	80,000	80,000	(80,000)	
Use of Goods and Services					
Travel & Conferences		2,400	2,400	(2,400)	
Operating Expenses		22,100	22,100	(22,100)	
Use of Goods and Services	6	24,500	24,500	(24,500)	
Nonfinancial assets					
Fixed Assets		5,500	5,500	(5,500)	
Nonfinancial assets	8	5,500	5,500	(5,500)	
Payments / Outflows		110,000	110,000	(110,000)	
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, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			Difference Between Final Budget and Actual	2022 Controlled by TSA
		Original Estimate Appropriation	Final Estimate Appropriation	Controlle d by TSA		
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		110,000	110,000		(110,000)	
Grants						
From other general government units		15,420	15,420		(15,420)	
Grants	3	15,420	15,420		(15,420)	
Receipts / Inflows		125,420	125,420		(125,420)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	80,000		(80,000)	
Compensation of Employees	5	80,000	80,000		(80,000)	
Use of Goods and Services						
Travel & Conferences		2,400	2,400		(2,400)	
Operating Expenses		22,100	22,100		(22,100)	
Use of Goods and Services	6	24,500	24,500		(24,500)	
Nonfinancial assets						
Fixed Assets		5,500	5,500		(5,500)	
Nonfinancial assets	8	5,500	5,500		(5,500)	
Payments / Outflows		110,000	110,000		(110,000)	
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, 2023
Government Uses a Treasury Single Account System to Manage Funds

	Notes	2,023			2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlle d by TSA Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations		110,000	110,000	(110,000)	
Grants					
From other general government units		15,420	15,420	(15,420)	
Grants	3	15,420	15,420	(15,420)	
Receipts / Inflows		125,420	125,420	(125,420)	
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		80,000	80,000	(80,000)	
Compensation of Employees	5	80,000	80,000	(80,000)	
Use of Goods and Services					
Travel & Conferences		2,400	2,400	(2,400)	
Operating Expenses		22,100	22,100	(22,100)	
Use of Goods and Services	6	24,500	24,500	(24,500)	
Nonfinancial assets					
Fixed Assets		5,500	5,500	(5,500)	
Nonfinancial assets	8	5,500	5,500	(5,500)	
Payments / Outflows		110,000	110,000	(110,000)	
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, 2023
Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		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						
Consolidated Fund Appropriations		1,379,536	2,605,587	1,293,552	(1,312,034)	946,188
Grants						
From foreign governments		28,292	28,292		(28,292)	
From international organizations		26,076	61,027	82,809	21,782	13,360
From other general government units		1,228,588	2,201,508	495,722	(1,705,786)	214,187
Grants	3	1,282,956	2,290,828	578,531	(1,712,296)	227,547
Other Revenue						
Sale of goods and services		2,000	2,000	47,018	45,018	31,186
Other Revenue	4	2,000	2,000	47,018	45,018	31,186
Receipts / Inflows		2,664,492	4,898,415	1,919,102	(2,979,313)	1,204,921
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		922,728	1,009,928	856,972	(152,956)	821,152
Compensation of Employees	5	922,728	1,009,928	856,972	(152,956)	821,152
Use of Goods and Services						
Travel & Conferences		56,521	200,862	160,403	(40,458)	38,784
Operating Expenses		41,571	146,832	131,532	(15,300)	31,281
Rent						4,900
Other Operating Expenses		33,216	436,815	144,645	(292,170)	43,971
RCRF Non-Salary Recurrent Cost		320,000	320,000		(320,000)	
Use of Goods and Services	6	451,308	1,104,509	436,580	(667,929)	118,936
Other Expenses						
Miscellaneous other expense			30,000		(30,000)	
Other Expenses			30,000		(30,000)	
Nonfinancial assets						
Fixed Assets		5,500	461,150		(461,150)	6,100
Nonfinancial assets	7	5,500	461,150		(461,150)	6,100
Payments / Outflows		1,379,536	2,605,587	1,293,552	(1,312,034)	946,188

Ministry of Environmental and Sea Protection

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022 Controlled by TSA
		Original Estimate Appropriation	Final Estimate Appropriation	Controlle d by TSA	
		USD	USD	USD	
Receipts / Inflows					
Consolidated Fund Appropriations		410,000	500,821	66,557	(434,264)
Grants					
From other general government units		315,420	406,242		(406,242)
Grants	3	315,420	406,242		(406,242)
Receipts / Inflows		725,420	907,062	66,557	(840,506)
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		80,000	86,200	4,000	(82,200)
Compensation of Employees	5	80,000	86,200	4,000	(82,200)
Use of Goods and Services					
Travel & Conferences		2,400	17,400		(17,400)
Operating Expenses		22,100	37,100	7,200	(29,900)
Other Operating Expenses			136,621	6,157	(130,464)
RCRF Non-Salary Recurrent Cost		300,000			
Use of Goods and Services	6	324,500	191,121	13,357	(177,764)
Nonfinancial assets					
Fixed Assets		5,500	223,500	49,200	(174,300)
Nonfinancial assets	8	5,500	223,500	49,200	(174,300)
Payments / Outflows		410,000	500,821	66,557	(434,264)
Increase Decrease in Cash		315,420	406,242		(406,242)

Ministry of Agriculture and Irrigation

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		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		463,940.00	575,180.43	190,163.60	(385,017)	
Taxes						
Taxes on goods and services						15,000
Taxes						15000
Grants						
From foreign governments			3,000.00		(3,000)	
From international organizations	2	78,940.00	113,764.00	225,843.00	112,079	
From other general government units		290,420.00	363,836.43		(363,836)	
Grants		369,360.00	480,600.43	225,843.00	(254,757)	
Other Revenue	3					
Sale of goods and services		200,000.00	200,000.00		(200,000)	
Other Revenue		200,000.00	200,000.00		(200,000)	
Receipts / Inflows		1,033,300.00	1,255,780.86	416,006.60	(839,774)	15000
Payments / Outflows						
Compensation of Employees	5					
Wages and Salaries		83,300.00	116,150.00	4,000.00	(112,150)	
Compensation of Employees		83,300.00	116,150.00	4,000.00	(112,150)	
Use of Goods and Services						
Travel & Conferences	6	2,400.00	15,950.00	6,446.60	(9,503)	
Operating Expenses		47,250.00	97,934.00	52,174.00	(45,760)	
Rent		50,490.00	88,100.00	72,843.00	(15,257)	
Other Operating Expenses	8		86,546.43	5,500.00	(81,046)	
RCRF Non-Salary Recurrent Cost		275,000.00				
Use of Goods and Services		375,140.00	288,530.43	136,963.60	(151,567)	
Nonfinancial assets						
Fixed Assets		5,500.00	170,500.00	49,200.00	(121,300)	
Nonfinancial assets		5,500.00	170,500.00	49,200.00	(121,300)	
Payments / Outflows		463,940.00	575,180.43	190,163.60	(385,017)	

Ministry of Health and Social Care

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			Difference Between Final Budget and Actual	2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlle d by TSA		Controlled by TSA
		USD	USD	USD		USD
Receipts / Inflows						
Consolidated Fund Appropriations						
Consolidated Fund Appropriations	3	2,286,536	3,726,232	2,880,330	(845,901)	1,441,023
Grants						
From foreign governments			115,560		(115,560)	
From international organizations		689,058	1,201,283	1,392,399	191,116	
From other general government units		1,502,898	1,614,809	729,487	(885,321)	1,007,667
Grants	5	2,191,956	2,931,652	2,121,887	(809,765)	1,007,667
Receipts / Inflows		4,478,492	6,657,883	5,002,217	(1,655,666)	2,448,690
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		639,162	1,036,789	804,549	(232,240)	339,008
Compensation of Employees	6	639,162	1,036,789	804,549	(232,240)	339,008
Use of Goods and Services						
Travel & Conferences		282,132	911,291	523,841	(387,450)	310,402
Operating Expenses		553,272	1,206,635	1,092,067	(114,568)	662,462
Rent		17,400	40,240	9,050	(31,190)	
Other Operating Expenses		290,120	498,760	450,824	(47,936)	111,011
RCRF Non-Salary Recurrent Cost		480,000	16,567		(16,567)	
Use of Goods and Services	7	1,622,924	2,673,493	2,075,781	(597,711)	1,083,875
Nonfinancial assets						
Fixed Assets		24,450	15,950		(15,950)	18,140
Nonfinancial assets	8	24,450	15,950		(15,950)	18,140
Payments / Outflows		2,286,536	3,726,232	2,880,330	(845,901)	1,441,023

Ministry of Fishery & Marine Resources
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2023
Government Uses a Treasury Single Account System to Manage Funds

Account	2023				2022
	Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	USD	USD	USD	USD	USD
Grants					
Consolidated Fund Appropriations	110,000.00	110,000.00		(110,000)	
Taxes					
Taxes on goods and services					27,000
Taxes					27,000
From other general government units	15,420.00	15,420.00		(15,420)	166,576
Grants	15,420.00	15,420.00		(15,420)	166,576
Other Revenue					
Sale of goods and services	329,270.00	329,270.00		(329,270)	
Other Revenue	329,270.00	329,270.00		(329,270)	
Receipts / Inflows	454,690.00	454,690.00		(454,690)	193,576
Payments / Outflows					
Compensation of Employees					
Wages and Salaries	80,000.00	80,000.00		(80,000)	
Compensation of Employees	80,000.00	80,000.00		(80,000)	
Use of Goods and Services					
Travel & Conferences	2,400.00	2,400.00		(2,400)	
Operating Expenses	22,100.00	22,100.00		(22,100)	
Use of Goods and Services	24,500.00	24,500.00		(24,500)	
Nonfinancial assets					
Fixed Assets	5,500.00	5,500.00		(5,500)	
Nonfinancial assets	5,500.00	5,500.00		(5,500)	
Payments / Outflows	110,000.00	110,000.00		(110,000)	

Ministry of Public Works and Reconstruction

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

2023					2022	
Account		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						
Consolidated Fund Appropriations	3	221,990	258,610	51,970	(206,640)	76,066
Grants						
From foreign governments		51,990	51,990		(51,990)	
From international organizations			36,620	51,970	15,350	49,980
From other general government units		15,420	15,420		(15,420)	
Grants	5	67,410	104,030	51,970	(52,060)	49,980
Receipts / Inflows		289,400	362,640	103,940	(258,700)	126,046
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	80,000		(80,000)	3,560
Compensation of Employees	6	80,000	80,000		(80,000)	3,560
Use of Goods and Services						
Travel & Conferences		15,450	27,060	14,950	(12,110)	43,232
Operating Expenses		92,950	101,200	15,180	(86,020)	5,800
Rent		4,200	4,200	1,000	(3,200)	
Other Operating Expenses		23,890	40,650	20,840	(19,810)	23,474
Use of Goods and Services	8	136,490	173,110	51,970	(121,140)	72,506
Nonfinancial assets						
Fixed Assets		5,500	5,500		(5,500)	
Nonfinancial assets		5,500	5,500		(5,500)	
Payments / Outflows		221,990	258,610	51,970	(206,640)	76,066

Ministry of Information and Culture

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlle d by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		232,400	232,400	103,425	(128,975)	
Grants						
From other general government units		15,420	15,420		(15,420)	
Grants	3	15,420	15,420		(15,420)	
Receipts / Inflows		247,820	247,820	103,425	(144,395)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		142,400	142,400	48,425	(93,975)	
Compensation of Employees	5	142,400	142,400	48,425	(93,975)	
Use of Goods and Services						
Travel & Conferences		2,400	2,400		(2,400)	
Operating Expenses		82,100	82,100	55,000	(27,100)	
Use of Goods and Services	6	84,500	84,500	55,000	(29,500)	
Nonfinancial assets						
Fixed Assets		5,500	5,500		(5,500)	
Nonfinancial assets	8	5,500	5,500		(5,500)	
Payments / Outflows		232,400	232,400	103,425	(128,975)	
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, 2023
Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2021
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		5,166,212.00	5,426,821.60	2,304,393.80	(3,122,428)	1,621,182
Consolidated Fund Appropriations						
Taxes						
Taxes on payroll and workforce						200
Taxes on goods and services						57,400
Taxes on international trade and transactions						57,600
Other taxes		1,000,000.00	1,000,000.00	322,879.66	(677,120)	
Taxes		1,000,000.00	1,000,000.00	322,879.66	(677,120)	
Grants						
From foreign governments		3,900.00	7,300.00		(7,300)	
From international organizations			6,700.00	111,197.86	104,498	64,296
From other general government units	2	1,051,912.00	1,302,421.60	180,263.16	(1,122,158)	350,608
Grants		1,055,812.00	1,316,421.60	291,461.02	(1,024,961)	414,905
Other Revenue						
Sale of goods and services		449,769.00	449,769.00	67,200.00	(382,569)	
Other Revenue	3	449,769.00	449,769.00	67,200.00	(382,569)	
Receipts / Inflows		7,671,793.00	8,193,012.20	2,985,934.48	(5,207,078)	2,093,686
Payments / Outflows						
Compensation of Employees	4					
Wages and Salaries		93,600.00	98,200.00	5,000.00	(93,200)	15,900
Compensation of Employees		93,600.00	98,200.00	5,000.00	(93,200)	15,900
Use of Goods and Services						
Travel & Conferences		44,832.00	48,232.00	10,494.20	(37,738)	33,744
Operating Expenses	5	60,000.00	62,100.00	15,820.00	(46,280)	7,368
Rent		12,000.00	12,000.00		(12,000)	
Other Operating Expenses		892,960.00	889,960.00	293,052.00	(596,908)	265,513
Use of Goods and Services		1,009,792.00	1,012,292.00	319,366.20	(692,926)	306,625
Grants						
Grants To Other General Government Units		4,000,420.00	4,000,420.00	1,829,979.00	(2,170,441)	1,198,451
Grants	6	4,000,420.00	4,000,420.00	1,829,979.00	(2,170,441)	1,198,451
Other Expenses						
Premiums, fees, claims related to non-life insurance		3,500.00	3,500.00		(3,500)	
Other Expenses	7	3,500.00	3,500.00		(3,500)	
Nonfinancial assets						
Fixed Assets		58,900.00	312,409.60	150,048.60	(162,361)	100,206
Nonfinancial assets	8	58,900.00	312,409.60	150,048.60	(162,361)	100,206
Payments / Outflows		5,166,212.00	5,426,821.60	2,304,393.80	(3,122,428)	1,621,182

Ministry of Planning, Investment and International Cooperation
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2022
Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		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		660,000.00	503,520.00	211,334.60	(292,185)	
Grants						
From other general government units		565,420.00	408,940.00	646,190.80	237,251	
Grants	3	565,420.00	408,940.00	646,190.80	237,251	
Receipts / Inflows		1,225,420.00	912,460.00	857,525.40	(54,935)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000.00	92,100.00	8,000.00	(84,100)	
Compensation of Employees	5	80,000.00	92,100.00	8,000.00	(84,100)	
Use of Goods and Services						
Travel & Conferences		37,400.00	22,400.00	17,888.60	(4,511)	
Operating Expenses		22,100.00	32,900.00	7,200.00	(25,700)	
Other Operating Expenses	6	150,000.00	222,150.00	79,846.00	(142,304)	
RCRF Non-Salary Recurrent Cost		365,000.00				
Use of Goods and Services		574,500.00	277,450.00	104,934.60	(172,515)	
Nonfinancial assets	8					
Fixed Assets		5,500.00	133,970.00	98,400.00	(35,570)	
Nonfinancial assets		5,500.00	133,970.00	98,400.00	(35,570)	
Payments / Outflows		660,000.00	503,520.00	211,334.60	(292,185)	
Increase Decrease in Cash		565,420.00	408,940.00	646,190.80	237,251	

Ministry of Transport, Air and Land

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual
		USD	USD	USD	USD
Receipts / Inflows					
Consolidated Fund Appropriations		110,000	110,000		(110,000)
Taxes					
Taxes on goods and services		145,509	145,509	770	(144,739)
Taxes		145,509	145,509	770	(144,739)
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		407,941	407,941		(407,941)
Fines, penalties and forfeits		5,000	5,000		(5,000)
Other Revenue		412,941	412,941		(412,941)
Receipts / Inflows		683,870	683,870	770	(683,100)
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		80,000	80,000		(80,000)
Compensation of Employees		80,000	80,000		(80,000)
Use of Goods and Services					
Travel & Conferences		2,400	2,400		(2,400)
Operating Expenses		22,100	22,100		(22,100)
Use of Goods and Services		24,500	24,500		(24,500)
Nonfinancial assets					
Fixed Assets		5,500	5,500		(5,500)
Nonfinancial assets		5,500	5,500		(5,500)
Payments / Outflows		110,000	110,000		(110,000)

Ministry of Security and Rehabilitation

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Grants						
Consolidated Fund Appropriations						
Consolidated Fund Appropriations		4,900,901	6,684,901	2,900,229	(3,784,672)	4,731,132
From other general government units		15,420	102,599		(102,599)	3,579,000
Grants	3	15,420	102,599		(102,599)	3,579,000
Receipts / Inflows		4,916,321	6,787,500	2,900,229	(3,887,271)	8,310,132
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		4,320,001	6,104,001	2,900,229	(3,203,772)	4,731,132
Compensation of Employees	5	4,320,001	6,104,001	2,900,229	(3,203,772)	4,731,132
Use of Goods and Services						
Travel & Conferences		3,000	3,000		(3,000)	
Operating Expenses		567,900	567,900		(567,900)	
Rent		6,000	6,000		(6,000)	
Use of Goods and Services	6	576,900	576,900		(576,900)	
Nonfinancial assets						
Fixed Assets		4,000	4,000		(4,000)	
Nonfinancial assets	8	4,000	4,000		(4,000)	
Payments / Outflows		4,900,901	6,684,901	2,900,229	(3,784,672)	4,731,132

Ministry of Labor and Employment

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		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		110,000	110,000		(110,000)	
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		9,856	9,856	12,245	2,389	
Other Revenue		9,856	9,856	12,245	2,389	
Receipts / Inflows	5	135,276	135,276	12,245	(123,031)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	80,000		(80,000)	
Compensation of Employees	6	80,000	80,000		(80,000)	
Use of Goods and Services						
Travel & Conferences		2,400	2,400		(2,400)	
Operating Expenses		22,100	22,100		(22,100)	
Use of Goods and Services	8	24,500	24,500		(24,500)	
Nonfinancial assets						
Fixed Assets		5,500	5,500		(5,500)	
Nonfinancial assets		5,500	5,500		(5,500)	
Payments / Outflows		110,000	110,000		(110,000)	
Increase Decrease in Cash		25,276	25,276	12,245	(13,031)	

Ministry of Finance and Economic Development
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2023
Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		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						
Consolidated Fund Appropriations		2,134,365.35	2,250,186.15	710,525.70	(1,539,660)	421,799
Taxes						
Taxes on income, profits, and capital gains						
Taxes on payroll and workforce		1,520,000.00	1,520,000.00	464,549.50	(1,055,451)	291,807
Taxes on property		441,379.00	441,379.00		(441,379)	24,364
Taxes on goods and services		9,047,897.00	9,047,897.00	2,705,412.71	(6,342,484)	1,634,275
Taxes on international trade and transactions		1,296,461.00	1,296,461.00	399,175.00	(897,286)	190,000
Other taxes				995.00	995	93,621
Taxes	2	12,305,737.00	12,305,737.00	3,570,132.21	(8,735,605)	2,234,068
Grants						
From other general government units		2,695,108.70	7,214,925.62	6,827,646.18	(387,279)	2,696,084
Grants	3	2,695,108.70	7,214,925.62	6,827,646.18	(387,279)	2,696,084
Other Revenue						
Sale of goods and services				6,800.50	6,801	775,000
Other Revenue				6,800.50	6,801	775,000
Receipts / Inflows	4	17,135,211.05	21,770,848.77	11,115,104.59	(10,655,744)	6,126,951
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		965,497.20	969,497.20	299,703.00	(669,794)	263,245
Compensation of Employees	5	965,497.20	969,497.20	299,703.00	(669,794)	263,245
Use of Goods and Services						
Travel & Conferences		96,379.00	196,379.00	132,062.00	(64,317)	36,471
Operating Expenses		226,410.50	378,231.30	212,126.90	(166,104)	42,407
Other Operating Expenses		112,020.00	122,020.00	63,833.80	(58,186)	75,331
RCRF Non-Salary Recurrent Cost		300,000.00	150,000.00		(150,000)	
Contingency		388,808.65	388,808.65		(388,809)	
Use of Goods and Services	6	1,123,618.15	1,235,438.95	408,022.70	(827,416)	154,209
Nonfinancial assets						
Fixed Assets		45,250.00	45,250.00	2,800.00	(42,450)	4,345
Nonfinancial assets	8	45,250.00	45,250.00	2,800.00	(42,450)	4,345
Payments / Outflows		2,134,365.35	2,250,186.15	710,525.70	(1,539,660)	421,799

Ministry of Constitution & Federal Affairs

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022	
		Original Estimate	Final Estimate	Controlled	Difference Between	Controlled
		Appropriation	Appropriation	by TSA	Final Budget and	
					Actual	
		USD	USD	USD	USD	USD
Receipts / Inflows						
Consolidated Fund Appropriations		110,000	110,000		(110,000)	
Grants						
From other general government units		15,420	15,420		(15,420)	
Grants	3	15,420	15,420		(15,420)	
Receipts / Inflows		125,420	125,420		(125,420)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	80,000		(80,000)	
Compensation of Employees	5	80,000	80,000		(80,000)	
Use of Goods and Services						
Travel & Conferences		2,400	2,400		(2,400)	
Operating Expenses		22,100	22,100		(22,100)	
Use of Goods and Services	6	24,500	24,500		(24,500)	
Nonfinancial assets						
Fixed Assets		5,500	5,500		(5,500)	
Nonfinancial assets	8	5,500	5,500		(5,500)	
Payments / Outflows		110,000	110,000		(110,000)	
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, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	2023				2022
	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	110,000	110,000		(110,000)	
Grants					
From other general government units	15,420	15,420		(15,420)	
Grants	3 15,420	15,420		(15,420)	
Receipts / Inflows	125,420	125,420		(125,420)	
Payments / Outflows					
Compensation of Employees					
Wages and Salaries	80,000	80,000		(80,000)	
Compensation of Employees	5 80,000	80,000		(80,000)	
Use of Goods and Services					
Travel & Conferences	2,400	2,400		(2,400)	
Operating Expenses	22,100	22,100		(22,100)	
Use of Goods and Services	6 24,500	24,500		(24,500)	
Nonfinancial assets					
Fixed Assets	5,500	5,500		(5,500)	
Nonfinancial assets	8 5,500	5,500		(5,500)	
Payments / Outflows	110,000	110,000		(110,000)	
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, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		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		110,000	163,104	53,104	(110,000)	
Grants						
From foreign governments						
From international organizations			53,104	53,189	85	
From other general government units		15,420	15,420		(15,420)	
Grants	3	15,420	68,524	53,189	(15,335)	
Receipts / Inflows		125,420	231,628	106,293	(125,335)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	80,000		(80,000)	
Compensation of Employees	5	80,000	80,000		(80,000)	
Use of Goods and Services						
Travel & Conferences		2,400	2,400		(2,400)	
Operating Expenses		22,100	65,950	43,850	(22,100)	
Rent			4,050	4,050		
Other Operating Expenses			5,204	5,204		
Use of Goods and Services	6	24,500	77,604	53,104	(24,500)	
Nonfinancial assets						
Fixed Assets		5,500	5,500		(5,500)	
Nonfinancial assets	8	5,500	5,500		(5,500)	
Payments / Outflows		110,000	163,104	53,104	(110,000)	
Increase Decrease in Cash		15,420	68,524	53,189	(15,335)	

Ministry of Water, Energy and Minerals

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		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	1,082,936	1,429,438	452,990	(976,448)	
Grants						
From foreign governments			20,860		(20,860)	
From international organizations		107,516	302,516	322,976	20,460	
From other general government units		730,840	1,011,481	100,000	(911,481)	
Grants	5	838,356	1,334,857	422,976	(911,881)	
Receipts / Inflows		1,921,292	2,764,296	875,966	(1,888,330)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		95,420	102,020	2,525	(99,495)	
Compensation of Employees	6	95,420	102,020	2,525	(99,495)	
Use of Goods and Services						
Travel & Conferences		2,400	69,998	15,750	(54,248)	
Operating Expenses		129,616	364,276	333,716	(30,560)	
Other Operating Expenses			196,358	51,799	(144,559)	
RCRF Non-Salary Recurrent Cost		850,000	100,000		(100,000)	
Use of Goods and Services	8	982,016	730,632	401,265	(329,367)	
Nonfinancial assets						
Fixed Assets		5,500	596,786	49,200	(547,586)	
Nonfinancial assets		5,500	596,786	49,200	(547,586)	
Payments / Outflows		1,082,936	1,429,438	452,990	(976,448)	
Increase Decrease in Cash		838,356	1,334,857	422,976	(911,881)	

Ministry of Humanitarian and Disaster Management
Combined Statement of Cash receipts and Payment & comparison to Budget
For the year Ended 31 December, 2023
Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		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		110,000	213,800	88,760	(125,040)	
Grants						
From foreign governments			21,150		(21,150)	
From international organizations			82,650	129,447	46,797	
From other general government units		15,420	15,420		(15,420)	
Grants	3	15,420	119,220	129,447	10,227	
Receipts / Inflows		125,420	333,020	218,207	(114,813)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	109,500	26,500	(83,000)	
Compensation of Employees	5	80,000	109,500	26,500	(83,000)	
Use of Goods and Services						
Travel & Conferences		2,400	21,260	13,440	(7,820)	
Operating Expenses		22,100	46,360	24,260	(22,100)	
Rent			27,600	21,240	(6,360)	
Other Operating Expenses			3,580	3,320	(260)	
Use of Goods and Services	6	24,500	98,800	62,260	(36,540)	
Nonfinancial assets						
Fixed Assets		5,500	5,500		(5,500)	
Nonfinancial assets	8	5,500	5,500		(5,500)	
Payments / Outflows		110,000	213,800	88,760	(125,040)	
Increase Decrease in Cash		15,420	119,220	129,447	10,227	

Civil Service Commission**Combined Statement of Cash receipts and Payment & comparison to Budget****For the year Ended 31 December, 2023****Government Uses a Treasury Single Account System to Manage Funds**

Account	Notes	2023				2022
		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	139,964	139,964	78,564	(61,400)	83,214
Grants						
From other general government units		78,564	78,564		(78,564)	
Grants		78,564	78,564		(78,564)	
Other Revenue						
Sale of goods and services		50,000	50,000		(50,000)	
Other Revenue	5	50,000	50,000		(50,000)	
Receipts / Inflows		268,528	268,528	78,564	(189,964)	83,214
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		111,864	111,864	59,964	(51,900)	59,964
Compensation of Employees	6	111,864	111,864	59,964	(51,900)	59,964
Use of Goods and Services						
Operating Expenses		4,500	4,500		(4,500)	
Rent		18,600	18,600	18,600		23,250
Other Operating Expenses		5,000	5,000		(5,000)	
Use of Goods and Services	8	28,100	28,100	18,600	(9,500)	
Payments / Outflows		139,964	139,964	78,564	(61,400)	83,214

Hirshabelle Parliament

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023				2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		USD	USD	USD	USD	USD
Grants						
Consolidated Fund Appropriations						
Consolidated Fund Appropriations		3,209,790	3,725,790	1,432,000	(2,293,790)	1,281,000
From other general government units			112,000		(112,000)	468,000
Grants	3		112,000		(112,000)	468,000
Receipts / Inflows		3,209,790	3,837,790	1,432,000	(2,405,790)	1,749,000
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		2,632,340	2,973,340	1,257,000	(1,716,340)	1,281,000
Compensation of Employees	5	2,632,340	2,973,340	1,257,000	(1,716,340)	1,281,000
Use of Goods and Services						
Travel & Conferences		261,000	261,000		(261,000)	
Operating Expenses		202,450	202,450		(202,450)	
Rent		84,000	259,000	175,000	(84,000)	
Use of Goods and Services	6	547,450	722,450	175,000	(547,450)	
Nonfinancial assets						
Fixed Assets		30,000	30,000		(30,000)	
Nonfinancial assets	8	30,000	30,000		(30,000)	
Payments / Outflows		3,209,790	3,725,790	1,432,000	(2,293,790)	1,281,000

Ministry of State Presidency

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022	
		Original Estimate	Final Estimate	Controlled	Difference Between Final Budget and Actual	Controlled by TSA
		Appropriation	Appropriation	by TSA		
		USD	USD	USD		
Grants						
Consolidated Fund Appropriations						
Consolidated Fund Appropriations		1,799,549	2,599,549	1,056,662	(1,542,887)	661,805
From other general government units		257,904	257,904		(257,904)	83,000
Grants	3	257,904	257,904		(257,904)	83,000
Receipts / Inflows		2,057,453	2,857,453	1,056,662	(1,800,791)	744,805
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		1,026,328	1,026,328	238,922	(787,406)	551,809
Compensation of Employees	5	1,026,328	1,026,328	238,922	(787,406)	551,809
Use of Goods and Services						
Travel & Conferences		256,921	426,921	179,740	(247,181)	70,000
Operating Expenses		216,300	336,100	120,000	(216,100)	39,996
Rent		300,000	300,000	7,900	(292,100)	
Use of Goods and Services	6	773,221	1,063,021	307,640	(755,381)	109,996
Other Expenses						
Miscellaneous other expense			510,200	510,100	(100)	
Other Expenses			510,200	510,100	(100)	
Payments / Outflows		1,799,549	2,599,549	1,056,662	(1,542,887)	661,805

Auditor General's Office

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022	
		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	110,016	110,016	59,801	(50,215)	70,028
Grants						
From other general government units		67,416	67,416		(67,416)	
Grants		67,416	67,416		(67,416)	
Receipts / Inflows	5	177,432	177,432	59,801	(117,631)	70,028
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		63,336	63,336	41,321	(22,015)	46,928
Compensation of Employees	6	63,336	63,336	41,321	(22,015)	46,928
Use of Goods and Services						
Travel & Conferences		1,000	1,000		(1,000)	
Operating Expenses		7,200	7,200		(7,200)	
Rent		18,480	18,480	18,480		23,100
Other Operating Expenses		20,000	20,000		(20,000)	
Use of Goods and Services	8	46,680	46,680	18,480	(28,200)	23,100
Payments / Outflows		110,016	110,016	59,801	(50,215)	70,028

Ministry of Rehabilitation and Disarmament

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	2023				2022
	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	110,000	110,000		(110,000)	
Receipts / Inflows					
Payments / Outflows					
Compensation of Employees					
Wages and Salaries	80,000	80,000		(80,000)	
Compensation of Employees	5 80,000	80,000		(80,000)	
Use of Goods and Services					
Travel & Conferences	2,400	2,400		(2,400)	
Operating Expenses	22,100	22,100		(22,100)	
Use of Goods and Services	6 24,500	24,500		(24,500)	
Nonfinancial assets					
Fixed Assets	5,500	5,500		(5,500)	
Nonfinancial assets	8 5,500	5,500		(5,500)	
Payments / Outflows	110,000	110,000		(110,000)	
Increase Decrease in Cash	-110,000	-110,000		110,000	

Ministry of Religious and Endowments

Combined Statement of Cash receipts and Payment & comparison to Budget

For the year Ended 31 December, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022
		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		110,000	110,000	(110,000)	
Grants					
From other general government units		15,420	15,420	(15,420)	
Grants	3	15,420	15,420	(15,420)	
Receipts / Inflows		125,420	125,420	(125,420)	
Payments / Outflows					
Compensation of Employees					
Wages and Salaries		80,000	80,000	(80,000)	
Compensation of Employees	5	80,000	80,000	(80,000)	
Use of Goods and Services					
Travel & Conferences		2,400	2,400	(2,400)	
Operating Expenses		22,100	22,100	(22,100)	
Use of Goods and Services	6	24,500	24,500	(24,500)	
Nonfinancial assets					
Fixed Assets		5,500	5,500	(5,500)	
Nonfinancial assets	8	5,500	5,500	(5,500)	
Payments / Outflows		110,000	110,000	(110,000)	
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, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			2022	
		Original Estimate	Final Estimate	Controlled	Controlled	
		Appropriation	Appropriation	by TSA		by TSA
		USD	USD	USD	USD	
Receipts / Inflows						
Consolidated Fund Appropriations		110,000	110,000	(110,000)		
Grants						
From other general government units		15,420	15,420	(15,420)		
Grants	3	15,420	15,420	(15,420)		
Receipts / Inflows		125,420	125,420	(125,420)		
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	80,000	(80,000)		
Compensation of Employees	5	80,000	80,000	(80,000)		
Use of Goods and Services						
Travel & Conferences		2,400	2,400	(2,400)		
Operating Expenses		22,100	22,100	(22,100)		
Use of Goods and Services	6	24,500	24,500	(24,500)		
Nonfinancial assets						
Fixed Assets		5,500	5,500	(5,500)		
Nonfinancial assets	8	5,500	5,500	(5,500)		
Payments / Outflows		110,000	110,000	(110,000)		
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, 2023

Government Uses a Treasury Single Account System to Manage Funds

Account	Notes	2023			Difference Between Final Budget and Actual	2022
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA		Controlled by TSA
		USD	USD	USD	USD	USD
Grants						
Consolidated Fund Appropriations						
Consolidated Fund Appropriations		515,420	1,100,416	584,996	(515,420)	
From other general government units		15,420	15,420		(15,420)	
Grants	3	15,420	15,420		(15,420)	
Receipts / Inflows		530,840	1,115,836	584,996	(530,840)	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		80,000	80,000		(80,000)	
Compensation of Employees	5	80,000	80,000		(80,000)	
Use of Goods and Services						
Travel & Conferences		2,400	102,400	100,000	(2,400)	
Operating Expenses		22,100	72,100	50,000	(22,100)	
Conflict Resolution Expenses		405,420	840,416	434,996	(405,420)	
Use of Goods and Services	6	429,920	1,014,916	584,996	(429,920)	
Nonfinancial assets						
Fixed Assets		5,500	5,500		(5,500)	
Nonfinancial assets	8	5,500	5,500		(5,500)	
Payments / Outflows		515,420	1,100,416	584,996	(515,420)	

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 2023*. 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 came 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, 2023*.

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 2023, a sum of \$3,893,782 taxes was collected by the Ministry of Finance and Economic Development due to the State’s fragility and disputes among the two regions which led each region to collect their own and expense their own caused not to achieve the fiscal year target which was \$13,451,246. There is a positive hope for the 2024 since massive liberation is going in HSS and Hiran region is expected to channel their revenue to the TSA

5 Grants

Grants from international organizations and the Federal Government of Somalia were remitted through the TSA and therefore recorded under the MoFED and other MDAs directed to the grants while the MoFED 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 \$17,944,544 was budgeted during the reporting period of FY2023 however \$11,349,140 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 2023 financial year, the Ministries and Agencies collected a total of \$133,264. 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 \$448,049 was disbursed on non-financial assets which represented 19% 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:

	2023			2022		
	USD			USD		
	Budgeted	Actual	Variance	Budgeted	Actual	Variance
Information, computer, & telecom. (ICT) equipment	154,140	2,800	151,340	74,790	35,395	39,395
Machinery and Equipment not elsewhere classified	57,550	-	57,550	59,550	-	59,550
Buildings other than dwellings	1,099,626	100,204	999,422.44	80,396	80,396	0.01
Cars	470,000	345,045	124,955	50,000	-	50,000
Furniture & Fixture	124,700	-	124,700	81,502	13,000	68,502
Wells and water holes	398,000	-	398,000			
Total	2,304,016	448,049	1,457,967	346,237	128,791	217,447