

JAMHUURIYADDA FEDERAALKA  
SOOMAALIYA  
XAFIISKA XISAABIYAHA GUUD  
EE DOWLADA



جمهورية الصومال

مكتب المحاسب العام

**The Federal Republic of Somalia**  
**Office of the Accountant General**  
**External Assistance Fiduciary Section**

REF-XXG/96/2016

Date: February 14, 2016

World Bank  
International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

**Sub: Submission of Q4 2015 Interim Financial Report IFR**

Project name: ICT Sector Support in Somalia Phase II (P152358)

Dear Sir,

We are hereby submitting the Interim Financial Report for the ICT Phase II Project (P152358) as part of the project quarterly report covering the period from October 1 – 31 December, 2015. We the undersigned, confirm the accuracy of the report to the best of our ability.

Yours Sincerely

Ahmed Yusuf Mumin  
Accountant General

Mohamud Abdulkadir Arale  
Director of EAFS

Copy to: Leonard Matheka  
World Bank, Nairobi – Kenya.

Somalia: Information Communication Technology (ICT)

Grant No. TF017371

Project Number: P148588

Accumulated Interim Unaudited Financial Report

For the period October to December 2015



## **Report of the Independent Auditor**

**To: The Project Management**

### **Report on the financial statements**

We have audited the accompanying financial statements of Information and communication technology support Phase II Project ("the Project"), funded by the International Development Association ("IDA") under the Grant Agreement No TF0A0175, which comprise the statement of financial position as at 31 December 2015 and the statement of receipts and payments for the year then ended, and the notes thereto ("the financial statements") as set out on pages 3 to 11. The financial statements have been prepared by Project Management.

### **Project Management's responsibility for the financial statements**

Project Management is responsible for the preparation of the financial statements in accordance with the International Public Sector Accounting Standards and for such internal control as Project Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

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

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

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

## Opinion

In our opinion, except for the effects on the project financial report of the matters referred to above, the financial statements present fairly the cash receipts and payments of the project during the year ended 31 December 2015 and comply with the related grant agreement

## Emphasis of Matter

Without modifying our opinion, we draw your attention to the fact that the financial statements have not been prepared in full compliance with the International Public Sector Accounting Standards (IPSAS) issued by the Public Sector Committee of the International Federation of Accountants. This is because the financial statements lack notes to the financial statements, accounting policies applied to the project as required by the IPSAS.

We further draw your attention to the significant control deficiencies as well as instances of non-compliance which we have provided in a separate management letter. Our audit engagement required an assessment of the controls and procedures applied on the project as well as compliance with the contractual conditions. We have detailed deficiencies identified in this regard on a separate management letter as required by our terms of reference.

Yours faithfully,



**Dr Nur Farah**

**Auditor General, Federal Government of Somalia  
(FGS)**

Date 30/06/2016

**Villa Somalia**

**Mogadishu**

Somalia: Information Communication Technology (ICT)  
 Grant No. TF017371  
 Project Number: P148588  
 Interim Unaudited Financial Report  
 Cash book for the period of October - December 2015  
 Account Number: 1020  
 Account Name: Information Communication Technology

DETAILS			DESCRIPTION				COMPONENTS AND CATEGORIES						
Date	Cheque No.	Voucher No.	Description	World Bank Funding US \$	Other incomes US \$	PAYMENTS US \$	CUMMULATIVE BALANCE US \$	BANK CHARGES		Recipient Executed Component 2: Efficiency and equity in access to connectivity (RE)			PROJECT ADVANCES US \$
								Bank Charge	Bank Commissions/ Other charges US \$	2.1 Open access to international bandwidth US \$	2.2 Communication rooms in key ministries US \$	2.3 Project Management Unit US \$	
1-Sep-15			Balance B/F	18,293.16	-	-	18,293.16		-				
24-Oct-15	F35		Deposit	111,627.17			129,920.33						
24-Oct-15			Bank Charges			21.83	129,898.50	21.83					
24-Oct-15			Bank Commission 1.5%			1,674.08	128,224.42		1,674.08				
25-Oct-15	pv-281/10/2015		Consultancy fees Engineering for office renovation- Ab Hussein			17,500.00	110,724.42						17,500.00
9-Nov-15	PV-52/11/15		Dalkoni installment payment			104,000.00	6,724.42			104,000.00			
							6,724.42						
							6,724.42						
							6,724.42						
							6,724.42						
							6,724.42						
							6,724.42						
			TOTALS FOR THE PERIOD	129,920.33	-	123,195.91	6,724.42	21.83	1,674.08	104,000.00	-	17,500.00	-
			CUMMULATIVE TOTALS	129,920.33	-	123,195.91	6,724.42	21.83	1,674.08	104,000.00	-	17,500.00	-

Prepared by: Abdiqaziz Arke

Signature: Abdiqaziz Date: 31.12.2015

123,195.91

Reviewed by: A.S. Hussein

Signature: [Signature] Date: 31/12/2015

Approved by: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_



Somalia: Information Communication Technology (ICT)

Grant No. TF017371

Project Number: P148588

Interim Unaudited Financial Report

Trial Balance

ACCOUNT CODE & DESCRIPTION		DEBIT	CREDIT
Code	Account		
	Grants from international organizations (multi-lateral)		129,920.33
	Other Income		
	Salaries & Allowances	17,500.00	
	Open Access to International bandwidth	101,000.00	
	Communication Rooms in Key Ministries		
	Advances		
	Bank Charges	1,695.91	
	Bank balances	6,724.42	
	Totals	129,920.33	129,920.33

Prepared by: Abdiaziz Arke Signature: Abdiaziz Date 31.12.2015

Reviewed by: A.S. Hussain Signature: [Signature] Date 31/12/2015

Approved by: \_\_\_\_\_ Signature: \_\_\_\_\_ Date \_\_\_\_\_



Somalia: Information Communication Technology (ICT)

Grant No. TF017371

Project Number: P148588

Revenue and Expenditure Statement

DESCRIPTION	NOTES	AMOUNT IN USD
<b>A REVENUES</b>		
External Grants - Multilateral		129,920.33
Other Income		-
Bank Interest		-
<b>TOTAL REVENUES</b>		<b>129,920.33</b>
<b>B EXPENDITURES</b>		
Compensation of employees		17,500.00
Use of Goods and Services		105,695.91
<b>TOTAL EXPENDITURES</b>		<b>123,195.91</b>
<b>Surplus for the year</b>	<b>(A) - (B)</b>	<b>6,724.42</b>

Prepared by: Abdirizq Artax Signature: Abdirizq Date 31.12.2015

Reviewed by: A. S. Hussein Signature: [Signature] Date 31/12/2015

Approved by: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_



Somalia: Information Communication Technology (ICT)

Grant No. TF017371

Project Number: P148588

Balance Sheet

DESCRIPTION	NOTES	AMOUNT IN USD
<b>A ASSETS</b>		
Cash and Cash equivalents		6,724.42
Advances		
<b>Total assets</b>		<b>6,724.42</b>
<b>B REPRESENTED BY</b>		
Net surplus of the current year		6,724.42
<b>Total closing balances</b>	(A) - (B)	<b>6,724.42</b>

Prepared by: Abdiaziz Arte Signature: Abdiaziz Date 31.12.2015

Reviewed by: A.S. Hussein Signature: [Signature] Date 31/12/2015

Approved by: \_\_\_\_\_ Signature: \_\_\_\_\_ Date \_\_\_\_\_





Somalia: Information Communication Technology (ICT)

Grant No. TF017371

Project Number: P148588

Cash flow Statement

DESCRIPTION	NOTES	AMOUNT IN USD
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net surplus for current year		6,724.42
Changes in accounts receivable		-
Changes in accounts payable		-
Net receipts controlled by third parties		-
Purchase of property, plant and equipments (Capital expenditure)		-
Net lending and repayments		-
Proceeds from external borrowing		-
Proceeds from domestic loans		-
<b>Net Cash generated from operating activities</b>		<b>6,724.42</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments (Capital expenditure)		-
<b>Net cash from/(used in) investing activities</b>		<b>-</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from External borrowings		-
Net lending and repayments		-
Proceeds from domestic loans		-
<b>Net cash from/(used in) financing activities</b>		<b>-</b>
<b>D Net increase in cash and cash equivalents</b>		<b>6,724.42</b>
<b>E MOVEMENTS IN CASH AND CASH EQUIVALENTS</b>		
At start of year		18,293.16
Net increase in cash from the cash flow statement		6,724.42
<b>At end of year</b>		<b>25,017.58</b>

Prepared by: Abdiaziz Arte Signature: [Signature] Date: 31.12.2015

Reviewed by: A.S. Hussein Signature: [Signature] Date: 31/12/2015

Approved by: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_



Somalia: Information Communication Technology (ICT)

Grant No. TF017371

Project Number: P148588

Interim Unaudited Financial Report

Bank Reconciliation Statement

Account Number: 1020

Account Name: Information Communication Technology

DESCRIPTION	AMOUNT IN USD
Balance as per Bank Statement as at 31/12/2015	18,293.16
Deduct: checks issued and transfers requested, not yet presented/charged by the bank (list attached)	-
Add: deposits, not yet credited by the bank (detailed individually)	-
Add/deduct: errors or omissions by the bank, not yet adjusted (detailed individually below)	-
Total Receipts and Bank Interest to date, per the cash book	111,627.17
Less: Total payments and bank charges as at 30th September 2015	(123,195.91)
Balance as per Cash Book as at 31/12/2015	6,724.42
Variance	

Explanation :

Prepared by: Abdiaziz Ark Signature Abdiaziz Date 31-12-2015

Reviewed by: A.S. Hussein Signature [Signature] Date 31/12/2015

Approved by: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_



Somalia: Information Communication Technology (ICT)

Grant No. TF017371

Project Number: P148588

Interim Unaudited Financial Report

List of Unpresented Cheques as at 30th September 2015

Account Number: 1020

Account Name: Information Communication Technology

Date	Cheque No.	Details	Amount US \$
		Total	-

LIST OF ERRORS BY THE BANK NOT YET ADJUSTED AS AT 30TH SEPTEMBER, 2015			
Date	Cheque No.	Details	Amount US \$
		Total	-

Prepared by Abdiaziz Arte Signature Abdiaziz Date 31.12.2015

Reviewed by A.S. Hussein Signature [Signature] Date 31/12/2015

Approved by \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_



Somalia: Information Communication Technology (ICT)

Grant No. TF017371

Project Number: P148588

Interim Unaudited Financial Report

Disbursements & contract Status Report

Account Number: 1020

Account Name: Information Communication Technology

COMPONENT	Budget item description	Total Contract Value/Budget US \$	Previous period Contract Payments US \$	Current period Contract Payments US \$	Total Contract Payments US \$	Contract Value/ Budget Balance US \$
Component 2-	Recipient Executed Component 2: Efficiency and equity in access to connectivity (RE)					
	2.1 Open access to international bandwidth		-	104,000.00		-
	2.2 Communication rooms in key ministries		-	-	17,500.00	-
	Consultancy fee for the engineer at the renovation of office	NA	-	17,500.00	17,500.00	-
	2.3 Project Management Unit					
	<b>Grand Total</b>	-	-	-	17,500.00	-

SUMMARY RECEIPTS & PAYMENTS		AMOUNT USD
<b>Receipts</b>		
Receipts from the Grant		129,920.33
Other Receipts (if any)		-
<b>Total Receipts</b>		<b>129,920.33</b>
Bank Interest		#REF!
<b>Total Receipts and Bank Interest</b>	#REF!	
<b>Payments</b>		
Total Cumulative Payments		121,500.00
Bank Charges & other Charges		1,695.91
<b>Total Payments, Bank Charges &amp; Other charges</b>		<b>123,195.91</b>
Cash at Hand	#REF!	
<b>Represented By:</b>		
DA Balances		6,724.42
Project Advances (if any)		-
Others (List)		
		<b>6,724.42</b>

#REF!



Note: The project advances is in respect of payments that were made in respect of bank executed activities under Component 1  
The amount is to be refunded.

Prepared by Abdour A/k Signature Abdour Date 31.12.2015

Reviewed by A.S. Hussein Signature [Signature] Date 31/12/2015

Approved by \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Somalia: Information Communication Technology (ICT)  
 Grant No. TF017371  
 Project Number: P148588  
 Interim Unaudited Financial Report  
 Statement of Sources and Application of Funds  
 Account Number: 1020

Account Name: Information Communication Technology

DESCRIPTION	NOTES	AMOUNT IN USD
<b>A RECEIPTS</b>		
<b>A1 Balances B/F</b>		
Withdrawal Applications		
Other Receipts (if any)		
Bank Interest (if any)		
<b>A2 Receipts During the Period</b>		
Withdrawal Applications		129,920.33
Bank Interest (if any)		
<b>Total Receipts to Date</b>	<b>A1+A2 = A3</b>	<b>129,920.33</b>
<b>B DISBURSEMENTS</b>		
<b>B1 Balances B/F</b>		
Recipient Executed Component 2: Efficiency and equity in access to connectivity (RE)		
2.1 Open access to international bandwidth		
2.2 Communication rooms in key ministries		
2.3 Project Management Unit		
Bank charges, commissions and other charges		
<b>Sub-total</b>	<b>B1</b>	
<b>B2 Prior Periods Adjustments</b>		
Recipient Executed Component 2: Efficiency and equity in access to connectivity (RE)		
2.1 Open access to international bandwidth		
2.2 Communication rooms in key ministries		
2.3 Project Management Unit		
<b>Sub-total</b>		
<b>B3 Disbursements During the Period</b>		
Recipient Executed Component 2: Efficiency and equity in access to connectivity (RE)		
2.1 Open access to international bandwidth		104,000.00
2.2 Communication rooms in key ministries		
2.3 Project Management Unit		17,500.00
Bank charges, commissions and other charges		1,695.91
<b>Sub-total</b>	<b>B3</b>	<b>123,195.91</b>
<b>Total Disbursements to date</b>	<b>B1+B2+B3 = B4</b>	<b>123,195.91</b>
<b>Fund Balance as at 31st December 2015</b>	<b>B3 - B4</b>	<b>6,724.42</b>

Prepared by: Abdiaziz Arto Signature: Abdiaziz Date: 31/12/2015

Reviewed by: A.S. Hussein Signature: [Signature] Date: 31/12/2015

Approved by: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_



