THE FEDERAL GOVERNMENT OF SOMALIA

Office of the Accountant General

In-Year Financial Reports of the Federal Government of Somalia
For the period ended 31st-March-2022

THE FEDERAL GOVERNMENT OF SOMALIA
In-Year Financial Reports
For the period ended 31st-March 2022

Table of Contents

THE FEDERAL GOVERNMENT OF SOMALIA
In-Year Financial Reports
For the period ended 31st-March 2022

I. IN-YEAR REPORTS DISCUSSION AND ANALYSIS

1) Overview of the monthly in-year financial reports

Articles 44 of the PFM Act and 83 of the PFM regulation respectively require the Accountant General to prepare monthly in-year financial reports, to be published within four weeks following the end of the month.

Accordingly and for the purpose of article 44 (3) of the PFM act, 2019 this quarterly in-year report has been prepared for the period ending March 2022 and provide a record and an analysis of the Government's financial position and performance during the period ending March 2022 of the financial year, 2022 as shown in the Statement of Cash Receipts and Payments, Statement of Comparison of Budget and Actual Amounts, the Statement of Cash Flows, balance sheet, statement of expenditure by Government functions (COFOG), statement of expenditure arrears, statement of public debt, detailed statement for revenue and expenditure and fiscal summary table, and the budget utilization report including outstanding commitments at the end of the period of March 2022 .These in-year financial reports have been prepared by the Accountant General of the Federal Government of Somalia at the federal level following the cash Basis IPSAS and include financial information related to all Federal Government Ministries, Departments and Agencies (MDAs) including the externally financed projects.

The financial reports focus on reporting, primarily budgeted activities of the FGS for which an Annual Budget Statement was prepared for and authorized by the Federal Parliament of Somalia for the 2022 fiscal year. **The transactions for extra-budgetary funds are therefore not included.**

2) Format of the in-year financial reports

The monthly in-year financial reports of the Federal Government of Somalia have been prepared on a cash basis with activities and related transactions recognized when cash is received, and payments are made. Consistent with Article 44(3) of the PFM Act, the in-year reports have been prescribed by the Accountant General to include:

a) Statement of Cash Receipts and Payments

According to Cash Basis IPSAS, paragraph 1.3.12 and 2.3.13, the statement of cash receipts and payments is to show total or all cash receipts and payments of the Federal Government of Somalia. This statement reports on the net surplus or deficit (the difference between total receipts and total payments) for the year. The statement provides information on the FGS's sources of revenue and the cost of its activities.

b) Statement of Comparison of Budget and Actual Amounts by Economic Nature

The statement of comparison of budget and actual amounts presents a comparison of the approved budget amounts appropriations) and the actual amounts for the year based on the GFS economic classification. Where the budget has been revised, the revised and final budget is also included. The statements are prepared to provide information on the extent to which resources were appropriated by parliament and used in accordance with the budget approved by the Federal Parliament of Somalia.

c) Statement of Cash flow

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

d) Statement of Payments by Functions of Government

This statement is an optional requirement under IPSAS Part 1 but included in the in-year reports to provide further details of the amounts disclosed in the Statement of Cash Receipts and Payments by comparing the budget and government spending during the financial year by government functions. The statement is based on the Division Classification of Government outlays by functions of Government (COFOG) and identifies the purpose of spending by the Government.

e) Balance Sheet (Statement of financial assets and liabilities)

The Balance Sheet (Statement of Financial Assets and Liabilities) provides details of the financial assets and liabilities of the Government reporting the net assets (the difference between total financial assets and total liabilities) of the Government. Currently the Balance Sheet provides information on the financial assets and some liabilities.

f) Statement of Expenditure Arrears

This statement provides information on the outstanding payments that have built-up over the years for the supply of goods and services including employee costs. Expenditure arrears are recorded on the balance sheet under current liabilities.

g) Statement of Public Debt

This statement provides information on the outstanding external debt of the Federal Government of Somalia at the end of the reporting period and makes a distinction between multilateral and bilateral creditors. Bilateral creditors are further broken down into Paris and Non-Paris club creditors.

h) Statement of non-current assets

As part of the PFM reforms aimed at improving the management of the non-current assets, the Government enhanced its SFMIS asset module to meet the precise needs for better management of the Government assets and this was accompanied by the verification and migration of government assets to the SFMIS. Consequently, and in a bid to complement the disclosure notes provided under the Cash Basis IPSAS followed by the FGS in the preparation of its financial statements, a summary statement of the FGS fixed assets has been prepared and included in the financial statements providing an initial step in facilitating the transition from cash basis of accounting to full IPSAS accrual accounting. Progressively, efforts will be made to ensure that all asset categories including the intangible assets are included in the statement of the non-current assets.

i) SFMIS reports and schedules

The following SFMIS reports and schedules are provided as part of the in-year reports to comply with the requirements of Article 44(3) of the PFM Act and Article 83 of the regulations and also provide more information to assist in understanding the information reported in the in-year reports - necessary for increased accountability and decision-making purposes.

- FGS Fiscal summary report
- Detailed revenue performance report
- Detailed expenditure performance report
- Detailed budget utilization report
- COFOG report

3) Summary of Financial Results for the period ending March 2022F

Financial Statement Highlights and Analysis

Table 1 – Summary of Financial Performance

Financial Performance	2022		2021		
	For the Month of March	Year to date Actual (Jan-March)	For the month of March 2021	Year to date Actual (Jan-March)	31 Dec
	USD$				USD$
Revenue	36,921,339	117,087,699	31,829,598	76,917,730	496,826,962
Expenditure	40,060,556	94,322,659	40,182,832	85,583,972	485,287,246
Surplus(Deficit)	**(3,139,217)**	**22,765,040**	**(8,353,234)**	**(8,666,242)**	**11,539,716**
% Change	38	(263%)			48%
Original Budget	**929,924,527**	**929,924,527**	666,484,657	476,150,905	476,150,905
Revised Budget (Mid-year Revision)	**0**	**0**	**685,270,734**	**685,270,734**	**685,270,734**
Actual Expenditure		94,322,659	40,182,832	85,583,972	485,287,246
Under Spending (Budget Saving)	**(889,863,971)**	**(835,601,867)**	**(645,087,902)**	**(599686762)**	**(199,983,488)**

Revised budgeted revenue & external assistance	**944,859,564**	**944,859,564**	**685,270,734**	**685,270,734**	**685,270,734**
Actual revenues	36,921,339	117,087,699	31,829,598	76,917,730	496,826,962
Shortfall in budgeted revenue & assistance	**907,938,225))**	**(827,771,865)**	(653,441,134	(608,353,004)	(188,443,772)

4) Revenue

Revenue Analysis

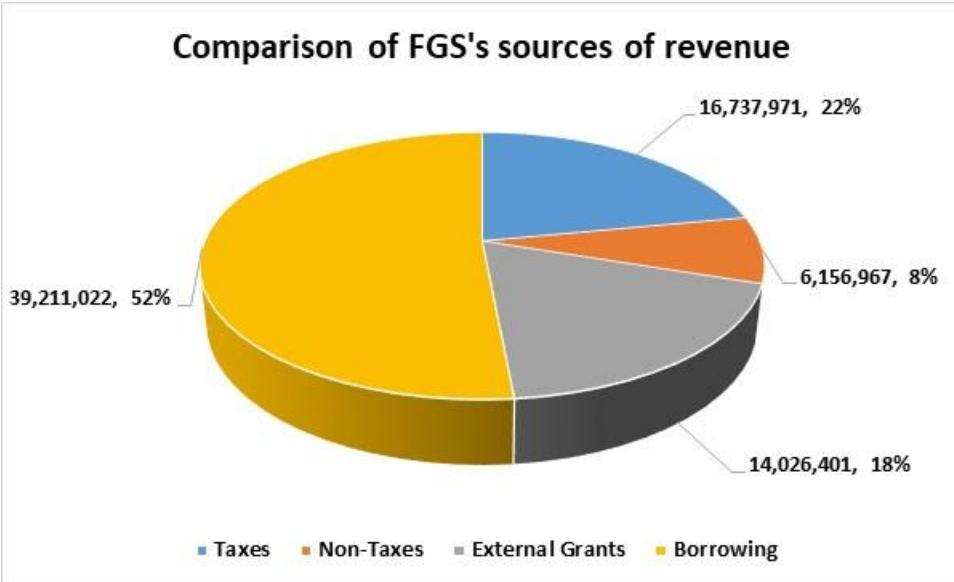
The Federal Government of Somalia's total revenue decreased by USD $159milion for the period of March 2022 is USD $77.9 million (67%) from USD$236.7 million in 2021 to USD $472.9 million in 2021. The main sources of the FGS's revenue are internally generated income; (taxes and domestic fees and charges) as well as external assistance from Multilateral and Bilateral organizations. Internal revenue (taxes and fees) of USD $57.4 million was 74% of total revenues of USD $77.88 million for the year.

Table 2 – Summary of Receipts

Revenue Analysis	**2022**		**2021**		
Revenue Type	**31 March**	**Year to date Actuals (Jan-April)**	**31st March**	**Year to date Actuals (Jan-April)**	**31 Dec**
Taxes	16,737,971	41,784,052	15,610,584	39,118,742	162,766,994
Non-Taxes	6,156,967	15,621,141	6,283,055	12,831,381	66,794,410
External Grants	14,026,401	20,471,484	9,935,960	24,967,607	146,975,019
Borrowing	39,211,022	39,211,022	-	-	-
Total	**76,132,361**	**117,087,699**	**31,829,598**	**76,917,730**	**472,901,997**

The following chart further highlights, the breakdown of revenue collections for the year which shows that external grants was 18% of the total receipts, and tax receipts that is 22% while the non-tax receipt is 8%of the total receipts for the year, other revenue from borrows represented 52% of the total revenues for the period ended 31st March 2022.

Chart 1 – Comparison of FGSs' Sources of Revenue



Non-Tax Receipts

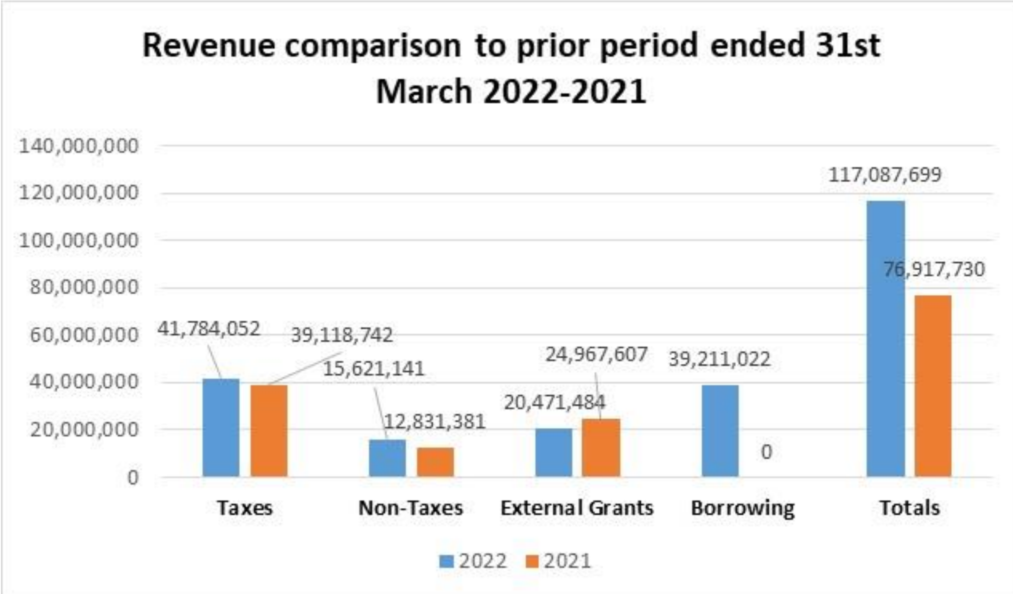
The period of March 2022 saw non-tax receipts slightly decrease by USD $1.1 million when compared to the previous same period. As detailed in Table 2, the current period's non-tax revenue (domestic receipts) stands at USD $15.6 million down from USD $16.7 million last March 2021, in the same period.

Tax Receipts

The March 2022 period saw revenue from taxes has slightly increase from USD $39 million last year to USD $42million.

Further illustration and comparisons between the current year and previous year is highlighted in Chart 2.

Chart 2 – Revenue Comparison to Prior Year ended 31st March 2022



External Assistance

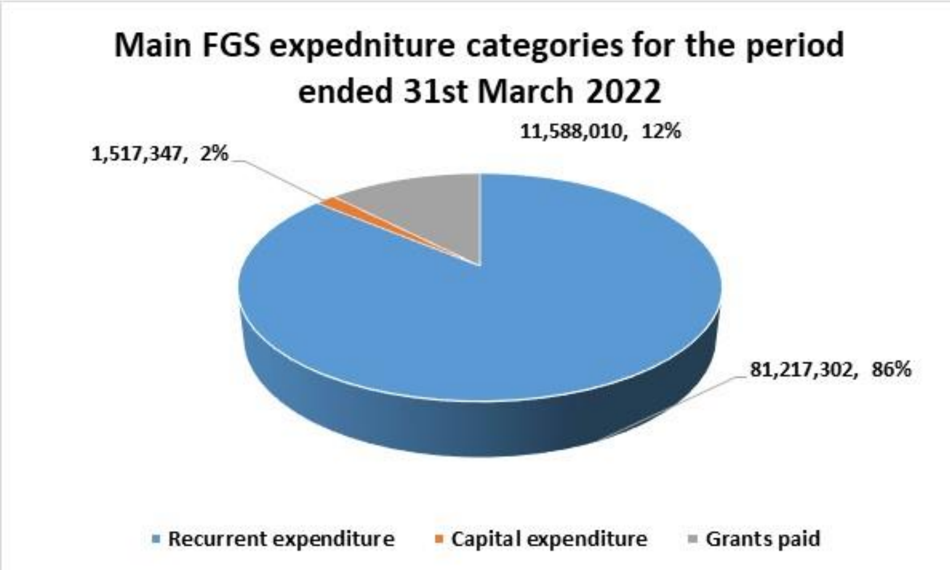
External assistance and grants from bilateral and multilateral agencies were significant sources of funds accounting for USD $20.5 million (26%) of total revenue compared to USD $36.7 million in the previous year, representing a increase of USD $16.2 million, This significant decrease was mainly due to the suspension of donor's budget support due to delays to complete parliamentary elections.

5) Expenditure

Expenditure Analysis

The FGS's payments fall into four distinct categories; recurrent expenditure, capital expenditure, loan repayments and grants paid to sub-national governments, in particular the Federal Member States. The recurrent expenditure were primarily manpower related expenses, and cost on use of goods and services for Government operations. The recurrent expenses also includes interest and other charges. Chart 3 summarizes the major areas of expenditure incurred by FGS during the year.

Chart 3 – Main Expenditure Categories



The total payments made during the period amounted to USD $94 million in comparison to USD $121 million for the previous year. Overall, the FGS has decreased its expenditure by USD $27 million, with the highest increases in the recurrent expenditure of USD $81 million.

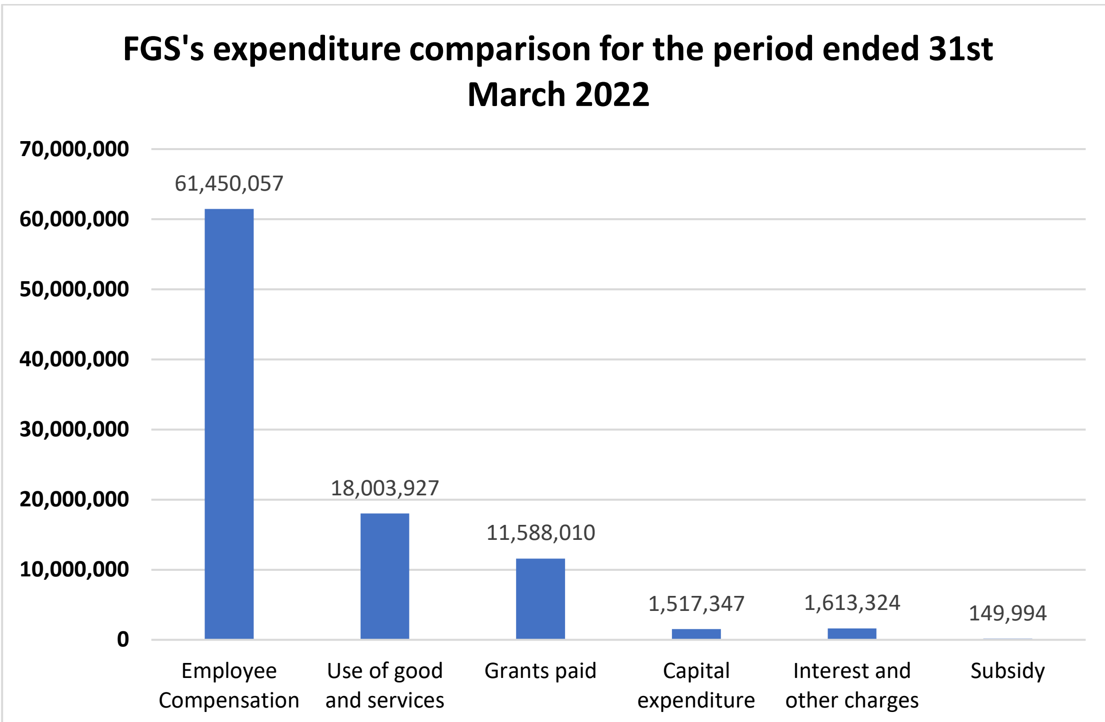
The largest expenditure category was the employee salary cost which amounted to USD $61.5 million, which was 66% of the total expenditure. The second highest cost is the use of goods and services expenditure, which was 19% of total expenditure for the period. The expenditure was higher than the revenue during the year, leading to a fiscal balance worth USD $16m. Table 3 below shows expenditure categories for the 2021 financial year in comparison to the 2020 and 2019 financial years.

Table 3 – Summary of Expenditure, 2022 - 2021

	2022		2021		
Expenditure	**31st March**	**Year to date Actuals (Jan-March)**	**31st March**	**Year to date Actuals (Jan-March)**	**31-Dec**
Employee Consumption	22,780,528 22,780,528	61,450,057	22,982,551	56,078,186	250,099,404
Use of Goods and Service	9,882,0640	18,003,927	7,803,643	13,762,550	106,059,789
Grants Paid	5,545,482	11,588,010	4,379,847	6,623,040	45,850,523
Capital Expenditure	922,087	1,517,347	1,387,793	1,776,326	16,099,178
Interest and other charges	930,395	1,613,324	3,493,771	4,208,643	1,440,881
Subsidy	-	149,994	135,228	135,228	1,271,695
Social benefits	-	-	-	-	39,864,848

Loan repayment	-				35,156,428
Total	**40,060,556**	**94,322,659**	**40,182,832**	**85,583,972**	**495,842,746**
% Change					

Chart 4 – Main Expenditure Categories



6) Capital Expenditure Analysis

Capital expenditure (non-financial assets) for the period of March 2022 was USD $1.5 million compared to USD $4 million for the same period of the previous year, a decrease of USD $2.5 million. The major areas of expenditure were ICT infrastructure expenses followed by other fixed assets expenses. In accordance with reporting on a cash-basis, capital expenditure is expensed in the year of acquisition.

Table 4 – Summary of Capital Expenditure

Capital Expenditure	**2022 USD$**		**2021 USD$**		
	31st March USD	**Year-to-date Actuals (Jan-March)**	**31st March USD**	**Year-to-date Actuals (Jan-March)**	**30 Dec**
Residential buildings	-	166,469	-	-	1,968,456
Non – residential buildings	-			-	151,633
Other structure	-	263,954	-		151,633
ICT infrastructure, hardware, networks, facilities	377,478	467,304	176,834	176,834	2,610,755
Other fixed assets	-	427,622	960,355	1,348,887	6,087,760
Transport equipment	-	-	-	-	41,390
Machinery and other equipment	127,500	127,500	8,000	8,000	4,052,767
Intangible assets	-		204,805	204,805	855,340
Software application	-	34,499	-		122,443
Furniture and fixtures	30,000	30,000	-	37,800	208,635
Roads and bridges					37,908
Total Capital expenditure		**1,517,347**	**1,387,793**		**16,099,179**

7) Budget and Expenditure Analysis

The annual budget of the FGS is the principal document by which the Government sets out its financial plan for the year. The original budget or financial plan approved by the Federal Parliament for the budgeted expenditure for the first quarter of the year was USD $206 million. With supplementary Budget of USD$207 was approved by Parliament during this period.

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

Table 4 – Expenditure, Budget and Actual comparison

Expenditure categories	**2022 USD$**		**2021 USD$**		
	31st March USD	**Year-to-date Actuals (Jan-March)**	**31st March USD**	**Year-to-date Actuals (Jan-March)**	**30 Dec**
Compensation of Employees	22,780,528	61,450,057	22,982,551	56,078,186	250,099,404
Use of Goods & Services	9,882,064	18,003,927	7,803,643	13,762,550	106,059,789
Grants Paid		11,572,010	4,379,847	9,623,040	45,850,523
Capital Expenditure	922,087	1,517,347	1,387,793	1,776,326	16,099,778

Interest and other charges	930,395	1,613,324	3,493,771	4,208,643	14,605,118
Subsidy	5,545,482	149,994	135,228	135,228	1,271,695
Social benefit	-	-	-	-	39,864,848
Other Expenditure (Contingency Fund)	-	-	-	-	-
Total expenditure	**40,060,556**	**94,306,659**	**40,182,833**	**85,583,973**	**473,851,155**

Expenditure Category	**2022** Budget March 2022 SD$	**Actual** USD$	**Variance (Underspend)** USD$
Compensation of Employees	264,685,561	61,450,057	-23%
Use of Goods & Services	223,420,269	18,003,927	-8%
Grants Paid	115,504,205	11,588,010	-10%
Capital Expenditure	40,955,427	1,517,347	-3.7%
Interest and other charges	2,500,000	1,613,324	-65%
Subsidy	7,546,700	149,994	-2%
Social benefit	273,428,400	-	-100%
Other Expenditure (Contingency Fund)	1,883,966	-	100%
Total Expenditure	**929,924,527**	**94,322,659**	**-10%**

8) Balance Sheet (Statement of Financial Assets & Liabilities)

As the government reports on a cash basis accounting, the balance sheet does not include all assets and liabilities of the Government in the Balance Sheet, but will initially include financial assets and liabilities and will progressively include all the assets and liabilities over time.

The following is a summary of the Balance Sheet (Statement of Assets and liabilities)

Table 6 – Balance Sheet

Description	**March-2022 USD$**	**2021 USD$**	**% Change**
Cash & Cash Equivalents	22,765,040	43,198,462	(53)%
Receivables			
Total Assets			
Payables			

Expenditure Arears	52,795,274	52,795,274	0 %
Total Liabilities	52,795,274	52,795,274	
Net Financial Worth	**(30,030,234)**	**9,596,812**	**(313)%**

a) *Net financial worth equals total financial assets minus total liabilities excluding external debt.*
b) *Expenditure arrears are liabilities that have so far been verified as outstanding. So far these relate to payroll arrears.*

A further analysis and discussion of the financial liabilities and accumulated funds included in the balance sheet is as follows;

I. Payables

These comprise of:

	March-2022 USD$	2021 USD$
Domestic Payables	52,795,274	
Payroll arrears		52,795,274
Total Domestic Payables	52,795,274	**52,795,274**

II. Expenditure Arrears

Payroll arrears of USD $52,795,274 were confirmed at the end of the period ended 31 March 2022 with no arrears settled during the period. However, verification to determine eligible expenditure arrears relating to goods and services is still ongoing.

Accumulated Funds

The accumulated surplus (deficit) as at the year-end was as follows:

	2022 USD$ 31 March	2021 USD$ 31 Dec
Opening Balance-As at beginning of year	9,596,813	13,343,935
Surplus/Deficit for the year	22,765,040	(22,940,748)
Payroll arrears		
Adjustments-Bank Balances		
Balance at the end of the reporting period	**32,361,853**	**9,596,813**

Note: Balance sheet is prepared for financial assets and liabilities and excludes fixed assets which are reported separately as the verification process continues. Accordingly and because of the matching principle, public debt has been disclosed separately and will be included in the Balance Sheet at the same time with the fixed assets considering that much of public debt was towards capital expenditure in the past..

9) Property, Plant and Equipment (statement of non-current assets)

As part of the PFM reforms aimed at improving the management of the non-current assets, the Government enhanced its SFMIS asset module to meet the precise needs for better management of the Government assets and this was accompanied by the verification and migration of government assets to the SFMIS. Consequently, and in a bid to provide more asset information in the financial reports, a summary statement of the FGS fixed assets has been prepared and included in the in-year reports.

It is expected that completeness of the statement will be reasonably achieved in the FY 2023 to start including the Government Non-current assets in the FGS balance sheet together with the stock of public debt.
Insert pie charts for composition of Government assets based on the statement of assets

10) Public Debt

Public debt also referred to as government debt, represents the total outstanding debt (bonds and other securities) of the Government. The Government public debt includes multilateral, Paris Club and non-Paris Club debt. Multilateral debt is that portion of a country's external debt burden owed to international financial institutions (IFIs) such as the International Monetary Fund (IMF) and the World Bank. The Paris Club (Club de Paris) is a group of official borrowings from major creditor countries whose role is to find co-ordinated and sustainable solutions to the payment difficulties experienced by debtor countries.

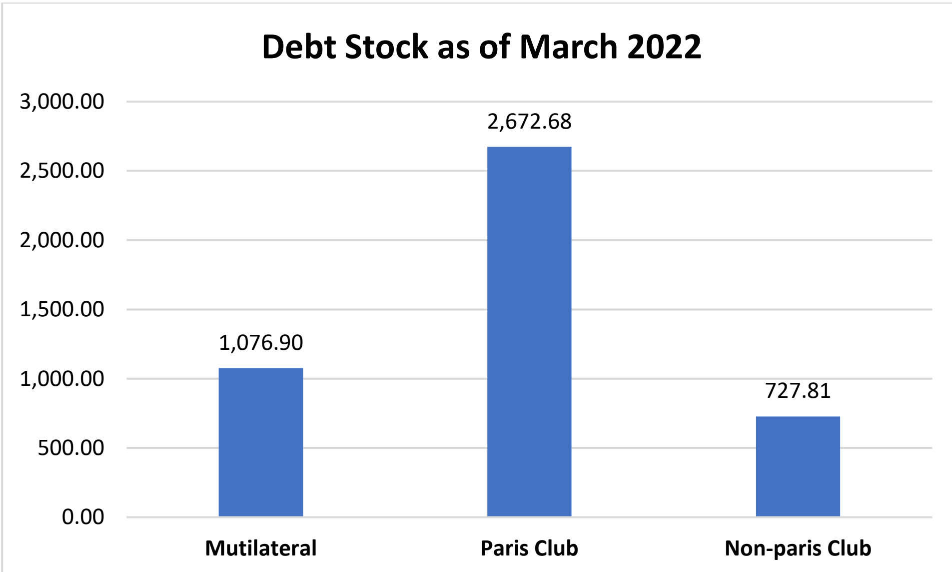
The total stock of debt as at the 31st of March 2022 stood at USD $4.5 billion, of which multilaterals represented 24% (USD $1.08 billion). The largest creditors are the IMF, AFESD and IDA respectively. Debt to bilateral creditors reached USD $2.7 billion with Paris Club creditors representing to 26% of the bilateral debt. The main creditors are France, Norway and Denmark USA, Italy and France. Non-Paris club debt amounts to $727.8 billion, and the main creditors are Arab creditors, mainly Abu Dhabi Fund, Iraq, and the Saudi and Kuwait Funds

The external debt composition of the Federal Government of Somalia is shown in the table below:

Table 7 – Summary of Public Debt

Public Debt	March-2022 USD$ (million)	2021 USD$ (million)	% Change
Multilateral Debt	1,076.90	1,081	0.03
Paris Club Debt	2,672.68	2,678	-0.01
Non-Paris Club Debt	727.81	725	0.01
Commercial-Serbia	-	2	-
Total Public Debt	**4,479.88**	**4,486**	**0.02**

Chart 5 – Summary of Public Debt



…………………………………………

Fatuma Osman Farah
Accountant General

III. Statement of Cash Receipts and Payments

Federal Government of Somalia
Statement of Cash Receipts and Payments
for the Period ended 31st March 2022..
Budget Approval on Cash basis
[Classification of Receipt and Payments by Economic Classification]

	Note	Period ended 31 March 2022 USD$	Period ended 31 December 2021 USD$
RECEIPTS			
Tax Receipts	1	41,784,052	162,766,910
Non-Tax Cash Receipts	2	15,621,141	66,794,410
External Assistance Grants	3	20,471,484	146,975,019
Other Receipts (Borrows)	4	39,211,022	96,365,574
TOTAL RECEIPTS		**117,087,699**	**472,901,997**
PAYMENTS			
Compensation of Employees	5	61,450057	250,099,404
Use of goods and services	6	18,003,927	106,059,789
Consumption of Fixed Assets	7	1,517,347	16,099,178
Grants Paid/Transferred	8	11,572,010	45,850,523
Interest and Other charges	10	1,613,324	1,440,881
Subsidy	11	149,994	1,271,695
Social benefit	9	0	39,864,848
Loan Repayments	12	0	35,156,428
TOTAL PAYMENTS		**94,322,659**	**495,842,746**
Increase/(Decrease) in Cash		22,765,040	(22,940749)
Cash at the beginning of the Year	13	43,198,460	**66,139,209.28**
Increase/(Decrease) in Cash		22,765,040	(22,940749
Cash at the end of the Year	13	**65,963,500**	**43,198,460**

accounting policies and explanatory notes from pages 16 to 18 to these financial statements form an integral part of the financial statements.

……………………………………….

Fatuma Osman Farah
Accountant General

IV. Statement of Comparison of Budget and Actual Amount

Federal Government of Somalia
Statement of Comparison of Budget and Actual Amount
for the Period ended 31st March 2022.

Budget Approved on a cash basis

[Classification of Receipt and Payments by Economic Classification]

2022

Receipt/Expense Item	Notes	Original Budget USD$	Budget Adjustment USD$	Final Budget USD$	Actual Outturn USD$	Variance between Budget and Actual USD$	% Variance
Receipts (Inflows)							
Tax Receipts	1	91,439,770	-	91,439,770	41,784,052	(49,655,718)	(54%)
Non-Tax Cash Receipts	2	43,415,776	-	43,415,776	15,621,141	(27,794,635)	(64%)
Bilateral Sources-Grants	3	15,000,000	-	15,000,000	0	(15,000,000)	(100%)
Multilateral Sources-Grants	3	267,275,807	-	267,275,807	20,471,484	(246,804,323)	(92%)
Other receipt (Borrows)					39,211,022		
Total Cash Receipts		**417,131,353**	**-**	**417,131,353**	**117,087,699**	**339,254,676**	**(81%)**
Expenses (Outflows)							
Compensation of Employees	5	64,835,327	64,469,007	129,304,334	61,466,057	67,838,277	52%
Use of goods and services	6	46,886,541	51,305,404	98,191,945	18,003,927	80,188,018	82%
Subsidies	11	2,011,930	1,011,930	3,023,860	149,994	2,873,866	95%
Grants Paid	8	20,418,120	33,151,436	53,569,556	11,572,010	41,997,546	78%
Interest and	10	625,000	625,000	1,250,000	1,613,324	363,324	29%
Loan repayment		0	0	0	0	0	0
Social Security Benefits	9	50,603,95	40,603,952	91,207,905	0	0	0
Other Expenses-Contingencies	12	414,629	(18,143)	396,486	0	0	0
Total Expenses		**185,795,498**	191,148,586	**376,944,084**	**92,805,312**	**284,138,772**	**(75%)**
Capital Expenditure							
Capital Expenditure	7	20,678,725	15,889,237	36,567,963	1,517,347	35,050,616	
Total Capital Expenditure		**20,678,725**	**15,889,237**	**36,567,963**	**1,517,347**	35,050,616	**(77%)**
Total Cash Expenditure		**206,474,224**	**207,055,966**	**413,512,049**	**94,322,659**	319,189,480	96%
NET CASH FLOWS		**210,657,129**	**-**	**3,619,304**	**(22,765,040))**	20,065,196	77%

The accounting policies and explanatory notes from pages 16 to 18 to these financial statements form an integral part of the financial statements.

……………………………………….

Fatuma Osman Farah
Accountant General

V. Statement of Cash Flows

Federal Government of Somalia
Statement of Cash Flows
For the Year Ended 31st March 2022

	Notes	Period ended 31 March 2022	Period ended 31 December 2021
Cash flow from Operating Activities			
Receipts from Operating Activities		41,784,052	
Tax Receipts	1	15,621,141	162,766,994
Non-tax Receipts	2	20,471,484	66,794,410
External Grants	3	20,471,484	146,975,019
TOTAL RECEIPTS		**77,876,677**	**376,536,423**
Payment for operating Activities			
Compensation of Employees	5	61,466,057	250,099,404
Use of goods and services	6	18,003,927	106,059,789
Grants paid	8	11,572,010	45,850,523
Subsidy	11	149,994	1,271,695
Social benefit	9	0	39,864,848
Interest Charges	10	1,613,324	1,440,881
Principle		0	13,164,237
Total Payments from Operating Activities		**92,805,312**	**444,587,139**
Net Cash flow from Operating Activities		**(14,928,635)**	**(68,050,716**
Cash Flow from Investing Activities			
Acquisition of Fixed Assets	7	1,517,347	16,099,178
Net Cash flow from Investing Activities		(1,517,347)	**(16,099,178**
		(16,445,982)	**(84,149,894)**
Cash Flow from Financing Activities			
Proceeds from loans		39,211,022	96,365,574
Loan Repayment	12	0	35,156,428
Net Cash flow from Financing Activities		39,211,022	61,209,146
Net Increase/Decrease in Cash and Cash Equivalents		22,765,040	(22,940,748)
Cash & Cash Equivalent at the Beginning 1, January	13	43,198,460	66,139,210
Cash & Cash Equivalent at the End 31, December	**13**	**65,963,500**	**43,198,463**

The accounting policies and explanatory notes from pages 16 to 18 to these financial statements form an integral part of the financial statements.

…………………………………….
Fatuma Osman Farah,
Accountant General

VI. Balance Sheet

Federal Government of Somalia
Balance Sheet
As At 31st March 2022

	Note	2022 USD$	2021 USD$
ASSETS			
Current Assets			
Bank		22,765,040	43,198,462
Petty Cash		-	-
Imprest Accounts			
Receivables			
Total Cash And Cash Equivalents		**22,765,040**	**43,198,462**
Non-Current Assets			
Fixed Assets			
Property, Plant & Equipment			
Total Non-current Assets		-	-
Total Assets		22,765,040	43,198,462
LIABILITIES			
Current Liabilities			
Payables			
Expenditure Arrears			52,795,274
Commitments			
Total Curent Liabilities		-	52,795,274
Non-current Liabilities			
Public Debt		-	-
Total Non-current Liabilities		-	-
Total Liabilities		52,795,274	52,795,274
		52,795,274	
NET ASSETS		- **30,030,234**	- **9,596,812**
REPRESENTED BY			
NET ASSETS / EQUITY			
Accumulated Fund brought forward		- **9,596,812**	**13,343,936**
Surplus/Defict for the year		- **22,765,040**	
Prior year adjustments		2,331,618	- **22,940,748**
TOTAL NET ASSETS / EQUITY		- **30,030,234**	- **9,596,812**

VII. STATEMENT OF EXPENDITURE ARREARS AS AT 31st MARCH 2022

	2022 (March)	2021
Opening balance	52,795,274	52,795,274
Paid during the year	-	-
Closing balance	**52,795,274**	**52,795,274**

VIII. STATEMENT OF EXTERNAL DEBT AS AT 31st MARCH 2022

Table 1. Somalia Stock of debt at the end of 2021 and QI, 2022.

Creditor Category / Creditor Name	2021 - Q4				2022 - Q1				
	Face Value	Interest Arrears	Other Fee Arrears	Total Stock	Face Value	Interest Arrears	Other Fee Arrears	Total Stock	Of which of arrears
GRAND TOTAL	3.307,64	1.023,88	159,06	4.490,58	3.290,73	1.034,08	155,07	4.479,88	2.132,57
Commercial	1,51	0,93	-	2,44	1,51	0,99	-	2,50	2,50
Government of Serbia	1,51	0,93	-	2,44	1,51	0,99	-	2,50	2,50
Multilateral	724,25	350,40	6,03	1.080,68	714,98	355,89	6,03	1.076,90	576,43
African Development Fund	23,80	-	-	23,80	22,20	-	-	22,20	-
Arab Fund for Economic and Social Dev.	75,79	113,94	0,05	189,78	75,55	114,72	0,05	190,32	190,32
Arab Monetary Fund	76,92	227,68	-	304,60	76,17	232,32	-	308,49	308,49
Int. Fund for Agricultural Development	24,72	7,53	0,03	32,28	24,48	7,54	0,03	32,05	28,63
International Development Association	121,83	-	-	121,83	118,97	-	-	118,97	-
International Monetary Fund	359,36	-	-	359,36	355,87	-	-	355,87	-
Islamic Development Bank	11,97	1,14	-	13,11	11,85	1,13	-	12,98	12,98
OPEC Fund for Int. Dev.	29,87	0,11	5,94	35,92	29,87	0,19	5,94	36,00	36,00
Non-Paris Club	287,57	338,69	98,52	724,78	287,51	341,78	98,52	727,81	725,18
Abu Dhabi Fund for Developement	94,10	153,43	0,02	247,55	94,22	155,51	0,02	249,75	249,75
Government of Algeria	0,90	0,66	-	1,56	0,90	0,66	-	1,56	1,56
Government of Bulgaria	5,53	5,30	-	10,83	5,53	5,34	-	10,87	10,87
Government Of Iraq	31,22	62,42	98,51	192,15	31,22	62,42	98,51	192,15	192,15
Government of Libya	11,75	23,16	-	34,91	11,75	23,16	-	34,91	34,91
Government of Romania	2,27	0,25	-	2,52	2,27	0,25	-	2,52	2,52
Kuwait Fund for Econ. Dev	82,99	38,95	-	121,94	82,73	39,11	-	121,84	121,84
Saudi Fund for Development	58,80	54,51	-	113,31	58,88	55,32	-	114,20	111,57
Paris Club	2.294,31	333,85	54,51	2.682,67	2.286,73	335,43	50,52	2.672,68	828,47
European Economic Community (EEC)	0,35	-	-	0,35	0,35	-	-	0,35	-
Government of Denmark	2,97	-	-	2,97	2,94	-	-	2,94	-
Government of France	154,21	-	-	154,21	151,85	-	-	151,85	-
Government of Italy	624,11	-	-	624,11	623,10	-	-	623,10	-
Government of Japan	57,02	14,72	54,51	126,25	52,84	13,72	50,52	117,08	117,08
Government of Netherlands	2,23	-	-	2,23	2,19	-	-	2,19	-
Government of Norway	0,66	-	-	0,66	0,68	-	-	0,68	-
Government of Russia	389,68	319,13	-	708,81	389,68	321,71	-	711,39	711,39
Government of Spain	40,90	-	-	40,90	40,90	-	-	40,90	-
Government of UK	30,38	-	-	30,38	30,38	-	-	30,38	-
United States of America	991,81	-	-	991,81	991,81	-	-	991,81	-

Source: *DMU, Ministry of Finance*

IX. STATEMENT OF NON-CURRENT ASSETS AS AT 31st MARCH 2022

Federal Government of Somalia
STATEMENT OF NON - CURRENT ASSETS
For the year ended December, 2021

Category/ Sub-Categories	Opening Balance		Additions during the year		Disposals during the year		Losses during the year		Cumulative Balance	
	Units	Values	Units	Values	Units	Values	Units	Values	Units	Values
Fixed Assets										
Buildings & Structure	-	-	5,311	15,606,845,614	-	-	-	-	5,311	15,606,845,614
Land	-	-	221	661,277,000	-	-	-	-	221	661,277,000
TOTAL Fixed Assets	**-**	**-**	**5,532**	**16,268,122,614**	**-**	**-**	**-**	**-**	**5,532**	**16,268,122,614**
Mobile Asset										
Furniture & Fittings	-	-	21,760	5,727,769	-	-	-	-	21,760	5,727,769
ICT Equipments and Other ICT Assets	-	-	1,658	1,599,710	-	-	-	-	1,658	1,599,710
Other Equipment	-	-	30	9,582	-	-	-	-	30	9,582
TOTAL Mobile Asset	**-**	**-**	**23,448**	**7,337,061**	**-**	**-**	**-**	**-**	**23,448**	**7,337,061**
Transportation										
Vehicles	-	-	685	24,810,519	-	-	-	-	685	24,810,519
TOTAL Transportation	**-**	**-**	**685**	**24,810,519**	**-**	**-**	**-**	**-**	**685**	**24,810,519**
TOTAL	**-**	**-**	**29,665**	**16,300,270,194**	**-**	**-**	**-**	**-**	**29,665**	**16,300,270,194**

X. DETAILED SFMIS SUPPORTING SCHEDULES TO THE IN-YEAR FINANCIAL REPORTS

THE FEDERAL GOVERNMENT OF SOMALIA
In-Year Financial Reports
For the period ended 31st-March-2022

a. **Fiscal summary report (Article 44(3)a of the PFM Act and Article 83 of the PFM regulation**

Federal Government of Somalia

Summary of Government Revenue and Expenditure as of March, 2022

Description	Budget / Estimate	For the Month of March, 2022	YTD Actuals	Variance
Total Domestic Revenue	**250,098,474**	**22,894,938**	**57,405,194**	**192,693,281**
Taxes	173,699,181	16,737,971	41,784,052	131,915,129
Other revenue	76,399,293	6,156,967	15,621,141	60,778,152
Total External Grants	**694,761,090**	**14,026,401**	**20,471,484**	**674,289,606**
Current – grants from foreign governments	39,600,000			39,600,000
Current – grants from international organizations	655,161,090	14,026,401	20,471,484	634,689,606
Total Revenue and Grants	**944,859,564**	**36,921,339**	**77,876,677**	**866,982,887**
Total Recurrent Expenditure	**890,029,638**	**39,138,469**	**92,805,312**	**797,224,326**
Compensation of employees	264,826,231	22,780,528	61,450,057	203,376,174
Use of goods and services	225,047,478	9,882,064	18,003,927	207,043,551
Consumption of fixed capital				
Interest and other charges	2,500,000	930,395	1,613,324	886,676
Subsidies	7,546,710		149,994	7,396,715
Grants	114,924,205	5,545,482	11,588,010	103,336,194
Social benefits	273,428,400			273,428,400
Other expenses	1,756,615			1,756,615
Total Capital Expenditure	**39,894,890**	**922,087**	**1,517,347**	**38,377,543**
Consumption of fixed capital	39,894,890	922,087	1,517,347	38,377,543
Total Expenditure	**929,924,527**	**40,060,556**	**94,322,659**	**835,601,868**
Financing Gap / Surplus (-) or (+)	**14,935,037**	**-3,139,217**	**-16,445,982**	**31,381,019**

b. Detailed revenue performance report Article 44 (3) (a) of the PFM Act

Payable by individuals	12,870,867	1,437,063	3,290,551	26%
Public Sector	5,791,884	670,519	1,591,050	27%
Private Sector	7,078,983	766,544	1,699,500	24%
Payable by corporation and other enterprises	2,250,000	623,494	670,190	30%
Payable by corporation	2,250,000	623,494	670,190	30%
Recurrent taxes on immovable property	650,000	56,188	168,675	26%
Rental income	650,000	56,188	168,675	26%
General taxes on goods and services	30,767,411	3,252,645	6,668,687	22%
Hotels	1,185,142	101,705	243,052	21%
Telecommunications	5,049,339	1,252,906	1,637,555	32%
Electricity Companies	1,326,130			0%
Imported goods	18,500,000	1,620,823	4,279,846	23%
Airline tickets	1,130,000	277,211	508,234	45%
TV Cable providers	1,276,800			0%
Sales taxes - Other	2,300,000			0%

Customs and other import duty	111,264,709	10,315,969	28,083,563	25%
Customs and other Import duties	95,264,709			0%
Custom taxes on petroleum		1,069,103	4,522,282	
Custom taxes on export goods		82,462	236,693	
Road vehicles (salon cars)		966,212	2,294,914	
Import tax on sugar		384,024	1,749,257	
Crude vegitable materials		1,218	1,374	
Import tax on tobacco and matches		114,500	262,581	
Worn Cloths				
Flour		435,183	814,766	
Construction of electronic materials		737,610	2,386,057	
Cereal products, spaghetti etc		1,200	4,965	
Vegitable oils		473,308	859,353	
Soap and cleaning products		306,487	600,184	
Apparel, clothing, textile yarn		561,247	1,285,975	
Shoes		158,489	316,548	
Tea		19,263	41,715	
Vegetables and fruits		19,839	30,285	
Plastic materials		16,176	78,505	
Rubber tyers		23,592	54,223	
Poultry and edible offal		29,315	88,368	

Building materials		478,064	1,227,652	
Electronic materials		594,857	1,289,359	
Food items /rice, spaghetti. etc		687,655	1,911,582	
Household materials		412,170	980,704	
Cosmetics & perfume		21,221	53,680	
Others		1,356,628	3,059,880	
Gold			29,011	
Beverages		418,146	944,894	
Import tax on Khat	16,000,000	948,000	2,958,756	18%
Other taxes payable solely by business	2,998,016	247,057	605,553	20%
Stamp duties of invoices and contracts (notary)	2,998,016	247,057	605,553	20%
Other taxes payable by other than business or unidentifiable	12,898,177	805,556	2,296,834	18%
Road tax	1,756,412	17,673	335,954	19%
Other stamp duty	6,386,886	417,337	919,771	14%
stamp duty on cutoms	4,754,879	370,546	1,041,109	22%
Current – grants from foreign governments	39,600,000			0%
Current grants in Turky	30,000,000			0%
Current grants in UAE	9,600,000			0%
Current – grants from international organizations	655,161,090	14,026,401	20,471,484	3%
Current - World Bank - Capacity Injection Project	4,650,605	291,839	291,839	6%

Current - United Nations - Peace Building Fund (SFF)				0%
Current - World Bank - Public Financial management	4,153,000	568,823	568,823	14%
Current – Wold Bank – Somali Recurrent cost and reform financing project PHIII	11,051,883	2,000,000	2,000,000	18%
Current- World Bank - Somalia Urban Resilience Project	13,500			0%
Current – World Bank- Somali Urban Investment Planning Project - Additional Financing	23,500			0%
Current- World Bank - Somalia Urban Resilience Project PH2	26,996,537	12,118	12,118	0%
Current - World Bank - SEAP	1,437,620			0%
Current - World Bank - SESRP	1,496,900			0%
Current - World Bank -Somalia Shock-Responsive Social Safety Net Project	18,478,500	780,703	780,703	4%
Current- World Bank - (BIYOOLE) PROJECT	15,669,280			0%
Current- World Bank - SCALED-UP PROJECT	157,205,500			0%
Current -World Bank - Somalia Crisis Recovery Project (SCRP)	79,540,200			0%
Current – World Bank - Somali Integrated Statistics and Economic Capacity Building Project	7,941,356	3,658,224	3,658,224	46%
Current – World Bank - Damal Health Project	22,684,646	1,945,095	2,202,762	10%

Current – World Bank - Somali Education Human Capital Project	3,100,000			0%
Current – Wold Bank – Somali Horn of Africa Infrastructure Integration Project (SHIIP)	3,332,400	1,227,021	1,227,021	37%
Current – Word Bank – Ground Water for Resilience Project (GW4R)	1,000,000			0%
Somalia Emergency Locust Response Project (SELRP)	72,019,800	438,713	438,713	1%
Current – Word Bank– DE-RISKING	668,900			0%
Current – Word Bank – SOMALIA COVID-19 EMERGENCY VACCINATION PROJECT	22,002,002			0%
Current – Word Bank – SOMALIA EMPOWERING WOMEN THROUGH EDUCATION AND SKILLS PROJECT - "RAJO KAABA"	1,434,946			0%
Current - African Development Bank - Economic and Financial Governance	1,582,010	23,500	57,000	4%
Current - African Development Bank - Road Infrastructure Program	4,055,520	391,281	611,490	15%
Current - African Development Bank - SIEMID	2,235,744	277,707	685,613	31%
Current - African Development Bank - Energy Sector Project	1,125,086		216,739	19%
Current – Somali Strengthening Accountability and Debt Management Project (SADMS)	1,281,876			0%
Current – African Development Bank – Statistics Development Support Project for Somalia	1,645,736			0%
Current – African Development Bank – Program To Build Resilience For Food And Nutrition Security	2,267,766			0%

Current – United Nations - Peace Building Fund (SFF)	2,083,412			0%
Current - United Nations - District Rehabilitation Project (S2S)	1,871,105			0%
Current - United Nations - Maximum County Allocation (GPE-MCA) Project	2,196,471			0%
Current – United Nations – Global Partnership For Education	1,507,786	1,413,606	1,413,606	94%
Current – United Nations – FAO	684,325			0%
Current – United Nations – WFP	402,938			0%
Current – United Nations – UNDP	213,000			0%
Current – United Nations – UNICEF	4,778,691			0%
Current – United Nations – UNFPA	1,010,000			0%
Current – United Nations – UNHCR	1,015,356			0%
Current – United Nations – UN-Habitat	110,000			0%
Current – United Nations – UN WOMEN	150,000			0%
Current – Europian Union - SAGAL Project	345,508			0%
Current – World Bank – RCRF Budget Support	34,697,685	997,772	6,306,833	18%
Performance Based Fund (RCRF II DLI)				
Current- World Bank - DPO Support	100,000,000			0%
Current - European Union - Budget Support	35,000,000			0%

1415	**Property rent**				
141504	**Rent of Land and Buildings**				
1422	**Administrative fees**	76,399,293	6,156,967	15,621,141	20%
142211	**Administrative charges**	5,725,759	424,765	1,234,556	22%
142212	**Visa charges**	3,485,367	606,602	1,779,096	51%
142213	**Passports fees**	5,528,165	959,320	1,568,762	28%
142214	**License fees - Commerce and industry**	1,600,000	95,386	198,726	12%
142215	**Work permits and other fees**	604,969	46,890	147,870	24%
142216	**Harbour fees - Albayrak**	31,396,690	2,179,165	4,481,595	14%
142217	**Airport fees - Favori**	2,593,767	224,762	671,107	26%
142218	**Fisheries license fees**	1,000,000		2,000	0%
142219	**Telecommunication Spectrum fees**	1,733,167	6,500	7,600	0%
142220	**Overflight fees (IATA)**	15,735,016	1,121,635	3,534,559	22%
142222	**Customs harbour fees**	4,661,293	466,943	1,230,172	26%
142223	**Election Registration Fee**	2,335,100	25,000	765,100	33%
	Grand Total	**944,859,564**	**36,921,339**	**77,876,677**	

c. Detailed budget utilization report Article 43(3) (b) of the PFM Act

Compensation of employees	264,826,231	22,780,528	61,450,057	23%
Mushaharka lacageed	157,305,027	12,732,119	37,793,892	24%
Gunnooyinka lacageed	91,713,372	8,106,282	20,375,545	22%
Kharashka kale ee shaqaalaha	15,807,832	1,942,127	3,280,620	21%
Use of goods and services	225,047,478	9,882,064	18,003,927	8%
Kharashyada safarka iyo shirarka	17,856,672	357,609	757,597	4%
Hawlaha Guud	8,701,345	352,610	543,334	6%
Isgaarsiinta	1,423,460			0%
Shidaalka iyo saliidda	9,033,354	506,415	940,414	10%
Agabka iyo alaabaha	12,602,794	382,073	706,873	6%
Dayactirka iyo hagaajinta	5,059,622	219,364	371,925	7%
Kirooyinka	3,915,566	133,740	264,465	7%
Kharashka waxbarashada iyo tababarka	13,871,979	235,716	249,010	2%
Adeegga la -talinta iyo khidmadaha xirfadeed	70,522,609	3,930,769	5,405,619	8%
Kharajka maareynta	6,722,231	566,839	1,648,754	25%
Xayeysiinta iyo diiwaangalinta	479,277			0%
Adeegga caymiska iyo magdhawga	115,300			0%
Qalabka, agabka iyo adeegyadda booliiska	120,000			0%
Qalabka, agabka iyo adeegyadda nabadsugidda	3,342,192	25,000	50,000	1%
Qalabka, agabka iyo adeegyadda milateriga	540,168	45,000	90,000	17%
Kharashka xallinta khilaafaadka				
Kharashyada kale ee Guud ee agabka iyo adeegyada	70,740,909	3,126,931	6,975,937	10%

Consumption of fixed capital	39,894,890	922,087	1,517,347	4%
Dhismooyinka iyo qaabdhismeedka	8,264,839		430,423	5%
Qalabka iyo makiinadaha	7,049,980	157,500	157,500	2%
Hantida kale	24,380,070	764,587	929,424	4%
Hubka	200,000			0%
Badeecadaha				
Interest and other charges	2,500,000	930,395	1,613,324	65%
Dulsaar la siinayo dadka aan deganayn	2,500,000	930,395	1,613,324	65%
Subsidies	7,546,710		149,994	2%
Shirkado maaliyadeed ee gaar loo leeyahay	7,546,710		149,994	2%
Grants	114,924,205	5,545,482	11,588,010	10%
Deeqaha joogtadda la siiyo ururada caalamiga ah	787,500	25,843	25,843	3%
Deeqaha joogtadda la siiyo qaybta kale ee dawladda guud	95,329,249	3,751,495	9,794,023	10%
Deeqaha raasumaalka ee qaybta kale ee dawladda guud	18,807,456	1,768,144	1,768,144	9%
Social benefits	273,428,400			0%
Macaashka badbaadada bulshada ee lacag caddaan ah	163,095,000			0%
Macaashka damaanada bulshada noocyadiisa kala duwan	28,463,400			0%
Gargaarka kaalmada bulshada lacag caddaan ah	70,000,000			0%
Gargaarka kaalmada bulshada noocyadiisa kala duwan	11,870,000			0%

Other expenses	1,756,615			0%
Wareejimaha kale ee joogtadda aan meelkale lagu sheegin	1,756,615			0%
Assets		41,850	293,118	#NUM!
Advances		41,850	293,118	
Grand Total	**929,924,527**	**40,102,406**	**94,615,777**	**10%**