



**CONSOLIDATED & MINISTERIAL FINANCIAL STATEMENTS  
OF THE SOUTH WEST STATE OF SOMALIA  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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

SOUTH WEST STATE OF SOMALIA (SWSS)  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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## KEY ENTITY INFORMATION AND KEY ACCOUNTING OFFICERS

### (a) Background information

South West State of Somalia (SWSS) was formed on 3<sup>rd</sup> December 2014 in an inauguration ceremony where the newly elected president Shariff Hassan Sheikh Adan took oath of office in the presence of Federal Government president Hassan Sheikh Mohamud. The process was overseen by the Federal Government under its mandate to establish a federal state before 2016 as stipulated in the constitution.

### (b) Key Accounting Officers

The SWSS's day-to-day management is under the following key organs:

1. The Minister, Ministry of Finance
2. The Permanent Secretary, Ministry of Finance
3. The Treasury Director, Ministry of Finance
4. Line Ministries Accounting Officers

### (c) Fiduciary Management

The key accounting officers who held office during the year ended 31 December 2016 and who had direct fiduciary responsibility were:

No	Designation	Name
1	Minister for Finance	Hassan Ibrahim Hassan
2	Permanent Secretary, MoF	Ali Abdi
3	Treasury Director	Mohamed Yasin Abdullahi

### (d) Fiduciary Oversight Arrangements

The key fiduciary oversight arrangement in place include;

- *Office of Auditor General*
- *Parliamentary committee activities*
- *Development partner oversight activities*
- *Other oversight activities*

### (e) Entity Headquarters

Somali City of Baidoa

South West Somalia

## **KEY STATE INFORMATION AND KEY ACCOUNTING OFFICERS (continued)**

### **(f) Entity Contacts**

Somali City of Baidoa,  
South West State of Somalia

### **(g) Entity Bankers**

Dahabshiil Bank  
Somali City of Baidoa  
Somalia  
Dahabshiil International Bank  
Somali City of Baidoa  
Somalia

### **(h) Independent Auditors**

Advisory PLUS  
Certified Public Accountants of Kenya  
Providing services to  
Office of Auditor General  
South West State of Somalia  
Somali City of Baidoa

### **(i) Principal Legal Adviser**

The Attorney General  
South West State of Somalia  
Somali City of Baidoa

## **FORWARD BY THE MINISTRY OF FINANCE**

### **Statement of Certification - 2016 Financial Statements**

The 2016 financial statements together with the accompanying notes have been prepared in accordance with the International Public Sector Accounting Standards, cash basis of accounting.

In the opinion of the Ministry of Finance, the financial statements of South West State of Somalia as submitted to audit in accordance with *Section 30 of the Public Finance Management Decree 2015* are materially accurate and present fairly the Government's financial position for the year ended 31 December 2016.

**For and on behalf of the South West State of Somalia**

**Ministry of Finance**

**H.E Hassan Ibrahim Hassan**

**Signature:** \_\_\_\_\_ /      **/2018**

## STATEMENT OF MINISTRY RESPONSIBILITIES

The Ministry of Finance is responsible for the preparation and presentation of the South West State of Somalia's financial statements, which give a true and fair view of the state of affairs of the South West State of Somalia for the year ended on 31 December 2016. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the South West State of Somalia (SWSS); (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the South West State of Somalia (SWSS); (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Ministry of Finance accepts responsibility for the South West State of Somalia financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Ministry of Finance is of the opinion that the South West State of Somalia financial statements give a true and fair view of the state of the South West State Administration's transactions for the year ended 31 December 2016, and of its financial position as at that date. The Ministry of Finance further confirms the completeness of the accounting records maintained for the South West State of Somalia (SWSS) which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The Ministry of Finance confirms that South West State of Somalia (SWSS) has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the South West State of Somalia funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Ministry of Finance confirms that the South West State of Somalia financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the International Public Sector Accounting Standards Board.

### Approval of the financial statements

The South West State of Somalia financial statements were approved and signed by the Ministry of Finance of the South West State of Somalia on \_\_\_\_/\_\_\_\_/2018.

**Ministry of Finance**

**H.E Hassan Ibrahim Hassan**

**Signature:** \_\_\_\_\_ /        /2018



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**INDEPENDENT AUDITORS' REPORT TO THE MINISTRY OF FINANCE  
SOUTH WEST STATE OF SOMALIA (SWSS)**

**Report on the Audit of Financial Statements**

We have audited the accompanying financial statements of South West State of Somalia (SWSS) set out on pages 11 to 70 which comprise the statements of cash receipts and payments for the year 31 December 2016 and the statement of comparison of budget and actual Amount, statements of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

***Opinion***

In our opinion, the accompanying financial statements give a true and fair view of the state of financial affairs of the South West State of Somalia (SWSS) as at 31 December 2016, and the financial performance and statement of cash flows for the year then ended in accordance with the International Public Sector Accounting Standard (IPSAS) - Financial Reporting Under the Cash Basis of Accounting and comply with the requirements of the Public Financial Management (PFM) Decree, 2015.

**Emphasis of Matter: Banks and Federal Grant Income confirmations**

Without modifying our opinion in respect of the matter emphasised, we draw attention to **note 1.5**; cash and bank balances and **note 4** grants from other government units, Federal Grants. We sought for independent third party confirmations from the commercial banks and the Ministry of Finance, Federal Government. We did not manage to receive the confirmations, and Federal Grant Agreement.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of South West State of Somalia (SWSS) in accordance with the International Ethics Standard Board for Accountants Code of Ethics for Professional Accountants (IESBA).





We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, the matters were addressed in the context of our audit of the financial statements as a whole, and in forming an opinion thereon, and we don't provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matters	Audit procedures to address the key matters
<p><b>Manual payroll processing &amp; cash salary payments</b> Payroll for the security forces under the Interior Ministry are prepared manually and payments are made based on the list of security personnel submitted by the Ministry of Security. Salaries were not credited to the individual bank accounts, instead the staff were paid in cash. Lump sum payments were made to the Paying Officer who redistributes cash payments to the personnel. It was difficult to confirm if the personnel receive the cash. No evidence was attached that everyone received the cash and signed off.</p>	<p><b>We reviewed the process and obtained supporting documents</b></p> <p>The payment requests were prepared and approved by the Ministry of Security; submitted to Ministry of Finance for budget allocation. The payment was carried out in the financial management information system (IFMIS) and funds allocation document produced from the system. The cheque from the system was accompanied by the list of beneficiaries.</p>
<p><b>Lack of competitive and fair procurement process for vendors</b></p> <p>For the daily meals provided to the security forces under the Interior Ministry for a value of USD 225,000, there was no tender advertised, quotations received, and confirmation of goods delivered despite amount being one of the main expenditure drivers. In addition, we did not find on the documentation of how the vendor identification process was done, vendors selected, details on how background check was completed prior to the award of the supply, hence unable to measure if value for money was achieved in this transaction.</p>	<p><b>We have obtained explanations from the management and reviewed the payment processes</b></p> <p>The payment requests were prepared and approved by the Ministry of Security; submitted to Ministry of Finance for budget allocation. The payment was carried out in the financial management information system (IFMIS) and funds allocation document produced from the system. The cheque from the system was accompanied by the list of beneficiaries.</p>





<p>Best practice requires that procurement process is fair, transparent and competitive – free from any conflict of interest, perceived or real.</p>	<p>Management provided explanation that given the confidentiality of the security arrangements, single sourcing method was approved to select the vendor. Management have provided commitment that sourcing process on security meals area will be reviewed in accordance with the security and financial policies.</p>
<p><b>Violation of agreed expenditure management policy</b></p> <p>In the month of February 2016, Journal adjustments (JV) was used to recognise payments of USD 20,000 made to two former Ministry of Finance Technical Advisors representing two months' salaries without an accompanying cheque from the BISAN Financial Management system as required by the Expenditure Policy.</p> <p>It was also difficult to verify how procurement process was completed to identify these two Technical Advisors despite the significance of the amount of fees commitments made with them.</p>	<p>We have reviewed the supporting documents and sought explanations from management. Processing of expenditure outside the approved financial management system (BISAN) was one off mistake has since been corrected for subsequent expenditure processing. The management has enforced expenditure policy of funds allocation document and the cheque produced from the system.</p>
<p><b>Missed revenue targets for FY 2016</b></p> <p>SWS had a budget deficit for the year ended 31 December 2016 due to local revenue collection shortfall as well as missed projected development partners funding support as envisaged in the appropriations. Budget 2016 bottom up was prepared on the assumptions of a strong development partners funding and improved collection of local revenues which did not materialise. Deficit result cast doubt on the ability of the State to meet its short-term obligations in the foreseeable future.</p>	<p>Management provided explanations that deficit mainly due to missed developmental and local revenue targets and provided assurance of achieving achieve surplus by strengthening local taxation laws and increased international development partners' engagement.</p>



## **Responsibilities of Ministry of Finance for the Consolidated Financial Statements**

The Ministry of Finance is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Public Sector Accounting Standards- Financial Reporting Under the Cash Basis of Accounting (IPSAS- Cash Basis) and the requirements of the Public Financial Management Decree of 2015 (PFM Decree 2015).

This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

As part of an audit in accordance with International Standards of Auditing, we exercise professional judgement, and maintain professional scepticism throughout the audit. We also have to

- (a) To identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) To obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

In circumstances when the auditor also has a responsibility to express an opinion on the effectiveness of internal control in conjunction with the audit of the financial statements, the auditor shall omit the phrase that the auditor's consideration of internal control is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.





- (c) To evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) When the financial statements are prepared in accordance with a fair presentation framework, to evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Report on Other Legal Requirements**

As required by the International Standards on Auditing (ISA) we report to you, based on our audit, that;

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion, proper books of account have been kept by the State, so far as appears from our examination of those books
- iii) the consolidated financial statements are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditors' report was **CPA Bulle Ahmed (P/No 2055)**



**ADVISORY PLUS CONSULTANCY**  
**Certified Public Accountants (Kenya)**  
**Mogadishu-Somalia**



10 / 05 / 2018



**South West State of Somalia (SWSS)**

**Consolidated Financial Statement of Cash Receipt and Payments**

**Treasury Single Account**

**For the year Ended 31 December 2016**

		<b>2016</b>		<b>2015</b>	
				<b>01 October - 31 December</b>	
		<b>Controlled by TSA</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
<b>Notes</b>	<b>USD</b>	<b>USD</b>		<b>USD</b>	<b>USD</b>
<b>Receipts / Inflows</b>					
Taxes					
Taxes on payroll and workforce					
Taxes on goods and services	<b>2</b>	686,141		216,997	
Taxes		<u>686,141</u>		<u>216,997</u>	
Grants					
From international organizations	<b>3</b>	117,155	510,785	10,000	
From other general government units	<b>4</b>	816,500			
Grants		<u>933,655</u>	<u>510,785</u>	<u>10,000</u>	
Other Revenue					
Sale of goods and services	<b>5</b>	950		9,700	
Voluntary transfers other than grants	<b>6</b>	144,418		47,700	
Other Revenue		<u>145,368</u>		<u>57,400</u>	
<b>Receipts / Inflows</b>		<b><u>1,765,164</u></b>	<b><u>510,785</u></b>	<b><u>284,397</u></b>	<b><u>=</u></b>

**Payments / Outflows**

Compensation of Employees

Wages and Salaries	<b>7</b>	498,148		143,141
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Compensation of Employees		<u>498,148</u>		<u>143,141</u>
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Use of Goods and Services

Travel & Conferences	<b>8</b>	2,000		63,000
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Operating Expenses	<b>9</b>	1,223,697	5,500	45,560
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Rent	<b>10</b>	3,000		38,000
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Other Operating Expenses	<b>11</b>	30,000	478,205	20,000
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Use of Goods and Services		<u>1,258,697</u>	<u>483,705</u>	<u>166,560</u>
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Nonfinancial assets

Fixed Assets	<b>12</b>	10,000	27,080	
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Nonfinancial assets		<u>10,000</u>	<u>27,080</u>	
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**Payments / Outflows**

	<b><u>1,766,845</u></b>	<b><u>510,785</u></b>	<b><u>309,701</u></b>
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Increase Decrease in Cash	(1,681)		(25,304)
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Cash at Beginning of Year	6,796		
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Cash at End of Year	<b>1.5</b>	5,115	6,796
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**Ministry of Finance****H.E Hassan Ibrahim Hassan****Signature:** \_\_\_\_\_

/ /2018



**South West State of Somalia (SWSS)**  
**Consolidated Statement of Comparison of Budget and Actual Amounts**  
**For the year Ended 31 December 2016**  
**Appropriation Budget Approved on Cash Basis**  
(Classification of Payments By Economic Class)

	Notes	2016						2015, 01 October – 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Taxes	13								
Taxes on income, profits, and capital gains		201,600	201,600		(201,600)				
Taxes on payroll and workforce		95,808	95,808		(95,808)				
Taxes on goods and services		1,511,865	1,511,865	686,141	(825,724)			216,997	
Taxes on international trade and transactions		216,000	216,000		(216,000)				
Taxes		<u>2,025,273</u>	<u>2,025,273</u>	<u>686,141</u>	<u>(1,339,132)</u>			<u>216,997</u>	
Grants	14								
From international organizations		2,912,125	2,912,125	117,155	(2,794,970)	510,785	510,785	10,000	
From other general government units		1,818,855	1,818,855	816,500	(1,002,355)				
Grants		<u>4,730,980</u>	<u>4,730,980</u>	<u>933,655</u>	<u>(3,797,325)</u>	<u>510,785</u>	<u>510,785</u>	<u>10,000</u>	
Other Revenue	15								
Sale of goods and services		290,000	290,000	950	(289,050)			9,700	
Voluntary transfers other than grants				144,418	144,418			47,700	
Other Revenue		<u>290,000</u>	<u>290,000</u>	<u>145,368</u>	<u>(144,632)</u>			<u>57,400</u>	
<b>Receipts / Inflows</b>		<b><u>7,046,253</u></b>	<b><u>7,046,253</u></b>	<b><u>1,765,164</u></b>	<b><u>(5,281,089)</u></b>	<b><u>510,785</u></b>	<b><u>510,785</u></b>	<b><u>284,397</u></b>	

**Payments / Outflows**

Compensation of Employees	16							
Wages and Salaries		3,911,947	4,471,647	498,148	(3,973,499)			143,141
Compensation of Employees		<u>3,911,947</u>	<u>4,471,647</u>	<u>498,148</u>	<u>(3,973,499)</u>			<u>143,141</u>
Use of Goods and Services	17							
Travel & Conferences		31,470	60,470	2,000	(58,470)			63,000
Operating Expenses		3,053,836	2,417,136	1,223,697	(1,193,439)	5,500	5,500	45,560
Rent		9,000	57,000	3,000	(54,000)			38,000
Other Operating Expenses	18	30,000	30,000	30,000		478,205	478,205	20,000
Use of Goods and Services		<u>3,124,306</u>	<u>2,564,606</u>	<u>1,258,697</u>	<u>(1,305,909)</u>	<u>483,705</u>	<u>483,705</u>	<u>166,560</u>
Nonfinancial assets	19							
Fixed Assets		10,000	10,000	10,000		27,080	27,080	
Non-financial assets		<u>10,000</u>	<u>10,000</u>	<u>10,000</u>		<u>27,080</u>	<u>27,080</u>	
<b>Payments / Outflows</b>		<b><u>7,046,253</u></b>	<b><u>7,046,253</u></b>	<b><u>1,766,845</u></b>	<b><u>(5,279,408)</u></b>	<b><u>510,785</u></b>	<b><u>510,785</u></b>	<b><u>309,701</u></b>
Net Cash Flow				(1,681)	(1,681)			(25,304)

Ministry of Finance  
H.E Hassan Ibrahim Hassan  
Signature: \_\_\_\_\_

/ /2018

**South West State of Somalia (SWSS)**  
**Statement of Cash flows**  
**Treasury Single Account**  
**For the year Ended 31 December 2016**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2016</b>	<b>1 Oct-31 December 2015</b>
<b>Receipts</b>		
Local taxes	686,141	216,997
Grants from International Organisations	117,155	10,000
Grants from the Federal Government	816,500	-
Sale of goods and services	950	9,700
Voluntary transfers	144,418	47,700
<b>Total receipts</b>	<b>1,765,164</b>	<b>284,397</b>
<b>Payments</b>		
Wages and Salaries	(498,148)	(143,141)
Travel & Conferences	(2,000)	(63,000)
Operating Expenses	(1,223,697)	(45,560)
Rent	(3,000)	(38,000)
Other Operating Expenses	(30,000)	(20,000)
<b>Total payments</b>	<b>(1,756,845)</b>	<b>(309,701)</b>
<b>Net Cash generated from/(used in)operating activities</b>	<b>8,319</b>	<b>(25,304)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of fixed assets	(10,000)	-
<b>Net Cash used in investing activities</b>	<b>-10,000</b>	<b>-</b>
Net decrease in cash and cash equivalents	<b>(1,681)</b>	<b>(25,304)</b>
Cash and cash equivalents as at 1 January	6,796	32,100
Cash and cash equivalents as at 31 December	5,115	6,796

**South West State of Somalia (SWSS)**  
**Statement of Operations**  
**Treasury Single Account**  
**For the year Ended 31 December 2016**

Transactions Affecting Net worth	2016	1 Oct-31 December 2015
<b>Revenue</b>	<b>1,790,824</b>	<b>284,397</b>
<b>Taxes</b>		
Taxes on goods and services	686,141	216,997
<b>Grant Income</b>		
From Federal Government	816,500	-
From International Organisations	142,815	10,000
<b>Other Revenue</b>		
Sale of goods and services	950	9,700
Voluntary and other grants	144,418	47,700
<b>Expenses</b>	<b>(1,762,345)</b>	<b>(309,701)</b>
<b>Compensation of Employees</b>	<b>(498,148)</b>	<b>(143,141)</b>
Wages and Salaries	(498,148)	(143,141)
<b>Use of Goods and Services</b>	<b>(1,264,197)</b>	<b>(166,560)</b>
Travel & Conferences	(2,000)	(63,000)
Operating Expenses	(1,229,197)	(45,560)
Rent	(3,000)	(38,000)
Other Operating Expenses	(30,000)	(20,000)
<b>Gross Operating balance</b>	<b>28,479</b>	<b>(25,304)</b>
<b>Transactions in Non-Financial Assets</b>		
Net acquisition of Non-Financial Assets		
Fixed Assets	30,160	0
<b>Net Acquisition of Financial Assets</b>		
Financial Assets		
Domestic	-1,681	-25,304
<b>Net Incurrence of Liabilities</b>		
Liabilities	-	-

## Note 1      **Summary of Significant Accounting Policies**

### ***1.1 Basis of Preparation***

The South West State of Somalia's (SWSS) consolidated financial statements have been prepared in accordance with the *Public Financial Management Decree of 2015* and the International Public Sector Accounting Standard (IPSAS) - *Financial Reporting Under the Cash Basis of Accounting*. 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 South West State of Somalia (SWSS). The financial statements encompass the reporting entities as specified in the *SWSS Appropriation Act No. 1 of 2016* and are comprised of:

- (i) State Ministry of President
- (ii) Ministry of Justice & Judiciary
- (iii) Ministry of Finance
- (iv) Ministry of Interior & Local Governments
- (v) Ministry of Agriculture & Irrigation
- (vi) Ministry of Security
- (vii) Ministry of Disarmament, Rehabilitation & Reintegration
- (viii) Ministry of Energy & Petroleum
- (ix) Ministry of Seaports & Sea Transportation
- (x) Ministry of Planning and International Cooperation
- (xi) Ministry of Health
- (xii) Ministry of Education
- (xiii) Ministry of Higher Education, Culture & Technology
- (xiv) Ministry of Information
- (xv) Ministry of Posts & Communications
- (xvi) Ministry of Youth & Sports
- (xvii) Ministry of Mineral Resources & Water
- (xviii) Ministry of Industry & Commerce
- (xix) Ministry of Resettlement & Diaspora Affairs
- (xx) Ministry of Reconciliation & Constitutional Affairs
- (xxi) Ministry of Humanitarian & Disability Affairs
- (xxii) Ministry of Tourism & Wildlife
- (xxiii) Ministry of Environment & Forestry
- (xxiv) Ministry of Islamic Affairs & Endowments
- (xxv) Ministry of Labour & Employment
- (xxvi) Ministry of Women & Human Rights
- (xxvii) Ministry of Transportation & Airports
- (xxviii) Ministry of Livestock & Veterinary
- (xxix) Ministry of Fisheries & Sea Minerals
- (xxx) Ministry of Public Works & Reconstruction
- (xxxi) The SWSS Civil Service Commission
- (xxxii) The SWSS Parliament

All ministries were created by ***Presidential Decree SWSS-0001/03/01/15*** entitled ***A Decree***



*Establishing Ministries of South West State of Somalia (SWSS) and Defining Roles and Functions of Ministries* dated 03 January 2015 and a separate decree creating the Ministry of Finance entitled *A Decree for the Purposes of Establishing the Ministry of Finance of the South West State of Somalia (SWSS) and Other Related Matters* dated July 09, 2015.

A subsequent decree on establishing the Civil Service Commission (CSC) and its purpose entitled *A Decree for establishing the Civil Service Commission of the South West State of Somalia (SWSS) dated 09 July, 2015* established the office of the Civil Service Commission. Companion Decrees also established the Civil Service and the Civil Service Salary structure.

The consolidated financial statements include all entities controlled during the year. None of the entities own another entity or a separate business unit.

### ***1.3 Payments by Third Parties***

The SWSS also benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the period. The payments made by the third parties do not constitute cash receipts or payments by the SWSS but do benefit the government. They are disclosed in the *Payments by third parties'* column in the Consolidated Statement of Cash Receipts and Payments as well as in the individual ministry Combined Statement of Cash Receipts and Payments & Comparison to Budget. Please refer to Note 3 for further discussion on External Assistance and its relation to payments by Third Parties.

### ***1.4 Treasury Single Account & Project Account***

A new project account was opened under a written authorization of the Minister of Finance on August 2016 with the Ref. *MOF-73/08/16*. As an integral condition to the Recurrent Cost and Reform Financing program (RCRF II) grant, the project account was solely opened for the operations of the RCRF and in such a manner as to avoid the grant funds comingling with other SWSS operations. However, the TSA still remains the core account of State. As of the end of FY2016 balances at both accounts were as follows.

	<b>2016</b>	<b>2015 1 October to 31 December</b>
Treasury Single Account	\$5,115.00	\$6,796.00
Project account	-	-
<b>Total</b>	<b>\$5,115.00</b>	<b>\$6,796.00</b>

### 1.5 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. Interest is credited to revenue as it is received.

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

	2016	2015
	1 October to 31 December	
	USD	USD
Cash on Hand and balances with banks	5,115.00	6,796.00

### 1.6 Reporting Currency

The reporting currency is the United States Dollar (USD)

### 1.7 Undrawn External Assistance

In FY2016 a new project called Recurrent Cost and Reform Financing (RCRF II) was introduced. The project will run for a period of five years (up to 20 June 2020) and is reviewable on yearly basis. The RCRF II project is a multi-partner fund administered by the International Development Association (IDA). 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 *TFA0534* Dated *07 November 2016* between the Federal Government of Somalia (FGS), acting on behalf of all other existing & emerging states, and the International Development Association (IDA), the South West State of Somalia (SWSS) by virtue of a sub-agreement with FGS has a running project with IDA which will last to 20 June 2020.

Undrawn External assistance in respect to the RCRF II project is contingent upon SWSS meeting the threshold conditional requirements of the project however the grant identifies the budgeted breakdown for SWSS over the five-year term as follows. The grant amount is subject to annual review and approval by the IDA.

	Year						
	2015	2016	2017	2018	2019	2020	Total
Budgeted Amount (USD)	1,350,000	1,400,000	1,050,000	2,350,000	3,150,000	100,000	9,400,000

The grant amount is subject to annual review and approval by the IDA. As of 31<sup>st</sup> December 2016, SWSS did not access any funds from the RCRFII Project, although the project was approved effective as of 1 July 2016. The reason for this was due to late approval of SWSS in 2016, although the effective date was backdated to 1 July 2016, and cash flow constraints within the project after SWSS became approved. The project made its first payment in early 2017, but related to payment of salary arrears effective from 1 July 2016.

### **1.8 Reporting Amounts**

The reporting amounts are in full value of USD, with rounding to the nearest dollar applied.

### **1.9 Original and Final Approved Budget and Comparison of Actual and Budget Amount**

The approved budget is developed on the same accounting basis (Cash basis) and same classification basis 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 council of Ministers on 31 December 2015 and a supplemental budget was approved by the South West State of Somalia (SWSS) Executives through budget Reallocation on 31 August 2016. The supplementary budget remains the same with the original budget but extended to other ministries and institutions. The beneficiaries of 2016 proposed budget was 18 ministries/institution since the administration cannot afford to pay government costs due to fund shortage and some revenue sources are not yet working.

Movements across the budget line items in the final estimate appropriation are attributed to budget reallocations within and across the budget entities.

### **1.10 Comparative Information**

SWSS commenced operations on the 1 October 2015. The comparative information is for the three (3) months covering the period 1 October to 31 December 2015.

### **1.11 Authorization Date**

The financial statements were authorized for issue on 22 July 2017 by H.E; Hassan Ibrahim Hassan, Minister of Finance.

## **Note 2 Taxes of Goods and Service**

A total of \$686,141 was collected under the category of taxes of goods and service. The following explains of the taxes collected by the Customs and Taxation and Revenue Collection Authority Departments of the Ministry of Finance against their applicable rates

	<b>2016</b>				<b>2015 1 October to 31 December</b>
	<b>USD</b>	<b>Ministry of Finance</b>	<b>Ministry of Interior and Local Government</b>	<b>Ministry of Transport</b>	<b>USD</b>
Business License's	1,000	1,000			
Local Ngo Registration	83		83		
Livestock fees	19,532	170	19,362		18,176
Landing Fees	2,950			2,950	14,100
Road Tax	662,576	502,153	81,475	78,948	184,721
	<b>686,141</b>	<b>503,323</b>	<b>100,920</b>	<b>81,898</b>	<b>216,997</b>

The applicable rates on services vary and mostly depend on the business sector and service type. A more elaborate explanation of the tax rates is provided in the notes to the financial statements.

### **Note 3 Grants from International Organization**

#### ***Treasury Single Account***

In FY2016 During the 2016 financial year, a grant totalling \$117,155 was received from the Somalia Multi-partner fund (SMPF) administered by the Somalia Stability Fund (SSF). The purpose of the grant was to assist the Ministry of Finance with financial support for salary and allowance payment and running cost.

A new grant agreement was signed between SWSS and the Federal Government of Somalia (FGS) which will continue to the year 2020. The grant is funded via the multi-donor fund administered by the World Bank and is renewed annually. The grant will be renewed on yearly basis and there is no specific allocation to SWSS to that grant. In 2016, FGS and World Bank approved a partial year cash flow budget of \$525,000 however this budget was not drawn down due to late approval and cash flow constraints within the project after SWSS became approved

#### **3rd Party Grants from International Organization**

3<sup>rd</sup> Party Grants refers to grants paid directly by donors to vendors on behalf of SWSS for the benefit of specific ministries. SWSS benefitted from 3<sup>rd</sup> party projects implemented by SSF worth \$510,785. The 3<sup>rd</sup> party payments contained both recurrent costs and capital expenses. Below is a summary breakdown of grants received and the entities that benefitted.

	<b>2016</b>	<b>2015</b>
		<b>1, October to 31 December</b>
	<b>USD</b>	<b>USD</b>
Training and Development of Public Financial Management and supply of equipment for Ministry of Finance	414,887	
Capacity Building, Training, and Computers for Civil Service Commission	70,238	
Supply of Furniture/Equipment for Wajid District/Court through Ministry of Finance	25,660	
	<b>510,785</b>	<b>-</b>

#### **Note 4 Grants from other Government Units**

During the year the Federal Government of Somalia agreed to provide funding for the South West State of Somalia, and total of \$816,500 was received. The purpose of the Federal Government Funding was the security.

## Note 5 Sale of Goods and Services

Sale of goods and services consist of income generated from SWSS providing necessary legal documents to its citizens. The following is a breakdown of the revenue items and its corresponding source.

	<b>2016</b>				<b>2015 1 October to 31 December</b>
	<b>USD</b>	<b>Ministry of Finance</b>	<b>Ministry of Security</b>	<b>Ministry of Transport</b>	<b>USD</b>
Land Certificate Fee	-	-	-	-	4,000
Number Plate Registration	-	-	-	-	5,700
Clearance Letter Fee	950	-	950	-	-
	<b>950</b>	<b>-</b>	<b>950</b>	<b>-</b>	<b>9,700</b>

## Note 6 Voluntary transfers other than grants

In 2016, there was local contribution from the people of South West State of Somalia

	<b>2016</b>				<b>2015 1 October to 31 December</b>
	<b>USD</b>	<b>Ministry of Finance</b>	<b>Ministry of Security</b>	<b>Ministry of Transport</b>	<b>USD</b>
Local Contribution	144,418	144,418	-	-	47,700
	<b>144,418</b>	<b>144,418</b>	<b>-</b>	<b>-</b>	<b>47,700</b>



## Note 7 Wages and Salaries

Wages and salaries are a combination of all salaries, allowances and in kind payments to staff which includes both the civil servants and political positions. A comprehensive summary breakdown of wages and salaries is provided below

	<b>2016</b>		<b>2015</b> <b>1 October to</b> <b>31 December</b>
	<b>USD</b>	<b>Ministry of Security</b>	<b>USD</b>
Daily meals	<u><b>225,000</b></u>	<u><b>225,000</b></u>	<u><b>12,200</b></u>

Salaries to politicians were introduced as a separate category in FY2016 so as to separate payments made to political positions from those made to the Civil Service (Permanent employees/ Regular staff). SWSS commenced paying salaries during the year after the Civil Service Salaries Decree came into force on 09 July 2015. Prior to the Decree all remunerations were classified as stipend. Regular food provision are in kind payments to the Military forces of South West State that is made in the form of food and other related food supplies, whereas the daily meals relate to meals prepared for the security forces at the State. Following is a breakdown of wages and salaries by budget entity.

	<b>2016</b>		<b>2015</b> <b>01, October to 31 December</b>	
<b>USD</b>	<b>Permanent employees/ Regular staff</b>	<b>Remuneration to Ministers and Statutory</b>	<b>Permanent employees/ Regular staff</b>	<b>Remuneration to Ministers and Statutory</b>
Ministry of Finance	83,076	-	11,846	-
Civil Service Commission	2,572	-	-	-
Parliament	-	187,500	-	119,095
	<u><b>85,648</b></u>	<u><b>187,500</b></u>	<u><b>11,846</b></u>	<u><b>119,095</b></u>

## Note 8 Travel and Conferences

Travel and conferences amounting to \$2,000 comprise of domestic travel costs with in the country. The following provides a breakdown of the total Costs

	<b>2016</b>	<b>2015</b>
	<b>USD</b>	<b>1 October to 31 December USD</b>
Internal Travel	<b>2,000</b>	<b>63,000</b>

## Note 9 Operating Expenses

Operating Costs are combination of costs that are geared towards facilitating the running of the Ministry offices. Following is a detailed breakdown of the operating costs incurred by South West State of Somalia (SWSS) during the year. The material transportation cost was the expense that was intended to transport IT equipment and furniture to Wajid district as 3<sup>rd</sup> part fund.

	<b>2016</b>	<b>2015</b>
	<b>USD</b>	<b>1 October to 31 December USD</b>
Electricity	393	5,300
Mobile Phone Expenses	-	10
Internet	2,000	10,800
Gasoline	-	10,250
Stationary	504	4,700
Security Operational Allowances	1,220,800	14,500
Material Transportation	5,500	-
	<b>1,229,197</b>	<b>45,560</b>

## Note 10 Rent

Rental expenses constitute of Office Rents amounting to \$3,000 incurred during 2016.

## Note 11 Other operating Expenses

Consultation fees are the key component of other operating expenses. A consultant fee which amounts \$30,000 was paid to MOF technical advisors by Somali Stability Fund (SSF) to assist the Ministry of Finance in day to day activities.

## Note 12 Non Financial Assets

### *Treasury Single Account*

Total Non-Financial Asset of \$ 10,000 consists of Office Furniture purchased for Ministry of Finance.

### *3RD Party Payments*

Non-financial assets paid by Somalia Stability Fund on behalf of SWSS's amounted to \$27,080 These transactions are spread across the Ministry of Finance and comprise of payments for purchasing office equipment and furniture to Wajid district administration, and Computers, ICT Equipment, and Computer Software to Ministry of Finance. Following is a summary breakdown of the 3<sup>rd</sup> party non-financial assets for the reporting period of FY2016.

	<b>2016</b>	<b>2015</b>
	<b>USD</b>	<b>1 October to 31 December</b>
	<b>USD</b>	<b>USD</b>
Office Equipment	5,910	-
Office Furniture	14,250	-
Computers and ICT Equipment	3,320	
Computer Software	3,600	
	<b>27,080</b>	<b>-</b>

## Note 13 Taxes

A Total of \$ 2,025,273 tax collections were targeted to be raised In FY2016 however an actual collection of \$686,141 was achieved. The shortfall can be explained by inability to implement some tax types estimated in the budget. Taxes such as business licences and local NGO registration, Turnover Tax, Property Tax, and International NGOs registration. Following is a breakdown of taxes collected in during the year.

<b>Tax Type</b>	<b>Final Estimated Budget</b>	<b>Actual Collections</b>	<b>Difference Between final Budget and Actual</b>
Business Licences	0	1,000	1,000
Local Ngo Registration	36,000	83	(35,917)
Livestock fees	55,776	19,532	(36,244)
Landing Fees	90,000	2,950	(87,050)
Road Tax	970,048	662,576	(307,472)
Turnover Tax	201,600	0	(201,600)
Payroll Tax - Government	7,104	0	(7,10)
Payroll Tax - Non-Government	88,704	0	(88,704)
Property Tax	124,969	0	(124,969)
Customs duties – Tobacco	216,000	0	(216,0000)
International NGOs registration	29,072	0	(29,072)
Foreign Companies Registration	6,000	0	(6,000)
Drivers Licences	200,000	0	(200,000)
<b>Total</b>	<b>2,025,273</b>	<b>686,141</b>	<b>(1,339,132)</b>

#### **Note 14 Grants**

Total grants of \$933,655 were received against a budgeted sum of \$4,730,980. Grants from International organizations and other general government units were not received as per estimated in the budget. The following table presents a detailed breakdown of the grant variances.

<b>Tax Type</b>	<b>Final Estimated Budget</b>	<b>Actual Collections</b>	<b>Difference between Final Budget and Actual</b>
Grants from International organizations	2,912,125	117,155	(2,794,970)
Grants from other Government units	1,818,855	816,500	(1,002,355)
<b>Total</b>	<b>4,730,980</b>	<b>933,655</b>	<b>(3,797,325)</b>

#### **Note 15 Other Revenue**

Other revenue collections consist of voluntary transfers other than grants and sale of goods and services. A total of \$ 145,368 of other revenue collections was generated during the reporting period.

#### **Note 16 Employee Compensations**

A total of \$498,148.00 was spent on employee compensation against a final budget of \$4,471,647.00. The under spending of (\$3,973,499.00) was as a result of delay in recruiting civil servants due to SWSS not being recognized as eligible for RCRF funding until late November 2016. Without such grant funding, SWSS did not have sufficient own-source revenues to hire, pay civil servants and then seek reimbursement at a later date under the grant. In addition, the ratification process of the Civil Service Commission (CSC) decree and further delays in establishing the CSC office combined with other inherent political factor such as impending Ministerial restructures impeded SWSS from applying the total budgeted funds.

As a result of the delays in accessing RCRF funding, at the end of the financial year SWSS had an amount of \$94,380 in salary arrears payable to Government employees. These arrears are included in the 2017 payment request under the RCRF program and will be paid in the 2017 financial year. This outstanding amount is not included in the statement of Receipts and Payments as SWSS reports on a cash-basis recognising & reporting on revenue when it is received and expenditure when it is paid.

#### **Note 17 Use of Good and Services**

The ability to expense in the South West State of Somalia (SWSS) is limited to the revenue collections over a specified period of time. In the case of goods and services, SWSS spent a total of \$1,258,697 which represents 49 percent of the final estimated budget. The variance is attributed to constraints in available income.

#### **Note 18 Other Expenses**

A total of \$22,500 was budgeted for Miscellaneous other expenses however \$nil was spent during the reporting period. Payroll tax budgeted during the period was not paid by the treasury in the case of Civil Servants as the revenue authority did not implement the tax SWSS obligation which refers to previous arrears of SWSS with re-payments contingent to availability of funds.

## **Note 19 Non Financial Assets**

Non-financial assets worth \$10,000 were purchased in 2016 against budgeted amount of \$13,320.

## **Note 20 Statement 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 analyse 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.



*SOUTH WEST STATE OF SOMALIA  
INDIVIDUAL BUDGET ENTITY  
STATEMENT OF CASH RECEIPTS & PAYMENTS  
& COMPARISON TO BUDGET  
  
FOR THE YEAR ENDED 31 DECEMBER 2016*

*PREPARED IN ACCORDANCE WITH THE  
INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS) -  
FINANCIAL REPORTING UNDER THE CASH BASIS OF ACCOUNTING*

**State Presidency**

**Combined Statement of Cash Receipts and Payments & Comparison to Budget**

**For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015</b> <b>01, October to 31 December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Receipts / Inflows</b>									
<b>Consolidated Fund Appropriations</b>	<b>2</b>	142,060	142,060		(142,060)			18,400	
<b>Receipts / Inflows</b>		<b>142,060</b>	<b>142,060</b>		<b>142,060</b>			<b>18,400</b>	
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		115,260	115,260		(115,260)				
<b>Compensation of Employees</b>		<b>115,260</b>	<b>115,260</b>		<b>(115,260)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences		9,300	9,300		(9,300)			10,000	
Operating Expenses		11,500	11,500		(11,500)			5,400	
Rent		6,000	6,000		(6,000)			3,000	
<b>Use of Goods and Services</b>		<b>26,800</b>	<b>26,800</b>		<b>(26,800)</b>			<b>18,400</b>	
<b>Payments / Outflows</b>		<b>142,060</b>	<b>142,060</b>		<b>(142,060)</b>			<b>18,400</b>	

## Ministry of Justice

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	93,544	121,044		(121,044)			11,250	
Receipts / Inflows		93,544	121,044		(121,044)			11,250	
<b>Payments / Outflows</b>									
Compensation of Employees	6								
Wages and Salaries		88,404	108,404		(108,404)				
Compensation of Employees		88,404	108,404		(108,404)				
Use of Goods and Services	7								
Travel & Conferences		2,000	7,000		(7,000)			4,000	
Operating Expenses		3,140	5,640		(5,640)			4,250	
Rent								3,000	
Use of Goods and Services		5,140	12,640		(12,640)			11,250	
Payments / Outflows		93,544	121,044		(121,044)			11,250	

## Ministry of Finance

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

	Notes	2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contributions Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	305,632	305,632	130,973	(174,659)	440,547	440,547	45,806	
<b>Taxes</b>	3								
Taxes on income, profits, and capital gains		201,600	201,600		(201,600)				
Taxes on payroll and workforce		95,808	95,808		(95,808)				
Taxes on goods and services		724,969	724,969	503,323	(221,646)			154,107	
Taxes on international trade and transactions		216,000	216,000		(216,000)				
<b>Taxes</b>		<b>1,238,377</b>	<b>1,238,377</b>	<b>503,323</b>	<b>(735,054)</b>			<b>154,107</b>	
<b>Grants</b>	4								
From international organizations		2,912,125	2,912,125	117,155	(2,794,970)	510,785	510,785	10,000	
From other general government units		1,803,855	1,803,855	816,500	(987,355)				
<b>Grants</b>		<b>4,715,980</b>	<b>4,715,980</b>	<b>933,655</b>	<b>(3,782,325)</b>	<b>510,785</b>	<b>510,785</b>	<b>10,000</b>	
<b>Other Revenue</b>	5								
Sale of goods and services								2,450	
Voluntary transfers other than grants				144,418	144,418			47,700	
<b>Other Revenue</b>				<b>144,418</b>	<b>144,418</b>			<b>50,150</b>	
<b>Receipts / Inflows</b>		<b>5,954,357</b>	<b>5,954,357</b>	<b>1,581,396</b>	<b>(4,372,961)</b>	<b>510,785</b>	<b>510,785</b>	<b>214,257</b>	<b>-</b>

## Ministry of Finance

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

	Notes	2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlle d by TSA	Difference Between Final Budget and Actual	3rd Party Contributio n Estimate	Payments by Third Party	Controlle d by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		242,182	242,182	83,076	(159,106)			11,846	
<b>Compensation of Employees</b>		<b>242,182</b>	<b>242,182</b>	<b>83,076</b>	<b>(159,106)</b>			<b>11,846</b>	
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences		5,900	5,900	2,000	(3,900)			4,000	
Operating Expenses		14,550	14,550	2,897	(11,653)	5,500	5,500	3,960	
Rent		3,000	3,000	3,000				6,000	
Other Operating Expenses		30,000	30,000	30,000		407,967	407,967	20,000	
<b>Use of Goods and Services</b>		<b>53,450</b>	<b>53,450</b>	<b>37,897</b>	<b>(15,553)</b>	<b>413,467</b>	<b>413,467</b>	<b>33,960</b>	
<b>Nonfinancial assets</b>	<b>8</b>								
Fixed Assets		10,000	10,000	10,000		27,080	27,080		
<b>Nonfinancial assets</b>		<b>10,000</b>	<b>10,000</b>	<b>10,000</b>		<b>27,080</b>	<b>27,080</b>		
<b>Payments / Outflows</b>		<b>305,632</b>	<b>305,632</b>	<b>130,973</b>	<b>(174,659)</b>	<b>440,547</b>	<b>440,547</b>	<b>45,806</b>	

**Ministry of Interior and Local Government****Combined Statement of Cash Receipts and Payments & Comparison to Budget****For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015 01, October to 31 December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
		<b>Notes</b>							
<b>Receipts / Inflows</b>									
<b>Consolidated Fund</b>									
<b>Appropriations</b>		<b>2</b>	<b>110,964</b>	<b>110,964</b>		<b>(110,964)</b>		<b>8,000</b>	
<b>Taxes</b>		<b>3</b>							
Taxes on goods and services			496,896	496,896	100,920	(395,976)		49,190	
<b>Taxes</b>			<b>496,896</b>	<b>496,896</b>	<b>100,920</b>	<b>(395,976)</b>		<b>49,190</b>	
<b>Grants</b>		<b>4</b>							
From other general government units			15,000	15,000		(15,000)			
<b>Grants</b>			<b>15,000</b>	<b>15,000</b>		<b>(15,000)</b>			
<b>Other Revenue</b>		<b>5</b>							
Sale of goods and services			100,000	100,000		(100,000)		1,550	
<b>Other Revenue</b>			<b>100,000</b>	<b>100,000</b>		<b>(100,000)</b>		<b>1,550</b>	
<b>Receipts / Inflows</b>			<b>611,896</b>	<b>611,896</b>	<b>100,920</b>	<b>(510,976)</b>		<b>50,740</b>	<b>-</b>

**Ministry of Interior and Local Government****Combined Statement of Cash Receipts and Payments & Comparison to Budget****For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015 01, October to 31 December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		101,844	101,844		(101,844)				
<b>Compensation of Employees</b>		<b>101,844</b>	<b>101,844</b>		<b>(101,844)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences		6,000	6,000		(6,000)			6,000	
Operating Expenses		3,120	3,120		(3,120)			2,000	
<b>Use of Goods and Services</b>		<b>9,120</b>	<b>9,120</b>		<b>(9,120)</b>			<b>8,000</b>	
<b>Payments / Outflows</b>		<b>110,964</b>	<b>110,964</b>		<b>(110,964)</b>			<b>8,000</b>	

**Ministry of Agriculture & Irrigation****Combined Statement of Cash Receipts and Payments & Comparison to Budget****For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015</b> <b>01, October to 31 December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	<b>2</b>	78,864	78,864		(78,864)			12,250	
<b>Receipts / Inflows</b>		<b>78,864</b>	<b>78,864</b>		<b>(78,864)</b>			<b>12,250</b>	
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>									
Wages and Salaries	<b>6</b>	74,844	74,844		(74,844)				
<b>Compensation of Employees</b>		<b>74,844</b>	<b>74,844</b>		<b>(74,844)</b>				
<b>Use of Goods and Services</b>									
Travel & Conferences	<b>7</b>	1,000	1,000		(1,000)			5,000	
Operating Expenses		3,020	3,020		(3,020)			4,250	
Rent								3,000	
<b>Use of Goods and Services</b>		<b>4,020</b>	<b>4,020</b>		<b>(4,020)</b>			<b>12,250</b>	
<b>Payments / Outflows</b>		<b>78,864</b>	<b>78,864</b>		<b>(78,864)</b>			<b>12,250</b>	



## Ministry of Security

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	3,985,821	3,174,601	1,445,800	(1,728,801)			146,695	
<b>Other Revenue</b>									
Sale of goods and services	5			950	950				
<b>Other Revenue</b>				950	950				
<b>Receipts / Inflows</b>		<b>3,985,821</b>	<b>3,174,601</b>	<b>1,446,750</b>	<b>(1,727,851)</b>			<b>146,695</b>	
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries		983,772	853,152	225,000	(628,152)			131,295	
<b>Compensation of Employees</b>		<b>983,772</b>	<b>853,152</b>	<b>225,000</b>	<b>(628,152)</b>			<b>131,295</b>	
<b>Use of Goods and Services</b>									
Travel & Conferences	7							8,000	
Operating Expenses		3,002,049	2,321,449	1,220,800	(1,100,649)			4,400	
Rent								3,000	
<b>Use of Goods and Services</b>		<b>3,002,049</b>	<b>2,321,449</b>	<b>1,220,800</b>	<b>(1,100,649)</b>			<b>15,400</b>	
<b>Payments / Outflows</b>		<b>3,985,821</b>	<b>3,174,601</b>	<b>1,445,800</b>	<b>(1,728,801)</b>			<b>146,695</b>	

**Ministry of Disarmament, Rehabilitation & Reintegration****Combined Statement of Cash Receipts and Payments & Comparison to Budget****For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015</b> <b>01, October to 31 December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	<b>2</b>	56,949	56,949		(56,949)			14,150	
<b>Receipts / Inflows</b>		<b>56,949</b>	<b>56,949</b>		<b>(56,949)</b>			<b>14,150</b>	
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		54,900	54,900		(54,900)				
<b>Compensation of Employees</b>		<b>54,900</b>	<b>54,900</b>		<b>(54,900)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences								7,000	
Operating Expenses		2,049	2,049		(2,049)			4,150	
Rent								3,000	
<b>Use of Goods and Services</b>		<b>2,049</b>	<b>2,049</b>		<b>(2,049)</b>			<b>14,150</b>	
<b>Payments / Outflows</b>		<b>56,949</b>	<b>56,949</b>		<b>(56,949)</b>			<b>14,150</b>	

## Ministry of Energy &amp; Petroleum

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

**Ministry of Seaports & Sea Transportation****Combined Statement of Cash Receipts and Payments & Comparison to Budget****For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015	
								01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

**Ministry of Planning and International Cooperation**

**Combined Statement of Cash Receipts and Payments & Comparison to Budget**

**For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015 01, October to 31 December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	<b>2</b>	85,821	85,821		(85,821)			14,300	
<b>Receipts / Inflows</b>		<b>85,821</b>	<b>85,821</b>		<b>(85,821)</b>			<b>14,300</b>	
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		83,772	83,772		(83,772)				
<b>Compensation of Employees</b>		<b>83,772</b>	<b>83,772</b>		<b>(83,772)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences								7,000	
Operating Expenses		2,049	2,049		(2,049)			4,300	
Rent								3,000	
<b>Use of Goods and Services</b>		<b>2,049</b>	<b>2,049</b>		<b>(2,049)</b>			<b>14,300</b>	
<b>Payments / Outflows</b>		<b>85,821</b>	<b>85,821</b>		<b>(85,821)</b>			<b>14,300</b>	

## Ministry of Health

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	66,435	66,435		(66,435)			16,800	
<b>Receipts / Inflows</b>		<b>66,435</b>	<b>66,435</b>		<b>(66,435)</b>			<b>16,800</b>	
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries		64,536	64,536		(64,536)				
<b>Compensation of Employees</b>		<b>64,536</b>	<b>64,536</b>		<b>(64,536)</b>				
<b>Use of Goods and Services</b>									
Travel & Conferences								5,000	
Operating Expenses		1,899	1,899		(1,899)			5,800	
Rent								6,000	
<b>Use of Goods and Services</b>		<b>1,899</b>	<b>1,899</b>		<b>(1,899)</b>			<b>16,800</b>	
<b>Payments / Outflows</b>		<b>66,435</b>	<b>66,435</b>		<b>(66,435)</b>	-	-	<b>16,800</b>	

## Ministry of Education

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31. December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	58,762	58,762		(58,762)				
<b>Receipts / Inflows</b>		<b>58,762</b>	<b>58,762</b>		<b>(58,762)</b>				
<b>Payments / Outflows</b>									
Compensation of Employees	6								
Wages and Salaries		56,712	56,712		(56,712)				
Compensation of Employees		<b>56,712</b>	<b>56,712</b>		<b>(56,712)</b>				
Use of Goods and Services	7								
Travel & Conferences		1,000	1,000		(1,000)				
Operating Expenses		1,050	1,050		(1,050)				
Use of Goods and Services		<b>2,050</b>	<b>2,050</b>		<b>(2,050)</b>				
<b>Payments / Outflows</b>		<b>58,762</b>	<b>58,762</b>		<b>(58,762)</b>				

## Ministry of Higher Education, Culture &amp; Technology

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
Compensation of Employees	6								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				



## Ministry of Information

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	69,700	69,700		(69,700)				
<b>Receipts / Inflows</b>		<b>69,700</b>	<b>69,700</b>		<b>(69,700)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		68,760	68,760		(68,760)				
<b>Compensation of Employees</b>		<b>68,760</b>	<b>68,760</b>		<b>(68,760)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences		400	400		(400)				
Operating Expenses		540	540		(540)				
<b>Use of Goods and Services</b>		<b>940</b>	<b>940</b>		<b>(940)</b>				
<b>Payments / Outflows</b>		<b>69,700</b>	<b>69,700</b>		<b>(69,700)</b>	-	-	-	-

**Ministry of Posts & Communications**

**Combined Statement of Cash Receipts and Payments & Comparison to Budget**

**For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
	Consolidated Fund Appropriations	2	65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>									
	Wages and Salaries	6	55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>									
	Travel & Conferences	7	2,000		(2,000)				
	Operating Expenses		3,450		(3,450)				
	Rent		4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

## Ministry of Youth &amp; Sports

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	71,600	71,600		(71,600)				
<b>Receipts / Inflows</b>		<b>71,600</b>	<b>71,600</b>		<b>(71,600)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries		70,560	70,560		(70,560)				
<b>Compensation of Employees</b>		<b>70,560</b>	<b>70,560</b>		<b>(70,560)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences		500	500		(500)				
Operating Expenses		540	540		(540)				
<b>Use of Goods and Services</b>		<b>1,040</b>	<b>1,040</b>		<b>(1,040)</b>				
<b>Payments / Outflows</b>		<b>71,600</b>	<b>71,600</b>		<b>(71,600)</b>				

## Ministry of Mineral Resources &amp; Water

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	81,916	81,916		(81,916)				
<b>Receipts / Inflows</b>		<b>81,916</b>	<b>81,916</b>		<b>(81,916)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries		80,196	80,196		(80,196)				
<b>Compensation of Employees</b>		<b>80,196</b>	<b>80,196</b>		<b>(80,196)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences		800	800		(800)				
Operating Expenses		920	920		(920)				
<b>Use of Goods and Services</b>		<b>1,720</b>	<b>1,720</b>		<b>(1,720)</b>				
<b>Payments / Outflows</b>		<b>81,916</b>	<b>81,916</b>		<b>(81,916)</b>				

## Ministry of Industry &amp; Commerce

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	75,502	75,502		(75,502)			11,700	
<b>Receipts / Inflows</b>									
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries		74,172	74,172		(74,172)				
<b>Compensation of Employees</b>		74,172	74,172		(74,172)				
<b>Use of Goods and Services</b>	7								
Travel & Conferences		500	500		(500)			4,000	
Operating Expenses		830	830		(830)			4,700	
Rent								3,000	
<b>Use of Goods and Services</b>		1,330	1,330		(1,330)			11,700	
<b>Payments / Outflows</b>		75,502	75,502		(75,502)			11,700	

## Ministry of Resettlement &amp; Diaspora Affairs

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	65,310		(65,310)					
<b>Receipts / Inflows</b>		<b>65,310</b>		<b>(65,310)</b>					
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		55,860		(55,860)					
<b>Compensation of Employees</b>		<b>55,860</b>		<b>(55,860)</b>					
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences		2,000		(2,000)					
Operating Expenses		3,450		(3,450)					
Rent		4,000		(4,000)					
<b>Use of Goods and Services</b>		<b>9,450</b>		<b>(9,450)</b>					
<b>Payments / Outflows</b>		<b>65,310</b>		<b>(65,310)</b>					

**Ministry of Reconciliation & Constitutional Affairs**

**Combined Statement of Cash Receipts and Payments & Comparison to Budget**

**For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

**Ministry of Humanitarian & Disability Affairs****Combined Statement of Cash Receipts and Payments & Comparison to Budget****For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015</b> <b>01, October to 31 December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
<b>Notes</b>		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	<b>2</b>		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				



**Ministry of Tourism & Wildlife**

**Combined Statement of Cash Receipts and Payments & Comparison to Budget**

**For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

**Ministry of Environment & Forestry**

**Combined Statement of Cash Receipts and Payments & Comparison to Budget**

**For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>									
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

## Ministry of Islamic Affairs &amp; Endowments

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

## Ministry of Labour &amp; Employment

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	69,440	69,440		(69,440)				
<b>Receipts / Inflows</b>		<b>69,400</b>	<b>69,440</b>		<b>(69,440)</b>				
<b>Payments / Outflows</b>									
Compensation of Employees	6								
Wages and Salaries		68,760	68,760		(68,760)				
Compensation of Employees	7	68,760	68,760		(68,760)				
Use of Goods and Services									
Operating Expenses		680	680		(680)				
Use of Goods and Services		680	680		(680)				
<b>Payments / Outflows</b>		<b>69,440</b>	<b>69,440</b>		<b>(69,440)</b>				

## Ministry of Women &amp; Human Rights

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2	66,328	66,328		(66,328)			10,350	
<b>Receipts / Inflows</b>		<b>66,328</b>	<b>66,328</b>		<b>(66,328)</b>			<b>10,350</b>	
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		65,148	65,148		(65,148)				
<b>Compensation of Employees</b>	<b>7</b>	<b>65,148</b>	<b>65,148</b>		<b>(65,148)</b>				
<b>Use of Goods and Services</b>									
Travel & Conferences		500	500		(500)			3,000	
Operating Expenses		680	680		(680)			2,350	
Rent								5,000	
<b>Use of Goods and Services</b>		<b>1,180</b>	<b>1,180</b>		<b>(1,180)</b>			<b>10,350</b>	
<b>Payments / Outflows</b>		<b>66,328</b>	<b>66,328</b>		<b>(66,328)</b>			10,350	

## Ministry of Transportation &amp; Airports

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriation	2	69,930	69,930		(69,930)				
<b>Taxes</b>	3								
Taxes on goods and services		290,000	290,000	81,898	(208,102)			13,700	
<b>Taxes</b>		290,000	290,000	81,898	(208,102)			13,700	
<b>Other Revenue</b>	4								
Sale of goods and services		190,000	190,000		(190,000)			5,700	
<b>Other Revenue</b>		190,000	190,000		(190,000)			5,700	
<b>Receipts / Inflows</b>		480,000	480,000	81,898	(398,102)			19,400	
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries		68,760	68,760		(68,760)				
<b>Compensation of Employees</b>		68,760	68,760		(68,760)				
<b>Use of Goods and Services</b>	7								
Travel & Conferences		570	570		(570)				
Operating Expenses		600	600		(600)				
<b>Use of Goods and Services</b>		1,170	1,170		(1,170)				
<b>Payments / Outflows</b>		69,930	69,930		(69,930)				

## Ministry of Livestock &amp; Veterinary

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31 December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund									
Appropriations	2	79,576	79,576		(79,576)				
<b>Receipts / Inflows</b>		<b>79,576</b>	<b>79,576</b>		<b>(79,576)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries		78,396	78,396		(78,396)				
<b>Compensation of Employees</b>		<b>78,396</b>	<b>78,396</b>		<b>(78,396)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences		500	500		(500)				
Operating Expenses		680	680		(680)				
<b>Use of Goods and Services</b>		<b>1,180</b>	<b>1,180</b>		<b>(1,180)</b>				
<b>Payments / Outflows</b>		<b>79,576</b>	<b>79,576</b>		<b>(79,576)</b>				



## Ministry of Fisheries &amp; Sea Minerals

## Combined Statement of Cash Receipts and Payments &amp; Comparison to Budget

For the year Ended 31 December 2016

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>									
Wages and Salaries	6		55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>									
Travel & Conferences	7		2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

**Ministry of Public Works & Reconstruction**

**Combined Statement of Cash Receipts and Payments & Comparison to Budget**

**For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		2016						2015 01, October to 31, December	
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	3rd Party Contribution Estimate	Payments by Third Party	Controlled by TSA	Payments by Third Party
Notes		USD	USD	USD	USD	USD	USD	USD	USD
<b>Receipts / Inflows</b>									
Consolidated Fund Appropriations	2		65,310		(65,310)				
<b>Receipts / Inflows</b>			<b>65,310</b>		<b>(65,310)</b>				
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	6								
Wages and Salaries			55,860		(55,860)				
<b>Compensation of Employees</b>			<b>55,860</b>		<b>(55,860)</b>				
<b>Use of Goods and Services</b>	7								
Travel & Conferences			2,000		(2,000)				
Operating Expenses			3,450		(3,450)				
Rent			4,000		(4,000)				
<b>Use of Goods and Services</b>			<b>9,450</b>		<b>(9,450)</b>				
<b>Payments / Outflows</b>			<b>65,310</b>		<b>(65,310)</b>				

**Civil Service Commission****Combined Statement of Cash Receipts and Payments & Comparison to Budget****For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015 01, October to 31 December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Receipts / Inflows</b>	<b>Notes</b>								
Consolidated Fund Appropriations	<b>2</b>	64,930	64,930	2,572	(62,358)	70,238	70,238		
<b>Receipts / Inflows</b>		<b>64,930</b>	<b>64,930</b>	<b>2,572</b>	<b>(62,358)</b>	<b>70,238</b>	<b>70,238</b>		
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		63,000	63,000	2,572	(60,428)				
<b>Compensation of Employees</b>		<b>63,000</b>	<b>63,000</b>	<b>2,572</b>	<b>(60,428)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences		500	500		(500)				
Operating Expenses		1,430	1,430		(1,430)				
Other Operating Expenses						70,238	70,238		
<b>Use of Goods and Services</b>		<b>1,930</b>	<b>1,930</b>		<b>(1,930)</b>	<b>70,238</b>	<b>70,238</b>		
<b>Payments / Outflows</b>		<b>64,930</b>	<b>64,930</b>	<b>2,572</b>	<b>(62,358)</b>	<b>70,238</b>	<b>70,238</b>		

**South West Parliament**

**Combined Statement of Cash Receipts and Payments & Comparison to Budget**

**For the year Ended 31 December 2016**

Government Uses a Treasury Single Account System to Manage Funds

		<b>2016</b>						<b>2015</b>	
								<b>01, October to 31, December</b>	
		<b>Original Estimate Appropriation</b>	<b>Final Estimate Appropriation</b>	<b>Controlled by TSA</b>	<b>Difference Between Final Budget and Actual</b>	<b>3rd Party Contribution Estimate</b>	<b>Payments by Third Party</b>	<b>Controlled by TSA</b>	<b>Payments by Third Party</b>
		<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Receipts / Inflows</b>	<b>Notes</b>								
Consolidated Fund Appropriations	<b>2</b>	1,412,479	1,412,479	187,500	(1,224,979)				
<b>Receipts / Inflows</b>		1,412,479	1,412,479	187,500					
<b>Payments / Outflows</b>									
<b>Compensation of Employees</b>	<b>6</b>								
Wages and Salaries		1,407,969	1,407,969	187,500	(1,220,469)				
<b>Compensation of Employees</b>		<b>1,407,969</b>	<b>1,407,969</b>	<b>187,500</b>	<b>(1,220,469)</b>				
<b>Use of Goods and Services</b>	<b>7</b>								
Travel & Conferences		2,000	2,000		(2,000)				
Operating Expenses		2,510	2,510		(2,510)				
<b>Use of Goods and Services</b>		<b>4,510</b>	<b>4,510</b>		<b>(4,510)</b>				
<b>Payments / Outflows</b>		<b>1,412,479</b>	<b>1,412,479</b>	<b>187,500</b>	<b>(1,224,979)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## **Note 1      Summary of Significant Accounting Policies for All Budget Entities**

### ***1.1 Financial Statement***

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

### ***1.2 Basis of Preparation***

The individual budget entity financial statement for each ministry/authority of the South West State of Somalia's (SWSS) have been prepared in accordance with the *Public Financial Management Decree of 2015* and the *International Public Sector Accounting Standard (IPSAS) - Financial Reporting Under the Cash Basis of Accounting*. These notes to the financial statements form an integral part to 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 and 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 *SWSS Appropriation Act No. 1 of 2016*. All budget entities listed below are controlled by the SWSS. All activities of budget entities are funded by the SWSS Consolidated Budget or through 3<sup>rd</sup> Party external assistance.

The preceding individual financial statements are for the following public sector entities, whose main purpose is described in ***Presidential Decree ISWA-0001/03/01/15*** entitled *A Decree Establishing Ministries of South West State of Somalia (SWSS) and Defining Roles and Functions of Ministries* dated 03 01 2015 plus a separate decree creating the Ministry of Finance entitled *A Decree for the Purposes of Establishing the Ministry of Finance of the South West State of Somalia (SWSS) and Other Related Matters* dated July 09, 2015

A subsequent decree on establishing the Civil Service Commission (CSC) and its purpose entitled *A Decree for establishing the Civil Service Commission of the South West State of Somalia (SWSS) dated 09 July, 2015* 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 SWSS constitution automatically established the South West Parliament. Their respective statements form part of the consolidated Financial statements as these entities were included as part of the *SWSS Appropriation Act No.1 of 2016*.

<b>Budget Entity</b>
State Ministry of President
Ministry of Justice & Judiciary
Ministry of Finance
Ministry of Interior & Local Governments
Ministry of Agriculture & Irrigation
Ministry of Security
Ministry of Disarmament, Rehabilitation & Reintegration
Ministry of Energy & Petroleum
Ministry of Seaports & Sea Transportation
Ministry of Planning and International Cooperation
Ministry of Health
Ministry of Education
Ministry of Higher Education, Culture & Technology
Ministry of Information
Ministry of Posts & Communications
Ministry of Youth & Sports
Ministry of Mineral Resources & Water
Ministry of Industry & Commerce
Ministry of Resettlement & Diaspora Affairs
Ministry of Reconciliation & Constitutional Affairs
Ministry of Humanitarian & Disability Affairs
Ministry of Tourism & Wildlife
Ministry of Environment & Forestry
Ministry of Islamic Affairs & Endowments
Ministry of Labour & Employment
Ministry of Women & Human Rights
Ministry of Transportation & Airports
Ministry of Livestock & Veterinary
Ministry of Fisheries & Sea Minerals
Ministry of Public Works & Reconstruction
South West State Civil Service Commission
South West State Parliament

In addition to the Ministries listed above, the Auditor General's Office has yet to be created via decree and the Barawe Airport and Ports Authorities will be legalized separately the next year, however their individual statements are included here as part of the Consolidated Fund statement as these entities were included in the *SWSS Appropriation Act No 1 of 2016*.

The above budget entities do not control other entities that are consolidated into its activities in these financial statements.

### ***1.5 Payments by Third Parties***

A budget entity may also benefit from goods and services purchased on its behalf as a result of cash payments made by third parties external to the SWSS during the period. The payments made by the third parties do not constitute cash receipts or payments of the budget entity but do benefit the entity. They are disclosed in the *Payments by 3rd Parties* column in the *Combined Statement of Cash Receipts and Payments & Comparison to Budget*.

**1.6 Single Treasury 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 column in the *Combined Statement of Cash Receipts and Payments & Comparison to Budget*.

**1.7 Reporting Currency**

The reporting currency is the United States Dollar (USD).

**1.8 Comparative Information**

SWSS commenced operations on the 1 October 2015. The comparative information is for the three (3) months covering the period 1 October to 31 December 2015.

**1.9 Authorization Date**

On behalf of the individual budget entity, their financial statements were authorized for issue on 22 July 2017 by H.E Hassan Ibrahim Hassan, Minister of Finance.

**Note 2 Consolidated Fund Appropriations**

This represents the cumulative amount of expenditures that were funded from the consolidated fund Treasury Single Account (TSA).

Amounts appropriated by the South West 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 Governments 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 is a summary Explanations of the nature of source of Income and the expenses financed through general fund appropriations.

**Note 3 Taxes**

Taxes refer to revenue arising from taxes on income, profit and capital gains, payroll and work force, goods and services, local government tax collections and taxes on international trade transactions. Some entities though regarded as costs centres also generate a proportion of the total revenue collections. However, this does not mean that such entities have control over the revenue they collect but instead remit their collections in to the Treasury Single Account where it is utilized to fund appropriations to the budget entities.

While some taxes are collected directly by the concerned Ministry in most instances, the MOF places their own employee from the revenue department who is tasked in the actual revenue collection. The Following is a summary breakdown of tax receipts collected by relevant entities in comparison to the final budget estimate.

<b>Budget Entity</b>	<b>2016 Total Revenue Estimate</b>	<b>2016 Tax Receipt Recorded</b>
	<b>USD</b>	<b>USD</b>
Ministry of Finance	1,238,040	1,581,396
Ministry of Transportation and Airports	480,000	81,898
Ministry of Interior and Local Government	496,896	100,920
Ministry of Security	0	950
<b>TOTAL</b>	<b>2,215,273</b>	<b>1,765,164</b>

**Note 4 Grants*****Treasury Single Account***

Grants from international organizations, the Federal Government of Somalia and other governments are remitted through the Treasury Single Account (TSA) and therefore recorded under the MOF. In certain cases, donors may fund ministerial projects explicitly designed for and implemented by a selected entity. Such project will fall under that particular entity, however the funds are deposited into the TSA.

Grant income of \$141,800 was budgeted during the reporting period however \$933,655 was received. The following demonstrates a breakdown of all the grants received in during the year.

<b>Budget Entity</b>	<b>Grant Donor</b>		
	<b>Somalia Stability Fund (USD)</b>	<b>World Bank (USD)</b>	<b>Federal Government of Somalia (USD)</b>
Ministry of Finance	<b>117,155</b>	<b>-</b>	<b>816,500</b>



Even though the funds are received in to the TSA and managed by the MOF, the project activities benefitted other entities as well. The table below details donor funds received by budget entity.

Budget Entity	Description of Expense	Amount
Ministry of Finance	Permanent Employees Regular Staff Salaries and Allowance of the PS, Furniture, Office equipment and operations cost	117,155
Ministry of Security	South West Security Forces Allowance	816,500
<b>Grand Total</b>		<b>933,655</b>

### **3<sup>rd</sup> Party Contributions**

Third Party Contributions are assistance that is offered to the SWSS by the international community without providing cash into the Treasury Single Account. Donors may implement a project and pay the vendors directly.

During the year, SWSS received \$510,785 in relation to projects implemented by the Somali Stability Fund (SSF). The following provides a summary of the projects implemented with the 3<sup>rd</sup> party funds.

Projects	Cost (USD)
Training and Development of Public Financial Management and supply of equipment for Ministry of Finance	414,887
Capacity Building, Training, and Computers for Civil Service Commission	70,238
Supply of Furniture/Equipment for Wajid District/Court through Ministry of Finance	25,660
<b>Total</b>	<b>510,785</b>

### **Note 5 Other Revenue**

Sales of goods and service and voluntary transfer other than grants a total of \$950 was realised from Sales of goods and Service with of \$144,418 was received from Voluntary transfer other than grants. Sales of goods and service is derived from the issuance Clearance Letter for individuals that needed or required to their employment such as the employees that recruited International Organizations.

### **Note 6 Employee Compensation**

Employee Compensation entails all salaries and wages including in-kind payment. Salaries to the civil servants and the security forces make up the prime part of employee compensation. The Recurrent cost and reform financing (RCRF II) pays for the salaries of the permanent employees of SWSS who have been recruited competitively by the CSC. During the reporting period, the project has paid salaries to two entities namely the Ministry of Finance and the secretariat to the Civil Service Commission.

A competitive recruitment process is a fundamental condition to the project and in order to meet the criteria a civil service commission has been established to spearhead the process.

**Note 7 Use of Good and Services**

SWSS'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. SWSS does not have access to a credit facility and as a result has prioritized available income in executing budgets across the entities. The following is a summary of the SWSS operational budget execution level. Note the table only summarizes for operational budget. Note 12 provides detail on Non- financial assets.

## Operations Summary

Budget Entity	Final Budget	TSA	Execution	%Executed
State Ministry of President	142,060	-	-	-
Ministry of Justice & Judiciary	121,044	-	-	-
Ministry of Finance	331,452	130,973	39.51	
Ministry of Interior & Local Governments	110,964	-	-	-
Ministry of Agriculture & Irrigation	78,864	-	-	-
Ministry of Security	3,174,601	1,445,800	45.54	
Ministry of Disarmament, Rehabilitation & Reintegration	56,949	-	-	-
Ministry of Energy & Petroleum	65,310	-	-	-
Ministry of Seaports & Sea Transportation	65,310	-	-	-
Ministry of Planning and International Cooperation	85,821	-	-	-
Ministry of Health	66,435	-	-	-
Ministry of Education	58,762	-	-	-
Ministry of Higher Education, Culture & Technology	65,310	-	-	-
Ministry of Information	69,700	-	-	-
Ministry of Posts & Communications	65,310	-	-	-
Ministry of Youth & Sports	71,600	-	-	-
Ministry of Mineral Resources & Water	81,916	-	-	-
Ministry of Industry & Commerce	75,502	-	-	-
Ministry of Resettlement & Diaspora Affairs	65,310	-	-	-
Ministry of Reconciliation & Constitutional Affairs	65,310	-	-	-
Ministry of Humanitarian & Disability Affairs	65,310	-	-	-
Ministry of Tourism & Wildlife	65,310	-	-	-
Ministry of Environment & Forestry	65,310	-	-	-
Ministry of Islamic Affairs & Endowments	65,310	-	-	-
Ministry of Labour & Employment	69,440	-	-	-
Ministry of Women & Human Rights	66,328	-	-	-
Ministry of Transportation & Airports	69,930	-	-	-
Ministry of Livestock & Veterinary	79,576	-	-	-
Ministry of Fisheries & Sea Minerals	65,310	-	-	-
Ministry of Public Works & Reconstruction	65,310	-	-	-
South West State Civil Service Commission	64,930	2,572	3.96	
South West State Parliament	1,412,479	187,500	13.27	

**Note 8 Other Operating Expenses****Treasury Single Account**

A total of \$30,000 was paid for other operating costs such as Technical Advisor Salaries. Technical Advisor Fees was spent on establishment, re-organization and re-development of Ministry of Finance for the day to day activities.

<b>Budget Entity</b> <b>(USD)</b>	<b>Other Operating Costs (Technical Advisor)</b> <b>(USD)</b>
Ministry of Finance	30,000
<b>Total</b>	<b>30,000</b>

**3rd Party Payment**

Other operating costs totalling \$483,705 were paid by donors on behalf of South West State of Somalia (SWSS). The transactions were broken down as follows

<b>Budget Entity</b>	<b>Description of Expense</b>	<b>Amount (USD)</b>
Ministry of Finance	Staff Training and Development (PFM/FMIS/Budget/RMS Training and Support)	407,967
Ministry of Finance	Material Transportation	5,500
Civil Service Commission	Staff Training and Development Commission	16,628
Civil Service Commission	Tools and Specialized professional service	53,610
<b>Total</b>		<b>483,705</b>

**Note 9 Non-Financial Assets****Treasury Single Account**

Non-financial assets consist of assets acquired by entities in running their business operations and include assets such as cars, computers, furniture and fixtures and construction of ministerial offices. The preliminary set-up of the entities warranted emphasis on assets acquisition towards ministerial office construction and furniture and fixture, which are both fundamental to the setup process.

During the financial year, a total of \$10,000 was disbursed on non-financial assets. The variance was a result of some entities not being operational while others were not fully established. It is integral to note that SWSS's ability to execute its budget on capital investment is limited to its revenue collections. Following is a summary breakdown of Non-financial asset budget execution level for the reporting period.

### Non-Financial Assets Summary

The Finance ministry is the only ministry has non-Financial Assets was estimated \$10,000 and the actual used was \$10,000 during FY2016.

### 3rd Party Non-Financial Assets

Third party non-financial asset were acquired on behalf of SWSS by the Somalia Stability Fund. In The previous financial year third party assets acquired by SWSS mainly purchasing of IT equipment and Furniture for Wajid/Court through Ministry of Finance. Below is a breakdown description of the 3<sup>rd</sup> party payments regarding non-financial assets.

<b>Budget Entity</b>	<b>Item Description</b>	<b>Amount (USD)</b>
Ministry of Finance	Office Equipment	5,910
	Office Furniture	14,250
	Computer and ICT Equipment	3320
	Computer Software	3,600
<b>Total</b>		<b>27,080</b>