

FEDERAL GOVERNMENT OF SOMALIA

STATEMENT OF FINANCIAL TRANSACTIONS

MONTH OF MARCH 2018

KEY POINTS:

- The **fiscal (cash) balance** for March 2018 was \$2,760,504
- **Revenues** for the month were \$22,683,861
- **Expenditures** for the month were \$19,923,357

SUMMARY TABLE

Fiscal Variable	2018				Pro-rata YTD March [25%]	%Growth Q1 2018 over Q1 last year
	Approved Budget	Year to February	Month of March	Cumulative 3months		
Revenue	274,630,191	31,393,195	22,683,861	54,077,056	19.7%	4.1%
Domestic Revenue	156,027,305	20,092,473	22,157,071	42,249,544	27.1%	61.2%
- Tax revenue	127,180,000	14,962,359	15,317,960	30,280,319	23.8%	39.4%
- Non-tax revenue	28,847,305	5,130,113	6,839,111	11,969,225	41.5%	167.3%
Grants	118,602,886	11,300,722	526,790	11,827,512	10.0%	-54.1%
Expenditure	274,630,191	29,638,308	19,923,357	49,561,665	18.0%	-4.4%
Compensation of employees	139,712,784	20,419,336	11,375,374	31,794,710	22.8%	13.1%
Goods and Services	93,123,758	5,828,776	5,200,255	11,029,031	11.8%	-37.9%
Grants	23,740,000	2,937,325	2,278,696	5,216,020	22.0%	151.3%
Contingency	2,500,000	340,473	264,441	604,914	24.2%	
Repayment of arrears and advances	-	-	-	-		
Capital	15,553,649	112,398	804,591	916,990	5.9%	-11.1%
Balance	0	1,754,887	2,760,504	4,515,390	1.6%	

OBSERVATIONS FOR YEAR TO DATE END MARCH 2018

REVENUE

- **Domestic revenues** started well during Q1 of 2018, realizing 27.1% of the annual budget, which was above the 25% pro-rata expectation for the first three months of the fiscal year. The \$54.1 million collection also represented a 61.2% increase over the Q1 collection from domestic revenues for last year (thanks to the ongoing improvements in tax administration).
- **Tax revenues** performed at 23.8% (instead of the expected 25%) while **Non-Tax Revenues** (NTRs) performed way beyond the pro-rata expectation, at 41%.
- **Grants** from international donors brought in 10% of the annual budget for the first 3 months, which was far below the 25% pro-rata expectation. Grants would have performed stronger, however some disbursements from the *Recurrent Costs and Reform Financing Project* were withheld pending clarification on their eligibility status.

EXPENDITURE

- Expenditures are being cash limited under sequestration rules to match available revenues. Of the \$54.1 million revenues collected, only 91.7% was spent, leaving the 8.3% as a saving.
- When compared to the annual budget, expenditure performed at 18%, and registered a -4.4% decrease over 2017 Q1 expenditure. This performance reflects the improved prudence in the way FGS budgetary resources are now being controlled, and also a commitment to the implementation of the fiscal rules set in the 2018 budget.