OFFICE OF THE AUDITOR GENERAL

JUBBALAND STATE OF SOMALIA

OFFICE OF THE AUDITOR GENERAL

JUBBALAND STATE OF SOMALIA

ANNUAL AUDIT REPORT

31ST DECEMBER 2024

DOWLADDA JUBBALAND
EE SOOMAALIYA
XAFIISKA HANTIDHOWRKA GUUD

دولة جوبالاند الصومالية
مكتب المراجع العام

OFFICE OF THE AUDITOR GENERAL
JUBBALAND STATE OF SOMALIA

Ref: OAG/JSS-225/2024 **Date: 26/08/2025**

To: Speaker of the State Parliament

Jubbaland State of Somalia, Kismayu, Somalia

Honorable Speaker of Parliament,

In accordance with Section 32(3) of the PFM Act 2017 and Sections 30, 32, and 33 of the Audit Act 2016 of Jubbaland State of Somalia (JSS), I am pleased to submit my report on the accounts of Jubbaland State of Somalia for the financial year ending December 31, 2024, for tabling in the State Parliament.

The report has been prepared pursuant to the constitutional and statutory mandate of the Office of the Auditor General, Jubbaland, to audit and provide independent assurance on the management of public resources. The purpose of the audit is to enhance transparency, accountability, and good governance in the use of public funds.

I respectfully table this report before the Honorable Members of the State Parliament for their consideration and further action, in accordance with the oversight role entrusted to the Legislature.

Attached to this report are;

1. The auditors' report on the JSS FY 2024 Financial Statement and the consolidated Financial Statement 2024.
2. The detailed management letter resulting from my audit.

Yours sincerely,
Bashir Mohamed Bahaale,
Auditor General,
Jubbaland State of Somalia

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Acronym

Acronym	Full Description
CSC	Civil Service Commission
FMIS	Financial Management Information System
FGS	Federal Government of Somalia
ISSAI	International Standards of Supreme Audit Institutions
ISAI	International supreme audit institution
JSS	Jubbaland State of Somalia
MoE	Ministry of Education
MoF	Ministry of Finance
MoH	Ministry of Health
MOIS	Ministry of Internal Security
MOHDAM	Ministry of Humanitarian and Disaster Management
OAG	Office of the Auditor General
PFM	Public Finance Management
PV	Payment Voucher
RMS	Revenue Management System
RV	Revenue Voucher
SERP	Somali Enhanced Public Resource Management Project
TSA	Treasury Single Account
USD	United States Dollar

1. Foreword

Each year, the Office of the Auditor General (OAG) of Jubbaland State, Somalia (JSS), carries out statutory audits of the state's public accounts. These audits have consistently highlighted areas in need of improvement, and actionable recommendations have been provided to address the issues identified.
Recommendations are a critical part of my audit reports. Their implementation is important to drive positive improvements in the cost-effective delivery of programs and services for the citizens living in Jubbaland State of Somalia.
As part of my work, I ensure that I follow up on recommendations made in past audits so that those responsible take action to implement my recommendations.
The OAG is strongly committed to supporting improvements in sound financial management and control. I will continue to engage actively and offer forward-looking insights into the underlying causes of weaknesses in internal control systems.
I would also want to acknowledge the support of my partners, especially the EU-SFA team, for their technical support throughout the audit
Sincere thanks and appreciation go to all JSS -OAG staff for the continued devotion to their duties and responsibilities against all odds.

1. The Role of OAG

As the Supreme Audit Institution (SAI) of JSS, my constitutional responsibility is to ensure that public funds are used legally and effectively for service delivery. I serve as the independent guardian of Jubaland State's public finances and economic security, as outlined in Articles 88 and 89 of the Jubaland Constitution and Section 7 of the JSS Audit Act 2016
I conduct audits and report on the management of funds received by the Government, whether from taxpayers, donors, or other sources, ensuring that expenditures are handled in a professional, ethical, and transparent manner, Also, I authenticate to a reasonable level of assurance that public monies are used by the Government, in the manner approved by Parliament, through independent professional audits. I assess how and whether these funds are being clearly and accurately reported by the Government and how they are used in terms of economy, efficiency, and effectiveness.
Thereafter, I publish the audit report on the OAG's official websites and initially provide a copy of the report to the Parliament, and within one month of completing the report, it is also made accessible to the citizens of Jubaland State and other stakeholders, in accordance with Section 32(3 and 4) of the PFM Act 2017. Additionally, all my reports are available to the public on the OAG website.

Specifically, Section 30(6) of the Audit Act 2016 requires the AG to include in his report:

- His opinion on the truth and fairness of the consolidated and separate public accounts;
- Significant findings and recommendations;
- Deficiencies identified in the internal control system;
- Details of essential records that have not been maintained; and
- Any money that has been expended without due regard to economy or efficiency.

2. Executive summary

The Office of the Auditor General (OAG) conducted an audit of the financial statements of Jubbaland State of Somalia for the year ended 31st December 2024. The financial statements reported total revenues of **$43,746,596** and total expenditures of **$44,627,691**. My audit revealed several significant weaknesses in revenue management, expenditure controls, and procurement practices, which form the basis of my qualified audit opinion.

During the review of revenues, the audit identified **$4,189,365.25** (**10%** of the total revenue) that was only partially supported, as key documentation—such as deposit slips and taxpayer identification details—was missing. Furthermore, **$1,086,883.72** (**2%** of the total revenue) was entirely unsupported, with no documentation available

Additionally, we noted that the JSS revenue collection process is entirely manual and therefore susceptible to leakages, misreporting, and inaccuracies.

During the audit, concession agreements were reviewed with three entities: Jubbaland Quality Control Services, Midnimo Company, and Eagle Risk Management. The entities were contracted to manage quality control of goods and services, operate a youth center, and provide airport security check services, respectively. The review noted that there was no evidence of competitive selection of these companies. In addition, the quality control contract was largely one-sided in favor of the contractor, and there was no evidence of adequate government oversight over the implementation of the agreements.

Expenditure amounting to **$2,834,541** of the expenses reviewed lacked evidence of occurrence and were deemed to be unsupported. The expenditures relating to regular food, daily meals, travel, repairs, medical supplies, and construction materials lacked basic support documents such as local purchase orders, local service orders, contracts, invoices, etc. A further **$ 1,174,587**of the expenses reviewed lacked evidence of delivery, work done, or certifications and were therefore deemed partially supported.

Similarly, teacher and health workers' salaries amount to **$184,893.16** and **$67,151.58,** respectively lacked timesheets.

In procurement, I observed widespread noncompliance with established policy. I identified several purchases that should have followed the competitive method of procurement such as request of quotation, advertisement and national tendering as per the procurement policy were processed through single-sourcing without justification. These violations undermine transparency, competitiveness, and accountability in the use of public resources.

During our audit, I observed that expenditures in the security sector totaling to **$4,042,600.00,** representing **9%** of the total expenditures lacked appropriate supporting documents such as payrolls(master rolls), employee files as well as evidence of the payment reaching intended beneficiaries.

Overall, the findings regarding revenue management, concession agreements, expenditure documentation, and procurement processes reveal significant internal control weaknesses and oversight issues. These issues affect the accuracy and fair presentation of the financial statements and increase the risk of material misstatements, mismanagement of public resources, and financial loss.

3. Opinion of the Auditor General

Modified Opinion

I have audited the accompanying annual financial statement for the Jubbaland State of Somalia that ended 31st December 2024, which comprises the statement of cash and receipts, Statement of Comparison of Budget and Actual Amounts, summary of significant accounting policies, and explanatory Notes to the Financial Statements, that was prepared by the Ministry of Finance, Jubbaland State of Somalia and submitted to the Auditor General Jubbaland as per the PFM ACT section 32(1). The financial statement has been prepared using the Cash basis International Public Sector Accounting (IPSAS). I have obtained, reviewed all the information and explanations which, to the best of my knowledge, are necessary for the audit.

In my opinion, except for the effects of the matters described in the Basis for modified Opinion section of my report the financial statements presents fairly, in all material respects, the financial position of the Jubbaland State of Somalia as at 31 December 2024 and its financial performance for the period then ended were in accordance with the Public Financial Management Act, 2017 and the International Public Sector Accounting Standards (IPSAS) Financial Reporting Under the Cash Basis of Accounting, 2017.

Basis of the Modified Opinion

I have conducted my audit in accordance with the international standards for supreme audit institutions (ISSA), and my responsibilities under the standards are well described in the auditors' responsibilities for the audit of the financial statement section of my report. I am independent of the entity in accordance with the code of ethics for the supreme audit institution, together with ethical requirements that are relevant to my audit of the financial statement JSS. I have fulfilled my ethical responsibilities in line with these requirements and the code of ethics. I believe the audit evidence that I have obtained is sufficient and appropriate to provide the basis of my opinion. I have identified the following material misstatements in the course of the audit conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAI), which also form the basis of my Opinion

- Expenditures amounting to **USD 2,834,540.81**(representing 6% of total expenditure) lacked evidence of occurrence. An additional **USD 1,174,587**, representing 3% of the total expenditures, lacked evidence of delivery of goods, work performed, or services rendered. As a result, the accuracy of these amounts and their proper classification could not be confirmed.

- Security payments amounting to **$4,042,600.00**(representing 9% of total expenditure) lacked supporting documentation. The payments could not be traced to appropriate records, nor could it be confirmed whether they reached the intended beneficiaries.
- Obligation repayments totaling **USD 6,122,712**(representing 14% of total expenditure) were not supported by detailed vouchers or source documents. Consequently, it could not be established whether these expenses occurred, were accurately recorded, or were charged to the correct codes of accounts.
- Revenue totaling **$4,189,365.25**, representing **10%** of total revenue, lacked adequate supporting documents. Additionally, **$1,086,883.72**, representing **2%** of the total revenue, was not supported by any documentation.

4. Key Audit Matters

Key audit matters are those matters that, in my opinion, and professional judgment, were of most significance in my audit of the Financial Statements of the period. These matters. They were addressed in the context of my Audit of Financial Statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matters described in the Basis for my Qualified Opinion section, I have determined the matters described below to be the key audit matters to be communicated in my report:

Weaknesses in revenue collection and recording:

Local revenue: I have noted various weaknesses in the collection, management, and recording of local revenues as follows;

a) Several revenue transactions lacked essential supporting documents, undermining the reliability of the financial statements and increasing the risk of errors, misstatements, or misappropriation of funds.

b) There are no documented procedures for reconciling revenues between receipts, bank deposit slips, RMS, and FMIS, and the absence of an automated interface between the systems has led to inconsistencies and revenue variances

All revenue transactions should be supported by original documentation, and RMS should be fully integrated with FMIS and should be enhanced to capture all state revenue in real-time and reconciliations be performed strengthened to ensure completeness, accuracy, and transparency in revenue recording and reporting.

Mannual revenue collection process.

Manual collection of revenues makes the process vulnerable to errors, manipulation, and weak accountability.

Considerations should be made to automate the states revenue collection process.

Weaknesses in the budgeting and financial reporting process

The State recorded a significant revenue shortfall of **$20,559,081.00**(representing 32%) of the approved budget of **$64,305,677**against actual expenditure of **$43,746,596**, indicating noncompliance with Sections 10 and 12 of the PFM Act on effective budgetary control. Additionally, the 5% contingency fund required under Section 14 was not provided, reflecting further noncompliance and weakening the State's capacity to address unforeseen financial obligations. The significant variance between budgeted and actual revenues undermines the credibility of the State's budgeting process and weakens fiscal planning.

The budget should be reviewed and adjusted through supplementary reviews.

Weakness in bank reconciliation

The Ministry of Finance does not perform daily or weekly bank reconciliations as required under the PFM Act, weakening a key financial control. This increases the risk of errors, misstatements, and potential misappropriation of funds going undetected.

Ensure the treasury department performs daily/weekly bank reconciliations, as bank reconciliation is a crucial control element that minimizes errors in line with the requirements of the banking regulation.

Weaknesses in expenditures

a) Several expenditure transactions, including meals, medical supplies, construction materials, utilities, and travel, were not supported with required documentation, undermining accountability and increasing the risk of irregular or unsupported payments

   To ensure compliance with PFM and treasury regulations, all payments must be supported by appropriate documentation, and no payment should be authorized without adequate supporting records.

Weakness Loan repayments

The State's debt management is weak; we noted the following

1. New borrowings not reflected in the financial statements
2. No evidence of repayments.
3. No debt agreements or parliamentary approvals provided.
4. No detailed records of payables or suppliers were maintained
5. A repayment made by the state totaling **$6,122,712** lacked the appropriate supporting documents.

This means that IPSAS disclosure requirements were not met, these gaps undermine compliance, It also increase risks of unauthorized borrowing, misstatement of obligations, and reduce transparency in debt servicing.

The Ministry of Finance should comply fully with Section 42 of the Public Finance Management Act by preparing and submitting comprehensive debt reports to the President and Parliament, detailing all borrowings, guarantees, repayments, and related debt activities.

Weakness in the security payments

1. Security payments amounting to $4,042,600.00 (representing 9% of total expenditure) lacked supporting documentation. The payments could not be traced to appropriate records, nor could it be confirmed whether they reached the intended beneficiaries.

   Ensure that all payments are supported with adequate supporting payment

Procurement weakness

Under the review of procurement, it was noted that: that several procurements that should have been carried out under competitive procurement methods such as RFQs, adverts, national tendering etc., in accordance with the applicable procurement thresholds, were instead processed through single sourcing. This practice indicates noncompliance with the prescribed procurement regulations and thresholds

Ensure that the competitive procurement process is fully implemented to maximize value for money in government expenditure. Single sourcing justification should only be used in line with the conditions required by regulations for single sourcing to be applicable.

Weaknesses in the management of fixed assets

It was noted that the entity did not have a statewide centrally maintained fixed assets register under the custody of the director general ministry of finance as requited by the assets management regulation of the PFM act.

The asset register should be prepared and updated to include all government property, both movable and immovable.

Weaknesses in the Internal Audit Departments

Several weaknesses were noted with regards to internal audit arrangements of the state; Absence of internal audit committees, lack of approved internal audit charter, lack of internal audit work plan, No audit reports issued and prepared during the year, the unit is also critically understaffed and lacks the necessary competencies, undermining its effectiveness and weakening the overall internal control environment.

The Ministry should strengthen its internal audit function in line with Section 34 of the PFM Act by establishing an internal audit committee, developing and implementing a comprehensive annual audit plan, and ensuring timely preparation and submission of audit reports. Additionally, a robust system should be instituted to monitor and follow up on audit findings and recommendations.

Weakness in ICT Departments

I noted the following weakness in the ICT departments

1. There is no IT strategic plan.
2. No formal procedures for system upgrades or changes
3. No disaster recovery plan.

These issues increase the risk of operational disruptions, data loss, equipment damage, and service delivery failures.

The State should establish a Strategic Committee to develop and implement both an IT Strategic Plan and a Disaster Recovery Plan. The Ministry should also develop and formalize documented procedures for managing system upgrades and changes to strengthen ICT governance and ensure business continuity.

Follow-up of Prior Year Audit Recommendations

During the audit, we followed up on all audit recommendations made in previous years. A summary of the current status of these recommendations is shown below:

A formal system should be put in place to ensure that there is a proper plan to ensure that these recommendations are implemented as planned and that progress is monitored by Senior Management at MoF.

Conclusion

Controls in place at JSS have not improved considerably over recent years. The major areas of concern are completeness of revenue, expenditures, manual receipt collections at collection points, not fulfilling the procurement policy, and the absence of a fixed assets register. In many of these areas, the state has a clear and detailed legal framework; however, often these legal requirements are simply not followed.

There is a need to regularly monitor compliance with these basic control procedures, with consequences for repeated breaches.

Internal controls over the collection and recording of revenue are not implemented, while payments and receipts are not fully supported. These issues raise significant doubts about the disclosures made in the financial statements. As a result, the OAG has issued a modified audit opinion.

Our Mandate and Independence

Section 28(1) of the Audit Act 2016 outlines the responsibility of the OAG to audit the accounts of all public bodies of JSS. In line with the provisions of Section 32(3) of the PFM Act 2017 and Section 30(4) of the Audit Act 2016, the AG should submit the Annual Audit report to Parliament within four months after the receipt of the Financial Statements from the Minister for Finance. The Speaker shall then table all audit reports in the State Assembly within five working days after receipt as per Section 33(1) of the Audit Act 2016.

The independence of the AG is a fundamental characteristic of a well-functioning SAI that operates in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Sections 88 and 89 of the Jubbaland Constitution state that the OAG is an independent institution, the main function of which is to be the external auditor for the State. In addition, Section 7(1) of the 2016 Audit Act of Jubbaland State of Somalia deals exclusively with the independence of the Auditor-General in the discharge of his responsibilities

Progress So Far

Progress has been made in building the capacity of JSS OAG staff. The capacity injections by the donors to the OAG office have been slow; despite these setbacks, the office was able to produce the 2022,2023, and 2024 OAG annual report with support from the EU-SFA advisors.

Challenges OAG JSS

OAG seeks to have a highly skilled professional audit staff who can deliver the legal mandate of the office with minimal external support. To meet this requirement, appropriate resources should be provided to address both the operational and capacity needs of the office.

However, the support from donors is not sufficient to cover all planned activities, and as a result, many initiatives have stalled. The Office continues to face several challenges, including inadequate budgetary allocation from the State, which limits the ability to fund core audit operations, and a heavy reliance on donor support that is often project-based and unsustainable for long-term institutional strengthening.

There is also a shortage of skilled and experienced audit professionals, with limited opportunities for continuous professional development and certification, while high staff turnover persists due to uncompetitive remuneration and incentives. The OAG seeks support from the state to strengthen the institution, which is core to ensuring that public funds are safeguarded.

In addition, the Office has limited access to modern audit tools, ICT systems, and data analytics, coupled with weak logistical support, such as transport and field resources, that hamper effective coverage of audits across all regions.

Furthermore, inadequate office infrastructure and facilities, as well as a lack of autonomy in resource allocation, continue to affect the timely and efficient implementation of audit activities.

Appreciation

The OAG takes this opportunity to acknowledge the dedication of our employees, partners, and staff, including our EU-SFA TA advisors, who, through their contributions, have enabled the OAG to continue maintaining its professionalism. Finally, a note of gratitude goes to the Parliament, Ministry of Finance, and Civil Service Commission, who in one way or the other have contributed to the work of the OAG. It is with considerable pride that we present the Auditor-General’s Annual Report 2024.

Appendix 1. The auditors' report on the JSS FY 2024 Financial Statement and the consolidated Financial Statement 2024.

Appendix 2. The detailed management letter resulting from my audit

OFFICE OF THE AUDITOR GENERAL

JUBBALAND STATEOFSOMALIA

JUBBALAND STATE OF SOMALIA

(JSS)

INDEPENDENT AUDITORS' REPORT ON THE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Acronym

Acronym	Full Description
CSC	Civil Service Commission
FMIS	Financial Management Information System
FGS	Federal Government of Somalia
ISSAI	International Standards of Supreme Audit Institutions
ISAI	International supreme audit institution
JSS	Jubbaland State of Somalia
MoE	Ministry of Education
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MOIS	Ministry of Internal Security
MOHDAM	Ministry of Humanitarian and Disaster Management
OAG	Office of the Auditor General
PFM	Public Finance Management
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USD	United States Dollar

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INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATEDFINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024.

Independent Auditors' Opinion

Modified Opinion

I have audited the financial statements of the Jubbaland State of Somalia, which comprise the Consolidated Fund Statement of Receipts and Payments, the Consolidated Fund Statement of Comparison of Budget and Actual amounts, and the Government Financial Statistic (GFS) Statement of Operations for the year ended 31 December 2024 and Notes to the Financial Statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matters described in the Basis for Modified Opinion section of our report the financial statements presents fairly, in all material respects, the financial position of the Jubbaland State of Somalia as at 31 December 2024 and its financial performance for the period then ended in accordance with the Public Financial Management Act, 2017 and the International Public Sector Accounting Standards (IPSAS) - Financial Reporting Under the Cash Basis of Accounting, 2017

Basis for Modified Opinion

I identified the following material misstatements in the course of the audit conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAI).

1. Expenditures amounting to USD 2,834,540.81 (representing 6% of total expenditure) lacked evidence of occurrence. An additional USD 1,174,587 lacked evidence of delivery of goods, work performed, or services rendered. As a result, the accuracy of these amounts and their proper classification could not be confirmed.
2. Security payments amounting to USD 7,504,650 (representing 17% of total expenditure) lacked supporting documentation. The payments could not be traced to appropriate records, nor could it be confirmed whether they reached the intended beneficiaries.
3. Obligation repayments totaling USD 6,122,712 (representing 14% of total expenditure) were not supported by detailed vouchers or source documents. Consequently, it could not be established whether these expenses occurred, were accurately recorded, or were charged to the correct codes of accounts.
4. Revenues totaling **$4,189,365.25,** representing **10%** of the total revenue, which was supported by incomplete documentation. Essential supporting documents, such as receipts, deposit slips, taxpayer identification details, and receipt books, were not provided. Likewise, a total amount **$1,086,883.72**, representing **2%,** of the total revenue **had** no supporting documentation at all.

I conducted my audit in accordance with International Standards for Supreme Audit Institutions (ISSAI). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report.

I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions, together with the ethical requirements that are relevant to my audit of the financial statements in the Federal Republic of Somalia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion

Other information

The Ministry of Finance is responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the Consolidated Fund Statement of Receipt and Payments and our auditor's report thereon.

My opinion on the Consolidated Fund Statement of Receipt and Payments does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Fund Statement of Receipt and Payments, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Fund Statement of Receipt and Payments or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Key Audit Matters

Weaknesses in revenue collection and recording

The revenue collection procedures undertaken by Jubbaland State of Somalia are not adequate to prevent material risk of misstatements resulting from the manual nature of the revenue collection, which is susceptible to loss and misappropriation.

Weaknesses noted include;

a) Lack of revenue reconciliations; Daily collections are not reconciled with original books, banking slips and as well FMIS and RMS recordings and entries.
b) The foreign exchange rate used for conversion from Somalia -Shilling to US dollars. Conversely, the MoF is not clearly documented, and inconsistencies were noted in the application of the rates, which may lead to misstatement in the transmission of revenues
c) Variances were noted between revenues recorded in RMS and those recorded in FMIS attributed to lack of automatic interphase between the two systems.The variance between the two systemsamounted to **$133,042.79.**

Weaknesses in expenditures

i. Expenditure under the State is not sufficiently supported to prevent ineligible expenditure and misstatements of the financial statements. The expenditure lacks proper supporting documents, including evidence of goods delivered or services rendered documentation such as Delivery Note (DN), Goods Received Note (GRN), motor vehicle log sheets, timesheets, certificate of work completion, and general procurement documents

ii. Expenditures such as Regular Foods, Daily meals, travels, electricity, medical supplies, and repairment of machinery are not appropriately supported; they lack user department requests and breakdown, delivery notes, good services notes, contracts, and P.Os are general supporting documents to support payments.

iii. Unsupported borrowings-Note 20 of the financial statements discloses outstanding loan repayments amounting to $6,122,712, comprising of supply of goods and services to the Jubbaland State of Somalia; we were not provided with loan repayment schedules for these loans. The were no loan agreements between the JSS and the individual lenders available for our review of the loan terms and conditions. The validity of the outstanding loans disclosed in note 20 of the financial statements could not be confirmed.

Weakness in contract management

During my audit, I also reviewed concession agreements for three contractual agreements, that is, Jubbaland Quality Control Services, Midnimo Company, and Eagle Risk Management who were entrusted to manage Quality control of goods and services, manage a youth center and provide airport security check services respectively. There was no evidence that the companies were competitively selected, some of the contracts specially the quality control one is one sided in favour of the company and at the same time there is no government control over the operations of the contracts.

Cash and Bank

1. There is no evidence that the state performed annul bank register review as required by the banking regulations
2. Daily/weekly bank reconciliations are not done as required by the banking regulation

Weaknesses in the procurement process

During our audit, we identified several violations of the procurement policy, including:

- Noncompliance with the procurement threshold, as several purchases intended for the competitive procurement methods were processed through single-sourcing.

Weakness in fixed assets

- No centralized fixed assets register as required by the asset's regulations
- Assets are not tagged
- No procedures for periodic asse verifications.

Inactive Internal Audit Function

- No internal audit committee to support the work of the internal audit function
- No approved internal audit charter
- No approved internal audit work plan
- No internal audit reports in the whole year
- The unit is also understaffed and does not have the necessary competencies and capacity to carry out the internal audit function

Weakness in ICT

- The state lacks an IT strategic plan that aligns with its operational needs,
- No formally documented and approved procedures for managing system upgrades and changes.
- There is no register tracking access to the server room, indicating a lack of control over who enters and for what purpose.
- No service level agreement between the ICT ministry and its vendors, and the server room
- missing crucial safety equipment, such as smoke detectors and fire extinguishers
- No disaster recovery plan

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with the Public Financial Management Act 2017 and the International Public Sector Accounting Standard (IPSAS) - Financial Reporting under the Cash Basis of Accounting and for such internal control as the Management Committee is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management is responsible for assessing the JSS's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Management intends to liquidate JSS or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the government's financial reporting process

Auditor’s Responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

1. 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 our 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.
2. 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 expressing an opinion on the effectiveness of the government's internal control.
3. 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.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the JSS's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause JSS to cease to continue as a going concern
5. 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, as well as significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Bashir Mohamed Bahale,
Auditor General, Jubbaland State of Somalia
Kismayo.

CONSOLIDATED & MINISTERIAL FINANCIAL STATEMENTS OF THE JUBBALAND STATE OF SOMALIA

For the Year Ended 31 December 2024

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

Prepared by the Ministry of Finance and Economic Development

JUBBALAND STATE OF SOMALIA

Statement of Certification – 2024 Finanical Statements

The 2024 financial statements, together with the accompanying notes, have been prepared in accordance with the International Public Sector Accounting Standard, Financial Reporting under the Cash Basis of Accounting (2017) and in the manner required by the Public Financial Management Act (PFM) 2017.

In the opinion of the Minister for Finance & Economic Development , the financial statements of the Jubaland State of Somalia (JSS) as submitted for Audit in accordance with Section 32 of the Public Finance Management Act 2017, are materially accurate and provide a true and fair view of the JSS's financial activities for the year ended 31 December 2024. The Minister further confirms the completeness of the accounting records maintained for the Jubaland State of Somalia, which have been relied upon in the preparation of the Jubaland 's financial statements as well as the adequacy of the system of the internal financial control.

For and on behalf of the Jubaland State of Somalia

Mr. Ahmed Abdirizak Mohamed – Handal

Minister for Finance and Economic Development
Jubaland State of Somalia

20th April 2025

Date

Signature

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Executive Summary

Overview of the Financial Statements

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

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

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

Format of the Financial Statements and additional disclosures

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

Statement of Cash Receipts and Payments

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

Statement of Comparison of Budget and Actual Amounts by Economic Nature

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

Accounting Policies

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

Explanatory Notes to the Financial Statements

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

Additional Disclosures

In order to meet the requirements under Article 49 of the PFM Act (2017) and also to provide further information to the financial statements reported under IPSAS, Cash Basis of Accounting, the following additional disclosures have been provided so as to provide more information necessary for accountability and decision-making purposes.

Statement of Domestic Borrowing

This statement provides information on the outstanding national debt of the JSS at the end of the year and makes a distinction of the nature of the debt (capital and operational)

Table 1: Domestic Borrowing

Amount Received - 2013		1,262,769
Amount Received - 2019		5,140,621
Amount Received - 2021		7,368,585
Amount Received - 2022		7,274,675
Amount Received - 2023		5,534,117
Amount Received - 2024		6,141,363
Total Received		**32,722,130**
Repayments		
FY2014	70,000	
FY2015	483,108	
FY2016	353,141	
FY2017	152,521	
FY2018	106,590	
FY2019	-	
FY2020	1,436,670	
FY2021	3,363,419	
FY2022	6,631,814	
FY2023	4,543,790	
FY2024	5,994,882	
Total Repayments		**23,135,935**
Remaining balance		**9,586,195**

Summary of Financial Results

Financial Statement Highlights and Analysis

Table 2: Summary of Financial Performance

Financial Performance	2024 USD	2023 USD
Revenue	43,746,596	47,771,225
Expenditure	44,627,690	46,532,868
Surplus	**(881,093)**	**1,238,357**
% Change	**102%**	**97%**

	2024 USD	2023 USD
Original Budget	55,870,118	44,303,363
Revised Budget (Mid-year Revision)	64,305,677	53,255,245
Actual Expenditure	44,627,690	37,522,997
Under Spending (Budget Saving)	**(19,677,988)**	**(15,732,248)**
% Change	**69%**	**70%**

Revenue Analysis

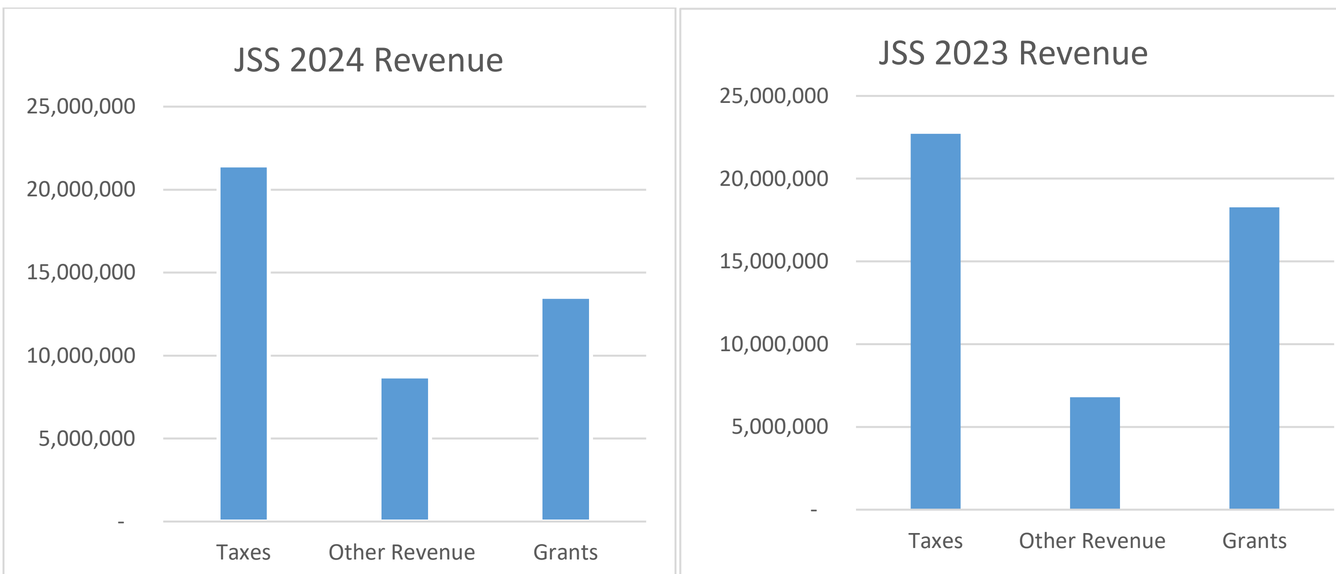
The total revenue of the Jubaland State of Somalia experienced a significant increase from $47,771,225 in 2023 to $43,746,596 in the 2024 fiscal year, marking a decline of $4,024,629 or 9% compared to previous year. The primary sources of revenue for JSS include own-source revenue generated from taxes paid by JSS taxpayers, as well as taxes and other revenues derived from the sale of goods and services, fees, and fines. Additionally, grants from international organizations and the Federal Government of Somalia constitute a notable portion, contributing 31% of the total revenue. In 2024, taxes and other revenue amounted to $30,199,252, representing 69% of the total revenue, compared to $29,501,633(62% of total revenue) in the previous year. Similarly, revenue from taxes and other sources increased to $697,619(2% of total revenue) in 2024.

Table 3: Summary of Revenue

Revenue Analysis Revenue Type	2024 USD	2023 USD
Taxes	21,455,461	22,703,786
Other Revenue	8,743,791	6,797,847
Grants	13,547,344	18,269,592
Total	**43,746,596**	**47,771,225**

The following chart further highlights, the breakdown of revenue collections for the year which shows that external grants were 31% of the total receipts.

Chart 1: Revenue Breakdown



Tax Receipts

The financial year 2024 saw revenue from taxes decrease from $22,703,786 in 2023 to $21,455,461 in 2024. This decrease of $1,248,325 was mainly due to lower collections from turnover tax, consumption goods, and khat, resulting from a decline in domestic purchasing power. As depicted in Chart 1 above, tax revenue accounted for 49% of the total revenue for the year.

Other revenue

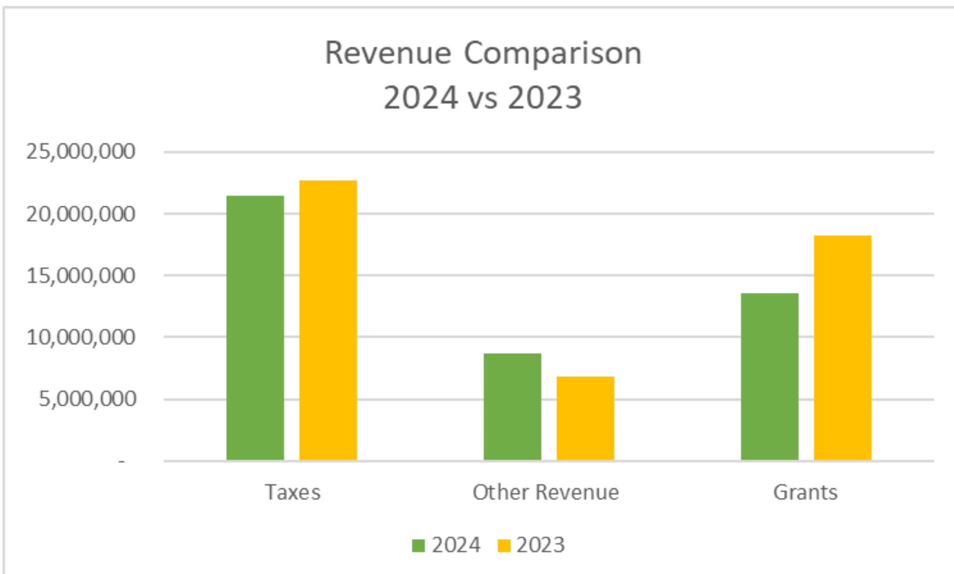
The financial year 2024 saw non-tax receipts increase by $1,945,944 compared to the previous year. As detailed in Table 2, the current year's non-tax revenue (domestic receipts) stands at $8,743,791, up from $6,797,847 in the same period last year. This upward trend in revenue mainly resulted from land modification fees, land certificate fees, and driving license fees, which the government promoted last year. As depicted in Chart 1, non-tax receipts accounted for 20% of the total revenue for the yea

Grants

External assistance and grants from international partners, along with transfers from the Federal Government of Somalia, were significant sources of funds, accounting for $13,547,344 (31%) of total revenue, compared to $18,269,592 in the previous year—a decrease of $4,722,248 (7%). This shortfall was mainly due to delays in the disbursement of project funds by the Federal Government of Somalia.

Further illustrations and comparisons between the current and previous years are highlighted in Chart 2.

Chart 2: Revenue comparison 2024 and 2023.



Expenditure Analysis

The JSS payments are categorized into four main areas: Recurrent Expenditure, Social Benefits, Loan Repayments, and Capital Expenditure. Recurrent expenses mainly cover salaries, wages, and operational costs for goods and services.
Chart 3 provides an overview of the key expenditure areas for the Jubaland State of Somalia.

Chart 3: Main Expenditure Categories

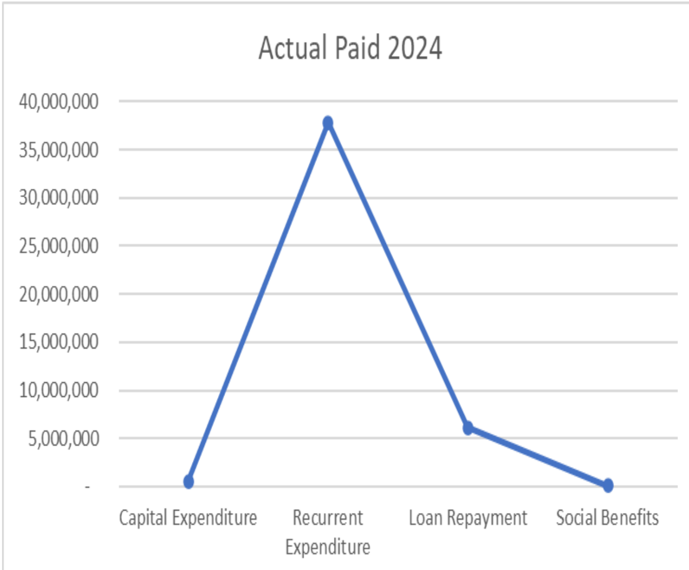


Table 3: Budget v Actual of the Expenditure

	2024 USD			2023 USD		
Main Expenditure Categories	**Final Estimate**	**Actual Paid**	**Variance**	**Final Estimate**	**Actual Paid**	**Variance**
Capital Expenditure	10,998,508	534,995	5%	5,677,852	1,304,742	23%
Recurrent Expenditure	47,019,695	37,857,853	81%	47,544,833	40,591,939	85%
Loan Repayment	6,166,895	6,122,712	99%	4,545,384	4,543,790	100%
Social Benefits	120,580	112,130	93%	114,900	92,397	80%
Total	**64,305,677**	**44,627,690**		**57,882,968**	**46,532,868**	

The total payments made during the year amounted to $44,627,690, compared to $46,532,868 in 2023. Overall, JSS reduced its expenditure by $1,905,179 (4%), with the slight decrease mainly attributed to Recurrent Expenditure and employee compensation.

Table 4: Recurrent Expenditure

Table 4 presents a recurrent of expenditure categories for the 2024 financial year and the 2023 financial year

	2024 USD			2023 USD		
Recurrent Expenditure	**Final Estimate**	**Actual Paid**	**Variance**	**Final Estimate**	**Actual Paid**	**Change %**
Compensation of Employees	28,210,841	24,769,254	88%	27,417,677	24,368,721	89%
Use of Goods and Services	18,808,853	13,088,599	70%	20,127,156	16,223,218	81%
Total	**47,019,695**	**37,857,853**		**47,544,833**	**40,591,939**	

Table 4: Summary of 2024 and 2023 Expenditure categories

Summary of Expenditure	2024 USD	Percentage of Total %	2023 USD	Percentage of Total %
Employee Consumption	24,769,254	56%	24,368,721	52%
Use of Goods and Service	13,088,599	29%	16,223,218	35%
Grants Paid	-	0%	-	0%
Capital Expenditure	534,995	1%	1,304,742	3%
Interest	-	0%	-	0%
Repayments	6,122,712	14%	4,543,790	10%
Subsidy	-	0%	-	0%
Social benefits	112,130	0%	92,397	0%
Other Payments	-	0%	-	0%
Total	**44,627,690**	**100%**	**46,532,868**	**100%**

Capital Expenditure Analysis

Capital expenditure (non-financial assets) for the year amounted to $534,995, compared to $1,304,742 in the previous year—a decrease of $769,748 (59%). This decline resulted from the delayed disbursement of donor funding, including $7,950,022 for road construction and $1,231,165 for the acquisition of tools and specialized professional services.

In accordance with cash-basis reporting and compliance with IPSAS (International Public Sector Accounting Standards), capital expenditure is recognized as an expense in the year of acquisition.

Table 5: Summary of Capital Expenditure for 2024 and 2023

Capital Expenditure	2024 USD	2023 USD
Buildings Other than dwellings	-	41,082
Wells and water holes	9,600	-
Cars	43,526	364,763
Information, computer and telecomm (ICT) equipment	76,853	47,782
Machinery and Equipment not elsewhere classified	31,983	13,926
Furniture & fixtures	91,309	531,228
Tools & specialized professional services	126,266	293,472
Tree, crop , and plant resources yielding repeat products	48,380	12,490
Material and supplies	107,077	-
Total Capital expenditure	**534,995**	**1,304,742**

Budget and Expenditure Analysis

The annual budget of the Jubaland State of Somalia is the principal document through which the Government outlines its financial plan for the year. The original budget, approved by the Jubaland Parliament, allocated $55,870,118 for expenditure. However, on June 27, 2024, Parliament approved a Supplementary Budget, revising the total to $64,305,677—an increase of 13%. The budget increase covered compensation of employees, other expenses, the use of goods and services, and non-financial assets.

The table below presents the allocations and actual payments for each expenditure category.

Table 6: Underspend budgets

	2024				
Expenditure Category	**Original Budget**	**Final Budget**	**Actual**	**Variance (Underspend)**	**%**
Compensation of Employees	27,512,751	28,210,841	24,769,254	3,441,587	88%
Use of Goods & Services	16,820,278	18,808,853	13,088,599	5,720,254	70%
Grants Paid	-	-	-	-	0%
Capital Expenditure	8,235,284	10,998,508	534,995	10,463,513	5%
Loan repayments	3,227,505	6,166,895	6,122,712	44,183	99%
Subsidy	-		-	-	0%
Social benefit	74,300	120,580	112,130	8,450	93%
Other Expenditure (Contingency Fund)	-	-	-	-	0%
Total Expenditure	**55,870,118**	**64,305,677**	**44,627,690**	**19,677,988**	**69%**

Jubbaland State of Somalia
Consolidated Fund Statement of Cash Receipts and Payments
Treasury Single Accounts
For the Year Ended 31 December 2024

	Note	2024 Controlled by TSA USD	2023 Controlled by TSA USD
Receipts / Inflows			
Taxes			
Taxes on income, profits, and capital gains	2	881,615	811,380
Taxes on payroll and workforce	3	1,308,939	1,004,394
Taxes on goods and services	4	5,030,916	5,809,152
Taxes on international trade and transactions	5	14,109,940	14,955,818
Other taxes	6	124,050	123,043
Taxes		**21,455,461**	**22,703,786**
Grants			
From international organizations	7	6,285,926	7,116,991
From other general government units	8	7,261,418	11,152,601
Grants		**13,547,344**	**18,269,592**
Other Revenue			
Sale of goods and services	9	8,693,791	6,797,847
Transfers not elsewhere classified		50,000	-
Other Revenue		**8,743,791**	**6,797,847**
Receipts / Inflows		**43,746,596**	**47,771,225**
Payments / Outflows			
Compensation of Employees			
Wages and Salaries	10	24,272,825	24,368,721
Social Contributions	11	496,429	-
Compensation of Employees		**24,769,254**	**24,368,721**
Use of Goods and Services			
Travel & Conferences	12	2,525,911	2,259,478
Operating Expenses	13	5,285,388	7,378,363
Rent	14	884,301	886,564
Other Operating Expenses	15	3,702,720	4,193,891
Conflict Resolution Expenses	16	622,311	1,065,143
Contingency	17	67,969	439,780
Use of Goods and Services		**13,088,599**	**16,223,218**
Social Benefits			
Employment-related social benefits	18	51,280	-
Employer social benefits	19	60,850	92,397
Social Benefits		**112,130**	**92,397**
Other Expenses			
Miscellaneous other expense	20	6,122,712	4,543,790
Other Expenses		**6,122,712**	**4,543,790**
Nonfinancial assets			
Fixed Assets	21	427,918	1,304,742
Inventories	22	107,077	-
Nonfinancial assets		**534,995**	**1,304,742**
Payments / Outflows		**44,627,690**	**46,532,868**
Increase Decrease in Cash		**(881,093)**	**1,238,357**
Cash at Beginning of Year		2,958,481	1,720,124
Cash at End of Year	1.4	**2,077,387**	**2,958,481**

Jubbaland State of Somalia
Consolidated Fund Statements of Comparison of Budget and Actual Amounts
For the Year Ended 31 December, 2024
Appropriation Budget Approved on Cash Basis
Classfication of Payments by Economic Class

		2024				2023
	Note	Original Estimate Appropriation A USD	Final Estimate Appropriation B USD	Controlled by TSA C USD	Difference Between Final Budget and Actual C-B USD	Controlled by TSA USD
Receipts / Inflows						
Taxes						
Taxes on income, profits, and capital gains		1,069,909	1,069,909	881,615	(188,293)	811,380
Taxes on payroll and workforce		1,242,714	1,242,714	1,308,939	66,225	1,004,394
Taxes on goods and services		5,084,219	4,534,219	5,030,916	496,697	5,809,152
Taxes on international trade and transactions		19,218,493	17,568,493	14,109,940	(3,458,553)	14,955,818
Other taxes		150,000	150,000	124,050	(25,950)	123,043
Taxes	23	**26,765,335**	**24,565,335**	**21,455,461**	**(3,109,874)**	**22,703,786**
Grants						
From international organizations		5,582,379	9,146,828	6,285,926	(2,860,902)	7,116,991
From other general government units		17,041,610	21,912,720	7,261,418	(14,651,302)	11,152,601
Grants	24	**22,623,989**	**31,059,548**	**13,547,344**	**(17,512,204)**	**18,269,592**
Other Revenue						
Property income		50,000	-	-	-	-
Sale of goods and services		6,420,794	8,620,794	8,693,791	72,997	6,797,847
Fines, penalties and forfeits		10,000	10,000	-	(10,000)	
Transfers not elsewhere classified		-	50,000	50,000	-	-
Other Revenue	25	**6,480,794**	**8,680,794**	**8,743,791**	**62,997**	**6,797,847**
Receipts / Inflows		**55,870,118**	**64,305,677**	**43,746,596**	**(20,559,081)**	**47,771,225**

Jubbaland State of Somalia
Consolidated Fund Statements of Comparison of Budget and Actual Amounts
For the Year Ended 31 December, 2024
Appropriation Budget Approved on Cash Basis
Classfication of Payments by Economic Class

		2024				2023
	Note	Original Estimate Appropriation A USD	Final Estimate Appropriation B USD	Controlled by TSA C USD	Difference Between Final Budget and Actual C-B USD	Controlled by TSA USD
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		26,936,475	27,711,865	24,272,825	(3,439,040)	24,368,721
Social Contributions		576,276	498,976	496,429	(2,548)	-
Compensation of Employees	**26**	**27,512,751**	**28,210,841**	**24,769,254**	**(3,441,587)**	**24,368,721**
Use of Goods and Services						
Travel & Conferences		2,960,521	3,566,387	2,525,911	(1,040,476)	2,259,478
Operating Expenses		7,906,637	8,319,351	5,285,388	(3,033,964)	7,378,363
Rent		744,290	1,131,204	884,301	(246,904)	886,564
Other Operating Expenses		3,962,630	4,982,158	3,702,720	(1,279,437)	4,193,891
Conflict Resolution Expenses		680,554	684,108	622,311	(61,797)	1,065,143
Contingency		565,645	125,645	67,969	(57,677)	439,780
Use of Goods and Services	**27**	**16,820,278**	**18,808,853**	**13,088,599**	**(5,720,254)**	**16,223,218**
Social Benefits						
Social Security Benefits		4,000	2,000	-	(2,000)	-
Social Assistance Benefits		-	51,280	51,280	-	-
Employer social benefits		70,300	67,300	60,850	(6,450)	92,397
Social Benefits	**28**	**74,300**	**120,580**	**112,130**	**(8,450)**	**92,397**
Other Expenses						
Miscellaneous other expense		3,227,505	6,166,895	6,122,712	(44,183)	4,543,790
Other Expenses	**29**	**3,227,505**	**6,166,895**	**6,122,712**	**(44,183)**	**4,543,790**
Nonfinancial assets						
Fixed Assets		8,178,684	10,877,028	427,918	(10,449,110)	1,304,742
Inventories		56,600	121,480	107,077	(14,403)	-
Nonfinancial assets	**30**	**8,235,284**	**10,998,508**	**534,995**	**(10,463,513)**	**1,304,742**
Payments / Outflows		**55,870,118**	**64,305,677**	**44,627,690**	**(19,677,988)**	**46,532,868**
Increase Decrease in Cash		**-**	**-**	**(881,093)**	**(881,093)**	**1,238,357**

Jubbaland State of Somalia
Statement of Government Operations
For the Year Ended 31 December, 2024

	2024 USD	2023 USD
Transactions Affecting Net Worth		
Revenue	**43,746,596**	**47,771,225**
Taxes	**21,455,461**	**22,703,786**
Taxes on income, profits, and capital gains	881,615	811,380
Taxes on payroll and workforce	1,308,939	1,004,394
Taxes on goods and services	5,030,916	5,809,152
Taxes on international trade and transactions	14,109,940	14,955,818
Other taxes	124,050	123,043
Grants	**13,547,344**	**18,269,592**
From international organizations	6,285,926	7,116,991
From other general government units	7,261,418	11,152,601
Other Revenue	**8,743,791**	**6,797,847**
Sale of goods and services	8,693,791	6,797,847
Transfers not elsewhere classified	50,000	-
Expense	**44,092,695**	**45,228,126**
Compensation of Employees	**24,769,254**	**24,368,721**
Wages and Salaries	24,272,825	24,368,721
	496,429	-
Use of Goods and Services	**13,088,599**	**16,223,218**
Travel & Conferences	2,525,911	2,259,478
Operating Expenses	5,285,388	7,378,363
Rent	884,301	886,564
Other Operating Expenses	3,702,720	4,193,891
Conflict Resolution Expenses	622,311	1,065,143
Contingency	67,969	439,780
Social Benefits	**112,130**	**92,397**
Social Assistance Benefits	51,280	-
Employer social benefits	60,850	92,397
Other Expenses	**6,122,712**	**4,543,790**
Miscellaneous other expense	6,122,712	4,543,790
Net worth and its changes	**534,995**	**1,304,742**
Nonfinancial assets	534,995	1,304,742
Fixed Assets	427,918	1,304,742
Inventories	107,077	-
Transactions in Financial Assets & Liabilities	**(881,093)**	**1,238,357**
Change In Net Worth. Transactions (Assets)	**(881,093)**	**1,238,357**
Financial assets	(881,093)	1,238,357
Domestic	-	-
Liabilties	**-**	**-**
Liabilties	-	-
Liabilties	-	-
Overall Statistical Discrepancy	-	-

Notes to the Financial Statements
Note 1 Accounting Policies

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

The accounting policies have been applied consistently throughout the period.

1.2 Reporting Entity
The Financial statements are for the Jubaland State of Somalia. The Designed capital of Jubaland State is Buale, located in the Middle Jubba of Somalia, situated in the southern Jubba River. However, Jubaland State of Somalia is located as an interim in Kismayo currently. The principal address is:

Ministry of Finance and Economic Development Building,
Airport road,
Fanole Village, Opposite Agan hotel.

The principal activities of the Government and its controlled entities include the provision of health, education, security, and general public services. The financial statements are for the Jubaland State of Somalia (JSS) and covers the period 1 January to 31 December 2024.

The financial statements encompass the reporting entities as specified in the *JSS Appropriation Act No. 2, 2024* and are comprised of:

1. Ministry of Agriculture and Irrigation
2. Ministry of Education Culture and Higher Learning
3. Ministry of Water and Energy
4. Ministry of Finance and Economic Development
5. Ministry of Health and Social Welfare
6. Ministry of Communications, Posts, and Technology
7. Ministry of Internal Security
8. Ministry of Endowments and Religious Affairs
9. Ministry of Planning, Investment, and International Cooperation
10. Ministry of Trade and Industry
11. Ministry of Women and Human Rights
12. State Presidency
13. Auditor General's Office
14. Civil Service Commission
15. Jubbaland Parliament
16. Ministry of Livestock

17 Ministry of Fisheries and Blue Economy
18 Ministry of Youth and Sports
19 Ministry of Transport and Aviation
20 Ministry of Interior, Federal and Reconciliation
21 Ministry of Environment and Climate Change
22 Ministry of Public Works, Housing, and Reconstruction
23 Judiciary Service Commission
24 Ministry of Labor and Social Affairs
25 Jubaland Election Commission & Boundaries
26 Attorney General Office
27 Ministry of Information, Public Orientation and Tourism
28 Ministry of Ports and Maritime Transport
29 Ministry of Petroleum and Minerals
30 Ministry of Humanitarian Affairs and Disaster Management
31 Ministry of Justice and Constitution Affairs

Ministries were created by a preceding *Presidential Decree XM/J/772014* entitled *A Decree Establishing Ministries of Jubaland State of Somalia and Defining Roles and Functions of Ministries* dated 25 December 2014. As a result of Ministerial restructuring, four (4) new Ministries were created by a *Presidential Decree XM/DGS/112/2018* on November 27th, 2018 The Ministry of Finance and Revenue Collection Authority Establishment Act 2017 of the Jubaland State of Somalia was created for the purposes of establishing the Ministry of Finance and Revenue Collection Authority to ensure that the Jubaland State of Somalia has a Ministry of Finance that is responsible for the overall financial management of the Jubaland State of Somalia and to also ensure that within the Ministry of Finance there is a Revenue Collection Authority that is fully staffed, organized, administered and empowered to collect & deposit into the Treasury Single Account (TSA) all legally established taxes and other revenues of the Jubaland State of Somalia. The Auditor General's Office was created via the Audit Act 2016; however, the Office was only formally established during the 2018 financial year. The Kismayo Airport and Port Authorities are legalized separately.

A subsequent decree on establishing the Civil Service Commission (CSC) and its purpose entitled *Act for establishing the Civil Service Commission of the Jubaland State of Somalia dated 23 April 2018* established the office of the Civil Service Commission. A companion Act also established the Civil Service and the Civil Service Salary structure. The inauguration of the JSS constitution automatically established the Jubaland Parliament. The respective statements of all the listed entities form part of the consolidated financial statements as these entities were included as part of the *JSS Appropriation Act No. 2 2024*.

During FY2021 Kismayo Airport Authority and Kismayo Seaport Authority were brought under the Ministry of Transport and Ministry of Transport and Ports respectively.

The Auditor General's Office, Judiciary Service Commission, Ministry of Labour and Ministry of Constitution and Federal Affairs were established during the 2018 financial year and Jubaland Election Commission Boundaries in 2019.

During FY2021 additional Ministries were introduced namely, Ministry of Humanitarian Affairs and Disaster Management while Ministry of Water, Mines and Energy was renamed as Ministry of Water and Energy and Ministry of Petroleum and Minerals respectively, also the Ministry of information and Telecommunication was made into two entities as ministry of Information and Ministry of Telecommunication. In 2023 new ministry was introduced namely Ministry of Justice and Constitution Affairs.

The consolidated financial statements include all entities controlled during the year. None of the entities own another entity however the Kismayo Municipality which is the local government of the Kismayo city, is controlled by the Ministry of Interior and Federal Affairs

1.3 External Assistance

1.3.1 Payments by Third Parties

The JSS also benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the period. Third party assistance is reported under Note 30

1.3.2 External Assistance

External assistance was received in the form of grants from multilateral and bilateral donor agencies under agreements specifying the purpose for which the assistance will be utilized. Other assistance was provided for specified purposes by NGOs and other donors and is reported under Note 30.2

1.4 Treasury Single Account & Project Accounts

Jubaland State of Somalia operates bank accounts at both the Dahabshiil and Salaam banks.

1.4.1 Dahabshiil Bank Accounts

In the 2024 financial year, Five (5) new accounts were opened under a written authorization of the Minister of Finance, in accordance with Section 29, paragraph 2 of the PFM Act 2017. The sub-account relates to the donor project and was opened to comply with the donor's requirements. As of the end of FY2023, balances of these accounts were as follows:

Dahabshil Bank Accounts Name	2024 USD	2023 USD
Ministry of Women Affairs - Support Account	63	63
Ministry of Planning and Int Cooperation -Supp Acc	1,286	3,176
Jria & Idps Affairs - GIZ Account	1	1
Jria Support - UNHCR Account	0	0
Ministry Of Agriculture - Supp Account	27,560	147,995
Governor's Office Lower Jubba Account	1	1
Ministry Of LiveStock - Support Account	7,108	2,687
Ministry Of Health - Support Project Account	11,480	18,723
Ministry of Minirals , Energy & Water Resources	1,063	15,758
JUBBALAND TEACHERS TRAINING COLLEGE (JTTC)	94	94
MoET-GIZ Support Account	7,085	55,132
Ministry of Minerals Energy & Water-GIZ Project	557	557
MoEHL JSS-UNICEF Project	6	6
MoET-GIZ Gobwen Support Account	-	1
Ministry of Minerals, Energy Water JSS	6,310	6
Support Project Account MoH JSS	1	1
JRIA UFSP SUP-ACCOUNT-GIZ	1	1
JSS MOMEWR	-	64,372
MINISTRY OF AGRICULTURE JSS GIZ PROJECT	2	57,556
TECHNICAL VOCATIONAL EDUCATION AND TRANING GIZ	-	25,600
UNHCR-JUCRI SUPPORT ACCOUNT	36,819	3,126
MOHADM-Jss	4	4
Ministry of justice and relgion affairs		20
MOEHL JSS-ADRA	1	1
MOPWR-JSS SUPPORT ACCOUNT	-	77,765
MOH BMGF PROJECT	1	1
Promoting Local Artisan Through Pottery	1	1
MINISTRY OF LIVESTOCK,FORESTRY AND RANGE SUB ACCOUNT	3	86,126
GURMADKA FATAHAADAHA JUBBALAND	1	301
ACCESSING DURABLE SOLUTION	31,445	76,922
Jubbaland Water Agency	39,848	24,100
MINISTRY of ENERGY AND WATER RESOURCES	-	195
MOECC-GIZ SUPPORT ACCOUNT	59	-
MOLSA-SEPOW PROJECT GIZ	717	-
JUBBALAND WATER AGENCY(JUWA)	0	-
MINISTRY OF PUBLIC WORKS RECONSTRUCTION AND HOUSE JSS KISMAY	99,614	-
MINISRTY OF AGRICULTURE AND IRRIGATION OF JSS KISMAYO	142,068	-
	413,198	**660,289**

1.4.2 Salaam Somali Bank Accounts

During the 2024 financial year, five (5) new accounts were opened under a written authorization of the Minister for Finance and Economic Development , in accordance with Section 29, paragraph 2 of the PFM Act 2017. Notably, all the sub-accounts relate to donor projects and were open to comply with the donor requirements. As of the end of FY2023, balances of these accounts were as follows:

Salaam Somali Bank Accounts Name	2024 USD	2023 USD
Jubbaland Treasury Single Account	14,162	691
Ministry of Health - Support Account	0	0
Ministry of Woman & Human Rights - Support Account	16,060	60
Ministry of Agriculture - Support Account	3	3
Ministry of Planning and International Cooperation	1,478	-
WB Project RCFR II	0	0
Ministry of Fisheries & Marine - Support By FAO	93	46,365
MOE and Higher Learning Support Project Account	233	251
MoI Jubbaland Dialogue Account	10	10
MOH HMIS Strengthening Bardere and Elwak Districts	70	70
Jubbaland Assembly-Gole-Kaab Project	0	0
SUPP_AF Kismayo Municipality	0	0
Ministry of Minerals,Energy and Water Resources	8,200	252,351
Mole Baxnaano Project Account	3	3
SURP-Kismayo Municipality	558,717	767,804
MOILG-JSS	23,379	4
GAROONKA DIYAARADAHA SAYID MOHAMED ABDULLE XASSAN	26,880	834
WB Project Account-2103-34177359	259,940	459,257
RCRF III-PERFORMANCE BASED CONDITION/PBC'S	304,169	262,368
MOHADN-JSS	-	15,000
MOW&HR-SUPPORT ACCOUNT DOLLARS	600	-
JUCRI SUB-ACCOUNT-CARE	5,420	-
SUB-ACCOUNT DEGMADA AFMADOW	7,519	-
MOHADM-JLSS	-	150
Degmada Dhoobley	50,515	11,727
DAMAL CAAFIMAAD JSS	17,327	12,260
SWRR-JUBBALAND STATE	72,210	185,870
Ministry Of Livestock Support Project Account	5	5
Ground Water Resilience Project	62,828	39,491
Ministry of MOHDM- Flood Assistant Fund		12,269
MOHADM-JL PROJECT	6,325	70,327
SOMALIA EDUCATION FOR HUMAN CAPITAL	102,005	161,022
SOMALI FOOD SYSTEM RESILIENCE PROJECTS(SFSRP)	65,377	-
SOMALI ENHANCING PUBLIC RESOURCE MANAGEMENT PROJECT (SERP)J	23,195	-
MOLSA-CSSP 11 PROGRAMME	7,500	-
DEGMADA BELEDXAAWO	253	-
SUPPORT ACCOUNT MOPIIC JSS	29,713	-
	1,664,188	**2,298,192**

1.4 Cash & Cash Equivalents

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

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

	2024 USD	2023 USD
Cash on hand and balances with banks	**2,077,387**	**2,958,481**

Included in the $2,077,387 is $14,162 held in the main TSA, with the balance of cash on hand of $2,063,255 held in the TSA sub-accounts which is restricted cash for specific project purposes.

1.5 Reporting Currency

The reporting currency is the United States Dollar (USD), rounded to the nearest dollar.

1.6 Original and Final Approved Budget and Comparison of Actual and Budget Amount

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

The Jubaland Parliament approved the original budget on the 10th of December 2023. Subsequently, a supplemental budget was approved by the Jubaland Parliament on 27th June 2024.

1.7 Authorization Date

The financial statements were authorized for issue on **3rd April 2025 by Mr Ahmed Abdirisak Mohamed (Handal), Minister of Finance and Economic Development**.

Note 2 Taxes on Income, Profits, and Capital Gains

During the 2024 financial year, JSS collected $881,615 in taxes on income, profits, and capital gains, compared to $811,380 in 2023. These taxes are paid by civil servants and other employees as a salary tax on their remuneration received from the Jubaland State of Somalia, following a progressive tax system.

Note 3 Taxes on Payroll and Workforce

The tax is paid by employers based on the total payroll and workforce (salary/wage bill) paid to all employees under a progressive tax system. In the 2024 financial year, $1,308,939 was received from international organizations and business entities in the Jubaland State of Somalia, compared to $1,004,394 in 2023.

Note 4 Taxes on Goods and Services

These taxes are collectively charged for the use of services provided by JSS. The following outlines the breakdown and sources of taxes on goods and services collected within JSS's jurisdiction.

	2024	Ministry of Finance and Economic Development	Ministry of Fisheries and Blue Economy	Ministry of Transport and Aviation	Ministry of Ports and Maritime Transport	2023
Turnover tax	1,652,723	1,652,723				2,419,864
Mineral water	-					35,000
Electricity and electronic materials	-					70,000
Fuel	-					25,250
Banking and money transfer	-					182,000
Fishing fees	212,042		212,042			6,000
Local passenger charge	443,156			443,156		382,392
Urban road users taxes (tremistrale)	416,248			416,248		452,750
Road user taxes	2,306,747	2,157,660		99,087	50,000	2,147,410
International departure Charge	-					88,326
Notary collection taxes.	-					160
Grand Total	**5,030,916**	**3,810,383**	**212,042**	**958,491**	**50,000**	**5,809,152**

The applicable rates on services vary and mostly depend on the business sector and service type and are authorized in accordance with the Revenue Act 2017.

Note 5 Taxes on International Trade and Transactions

Taxes on international trade include all taxes imposed on goods and services exported from and imported into the Jubaland State of Somalia. During this financial year, customs duties levied on imports were the only tax collected under this category. The Ministry of Finance and Economic Development, the Ministry of Transport and Aviation, and the Ministry of Ports and Maritime Transport are the primary sources of taxes on international trade.

During the financial year 2024, a total of $14,109,940 was collected, including $4,541,767 in customs duties on khat ($4,851,571 in 2023) and $9,568,173 in customs duties on imported goods ($10,083,711 in 2023). The decline in customs duty collection this year is attributed to inflation and reduced purchasing power.
Below is a detailed breakdown of customs duties collected and their respective points of entry.

	2024				2023
	Total USD	Ministry of Finance and Economic Development	Ministry of Ports and Maritime Transport	Ministry of Transport and Aviation	USD
Consumption goods	**9,568,173**	5,395,466	4,137,663	35,044	10,083,711
Livestock products	**-**		-		20,536
Khat	**4,541,767**	4,541,767			4,851,571
	14,109,940	**9,937,233**	**4,137,663**	**35,044**	**14,955,818**

Note 6 Other taxes.

During the 2024 financial year, JSS collected $124,050 in taxes from local government sources.

Kismayo Municipality is the only established local government entity in the region that generates revenue from sources such as taxes on mobile shops and local public transport. Under an agreement between the Ministry of Finance and Kismayo Local Government, all revenue collected by Kismayo Municipality must be deposited into the Treasury Single Account (TSA), with subsequent payments made in accordance with the standard procedures set by the Ministry of Finance and Economic Development.

Note 7 Grants from International Organizations

During the 2024 financial year, JSS received grants totaling $6,285,926 from international organizations, compared to $7,166,991 in 2023. A detailed breakdown of the amounts received from international organizations is provided below.

Donor	2024 USD	2023 USD
Danish Refugee Committee (DRC)		900
GIZ	1,043,634	888,328
ADRA	7,200	30,550
Norwegian Refugee Council	36,622	175,530
Save The Children	-	212,250
Concern Worldwide	6,435	-
TROCAIRE	1,500	-
CARE INTERNATIONAL IN SOMALIA	60,060	45,290
ALIGHT American Refugee Committee (ARC)	28,200	37,230
Lutheran World Federation (LWF) Education	64,200	-
Food and Agricuture Organization	1,019,544	771,860
International Labour Organisation	-	60,140
United Nation Developmental Programme	29,470	65,800
UNICEF	3,184,561	3,457,599
UNHCR	523,369	650,376
UNHABITAT	-	45,272
World Food Program	216,583	551,709
United Nations Capital Development Fund	-	34,103
United Nations Population Fund (UNFPA)	-	23,750
International Organization for Migration	45,750	66,305
PREMIS	18,799	-
	6,285,926	**7,116,991**

Note 8 Grants from Other Government Units

During the 2024 financial year, the Federal Government of Somalia granted a total of $7,261,418 to the Jubaland State, compared to $11,152,601 in FY2023. The funding received throughout the year included $85,833 for the Global Partnership for Education (GPE), $3,711,594 from the RCRF III project administered by the World Bank ($4,271,186 in 2023), $651,280 for European Union budget support channelled through the Federal Government of Somalia, and $389,605 for the Somalia Urban Resilience Project.

A detailed breakdown of the amounts received from these projects is provided below. (Refer to Note 24 for further details.)

Projects	2024									2023
		Ministry of Culture and Higher Education	Ministry of Agriculture and Irrigation	Ministry of Water and Energy	Ministry of Interior, Federal and Reconciliation	Ministry of Health and Social Welfare	Ministry of Livestock	Ministry of Planning, Investment and International Cooperation	Ministry of Finance and Economic Development	
Global Partnership for Education (GPE)	85,833	85,833								82,694
Global Partner for Education GPE MCA	56,500	56,500								-
Somalia Education For Human Capital Development	500,360	500,360								161,022
Support of National Examination Jubbaland State	34,670	34,670								
SURP II -TF-B1409(KFW)	389,605				389,605					497,442
Somalia Food System Resilience Project (SFSRP)JSS	318,116		193,116				125,000			-
M&E Moe Emergency Drought Response Program	-									20,145
Intergovernmental Fiscal Transfer	133,042								133,042	-
GROUND WATER RESILIENCE PROJECT	187,485			187,485						100,000
RCRF III Project	3,711,594								3,711,594	4,271,186
EU Budget Support	651,280								651,280	1,354,996
Somalia Enhancing Public Resource Management Project SERP	200,000								200,000	-
Jubbaland Contribution	-									79,725
World Bank Budget Support	-									3,500,000
SOMALIA WATER FOR RURAL RESILIENCE PROJECT(BARWAAQO PROJECT)	848,314								848,314	806,344
DAMAL CAFIMAAD PROJECT	273,160					273,160				129,048
Jubbaland Strategic Plan Review	4,500							4,500		15,000
Flood Assistant Fund	-									135,000
	7,261,418	**677,363**	**193,116**	**187,485**	**389,605**	**273,160**	**125,000**	**4,500**	**5,411,189**	**11,152,601**

	2024 USD	2023 USD
Ministry of Agriculture and Irrigation	193,116	-
Ministry of Culture and Higher Education	677,363	263,861
Ministry of Water and Energy	187,485	100,000
Ministry of Finance and Economic Development	5,411,189	9,932,526
Ministry of Health and Social Welfare	273,160	129,048
Ministry of Planning, Investment and International Coopera	4,500	15,000
Ministry of Livestock	125,000	-
Ministry of Interior, Federal and Reconciliation	389,605	498,467
Ministry of Humanitarian Affairs and Disaster Management	193,116	213,700
	7,261,418	**11,152,601**

Note 9 Sale of Goods and Services

The sale of goods and services consists of income generated by JSS through the provision of essential legal documents to its citizens. In the 2024 financial year, ministries and agencies collected a total of $8,693,791, compared to $6,797,847 in 2023, from the sale of goods and services. The following provides a detailed breakdown of the revenue items.

	2024 USD	2023 USD
Building rental income	7,550	6,773
Vehicle rental income	5,686	5,981
Visa fees	336,962	261,330
Passport fees	48,239	76,174
Business and profession licenses	33,736	89,589
Port docking fees	288,000	200,000
Landing fees	415,968	353,841
International NGO's registrations	19,900	10,500
Local NGO's registrations.	19,000	1,500
Parking fees	969	732
Agriculture fees.	11,625	10,320
Navigation fees	104,474	109,630
Handling fees.	686,704	554,067
Driving licenses fee	217,535	44,710
Logbook fees	181,140	214,760
Number plate registration fees	297,420	287,360
Individual ID fees	58,095	65,810
Birth certificate fees	75,905	65,760
Land certificate fees	1,736,518	1,108,038
Land modification fees	4,052,428	3,301,177
Advertisement fees	61,906	3,040
Contract registration fees	1,775	2,000
Court filing fees	32,257	24,755
	8,693,791	**6,797,847**

Note 10 Wages and Salaries

Treasury Single Account

Wages and salaries comprise all salaries, allowances, and in-kind payments made to staff, including both civil servants and political appointees. A comprehensive breakdown of wages and salaries is provided below.

	2024 USD	2023 USD
Basic salaries for general Civil Service	3,399,633	3,709,654
Teachers salary	752,260	846,269
Health workers salary	317,696	243,148
Temporary staff salary	2,167,247	1,588,624
Legislature salary	1,061,752	115,000
Political appointees salary	469,369	1,014,443
Security sector salaries	7,504,650	6,960,972
Contract Employees	209,706	16,500
Regular food and supplies	3,466,230	4,160,169
Daily meals	2,096,178	2,107,259
Basic allowances for general Civil Service	444,293	826,248
Health workers allowances	12,604	57,520
Temporary staff allowances	39,766	161,133
Legislature allowances	29,700	-
Political appointees allowances	76,047	75,234
Security sector allowances	146,610	100,000
Incentive allowances	2,079,086	2,386,549
	24,272,825	**24,368,721**

Remuneration to politicians refers to salaries paid to Parliamentarians, while remuneration to Ministers and statutory appointees includes salaries for Ministers and Commissioners heading statutory bodies such as the Civil Service Commission.

Accommodation allowance covers expenses such as housing and hotel accommodation allowances provided to Ministers, Parliamentarians, Commissioners, and civil servants of JSS. Regular food provisions are in-kind payments made to the Jubaland Military Forces in the form of food and related supplies, while daily meals refer to meals prepared for staff at the State Ministry and various security sectors responsible for safeguarding government institutions.

Note 11 Social Contributions

During the 2024 financial year, JSS contributed a total of $496,429 to social welfare programs, supporting various initiatives aimed at improving the well-being of citizens.

Note 12 Travel and Conferences

Travel and conference expenses totalled $2,525,911 in the 2024 financial year, compared to $2,259,478 in 2023. These costs include expenses for travel, conferences held both domestically and internationally, and conflict resolution efforts. The following provides a detailed breakdown of the total costs.

	2024 USD	2023 USD
Internal Travel	950,725	1,014,049.87
External Travel	625,216	538,976.10
Local conference	922,485	687,271.90
Overseas conference	11,991	17,680.00
Accommodation	15,494	1,500.00
	2,525,911	**2,259,478**

Note 13 Operating Expenses

Operating costs encompass expenses incurred to support the day-to-day functioning of ministry offices. The following provides a detailed breakdown of the operating costs incurred by JSS during the year.

	2024 USD	2023 USD
Electricity	181,013	188,772
Water	502,866	901,630
Refuse collection	10,135	5,070
Other utilities	7,842	6,752
Telephone fees	44,270	34,376
Internet fees	190,633	162,490
Satellite fees	102,144	84,594
Diesel and oil	1,167,230	1,351,863
Stationary	257,752	277,334
Publications fees	194,505	125,579
Refreshment	254,073	172,011
Cleaning supplies	97,285	86,385
Computer consumables	67,896	38,040
Medical supplies	151,815	1,460,820
Construction materials	1,232,094	2,045,881
Maintenance and repair of equipment and heavy machineries	137,455	162,465
Maintenance and repairs of furniture and fittings	63,783	39,083
Maintenance and repairs of vehicles, boats and vessels	23,258	18,710
Maintenance and repairs of building	568,479	167,393
Maintenance contracts	4,940	24,605
Spare parts and supplies	25,919	24,510
	5,285,388	**7,378,363**

Note 14 Rent

Rental expenses totalling $884,301 were incurred in the 2024 financial year, compared to $886,564 in 2023. These expenses cover the cost of office space and other rented facilities used by Jubaland ministries to support government operations. The following provides a detailed breakdown of rental expenditures for the year.

	2024 USD	2023 USD
Office rent	59,047	64,035
Vehicle rent	758,864	820,729
Venue rent	64,790	1,400
Other rents	1,600	400
	884,301	**886,564**

Note 15 Other Operating Expenses

The JSS FY 2024 operating expenses include training tuition fees, educational materials and supplies, tutor fees for professional courses, facilitator fees for workshops and conferences, consulting and professional fees, and fees for non-consultant services. Additional costs cover bank charges, printing and bidding expenses, TV and newspaper advertisements, newspaper and magazine subscriptions, and membership costs, including examination fees.

These expenses are funded by various sources, including the Treasury Single Account, GIZ, the Norwegian Refugee Council, Concern Worldwide, the Federal Government of Somalia, CARE International in Somalia, ALIGHT American Refugee Committee (ARC), the Lutheran World Federation (LWF) Education, the African Development Bank, the Food and Agriculture Organization, the United Nations Development Program, UNICEF, UNHCR, UNHABITAT, the World Food Program, and the International Organization for Migration.

Fees for services provided include payments to SEMLEX, a company contracted by JSS for logbook and number plate registration services, as well as house numbering, with JSS covering the associated costs. MILESTONE provided land registration services for Jubaland. Television and newspaper advertising costs relate to media subscriptions procured by JSS. Bank charges are associated with JSS TSA account operations.

The following is a breakdown of other operating costs.

	2024 USD	2023 USD
Training Tuition fee	1,274,273	859,287
Educational Materials and Supplies	138,905	33,100
Tutor Fees For Professional Courses	18,640	-
Facilitators Fees For Workshops, Conferences	10,270	1,850
Consulting and professional fees	1,030,809	718,774
Fees for service provided (non-consultant service)	1,082,543	2,477,477
Bank charges	52,136	45,830
Printing, bidding	3,686	8,641
TV and Newspaper advertisement	91,458	46,621
Newspaper and magazine subscriptions	-	810
Membership cost and examinations fees	-	1,500
	3,702,720	**4,193,891**

Note 16 Conflict Resolution Expenses

In the 2024 financial year, conflict resolution expenses covered the costs of resolving conflicts and promoting peace in Jubaland. These expenses were mainly incurred by the Ministry of State Presidency, the Jubaland Parliament, the Ministry of Security, and the Ministry of Justice and Constitutional Affairs to manage unexpected conflicts in the region.

Additionally, the budget included funding for army materials and supplies, intelligence services, and special operations, all aimed at maintaining stability and security in Jubaland.

	2024 USD	2023 USD
Materials and supplies for army	19,470	289,950
Intellegency services for army	-	10,000
Special operational services for army	900	10,000
Conflict resolution expenses	601,941	755,193
	622,311	**1,065,143**

Note 17 Contingency

During the year, the Ministry of Finance and Economic Development and Ministry of Transport and Aviation incurred a cost of $67,969 of contingency cost.

	2024 USD	2023 USD
Ministry of Finance and Economic Development	62,849	439,780
Ministry of Transport and Aviation	5,120	
	67,969	**439,780**

Note 18 Social Assistance Benefits

During the fiscal year, the JSS Ministry of Health and Social Welfare paid an amount of $51,280 from the EU Budget Support, channelled through the Federal Government of Somalia (FGS), to assist vulnerable communities. These funds were used to provide in-kind benefits to vulnerable households and facilities

Note 19 Employer social benefits

During the financial year, the employer provided employment-related social benefits in cash amounting to 60,850, as reported in JSS FS 2024. These benefits were allocated to other government units and public sector units. This marks a decrease from the previous year's 92,397, reflecting a reduction in expenditure on employment-related social benefits.

Note 20 Miscellaneous other expense.

The miscellaneous other expenses category includes obligations related to JSS's previous debts and arrears since its inception. In FY2024, a total of $6,122,712 was paid towards these obligations.

	2024 USD	**2023 USD**
Obligations	5,994,882	4,543,790
Scholarships and other educational benefits payable for households	127,830	-
	6,122,712	**4,543,790**

In 2013, JSS received interest-free loans totalling $1,262,769 from local businesses, which were used to establish the JSS administration. In 2019, during the election period and the Federal Government of Somalia's travel restrictions, JSS received additional interest-free loans totalling $5,140,621. Due to budget constraints, JSS also received interest-free loans in FY 2021, FY 2022, and FY 2023, amounting to $7,368,585, $7,274,675, and $5,534,117, respectively. To manage these financial obligations, JSS has agreed to repay the loans in installments based on the availability of funds. The table below outlines the movement schedule of these obligations.

Amount Received - 2013		1,262,769
Amount Received - 2019		5,140,621
Amount Received - 2021		7,368,585
Amount Received - 2022		7,274,675
Amount Received - 2023		5,534,117
Amount Received - 2024		6,141,363
Total Received		**32,722,130**
Repayments		
FY2014	70,000	
FY2015	483,108	
FY2016	353,141	
FY2017	152,521	
FY2018	106,590	
FY2019	-	
FY2020	1,436,670	
FY2021	3,363,419	
FY2022	6,631,814	
FY2023	4,543,790	
FY2024	5,994,882	
Total Repayments		**23,135,935**
Remaining balance		**9,586,195**

Note 21 Fixed Assets

Total fixed assets of $427,918 ($1,304,742 in 2023) were acquired and consist of costs that were incurred in rehabilitation of walls and water holes, purchasing Cars, ICT equipment, Furniture, Machinery, furniture & Fixtures, and tools for Government.

Comprehensive breakdown of fixed asset acquisitions is detailed as follows.

	2024 USD	2023 USD
Buildings other than dwellings	-	41,082
Wells and water holes	9,600	-
Cars	43,526	364,763
Information, computer, and telecommunication (ICT) equipment	76,853	47,782
Machinery and equipment not elsewhere classified	31,983	13,926
Furniture and fixture	91,309	531,228
Tools and specialized professional services	126,266	293,472
Tree, crop , and plant resources yielding repeat products	48,380	12,490
	427,918	**1,304,742**

Note 22 Inventories Assets

During the financial year 2024, the inventory assets amounted to 107,077, funded by GIZ and UNICEF through the material and supply Account. These funds were allocated for the procurement of essential materials and supplies to support the implementation of relevant programs and activities.

Note 23 Taxes

A total of $24,565,335 tax collections was estimated to be raised in the 2024 financial year; however, an actual collection of $21,455,461 was achieved. The amount collected represents 87% of the total tax revenue estimate for the year.

	2024			2023
	Final Estimate	Actual Collections	Difference between Final Estimate and Actual	Actual Collection
Personal income tax on Public employee	413,909	464,690	50,782	407,834
Personal income tax On property income	656,000	416,925	(239,075)	403,546
Private Payroll taxes on non-civil servants	1,242,714	1,308,939	66,225	1,004,394
Turnover tax	1,683,811	1,652,723	(31,088)	2,419,864
Mineral water	-	-	-	35,000
Electricity and electronic materials	-	-	-	70,000
Fuel	-	-	-	25,250
Banking and money transfer	-	-	-	182,000
Fishing fees	212,016	212,042	26	6,000
Local passenger charge	500,093	443,156	(56,937)	382,392
Urban road users taxes (tremistrale)	333,550	416,248	82,698	452,750
Road user taxes	1,672,949	2,207,660	534,711	2,147,410
International departure Charge	130,000	99,087	(30,913)	88,326
Notary collection taxes.	1,800	-	(1,800)	160
Consumption goods	13,046,250	9,568,173	(3,478,077)	10,083,711
Khat	4,251,775	4,541,767	289,992	4,851,571
Livestock products	270,468		(270,468)	20,536
Other tax collections from local government	150,000	124,050	(25,950)	123,043
	24,565,335	**21,455,461**	**(3,109,874)**	**22,703,786**

Note 24 Grants

Grant income of $31,059,548 was budgeted. However, only $13,547,344 was received, resulting in a shortfall of $17,512,204 against the annual estimate. This shortfall was primarily due to an over-optimistic revision of expected grants from international organizations and the Federal Government of Somalia. The delay in disbursement from project funds contributed to this variance. Following is a breakdown of the variances.

	2024			2023
	Final Estimate	Actual Collections	Difference between Final Estimate and Actual	Actual Collections
Tax Type				
Current grants in cash	9,146,828	6,285,926	(2,860,902)	7,116,991
Current grants in cash - From FGS	21,912,720	7,261,418	(14,651,302)	11,072,877
Current grants in cash - From JSS	-	-	-	79,725
Total	**31,059,548**	**13,547,344**	**(17,512,204)**	**18,269,592**

Grants	Budget	Paid	Balance
	2024		
GIZ	1,414,160	1,043,634	(370,527)
ADRA	7,200	7,200	-
Norwegian Refugee Council	36,622	36,622	-
Save The Children	8,025	-	(8,025)
Concern Worldwide	6,435	6,435	-
Federal Government of Somalia	21,912,720	7,261,418	(14,651,302)
TROCAIRE	1,500	1,500	-
CARE INTERNATIONAL IN SOMALIA	139,180	60,060	(79,120)
ALIGHT American Refugee Committee (ARC)	34,200	28,200	(6,000)
Lutheran World Federation (LWF) Education	64,200	64,200	-
African Development Bank	600,000	-	(600,000)
Food and Agriculture organization	1,555,565	1,019,544	(536,021)
United Nation Developmental Programme	48,520	29,470	(19,050)
UNICEF	3,866,532	3,184,561	(681,971)
UNHCR	526,495	523,369	(3,126)
UNHABITAT	8,512	-	(8,512)
World Food Program	250,135	216,583	(33,552)
International Organization for Migration	124,308	45,750	(78,558)
PREMIS	455,240	18,799	(436,440)
	31,059,548	**13,547,344**	**(17,512,204)**

Grants from Federal Government of Somalia

A total grant of $ 21,912,270 from the Federal Government of Somalia was estimated; however, the actual grant received was $7,261,418. The variance was mainly attributed to ($9,272,945), ($1,326,670) and ($477,852) delayed disbursement of donor fund Somalia urban resilience project (SURP II -TF-B1409(KFW)), Somalia education for human capital development and ground water resilience projects respectively.

Note 25 Other Revenue

Other revenue collections consist of sale of goods and services and other taxes on Fines, penalties, and forfeits of $8,680,794 against a target of $8,743,791. Collections for the year were:

	2024			2023
	Final Estimate	Actual Collections	Difference between Final Estimate and Actual	Actual Collections
Tax Type				
Building rental income	13,600	7,550	(6,050)	6,773
Vehicle rental income	13,600	5,686	(7,914)	5,981
Visa fees	268,425	336,962	68,538	261,330
Passport fees	93,350	48,239	(45,111)	76,174
Business and profession licenses	110,000	33,736	(76,264)	89,589
Port docking fees	250,472	288,000	37,528	200,000
Landing fees	327,015	415,968	88,953	353,841
International NGO's registrations	31,200	19,900	(11,300)	10,500
Local NGO's registrations.	39,500	19,000	(20,500)	1,500
Foreign company registrations	10,000	-	(10,000)	-
Local company registrations	3,500	-	(3,500)	-
Livestock fees	20,000	-	(20,000)	-
Parking fees	10,000	969	(9,031)	732
Agriculture fees.	20,000	11,625	(8,375)	10,320
Navigation fees	84,271	104,474	20,203	109,630
Handling fees.	614,234	686,704	72,470	554,067
Import inspection fees	16,985	-	(16,985)	-
Driving licenses fee	286,499	217,535	(68,964)	44,710
Logbook fees	199,806	181,140	(18,666)	214,760
Number plate registration fees	225,000	297,420	72,420	287,360
Individual ID fees	45,995	58,095	12,100	65,810
Birth certificate fees	58,308	75,905	17,598	65,760
Land certificate fees	1,970,000	1,736,518	(233,483)	1,108,038
Land modification fees	3,838,202	4,052,428	214,226	3,301,177
Advertisement fees	15,000	61,906	46,906	3,040
Contract registration fees	2,700	1,775	(925)	2,000
Court filing fees	53,133	32,257	(20,876)	24,755
Fines	10,000	-	(10,000)	-
Individual Donations	50,000	50,000	-	-
	8,680,794	**8,743,791**	**62,997**	**6,797,847**

Note 26 Employee Compensation

A total of $24,769,254 was spent on employee compensation, compared to the final budget of $28,210,841. The underspending was due to delays in donor funding, which affected the hiring of contract employees.

	2024			2023
	Final Budget	**Actual**	**Variance between Budget and Actual**	**Actual**
Basic salaries for general Civil Service	4,044,111	3,399,633	(644,478)	3,709,654
Teachers salary	789,664	752,260	(37,404)	846,269
Health workers salary	349,600	317,696	(31,904)	243,148
Temporary staff salary	2,683,862	2,167,247	(516,615)	1,588,624
Legislature salary	1,999,000	1,061,752	(937,248)	115,000
Political appointees salary	763,350	469,369	(293,982)	1,014,443
Security sector salaries	7,512,750	7,504,650	(8,100)	6,960,972
Contract Employees	357,450	209,706	(147,744)	16,500
Regular food and supplies	3,486,135	3,466,230	(19,905)	4,160,169
Daily meals	2,111,920	2,096,178	(15,742)	2,107,259
Basic allowances for general Civil Service	517,115	444,293	(72,822)	826,248
Health workers allowances	13,100	12,604	(496)	57,520
Temporary staff allowances	272,593	39,766	(232,827)	161,133
Legislature allowances	35,100	29,700	(5,400)	-
Political appointees allowances	116,404	76,047	(40,358)	75,234
Security sector allowances	147,610	146,610	(1,000)	100,000
Incentive allowances	2,512,101	2,079,086	(433,015)	2,386,549
Imputed employers' social contribution	498,976	496,429	(2,548)	-
Total Compensation of Employees	**28,210,841**	**24,769,254**	**(3,441,587)**	**24,368,721**

Note 27 Use of Good and Services

The ability to incur expenditure in the Jubaland State of Somalia was limited to the revenue collections over a specified period. In the case of goods and services, JSS spent a total of $13,088,599, which represents 70 percent of the final budget 18,808,853. The variance distributed across the entities is mainly attributed to constraints in the actual available income.

	2024			2023
	Final Budget	Actual	Variance between Budget and Actual	Actual
Internal Travel	1,363,923	950,725	(413,198)	1,014,050
External Travel	754,728	625,216	(129,512)	538,976
Local conference	1,385,716	922,485	(463,231)	687,272
Overseas conference	23,500	11,991	(11,509)	17,680
Accommodation	38,520	15,494	(23,026)	1,500
Electricity	283,694	181,013	(102,681)	188,772
Water	561,031	502,866	(58,165)	901,630
Refuse collection	53,100	10,135	(42,965)	5,070
Other utilities	8,712	7,842	(870)	6,752
Telephone fees	63,129	44,270	(18,859)	34,376
Internet fees	300,371	190,633	(109,739)	162,490
Satellite fees	103,144	102,144	(1,000)	84,594
Diesel and oil	1,287,612	1,167,230	(120,382)	1,351,863
Stationary	391,077	257,752	(133,325)	277,334
Publications fees	341,376	194,505	(146,871)	125,579
Refreshment	356,315	254,073	(102,242)	172,011
Cleaning supplies	131,486	97,285	(34,200)	86,385
Computer consumables	109,005	67,896	(41,109)	38,040
Medical supplies	217,375	151,815	(65,560)	1,460,820
Construction materials	2,953,689	1,232,094	(1,721,595)	2,045,881
Maintenance and repair of equipment and heavy machineries	261,983	137,455	(124,528)	162,465
Maintenance and repairs of furniture and fittings	81,638	63,783	(17,855)	39,083
Maintenance and repairs of vehicles, boats and vessels	49,308	23,258	(26,050)	18,710
Maintenance and repairs of building	684,187	568,479	(115,708)	167,393
Maintenance contracts	5,000	4,940	(60)	24,605
Spare parts and supplies	36,119	25,919	(10,200)	24,510
Wales, canals and dwellings maintenance	40,000	-	(40,000)	-
Office rent	78,847	59,047	(19,800)	64,035
Vehicle rent	978,680	758,864	(219,817)	820,729
Venue rent	72,077	64,790	(7,287)	1,400
Other rents	1,600	1,600	-	400
Training Tuition fee	1,979,745	1,274,273	(705,472)	859,287
Educational Materials and Supplies	204,600	138,905	(65,695)	33,100
Tutor Fees For Professional Courses	18,640	18,640	-	-
Facilitators Fees For Workshops, Conferences	10,330	10,270	(60)	1,850
Consulting and professional fees	1,343,166	1,030,809	(312,356)	718,774
Fees for service provided (non-consultant service)	1,174,760	1,082,543	(92,217)	2,477,477
Bank charges	81,160	52,136	(29,024)	45,830
Printing, bidding	10,840	3,686	(7,154)	8,641
TV and Newspaper advertisement	121,417	91,458	(29,959)	46,621
Newspaper and magazine subscriptions	-	-	-	810
Membership cost and examinations fees	37,500	-	(37,500)	1,500
Materials and supplies for army	20,000	19,470	(530)	289,950
Intellegency services for army	1,500	-	(1,500)	10,000
Special operational services for army	3,000	900	(2,100)	10,000
Conflict resolution expenses	659,608	601,941	(57,667)	755,193
Contingency	125,645	67,969	(57,677)	439,780
	18,808,853	**13,088,599**	**(5,720,254)**	**16,223,218**

Note 28 Employment Related Social Benefits

During the fiscal year, JSS provided social assistance to vulnerable communities and employment-related benefits to government and public sector units. However, spending on employment-related benefits increased compared to the previous year.

	2024			2023
	Final Budget	**Actual**	**Variance between Budget and Actual**	**Actual**
Extended sickness and Invalidity benefit	2,000	-	(2,000)	-
Benefits to vulnerable household/facilities - in kind	51,280	51,280	-	
Employment-related social benefits in cash to other government units	26,300	24,070	(2,230)	49,566
Employment-related social benefits in cash to other public sector unit	41,000	36,780	(4,220)	36,131
Employment-related social benefits in kind to other government units	-	-	-	6,700
Total Employment Related Social Benefits	**120,580**	**112,130**	**(8,450)**	**92,397**

Note 29 Miscellaneous other expense.

Miscellaneous other expense relates to the total of 6,166,895 was budgeted with $5,994,882 (Payment made to creditors) spent during the reporting period.

	2024			2023
	Final Budget	**Actual**	**Variance between Budget and Actual**	**Actual**
Obligations	6,000,312	5,994,882	(5,430)	4,543,790
Scholarships and other educational benefits payable for households	166,583	127,830	(38,753)	-
Total Other Expenses	**6,166,895**	**6,122,712**	**(44,183)**	**4,543,790**

Note 30 Non-Financial Assets

During the year, 5% of the non-financial assets budget was spent during the year. The variance was a result of delayed disbursement of donor funding of $7,950,022 for road construction and $1,231,165 relating to the acquisition of tools and specialized professional services.

	2024			2023
	Final Budget	Actual	Variance between Budget and Actual	Actual
Buildings other than dwellings	436,010	-	(436,010)	41,082
Road construction	7,950,022		(7,950,022)	-
Wells and water holes	109,600	9,600	(100,000)	-
Other water infrastructure	100,000	-	(100,000)	-
Cars	278,920	43,526	(235,394)	364,763
Information, computer, and telecommunication (ICT) equipment	216,030	76,853	(139,177)	47,782
Machinery and equipment not elsewhere classified	63,400	31,983	(31,417)	13,926
Furniture and fixture	189,211	91,309	(97,902)	531,228
Tools and specialized professional services	1,357,431	126,266	(1,231,165)	293,472
Tree, crop , and plant resources yielding repeat products	176,404	48,380	(128,024)	12,490
Material and supplies	121,480	107,077	(14,403)	
Total Non-Financial Assets	**10,998,508**	**534,995**	**(10,463,513)**	**1,304,742**

Note 30 Payments by Third Parties, External, Other & Undrawn Assistance

30.1 Payments by Third Parties

The JSS benefits from third parties who purchase goods and services on its behalf. These payments do not constitute cash receipts or payments by the JSS, but these payments do benefit the government. They include payments made by multilateral and bilateral aid agencies and non-governmental organizations. They form part of the support for government programs provided by way of external and other assistance. The government has been advised that the following payments have been made by third parties to purchase goods and services during the 2024 financial year for the benefit of JSS. The amount disclosed as payments by third parties does not necessarily indicate that this is a complete listing of all third-party contributions, only the amounts that JSS has been formally advised.

30.2 External and Other Assistance

External assistance was received in the form of grants from multilateral and bilateral donor agencies under agreements specifying the purpose for which the assistance will be utilized. Other assistance was provided for specified purposes by NGOs and other donors. The following amounts were received in FY2024.

	2024 USD	2023 USD
External Assistance		
Total cash receipts	13,547,344	18,269,592
Total third party payments	-	-
Total Extenal Assistance	**13,547,344**	**18,269,592**
Multilateral Aid Agencies		
Total cash receipts	-	-
Total third party payments	-	-
Total multilateral aid agencies	**-**	**-**
Bilateral Aid Agencies		
Total cash receipts	7,261,418	11,152,601
Total third party payments	-	-
Total bilateral aid agencies	**7,261,418**	**11,152,601**
Non-Governmental Organizations		
Total cash receipts	6,285,926	7,116,991
Total third party payments	-	-
Non-Governmental Organizations	**6,285,926**	**7,116,991**

30.3 Undrawn External Assistance

During the 2015 financial year, a new project called the Recurrent Cost and Reform Financing (RCRF II was introduced and ended on 30th June 2022. RCRFIII has been introduced, and the project is planned to end on 31st Dec 2026. The project is always reviewed on an annual basis. The RCRF II/III project is a multi-partner fund administered by the International Development Association (IDA), with funds flowing through the Federal Government of Somalia and transferred to JSS Project Account. 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.

As specified in a binding agreement *Number TFOA0534*

Dated 29 June 2015 between the Federal Government of Somalia (FGS), acting on behalf of all other existing & emerging states, and the International Development Association (IDA), the Jubaland State of Somalia by virtue of a sub-agreement with FGS has a running project with IDA, which will last to 31 December 2025.

Undrawn External assistance in respect to the RCRF project is contingent upon JSS meeting the threshold conditional requirements of the project; however, the grant identifies the budgeted breakdown for JSS over the term as follows. The grant amount is subject to annual review and approval by the IDA. However, the project is anticipated to continue to completion.

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Budgeted Amount (USD)	1780000	2,980,000	2,580,000	3,430,000	2,598,432	3,512,815	4,569,998	4,919,520	4,919,520	4,631,791	4,010,414

The allocation on the above is an indicative allocation subject to review from year 2022 to 2025 (financing core government function $1,980,791. financing education service delivery $812,000, financing Health Service delivery $ 574,400, Strengthening Resource Management System $ 114,600, Education and Health Service Delivery Reform benchmark $ 950,000 and project management and coordination $200,000).

For the year ended 31 December 2024, JSS had accessed $3,711,594 of the RCRF III project funds.

There have been no instances of non-compliance with terms and conditions, which have resulted in cancelation of external assistance grants.

Note 31 Statements of Operations

The Statement of Operations report is in accordance with the Government Finance Statistics Manual 2014 (GFSM 2014). Government Finance Statistics (GFS) is an accounting framework developed by the International Monetary Fund (IMF) to provide guidelines for the compilation of fiscal accounts. The GFS framework is designed to provide statistics that enable policymakers and analysts to study developments in the financial operations and financial position of government. It is also used to 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 (2017), which is the standard adopted in preparing these financial statements.

JUBBALAND STATE OF SOMALIA

INDIVIDUAL BUDGET ENTITY

STATEMENT OF CASH RECEIPTS & PAYMENTS & COMPARISON TO BUDGET

For the Year Ended 31 December 2024

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

Ministry of Agriculture and Irrigation

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**1,245,404**	**1,530,468**	**1,053,138**	**(477,331)**	**482,424**
Grants						
From international organizations		815,377	990,321	700,095	(290,226)	482,149
From other general government units		125,000	242,420	193,116	(49,305)	
Grants	24	**940,377**	**1,232,741**	**893,211**	**(339,530)**	**482,149**
Other Revenue						
Sale of goods and services			20,000	11,625	(8,375)	10,320
Other Revenue	25		**20,000**	**11,625**	**(8,375)**	**10,320**
Receipts / Inflows		**2,185,781**	**2,783,209**	**1,957,973**	**(825,236)**	**974,893**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		550,573	694,695	506,785	(187,910)	250,483
Compensation of Employees	26	**550,573**	**694,695**	**506,785**	**(187,910)**	**250,483**
Use of Goods and Services						
Travel & Conferences		48,030	76,330	46,287	(30,043)	4,122
Operating Expenses		190,579	219,391	127,439	(91,952)	88,301
Rent		102,718	176,122	142,731	(33,391)	36,804
Other Operating Expenses		173,901	194,327	155,216	(39,111)	54,410
Use of Goods and Services	27	**515,228**	**666,170**	**471,673**	**(194,497)**	**183,637**
Nonfinancial assets						
Fixed Assets		179,604	169,604	74,680	(94,924)	48,303
Nonfinancial assets	30	**179,604**	**169,604**	**74,680**	**(94,924)**	**48,303**
Payments / Outflows		**1,245,404**	**1,530,468**	**1,053,138**	**(477,331)**	**482,424**

Ministry of Education Culture and Higher Learning

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**3,055,431**	**4,315,457**	**2,319,993**	**(1,995,464)**	**2,310,826**
Grants						
From foreign governments						
From international organizations		516,055	824,771	545,475	(279,295)	376,913
From other general government units		1,209,240	2,178,551	677,363	(1,501,187)	263,861
Grants	24	**1,725,295**	**3,003,321**	**1,222,838**	**(1,780,483)**	**640,774**
Receipts / Inflows		**4,780,726**	**7,318,778**	**3,542,831**	**(3,775,947)**	**2,951,600**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		1,279,240	1,750,730	1,306,771	(443,959)	1,116,812
Compensation of Employees	26	**1,279,240**	**1,750,730**	**1,306,771**	**(443,959)**	**1,116,812**
Use of Goods and Services						
Travel & Conferences		202,226	438,495	292,914	(145,582)	179,508
Operating Expenses		1,069,933	1,248,288	295,288	(953,000)	209,366
Rent		43,810	62,696	24,450	(38,246)	76,750
Other Operating Expenses		260,867	505,215	244,741	(260,475)	79,390
Use of Goods and Services	27	**1,576,836**	**2,254,695**	**857,392**	**(1,397,303)**	**545,014**
Other Expenses						
Miscellaneous other expense		77,505	166,583	127,830	(38,753)	-
Other Expenses	29	**77,505**	**166,583**	**127,830**	**(38,753)**	**-**
Nonfinancial assets						
Fixed Assets		121,850	143,450	28,000	(115,450)	649,000
Nonfinancial assets	30	**121,850**	**143,450**	**28,000**	**(115,450)**	**649,000**
Payments / Outflows		**3,055,431**	**4,315,457**	**2,319,993**	**(1,995,464)**	**2,310,826**

Ministry of Water and Energy

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Note	A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**2,767,688**	**2,963,650**	**1,675,694**	**(1,287,956)**	**1,603,211**
Grants						
From foreign governments						
From international organizations		997,364	1,175,326	734,416	(440,910)	1,212,692
From other general government units		642,000	647,000	187,485	(459,515)	100,000
Grants	24	**1,639,364**	**1,822,326**	**921,901**	**(900,425)**	**1,312,692**
Receipts / Inflows		**4,407,052**	**4,785,976**	**2,597,595**	**(2,188,381)**	**2,915,903**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		460,760	574,982	393,034	(181,948)	361,369
Compensation of Employees	26	**460,760**	**574,982**	**393,034**	**(181,948)**	**361,369**
Use of Goods and Services						
Travel & Conferences		165,680	165,235	94,639	(70,596)	110,758
Operating Expenses		1,634,053	1,621,354	894,112	(727,242)	945,890
Rent		46,580	66,280	42,660	(23,620)	44,580
Other Operating Expenses		210,815	285,999	226,802	(59,198)	90,055
Use of Goods and Services	27	**2,057,128**	**2,138,868**	**1,258,212**	**(880,656)**	**1,191,283**
Nonfinancial assets						
Fixed Assets		249,800	249,800	24,448	(225,352)	50,558
Nonfinancial assets	30	**249,800**	**249,800**	**24,448**	**(225,352)**	**50,558**
Payments / Outflows		**2,767,688**	**2,963,650**	**1,675,694**	**(1,287,956)**	**1,603,211**

Ministry of Finance and Economic Development

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows	Note	USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**7,373,899**	**9,301,475**	**7,734,652**	**(1,566,823)**	**9,353,681**
Taxes						
Taxes on income, profits, and capital gains		413,909	413,909	464,690	50,782	407,834
Taxes on payroll and workforce		1,242,714	1,242,714	1,308,939	66,225	1,004,394
Taxes on goods and services		3,856,760	3,306,760	3,810,383	503,623	4,849,524
Taxes on international trade and transactions		4,251,775	13,100,362	9,937,233	(3,163,129)	4,851,571
Taxes	23	**9,765,158**	**18,063,744**	**15,521,245**	**(2,542,499)**	**11,113,323**
Grants						
From international organizations		600,000	1,036,010		(1,036,010)	
From other general government units		6,689,768	7,981,048	5,411,189	(2,569,859)	9,932,526
Grants	24	**7,289,768**	**9,017,058**	**5,411,189**	**(3,605,869)**	**9,932,526**
Other Revenue						
Sale of goods and services		3,805,402	5,835,402	5,802,181	(33,221)	4,425,009
Other Revenue	25	**3,805,402**	**5,835,402**	**5,802,181**	**(33,221)**	**4,425,009**
Receipts / Inflows		**28,234,227**	**42,217,678**	**34,469,267**	**(7,748,412)**	**34,824,539**

Ministry of Finance and Economic Development

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	**Final Estimate Appropriation**	**Controlled by TSA**	**Difference Between Final Budget and Actual**	**Controlled by TSA**
	Note	**A**	**B**	**C**	**C-B**	
Payments / Outflows		**USD**	**USD**	**USD**	**USD**	**USD**
Compensation of Employees						
Wages and Salaries		1,784,756	1,799,049	1,516,996	(282,052)	1,747,344
Social Contributions		576,276	498,976	496,429	(2,548)	-
Compensation of Employees	**26**	**2,361,032**	**2,298,025**	**2,013,425**	**(284,600)**	**1,747,344**
Use of Goods and Services						
Travel & Conferences		279,600	454,418	371,400	(83,018)	518,792
Operating Expenses		1,547,887	1,664,070	1,346,542	(317,528)	1,270,797.88
Rent		25,000	26,200	20,639	(5,561)	4,835
Other Operating Expenses		412,080	441,080	246,064	(195,016)	1,594,533.25
Conflict Resolution Expenses		-	-	-	-	221,456
Contingency		500,000	63,000	62,849	(152)	439,780
Use of Goods and Services	**27**	**2,764,567**	**2,648,768**	**2,047,494**	**(601,275)**	**4,050,194**
Social Benefits						
Employer social benefits		30,300	26,300	24,070	(2,230)	49,566
Social Benefits	**28**	**30,300**	**26,300**	**24,070**	**(2,230)**	**49,566**
Other Expenses						
Miscellaneous other expense		2,000,000	3,560,312	3,555,909	(4,403)	3,499,378
Other Expenses	**29**	**2,000,000**	**3,560,312**	**3,555,909**	**(4,403)**	**3,499,378**
Nonfinancial assets						
Fixed Assets		218,000	768,070	93,755	(674,315)	7,200
Nonfinancial assets	**30**	**218,000**	**768,070**	**93,755**	**(674,315)**	**7,200**
Payments / Outflows		**7,373,899**	**9,301,475**	**7,734,652**	**(1,566,823)**	**9,353,681**

Ministry of Health and Social Welfare

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget
For the Year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**2,855,790**	**4,626,784**	**3,708,406**	**(918,378)**	**5,358,677**
Grants						
From international organizations		595,982	2,104,696	2,091,298	(13,398)	2,661,146
From other general government units		602,880	602,880	273,160	(329,720)	129,048
Grants	24	**1,198,862**	**2,707,576**	**2,364,458**	**(343,118)**	**2,790,194**
Receipts / Inflows		**4,054,652**	**7,334,360**	**6,072,863**	**(1,261,496)**	**8,148,871**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		1,025,017	1,749,672	1,641,071	(108,601)	2,154,709
Compensation of Employees	26	**1,025,017**	**1,749,672**	**1,641,071**	**(108,601)**	**2,154,709**
Use of Goods and Services						
Travel & Conferences		489,360	708,160	345,546	(362,614)	230,978
Operating Expenses		507,196	548,637	410,198	(138,439)	1,943,683
Rent		263,217	445,147	394,346	(50,801)	447,050
Other Operating Expenses		491,930	999,538	789,414	(210,124)	502,001
Use of Goods and Services	27	**1,751,703**	**2,701,482**	**1,939,505**	**(761,977)**	**3,123,712**
Social Benefits						
Social Assistance Benefits		-	51,280	51,280	-	-
Employer social benefits		-	-	-	-	14,000
Social Benefits	28	**-**	**51,280**	**51,280**	**-**	**14,000**
Nonfinancial assets						
Fixed Assets		79,070	96,070	48,270	(47,800)	66,256
Inventories		-	28,280	28,280	-	-
Nonfinancial assets	30	**79,070**	**124,350**	**76,550**	**(47,800)**	**66,256**
Payments / Outflows		**2,855,790**	**4,626,784**	**3,708,406**	**(918,378)**	**5,358,677**

Ministry of Communications, Posts, and Technology

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Note	A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**58,880**	**54,380**	**36,318**	**(18,062)**	**34,195**
Other Revenue						
Sale of goods and services						
Other Revenue						
Receipts / Inflows		**58,880**	**54,380**	**36,318**	**(18,062)**	**34,195**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		42,980	44,980	36,118	(8,862)	32,445
Compensation of Employees	26	**42,980**	**44,980**	**36,118**	**(8,862)**	**32,445**
Use of Goods and Services						
Travel & Conferences		3,000	2,000	200	(1,800)	-
Operating Expenses		10,900	6,900	-	(6,900)	1,750
Rent		1,500	-	-	-	-
Other Operating Expenses		500	500	-	(500)	-
Use of Goods and Services	27	**15,900**	**9,400**	**200**	**(9,200)**	**1,750**
Payments / Outflows		**58,880**	**54,380**	**36,318**	**(18,062)**	**34,195**

Ministry of Internal Security

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Note	A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**13,525,044**	**14,733,394**	**14,685,063**	**(48,331)**	**14,936,854**
Receipts / Inflows						
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		11,758,044	12,323,394	12,298,452	(24,942)	11,980,668
Compensation of Employees	26	**11,758,044**	**12,323,394**	**12,298,452**	**(24,942)**	**11,980,668**
Use of Goods and Services						
Travel & Conferences		45,000	35,000	34,920	(80)	43,422
Operating Expenses		918,000	999,500	986,978	(12,522)	2,086,439
Rent		3,000	2,000	700	(1,300)	
Other Operating Expenses		12,000	6,000	1,096	(4,904)	6,810
Conflict Resolution Expenses		289,000	27,500	23,151	(4,349)	319,950
Use of Goods and Services	27	**1,267,000**	**1,070,000**	**1,046,845**	**(23,155)**	**2,456,621**
Other Expenses						
Miscellaneous other expense		500,000	1,340,000	1,339,766	(234)	499,565
Other Expenses	28	**500,000**	**1,340,000**	**1,339,766**	**(234)**	**499,565**
Payments / Outflows		**13,525,044**	**14,733,394**	**14,685,063**	**(48,331)**	**14,936,854**

Ministry of Endowments and Religious Affairs

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows	**Note**	**USD**	**USD**	**USD**	**USD**	**USD**
Consolidated Fund Appropriations		**70,464**	**62,464**	**39,176**	**(23,288)**	**105,627**
Taxes						
Taxes on goods and services		1,800	1,800	-	(1,800)	160
Taxes	**23**	**1,800**	**1,800**	**-**	**(1,800)**	**160**
Grants						
From international organizations		20	20	-	(20)	46,800
Grants	**24**	**20**	**20**	**-**	**(20)**	**46,800**
Other Revenue						
Sale of goods and services		53,133	53,133	32,257	(20,876)	24,755
Fines, penalties and forfeits		10,000	10,000	-	(10,000)	
Other Revenue	**25**	**63,133**	**63,133**	**32,257**	**(30,876)**	**24,755**
Receipts / Inflows		**135,417**	**127,417**	**71,433**	**(55,984)**	**177,341**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		44,464	39,464	34,464	(5,000)	101,588
Compensation of Employees	**26**	**44,464**	**39,464**	**34,464**	**(5,000)**	**101,588**
Use of Goods and Services						
Travel & Conferences		11,000	10,000	2,874	(7,126)	2,514
Operating Expenses		12,600	10,600	1,088	(9,512)	1,525
Rent		2,400	2,400	750	(1,650)	-
Use of Goods and Services	**27**	**26,000**	**23,000**	**4,712**	**(18,288)**	**4,039**
Payments / Outflows		**70,464**	**62,464**	**39,176**	**(23,288)**	**105,627**

Ministry of Planning, Investment and International Cooperation

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows	**Note**	**USD**	**USD**	**USD**	**USD**	**USD**
Consolidated Fund Appropriations		**708,182**	**787,882**	**599,436**	**(188,446)**	**421,780**
Grants						
From foreign governments						
From international organizations		141,957	237,657	237,586	(71)	43,265
From other general government units		500	34,500	4,500	(30,000)	15,000
Grants	**24**	**142,457**	**272,157**	**242,086**	**(30,071)**	**58,265**
Other Revenue						
Sale of goods and services		70,700	70,700	38,900	(31,800)	12,000
Other Revenue	**25**	**70,700**	**70,700**	**38,900**	**(31,800)**	**12,000**
Receipts / Inflows		**921,339**	**1,130,739**	**880,422**	**(250,317)**	**492,045**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		196,012	209,567	120,572	(88,995)	75,369
Compensation of Employees	**26**	**196,012**	**209,567**	**120,572**	**(88,995)**	**75,369**
Use of Goods and Services						
Travel & Conferences		93,461	142,761	113,070	(29,691)	33,528
Operating Expenses		85,119	78,484	57,518	(20,966)	26,787
Rent		800	5,190	2,330	(2,860)	
Other Operating Expenses		332,790	351,880	305,946	(45,934)	144,229
Use of Goods and Services	**27**	**512,170**	**578,315**	**478,864**	**(99,451)**	**204,544**
Nonfinancial assets						
Fixed Assets		-	-	-	-	141,867
Nonfinancial assets	**30**	**-**	**-**	**-**	**-**	**141,867**
Payments / Outflows		**708,182**	**787,882**	**599,436**	**(188,446)**	**421,780**

Ministry of Trade and Industry

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget
For the Year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**152,484**	**114,454**	**50,454**	**(64,000)**	**65,810**
Other Revenue						
Sale of goods and services		60,000	60,000	31,896	(28,104)	75,495
Other Revenue	25	**60,000**	**60,000**	**31,896**	**(28,104)**	**75,495**
Receipts / Inflows		**212,484**	**174,454**	**82,350**	**(92,104)**	**141,305**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		115,080	88,080	47,899	(40,181)	56,527
Compensation of Employees	26	**115,080**	**88,080**	**47,899**	**(40,181)**	**56,527**
Use of Goods and Services						
Travel & Conferences		4,800	3,800	300	(3,500)	603
Operating Expenses		32,604	22,574	2,255	(20,319)	8,680
Use of Goods and Services	27	**37,404**	**26,374**	**2,555**	**(23,819)**	**9,283**
Payments / Outflows		**152,484**	**114,454**	**50,454**	**(64,000)**	**65,810**

Ministry of Women and Human Rights

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Note	A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**505,316**	**610,656**	**306,569**	**(304,087)**	**347,193**
Grants						
From international organizations		417,880	528,220	259,985	(268,235)	258,994
Grants	24	**417,880**	**528,220**	**259,985**	**(268,235)**	**258,994**
Receipts / Inflows		**923,196**	**1,138,876**	**566,554**	**(572,322)**	**606,188**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		264,896	275,896	165,014	(110,882)	144,516
Compensation of Employees	26	**264,896**	**275,896**	**165,014**	**(110,882)**	**144,516**
Use of Goods and Services						
Travel & Conferences		9,250	35,930	12,665	(23,265)	11,375
Operating Expenses		69,150	72,235	34,350	(37,885)	37,724
Rent		52,920	58,320	29,520	(28,800)	28,380
Other Operating Expenses		109,100	168,275	65,020	(103,255)	125,199
Use of Goods and Services	27	**240,420**	**334,760**	**141,555**	**(193,205)**	**202,678**
Payments / Outflows		**505,316**	**610,656**	**306,569**	**(304,087)**	**347,193**

State Presidency

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**3,761,478**	**3,645,478**	**3,610,662**	**(34,816)**	**3,635,525**
Grants						
From international organizations		49,750	49,750	49,749	(1)	99,498
Grants	24	**49,750**	**49,750**	**49,749**	**(1)**	**99,498**
Receipts / Inflows		**3,811,228**	**3,695,228**	**3,660,411**	**(34,817)**	**3,735,023**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		1,877,561	1,338,561	1,316,922	(21,639)	1,780,255
Compensation of Employees	26	**1,877,561**	**1,338,561**	**1,316,922**	**(21,639)**	**1,780,255**
Use of Goods and Services						
Travel & Conferences		641,840	457,840	452,796	(5,044)	628,717
Operating Expenses		251,097	190,261	186,778	(3,483)	242,420
Rent		1,318	1,318	1,318	-	800
Other Operating Expenses		15,259	15,259	14,458	(801)	49,551
Conflict Resolution Expenses		274,454	510,008	509,530	(478)	345,387
Use of Goods and Services	27	**1,183,968**	**1,174,686**	**1,164,880**	**(9,806)**	**1,266,875**
Social Benefits						
Social security Benefits		4,000	2,000	-	(2,000)	-
Social Benefits	28	**4,000**	**2,000**	**-**	**(2,000)**	**-**
Other Expenses						
Miscellaneous other expense		650,000	1,100,000	1,099,207	(793)	544,846
Other Expenses	29	**650,000**	**1,100,000**	**1,099,207**	**(793)**	**544,846**
Nonfinancial assets						
Fixed Assets		45,949	30,231	29,653	(578)	43,549
Nonfinancial assets	30	**45,949**	**30,231**	**29,653**	**(578)**	**43,549**
Payments / Outflows		**3,761,478**	**3,645,478**	**3,610,662**	**(34,816)**	**3,635,525**

Auditor General's Office

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**171,772**	**135,588**	**93,882**	**(41,707)**	**114,862**
Receipts / Inflows		**-**	**-**	**-**	**-**	**-**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		130,316	99,632	72,426	(27,207)	78,306
Compensation of Employees		**130,316**	**99,632**	**72,426**	**(27,207)**	**78,306**
Use of Goods and Services						
Travel & Conferences		4,200	4,200	-	(4,200)	1,500
Operating Expenses		10,756	9,256	3,456	(5,800)	3,956
Rent		18,000	18,000	18,000	-	18,000
Other Operating Expenses		8,500	4,500	-	(4,500)	7,650
Conflict Resolution Expenses		-	-	-	-	5,450
Use of Goods and Services		**41,456**	**35,956**	**21,456**	**(14,500)**	**36,556**
Payments / Outflows		**171,772**	**135,588**	**93,882**	**(41,707)**	**114,862**

Civil Service Commission

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget
For the Year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**351,696**	**345,326**	**197,004**	**(148,322)**	**188,731**
Grants						
From international organizations		-	19,230	18,799	(431)	-
Grants	24	**-**	**19,230**	**18,799**	**(431)**	**-**
Receipts / Inflows		**351,696**	**364,556**	**215,804**	**(148,752)**	**188,731**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		197,672	187,672	162,981	(24,691)	168,846
Compensation of Employees	26	**197,672**	**187,672**	**162,981**	**(24,691)**	**168,846**
Use of Goods and Services						
Travel & Conferences		15,500	15,500	1,300	(14,200)	300
Operating Expenses		65,924	65,924	13,924	(52,000)	15,785
Other Operating Expenses		49,000	41,400	-	(41,400)	3,800
Use of Goods and Services	27	**130,424**	**122,824**	**15,224**	**(107,600)**	**19,885**
Nonfinancial assets						
Fixed Assets		23,600	34,830	18,799	(16,031)	-
Nonfinancial assets	30	**23,600**	**34,830**	**18,799**	**(16,031)**	**-**
Payments / Outflows		**351,696**	**345,326**	**197,004**	**(148,322)**	**188,731**

Jubbaland Parliament

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Note	A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**2,500,000**	**2,500,000**	**1,521,293**	**(978,707)**	**1,249,627**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		2,193,100	2,191,100	1,241,459	(949,641)	979,409
Compensation of Employees	**26**	**2,193,100**	**2,191,100**	**1,241,459**	**(949,641)**	**979,409**
Use of Goods and Services						
Travel & Conferences		105,000	105,000	104,165	(835)	145,830
Operating Expenses		106,000	107,000	89,845	(17,155)	60,317
Rent		7,000	7,000	6,982	(18)	
Other Operating Expenses		10,000	10,000	9,161	(839)	2,340
Conflict Resolution Expenses		10,000	10,000	4,815	(5,185)	32,900
Use of Goods and Services	**27**	**238,000**	**239,000**	**214,968**	**(24,032)**	**241,387**
Social Benefits						
Employer social benefits		40,000	41,000	36,780	(4,220)	28,831
Social Benefits	**28**	**40,000**	**41,000**	**36,780**	**(4,220)**	**28,831**
Nonfinancial assets						
Fixed Assets		28,900	28,900	28,086	(814)	-
Nonfinancial assets	**30**	**28,900**	**28,900**	**28,086**	**(814)**	**-**
Payments / Outflows		**2,500,000**	**2,500,000**	**1,521,293**	**(978,707)**	**1,249,627**

Ministry of Livestock

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Note	A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**644,972**	**821,437**	**519,840**	**(301,597)**	**383,156**
Grants						
From international organizations		241,412	397,471	195,248	(202,223)	301,980
From other general government units		125,000	154,100	125,000	(29,100)	
Grants	24	**366,412**	**551,571**	**320,248**	**(231,323)**	**301,980**
Receipts / Inflows		**1,011,384**	**1,373,008**	**840,088**	**(532,920)**	**685,136**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		216,605	292,191	195,569	(96,622)	192,360
Compensation of Employees	25	**216,605**	**292,191**	**195,569**	**(96,622)**	**192,360**
Use of Goods and Services						
Travel & Conferences		46,280	63,880	42,501	(21,379)	7,540
Operating Expenses		159,949	181,538	96,182	(85,356)	41,040
Rent		30,600	59,290	51,026	(8,264)	75,080
Other Operating Expenses		76,818	79,018	55,765	(23,253)	18,828
Use of Goods and Services	27	**313,647**	**383,726**	**245,474**	**(138,252)**	**142,488**
Nonfinancial assets						
Fixed Assets		58,120	52,320	-	(52,320)	48,308
Inventories		56,600	93,200	78,797	(14,403)	-
Nonfinancial assets	30	**114,720**	**145,520**	**78,797**	**(66,723)**	**48,308**
Payments / Outflows		**644,972**	**821,437**	**519,840**	**(301,597)**	**383,156**

Ministry of Fisheries and Blue Economy

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows	Note	USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**432,708**	**424,708**	**343,024**	**(81,684)**	**188,761**
Taxes						
Taxes on goods and services		32,016	212,016	212,042	26	6,000
Taxes	23	**32,016**	**212,016**	**212,042**	**26**	**6,000**
Grants						
From international organizations		357,004.00	357,004.00	245,048.00	(111,956.00)	198,004
Grants	24	**357,004**	**357,004**	**245,048**	**(111,956)**	**198,004**
Receipts / Inflows		**821,728**	**993,728**	**800,114**	**(193,614)**	**392,765**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		257,848	256,848	208,354	(48,494)	102,409
Compensation of Employees	26	**257,848**	**256,848**	**208,354**	**(48,494)**	**102,409**
Use of Goods and Services						
Travel & Conferences		36,920	33,920	29,920	(4,000)	63,910
Operating Expenses		42,690	41,690	25,300	(16,390)	10,352
Rent		53,950	50,950	38,900	(12,050)	4,600
Other Operating Expenses		41,300	41,300	40,550	(750)	7,490
Use of Goods and Services	27	**174,860**	**167,860**	**134,670**	**(33,190)**	**86,352**
Payments / Outflows		**432,708**	**424,708**	**343,024**	**(81,684)**	**188,761**

Ministry of Youth and Sports

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Note	A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**96,368**	**80,068**	**49,453**	**(30,615)**	**77,617**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		61,368	53,868	42,353	(11,515)	58,117
Compensation of Employees	**26**	**61,368**	**53,868**	**42,353**	**(11,515)**	**58,117**
Use of Goods and Services						
Travel & Conferences		6,000	4,000	1,500	(2,500)	17,000
Operating Expenses		16,000	11,000	3,400	(7,600)	1,500
Other Operating Expenses		10,200	10,200	2,200	(8,000)	1,000
Use of Goods and Services	**27**	**32,200**	**25,200**	**7,100**	**(18,100)**	**19,500**
Nonfinancial assets						
Fixed Assets		2,800	1,000	-	(1,000)	-
Nonfinancial assets	**30**	**2,800**	**1,000**	**-**	**(1,000)**	**-**
Payments / Outflows		**96,368**	**80,068**	**49,453**	**(30,615)**	**77,617**

Ministry of Transport and Aviation

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**1,196,096**	**1,168,684**	**1,115,595**	**(53,089)**	**936,692**
Taxes						
Taxes on goods and services		1,143,643	963,643	958,491	(5,153)	923,468
Taxes on international trade and transactions		60,000	60,000	35,044	(24,956)	41,010
Taxes	23	**1,203,643**	**1,023,643**	**993,534**	**(30,109)**	**964,478**
Other Revenue						
Property income		50,000				
Sale of goods and services		1,649,365	1,844,365	1,981,411	137,046	1,682,604
Other Revenue	25	**1,699,365**	**1,844,365**	**1,981,411**	**137,046**	**1,682,604**
Receipts / Inflows		**4,099,105**	**4,036,693**	**4,090,540**	**53,847**	**3,583,775**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		396,696	533,484	517,633	(15,851)	453,064
Compensation of Employees	26	**396,696**	**533,484**	**517,633**	**(15,851)**	**453,064**
Use of Goods and Services						
Travel & Conferences		84,000	37,600	33,809	(3,791)	
Operating Expenses		183,900	120,340	109,603	(10,738)	37,871
Rent		15,000	5,500	1,484	(4,016)	
Other Operating Expenses		511,200	466,460	447,946	(18,514)	445,757
Contingency		5,300	5,300	5,120	(180)	
Use of Goods and Services	27	**799,400**	**635,200**	**597,962**	**(37,238)**	**483,628**
Payments / Outflows		**1,196,096**	**1,168,684**	**1,115,595**	**(53,089)**	**936,692**

Ministry of Interior, Federal and Reconciliation

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget
For the Year Ended 31 December, 2024
Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**10,696,106**	**12,700,117**	**2,525,241**	**(10,174,877)**	**2,510,649**
Taxes						
Taxes on income, profits, and capital gains		656,000	656,000	416,925	(239,075)	403,546
Taxes on goods and services						
Other taxes		150,000	150,000	124,050	(25,950)	123,043
Taxes	23	**806,000**	**806,000**	**540,975**	**(265,025)**	**526,589**
Grants						
From international organizations		432,834	688,933	622,274	(66,660)	825,697
From other general government units		7,647,222	10,072,222	389,605	(9,682,616)	498,497
Grants	24	**8,080,056**	**10,761,155**	**1,011,879**	**(9,749,276)**	**1,324,195**
Other Revenue						
Sale of goods and services		177,003	177,003	137,615	(39,388)	147,664
Other Revenue	25	**177,003**	**177,003**	**137,615**	**(39,388)**	**147,664**
Receipts / Inflows		**19,759,164**	**24,444,275**	**4,215,710**	**(20,228,565)**	**4,509,096**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		2,316,118	1,775,690	1,388,319	(387,371)	1,376,427
Compensation of Employees	26	**2,316,118**	**1,775,690**	**1,388,319**	**(387,371)**	**1,376,427**
Use of Goods and Services						
Travel & Conferences		368,110	488,506	391,759	(96,748)	214,935
Operating Expenses		392,666	474,437	207,312	(267,126)	157,574
Rent		20,490	76,010	47,697	(28,313)	60,398
Other Operating Expenses		383,230	477,920	324,231	(153,689)	376,047
Conflict Resolution Expenses		100,000	130,000	84,815	(45,185)	140,000
Contingency		13,500	13,500		(13,500)	
Use of Goods and Services	27	**1,277,996**	**1,660,373**	**1,055,813**	**(604,560)**	**948,954**
Nonfinancial assets						
Fixed Assets		7,101,992	9,264,054	81,108	(9,182,945)	185,268
Nonfinancial assets	30	**7,101,992**	**9,264,054**	**81,108**	**(9,182,945)**	**185,268**
Payments / Outflows		**10,696,106**	**12,700,117**	**2,525,241**	**(10,174,877)**	**2,510,649**

Ministry of Environment and Climate Change

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**449,685**	**541,342**	**322,160**	**(219,182)**	**192,750**
Grants						
From international organizations		114,817	217,474	159,563	(57,911)	90,281
Grants	24	**114,817**	**217,474**	**159,563**	**(57,911)**	**90,281**
Receipts / Inflows		**564,503**	**758,816**	**481,723**	**(277,092)**	**283,031**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		72,868	86,068	80,571	(5,497)	67,365
Compensation of Employees	26	**72,868**	**86,068**	**80,571**	**(5,497)**	**67,365**
Use of Goods and Services						
Travel & Conferences		94,704	130,101	77,471	(52,630)	3,740
Operating Expenses		86,834	196,049	114,006	(82,043)	51,602
Rent		6,390	9,984	9,978	(6)	3,150
Other Operating Expenses		158,890	89,140	40,135	(49,005)	6,095
Use of Goods and Services	27	**346,817**	**425,274**	**241,589**	**(183,685)**	**64,587**
Nonfinancial assets						
Fixed Assets		30,000	30,000	-	(30,000)	60,798
Nonfinancial assets	30	**30,000**	**30,000**	**-**	**(30,000)**	**60,798**
Payments / Outflows		**449,685**	**541,342**	**322,160**	**(219,182)**	**192,750**

Ministry of Public Works, Housing and Reconstruction

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows	Note	USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**849,518**	**807,600**	**747,145**	**(60,455)**	**744,987**
Grants						
From international organizations		94,918	94,918	108,053	13,135	167,955
Grants	24	**94,918**	**94,918**	**108,053**	**13,135**	**167,955**
Other Revenue						
Sale of goods and services		43,500	13,500		(13,500)	
Other Revenue	25	**43,500**	**13,500**		**(13,500)**	
Receipts / Inflows		**987,936**	**916,018**	**855,198**	**(60,820)**	**912,943**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		103,471	92,653	77,054	(15,599)	103,703
Compensation of Employees	26	**103,471**	**92,653**	**77,054**	**(15,599)**	**103,703**
Use of Goods and Services						
Travel & Conferences		18,800	16,300		(16,300)	4,560
Operating Expenses		84,647	84,047	65,162	(18,885)	28,832
Rent		6,400	6,400	6,360	(40)	11,338
Other Operating Expenses		603,200	605,200	597,451	(7,749)	596,555
Use of Goods and Services	27	**713,047**	**711,947**	**668,973**	**(42,974)**	**641,284**
Nonfinancial assets						
Fixed Assets		33,000	3,000	1,118	(1,882)	-
Nonfinancial assets	30	**33,000**	**3,000**	**1,118**	**(1,882)**	**-**
Payments / Outflows		**849,518**	**807,600**	**747,145**	**(60,455)**	**744,987**

Judiciary Service Commission

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows	**Note**	**USD**	**USD**	**USD**	**USD**	**USD**
Consolidated Fund Appropriations		**600,245**	**560,595**	**405,610**	**(154,985)**	**296,935**
Receipts / Inflows						
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		493,556	477,406	403,350	(74,056)	296,635
Compensation of Employees	**26**	**493,556**	**477,406**	**403,350**	**(74,056)**	**296,635**
Use of Goods and Services						
Travel & Conferences		20,000	13,000		(13,000)	
Operating Expenses		39,844	26,344	2,260	(24,084)	300
Contingency		46,845	43,845		(43,845)	
Use of Goods and Services	**27**	**106,689**	**83,189**	**2,260**	**(80,929)**	**300**
Payments / Outflows		**600,245**	**560,595**	**405,610**	**(154,985)**	**296,935**

Ministry of Labor and Social Affairs

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**95,510**	**158,732**	**125,347**	**(33,385)**	**112,100**
Grants						
From international organizations		31,522	104,744	102,861	(1,883)	72,365
Grants	24	**31,522**	**104,744**	**102,861**	**(1,883)**	**72,365**
Receipts / Inflows		**127,032**	**263,476**	**228,208**	**(35,268)**	**184,465**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		51,088	76,838	61,953	(14,885)	41,198
Compensation of Employees	26	**51,088**	**76,838**	**61,953**	**(14,885)**	**41,198**
Use of Goods and Services						
Travel & Conferences		24,760	27,760	24,860	(2,900)	5,340
Operating Expenses		15,615	29,587	23,887	(5,700)	6,983
Rent		4,047	8,047	7,147	(900)	39,765
Other Operating Expenses			16,500	7,500	(9,000)	17,980
Use of Goods and Services	27	**44,422**	**81,894**	**63,394**	**(18,500)**	**70,068**
Nonfinancial assets						
Fixed Assets		-	-	-	-	834
Nonfinancial assets	30	**-**	**-**	**-**	**-**	**834**
Payments / Outflows		**95,510**	**158,732**	**125,347**	**(33,385)**	**112,100**

Jubbaland Election Commission & Boundaries

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**286,800**	**84,900**	**16,400**	**(68,500)**	**6,900**
Receipts / Inflows						
Payments / Outflows						
Compensation of Employees						
Wages and Salaries	**26**	204,000	52,600	9,600	(43,000)	6,400
Compensation of Employees		**204,000**	**52,600**	**9,600**	**(43,000)**	**6,400**
Use of Goods and Services						
Travel & Conferences		28,800	16,800	6,800	(10,000)	-
Operating Expenses		36,000	11,500	-	(11,500)	500
Other Operating Expenses		18,000	4,000	-	(4,000)	-
Use of Goods and Services	**27**	**82,800**	**32,300**	**6,800**	**(25,500)**	**500**
Payments / Outflows		**286,800**	**84,900**	**16,400**	**(68,500)**	**6,900**

Attorney General Office

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**153,020**	**76,420**	**-**	**(76,420)**	**6,000**
Receipts / Inflows						
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		79,200	40,200	-	(40,200)	3,000
Compensation of Employees	**26**	**79,200**	**40,200**	**-**	**(40,200)**	**3,000**
Use of Goods and Services						
Travel & Conferences		48,000	15,500	-	(15,500)	1,000
Operating Expenses		16,920	15,920	-	(15,920)	2,000
Rent		4,800	2,000	-	(2,000)	-
Other Operating Expenses		4,100	2,800	-	(2,800)	-
Use of Goods and Services	**27**	**73,820**	**36,220**	**-**	**(36,220)**	**3,000**
Payments / Outflows		**153,020**	**76,420**	**-**	**(76,420)**	**6,000**

Ministry of Information and Public Orientation

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**708,624**	**515,824**	**373,629**	**(142,195)**	**346,184**
Grants						
From international organizations		1,200	1,700	1,700	-	-
Grants	24	**1,200**	**1,700**	**1,700**	**-**	**-**
Other Revenue						
Sale of goods and services		-	15,000	61,906	46,906	-
Other Revenue	25	**-**	**15,000**	**61,906**	**46,906**	**-**
Receipts / Inflows		**709,824**	**532,524**	**437,235**	**(95,289)**	**346,184**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		455,924	334,624	224,777	(109,847)	264,194
Compensation of Employees	26	**455,924**	**334,624**	**224,777**	**(109,847)**	**264,194**
Use of Goods and Services						
Travel & Conferences		14,000	7,000	3,815	(3,185)	-
Operating Expenses		214,900	164,300	141,686	(22,614)	81,140
Rent		1,500	500	-	(500)	-
Other Operating Expenses		22,300	9,400	3,351	(6,049)	850
Use of Goods and Services	27	**252,700**	**181,200**	**148,852**	**(32,348)**	**81,990**
Payments / Outflows		**708,624**	**515,824**	**373,629**	**(142,195)**	**346,184**

Ministry of Ports and Maritime Transport

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
	Note	A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**145,720**	**92,420**	**35,908**	**(56,512)**	**37,270**
Taxes						
Taxes on goods and services		50,000	50,000	50,000	-	30,000
Taxes on international trade and transactions		14,906,718	4,408,131	4,137,663	(270,468)	10,063,237
Taxes	23	**14,956,718**	**4,458,131**	**4,187,663**	**(270,468)**	**10,093,237**
Other Revenue						
Sale of goods and services		561,691	531,691	596,000	64,309	420,000
Other Revenue	25	**561,691**	**531,691**	**596,000**	**64,309**	**420,000**
Receipts / Inflows		**15,664,129**	**5,082,243**	**4,819,571**	**(262,671)**	**10,550,506**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		117,600	74,200	30,708	(43,492)	37,270
Compensation of Employees	26	**117,600**	**74,200**	**30,708**	**(43,492)**	**37,270**
Use of Goods and Services						
Travel & Conferences		9,000	4,500	2,000	(2,500)	-
Operating Expenses		19,120	13,720	3,200	(10,520)	-
Use of Goods and Services	27	**28,120**	**18,220**	**5,200**	**(13,020)**	**-**
Payments / Outflows		**145,720**	**92,420**	**35,908**	**(56,512)**	**37,270**

Ministry of Petroleum and Minerals

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

		2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows	**Note**	**USD**	**USD**	**USD**	**USD**	**USD**
Consolidated Fund Appropriations		**57,662**	**57,662**	**38,244**	**(19,418)**	**27,354**
Receipts / Inflows						
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		37,244	38,144	36,344	(1,800)	23,954
Compensation of Employees	**26**	**37,244**	**38,144**	**36,344**	**(1,800)**	**23,954**
Use of Goods and Services						
Travel & Conferences		2,500	2,350	900	(1,450)	-
Operating Expenses		14,918	14,368	1,000	(13,368)	3,400
Other Operating Expenses		1,000	1,000	-	(1,000)	-
Conflict Resolution Expenses		2,000	1,800	-	(1,800)	-
Use of Goods and Services	**27**	**20,418**	**19,518**	**1,900**	**(17,618)**	**3,400**
Payments / Outflows		**57,662**	**57,662**	**38,244**	**(19,418)**	**27,354**

Ministry of Humanitarian Affairs and Disaster Management

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**269,824**	**404,220**	**335,264**	**(68,956)**	**456,490**
Grants						
From international organizations		174,288	318,584	213,776	(104,808)	279,252
From other general government units		-	-	-	-	213,670
Grants	24	**174,288**	**318,584**	**213,776**	**(104,808)**	**492,921**
Other Revenue						
Transfers not elsewhere classified		-	50,000	50,000	-	-
Other Revenue	25	**-**	**50,000**	**50,000**	**-**	**-**
Receipts / Inflows		**444,111**	**772,805**	**599,041**	**(173,764)**	**949,412**
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		106,686	112,586	95,386	(17,200)	313,979
Compensation of Employees	26	**106,686**	**112,586**	**95,386**	**(17,200)**	**313,979**
Use of Goods and Services						
Travel & Conferences		34,700	44,800	36,800	(8,000)	29,505
Operating Expenses		52,338	52,138	40,121	(12,017)	11,850
Rent		28,350	37,350	37,283	(68)	35,035
Other Operating Expenses		45,650	155,247	125,675	(29,572)	63,321
Conflict Resolution Expenses		2,100	2,100		(2,100)	
Use of Goods and Services	27	**163,138**	**291,634**	**239,878**	**(51,756)**	**139,711**
Nonfinancial assets						
Fixed Assets		-	-	-	-	2,800
Nonfinancial assets	30	**-**	**-**	**-**	**-**	**2,800**
Payments / Outflows		**269,824**	**404,220**	**335,264**	**(68,956)**	**456,490**

Ministry of Justice and Constitution Affairs

Consolidated Fund Statement of Cash Receipts and Payments & Comparison to Budget

For the Year Ended 31 December, 2024

Government Uses a Treasury Single Account System to Manage Funds

	Note	2024				2023
		Original Estimate Appropriation	Final Estimate Appropriation	Controlled by TSA	Difference Between Final Budget and Actual	Controlled by TSA
		A	B	C	C-B	
Receipts / Inflows		USD	USD	USD	USD	USD
Consolidated Fund Appropriations		**83,732**	**83,492**	**43,092**	**(40,400)**	
Payments / Outflows						
Compensation of Employees						
Wages and Salaries		45,732	46,992	39,892	(7,100)	-
Compensation of Employees	**26**	**45,732**	**46,992**	**39,892**	**(7,100)**	**-**
Use of Goods and Services						
Travel & Conferences		6,000	5,700	700	(5,000)	-
Operating Expenses		18,500	17,900	2,500	(15,400)	-
Rent		4,500	4,500		(4,500)	-
Conflict Resolution Expenses		3,000	2,700		(2,700)	
Use of Goods and Services	**27**	**32,000**	**30,800**	**3,200**	**(27,600)**	**-**
Nonfinancial assets						
Fixed Assets		6,000	5,700	-	(5,700)	-
Nonfinancial assets	**30**	**6,000**	**5,700**	**-**	**(5,700)**	**-**
Payments / Outflows		**83,732**	**83,492**	**43,092**	**(40,400)**	**-**

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 JSS 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 (2017).*

1.2 Basis of Preparation

The individual budget entity financial statement for each ministry/authority of the Jubaland State of Somalia's (JSS) has been prepared in accordance with the *Public Financial Management Act 2017* and the International Public Sector Accounting Standard (IPSAS) - *Financial Reporting Under the Cash Basis of Accounting (2017).* These notes to the financial statements form an integral part 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 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 *JSS Appropriation Act No. 2 of 2024*. All budget entities listed below are controlled by the JSS. All activities of budget entities are funded through the JSS Consolidated Budget or through 3rd Party external assistance.

The preceding individual financial statements are for the following public sector entities, whose main purpose is described in Presidential Decree XM/J/772014 entitled A Decree Establishing Ministries of Jubaland State of Somalia and Defining Roles and Functions of Ministries dated 25 December 2014 plus Ministry of Finance and Revenue Collection Authority Establishment Act 2017 of the Jubaland State of Somalia created for the purposes of establishing the Ministry of Finance and Revenue Collection Authority ensure that the Jubaland State of Somalia has a Ministry of Finance that is responsible for the overall financial management of the Jubaland State of Somalia and to also ensure that within the Ministry of Finance there is a Revenue Collection Authority that is fully staffed, organized, administered and empowered to collect & deposit Government revenue into the TSA all legally established taxes and other revenues of the Jubaland State of Somali and a subsequent presidential decree XM/DGS/032/2016 creating seven extra Ministries dated May 18 2016.

No	Budget Entity
1	Ministry of Agriculture and Irrigation
2	Ministry of Education Culture and Higher Learning
3	Ministry of Water and Energy
4	Ministry of Finance and Economic Development
5	Ministry of Health and Social Welfare
6	Ministry of Communications, Posts, and Technology
7	Ministry of Internal Security
8	Ministry of Endowments and Religious Affairs
9	Ministry of Planning, Investment and International Cooperation
10	Ministry of Trade and Industry
11	Ministry of Women and Human Rights
12	State Presidency
13	Auditor General's Office
14	Civil Service Commission
15	Jubbaland Parliament
16	Ministry of Livestock
17	Ministry of Fisheries and Blue Economy
18	Ministry of Youth and Sports
19	Ministry of Transport and Aviation
20	Ministry of Interior, Federal and Reconciliation
21	Ministry of Environment and Climate Change
22	Ministry of Public Works, Housing and Reconstruction
23	Judiciary Service Commission
24	Ministry of Labor and Social Affairs
25	Jubbaland Election Commission & Boundaries
26	Attorney General Office
27	Ministry of Information, Public Orientation and Tourism
28	Ministry of Ports and Maritime Transport
29	Ministry of Petroleum and Minerals
30	Ministry of Humanitarian Affairs and Disaster Management
31	Ministry of Justice and Constitution Affairs

Presidential decree May 2021, Kismayo Airport Authority was brought under Ministry of Transport and Aviation while Kismayo Seaport Authority was taken under new Ministry named Ministry of Transport and Ports.

The Auditor General's Office, Judiciary Service Commission, Ministry of Labour and Ministry of Constitution and Federal Affairs were established during the 2018 financial year and Jubaland Election Commission $ Boundaries for 2019.

Additional Ministries were introduced during the year 2021 namely, Ministry of Humanitarian Affairs and Disaster Management while Ministry of Water, Mines and Energy was renamed as Ministry of Water and Energy; and Ministry of Petroleum and Minerals respectively, also the Ministry of information and Telecommunication was made into two entities as ministry of Information and Ministry of Telecommunication. In 2023 new ministry was introduced namely Ministry of Justice and Constitution Affairs.
The above budget entities do not control other entities that are consolidated into their activities in these financial statements.

1.5 Treasury Single Account

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

1.6 Transfers

Amounts are transferred to eligible recipients in accordance with the agreements between the Ministry and the recipient.

1.7 Reporting Currency

The reporting currency is the United States Dollar (USD) rounded to the nearest dollar.

1.8 Authorization Date

On behalf of the individual budget entity, their financial statements were authorized for issue on **3rd, April 2025 by Mr Ahmed Abdirisak Mohamed (Handal), Minister of Finance and Economic Development.**

1.9 Receipts/Cash In-flows

Receipts / Inflows other than Consolidated Fund Appropriations relate to revenue the Budget entity collects on behalf of the Government through its collections activities and are deposited into the Treasury Single Account administered by the Treasury Department. The revenue collected cannot be used to support the operations of the Ministry / Department without specific appropriation by Parliament. Therefore, cash collected is not controlled by the Ministry/Department. Funds allocated for use by the Ministry / Department to fund expenditure are through funds appropriations as outlined in Note 2.

1.10 Consolidated Fund Appropriations

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

Amounts appropriated by the Jubaland Parliament to the budget entities are managed through a single account administered by the Treasury department. These amounts are not controlled by the individual budget entities but are deployed on their behalf by the single account administrator (Treasury Department) on completion of appropriate documentation and authorization through the Financial Management Information System (FMIS). The amount reported as Consolidated Fund Appropriations in the *Individual Entity Combined Statement of Cash Receipts and Payments & Comparison to Budget*s 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 explanation of the nature of source of income and the expenses financed through general fund appropriations.

Note 2 Taxes

Taxes refer to revenue arising from taxes on payroll and work force, goods and services, local government tax collections (Other taxes) 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 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 MoFED places their own employees from the revenue department who are 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.

	2024	2023
Budget Entities	**Tax Receipt Recorded USD**	**Tax Receipt Recorded USD**
Ministry of Finance and Economic Development	15,521,245	11,113,323
Ministry of Endowments and Religious Affairs	-	160
Ministry of Fisheries and Blue Economy	212,042	6,000
Ministry of Transport and Aviation	993,534	964,478
Ministry of Interior, Federal and Reconciliation	540,975	526,589
Ministry of Ports and Maritime Transport	4,187,663	10,093,237
	21,455,461	**22,703,786**

Note 3 Grants

Grants from international organizations and the Federal Government of Somalia are remitted through the TSA and therefore recorded under the MoFED. In certain cases, donors may fund ministerial projects unequivocally designed for and implemented by a selected entity. Such projects will fall under that particular entity even though the funds are deposited into the TSA.

Entity	**Donor**	**2024 USD**
Ministry of Agriculture and Irrigation	GIZ	225,594
Ministry of Education Culture and Higher Learning	GIZ	77,350
Ministry of Water and Energy	GIZ	205,146
Ministry of Planning, Investment and International Cooperation	GIZ	112,871
Ministry of Livestock	GIZ	44,287
Ministry of Interior, Federal and Reconciliation	GIZ	46,265
Ministry of Environment and Climate Change	GIZ	149,093
Ministry of Public Works, Housing and Reconstruction	GIZ	108,053
Ministry of Labor and Social Affairs	GIZ	16,949
Ministry of Humanitarian Affairs and Disaster Management	GIZ	58,026
Ministry of Education Culture and Higher Learning	ADRA	7,200
Ministry of Agriculture and Irrigation	Norwegian Refugee Council	5,100
Ministry of Labor and Social Affairs	Norwegian Refugee Council	31,522
Ministry of Planning, Investment and International Cooperation	Concern Worldwide	6,435
Ministry of Agriculture and Irrigation	Federal Government of Somalia	193,116
Ministry of Education Culture and Higher Learning	Federal Government of Somalia	677,363
Ministry of Water and Energy	Federal Government of Somalia	187,485
Ministry of Finance and Economic Development	Federal Government of Somalia	5,278,146
Ministry of Health and Social Welfare	Federal Government of Somalia	273,160
Ministry of Planning, Investment and International Cooperation	Federal Government of Somalia	4,500
Ministry of Livestock	Federal Government of Somalia	125,000
Ministry of Fisheries and Blue Economy	Federal Government of Somalia	133,042
Ministry of Interior, Federal and Reconciliation	Federal Government of Somalia	389,605
Ministry of Women and Human Rights	TROCAIRE	1,500
Ministry of Education Culture and Higher Learning	CARE INTERNATIONAL IN SOM	10,700
Ministry of Women and Human Rights	CARE INTERNATIONAL IN SOM	29,720
Ministry of Interior, Federal and Reconciliation	CARE INTERNATIONAL IN SOM	19,640
Ministry of Education Culture and Higher Learning	ALIGHT American Refugee Committ	28,200
Ministry of Education Culture and Higher Learning	Lutheran World Federation (LWF) Ec	64,200
Ministry of Agriculture and Irrigation	Food and Agricuture organization	448,791
Ministry of Water and Energy	Food and Agricuture organization	97,644
Ministry of Planning, Investment and International Cooperation	Food and Agricuture organization	56,100
Ministry of Livestock	Food and Agricuture organization	150,961
Ministry of Fisheries and Blue Economy	Food and Agricuture organization	245,048
Ministry of Humanitarian Affairs and Disaster Management	Food and Agricuture organization	21,000
Ministry of Environment and Climate Change	United Nation Developmental Prograi	10,470
Ministry of Humanitarian Affairs and Disaster Management	United Nation Developmental Prograi	19,000
Ministry of Education Culture and Higher Learning	UNICEF	265,319
Ministry of Water and Energy	UNICEF	373,859
Ministry of Health and Social Welfare	UNICEF	2,056,298
Ministry of Planning, Investment and International Cooperation	UNICEF	62,180
Ministry of Women and Human Rights	UNICEF	228,765
Ministry of Interior, Federal and Reconciliation	UNICEF	33,000
Ministry of Labor and Social Affairs	UNICEF	54,390
Ministry of Humanitarian Affairs and Disaster Management	UNICEF	110,750
Ministry of Interior, Federal and Reconciliation	UNHCR	523,369
Ministry of Agriculture and Irrigation	World Food Program	20,610
Ministry of Education Culture and Higher Learning	World Food Program	92,506
Ministry of Water and Energy	World Food Program	13,718
Ministry of Health and Social Welfare	World Food Program	35,000
State Presidency	World Food Program	49,749
Ministry of Humanitarian Affairs and Disaster Management	World Food Program	5,000
Ministry of Water and Energy	International Organization for Migrati	44,050
Ministry of Information, Public Orientation and Tourism	International Organization for Migrati	1,700
Civil Service Commission	PREMIS	18,799
		13,547,344

The grant income for the period was initially budgeted at $31,059,548. However, only $13,547,344 was received, resulting in a shortfall of $17,512,204 against the annual estimate. This discrepancy was primarily due to an overly optimistic projection of expected grants from international organizations and the Federal Government of Somalia. The most significant variances stemmed from projects funded by the Federal Government of Somalia. Below is a breakdown of these variances.

Federal Government of Somalia	**Final Budget 2024 USD**	**Grant received 2024 USD**	**Variance 2024 USD**
Somalia Food System Resilience Project (SFSRP)JSS	242,420	193,116	(49,305)
Support of National Examination Jubbaland State	34,670	34,670	-
Somalia Education for Human Capital Development	1,886,048	500,360	(1,385,687)
Global Partnership for Education (GPE) STG Programme	201,333	85,833	(115,500)
Global Partnership for Education (GPE) GEA Programme	56,500	56,500	-
GROUND WATER RESILIENCE PROJECT	642,000	187,485	(454,515)
Intergovernmental Fiscal Transfer		133,042	133,042
Jubbaland Strategic Plan Review	4,500	4,500	-
Somalia Food System Resilience Project (SFSRP)JSS	154,100	125,000	(29,100)
SURP II -TF-B1409(KFW)	9,872,222	389,605	(9,482,616)
Strengthening Local Goverment Systems	200,000		(200,000)
DAMAL CAFIMAAD PROJECT	602,880	273,160	(329,720)
SOMALIA WATER FOR RURAL RESILIENCE PROJECT(BARWAAQO PROJECT)	2,057,977	848,314	(1,209,663)
Activity 1.3 Institutional and capacity development	5,000		(5,000)
Activity 4.3 M&E, Knowledge Management, and Learning	30,000		(30,000)
Somalia Enhancing Public Resource Management Project SERP	400,000	200,000	(200,000)
RCRF Revenue	4,871,791	3,711,594	(1,160,197)
EU Budget Support	651,280	651,280	-
	21,912,720	**7,261,418**	**(14,518,260)**

Even though the funds are received into the TSA and administered by the MoFED, the project activities were in most cases assigned for activities implemented in other entities.

Note 4 Other Revenue

The other revenue for the period includes rental income, administrative fees, and government-related charges. Building and vehicle rental income amounted to 7,550 and 5,686, respectively. Visa and passport fees generated 336,962 and 48,239, while business and professional licenses brought in 33,736. Significant contributions came from port docking fees (288,000), landing fees (415,968), and handling fees (686,704). Driving license, logbook, and number plate registration fees totalled 217,535, 181,140, and 297,420, respectively. Land-related revenues were substantial, with land certificate fees at 1,736,518 and land modification fees at 4,052,428. Additional income came from advertisement fees (61,906), court filing fees (32,257), and individual donations (50,000), while no fines were recorded.

Note 5 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/III/III) provides funding for the reimbursement of the payments of salaries of permanent employees of JSS who have been recruited competitively by the Civil Service Commission. During the reporting period, the RCRF II/III project has reimbursed salaries to following Entities.

		2024		2023	
SR.	**MDAs Name**	**Number of Staff**	**Basic Salary**	**Number of Staff**	**Basic Salary**
1	Ministry of Agriculture and Irrigation	15	7,555	15	7,555
2	Ministry of Education Culture and Higher Learning	66	36,262	407	73,560
3	Ministry of Water and Energy	9	4,667	9	4,667
4	Ministry of Finance and Economic Development	50	26,746	49	26,244
5	Ministry of Health and Social Welfare	196	31,583	197	37,143
6	Ministry of Communications, Posts, and Technology	6	2,739	6	2,739
7	Ministry of Internal Security	4	2,087	4	2,087
8	Ministry of Endowments and Religious Affairs	7	2,537	10	4,043
9	Ministry of Planning, Investment and International Cooperatic	9	4,366	9	4,366
10	Ministry of Trade and Industry	6	3,040	6	3,040
11	Ministry of Women and Human Rights	10	5,182	10	5,182
12	State Presidency	50	16,908	52	17,444
13	Auditor General's Office	7	3,412	8	3,511
14	Civil Service Commission	22	7,607	23	7,757
15	Ministry of Livestock	8	4,646	8	4,345
16	Ministry of Fisheries and Blue Economy	6	3,392	6	3,392
17	Ministry of Youth and Sports	8	3,864	8	3,864
18	Ministry of Transport and Aviation	23	9,407	23	9,407
19	Ministry of Interior, Federal and Reconciliation	9	4,731	8	4,229
20	Ministry of Environment and Climate Change	5	2,589	5	2,589
21	Ministry of Public Works, Housing and Reconstruction	10	3,747	11	4,550
22	Judiciary Service Commission.	30	13,035	30	13,035
23	Ministry of Labor and Social Affairs	3	1,339	4	2,624
24	Ministry of Information, Public Orientation and Tourism	6	3,577	6	3,577
25	Ministry of Ports and Maritime Transport	6	2,559	6	2,559
26	Ministry of Petroleum and Minerals	3	1,937	3	1,937
27	Ministry of Humanitarian Affairs and Disaster Management	6	3,528	6	3,528
	Ministry of Justice and Constitution Affairs	4	2,791		
		584	**215,833**	**929**	**258,974**

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

Note 6 Use of Good and Services

JSS'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. JSS does not have access to a credit facility and therefore due to this integral constraint JSS has prioritized and spent

81% percent of the available revenue in executing budgets across the entities. The following is a summary of the JSS operational budget execution level. Note the table only summarizes for operational budget.

	Final Budget 2024	Execution 2024	Execution %
Ministry of Agriculture and Irrigation	666,170	471,673	71%
Ministry of Education Culture and Higher Learning	2,254,695	857,392	38%
Ministry of Water and Energy	2,138,868	1,258,212	59%
Ministry of Finance and Economic Development	2,648,768	2,047,494	77%
Ministry of Health and Social Welfare	2,701,482	1,939,505	72%
Ministry of Communications, Posts, and Technology	9,400	200	2%
Ministry of Internal Security	1,070,000	1,046,845	98%
Ministry of Endowments and Religious Affairs	23,000	4,712	20%
Ministry of Planning, Investment and International Cooperation	578,315	478,864	83%
Ministry of Trade and Industry	26,374	2,555	10%
Ministry of Women and Human Rights	334,760	141,555	42%
State Presidency	1,174,686	1,164,880	99%
Auditor General's Office	35,956	21,456	60%
Civil Service Commission	122,824	15,224	12%
Jubbaland Parliament	239,000	214,968	90%
Ministry of Livestock	383,726	245,474	64%
Ministry of Fisheries and Blue Economy	167,860	134,670	80%
Ministry of Youth and Sports	25,200	7,100	28%
Ministry of Transport and Aviation	635,200	597,962	94%
Ministry of Interior, Federal and Reconciliation	1,660,373	1,055,813	64%
Ministry of Environment and Climate Change	425,274	241,589	57%
Ministry of Public Works, Housing and Reconstruction	711,947	668,973	94%
Judiciary Service Commission.	83,189	2,260	3%
Ministry of Labor and Social Affairs	81,894	63,394	77%
Jubbaland Election Commission & Boundaries	32,300	6,800	21%
Attorney General Office	36,220		0%
Ministry of Information, Public Orientation and Tourism	181,200	148,852	82%
Ministry of Ports and Maritime Transport	18,220	5,200	29%
Ministry of Petroleum and Minerals	19,518	1,900	10%
Ministry of Humanitarian Affairs and Disaster Management	291,634	239,878	82%
Ministry of Justice and Constitution Affairs	30,800	3,200	10%
	18,808,853	**13,088,599**	**70%**

Note 7 Grants to Other Government Units

Other government units refer to lower-level governments such as the city municipalities. The Kismayo Municipality is the only active local government in JSS that operates both a revenue collection and expenditure process. The Municipality collects its own revenue from the public transport system and other mobile businesses within Kismayo. In the agreement between the Ministry of Finance and the Kismayo Municipality, all revenue collections of the lower-level government shall be deposited into the TSA and request for incurring expenditures is made by the local government entity using the standard authorizing procedures of the Ministry.

The municipality maintains its own set of documentation and standard business procedures in its operation, which is separate from the Ministry.

Note 8 Employer Social Benefits

Employer Social benefits mainly consist of medical treatments that are provided to JSS staff. The scheme is not formal but is provided to staff that are considered in need of medical treatment. Medical treatment is catered for across the entities. During the year, the following entities were provided with medical treatment.

	2024 USD	2023 USD
Ministry of Finance and Economic Development	24,070	49,566
Ministry of Health and Social Welfare	51,280	14,000
Jubbaland Parliament	36,780	28,831
	112,130	**92,397**

Note 9 Miscellaneous other expense.

Miscellaneous other expense totalling $5,994,882 relates to JSS obligations are payments made to creditors of JSS and relates to debts incurred in establishing the Interim administration of Jubaland and government operations. Miscellaneous other expense was shared among the entities as follows:

Budget Entity	2024 USD	2023 USD
Ministry of Education Culture and Higher Learning	127,830	-
Ministry of Finance and Economic Development	3,555,909	3,499,378
Ministry of Internal Security	1,339,766	499,565
State Presidency	1,099,207	544,846
	6,122,712	**4,543,790**

Note 10 Non-Financial Assets

Non-financial assets consist of assets acquired by entities in running their business operations and include assets such as motor vehicles, Machinery and Equipment not elsewhere classified Furniture & fixtures, Information, computer, and telecom (ICT) equipment, Road Construction, and non-residential buildings for the established Ministries. The preliminary set-up of the newly created entities warranted emphasis on assets acquisition towards furniture and fixtures, office equipment and cars.

During the reporting period, a total of $534,995 was disbursed on non-financial assets, which represented 5% percent of the estimated budget. The entities were unable to utilize the budget allocation due to delayed disbursement of donor funds.

DOWLADDA JUBBALAND
EE SOOMAALIYA
XAFIISKA HANTIDHOWRKA GUUD

دولة جوبالاند الصومالية
مكتب المراجع العام

OFFICE OF THE AUDITOR GENERAL
JUBBALAND STATE OF SOMALIA

FINAL MANAGEMENT LETTER FOR THE YEAR ENDED 31 DECEMBER 2024.

JUBBALAND STATE OF SOMALIA

REF: OAG/JSS/209/2024 01 October 2025

Mr. Ahmed Abdirisaq Mohamed- Handal

Minister of Finance

Ministry of Finance of Jubbaland State of Somalia

Kismayo, Somalia

Dear Sir,

Report to the Minister for the year ended 31 December 2024

I have recently completed my audit of the Consolidated & Ministerial Financial Statements of the Jubbaland State of Somalia for the year ended 31 December 2024, which I conducted in accordance with International Standards of Supreme Audit Institutions (“ISSAI”). Those standards require that I plan and perform the audit to obtain reasonable assurance that the annual financial statements are free of material misstatements, but not to express an opinion on the effectiveness of the entity’s internal control. An audit is conducted to enable us to form and express an opinion on the financial statements prepared by the Ministry of Finance under the oversight of the State Cabinet. The audit of the financial statements does not relieve the Ministry of its responsibilities. However, in accordance with our normal practice, I would like to draw your attention to certain matters that I identified during the audit. Those issues are set out in the attached report.

Where I refer to deficiencies, the matters reported in this document are limited to those deficiencies that I have identified during the audit and that I have concluded are of sufficient importance to merit being reported to those charged with governance. They are not a comprehensive record of all matters arising, and as such, I cannot be held responsible for reporting all risks or all internal control weaknesses

Management responses provided through the coordination of the Ministry of Finance will be incorporated in the final Audit report.

I would be pleased to provide any clarification that you may require on the issues raised in this report.

I take this opportunity to thank your staff for their co - cooperation and assistance during my audit.

Yours faithfully,

Mr. Bashir Mohamed Bahale

Auditor General

Office of the Auditor General, Jubbaland State of Somalia.

List of Abbreviations

Abbreviation	Full description
CSC	Civil Service Commission
FMIS	Financial Management Information System
FGS	Federal Government of Somalia
ISSAI	International Standards of Supreme Audit Institutions
SAI	Supreme audit institution
JSS	Jubbaland State of Somalia
MoE	Ministry of Education
MoF	Ministry of Finance
MoH	Ministry of Health
MOIS	Ministry of Internal Security
MOHDAM	Ministry of Humanitarian and Disaster Management
OAG	Office of the Auditor General
PFM	Public Finance Management
PV	Payment Voucher
RMS	Revenue Management System
RV	Revenue Voucher
SERP	Somali Enhanced Public Resource Management Project
TSA	Treasury Single Account
USD	United States Dollar

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EXECUTIVE SUMMARY

The Office of the Auditor General (OAG) conducted an audit of the financial statements of Jubbaland State, Somalia, for the year ended December 31, 2024. The financial statements report total revenues of **$43,746,596** and total expenditures of **$44,627,691**. My audit revealed several significant weaknesses in revenue management, expenditure controls, and procurement practices.

Regarding state revenues, we identified a total of **$4,189,365.25**, representing **10%** of the total revenue, lacked complete documentation, such as deposit slips, taxpayer identification details, were not provided. Likewise, a total amount **$1,086,883.72,** representing **2%,** had no supporting documentation at all.

JSS revenue collection process is manual. This manual process creates risks of under-collection of revenue, including unissued or altered receipts, misreporting of collections due to the absence of standardized systems and controls, and a limited audit trail for verifying the amounts actually collected and deposited.

Regarding state expenditures, we identified documentation gaps. A total of **$1,174,587,** representing **3%**, of the total expenditures was partially supported, while **$2,834,540.81**, representing **6%** representing of the total expenditures**,** had no supporting records at all. These expenditures mainly were regular food, daily meals, travel, electricity, repairs, medical supplies, salaries, and construction materials.

We also identified that payments for teachers' and health workers' salaries, amounting to **$84,893.16** and **$67,151.58**, respectively, lacked, timesheets.

In procurement, we observed widespread noncompliance with established policy. I identified several purchases that should have followed the competitive method of procurement such as request of quotation, advertisement and national tendering as per the procurement policy were processed through single-sourcing without justification. These violations undermine transparency, competitiveness, and accountability in the use of public resources

Overall, the findings regarding revenue management, expenditure documentation, and procurement processes reveal significant internal control weaknesses and oversight issues. These issues compromise accuracy of the financial statements and increase the risk of material misstatements, mismanagement of public resources, and financial loss.

The detailed audit findings are set out in the subsequent sections of this report.

INTRODUCTION

The JSS OAG is mandated to audit all state activities in line with section 6(3) of the JSS audit act 2016 which states the Auditor General shall conduct audits of the State Government ministries, departments and agencies in accordance with the auditing standards and code of ethics in the Jubbaland State of Somalia and Federal Republic of Somalia constitutions and any other regulations issued by the Jubbaland State of Somalia and Federal Republic of Somalia on audit institutions.

Background

The Jubbaland State of Somalia received funding through its own revenue, grants from the Federal Government of Somalia, and contributions from donors, totaling **USD 43,746,596** in 2024. Major expenses for the Jubbaland State of Somalia included costs related to security forces, salaries for permanent staff, regular food supplies for security personnel, goods and services, and procurement of medical supplies. The total expenditure paid in 2024 was USD **44,627,691**

The Ministry of Finance (MOF) is responsible for ensuring the financial statements are prepared in line with International Public Sector Accounting Standards (2017), Financial Reporting under the Cash Basis of Accounting, and Section 30 of the Public Financial Management (PFM) Act 2017.

According to Section 32(1) of the PFM Act 2017, the MOF must prepare and submit financial statements to the Auditor General for audit within four months following the end of the reporting period. The Auditor General is then required to complete the audit and present a report to Parliament within four months of receiving the financial statements, as stipulated in Section 32(3) of the PFM Act 2017. The draft financial statements for 2024 were submitted to the Office of the Auditor General (OAG), Jubbaland, on April 30, 2024

Audit scope and Limitations.

Scope

This audit covered the financial statements of the Jubbaland State of Somalia for the period 1st January 2024 to 31st December 2024, encompassing all ministries, departments, and agencies (MDAs) under the jurisdiction of JSS.

Limitations:

The following were identified as possible limitations of the annual financial audit:

a) Due to the use of sampling techniques, not every transaction was examined. As such, there remains a possibility that material misstatements or irregularities not included in the sample may have gone undetected
b) Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material non-compliance may not be detected, even though the audit is properly planned and performed under the International Standards of Supreme Audit Institutions (ISSAIs).

Audit objectives

The overall objective of the audit was to ascertain whether the financial statements of Jubbaland State of Somalia were free from material misstatement, whether due to fraud or error, and had been prepared in accordance with IPSAS – Financial Reporting under the Cash Basis of Accounting.

The audit also sought to determine whether:

- The accounting records had been faithfully and properly maintained,
- The rules, procedures, and internal controls were sufficient to secure effective control of the assessment, collection, and proper allocation of revenues.
- All money used and charged to an appropriation account had been applied to the purpose or purposes for which the State Parliament intended, and with due regard to ensuring effective internal control; and
- Internal controls, rules, and procedures established and applied were sufficient to safeguard the assets of the Jubbaland State of Somalia.

Audit Approach

This audit was conducted in accordance with the Fundamental Auditing Principles of the International Standards of Supreme Audit Institutions (ISSAIs 100-999). These standards require that we comply with ethical requirements and plan and also perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. During this engagement, we:

- Held discussions with key members of the Jubbaland State staff
- Reviewed key documents for the period under the audit
- Tested and evaluated the key controls
- Performed testing of financial transactions on a sample basis, and
- Evaluated the overall presentation of the financial statements.

Detailed audit findings are presented in the following sections of the report. These findings have been ranked as high, medium, or low according to the criteria shown in the table below

Risk Rating	Description
High	• Matters that may pose a significant business or financial risk to the entity; • Matters that have resulted or could potentially result in a modified or qualified audit opinion if not addressed as a matter of urgency by the entity.
Medium	• Matters of a systemic nature that pose a moderate business or financial risk to the entity if not addressed as a high priority within the current financial year; and/or • Matters that may escalate to high risk if not addressed promptly.
Low	• Matters that are isolated, non-systemic, or procedural in nature; and/or • Matters that reflect relatively minor administrative shortcomings and require action in order to improve the entity's overall control environment.

Appreciation

We extend our sincere appreciation to all staff of the Jubbaland State of Somalia, particularly those within the Ministry of Finance, for their valuable assistance and cooperation throughout the course of this audit engagement.

DETAILED FINDINGS AND RECOMMENDATIONS.

Revenue Finding

Finding n°: 1	Lack of supporting documents

Criteria:

Section 30(7) of the PFM Act states that each minister or head of a budgetary institution or agency is responsible for filing, maintaining, and keeping safe all documents related to public finance transactions, in a manner and for the duration prescribed in accounting regulations.

In addition, Regulation 10 of the PFM Act, subsections 3.2 and 3.2, clearly state the record-keeping requirements for financial documents.

Condition

According to the financial statements for the year-end 2024, as noted in Notes 2 to 9, a total of **$30,199,252** was reported as revenue collections during

During our audit, we sampled **$16,377,901.12** of this amount, which represents 54% of the total revenue collected.

Our review of the revenue processes and supporting documentation revealed several issues that affect the accuracy, completeness, and classification of the collected revenue.

I identified a total of **$4,189,365.25**, representing **10%** of the total revenue, was not supported by complete documentation, such as deposit slips, taxpayer identification details, were not provided.

Appendix 1.-Incomplete Supporting Documents Revenue.

Further, a total amount **$1,086,883.72,** representing **2%,** of the total revenue had no supporting documentation at all

Appendix 2.-NO Supporting Documents Revenue.

Implications:

The lack of proper supporting documents creates a risk of inaccurate, incomplete, or misclassified revenue reporting. Noncompliance with Section 30(7) of the PFM Act will also have an operational effect on the ministry.

Risk Rating -High

Recommendation:

Management should strengthen internal controls and ensure that all payments are supported by complete documentation.

Comments From MoF-JSS

We agree to the finding raise.

Finding n°: 2	Weaknesses in the Revenue Management System.

Criteria:

Key control in achieving a proper revenue management process is to ensure the revenue system is automated and reconciled with the real-time receipts at the revenue collection points, which could then be linked with the BISAN RMS and BISAN FMIS modules.

Condition.

During our review of the state's own source revenues, we noted the following weaknesses.

1. The revenue collection process is a manual process with no guarantee that all revenues are collected and that all collected revenues are recorded.
2. We also noted an inconsistency between the amount recorded in the RMS and FMIS as follows

Description	Amounts
FMIS	30,199,252.00
RMS	30,066,209.21
Difference	**133,042.79**.

3. The foreign exchange rate utilized for converting from Somali Shillings to US Dollars by the Ministry of Finance is not documented. Additionally, there appear to be inconsistencies in how these currency conversion amounts are reported, which could potentially result in inaccuracies in recording revenue

We also noted a Lack of revenue reconciliation procedures between the various systems and for each revenue account, between the original collection books and banking slips.

Implications:

There is a risk that some revenue may not be properly collected and recorded, and the a risk of fraud

The absence of reconciliation procedures between RMS and FMIS, as well as the original collection books and banking slips, creates a risk of errors, misstatements, or fraudulent activities if not detected early, which may potentially result in inaccurate financial records

Risk Rating -Medium

Recommendation:

The Revenue Director should implement an integrated, automated revenue collection system and replace manual collection processes. The Revenue Department should also do a periodic reconciliation process between RMS and FMIS.

Comments From MoF-JSS. Our FMIS shows USD **30,199,252.00** while RMS records USD **30,066,209.21**, leaving a difference of USD **133,042.79**. This difference represents the Federal Government's fisheries revenue share for Jubaland, which is not recorded in RMS. Apart from this, FMIS and RMS are fully reconciled. **Responsible Officer**: **Implementation Date:**

Finding n°: 3	**Manual revenue collection process**
Criteria: Section 9 of the Taxation Act provides that an official receipt is to be provided by tax officials containing the date of payment, name, and number of the official receiving the payments, and the place at which the payment is made, name, and identifying number of taxpayers, amount paid, and full details information concerning the tax collected **Condition** It was observed that the state's operates a manual revenue collection process, which exposes it to revenue leakages and inefficiencies, causing the state to miss its revenue targets in the long run.	
Implications: Manual collection process increases the risk of unrecorded and/or misappropriated funds, which leads to potential loss of revenue for the state	
Risk Rating -High	
Recommendation: The state should consider automating its revenue collection process since its benefit outweighs costs.	
Comments From MoF-JSS The port works in an automated system rather than manual all Kismayu sea port revenue collection is deposited to Jubaland TSA account and then posted to FMIS and RMS systems. **Responsible Officer**: **Implementation Date:** **Auditors' further comments,** **Implement end to end automation of the revenue collection process which is directly interphased with the FMIS.**	

Finding n°: 4	***Revenue Loss through Weaknesses in Contract Management and Revenue Oversight***

Condition.

The Jubaland Quality Control Service (JQCS) operates under an open-ended contract with an 88%–12% revenue-sharing arrangement in Favor of the company.

Revenues collected are deposited into JQCS's private accounts and not shared with the Governments, which prevents verification of the agreed-upon share.

Also, the Levies and tariffs are set by the company rather than the government, which is also a concern. The OAG noted the same issue in the prior year's audit, but the recommendation remains unimplemented

We were unable to know or provided any evidence that the process of awarding this company was done through a competitive process.

We would like to know from the ministry if the procedure of awarding this company has been passed through the state parliament.

Implications:

There is a significant financial risk, including potential revenue loss for the government, which also creates a lack of transparency, accountability. There is also a risk of a weak oversight process from the ministry's perspective

The tariff set by the Private company may also lead to unchecked regulatory control and accountability for the state.

Risk Rating -High

Recommendation:

The Ministry of Finance has to review the JQCS contract to ensure fair revenue sharing. JQCS is required to deposit the revenue collected into the government's single treasury account.

The government should take full control over levies and tariffs, and lastly, the ministry needs to implement all audit recommendations without delay

Comments From MoF-JSS.

The Ministry of Finance was not involved in awarding the contract with Jubaland Quality Control Service (JQCS) and is not a party to the agreement.

The Ministry has no knowledge of the terms or processes relating to this arrangement

Responsible Officer:

Implementation Date:

Finding n°: 5	*Non-payment of the lease Amount and non-compliance with the lease agreements*

Condition

The Midnimo company manages a youth centre on land leased from the government. During our current audit reviews, we noted that Midnimo did not fulfil the agreement. We observed that Midnimo was supposed to pay a monthly lease rental of **500 USD** to the state. We found that Midnimo did not pay this amount to the governments over the past 2 years. The unpaid lease rentals translate to lost revenue for the state.totalling **$ 12,000**

Similarly, Eagle Risk Management was contracted to oversee security operations at the Sayid Mohamed Abdulle International Airport. During our audit review, we have noted the following issues.

a. The company did not pay the Lease amounts for **30 months** at a rate of **$600 per month, totaling $18000**
b. No security equipment has been purchased contrary to the signed agreement.
c. No capacity building or training has been provided for the security staff in contravention of the agreement.

Implications:

First, the state is losing revenue due to the lease agreement, as the companies are not fulfilling their contractual obligations.

There is no value for money because the companies are government-primed, and the services provided by these companies are very poor as well.

Risk Rating -High

Recommendation:

Private companies should ensure that they pay monies due to the government, as per the lease arrangements.

Lease agreements should be implemented fully so that there is value for money for the state, and the citizens are receiving good service delivery

Comments From MoF-JSS.

The Ministry of Finance was not involved in awarding or managing the agreements with Midnimo Company or Eagle Risk Management and has no knowledge of their contractual terms. The Ministry is therefore not a party to these arrangements.

Responsible Officer:

Implementation Date:

Finding n°: 6	Huge gaps in revenue collected during the period under review

Condition

From the analytical review done for revenue, we noted fluctuations and gaps relating below revenue accounts:

Taxes from sale of goods and services, we noted significant fluctuations of taxes collected in different months where certain months such as March **(US$ 4,602,560),** June **(US$ 2,715,526),** September **(US$ 5,454,544),** October **(US$ 3,732,011)** and December (**US $ 2,285,807)** reported lower tax collections which was below **20%** off the mean average for the entire year.

Appendix 3-Revenue collection Monthly

Implications:

The significant fluctuations in the tax collections could indicate certain issues, such as revenue leakage, inefficiencies in tax collection

This fluctuation in the revenue collection will undermine budget planning and financial stability for the state.

Risk Rating -High

Recommendation:

Management should ensure that it undertakes periodic analytical review of the revenue accounts to check on the completeness and accuracy of revenue collected and recorded.

Where major fluctuations are noted, management should undertake audits and investigations to determine the reason for the same, and this process should be documented for future reference

Comments From MoF-JSS.

The fluctuations in monthly revenue collections are mainly caused by seasonal factors.

During the rainy months, both sea and road transport are disrupted high tides can temporarily close the port, while poor road conditions restrict the movement of goods.

This reduces trade and revenue. In contrast, during the dry season when roads are passable and the sea is open, revenue collections rise. These natural variations explain the differences noted in the figures.

Responsible Officer:

Implementation Date:

Finding n°: 8	Weaknesses in the budgeting and financial reporting process

Criteria:

JSS PFM section 10 states that the Consolidated Budget shall show any proposed budget surplus or deficit, being the difference between the total revenues excluding new borrowings and total expenditures. The consolidated Budget should stipulate the purpose to which the budget surplus will be applied, and, in the case of a budget deficit, the means of financing it, and shall be subject to legislative approval

Condition:

During my audit, I noted that the state budget was **$64,305,677**, while the actual was **43,746,596**, a significant variance amounting to **$20,559,081.00 (32%)** between the approved budgeted revenue for the period and the actual financial performance, indicating noncompliance with Section 10 and Section 12 of the PFM.

In addition, we noted the 5% contingency fund regulation under section 14 of the PFM was not actualized and set in the budget forecast. Section 14 of the PFM states that in the Consolidated Budget, Parliament shall approve an amount of public funds not exceeding 5 per cent of total annual Jubbaland State of Somalia revenues, as estimated in the Proposed Budget, to be used as a Contingency Fund.

Appendix 4: Revenue vs expenditure Analysis.

Implications:

There is a risk of non-compliance with the PFM Act. There is also a risk of poor Budget forecasting within the state. Without contingency funds, the state might have to fund emergency or planned activities

Risk Rating -High

Recommendation:

The annual budget is subject to review, and any over- or under-forecast of the financial performance is adjusted in the July supplementary review.

5% of the budget is set as contingency, and any contingency activities are funded from this fund. Contingencies should not be paid from the recurrent budget

Comments From MoF-JSS

The budget was prepared based on a realistic revenue forecast, taking into account the available data and projected financial trends.

The state budget is for own source and donor grants, the own source budget was 64,305,677.30 and the actual is 43,746,596.03 this has resulted a difference of 20,559,081.27 out of this 17,512,2023.89 was expected from donor grants which was not actualized because of the factors related to USAID and political factors from FGS.

Auditors' further comments

The USAID fund suspension came into effect in 2025. Secondly, why was the budget revision not made? Hence, the comment remains

Finding n°: 9	State Debt Reporting

Criteria:

Section 42 of the PFM Act requires that twice a year, the Minister shall prepare and submit a report to the President and Parliament identifying new borrowing and issuance of guarantees, as well as debt repayments, rescheduling, write-offs, and retirements. The Minister will prepare and publish a report on public debt outstanding as well as debt service projections over the medium term

Condition:

Based on the information provided, the following weaknesses were noted during the review of the debts;

a. The amounts of the new borrowings have not been reflected as income in the comprehensive statement of receipts and payments in the financial statements. No indication of loan repayments was evident in the financial statement, either
b. It was not clear if the borrowing was received in cash
c. There was no agreement in place that the auditor had received to verify the polices and guidelines relating to the debts
d. It was also not clear if the funds were received in the state bank account
e. We were also unable to verify if the state parliament was involved in the approval of the debt borrowing
f. Payment of **$6,122,712** was not supported with the list of payments detailing payment vouchers, invoices, procurement records, delivery notes, or receipts, to substantiate the expenditure

The IPSAS requirement for an entity to present either on the face of the financial statement or in the notes, an analysis of expenses using a classification based on either the nature of the expenses or their function with the entity, whichever provides information that is reliable and more relevant, has not been complied with.

The balance is not supported with details of the suppliers or entities to whom the amount is owed.

there should be a comprehensive list of the payable with details of the balance brought forward, new invoices and contracts, as well as repayments.

Implications:

Lack of proper recording, supporting documentation, and disclosure for borrowings and payments increases the risk of misstated financial statements, non-compliance with IPSAS, and potential misuse of funds.

Risk Rating -High

Recommendation:

The Ministry of Finance should ensure full compliance with Section 42 of the Public Finance Management Act by: Preparing and submitting the required debt reports to the President and Parliament, detailing all borrowings, guarantees, repayments, and other debt activities
Comments From MoF-JSS The budget was prepared based on a realistic revenue forecast, taking into account the available data and projected financial trends. The state budget is for own source and donor grants, the own source budget was 64,305,677.30 and the actual is 43,746,596.03 this has resulted a difference of 20,559,081.27 out of this 17,512,2023.89 was expected from donor grants which was not actualized because of the factors related to USAID and political factors from FGS. **Auditors further comments** ***The comment and findings are different; hence the findings remain.*** **Responsible Officer**: Yussuf

Cash and Bank Finding

Finding n°: 10	Weaknesses in Bank Register and Subsequent Annual Review
Criteria: Regulation 5 of the PFM Act, Subsection 3.1 of the banking regulation requires the establishment of a bank register to record details of all bank accounts operated by the state to be maintained by the Treasury Department. This register records the details in regard to all bank accounts established and operated by the state **Condition:** In our examination of the cash and bank management process, we observed the following: 1. The Jubbaland state does not keep a bank register. 2. Annual reviews of bank registers have not been conducted.	
Implications: **There is a risk of non-compliance with the PFM Act.**	
Risk Rating -Medium	
Recommendation: MOF should implement a comprehensive bank register to track all bank accounts and their transactions. The ministry should schedule regular annual reviews of bank registers to ensure accuracy and compliance with the PFM Act.	

Comments From MoF-JSS The Ministry has an automated bank register. Find the signed and stamped register in the link below **Further comments** Link has not been shared; the findings remain **Responsible Officer**: **Implementation Date:**

Finding n°: 11	**Weakness in bank reconciliations**
Condition We observed that MoF does not do weekly/daily reconciliation in compliance with the PFM Act. The reconciliation process is very important to ensure the state minimizes errors and financial inaccuracies	
Implications: The risk of not doing Weekly/daily reconciliation may bring errors and differences between the cash book and bank as the financial systems	
Risk Rating -High	
Recommendation: Ensure the treasury department does Daily/Weekly Bank reconciliation	
Comments From MoF-JSS Due to the high number of bank accounts, we currently do monthly reconciliation, but in the future, we shall move to weekly or biweekly reconciliation **Responsible Officer**: **Abdirashid** **Implementation Date:**	

Expenditures Findings

Finding n°: 12	**Unsupported Expenditures.**
Criteria: Section 30(7) of the PFM Act states that each minister or head of a budgetary institution or agency is responsible for filing, maintaining, and keeping safe all documents related to public finance transactions, in a manner and for the duration prescribed in accounting regulations.	

In addition, regulation 10 of the PFM Act sub subsections 3.2 and 3.2, clearly state the record keeping of the financial documents

Condition

According to the financial statements for the year-end 2024, from Notes 10 to 30, a total of **$44,627,691.00** was incurred as expenditures.

During our audit, we sampled **$12,756,883.81** of this amount, which represents 29% of the total expenditure incurred by the state for the financial year 2024.

Our review of the expenditure process and testing of the controls, as well as a review of the supporting documentation, revealed several audit issues that affect the accuracy, occurrence, and classification of expenditures incurred.

On the expenditure amount totaling **USD 1,174,587**, representing 3% of the total expenditures, lacked evidence of delivery of goods, work performed, or services rendered. As a result, the accuracy of these amounts and their proper classification could not be confirmed.

Appendix 5: Incomplete Supporting Documents-Expenditures

Additionally, we found that Expenditure amounting to **$2,834,541** of the expenses reviewed lacked evidence of occurrence and were deemed to be unsupported. The expenditures relating to regular food, daily meals, travel, repairs, medical supplies, and construction materials lacked basic support documents such as local purchase orders, local service orders, contracts, invoices,

Appendix 6: No supporting Documents- Expenditure:

Implications:

The lack of proper supporting documents creates a risk of inaccurate, incomplete, or misclassified revenue reporting.

In addition, Noncompliance with section 30 (7) of the PFM ACT will also have an operational effect on the ministry as a whole.

Risk Rating -High

Recommendation:

Management should ensure that all financial transactions are supported by complete and appropriate documentation before approval and payment. In addition, the ministry should ensure that supporting records are properly maintained and easily accessible for verification.

Comments From MoF-JSS:

The ministry has got proper filing system where all documents are fully authorised and approved. No payment has ever been incurred without approval.

The ministry is fully compliant with Section 30(7) of the PFM Act.

Further comments

Please share evidence to support your assertion; hence, the finding remains

Responsible Officer: **Implementation Date:**

Finding n°: 13	**No supporting Documents- Staff salaries (Teachers and Health Workers).**
Condition; Jubbaland expenditures for the financial year 2024 include **1,069,956.00,** which was for teachers and Health workers. Out of this, we sampled **427,982.40**, which is 40% out of this, we have noted that **252,044.74** lacked timesheets **Appendix 7: Salaries, Teachers, and Health Workers - No supporting Documents:**	
Implications: Lack of timesheets means that we could not confirm whether salaries payments were evidenced by work done.	
Risk Rating -High	
Recommendation: The ministry should ensure that time sheets are kept for by all workers.	
Comments From MoF-JSS The teachers and FHWS have been recruited through the civil service procedures, and they have also been verified by the Monitoring agent (Abyrnt) during the hiring process. The World Bank supervision has also confirmed the process recruited by the teachers and FHWS. In terms of the payment process, teachers and FHWS who have undergone the recruitment process and have been confirmed by the monitoring were only eligible for payment. The hiring documents are available at the CSC office and will be shared to you soon. **Responsible Officer**: Faisal **Implementation Date:** **Further comments,** Kindly provide the timesheets	

Finding n°: 14	Unsupported Security Payments

Condition:

During our audit, we observed that expenditures in the security sector amounted to **$7,651,260** for the financial year under review. Out of this, we sampled $ **4,042,600.00,** representing 9 % of the total expenditures, which did not have the appropriate supporting

However, management was unable to provide appropriate supporting documentation (e.g., invoices, contracts, receipts, or payment vouchers and employee list) for the sampled transactions. This lack of supporting evidence made it impossible to verify the validity, accuracy, and completeness of the expenditures incurred during the period

Appendix 8 -Unsupported Security Payments.

Implications:

The absence of supporting documents creates a risk of misstatement or fraud, as expenditures may have been misstated or misappropriated.

In addition, Weak accountability and poor documentation practices may indicate non-compliance with public financial management laws/regulations.

Failure to maintain adequate records undermines transparency and public trust in the management

Risk Rating -High

Recommendation:

Management should ensure that all financial transactions are supported by complete and appropriate documentation before approval and payment. In addition, the ministry should ensure that supporting records are properly maintained and easily accessible for verification

Comments From MoF-JSS:

Security Payments are requested and authorised by the Ministry of Internal Security and approved by the Ministry of Finance after confirming that the documents are complete. At the moment, the only document that cannot be verified is the list of the security personnel. However, there is an ongoing review process for the biometric system to be implemented

Responsible Officer:

Implementation Date:

Procurement Findings

Finding n°: 15	Weaknesses in procurements

Criteria

Under Section (6), paragraph (3), Section 7, and Section 30, paragraph (5) and (6) of the PFM ACT 2017, under regulation 8, specify the procurement policies and procedures required.

Under the regulations, subsections (2) and (3) specify the establishment of the procurement committee, oversight, and record keeping, as well as the procurement planning, implementation, and reporting.

The procurement policy outlines specific provisions and guidelines for acquiring goods and services through both single-sourcing and shopping methods.

Condition

During our audit, we identified several violations of the procurement policy, including:

1. In procurement, we observed widespread noncompliance with established policy. I identified several purchases that should have followed the competitive method of procurement such as request of quotation, advertisement and national tendering as per the procurement policy were processed through single-sourcing without justification. These violations undermine transparency, competitiveness, and accountability in the use of public resources.

Implications:

The failure to comply with the procurement policy and regulation risks the state not achieving the best value for taxpayers and donor funds. Moreover, not following established procurement protocols can result in malpractice during the procurement process, leading to potential unfairness in awarding government contracts

Risk Rating -High

Recommendation:

Competitive procurement procedures must be followed in accordance with the guidelines. The Ministry should ensure that the procurement of goods and services aligns with the procurement policy, and any instances of single sourcing should be well-documented with justifications.

Comments From MoF-JSS:

We are fully compliant with the state law under Section (6), paragraph (3), Section 7, and Section 30, paragraph (5) and (6) of the PFM ACT.

We have a fully established procurement committee, an annual procurement plan, . See the link below.
D:\Head of EAFS\Finance\Payment\EAFS SOEs Submitted\RCRF\2024\SOE# 047 NSRC\Procuremet Plan.pdf

D:\Head of EAFS\Finance\Payment\EAFS SOEs Submitted\RCRF\2024\SOE# 047 NSRC\procurement commitee.pdf We also have a prequalified list. Due to the sensitivity of some information, we apply a single source. **Responsible Officer**: **Aden** **Implementation Date:** **Further comments:** **We have reviewed the evidence shared and accepted the documents sent; however, single-sourcing findings remain, as the Ministry was unable to provide evidence**

Weakness in fixed assets

Finding n°: 16	**Weaknesses identified in the management of fixed assets**
Condition: -Section 6 (2) of the PFM ACT specifies that the minister's specific roles include the management of government property, including the fixed assets, financial assets as specified in the Act. As part of our audit objectives, we are required to assess the controls over the state assets; however, during our audit, we requested the ministry to provide the assets register so that we can verify the controls around the assets. Nevertheless, the ministry did not provide the asset register, preventing the audit from verifying the existence, ownership, and condition of state assets. Consequently, we could not determine whether physical verification is conducted or whether assets are tagged for identification	
Implications: Without a comprehensive asset register, the reliability of the financial records is compromised, as assets may be overstated or understated. In addition, the absence of a proper register creates significant control weaknesses. it becomes easier for assets to be stolen, misplaced and misused. It also limits the management's ability to track asset condition, ensure accountability, and plan for maintenance or replacement.	
Risk Rating -High	
Recommendation: We recommend that the ministry develop and maintain a comprehensive asset register, conduct periodic physical verification of the assets, and ensure all assets are tagged and recorded to strengthen accountability and safeguard state property	
Comments From MoF-JSS: All assets are tagged and registered in the asset management system, though the system is under maintenance **Responsible Officer**:	

Implementation Date: **Further comments,** No evidence was shared; the finding remains

Internal Audit Weakness

Finding n°: 18	**Internal Audit Weakness**
criteria Section 34 (2,3) of the PFM Act specifies the work of the internal audit at the ministry level; however, Subsection 4 of the act clearly states that the internal audit reports shall be made available to the Auditor General, and the Auditor General shall produce an annual audit report on internal controls over financial reporting, including an evaluation of the internal audit. **condition** Therefore, upon evaluating the internal audit unit at the ministry, we noted the following • No internal audit committee to support the work of the internal audit function • No approved internal audit charter • No approved internal audit work plan • No internal audit reports in the whole year • The unit is also understaffed and does not have the necessary competencies and capacity to carry out the internal audit function	
Implications: Internal audit is very important and helps to strengthen the internal control within the ministry; without internal audit, control weaknesses and poor implementations of the audit recommendations will be seen	
Risk Rating -High	
Recommendation: The Ministry needs to strengthen the internal audit departments in compliance with Section 34 of the PFM ACT. The internal audit departments need to develop and implement a comprehensive annual audit plan and ensure the timely preparation and submission of internal audit reports. The ministry has to develop a system to monitor and follow up on audit findings and recommendations.	
Comments From MoF-JSS: We have an internal audit department, but it is not fully functional. The Ministry has a plan to fully operationalise the department	

Responsible Officer: **Implementation Date:**

Weakness in ICT

Finding n°: 19	**Weakness in the ICT**
Condition: During the audit, we assessed the control in the ICT within the ministry, and after review, we noted the following: • The state lacks an IT strategic plan that aligns with its operational needs, • No formally documented and approved procedures for managing system upgrades and changes. • There is no register tracking access to the server room, indicating a lack of control over who enters and for what purpose. • No service level agreement between the ICT ministry and its vendors, and the server room is missing crucial safety equipment, such as smoke detectors and fire extinguishers • No disaster recovery plan	
Implications: There is a risk that the state might lose its data, with no disaster recovery plan in place	
Risk Rating -Medium	
Recommendation: We recommend that the state establish a Strategic Committee to develop and implement a Disaster Recovery Plan, an IT Strategic Plan. In addition, we recommend that the ministry establish and formalize documented processes for managing system upgrades and changes.	
Comments From MoF-JSS: The Ministry has draft ICT Policy in place. See the link below. ..\OneDrive\Desktop\ICT Dcouments **Responsible Officer**: **Implementation Date:** Further comments, The link does not sufficiently support your assertion; hence, the finding remains	

Previous Audit Recommendations

We found that the Ministry did not implement the recommendations provided by the OAG for the financial year 2023. The status of implementation is as presented below: Out of the 9 recommendations given in the previous year, the ministry has not implemented any of the recommendations provided.

No	Area	Recommendation	Risk Rating	Status
1	**Lack of supporting documents for own source revenues recorded and misclassification of revenues** We have noted various weaknesses in the collection, management, and recording of local revenues as follows; • We noted that some of the state's source revenue, totalling $4,848,333, had inadequate supporting documentation we could not confirm whether the amounts had been recorded under the correct tax codes. The revenues were booked in different tax codes, including and not limited to visa fees, property tax, khat, and landing fees	All transactions should be backed up by original source documents and recorded into the correct tax code	**High**	**Not Implemented**
2	***Manual collections of the Revenue*** Collection receipts were written manually, which lacked assurance on the collection and recording of certain revenues.	The MoF should implement an automated revenue collection system and replace manual processes, which could result in the state losing revenue in the process of manual collections	**High**	**Not Implemented**
3	***Lack of an automated interface between RMS and FMIS may lead to variances between the two systems*** The office of the auditor general, during the audits, has identified an inconsistency between the amount recorded in the RMS and FMIS	The ministry has to ensure period reconciliations between the RMS and the FMIS.	**High**	**Not Implemented**
4	***Loss of revenue as a result of non-payment of lease rentals by private entities occupying government properties and failure to meet the contractual terms arising from the lease agreements.***	The collection agents have to pay the rental and fulfill the contractual agreements as per the contract	**High**	**Not Implemented**

	We noted instances where some collection agents did not pay leasehold rentals, contrary to agreements signed with the government			
5	Expenditures are not sufficiently supported, which can result in ineligible expenditures and misstatements of the financial statements.	The expenditures should be properly supported	High	**Not Implemented**
6	Expenditure lacks proper supporting documents, including evidence of goods delivered or services rendered documentation	All supporting documentation should be supported by complete and appropriate documentation before approval and payment	High	**Not Implemented**
7	We have noted that the state operates multiple manual payrolls for temporary staff, legislature, political appointees, security sector, etc.	The state should only use an automated payroll process for all payments related to the payroll of staff, legislature, and political appointees	High	**Implemented**
8	**Procurement findings** • Single sourcing of some suppliers without adequate justification • No evidence of preparations and review of bid evaluations, recommendations of awards, award notifications, notifications of losing bidders, and contracting process documentations • Lack of quotations, bid documents, and bid analysis for some procurements Inadequate listing to verify the prequalification process for vendors and service providers	The ministry should ensure that to follows the procurement policies and keeps all records of the procurement process. All single-source procurements need to have justification, and evidence of procurement documentation should always be supported	High	**Partially Implemented,** No evidence was shared to support that the ministry partially implemented this previous recommendation
9	**Fixed Assets** • The register also fails to record disposals made during the year • The register does not list certain state-owned assets, including land, buildings, and motor vehicles. • It was also observed that some assets at the Ministry of Planning, the Ministry of Education,	The fixed assets should always have a record of disposal. The ministry also needs to register the state-owned assets; all assets have to be tagged, and periodic asset verification needs to be conducted	High	**Not Implemented**

	and the Civil Service Commission were not tagged • There are no procedures for periodic asset verifications. The fixed asset register did not include a list of additions for the year			