

CABRI Secretariat Annual Report 2023/24

CABRI 

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Table of Contents

3	Highlights and Executive Overview
5	CABRI Programmes
16	Knowledge Development and Exchange
20	Network Governance and Operations
28	Annexure 1: Expenditure Report
29	Annexure 2: Cash Flow Statement
30	Annexure 3: Annual Financial Statements





Highlights and Executive Overview

This report provides a description of the outputs and work activities achieved by the CABRI Secretariat for the year. This was executed against the approved 2023/24 work plan and annual budget and overseen by CABRI's Management Committee.

Highlights of the year include:

- The continued commitment to good governance within the Secretariat, as highlighted through an Institutional review and strengthening of CABRI's Rules and Procedures and an unqualified 2022/23 audit in terms of the International Financial Reporting Standards (IFRS) – the 8th consecutive unqualified audit outcome. Further strengthened with the effective oversight of quarterly statutory meetings with the CABRI Management Committee and the bi-annual meetings of the General Assembly.
- In-depth stakeholder engagements, namely through CABRI's frequent meetings with member countries collectively and individually and through frequent technical and funding partner engagements. Noteworthy were the meeting with the Minister of Finance of The Gambia, the Senegalese Ambassador to South Africa and the Swedish Ambassador to South Africa.
- The successful execution of various CABRI Public Finance division programmes, namely the Building Public Finance Capabilities (BPFC) in Africa programme, the BPFC for Children, the Voluntary Tax Compliance programmes as well the Sustainable Public Debt programme and various knowledge products. The period was also marked by a significant increase in in-person meetings/events.
- The development of CABRI's Strategic Plan for 2024-2029 which gives expression to the priority needs of our member countries and partners.
- A new Partnership agreement with the Bill and Melinda Gates Foundation for work on digital Public Finance Management that will focus on engendering improvement in delivery of services through digital innovations.

In 2023/24 there was an explicit intention to strengthen the operational efficiency of CABRI. This imperative is related to the modernisation and maturation of the organisation, as well as to the strengthening of its governance. At the centre of this change were formally approved changes in CABRI's key policies and rules and procedures, which comprise the ambit of the Secretariat's operations. CABRI's organisational structure design was reviewed and a new organogram was formally approved. Within the Secretariat much effort was undertaken successfully to review and amend various work processes and procedures accordingly. This was under the guidance of a new Executive Management team, who joined CABRI's employment at the beginning of the 2023/24 financial year.

Concurrently, CABRI's work programmes of the public finance division continued and were shaped by its commitment to peer learning, an in-depth understanding of local country contexts and a unique approach PFM. CABRI's flagship programme, the Building Public Finance Capabilities (BPFC), uses a problem-driven iterative adaptive approach championed by CABRI in Africa, and has been systematically tailored and executed in refined ways over time. In 2023/24 the BPFC programme formed the basis of our work with 4 countries in the BPFC in Africa programme, 5 countries in the BPFC for Children (BPFCC) in collaboration with UNICEF ESARO and in collaboration with the Swedish Tax Agency (STA), with the third and fourth country cohort of 4 country-teams working on voluntary tax compliance problems.

Over time, as more country teams from the same public sector institutions participate in its BPFC programmes, CABRI is approaching the point of critical mass of Alumni, and CABRI ambassadors, who carry new insights and knowledge and are able to further institutionalise this new approach to reform. 2023/24 saw once again former participants being promoted to senior leadership positions within their institutions and championing the approach as the Authorisers of country teams. This and independent evidence-based evaluation¹ has shown that our work that focuses on empowering local officials and building capabilities from within, has the greatest potential to improving PFM systems in the longer-term.

Furthermore, as more countries participate in CABRI programmes to tackle various public finance problems, CABRI continued to gain a deeper understanding of what works and what doesn't, in various country-contexts. This places CABRI in a better position to identify where peer-learning can be most useful for its member countries. CABRI has also been able to share these insights as part of its policy dialogues and with the international community.

Fully mindful of the ever-changing PFM terrain owing to the complexity of global economic fluctuations, climate changes and other challenges to country resilience, and the changing geopolitical landscape, CABRI enters its sixth strategic phase, the Expansion Phase. Based on the stability of institutional strengthening built organisationally in 2023/24, CABRI is well poised for Expansion. Over the next five years the PFM strategic focus will be on the maturation of CABRI's customised methodological approaches in repositioning CABRI for Expansion, in order to extend country PFM support in this time of global fiscal crisis.

CABRI's array of diverse technical programmes, will be viewed in terms of three purposefully-focussed work areas aimed at generating demonstrable country PFM reform results, i.e. PFM Reforms and Systems with a re-emphasis on truly functional approaches to PFM reforms, Sector PFM to align PFM practices to the specific imperatives of sectors, and PFM Sustainability and Inclusion targeting economic sustainability of a cross-cutting sector nature which is underpinned by equitable development and social inclusion. Gearing for expansion in the future across these work areas will require a firm focusing on country-tailored solutions, scaling work for effectiveness and impact, and resilience and adaptability.

Ever centered on the unique network of senior officials in Africa across our member countries, the real-world Public Finance experts, and set upon our past achievements of strengthening member engagement, impactful capability building, thought leadership and advocacy, innovative programmes, and flexible responses to challenges, CABRI enters its Expansion Phase. There will be specific focus on the continuation of recruitment of CABRI PFM staffing capacity and a purposeful increase in the secondment of budget official personnel from African finance ministries.

CABRI Programmes





Building Public Finance Capabilities

Building Public Finance Capabilities in Africa (BPFC)

CABRI's BPFC is its flagship programme that aims to strengthen institutional capabilities to tackle complex public finance problems, using the Problem-driven Iterative Adaption approach (PDIA). The approach favours problem-driven, local ownership and agency and an adaptive approach to public sector reforms.

In 2023/24, CABRI's resumed its BPFC in Africa programme, with the participation of 4 country-teams from Benin, Guinea, Lesotho and Nigeria. After attending an official launch in April and going a 5-week online course in May, teams attended a framing workshop in June, in Pretoria, South Africa, to further apply the PDIA approach in the context of their nominated Public Finance Management (PFM) problems, more specifically to deconstruct the problems into their causes and sub-causes, identify entry points to reform with the greatest space to act on, and action ideas.

Following the framing workshop, teams went through an action-learning period, working in small iterative feedback loops, to further deepen their understanding of the problem and its causes, their space for change and political economy constraints and to experiment with different solutions in an iterative and adaptive way.

During this period, the teams also attended two review workshops, one which was done virtually in August 2023 and an another in-person, in March 2024, to report back on progress achieved, present new recent learnings, and to define new objectives and next steps going forward. The workshops also allowed for peer feedback and reflections on each other's progress toward PFM reform.

Throughout the process, the country teams were each supported by a dedicated CABRI coach, who regularly met them and undertook in-country missions to facilitate the PFM learning within the team, help them navigate the team dynamic and more broadly, the complexities of their country reform imperatives.

The problem statements and progress of teams are set out on the following page.

Most importantly, the programme has also allowed country team participants to develop new competencies and capabilities in introducing PFM praxis, that enhance their critical thinking on what works and what doesn't and empowers them to take ownership of broader PFM reforms in their countries.

In July 2023, CABRI was key presenter of a PDIA learning and review session with the government of the Western Cape province in South African, to share key lessons from applying the PDIA approach.

Public finance problem

BENIN

Low execution levels of productive infrastructure projects in the agriculture sector financed through own (government) resources

Key achievements (after 10 months of action-learning)

- The team held various consultations and surveyed key stakeholders to determine the causes of delays in operationalizing the infrastructure budget, namely with regard to the approval of annual workplans well as execution challenges in procurement and cash availability.
- The team uncovered that delays often occur in the procurement stage as a result of non-adherence to turnaround times. They investigated specific procurement projects within the agriculture sector and identified that these delays often occur as a result of the complexity of documents/requirements of service providers – which they are reviewing. Given the low number of available suppliers currently, the team is also ascertaining how they can better support other/smaller companies in accessing these tenders.
- The team is reviewed mechanisms of engagement between the Ministry of Agriculture and the Analysis and Investigative Office, to ensure the timely approval of annual workplans.

GUINEA

Significant accumulation of internal arrears in payments within public sector institutions, which impact the implementation of public policies, penalize service providers and taint the credibility of the State

- The team held several consultations with relevant stakeholders to determine the extent of payment arrears and identified the priority sectors which hold most of these arrears. They fall particularly within the energy sector (state owned energy company). The team aims to continue further engagement with a view to finding tailored solutions for this sector.
- The team proposed solutions to improve budget forecasting techniques, in order to ensure greater credibility and reliability of revenue forecasts (observers for board of directors in State Owned companies, integrate specific tax baselines in the forecasting models of the Ministry, etc)
- The team proposed to implement an early warning system embedded in their financial information system, which will send an alert of impending payment deadlines – and confirmed the feasibility of this proposal with their IT department

LESOTHO

Low access to clean and potable water due to poor water infrastructure

- The team consulted with the project cycle management unit to understand the various organizational structures that provide input into the project appraisal process and unpack the related challenges that later manifest in quality infrastructure provision.
- They are providing inputs to the restructuring of the Office of the Planning Cadre to the Ministry Public service in terms of the roles and skills required at various stages of the project appraisal process.
- The team is providing inputs to the Public Investment Management section to potentially include as part of the revision of the Public Financial Management Act (PFMA).

NIGERIA

Despite incessant government borrowing and increased spending in social sectors, capital expenditures have not yielded the expected outcomes

- The team engaged relevant ministries to gather relevant data related to the implementation of capital projects in health and education and identified key challenges with delayed procurement processes and data availability
- The team will be monitoring the implementation of a new Accountant General of the Federation circular issued in January 2024, that compels public sector institutions to provide evidence of the completion of procurement processes before cash is released for payments in respect of these projects, with the aim to assess whether procurement timelines thereafter improve and provide an indication of potential corrective/other measures that need to be introduced.



Building Public Finance Capabilities

International Capability Building Programme: Voluntary Tax Compliance

Over the 2023/2024 period, CABRI continued its collaboration with the Swedish Tax Agency (STA) for the implementation of the International Capability Building Programme (ICBP). During this period, the third cohort of Kenyan, Nigerian, South African and Zambian country teams, comprised of members from the Ministry of Finance and the Tax Administrations, implemented actions aimed at tackling tax administration and policy problems using a voluntary tax compliance approach - an aspect which has been traditionally neglected in past tax reforms. Throughout this process, each of the teams were supported by a dedicated coach.

In May 2023, the teams travelled to Sweden to learn about the country's journey in reforming tax systems and policies with a taxpayer-centric approach and also to provide teams with benchmarking opportunities. In October 2023, teams attended their second Regional Workshop in Kigali, Rwanda, where they presented on progress achieved, challenges and next steps, and were provided further opportunities for peer exchange.

In the meantime, October also saw the onboarding of the 4th cohort of the ICBP programme, with new country teams from the same cohort of 4 countries. After the official launch, on the 1st of November, teams went through a 5-week online course, which provided them with reflections on the challenges of various traditional approaches to tax reforms and presented them with the PDIA approach through video lectures, papers and case studies. In January 2024, the teams attended a 4-day framing workshop in their respective countries, where they further unpacked the tax administration problems that they had identified, and then identified reform entry points and actions ideas. In February, teams also attended an 8-day Regional Workshop which presented them with key insights and research on the drivers of voluntary compliance – where in particular, CABRI presented on fiscal transparency to strengthen the linkages between taxes and service delivery in a way that builds trust.

The problem statements and progress of the ICBP teams are set out below.

KENYA

Problem statement

Distortion in Kenya's domestic tax debt has made debt recovery inefficient and impeded voluntary tax compliance

Key achievements after 10 months of action-learning

- The team participated in the initiative for a policy of amnesty for interest and penalties payments for those taxpayers who do not pay their primary debts. Until February 2024, approximately SEK 1,2 billion of principle debts had been paid through the amnesty initiative and this led to debts relating to interest and penalties, being reduced by approximately SEK 17 billion.
- The team also managed to reconcile a total of approximately SEK 10 billion in principal taxes for Public Sector taxpayers, after a reconciliation process undertaken with the central bank.

NIGERIA

At least 54% of companies enjoying pioneer status incentives do not comply with other tax obligations, which has led to a revenue loss of about 834 billion Naira. Perpetuation of this situation could influence other companies to be non-compliant.

- Following extensive internal and external consultations, the team made recommendations to include more targeted tax information available for companies with pioneer status as part of the taxpayer education initiatives and to produce a tax guide for pioneer companies
- After review of the gaps, the team and other stakeholders proposed to strengthen the authorisation process for the granting of pioneer status, to include administrative checks on tax compliance status from the Federal Inland Revenue Service (FIRS), and to increase and systematize the level of cooperation between the relevant authorities in order to increase understanding of each other's missions.
- The teams of the relevant authorities aim to introduce a systematic risk-based approach for interacting (service and control) with pioneer companies in order to increase tax compliance.

ZAMBIA

An alarming increase in tax arrears for the public sector (State Owned Enterprises (SOEs)/government) from 5.2 billion K in 2016, to 9.9 billion K in 2021, which is equivalent to twice the 2023 budget allocations towards drugs and medical supplies.

- The team provided inputs into the drafting of a section of PFM act tax compliance which aims to enhance the overall oversight over SOEs. The SOE monitoring framework is still under review by the Senior Management at Ministry of Finance.
- The team provided recommendations for the establishment of a Public Sector Unit within the Zambia Revenue Authority, intended to give specific support services to these types of taxpayers due to their uniqueness. The recommendation was included in the Lusaka Region Divisional Plan.

SOUTH AFRICA

42% of Small Medium and Micro Enterprises (SMME) are not registered for tax. The Tax Authority currently does not have adequate data or make use of data optimally to broaden the SMME tax base and make it easier for SMMEs to voluntarily comply.

- The team entered into dialogue with commercial banks and obtained and analysed third-party data that can identify potential non-compliant taxpayers. The data has been forwarded within the tax authority in order to identify those taxpayers.
- The teams did a review of the tax authority's website and is making recommendations to improve the website to make it easier for companies to register.



Building Public Finance Capabilities

Programme Based Budgeting – UNICEF Algeria

The partnership between CABRI and UNICEF Algeria, to support the National Economic, Social, Environmental Council (CNESE) and the National Body for the Promotion and Protection of Childhood (ONPPE) on strengthening programme-based budgeting (PBB) for children continued in 2023/2024. This training programme falls within Algeria's ongoing public finance reform agenda and the draft National Plan for Action (NPA) for children.

After delivering the first 4 modules of the programme in 2022, the 5th module took place in May 2023, and entailed a 4-day hybrid training which focused on practically applying the principle of PBB to budget for the actions included in the National Action Plan for Children. During the 4-day training, CABRI member countries Rwanda and Burkina Faso also shared their country experiences in implementing PBB.

In October 2023, as a follow on from module 5, line ministries and representatives of civil society, actively participated in a working session for co-creation of a matrix that would accommodate an overall presentation of their programmes to better monitor and measure their performance, inclusive of cross-cutting perspectives.

In December 2023, CABRI delivered the 6th module of the programme, a virtual training on the establishment of a satellite account for children based on the country experiences from Benin, a CABRI member country. The sessions enabled participants to understand how the satellite account was conceptualized and operationalized within the country, and the conditions for success and challenges faced in Benin. The aim was to provide inspiration for the options and path that Algeria can take to improve statistical information on investments in children, in a way that leads to better policy choice decision-making.

The training programmes saw the participation of approximately forty members of the Childhood Commission and budget officers in 16 ministries, as well as representatives of the Directorate General budget office at the Ministry of Finance.



Building Public Finance Capabilities

Building Public Finance Capabilities for improved social services for Children (BPFCC)

In November 2022, CABRI and UNICEF established a joint programme aimed at Building Public Finance Capabilities for Improved Social Services for Children (BPFCC) in Malawi, Mozambique, Somalia, Zambia, and Zimbabwe. The 12-month BPFCC programme put teams of government practitioners from the ministries of finance, health, education, and local government, at the centre of efforts to tackle public finance problems in social sectors for children. A primary rationale for the programme being to bring together ministries of finance and line ministries on equal footing to tackle problems at the intersection of public finance and line ministry and sector financing.

In 2023/24, the teams worked to tackle their problem statements in an iterative and adaptive fashion, leading to the achievements listed on the following page.

During the action-learning period, CABRI undertook in-country visits to support the teams in deepening their understanding of the problems and in deciding on actions to address their causes. A virtual mid-term review workshop was held in June 2023 to share progress, get feedback from peers, and learn from international experts on how PFM systems can support social sector outcomes.

The programme came to its formal conclusion in November 2023, with the progress-review workshop held in Cape Town, South Africa. At the progress-review, teams reflected on the progress they had made and steps they will be taking after the BPFCC programme (listed above).

A policy dialogue on improving budget execution and budget credibility in the social sectors was also delivered, as an add-on to the progress review, where stakeholders representative across the functions of the PFM cycle, including Parliamentarians, procurement officials and civil society, presented on how they view execution bottlenecks and what can be done to alleviate them.

Problem statement

Inequitable and insufficient financial resources, together with limited autonomy of health facilities, impedes their ability to plan and forecast their health delivery needs, budget requirements, execute in terms of funding allocations, and monitor expenditure.

Key achievements

- Documented lessons from the Malawian education sector's experience with school autonomy and conditional grants.
- Undertook field visits to six districts to understand resource use and needs and at the facilities level and to identify impediments to introducing provider autonomy at facilities.
- Held a national stakeholder consultation workshop where the team presented their problem statement and proposed action ideas.
- Completed a study visit in Tanzania to learn from their experience of implementing direct facility financing.
- Work begun to develop an intra-district resource allocation formula for financing of facilities.

Next steps

- Engage the Ministry of Finance on the intra-district formula and increasing the allocation for the health sector that is needed to enable direct facility financing.
- Pilot direct financing in selected districts from April 2024.

Weak implementation of transversal sectoral programmes has resulted in inefficiencies, including duplication, inequitable allocation of resources across programmes and ineffective spending.

- Held a workshop with relevant line ministries to gain insight into the problem statement. Line ministries highlighted causes of the problem, including weak intersectoral coordination, poor planning and budgeting processes, the lack of policy evaluation culture, and limited staff training.
- Attempted to refine planning and budgeting manuals for intersectoral programmes. Albeit that the team came up against resistance for this, requiring further stakeholder sensitisation.
- Analysed the public investment cycle to determine where key bottlenecks to effective implementation lie.

Next steps

- Continue the review of the planning and budgeting process and manuals.
- Finalise the review and updating of programme portfolio indicators.
- Implementation of phase II in respect of the allocation of the budgetary limits to programmes.

Execution rates for donor-funded projects in health and education were merely 16% and 35% in 2022, respectively. This has contributed to 60% of children not attending school and Somalia having one of the highest under-five year-old child mortality rates in the world.

- Sensitised stakeholders in the health and education sectors on the importance of budget credibility.
- Surveyed 34 officials in the Ministries of Health and Education.
- Developed a report on technical skills and institutional gaps and recommending a way forward.
- Began development of PFM capacity building plan for health and education sectors.

Next steps

- Roll-out PFM capacity building for the officials in the health and education sectors.
- Capacitate and restructure the finance departments within Health and Education Ministries, through the establishment of units tasked with budget management responsibilities.

Problem statement

Low own-source revenue and a collection efficiency rate of 37% in local authorities has led to inadequate provision of social services, ultimately perpetuating poverty.

Key achievements

- Held a workshop with four districts to further deconstruct the key causes of low own-source revenue.
- In Katete district, the team supported:
 - capacity building with revenue collectors.
 - updating the taxpayer database; and
 - a strategy for enhancing own-source revenue.
- Initiated development of own-source revenue strategies for local authorities

Next steps

- Local authorities to consider introducing e-levy payments.
- Officials in Katete will engage traditional leaders on taxes on properties that are on customary land.

Under-utilisation of the non-wage budget for primary and secondary education contributes to an insufficient number of schools, inadequate infrastructure and learning materials, and more than two million children not attending school.

- Developed a manual for accounting procedures in the Ministry of Education.
- Advocated for the allocation of accountants to each education budgetary programme.
- Established monthly budget committee meetings to review budget execution rates.
- Strengthened engagement between Ministry of Finance and Ministry of Education, resulting in timelier releases of funds.

Next steps

- Extend the mandate of the budget execution committee to include review of value-for-money in budget execution.
- Continuous training of staff on procurement processes.



Policy dialogues practices and Procedures

Sustainable Debt Management

In 2023/2024 CABRI's Sustainable Public Debt Management programme hosted the 7th and the 8th Network Engagements of Public Debt Managers in Africa on 13th April 2023 and 03 October 2023, respectively. The first discussion focused on how African countries use active debt management strategies such as switches or debt exchanges to reduce the government's refinancing risk and explored the indicators of refinancing risk that African governments are using as early warning signals. The 7th Network Engagement was attended by country-officials from 15 African countries and experts from a further 3 African countries. Sierra Leone and Benin shared their country experiences on the debt and risk strategies that they employed in managing the refinancing problem. The 8th Network Engagement focussed on hidden debt/liabilities and the problem of these escaping stringent ongoing fiscal and debt data reporting. High level representatives from the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI), African Forum and Network on Debt and Development (AFRODAD), Debt Advisory Unit of the Commonwealth Secretariat, Development Reimagined and Africatalyst Global Development Policy formed part of the panel discussion, while the African Peer Review Mechanism (APRM) and the UN Economic Commission for Africa (UNECA) joined CABRI in facilitating the discussions. The event was attended by country officials from 23 African countries and representatives from the United Kingdom.

On 26 March 2024, CABRI hosted a policy dialogue on contingent liability management post COVID 19 looking at country practices in Rwanda and Kenya. 38 country participants from 17 African countries and 12 stakeholders/partners attended the policy dialogue, which unpacked lessons on how to further strengthen the legal, institutional, quantitative, monitoring and reporting structures/framework of contingent liability management.

In furtherance of CABRI's strategic intent in collaborating with regional and/or global organisations on public finance and public debt management issues, CABRI's on three occasions joined the technical support missions on international sovereign credit ratings organised by the African Peer Review Mechanism (APRM) working in conjunction with the UN Economic Commission for Africa (UNECA).

- CABRI's presentation in the 8th meeting of the Ad hoc Committee of Experts on Credit Ratings held in July 2023 in Nairobi, Kenya showcased CABRI's support for public debt management in Africa through Network Engagements, Policy Dialogues and the CABRI Africa Debt Monitor as means to improve quality debt data and to strengthen data transparency.
- In November, during the technical support visit by the Government of Uganda, CABRI in collaboration with the Ministry of Finance (National Treasury) in South Africa shared practices, strategies and improvement plans implemented by South Africa in the management of relationships with the main international credit rating agencies. The presentation depicted South Africa's credit rating developments in relation to the various South African macroeconomic policy initiatives, since 1993/94.
- In the recent technical support mission held in Ghana in March 2024, CABRI joined APRM and UNECA as well as officials from the Ministry of Finance from Egypt in meeting various stakeholders, including the Central Bank, Securities and Exchange Commission, the Ministry of Finance, in discussing capacity related issues and stakeholder coordination related to credit rating agency visits. CABRI contributed by making key recommendations on how to strengthen the institutional set up and the roles and functions of key role players.



Policy dialogues practices and Procedures

Value for Money Health and PFM

Over the 2023/2024 period, CABRI contributed to various international fora discussions on PFM in health and PFM resilience. CABRI co-authored a policy brief on resilient public financial management and emerging practice and implications for the health sector. CABRI at the 6th meeting of the WHO Montreux Collaborative on Fiscal Space, Public Financial Management and Health Financing in November 2023, shared the work that CABRI did on managing budgetary pressures during the COVID-19 pandemic. CABRI's contributions focused on the use of supplementary budgets, intergovernmental transfers, and emergency procurement, and highlighted the importance for governments of striking the right balance between flexibility and accountability. CABRI led a discussion on whether corruption stands in the way of effective PFM in health.

Knowledge Development and Exchange



During the course of 2023/2024, CABRI published the final two reports of its Capabilities assessments series, focussed on Nigeria and Ghana. The reports highlight weaknesses and strengths of country PFM capabilities, both organisationally and regarding personnel resourcing, in laying the groundwork for country-led reforms to build capabilities based on the public finance problems as identified in the BPFC programmes. The report of Nigeria focused capabilities for budget implementation, monitoring and evaluation and the report of Ghana focused on capabilities for budget credibility, taking a political economy angle.

On the Budgets in Africa tool, which provides a repository of budget documents for 54 African countries, CABRI completed a review and identification of duplicate and/or erroneous classified files and did a complete reupload of the Budgets in Africa (BiA) database. This exercise provides the platform for the update and reupload of the BiA in 2024/2025.

Over the 2023/2024 period, 3 PFM Notes in Africa (newsletters) were published, which focused on various topics related to CABRI's work or organisational developments. CABRI also published its the 6th Edition of the Public Debt Newsletter, amongst others covered the themes of international and regional developments in debt capital markets, sustainable finance, debt issuance in terms of green and impact bonds, and sovereign credit rating developments to name a few. A range of podcasts focusing on CABRI's programmes as well as CABRI's strategic objectives were produced.

Finally, in 2023, CABRI re-engaged with the Bill and Melinda Gates Foundation (BMGF) to establish a new area of work around digital Public Financial Management (PFM), which was identified as a strategic focus by our member countries. Over the course of Q2 and Q3, the CABRI team met with various key technical partners to identify a targeted focus for this work and identified that while many organisations work on digital PFM, few have been able to investigate how digitalisation of PFM can promote improved service delivery outcomes. This was agreed as the focus of the work with the BMGF.

The project effectively started in Q4 with further conceptualising of the work and planning for the delivery of a launch webinar. Going forward, after the launch event in April 2024, five country investigations will be conducted to further explore the key challenges to translating digital innovations into improved service outcomes. Ultimately CABRI will collect feedback from the African context and experience on what CABRI offering would add the most value to development of the digital PFM space.

The following pages provide an overview for 2023/24 of the knowledge content generated and social media presence.

Blogs

- In Focus: Embracing the Digital Frontier in Transforming Public Financial Management in Africa
- Building Public Finance Capabilities in Africa : A synopsis of areas identified by country-teams, relevance to current or long-festering PFM challenges on the continent
- The PDIA approach and tax reforms: The ICBP on Voluntary Tax Compliance and the South African experiences to date – visit to the Swedish ambassador’s residence
- Resilient public financial management: lessons from COVID-19
- Corruption standing in the way of effective public financial management for health
- CABRI and partners explore how African governments address roll-over, debt refinancing, and fiscal risks related to Eurobond issuances
- Enhancing Debt Management for Africa’s Sustainable Future
- Fostering Public Participation in Budget Processes: Lessons for PBOs
- Building Public Finance Capabilities for Improved Social Services for Children: bridging divides between finance and line ministries
- Reflections on Programme Based Budgeting reforms in Africa: in-country mission to Maputo
- BPFCC mid-term peer review workshop: takeaways
- In Focus: The Review of BPFCC as a Path to Praxis that Works
- CABRI’s journey accelerates- Message of the Executive Secretary
- 8th Virtual Network Engagement meeting with African Public Debt Managers in Africa
- Enhancing Debt Management for Africa’s Sustainable Future
- Fostering Public Participation in Budget Processes: Lessons for PBOs
- CABRI on Future PFM
- In Focus: Unlocking digital PFM Capability : CABRI’s Innovative Approach
- Building Public Finance Capabilities in Africa 2023: The Policy Challenge of Public Investments in Africa
- Building Public Finance Capabilities for Improved Social Services for Children (BPFCC): Progress Review Workshop
- ICBP 2024/2025: Will trust in tax administrations matter if “tax just happens?”
- Enhancing Public Debt Management: CABRI’s Contribution

Newsletters

- Q1 PFM Notes in Africa (published on 29 June 2023)
- Q2 Notes on PFM in Africa (published on 3 October 2023)
- Q3 Notes on PFM in Africa (January 2024 issue)
- 6th CABRI Newsletter for Public Debt Managers in Africa on International and regional debt capital market

Publications

- Budget implementation, monitoring and evaluation capabilities at the Federal level in Nigeria
- Institutional and personnel capabilities for budget credibility: A political economy analysis of public financial management in Ghana
- Building Public Finance Capabilities 2024 (brochure)
- CABRI Secretariat Annual Report 2022/23

Other

- Article for « Le Trésor »- Quarterly newsletter of the Beninese Treasury (published in December 2023)

Podcasts

- In conversation with Ben Akabueze, Director General, Budget Office of the Federation of Nigeria
- In conversation with Thierno Amadou Bah, Secretary General, Ministry of Budget, Guinea
- In conversation with Maleshoane Lekomola-Danziger, Budget Controller, Lesotho
- In conversation with Dr Kay Brown following CABRI's Management Committee and General Assembly meetings in Kenya
- BPFCC 2023- In conversation with Soua DORE of team Guinea
- BPFCC 2023- In conversation with Ekpeyong Bassey Albert of team Nigeria
- CABRI joins the Western Cape governments' PDIA Learning and Review Session
- BPFCC 2023- In conversation with Carlos Vissoh of team Benin
- BPFCC 2023- In conversation with Tebello Motšokane of team Lesotho
- Building Public Finance Capabilities for Improved Social Services for Children (BPFCC) – Country visit
- In conversation with Dr Kay Brown- CABRI's Strategic Plan 2024-2029
- In Conversation with Dr Bob Muchabaiwa, Social Policy Specialist (Public Finance) UNICEF-ESARO (Available in English only) BPFCC 2024- In conversation with Joana Bento
- (Available in French only)- BPFCC 2023 : In conversation with Abdourahmane SYLLA of team Guinea-Conakry
- (Available in French only)- BPFCC 2023 : In conversation with Parfait Aguida of team Benin

Media

- International Building Capabilities Programme country-teams visit in Sweden
- CABRI joins UN Women Conference on Gender Responsive Budgeting: Public Finance as a Driver of Change for Equality
- Kenya hosts CABRI's 25th Management Committee and 13th General Assembly meetings
- Strengthening capabilities for the implementation of programme-based budgeting in Algeria
- Strategic Pillars for Enhancing Gender Equality and Social Inclusion within Climate Finance
- Ambassador of Sweden to the Republic of South Africa welcomes South African beneficiaries of the International Capability Building Programme on Voluntary Tax Compliance at his residence
- Budgeting Nuts and Bolts- Our Strength is Africa
- Announcement- New CABRI Leadership
- CABRI participates in the 6th annual conference of the African Network of Parliamentary Budget Offices
- Reflecting on Public Budgeting and Inclusive Governance – The role of Policy, Oversight and Activism
- Navigating the poly-crisis: 2023 ODI Public Finance Conference
- Working session with H.E Mrs Safiatou NDIAYE, Ambassador of Senegal to South Africa
- International Capability Building Programme on Voluntary Tax Compliance Regional Workshop II
- BPFCC Programme 2023- Check-in with Team Benin
- CABRI, CNESE, ONPPE and UNICEF Algeria Workshop
- Launch of the 4th edition of the International Capability Building Programme on Voluntary Tax Compliance
- Building Public Finance Capabilities for Improved Social Services for Children- Progress Review Workshop
- 6th Meeting of the WHO Montreux Collaborative on Fiscal Space, Public Financial Management and Health Financing
- 27th Management Committee and Strategic Plan 2024/29 General Assembly Consultation Meetings - Rwanda
- End of Year Message of the Executive Secretary (on CABRI's YouTube channel)
- Building Public Finance Capabilities Programme 2023- Progress Review Workshop
- (Available in French only) BPFCC country check-in Guinea
- BPFCC country check-in Nigeria
- (Available in French only) The success of the BPFCC programme highlighted in Benin's General Directorate of Budget's newsletter
- International Capability Building Programme on Voluntary Tax Compliance- Digital Workshop
- 4th International Capability Building Programme (ICBP) on Voluntary Tax Compliance Framing Workshops



Reporting and Analytics for CABRI's PFM Knowledge Hub 2023/2024

Daily 6.9 billion searches are carried out on Google, which clearly shows the importance an organisation being referenced within search engines. Good Search Engine Optimization (SEO) contributes to the strengthening of the credibility of an organisation by increasing the chance of appearing in relevant user search results, hence CABRI pursued its SEO enhancement efforts for our PFM Knowledge Hub. CABRI created a Google My Business (GMB) account and furthermore recognizing that many of the users of the PFM Knowledge Hub access the portal through their mobile phones, CABRI increased the mobile search speed from 49% to 73%.

CABRI Website User Analytics

Event counts: 268 000

Page views: 115 000

Users: 31 000 (12 000 users on mobile)

Sessions: 42 000

Publications downloads

Q1: 6 475 documents downloaded, of which 5 989 are from the Budgets in Africa database

Q2 to Q4:

Budgets in Africa: 6140 event counts

Publications: 1294 event counts

Note: With Google Analytics 4 (GA4) the way CABRI tracks analytics for the PFM Knowledge Hub changed as from Quarter 2. Event count refers to the number of times an event is triggered on a website or an App. An event is a user's specific action such as clicking a button, playing a video, or submitting a form.

Social media Engagement Analytics

LinkedIn: Increase of 8.3% in followers from Q1 to Q4 with 76 523 total impressions

X: Over 6000 followers with 19 660 impressions

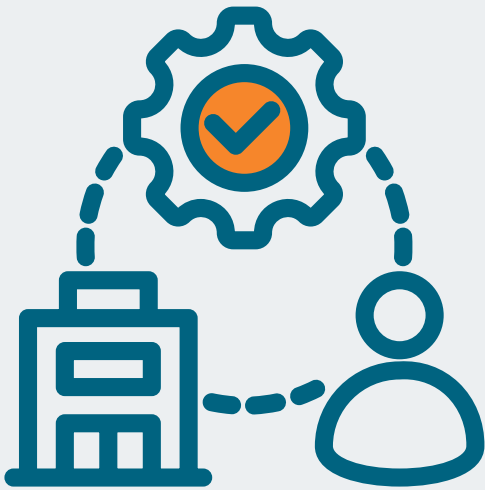
Facebook: 99 557 followers with 274 625-page reach

CABRI also created a new CABRI PowerPoint presentation template slide deck to elevate its professional profile, and to ensure that each of its interactions with stakeholders align with its brand identity. Simultaneously, CABRI rebranded email signatures for the CABRI Secretariat and created branded virtual backgrounds for meetings and events.

A video in graphics was produced in English and French, to boost our membership drive initiatives. In line with the anticipated roll-out of CABRI's Strategic Plan for 2024-2029, the reel featuring CABRI's newly defined PFM areas of work was produced and will also be screened during upcoming events to promote our work.

Network Governance and Operations





Sustainable CABRI Network: Management Committee and General Assembly

The CABRI General Assembly (GA) and Management Committee (MC) held their quarterly and annual meetings of the financial year. Following the long period of travel bans due to the COVID-19 pandemic, CABRI welcomed the opportunity to hold the annual back-to-back meetings of the MC and GA in-person. The meetings were hosted by member country, Kenya, on 24 and 25 May 2023. Eleven GA members attended the meeting and ratified the 2023-24 annual work plan, budget and preliminary annual financial statements. In the GA, member countries also nominated a new MC comprised of representatives from Ghana, Kenya, Rwanda, The Gambia and Chaired by Mauritius. Nigeria, as the Chair of the GA in 2024, serves as ex-officio member of the MC for the 2023-24 period. For 2023/24, the MC has overseen CABRI's institutional strengthening work as well as its PFM impact across our continent.

During 2023-24, CABRI undertook the work of developing a 5-year Strategic Plan. The planning process involved a 3-step consultative process that included: consultations with Secretariat staff, member countries and development partners. Member countries consultations were held in-person, in November 2023 and hosted by member country Rwanda. Key strategic intentions per the Plan for CABRI's six phase of Expansion, are noted in the very first section of this report.

The four quarterly meetings of the CABRI MC were held this year. Approvals for the governance reporting and work of the CABRI Secretariat obtained from the MC, amongst others, included those in the table below:

GA and MC meetings held in 2023/2024

May 2023	August 2023	November 2023	March 2024
<ul style="list-style-type: none"> Progress on expenditure and performance for the previous financial year Secretariat Report Updated CABRI Rules and Procedures policy manuals Commencement of the CABRI 5-year Strategic Planning Process 	<ul style="list-style-type: none"> Quarter 1 performance and expenditure Revised work plan and Budget Organisational Development Strategy Secretariat Values Charter CABRI organogram 	<ul style="list-style-type: none"> Annual Financial Statements for the previous year Strategic Planning evaluation Quarter 2 performance and expenditure 	<ul style="list-style-type: none"> CABRI Strategic Plan 2024-2029 Quarter 3 performance and expenditure Workplan and Budget for the upcoming financial year



Member Countries Engagements, Membership fees and Membership Drive

In taking CABRI forward, noting the current PFM context of multiple challenges across Africa, the CABRI Secretariat intensively prepared to undertake engagements with Ministers of Finance, and did undertake engagements with the Senior Budget Officials of all member countries, development partners and other technical partners. Various resource mobilisation initiatives have been considered, cognisant of modalities and the honouring of membership fees.

Membership fees collection from countries increased during this reporting period, from 69 percent payment against total annual fees in 2022/23, to 129 percent for 2023/24. Following several initiatives to engage with all 17 member countries, which included virtual and in-person bilateral meetings, member countries were provided with updates on CABRI's work. The objective of these meetings is to hold regular consultations with CABRI's member countries, to monitor member satisfaction, ensure member country participation in CABRI programmes and events, and moreover, to determine member country PFM needs. Engaging with member countries on key PFM priority areas strongly guided the development of the Strategic Plan. Through these engagements, member countries were presented with the status of their membership fees and this facilitated the process of receiving fees that were long-outstanding. We aim to continue bilateral meetings and engagements with CABRI members as part of the Stakeholder Engagement initiatives.

Forming part of the member country engagement initiatives, is the strategic intent of meeting with member countries' Ministers of Finance – this also being the recommendation of the CABRI MC. The goal into the future, amongst others, is to raise the CABRI profile regionally and to leverage CABRI and PFM agendas in high-level regional forums. A virtual bilateral meeting was held with the Minister of Finance of The Gambia in 2023. Efforts to hold ministerial meetings with all member countries will continue. An in-person courtesy call was also held with the Ambassador of Senegal to South Africa at the Embassy in Pretoria.

The CABRI Expansion Phase, entails expanding the CABRI membership base from its current 17 member countries as a priority. Membership drive initiatives included the rebranding of outgoing communication but most importantly, the identification and prioritisation of countries sought to become potential members. During the year engagements with countries included: Cameroon, Democratic Republic of Congo, Somalia, Zanzibar, there is an emphasis on engaging with countries closer within reach and within the SADC region. Engagements with Mozambique, Namibia, Zambia and Zimbabwe also took place in 2023/24. It is envisioned that future in-person visits to identified countries that indicate willingness to join CABRI will solidify the importance of joining CABRI as a member and showcase the benefits of what CABRI has to offer – especially as a strong network and platform for African PFM peers and practitioners.



Development Partners

CABRI had a successful year with its engagements and collaborations with development partners: the African Development Bank (AfDB), Bill & Melinda Gates foundation (BMGF), Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH GIZ and Swedish International Development Agency (Sida) and UNICEF (Algeria and ESARO). These engagements included:

AfDB: CABRI's work this year was majority funded through our partnership with the AfDB. CABRI attended a virtual consultation of a mid-term review of the AfDB's Strategy for Economic Governance in Africa (SEGA), the strategy that supports regional PFM initiatives and organisations including CABRI. This to further establish the synergies between CABRI's work and the AfDB, leveraging the partnership and determining areas for improvement and support by the Bank.

BMGF: A financing agreement by Bill and Melinda Gates Foundation (BMGF) was signed in October 2023. The funding will support a short project to connect CABRI's capabilities approach to new digital public financial management practices via knowledge sharing and peer learning. The success of the project will form the basis and rationale for renewal and expansion on areas of work and support by BMGF. This work will also serve as foundation of an envisaged in-person annual PFM CABRI conference, being an event which CABRI aims to re-ignite going forward from the new financial year.

Sida: An in-person meeting was held at the CABRI Secretariat offices with the Deputy Head of Mission- Head & Analyst of Regional Development Cooperation Africa. CABRI was informed that Sida's new regional strategy, for which implementation had started in 2023 includes Climate Change Financing,- a focal area included in the CABRI 2024-2029 Strategic Plan. It is hoped that Sida will approve the funding for the continuation of the Inclusive Budgeting for Financing Climate Change in Africa (IBFCCA) programme following CABRI's successful implementation for the inception phase in 2021.

GIZ: CABRI continues to value the support of long-standing partner, GIZ. Support received in 2023/24 included for the development and rollout of a new Organisational Development Strategy and for the Strategic Planning consultative processes. GIZ also expressed its support towards the envisioned annual PFM conference that is envisioned to take place in 2024.

UNICEF: The final project conclusion of the partnership with UNICEF Algeria will be completed in 2024. The 2023/24 work focussed on improving services delivery for Children across the Algerian public sector in support of a national plan of action for children continued, including in-person and virtual support.

The 12-month agreement with UNICEF ESARO ended in November 2023. The project, as mentioned under the report on our Public Finance work, saw to the successful completion of the programme for the African countries participating. Discussions are underway regarding the development of another BPFCC programme.

STA: Work with the Swedish Tax Authority continued this year. The work of the third cohort concluded and the fourth cohort of the International Capability Building Program (ICBP) was officially launched on 1 November 2023. The programme, which started in 2020, ends in December 2024. Discussions with STA are underway to renew the partnership with CABRI and for Sida to fund another round of this programme due to its success.

Furthermore, under the CABRI/Swedish collaboration, CABRI presented at an event held by the Swedish Embassy in Pretoria, South Africa, on the successes of execution by CABRI and STA of the Voluntary Tax Compliance (VTC) programme.

DAI: CABRI was invited by DAI, a global consulting company working in over 160 countries on development solutions, to enter into a Teaming Agreement and to partner in the submission of a proposal to the EU for a PFM project in support of Madagascar. It is envisaged that the proposal approval status will be announced in the 2024.



Technical Partners

CABRI continues to value its partnerships with technical partners as these provide exposure for CABRI’s work and leverages synergies in global and regional PFM initiatives. During 2023/24, CABRI was invited to attend several technical meetings to present on country PFM praxis. These engagements included the in-person attendance at the 2023 ODI Public Finance Conference, which was hosted in collaboration with the World Bank and BMGF, held in London, UK, on 27 and 28 September 2023. CABRI presented as a panellist amongst other panellists from Kenya, the Organisation for Economic Co-operation and Development (OECD) and the International Monetary Fund (IMF) addressing “budgeting in the fiscal squeeze”. CABRI presented practical aspects of country budget execution, noting the effectiveness within PFM systems themselves, and considering this together with the interplay between the political processes. CABRI highlighted the imperative of PFM praxis in terms of what works for real-world country budget practitioners.

Further technical partner engagements are included in the table below:

Organisation	Area or work with CABRI
AUC (African Union Commission)	IFF (Illicit Financial Flows)
GIFT	PDIA (Problem driven iterative approach)
UNICEF (United Nations Children’s Fund)	BPFC (Building Public Finance Capabilities)
World Bank	PFM (Public Financial Management)
PAFA (The Pan-African Federation of Accountants)	General collaboration
IIED (International Institute for Environment and Development)	(CCF) Climate Change Financing
UNDP (United Nations Development Programme)	CCF (Climate Change Financing)
USAID (United States Agency for International Development)	PFM (Public Financial Management)
IBP (International Budget Partnership)	PFM and institutional strengthening
OPM	Sustainable Debt Management
RTI	WASH and CCF
AISCCUF (L’Association des institutions supérieures den contrôle ayant en commun l’usage du Français)	IFF (Illicit Financial Flows)
AAAG (African Association of Accountants General)	Presentation at the annual conference
Harvard Kennedy School	PDIA (Problem driven iterative approach)



Visibility and Network Building

In the above section covering the extensive CABRI work activities in respect of the PFM Knowledge Hub, under the heading of Knowledge Development and Exchange, CABRI's visibility for network building has been described in detail. The quantity and variety of social media and focus of knowledge content serves to demonstrate CABRI's uniqueness in contributing to PFM in Africa to our various stakeholder cohorts, which is that the value of the work of CABRI is demonstrated within the PFM country systems praxis of our member countries and other countries on the continent.



Corporate Services: Finance and Governance Operations

During the course of 2023/2024, there were many developments in the Operations division as a number of processes and procedures were reviewed and the necessary amendments made in order to strengthen overall governance in the Secretariat. Central to this work were the requirements of newly adopted CABRI policies and prescripts, in concurrence with an Organisational Development Review and the adoption of a new Organisational Development Strategy. In addition, as a backdrop, the CABRI Secretariat was undertaking the preparatory work to gear for the implementation of the new Strategic Plan 2024-2029.

Some of the key developments and activities in the operations domain are listed below:

- Completion of an independent Organisational Development Strategy (ODS) for CABRI. The ODS includes a new organisational staffing structure, which will enable CABRI's future expansion and growth. The ODS was approved by the Management Committee in October 2023 and also includes a new CABRI value charter in line with organisational culture work undertaken, salary scale benchmarking and a performance management system.
- CABRI policy documents, inclusive of the Human Resources Employee Manual, the Financial Regulations Manual, the Delegation of Authority Framework and the Travel Expenditure and Business Claims Framework, were also approved by the Management Committee.
- Policies and processes were workshopped with staff in order to ensure effective implementation. Work procedures and processes in the Secretariat's daily execution of duties were reviewed and amended accordingly, to ensure adherence in compliance.
- To embed the intention of organisational structure changes, the imperatives of the appointment of the CABRI Executive Management level were realised by assigning authorising powers to these Executives, in that Management and internal processes and controls were strengthened.
- Efficient coordination of administrative processes, logistical support, financial record maintenance, budget management, and procurement processes were adhered to during the financial year, to uphold transparency, accountability, and operational efficiency.
- The procurement process was reviewed and amended. It includes the establishment of a Panel of Experts, with a wide range of PFM experience, which CABRI can reference to implement its work.
- CABRI attained an unqualified audit report for the financial year of 2022/23.
- For 2023/24, in total 69 percent of CABRI annual budget was utilized. This is comparable with 2022/23 and is related to the size of the CABRI staff contingent, which remained reasonably stable. In terms of the CABRI's Strategic Plan 2024-2029, and buoyed by all the organisational strengthening developments, CABRI is poised for expansion.
- An annual budget for 2024-25 was presented to the Management Committee and approved in February 2024. This is aligned to CABRI's Strategic Plan for the period 2024-2029, being the budget for the first year of the strategic planning period.



Human Resources

Over the course of 2023/2024 there were a number of human resourcing developments. Those relating to the adoption of the ODS and the new CABRI Human Resources Employee Manual have been noted in the previous section.

More specifically in relation to the staff complement, the following should be noted. Executive Committee members resumed duty, namely against the positions of the Executive Secretary, Executive: Operations and Executive: Public Finance, per the approved organogram. There has been an appointment of an additional Programme Manager into the Public Finance division. Also, regarding Public Finance, the South African National Treasury continues to support CABRI through providing a Secondee undertaking Public Debt work. Outsourced Operational Support has been acquired to provide for when expertise is required in the Human Resources, Legal or Secretarial functions. CABRI engaged coaching services focused on immediate support available to all staff in their orientation relative to the multitude of change processes critically affecting daily work execution. In order to realise the imperatives of the CABRI Strategic Plan 2024-2029, the expansion of the current staff complement in line with the new organisational structure is envisaged, within the Public Finance division.

Annexure 1: Expenditure Outcome report 2023/2024

As at 31 March 2024

	ORIGINAL BUDGET	ACTUAL EXPENDITURE				ADJUSTED BUDGET	TOTAL ACTUAL EXPENDITURE	VARIANCE	% OF BUDGET USED
		Q1	Q2	Q3	Q4				
1. BUILDING PF CAPABILITIES	395 629	91 400	16 164	122 086	118 728	397 108	348 379	48 729	88%
1.1 Africa									
Framing Workshop	85 842	77 152	-2 602	-	1 222	85 842	75 772	10 070	88%
Mid Term Review	37 079	-	7 842	18 250	-	37 079	26 092	10 987	70%
In Country Check Ins	23 363	-	-	1 606	12 704	23 363	14 310	9 053	61%
Peer Review Seminar	103 897	-	-	-	101 702	103 897	101 702	2 195	98%
1.2 ESARO									
In Country Check-ins	38 648	554	10 925	1 760	-	3 277	13 239	-9 962	404%
Peer Review Seminar	73 500	-	-	96 351	-	93 113	96 351	-3 238	103%
1.3 Algeria									
Trainings	33 300	13 694	-	4 119	3 100	50 537	20 913	29 624	41%
2. POLICY DIALOGUES, PRACTICES & PROCEDURES	234 140	2 091	-	2 139	8 281	234 140	12 511	221 629	5%
2.1 Value for Money									
Health & Public Finance - Peer learning & exchange	162 133	-	-	-	-	162 133	-	162 133	0%
Agriculture Value Chains - Peer learning & exchange	33 080	-	-	-	-	33 080	-	33 080	0%
2.2 Sustainable Debt Management									
Network outreach & Collaboration	13 197	2 091	-	2 139	1 148	13 197	5 378	7 819	41%
Contingent Liabilities - Peer Learning & Exchange	25 730	-	-	-	7 133	25 730	7 133	18 597	28%
3. KNOWLEDGE DEVELOPMENT & EXCHANGE	261 036	3 454	9 385	5 549	6 742	355 809	25 130	330 679	7%
3.1 PFM Knowledge Hub									
Newsletters	45 300	3 454	5 546	2 203	3 713	32 800	14 916	17 884	45%
Practice Notes	13 961	-	-	-	-	13 961	-	13 961	0%
3.2 Africa Debt Monitor - Survey, Data, Reports	48 142	-	-	-	-	48 142	-	48 142	0%
3.3 Sustainable Debt Management - Comm & Dissemination	12 834	-	-	956	3 029	12 834	3 985	8 849	31%
3.4 Budgets in Africa - Collection, Dissemination, Marcomms	44 904	-	-	-	-	10 500	-	10 500	0%
3.5 Health & Public Finance - Budget Practices and Procedure	95 895	-	-	-	-	95 895	-	95 895	0%
3.6 PFM Capability Assessment	-	-	3 839	2 389	-	6 502	6 228	274	96%
3.7 Enhanced Digital PFM in Africa	-	-	-	-	-	135 175	-	135 175	0%
Staff Costs - Technical	389 626	79 403	60 826	65 186	79 639	303 904	285 054	18 850	94%
TOTAL PUBLIC FINANCE BUDGET	1 280 431	176 348	86 376	194 959	213 390	1 290 961	671 074	289 208	52%
4. NETWORK GOVERNANCE AND OPERATIONS									
4.1 Sustainable CABRI Network - MC & GA	55 000	58 785	662	1 722	1 639	62 673	62 808	-135	100%
4.2 Visibility & Network Building - Enhanced CABRI knowledge products	25 725	749	1 672	6 286	15 616	20 225	24 323	-4 098	120%
4.3 Corporate Services									
Operational	200 711	22 331	30 340	32 045	45 523	145 456	130 239	15 217	90%
Operational Staff Costs	327 541	85 157	67 099	61 660	62 149	276 950	276 064	886	100%
4.4 Staff Cost - Network Governance	181 855	42 291	55 761	62 692	63 904	225 859	224 648	1 211	99%
TOTAL NETWORK GOVERNANCE AND OPERATIONAL COSTS	790 832	209 314	155 534	164 405	188 830	731 163	718 083	13 080	98%
TOTAL EXPENDITURE	2 071 263	385 662	241 910	359 365	402 220	2 022 124	1 389 157	632 967	69%

Annexure 2: Cash Flow Statement for 2023/2024

	UNICEF ALGERIA	AfDB	UNICEF ESARO	STA VTC	GATES FOUNDA TION	MEMBERS HIP FEES	TOTAL
Cash Balance at 1/04/2023	4 062	485 696	19 816			1 710 317	2 219 891
Donor Funding Received	30 497	-	89 350	4 299	274 419		398 565
Membership Fees received	-	-	-		-	820 911	820 911
Interest		15 950			5 100	87 515	108 565
SubTotal	34 559	501 646	109 166	4 299	279 519	2 618 742	3 547 932
Total Expenditure	- 20 913	- 292 942	-109 590	- 4 317	- 18 543	- 942 852	-1 389 157
Balance at 31/03/2024	13 646	208 704-	424 -	18	260 977	1 675 890	2 158 775
Estimate Interest		7 500			750	45 000	53 250
Donor Funding		1 187 697	14 542	19 250			1 221 489
Membership Fees						429 063	429 063
Estimate Funds to be received during 2024-25	-	1 195 197	14 542	19 250	750	474 063	1 703 802

Annexure 3: Annual Financial Statements



Collaborative Africa Budget Reform Initiative
Annual Financial Statements
for the year ended 31 March 2023

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Collaborative Africa Budget Reform Initiative is an intergovernmental organization that provides a platform for peer learning and exchange for African ministries of finance and planning.
Management committee members	Federal Republic of Nigeria - Chairperson Republic of South Africa Republic of Kenya Republic of Rwanda Republic of Benin Mrs S Lowe-Nicolas - Ex-officio member
Member countries	Burkina Faso Central African Republic Kingdom of Lesotho Republic of Cote d'Ivoire Republic of Ghana Republic of Kenya Republic of Liberia Republic of Mali Republic of Mauritius Republic of Rwanda Republic of Senegal Republic of South Africa Republic of The Gambia Republic of Guinea Federal Republic of Nigeria Republic of Benin Republic of Malawi
Business address	Southdowns Ridge Office Park Cnr of John Vorster & Nellmapius Drive Centurion South Africa 0062
Postal address	Southdowns Ridge Office Park Cnr of John Vorster & Nellmapius Drive Centurion South Africa 0062
Auditor	Nexia SAB&T Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Agreement Establishing the Collaborative Africa Budget Reform Initiative.
Preparer	The annual financial statements were internally compiled by: Ms R. Subramoney (BCompt, MBA) Head of Operations

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

General Information

Issued

15 November 2023

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Index

The reports and statements set out below comprise the annual financial statements presented to the members of the management committee:

	Page
Management Committee's Responsibilities and Approval	4
Management Committee's Report	5 - 17
Independent Auditor's Report	18 - 20
Statement of Financial Position	21
Statement of Comprehensive Income	22
Statement of Changes in Equity	23
Statement of Cash Flows	24
Accounting Policies	25 - 27
Notes to the Annual Financial Statements	28 - 33
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	34

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Responsibilities and Approval

The members of the management committee are required by the Agreement Establishing the Collaborative Africa Budget Reform Initiative, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

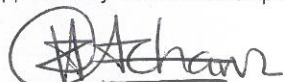
The members of the management committee acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the members of the management committee to meet these responsibilities, the committee sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members of the management committee are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The members of the management committee have reviewed the organisation's cash flow forecast for the year to 31 March 2024 and, in the light of this review and the current financial position, they are satisfied that the organisation has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the organisation's annual financial statements. The annual financial statements have been examined by the organisation's external auditor and their report is presented on page 18.

The annual financial statements set out on pages 21 to 33, which have been prepared on the going concern basis, were approved by the membership committee on 15 November 2023 and were signed on its behalf by:



Chairperson

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

The members of the management committee have pleasure in submitting their report on the annual financial statements of Collaborative Africa Budget Reform Initiative and its members for the year ended 31 March 2023.

1. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities ('IFRS for SME's') and the requirements of the Agreement Establishing the Collaborative Africa Budget Reform Initiative. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

2. Executive summary

1. Highlights and Executive Overview

This report provides a detailed overview of the CABRI Secretariat's output for the annual financial year 1 April 2022 to 31 March 2023.

Highlights during the year included:

- *5th and 6th Network engagements of public debt managers in Africa*
- *Partnership agreement with the African Development Bank for Phase II of the RISPPG programme*
- *Official launch and inception of the strengthening capabilities for the implementation of programme-based budgeting in the childhood sectors in Algeria (CABRI-UNICEF partnership).*
- *International Capability Building Programme on Voluntary Tax Compliance – Authorisers of various African Country studies visit to Sweden.*
- *High-level Forum presentation of CABRI work on Climate Change Financing and Gender-based budgeting and lessons from the IBFCCA inception phase.*
- *Partnership with INTOSAI Development Initiative on strengthening Supreme Audit Institutions' implementation capabilities using the PDIA approach, including a week-long workshop in Oslo, Norway.*
- *Unqualified 2021/22 IFRS audit – 7th in a row since adoption of International Financial Reporting Standards.*
- *Statutory meetings with the CABRI Management Committee and CABRI General Assembly.*

We are pleased to present this Secretariat report to our member Africa countries, funding partners and stakeholders. This year, more than ever, presented CABRI with challenges including regarding matters such as delays in funding receipts and leadership changes. Through it all, we proudly delivered our standard high-quality work.

Our programmes of work over the year continued, with the Building Public Finance Capability programme, expanding and now including work on Voluntary Tax Compliance, Programme Based budgeting and cohorts of various Africa country teams working together to solve Public Finance problems. We continued our focus on keeping abreast of ongoing dialogues and research on double-streaming Climate Change Financing and Gender, in completion of the implementation phase of our Climate Change Programme. Our work on Sustainable Debt continued, with engaging discussions on critical regional debt issues faced by African Debt managers.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

One main aspect of our work that we would have liked to do more on during this period, was our Policy Dialogues, which provide a platform for peer-learning and exchange between Public Financial Management (PFM) country practitioners. In the next year, our goal is to hold more frequent Policy Dialogues on critical PFM issues, especially those faced by our member countries. Our priority is to engage more and be even more cognisant of the needs of our member countries, which we aim to achieve through a more proactive consultative process.

We invite our members and partners, to visit the CABRI PFM Knowledge Hub for articles, blogs and key lessons on all events that took place during the course of the reporting period.

Lastly, we have continued to lead the way in applying the Problem-Driven Iterative Adaptation (PDIA) approach to solving Public Finance problems in Africa. This, together with collaborations with new and former technical partners, provided the opportunity for CABRI to collaborate and participate in the technical partnerships, shown in Table 1.

Table 1: Technical Partnerships

Partner	Area of work
AfDB/ADI	Prudential public budgeting
ATAF, AFROPAC, AFROSAI-E, AfroSAI, AUC, GIZ	Illicit Financial Flows
COP27	Climate Change
FAO	Government expenditure in agriculture, mainstreaming gender equality
IMF/WB	Fiscal Transparency
IntoSAI/IDI	PDIA
Rebuild/OPM	Disaster-resilient PFM
SA National Treasury	Gender responsive budgeting
SARS	PDIA
UNDP	Climate Change
Indonesian government	Gender equality, social inclusion, climate budgeting

2. CABRI Programmes

Building Public Finance Capabilities

The Building Public Finance Capabilities (BPFC) programme aims to build capabilities of teams of public senior budget officials to solve locally nominated public finance problems, using a unique approach to reforms, known as the Problem-driven Iterative Adaption approach (PDIA). This problem-centric approach facilitates the emergence of local solutions, whilst considering the local context and the political, administrative and societal constraints.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

A growing number of partnerships with regional and international organisations materialised in 2022/2023 giving rise to new capacity building programmes, namely with United Nations Children’s Fund (UNICEF) Eastern and Southern Africa Office (ESARO) and the UNICEF Algeria Office, in addition to the existing programme with the Swedish Tax Agency (STA).

In response to growing interest from regional and international partners, CABRI has also engaged widely to share insights on institutional capabilities in various PFM areas and on the PDIA approach to public finance reform in Africa.

Introducing the PDIA to supreme audit institutions

The International Development Institute of Supreme Audit Institutions (IntoSAI) recognising the importance of fully understanding local context and acting within existing institutional constraints when drawing up international standards, approached CABRI to share the principles and practices used in our BPFC programme. This was done through a four-day training workshop from 12-15 September 2022 in Oslo, Norway with IntoSAI, African Supreme Audit Institute-Anglophone (AfroSAI-E) and Conseil Régional des Associations et Institutions de Formation en Afrique (CREFIAP) staff and officials from peer country SAIs, including Kenya, Gabon, Latvia, Tunisia, Senegal, Sweden, Morocco, United Kingdom, Norway, Netherlands and Turkey.

To impart understanding of the BPFC process, the training simulated the process that BPFC teams go through in nominating a problem, deconstructing it, and considering ideas to begin resolving it. The problems chosen included that:

- the National Assembly in The Gambia does not follow up on audit recommendations, limiting the impact of report findings;
- jurisdictional control in Madagascar is missing or delayed, limiting the functioning of agencies;
- in South Sudan SAI personnel salaries are not paid or paid late, affecting staff morale and the SAI’s ability to execute its mandate;
- audit recommendations are often not implemented in Somalia compromising service delivery and the value of the audit to the its citizens;
- and in the Democratic Republic of Congo (DRC) there have never been judgements issued on the public accountants, enabling corruption and impunity.

Collaboration with Centre for Excellence in Finance on “Leadership Challenges for Structural Reforms”

In March 2023, CABRI participated in a webinar that highlighted the non-technical factors influencing decision-making in country Economic Reform Programmes (ERP) processes, the emphasis was on how the approach can be incorporated by country ERP coordinators in their leadership role in reform processes.

International Capability Building Programme: Voluntary Tax Compliance

CABRI and the STA continued to jointly implement the highly successful International Capability Building (ICB) Programme on voluntary tax compliance (VTC), which spans from 2020 and will continue until 2024. The collaboration with the STA provides a platform for country teams, comprising of officials from both the finance ministries and revenue authorities, to improve VTC in their respective countries.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

Over the reporting period, the second iteration of the programme saw the participation of the four participating country teams from Kenya, Nigeria, South Africa and Zambia, continuing to do work on various tax compliance issues. Their new areas of analysis are reported in Table 2 below. A virtual benchmarking workshop was held in April 2022 where the four teams presented on progress achieved, challenges, next steps and further opportunities for peer exchange. In addition, the teams travelled to Sweden in May 2022 to better understand the Swedish approach to VTC. Teams also participated in a regional workshop in October, which explored strategies for measuring and evaluating trust in institutions and the transparency linkage between taxes and service delivery.

Table 2: ICBP VTC 2022 problem statements and progress

Country	Problem Statement	Progress
Kenya	“70% of tax refund claims take more than 90 days to process. This impacts the business cash flow, their opportunities to invest and thus the economy at large. The delayed Tax refunds cost the state 1% interest/month.”	The team carried out a pilot project with auditors, earmarked to audit companies that requested tax refunds which reduced their company balances by 60% or more. They also developed and implemented a model for automatic risk assessment of companies that requested tax refunds.
Nigeria	“The equivalent of 70% of total government revenue is lost annually to tax expenditures, granted with undetermined benefits, in the context of a small and shrinking tax base.”	The team developed a template to be used by all institutions deciding on whether to grant tax exemptions/tax incentives for companies. The aim is to enable a cost-benefit analysis of the country's large tax exemptions/tax incentives granted to enable the companies to attract investment.
South Africa	“The current registration and verification process makes it difficult for the traders to access both the domestic and international trading space.”	The team's work has led to the cumbersome registration process and licensing for traders being reduced to seven steps, from the previous 21 steps.
Zambia	“Since the introduction of Withholding VAT in 2017, about 60% of the Withheld VAT per annum was remitted late, partially remitted or not remitted at all. This has contributed to loss of revenue for the Government and affected timely payment of refunds to VAT registered suppliers thereby adversely impacting their operations.”	The team's work led to a set of recommendations to improve an underperforming VAT Withholding system. These recommendations are now part of ongoing work to develop a new system.

In September 2022, a workshop of the Authorisers of the projects from the various countries was held in Sweden, in recognition of the importance of high-level support in the success of the ICBP. The workshop involved reflecting on: the first two years of the programme; deepening the Authorisers' understanding of the PDIA approach; setting out what is required of their teams and themselves in future iterations (there are 4 planned in total); sharing how the VTC approach has helped the STA to increase its revenue collection, and, most importantly, considering problem areas for the third cohort with new individuals participating in each of the teams from Kenya, Nigeria, South Africa and Zambia.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

The third iteration of the programme started in November 2022, with a five-week online course, which provided participants with knowledge on tax administration reforms and the PDIA approach. The teams also participated in a framing workshop, which was held in their respective countries and facilitated by CABRI and the STA. In February 2023, teams attended a two-week virtual Regional Workshops where participants were presented with key factors affecting voluntary compliance, drawing inspiration from various presenters at the STA, the Danish Tax Agency, African Tax Administration Forum (ATAF), CABRI and the International Budget Partnership (IBP).

Programme-based Budgeting – UNICEF Algeria

A partnership between CABRI and UNICEF Algeria commenced in June 2022 to support the National Economic, Social, Environmental Council (CNESE) and the National Body for the Promotion and Protection of Childhood (ONPPE) on strengthening programme-based budgeting (PBB). CABRI has designed seven training modules on the various steps of good PBB and on the design of a satellite account for childhood sectors.

This training programme falls within ongoing public finance reform in Algeria, framed by the organic finance law and the draft National Plan for Action (NPA) for children under the authority of ONPPE. The “Childhood satellite account” will facilitate the analysis of economic and budgetary data in the framework of the national accounting system and national social and economic accounts.

In addition to the training programme, CABRI has developed an online platform to support participants with the training modules and enhance reflections on the implementation of PBB in their own context.

Approximately forty members of the Childhood Commission and budget officers in the 16 ministries within the ambit of the commission, as well as representatives of the budget office at the Ministry of Finance have enrolled in the training programme.

Module 1 on Understanding PBB concepts and tools took place in July 2022 for three days. The sessions held covered the: (i) link between PBB and public financial management (PFM) as well as key lessons learned in PFM reforms; (ii) key definitions of PBB concepts; and (iii) enabling environment for- and sequencing of steps of PBB reform.

Module 2 on the Preparation for PBB took place in September 2022 for three days, the aim being to equip participants to: (i) design and prepare a PBB; (ii) develop medium-term expenditure estimates for PBBs and economic classifications; and (iii) achieve value for money.

Module 3 on the execution of the programme budgets took place in October 2022 and explored issues related to the: (i) strategic allocation of resources, (ii) spending controls, (iii) alignment of reforms to improve accountability and (iv) role of institutions and various programme managers in the programme-based budget.

Module 4 on monitoring, reporting and analysis of programme budgets, took place in November 2022 and explored: (i) the role of information on performance in PFM, (ii) how to define performance measures and good practices for the design of performance indicators in the social sector and (iii) the functions and systems to be put in place for planning and monitoring and evaluation:

The experiences of Tunisia, South Africa and Rwanda featured throughout the different modules, highlighting the processes, technical and other challenges and the iterations that are still underway for the implementation of PBB in those countries.

The remaining modules of the training programme will take place in 2023/2024.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

Building Public Finance Capabilities for Improved Social Services for Children (BPFCC) with UNICEF ESARO

Strengthening public finance systems and capabilities is key to providing critical social services for children. CABRI and UNICEF Eastern and Southern Africa Regional Office (ESARO) established a joint programme in November 2022, to tackle public finance problems in key social sectors that particularly affect children - such as education, nutrition, health and social protection. The programme includes teams from Malawi, Somalia, Mozambique, Zambia and Zimbabwe. Each of the country teams comprises of officials from ministries of finance, sector ministries and/or local government agencies.

The 12-month programme kicked off with a four-week online course in November 2022. The teams were introduced to the PDIA approach, the improvements that come with focusing on the Functionality rather than merely the Form of PFM reforms and began to collect data to understand the nature and impact of their nominated problem.

The teams came together in person for the first time in February 2023 for the framing workshop. During this three-day workshop, they further refined their problem statements (shown in Table 3), deconstructed them into their causes and sub-causes, and identified which of these causes they have the greatest space to act on, and began identifying action ideas.

In 2023/24, we will undertake in-country check-ins to learn more about the work the teams are doing, continue our biweekly coach meetings together with the UNICEF coaches, and bring the teams together in June 2023 and November 2023 - to learn about the progress they have made and facilitate further peer-learning and exchanges. Progress in addressing the problem statements will be reported in next year's Secretariat Report.

Table 3: BPFCC problem statements

Country	Problem Statement
Malawi	Inequitable and insufficient financial resources for service delivery units, such as PHC facilities, limits the autonomy of facilities to plan and forecast their needs, budget, execute projects in line with funding, and monitor expenditure.
Mozambique	Lack of coordination in the implementation of PBB has led to inefficiencies, including duplication, inequitable allocation and ineffective spending.
Somalia	Execution rates for donor-funded projects in health and education were 16% and 35% in 2022, respectively. This has contributed to 60% of children being out of school and one of the highest under-five-year-old mortality rates in SSA.
Zambia	Low own-source revenue and a collection efficiency rate of only 37% in local authorities has led to inadequate provision of social services, ultimately perpetuating poverty.
Zimbabwe	Under-utilisation of the non-wage budget for primary and secondary education contributes to an insufficient number of schools, inadequate infrastructure and learning materials, and more than two million children out of school.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

In collaboration with UNICEF, a Policy Dialogue on “Early Childhood Development (ECD) Financing” was held in March 2023, in Sandton, South Africa, with officials from Botswana, Burundi, Eswatini, Ethiopia, Kenya, Malawi, Mozambique, Namibia, Rwanda, Tanzania, Zambia and Zimbabwe in attendance. This three-day workshop brought together officials to share experiences, good practices and lessons learned in planning, costing, financing and budgeting for ECD services. The Policy Dialogue aimed at enhancing the capacity of government officials and development partners, to regularly monitor and measure public and private investments in ECD as well as to discuss how to embed ECD in ongoing PFM reforms, such as programme/output-based budgeting, medium-term expenditure planning, and public investment management planning. The event also focused on discussions on strategies for expanding fiscal space to invest in ECD and improve equity and efficiency of ECD spending. CABRI’s presentation on “*The role of robust PFM systems in delivering ECD services*” was well received by all participants and the logistical support provided by us ensured the ultimate success of this event.

Sustainable Debt Management

The 5th Network Engagement of Public Debt Managers in Africa was held in April 2022 with officials from 14 African countries. This event focused on executing prudent debt management strategies in the face of uncertainty. Debt officials from Morocco and Rwanda reflected on how they seek to achieve their post-pandemic economic recovery, debt sustainability and liquidity requirements. Morocco emphasized the flexibility in adjusting their funding strategy in 2020 in the wake of the COVID-19 pandemic. Rwanda provided an update on the proactive debt management stance it took to reduce the risk of debt distress.

CABRI published the 5th Newsletter for Public Debt Managers in Africa titled “Taking advantage of the improved credit rating outlook to prudently manage government debt” in June 2022. The newsletter covered international and regional debt capital market developments, debt issuance by African governments and sovereign credit rating developments. The country spotlight for the 5th newsletter shone on Kenya with a focus on how public debt initiatives help accelerate economic recovery for the improved livelihoods of the Kenyan people. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) contributed useful insight on increasing domestic resource mobilization, to reduce high debt levels and debt-related costs.

CABRI, in collaboration with GIZ, hosted the 6th Network Engagement of Public Debt Managers in Africa in October 2022 with 14 African countries. It centred on (i) increased debt vulnerabilities in Africa and the potential for default; (ii) Understanding the commitment of China and other key creditors in extending infrastructure loans in Africa and the way debt restructuring is treated. Based on data and research sourced from the China Africa Research Initiative (CARI) and the Global Development Policy Centre, CABRI led a discussion on understanding the commitment of China in extending infrastructure loans in Africa, while Zimbabwe and Liberia shared how they manage increasing debt vulnerabilities.

Climate Change Financing

As part of CABRI’s Inclusive Budgeting and Financing for Climate Change in Africa (IBFCCA) programme, we continued to contribute to the gender and climate finance policy debate at the global, regional and national level. CABRI co-hosted an event at the Africa Climate Week with United Nations Development Programme (UNDP), the African Union Commission (AUC) and the NDP Partnership. CABRI also contributed to preparatory consultations for COP27, led by the Ministry of Finance in Egypt and provided input to the work led by the Coalition of Finance Ministers on “strengthening the role of ministries of finance in driving climate action”. CABRI presented the key learnings from our programme at numerous peer learning and exchange events in Africa and Asia-Pacific, on platforms led by national governments, the Food and Agriculture Organization of the United Nations (FAO), UNDP and UNFCCC.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

Our proposal for an additional three-years following on implementation phase of the IBFCCA program is currently under appraisal with Swedish International Development Cooperation Agency (Sida). Through the programme, together with our partners UNDP and International Institute for Environment and Development (IIED), we hope to expand our support to countries in strengthening gender responsive climate budgeting.

3. Knowledge Generation

Our continued to attract interest in this reporting period, with 114 000 users and 121 000 page views. Our Budgets in Africa (BiA) section, which presents a tool that provides up-to-date and regular information and analysis on African national budgets, generated 9 890 downloads. We continue to develop publications with the aim of raising awareness and sharing knowledge on PFM issues, and in this quarter, our publication reports were downloaded 1 876 times.

Two more of our most popular PFM tools in our PFM Knowledge Hub are the Africa Debt Monitor (ADM) and the COVID-19 Response Monitor. The ADM features multiple tools that facilitate peer-learning and exchange regarding debt management and provides investors and researchers convenient and user-friendly access to *centralised* information on the debt portfolio of governments in Africa. This tool includes (i) individual country debt profiles; (ii) cross-country comparison of debt management practices and procedures; (iii) individual country data tables; (iv) the Debt data explorer; and (v) ADM Analysis reports. The ADM currently covers 20 African countries and will be updated annually, with the intent of adding additional countries each year. The ADM was visited 18 102 times this year.

CABRI's COVID-19 landing page provides an overview of the fiscal impacts and responses to COVID-19 in African countries and shares expert insights into effectively managing extraordinary budgetary pressures. Although most countries are experiencing some form of reprieve from the impacts of COVID-19, planning effectively and noting the budgetary pressures pandemics put on national budgets, it is good to see that the COVID-19 PF Response Monitor continues to be visited - with 58,592 searches during the reporting period.

CABRI envisions 2023 to be a year where new and old partners come together to work on the programmes planned and set out in the new annual workplan. They will be executed with the same traction that our team and stakeholders are accustomed to, and which will realise an increase in our publications.

Our social media traffic across the three main platforms continues to grow, with a total of over 100,000 page likes on Facebook and a reach of just over 1.4 million people. With over 6,000 followers on Twitter, our tweet impressions totalled 31,025. CABRI's growing number of LinkedIn followers reached 4,331 with a total impression of nearly 72,000.

CABRI produced an extensive list of publications, alongside several blogs and regular newsletters, in the reporting period and these are the foundation of the Knowledge Hub.

Table 4 details the various knowledge products finalised over the 2022/23 reporting period. We invite you to follow the links to find out more.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

Table 4: Knowledge Products

Reports	Blogs	Newsletters
<ul style="list-style-type: none"> • Africa Debt Monitor Analysis : The state of public debt transparency and accountability in Africa • Africa Debt Monitor Analysis : Managing risks of ever-changing debt portfolios in ADM participating countries • Forecast Bias and Budget Credibility in Rwanda, Senegal and Uganda - Results from a New Fiscal Database • CABRI Secretariat Annual Report 2021/22 • Building Public Finance Capabilities in Africa - 2023 Brochure 	<ul style="list-style-type: none"> • Top 2 key takeaway messages from the fifth network engagement meeting with public debt managers in Africa • ICBP goes to Sweden • Insights from the Africa Debt Monitor in 2022: Rising debt levels and the importance of risk management and transparency • Country Spotlight: How public debt initiatives in Kenya help accelerate economic recovery for improved livelihoods 	<ul style="list-style-type: none"> • Special edition of Notes on PFM in Africa – Become a CABRI member country • Notes on PFM in Africa – June, September, October 2022 and March 2023 • 5th newsletter for Public Debt Managers in Africa on “Taking advantage of improved sovereign credit rating outlook to prudently manage government debt”
	<ul style="list-style-type: none"> • Programme-based budgeting training with CNESE and UNICEF Algeria • Introducing the Problem-Driven Iterative Adaptation (PDIA) approach to Supreme Audit Institutions • International Building Capabilities Programme authorisers’ week in Sweden • Launch : Building Public Finance Capabilities in Africa 2023 • Building Public Finance Capabilities for Improved Service for Children: UNICEF and CABRI collaboration 	<ul style="list-style-type: none"> •

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

	<ul style="list-style-type: none">International Capability Building Programme Framing Workshop on Voluntary Tax Compliance	
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4. Network Governance

Management Committee and General Assembly

CABRI continues to value the importance of governance and appreciates the oversight of our member countries that form the CABRI General Assembly (GA) and the CABRI Management Committee (MC). The annual CABRI General Assembly meeting was held virtually in May 2022, with most member countries present to ratify the annual workplan, budget and annual financial statements.

Four meetings of the CABRI MC were held, with one held in-person, in Sandton, South Africa. Approvals obtained, amongst others, include those provided in table 6 below.

Table 6:

February 2022	May 2022	August 2022	November 2022
Secretariat's annual workplan and budget	Revised and updated CABRI rules and procedures manuals	Quarterly progress and year-to-date financial reports	Adjustments budget
Expenditure report for the period	Secretariat Report 2021/22	Human Resources processes	Quarterly progress and year-to-date financial report
			Annual financial statements

The records of the four MC meetings are captured in the respective Meeting Minutes.

Finance, including development partners and membership fees

CABRI received an unqualified audit for the period. This is the seventh unqualified audit since the adoption of the International Financial Reporting Standards (IFRS) in 2015/16. Prior to the adoption of the IFRS, 'agreed upon procedures' audits were undertaken.

Expenditure for 2022/23 against the MC approved Adjusted Budget, is shown in **Annexure 1**.

Extensive negotiations with development partners were undertaken to re-forecast estimated expenditure.

Development Partners

For the 2022/23 period, the main sources of revenue were grant funding from the African Development Bank, GIZ, Swedish International Development Cooperation Agency (Sida), and Membership Fees. New partnerships were formed with UNICEF Algeria and UNICEF ESARO - details of these projects were described above. CABRI remains grateful to our partners for their continuous support.

During the reporting period, we engaged with long-term partner, the Gates Foundation, on re-establishing our partnership. Our discussions included new and priority areas in the field of PFM, and areas our work has been focused on, such as health financing. Our discussions will carry on into the new year, with the aim of aligning our strategies and defining new areas of support and collaboration for the benefit of CABRI member countries and of Africa.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

In 2019/20, CABRI was invited by the GIZ Good Financial Governance Programme in 2020, to partner with the Good Financial Governance in Africa Partner Networks including: the African Tax Administration Forum (ATAF), the African Organisation of Supreme Audit Institutions, the African Organisation of English-speaking Supreme Audit Institutions (AFROSAI and AFROSAI-E), the African Organisation of Public Accounts Committees (AFROPAC), to develop a programme on Illicit Financial Flows. The programme has taken shape over the past few months and aims to support the coordination of continental anti-IFF activities and to foster collaboration of Pan-African Institutions on the issue. CABRI is currently developing its scope of work through the BPFIC programme.

Human Resources

At the end of June 2022, CABRI bid farewell to Mr. Neil Cole as Executive Secretary of CABRI. Mr. Cole informed the General Assembly of his departure in its May 2022 meeting. General Assembly members shared their well wishes and thanked Mr. Cole for pioneering an exemplary organisation that continues its strive towards PFM reform on the continent.

The Management Committee appointed Mrs. Soonsyra Lowe Nicolas, Stakeholder Liaison Manager, as Acting Executive Secretary. Mrs. Lowe Nicolas served in both positions from 5 July 2022 to 1 April 2023. During her tenure, Mrs. Lowe Nicolas, with support from the Secretariat, ensured, amongst others, that the Secretariat's workplan was executed.

During the transitional period, the Management Committee actioned a rigorous recruitment process for an Executive Secretary, a Head of Technical and Head of Operations. On 1 April 2023, the Secretariat welcomed Dr. Kay Brown and Ms. Rajeshree Subramoney, former financial manager. Mr. Andisile Best, as Head of Technical, commenced in the beginning of May 2023. We thank our partners and member countries for the support during the interim period and look forward to working together with CABRI's new leadership.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

Annexure 1: Expenditure Report 2022/23

	ACTUAL				Adjusted Budget	YTD Actual	Remaining Budget	% Budget Used
	Q1	Q2	Q3	Q4				
1. BUILDING PFM CAPABILITIES	2 900	38 825	30 406	86 429	265 262	158 560	106 702	60%
Building PFM Capabilities in Africa								
Framing Workshop	-	-	-	5 000	13 974	5 000	8 974	36%
Framing Workshop	-	-	-	77 970	86 300	77 970	8 330	90%
In Country Check-ins	-	-	-	784	9 900	784	9 116	8%
Trainings	2 900	24 367	28 533	2 674	132 820	58 474	74 346	44%
Trainings	-	14 458	1 873	-	22 268	16 331	5 937	73%
2. POLICY DIALOGUES, PRACTICES & PROCEDURES	1 785	-	176	-	68 113	1 960	66 153	3%
VFM - Agriculture Orientation Index								
Peer learning & exchange	-	-	-	-	66 158	-	66 158	0%
Sustainable Debt Management								
Network outreach & Collaboration	1 785	-	176	-	1 955	1 960	-5	100%
3. KNOWLEDGE DEVELOPMENT & EXCHANGE	7 377	1 905	1 684	90	103 653	11 056	92 597	11%
PFM Knowledge Hub	6 040	1 905	1 684	90	31 537	9 718	21 819	31%
Africa Debt Monitor - Marketing & Translations	-	-	-	-	48 250	-	48 250	0%
Sustainable Debt Management - Comm & Dissemination	1 338	-	-	-	-	1 338	-1 338	100%
Budgets in Africa - Documents update and Database clean-up	-	-	-	-	18 866	-	18 866	0%
PFM Capability Assessment - Reports & Africa fiscal database	-	-	-	-	5 000	-	5 000	0%
4. NETWORK GOVERNANCE	25 719	51 340	27 599	30 096	261 895	134 754	127 141	51%
Sustainable CABRI Network								
MC & GA	4 360	17 376	3 865	2 236	45 000	27 837	17 163	62%
Visibility & Network Building								
Enhanced CABRI knowledge products	1 399	1 267	1 922	1 283	32 295	5 870	26 425	18%
Publications Library	-	-	-	-	600	-	600	0%
Corporate Services - Operational	19 959	32 697	21 813	26 577	184 000	101 046	82 954	55%
STAFF COST	212 983	179 069	175 833	271 889	1 057 438	839 774	217 664	79%
Network Governance	29 090	7 001	2 138	110 336	303 156	148 564	154 592	49%
Technical	84 221	72 177	74 242	61 881	348 153	292 522	55 631	84%
Operational	99 672	99 891	99 453	99 672	406 129	398 688	7 441	98%
TOTAL	250 763	271 139	235 698	388 503	1 756 361	1 146 104	610 257	65%

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Management Committee's Report

3. Management committee

The members in office at the date of this report are as follows:

Members

Mr BI Akabueze - Chairperson	Federal Republic of Nigeria
Ms S Thipe	Republic of South Africa
Mr S Kiiru	Republic of Kenya
Mr R Namutebi	Republic of Rwanda
Mr R Chaou	Republic of Benin

This Management Committee was appointed on 6 May 2021 at CABRI's annual General Assembly meeting. The Management Committee will serve for a period of 2 years.

4. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

5. Events after the reporting period

NG Cole (Executive Secretary) Resigned from CABRI and his services ended 30 June 2022.

S Lowe Nicolas was appointed by the Management Committee as the Acting-Executive Secretary from 5 July 2022 until 10 April 2023.

Dr. KV Brown was appointed as the new Executive Secretary from 11 April 2023.

6. Going concern

The members believe that the organisation has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The members have satisfied themselves that the organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The members are not aware of any new material changes that may adversely impact the organisation. The members are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the organisation.

7. Auditors

Nexia SAB&T were appointed in office as auditors for the organisation for 2023.

8. Date of authorisation for issue of annual financial statements

The annual financial statements have been authorised for issue by the members on Wednesday, 15 November 2023. No authority was given to anyone to amend the annual financial statements after the date of issue.

INDEPENDENT AUDITOR'S REPORT

To the Members of Collaborative Africa Budget Reform Initiative

Opinion

We have audited the annual financial statements of Collaborative Africa Budget Reform Initiative set out on pages 21 to 33, which comprise the statement of financial position as at 31 March 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Collaborative Africa Budget Reform Initiative as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Agreement establishing the Collaborative Africa Budget Reform Initiative.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The members are responsible for the other information. The other information comprises the information included in the document titled "Collaborative Africa Budget Reform Initiative Annual Financial Statements for the year ended 31 March 2023", which includes the Management Committee's Report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

Audit. Tax. Advisory.

Chairperson: Mrs A Ramasike | Chief Executive Officer: Mr B Adam

SAB&T Chartered Accountants Incorporated t/a Nexia SAB&T

Company Registration Number: 1997/018869/21 | IRBA Registration Number: 921297

Offices in: Bloemfontein, Cape Town, Centurion, Durban, Johannesburg, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg

B-BBEE rating: Level 1 Contributor in terms of Generic Scorecard - B-BBEE Codes of Good Practice

SAB&T Chartered Accountants Incorporated is a member of Nexia, a leading, global network of independent accounting and consulting firms.

SAB&T Chartered Accountants Incorporated is an authorised financial services provider.

* A full list of directors is available for inspection at the company's registered office or on request.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Responsibilities of the Management Committee for the Financial Statements

The management committee is responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Agreement establishing the Collaborative Africa Budget Reform Initiative, and for such internal control as the management committee determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the management committee is responsible for assessing the organization'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 committee either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole 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 is not a guarantee that an audit conducted in accordance with ISAs 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management committee.
- Conclude on the appropriateness of the management committee'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 organization'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 statements 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 the organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia SAB&T

Nexia SAB&T

Aadila Aboobaker

Director

Registered Auditor

23 November 2023

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Statement of Financial Position as at 31 March 2023

Figures in US Dollar	Notes	2023	2022 Restated
Assets			
Non-Current Assets			
Property, plant and equipment	2	33 150	37 945
Current Assets			
Trade and other receivables	3	874 517	578 043
Cash and cash equivalents	4	2 469 162	2 023 089
Other asset	5	-	478 372
		3 343 679	3 079 504
Total Assets		3 376 829	3 117 449
Equity and Liabilities			
Equity			
Retained income		1 990 557	2 135 575
Liabilities			
Current Liabilities			
Trade and other payables	6	100 458	193 073
Deferred income	7	670 814	173 801
Amounts invoiced in advance	8	397 560	425 000
Amounts received in advance	9	217 440	190 000
		1 386 272	981 874
Total Equity and Liabilities		3 376 829	3 117 449

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Statement of Comprehensive Income

Figures in US Dollar	Note(s)	2023	2022 Restated
Revenue	10	842 042	2 844 521
Other income	11	170 226	-
Operating expenses	12	(1 198 411)	(3 029 762)
Operating loss		(186 143)	(185 241)
Investment revenue	16	41 125	6 753
Loss for the year		(145 018)	(178 488)
Other comprehensive income		-	-
Total comprehensive loss for the year		(145 018)	(178 488)

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Statement of Changes in Equity

Figures in US Dollar	Retained income	Total equity
Opening balance as previously reported	2 294 393	2 294 393
Adjustments		
Prior year adjustments	19 670	19 670
Balance at 01 April 2021 as restated	2 314 063	2 314 063
Loss for the year	(178 488)	(178 488)
Other comprehensive income	-	-
Total comprehensive loss for the year	(178 488)	(178 488)
Balance at 01 April 2022 as restated	2 135 575	2 135 575
Loss for the year	(145 018)	(145 018)
Other comprehensive income	-	-
Total comprehensive loss for the year	(145 018)	(145 018)
Balance at 31 March 2023	1 990 557	1 990 557
Note(s)		
Retained earnings at the beginning of the year:		
- As previously reported	2 100 652	2 294 393
- Correction of prior period error	34 923	19 670
	<u>2 135 575</u>	<u>2 314 063</u>
Retained earnings at the end of the year	<u>1 990 557</u>	<u>2 135 575</u>

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Statement of Cash Flows

Figures in US Dollar	Notes	2023	2022
Cash flows from operating activities			
Cash used in operations	18	(70 962)	(1 421 856)
Interest income		41 125	6 753
Net cash from operating activities		(29 837)	(1 415 103)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(2 462)	(2 098)
Payment of other asset		-	(478 373)
Receipt of other asset		478 372	-
Net cash from investing activities		475 910	(480 471)
Cash flows from financing activities			
Movement in amounts invoiced in advance		(27 440)	10 000
Movement in amounts received in advance		27 440	15 000
Net cash from financing activities		-	25 000
Total cash movement for the year		446 073	(1 870 574)
Cash at the beginning of the year		2 023 089	3 893 663
Total cash at end of the year	4	2 469 162	2 023 089

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Agreement Establishing the Collaborative Africa Budget Reform Initiative. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in US Dollar.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the organisation holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the organisation, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been revalued and assessed as follows:

Item	Depreciation method	Range of useful life
Furniture and fixtures	Straight line	5 to 15 years
Office equipment	Straight line	5 to 15 years
IT equipment	Straight line	6 to 15 years

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.3 Financial instruments (continued)

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.5 Impairment of assets

The organisation assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.6 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.7 Provisions and contingencies

Provisions are recognised when the organisation has an obligation at the reporting date as a result of a past event; it is probable that the organisation will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.8 Revenue

Interest is recognised, in profit or loss, using the effective interest rate method.

Grants

Grants are recognised when there is reasonable assurance that the organisation will comply with the conditions attaching to them and the grants will be received.

Grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A grant becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Grants related to income are presented as a credit in the profit or loss separately.

Grants received before the organisation will comply with the conditions attached to them as satisfied, are recognised as deferred income.

Membership fees

Membership fees are invoiced in the current financial year for the following financial year. According to CABRI's rules and procedures, the membership fees should ideally be paid by 31 March. The funds will then be used for expenses that will be incurred in the following financial year.

1.9 Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in US Dollar, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

1.10 Prior year comparatives

When material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as it is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Figures in US Dollar

2023

2022

2. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	17 668	(7 672)	9 996	29 788	(18 614)	11 174
Office equipment	4 684	(1 594)	3 090	4 684	(1 282)	3 402
IT equipment	36 892	(16 828)	20 064	58 597	(35 228)	23 369
Total	59 244	(26 094)	33 150	93 069	(55 124)	37 945

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	11 174	-	(1 178)	9 996
Office equipment	3 402	-	(312)	3 090
IT equipment	23 369	2 462	(5 767)	20 064
	37 945	2 462	(7 257)	33 150

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	11 461	840	(1 127)	11 174
Office equipment	3 715	-	(313)	3 402
IT equipment	29 639	1 258	(7 528)	23 369
	44 815	2 098	(8 968)	37 945

Revaluation of useful life

Property, plant and equipment has been restated resulting on a prior period error adjustment that is disclosed in note 21.

3. Trade and other receivables

Trade receivables	851 719	539 883
Deposits	968	8 334
Sundry debtors receivable	21 830	29 826
	874 517	578 043

The carrying amount of the trade and other receivables are denominated in the following currencies

Trade receivables - US Dollar	1 908 564	1 766 728
Trade receivables impaired	(1 056 845)	(1 226 845)
Trade receivables after impairment	851 719	539 883

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Figures in US Dollar

	2023	2022
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4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	568	67
Bank balances	2 468 594	2 023 022
	2 469 162	2 023 089

The carrying amount of cash and cash equivalents are denominated in the following currencies and converted to USD as at 31 March 2023 for the 2022/23 financial year at the following rates:

South African Rand: R 17.8139 = \$1 (2022: R 14.4705 = \$1)	4 476 470	1 618 048
United States Dollar	2 217 304	1 911 205

5. Other asset

Current assets	-	478 372
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In line with the grant agreement, CABRI paid for expenses which was reimbursed after year end by the Bill and Melinda Gates Foundation.

6. Trade and other payables

Trade payables	7 431	120 204
Accrued leave pay	32 203	56 139
Accrued expenses	60 824	16 730
	100 458	193 073

The net carrying amounts, of trade payables, are denominated in the following currencies:

South African Rand	50 985	52 687
United States Dollar	5 000	67 720

Trade and other payables has been restated resulting on a prior period error adjustment that is disclosed in note 21.

7. Deferred income

Deferred income	670 814	173 801
Unicef - Algeria	4 062	-
Unicef - Esaro	19 816	-
African Development Bank	473 838	-
Swedish International Development Cooperation Agency	173 098	173 098
Bill and Melinda Gates Foundation	-	703

Deferred income consists of funding received from various donors to be utilised by the organisation in terms of the agreement between the donors and the organisation.

8. Amounts invoiced in advance

Membership fees invoiced in advance	397 560	425 000
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9. Amounts received in advance

Membership fees received in advance	217 440	190 000
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Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Figures in US Dollar	2023	2022
10. Revenue		
Grants received	227 042	2 254 521
Membership fees	615 000	590 000
	842 042	2 844 521
11. Other income		
Profit on sale of fixed assets	226	-
Recoveries	170 000	-
	170 226	-
12. Operating expenses		
Operating (loss)/ profit include the following expenses:		
Operating lease charges		
Premises		
• Contractual amounts	11 072	73 201
Loss on exchange differences	9 426	36 080
Depreciation and amortisation	7 257	8 967
Employee costs	878 487	1 131 256
13. Auditor's remuneration		
Fees	13 978	44 716
The decrease in the audit fees are due to the following reasons:		
Audit fees	13 978	16 281
Agreed upon procedures	-	4 166
Funder financial statements - SIDA	-	9 159
Funder financial statements - AfDB	-	15 110
Total	13 978	44 716
14. Employee cost		
Employee costs		
Basic	902 423	1 128 282
Leave pay provision charge	(23 936)	2 974
	878 487	1 131 256
15. Depreciation, amortisation and impairments		
The following items are included within depreciation, amortisation and impairments:		
Depreciation		
Property, plant and equipment	7 257	8 967
16. Investment revenue		
Interest revenue		
Bank	41 125	6 753

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Figures in US Dollar

2023

2022

17. Taxation

No provision has been made for taxation as the organisation is exempt from income taxation in accordance with Section 5(3) of the Diplomatic Immunities and Privileges Act, 2001 and Article 6(2) of the Agreement.

18. Cash used in operations

Loss before taxation	(145 018)	(178 488)
Adjustments for:		
Depreciation and amortisation	7 257	8 967
Interest received	(41 125)	(6 753)
Changes in working capital:		
Trade and other receivables	(296 474)	442 100
Trade and other payables	(92 615)	(215 741)
Deferred income	497 013	(1 471 941)
	(70 962)	(1 421 856)

19. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due

- within one year

30 000

-

20. Related parties

Relationships

Members of management and other officials

Mr NG Cole - Executive Secretary

Ms R Subramoney - Financial Manager

Mrs S Lowe Nicolas - Acting Executive Secretary

Related party balances and transactions with other related parties

Related party balances

Remuneration and tax compensation paid to members of management and other officials

Mr NG Cole	47 887	158 546
Ms R Subramoney	109 178	106 985
Mrs S Lowe Nicolas	60 756	-

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Figures in US Dollar

2023

2022

21. Prior period errors

Area	As previously reported 2022	Adjustment	Restated 2022
Trade payables	120 406	202	120 204
Accrued expenses	28 114	11 384	16 730
Operating expenses	3 045 015	(15 253)	3 029 762
Deferred income	173 098	(703)	173 801
Property plant and equipment closing balance - Cost	115 565	(22 496)	93 069
Accumulated depreciation	101 660	46 536	55 124
Property plant and equipment closing - Carrying amount	13 905	24 040	37 945
Property plant and equipment opening balance - Carrying amount	25 145	19 670	44 815
Retained Earnings	(2 294 393)	(19 670)	(2 314 063)

1) Accruals and Trade Payables for the prior year has been reversed. These accruals and trade payables were for expenses for the funder Bill and Melinda Gates Foundation. As the grant for the funder closed in the 2022 financial year and the accruals did not realise, it has been reversed. Because of this, the income in the prior year was also overstated, and this has been corrected.

2) The useful life of fixed assets have been reassessed in the prior year and the error has been corrected.

Refer to the table above for the corrections made.

22. Categories of financial instruments

Debt instruments at amortised cost

Cash and cash equivalents	2 469 162	2 023 089
Trade and other receivables	874 517	578 043
	3 343 679	2 601 132

Financial liabilities at amortised cost

Trade and other payables	(68 253)	(136 934)
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23. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Figures in US Dollar

2023

2022

23. Going concern (continued)

Management and the Management Committee believe that the organisation has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Management and Management Committee are not aware of any new material changes that may adversely impact the organisation. They are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the organisation.

24. Events after the reporting period

NG Cole (Executive Secretary) Resigned from CABRI and his services ended 30 June 2022.

S Lowe Nicolas was appointed by the Management Committee as the Acting-Executive Secretary from 5 July 2022 until 10 April 2023.

Dr. KV Brown was appointed as the new Executive Secretary from 11 April 2023.

Collaborative Africa Budget Reform Initiative

Annual Financial Statements for the year ended 31 March 2023

Detailed Income Statement

Figures in US Dollar	Note(s)	2023	2022 Restated
Revenue			
Grants income		227 042	2 254 521
Membership fees		615 000	590 000
	10	842 042	2 844 521
Other income			
Fees earned		226	-
Recoveries		170 000	-
		170 226	-
Operating expenses			
Advertising		(1 879)	(13 355)
Auditors remuneration	13	(13 978)	(44 716)
Bad debts		-	(149 970)
Computer expenses		(29 929)	(49 746)
Consulting and professional fees		(72 405)	(1 168 923)
Depreciation		(7 257)	(8 967)
Employee costs		(878 487)	(1 131 256)
Entertainment		(13 420)	(2 236)
Venue and conference costs		(66 161)	(200 863)
Publications		(1 382)	(24 301)
Editorial services		-	(3 554)
Flights		(32 360)	(3 036)
Translation		(9 475)	(84 759)
Ground transport		(2 194)	(251)
Tender costs		(2 855)	-
Relocation costs		(9 849)	(583)
Asset expenditure		(250)	-
General expenses		(3 978)	(6 586)
IT expenses		(14 128)	(9 711)
Insurance		(53)	(138)
Lease rentals on operating lease		(11 072)	(73 201)
Legal expenses		(413)	(3 130)
Utilities		(6 248)	(7 629)
Other expenses		(18)	11 584
Postage		(103)	(13)
Printing and stationery		(1 940)	(664)
Foreign exchange loss		(9 426)	(36 080)
Security		-	(388)
Insurance - Staff		(1 615)	-
Telephone and fax		(6 703)	(16 368)
Travel - local		(833)	(922)
		(1 198 411)	(3 029 762)
Operating (loss)/ profit	12	(186 143)	(185 241)
Investment income	16	41 125	6 753
(Loss)/ profit for the year		(145 018)	(178 488)

We are CABRI!



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CABRI Secretariat,
Cnr John Vorster & Nellmapius Drive,
Centurion, 0062,
South Africa

Email: info@cabri-sbo.org

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