

**MINISTRY OF EDUCATION AND COMMUNITY DEVELOPMENT  
REPUBLIC OF SURINAME**

**SECOND BASIC EDUCATION IMPROVEMENT PROGRAM  
IDB Loan Agreement No. 2742/OC-SU**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2013**

Ministry of Education and Community Development  
Second Basic Education Improvement Program

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## **INDEPENDENT AUDITOR'S REPORT**

To: Ministry of Education and Community Development - Republic of Suriname  
Executing Agency  
Second Basic Education Improvement Program

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

We have audited the accompanying financial statements, which comprise the Statement of Cash Flows, the Statement of Cumulative Investments, and a summary of significant accounting policies and other explanatory information for the Second Basic Education Improvement Program, executed by the Ministry of Education and Community Development (Executing Agency), and financed with funds from the Inter-American Development Bank (IDB) Loan Agreement No. 2742/OC-SU as at and for the year then ended December 31, 2013.

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

The Project management of the Second Basic Education Improvement Program is responsible for the preparation and fair presentation of these financial statements in accordance with Cash Basis Accounting and specific requirements of the IDB, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

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

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

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

As described in Note 2, the Statement of Cash Flows and the Statement of Cumulative Investments were prepared in accordance with Cash Basis Accounting. Cash Basis Accounting recognizes transactions and acts only when cash (and/or cash equivalent) is received or disbursed by the Program, and not when they give rise to accrue or originate rights or obligations although there was no cash movement.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash flows and cumulative investments Second Basic Education Improvement Program as at and for the year ended December 31, 2013, in accordance with the basis of accounting described in the paragraph above and the accounting policies described in Note 2.

### **Other Matter**

The financial statements of Second Basic Education Improvement Program as at and for the year ended December 31, 2012, have been audited by another auditor who expressed an unmodified opinion on those statements on April 26, 2013.

### **Report on other legal and/or regulatory requirements**

We did not observe any situations suggesting non-compliance with the financial clauses in Inter-American Development Bank Loan Agreement No. 2742/OC-SU during the period reviewed by us.

### **Restriction on use and distribution**

We draw attention to Note 2 to the accompanying financial statements which describes the basis for accounting. The accompanying financial statements are prepared to comply with the specific reporting requirements of the IDB. As a result, the accompanying financial statements may not be suitable for another purpose. Our opinion is not qualified in respect of this matter. The accompanying financial statements and our auditor's report thereon are intended solely for the Ministry of Education and Community Development, Ministry of Finance of the Republic of Suriname and the Inter-American Development Bank and should not be used for other purposes.

Tjong A Hung Accountants N.V.



drs. R.A. Tjong A Hung RA  
Managing partner

April 29, 2014

Paramaribo, Suriname

**MINISTRY OF EDUCATION AND COMMUNITY DEVELOPMENT**  
**REPUBLIC OF SURINAME**  
**SECOND BASIC EDUCATION IMPROVEMENT PROGRAM**  
**STATEMENT OF CASH FLOWS**  
*(Expressed in U.S. dollars)*

	Notes	2013			2012		
		IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL
<b>CASH RECEIVED</b>							
Accumulated cash at beginning period		441,426	10	441,436	-	-	-
Adjustments		<u>7</u>	<u>(7)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accumulated cash at beginning period, adjusted		441,433	3	441,436	-	-	-
Activities during the year							
- Advance of funds		3,621,897	-	3,621,897	200,000	-	200,000
- Direct payments		2,748,880	45,462	2,794,342	241,433	-	241,433
- Others: Foreign exchange gain		<u>-</u>	<u>61</u>	<u>61</u>	<u>-7</u>	<u>10</u>	<u>3</u>
<b>Total cash received</b>		<u>6,812,210</u>	<u>45,526</u>	<u>6,857,736</u>	<u>441,426</u>	<u>10</u>	<u>441,436</u>
<b>DISBURSEMENTS MADE</b>							
Cumulative disbursements at beginning of the period		328,237	7	328,244	-	-	-
Activities during the year							
- Payments for goods and services		<u>5,333,734</u>	<u>46,090</u>	<u>5,379,824</u>	<u>328,237</u>	<u>7</u>	<u>328,244</u>
<b>Total disbursements made</b>		<u>5,661,971</u>	<u>46,097</u>	<u>5,708,068</u>	<u>328,237</u>	<u>7</u>	<u>328,244</u>
<b>CASH AVAILABLE AS AT DECEMBER 31</b>	3	<u>1,150,239</u>	<u>(571)</u>	<u>1,149,668</u>	<u>113,189</u>	<u>3</u>	<u>113,192</u>

*The notes on pages 9 to 25 form an integral part of the financial statements.*

**MINISTRY OF EDUCATION AND COMMUNITY DEVELOPMENT**  
**REPUBLIC OF SURINAME**  
**SECOND BASIC EDUCATION IMPROVEMENT PROGRAM**  
**STATEMENT OF CUMULATIVE INVESTMENTS**  
*(Expressed in U.S. dollars)*

	Notes	Cumulative as at December 31, 2012			Movement during 2013			Cumulative as at December 31, 2013		
		IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL
<b>1. Improve Student Learning Outcomes in Basic Education</b>	<b>7.1</b>	<b>204,688</b>	-	<b>204,688</b>	<b>3,030,047</b>	-	<b>3,030,047</b>	<b>3,234,735</b>	-	<b>3,234,735</b>
1.1. Redesign of curriculum, testing and examination grades 4 to 8 and national expansion of the revised curriculum in grades 3 to 6	7.1	182,078	-	182,078	2,307,098	-	2,307,098	2,489,176	-	2,489,176
1.2. Provide schools with appropriate textbooks and learning materials for all grades	7.1	22,610	-	22,610	722,949	-	722,949	745,559	-	745,559
<b>2. ICT in Education</b>	<b>7.2</b>	-	-	-	<b>27,290</b>	<b>2</b>	<b>27,292</b>	<b>27,290</b>	<b>2</b>	<b>27,292</b>
2.1. Development of a legal and regulatory framework for ICT in education		-	-	-	12	2	14	12	2	14
2.2. Development of a national policy and strategy on ICT in education	7.2	-	-	-	26,698	-	26,698	26,698	-	26,698
2.3. Development of the ICT educational content		-	-	-	324	-	324	324	-	324
2.4. Develop ICT enabling infrastructure		-	-	-	173	-	173	173	-	173
2.5. Study for ICT alternatives in education in the interior		-	-	-	83	-	83	83	-	83
2.6. Action plan on methods to expand ICT in education		-	-	-	-	-	-	-	-	-

	Notes	Cumulative as at December 31, 2012			Movement during 2013			Cumulative as at December 31, 2013		
		IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL
<b>3. Increase Access to Basic Education in the Interior and Improve Facilities of MOECD</b>	<b>7.3</b>	<b>42</b>	<b>-</b>	<b>42</b>	<b>1,969,946</b>	<b>-</b>	<b>1,969,946</b>	<b>1,969,988</b>	<b>-</b>	<b>1,969,988</b>
3.1. Renovation of existing schools & teacher housing in the interior	7.3	-	-	-	5,262	-	5,262	5,262	-	5,262
3.2. Building and furnishing of new schools including multi-media centers, sport facilities and/or teacher housing	7.3	42	-	42	1,899,061	-	1,899,061	1,899,103	-	1,899,103
3.3. Diagnostics, needs assessments for school construction and MOECD upgrading		-	-	-	-	-	-	-	-	-
3.4. Renovation and upgrading of some MOECD departments and purchase of equipment (including furniture)	7.3	-	-	-	65,623	-	65,623	65,623	-	65,623
3.5. Construction of a building to be used as a center for in-service teacher training at MOECD (CENASU)		-	-	-	-	-	-	-	-	-
<b>4. Improvement of the Management at the MOECD and school levels</b>	<b>7.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>110,774</b>	<b>2</b>	<b>110,776</b>	<b>110,774</b>	<b>2</b>	<b>110,776</b>
4.1. Capacity development of MOECD staff	7.4	-	-	-	21,847	2	21,849	21,847	2	21,849
4.2. Strengthening and expanding the EMIS		-	-	-	-	-	-	-	-	-
4.3. Monitoring and evaluation and social marketing	7.4	-	-	-	88,927	-	88,927	88,927	-	88,927

	Notes	Cumulative as at December 31, 2012			Movement during 2013			Cumulative as at December 31, 2013		
		IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL
<b>5. Program Administration</b>		<b>123,507</b>	<b>7</b>	<b>123,514</b>	<b>195,677</b>	<b>10,510</b>	<b>206,187</b>	<b>319,184</b>	<b>10,517</b>	<b>329,701</b>
5.1. Program Management Unit	7.5, 5	121,382	7	121,389	189,052	10,510	199,562	310,434	10,517	320,951
5.2. Mid-term and final evaluation		-	-	-	-	-	-	-	-	-
5.3. Audit		2,125	-	2,125	6,625	-	6,625	8,750	-	8,750
<b>87.00.00 Financial Costs</b>		-	-	-	-	<b>35,576</b>	<b>35,576</b>	-	<b>35,576</b>	<b>35,576</b>
87.01.00 Credit fee		-	-	-	-	24,692	24,692	-	24,692	24,692
97.02.00 Interest		-	-	-	-	10,802	10,802	-	10,802	10,802
Bank charges		-	-	-	-	82	82	-	82	82
<b>TOTAL</b>		<b>328,237</b>	<b>7</b>	<b>328,344</b>	<b>5,333,734</b>	<b>46,090</b>	<b>5,379,824</b>	<b>5,661,971</b>	<b>46,097</b>	<b>5,708,068</b>

*The notes on pages 9 to 25 form an integral part of the financial statements.*



MINISTRY OF EDUCATION AND COMMUNITY DEVELOPMENT  
SECOND BASIC EDUCATION IMPROVEMENT PROGRAM  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013

**Note 1 – Program description**

On September 1, 2012 the Republic of Suriname and Inter-American Development Bank entered into a Loan Agreement No. 2742/OC-SU to cooperate in the execution of a Second Basic Education Improvement Program (2<sup>nd</sup> BEIP) – Phase 1 (hereinafter referred to as the Program).

Program scope and objectives

The overall objective of the multi-phase program is to increase the learning outcomes of students in the education system of Suriname from pre-primary through junior secondary education nationally, and improve the internal efficiency and quality of the new basic education system.

The strategic objective of the program is to eliminate the tracking system and create a new basic education system with initial focus on the first eight years from pre-primary through primary.

The Program is designed as a multi-phase operation with two phases spanning an eight year period. Phase I, which will be executed in four years, will focus on developing the curriculum framework for the entire basic education system and on increasing learning outcomes of students in grades 1 to 8.

Program components

In order to achieve the above-mentioned objectives, the Program will encompass the following components:

- Component 1. Improve student learning outcomes in basic education;
- Component 2. Information and Communication Technology (ICT) in education;
- Component 3. Increase access to basic education in the interior and improve facilities of Ministry of Education and Community Development (MOECD); and
- Component 4. Improvement of management at the MOECD and school levels.

Program costs and financing structure

The estimated costs of the Program is fourteen million four hundred and fifty thousand US dollars (US\$ 14,450,000). The cost is financed by IDB through US\$ 13.7 million loan and by local counterpart for the amount of US\$ 750,000. The following is the financial plan of the Program:

Categories	Bank US\$ '000	Local US\$ '000	Total US\$ '000	%
<b>Component 1. Improve student learning outcomes in basic education.</b>	<b>5,700</b>	-	<b>5,700</b>	<b>39.45</b>
1.1 Redesign of curriculum, testing and examination	2,700	-	2,700	18.69
1.2 Provide schools with appropriate textbooks and learning materials.	3,000	-	3,000	20.76
<b>Component 2. Information and Communication Technology (ICT) in education</b>	<b>800</b>	-	<b>800</b>	<b>5.54</b>
<b>Component 3. Increase access to basic education in the interior and improve facilities of Ministry of Education and Community Development (MOECD)</b>	<b>4,230</b>	<b>250</b>	<b>4,480</b>	<b>31.00</b>
<b>Component 4. Improvement of management at the MOECD and school levels</b>	<b>1,720</b>	-	<b>1,720</b>	<b>11.90</b>
4.1 Capacity development of MOECD staff	815	-	815	5.64
4.2 Strengthening and expanding EMIS	620	-	620	4.29
4.3 Monitoring and evaluation and social marketing	285	-	285	1.97
<b>Program Administration</b>	<b>1,250</b>	<b>500</b>	<b>1,750</b>	<b>12.11</b>
Program management unit	500	100	600	4.15
Mid-term and final evaluation	180	-	180	1.25
Audit	70	-	70	0.48
Contingency	500	400	900	6.23
<b>Total</b>	<b>13,700</b>	<b>750</b>	<b>14,450</b>	<b>100</b>

Execution

The Ministry of Education and Community Development (MOECD) is the executing agency of the Program.

A coordinating body in the MOECD composed of the Permanent Secretary (PS) and two Technical Advisors oversee the Program implementation and provide advisory guidance and policy direction.

The Program Management Unit (PMU), is situated in the MOECD, perform all administrative, procurement, financial and overall management tasks required for successful Program implementation.

For the year 2013, the PMU consists of the following key personnel comprised of MOECD appointed staff and external consultants:

Program manager	: Mr. A. Kramp (January to November 2013)
Program manager	: Mrs. H. Verwey (starting December 2013)
Operations officer	: Mrs. F. Pahalwankhan
Finance officer	: Mrs. S. Bansropansingh
Procurement officer	: Mr. F. Refors
Social marketing officer	: Mr. Q. Nitidrono
Task officer – curriculum	: Mr. H. Esajas
Task officer – ICT	: Mr. D. Wazir
Administrative assistant	: Mrs. L. Lavenberg
Training coordinator	: Mrs. V. Ramlal-Chander
Member building commission	: Mr. E. Eersteling Mr. J. Pahalwankhan Mr. K. Binda Mr. R. Wesenhagen Mr. I. Jalimsing

## **Note 2 – Significant accounting policies**

### Cash Basis of Accounting

The financial statements of the Program for the year ended December 31, 2013 have been prepared using the cash basis of accounting, which recognizes transactions and acts only when the cash and or its equivalent is received or disbursed by the Project, and not when they give rise to accrue or originate rights or obligations.

### Currency

The Program's accounting records are maintained in U.S. dollars. The financial statements are also presented in U.S. dollars rounded off to the nearest whole US dollar value.

Cash receipts and cash disbursements denominated in the currency other than the U.S. dollars were translated using the applicable rate of the Central Bank of Suriname at the date of the transaction.

## **Note 3 – Available cash balance**

The composition of the available cash balance as at December 31 is as follows:

	<u>12-31-13</u>	<u>12-31-12</u>
	US\$	US\$
Central Bank of Suriname USD 0313100/001-068-840	589,476	48,299
Central Bank of Suriname SRD 0313100/001-153-968	704,298	60,533
Petty cash	15,347	4,360
Checks already issued but not yet cleared by bank	(159,453)	-
<b>Available cash as at December 31</b>	<b><u>1,149,668</u></b>	<b><u>113,192</u></b>

#### Note 4 – Advances and justification

The Project is receiving cash advances of funds from IDB based on a disbursement request. Upon reaching 80% disbursement out of the cash advances, the Project justifies the expenditures and then requests for additional cash advance.

	<u>2013</u>	<u>2012</u>
	US\$	US\$
Balance as at beginning of the period	200,000	-
Advances of funds received during the year	3,621,897	200,000
Advances of funds justified during year	<u>(1,672,024)</u>	<u>-</u>
<b>Balance as at December 31</b>	<b><u>2,149,873</u></b>	<b><u>200,000</u></b>

As at December 31, 2013 and 2012 the advances of funds is composed of the following:

	<u>12-31-2013</u>	<u>12-31-2012</u>
	US\$	US\$
Cash available balance (Note 3)	1,149,668	113,189
Reimbursable from local counterpart	571	-
Payments made after the last justification (Note 10)	<u>999,634</u>	<u>86,811</u>
<b>Balance as at December 31</b>	<b><u>2,149,873</u></b>	<b><u>200,000</u></b>

#### Note 5 – Local counterpart funds

As local counterpart funds the Government of Suriname has committed to finance the Program for an amount totaling to US\$ 750,000. Payments totaling to US\$ 46,090 were accounted for payments funded by the local counterpart for the year ended December 31, 2013. Details are as follow:

	<u>2013</u>
	US\$
Credit fee	24,692
Interest	10,802
Computers	9,445
Advertisement	523
Insurance – Task manager	529
Bank charges	82
Others	<u>17</u>
	<b><u>46,090</u></b>

**Note 6 – Procurement of goods and services**

**6.1. Procurement of goods**

The following list of contracts for procurement of goods made by the Program from the beginning until December 31, 2013 is stated here:

<b>N o.</b>	<b>Contractor / Supplier</b>	<b>Description of Services</b>	<b>Sign date (mo/year)</b>	<b>IDB no-objection</b>	<b>Prism #</b>	<b>Investment category</b>	<b>Amount (in US\$)</b>
1	Yokohama Trading N.V.	Vehicles	Dec. 2012	Yes	SUB 0628	5.1	57,157
2	Art Sabina Design & Printing N.V.	Printing of visual aids for the subjects language, science and arithmetic for grade 3	Feb. 2013	Yes	SUB 0630	1.2	242,250
3	Computech N.V.	Network Printer	Feb. 2013	Yes	SUB 0647	5.1	1,571
4	Protrade International	Airco	Feb. 2013	Yes	SUB 0646	5.1	1,211
5	Devina`s Enterprises N.V.	Firm to supply office chairs	Apr. 2013	Yes	SUB 0656	5.1	457
6	VK Office Supplies N.V.	Firm to provide Office chairs	Apr. 2013	Yes	SUB 0658	5.1	631
7	Zenobia N.V.	Firm to supply All Network Printer	Apr. 2013	Yes	SUA 0281	5.1.4	4,262
8	Tjons Gordijnen	Firm to provide curtains	May 2013	Yes	SUB 0659	5.1	923
9	Art Sabina Design & Printing N.V.	Additional teacher's manual & exercise books grade 3	May 2013	Yes	SUB 0662	1.2	90,300
10	Bouwbedrijf Ramlal	Renovation and construction in Ricanau Mofo	May 2013	Yes	SUB 0666	3.2	215,385
11	Bouwbedrijf Ramlal	Renovation and construction in Pete Ondro	May 2013	Yes	SUB 0667	3.2	187,692
12	G.J. Reyke	Renovation and construction in Apoera & Washabo	May 2013	Yes	SUB 0668	3.2	300,000
13	De T.E.A.M.	Renovation and construction in Moengo	May 2013	Yes	SUB 0669	3.2	244,923
14	G.G. Meiland	Renovation and construction in Pusugrunu	May 2013	Yes	SUB 0670	3.2	600,000
15	Huaro Builders	Renovation and construction in Duwatra	May 2013	Yes	SUB 0671	3.2	370,769
16	Simple	Renovation and construction in Bigi Poika	May 2013	Yes	SUB 0672	3.2	210,530
17	Techman N.V.	Renovation and construction in Wanhatti & Moengo	May 2013	Yes	SUB 0674	3.2	236,923
18	Schilder en Aannemingsbedrijf G. J. Reyke	School renovation & rehabilitation Galibi & Albina	May 2013	Yes	SUB 0690	3.2	303,138
19	Zenobia N.V.	All in one printer/copier Kyocera	May 2013	Yes	SUB 0691	3.4	16,781
20	Art Sabina Design & Printing	Textbooks & teaching materials for grade 4	Aug. 2013	Yes	SUA 0282	1.2	446,388

**Continuation for procurement of goods:**

No.	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no-objection	Prism #	Investment category	Amount (in US\$)
21	Computronics N.V.	Supply of laptops, laser printers, scanners & projectors	Aug. 2013	Yes	SUB 0693	3.4	18,262
22	Zenobia N.V.	All in one Copier/Printer	Aug. 2013	Yes	SUB 0710	3.4	17,883
23	Q-Designs & Business IT	Data Network Service	Sep. 2013	Yes	SUB 0709	5.1	1,600
24	Computronics N.V.	Supply of computers, UPS, laptops, laser printers, scanners & projectors	Oct. 2013	Yes	SUB 0714	3.4	5,714
25	Devina`s Enterprises N.V.	Office Furniture	Oct. 2013	Yes	SUB 0715	3.4	5,423
26	Integrated Computer Services N.V.	Computers, laptops, scanners and laser printers	Oct. 2013	Yes	SUB 0716	3.4	4,026
27	N.V. VSH Handelsmij	Canon DR Color Scanner	Nov. 2013	Yes	SUB 0719	3.4	6,462
28	Devina's Enterprises	Seven air condition units for MOECD departments	Dec. 2013	Yes	SUA 0283	3.4	3,737
29	Computronics N.V.	Three netbooks	Dec. 2013	Yes	SUB 0722	3.4	2,191
	<b>Total</b>						<b>3,596,588</b>

**6.2. Procurement of services**

No.	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no-objection	Prism #	Investment category	Amount (in US\$)
1	Andre Kramp	Program manager	July 2012	Yes	SUA 1226	5.1	30,000
2	Faranaaz Pahalwankhan	Operations officer	July 2012	Yes	SUA 1227	5.1	12,000
3	Linda Lavenberg	Administrative assistant	July 2012	Yes	SUA 1228	5.1	14,625
4	Claudia Heide	PMU Consultant	July 2012	Yes	SUA 1229	5.1	4,500
5	Henk Esajas	PMU Consultant	July 2012	Yes	SUA 1230	5.1	19,200
6	Quiton Nitidrono	PMU Consultant	July 2012	Yes	SUA 1231	5.1	19,200
7	Susan Ramadhin	Financial officer	Oct. 2012	Yes	SUA 1237	5.1	21,600
8	Dereyl Wazir	Task Officer - ICT	Oct. 2012	Yes	SUA 1236	5.1	19,200
9	SLO	Master Training Grade 3	Oct. 2012	Yes	SUA 1254	1.1	17,930
10	SLO	Training PI's	Oct. 2012	Yes	SUA 1255	1.1	71,109

**Continuation for procurement of services:**

No.	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no-objection	Prism #	Investment category	Amount (in US\$)
11	Acfinsol Accounting & Financial Solutions	Financial Software - QuickBooks	Nov. 2012	Yes	SUA 1264	5.1	2,371
12	Art Sabina	Provision of Additional Books	Nov. 2012	Yes	SUB 0624	1.2	90,440
13	V. Ramlal	Coordination Training Grade 3	Nov. 2012	Yes	SUA 1266	1.1	3,538
14	M. Claver	Coordination Training Grade 3	Nov. 2012	Yes	SUA 1265	1.1	2,308
15	NSHI	Venue Training SLO - Masters	Nov. 2012	Yes	SUA 1257	1.1	2,523
16	Mrs. I. Ronowikromo	Catering Training SLO - Masters	Nov. 2012	Yes	SUA 1256	1.1	415
17	Refos Ferdinand	Procurement Consultant	Dec. 2012	Yes	SUA 1274	5.1	650
18	E. Eersteling	Member Building Commission	Dec. 2012	Yes	SUA 1269	5.1	4,800
19	J. Pahalwankhan	Member Building Commission	Dec. 2012	Yes	SUA 1271	5.1	6,600
20	K. Binda	Member Building Commission	Dec. 2012	Yes	SUA 1272	5.1	4,800
21	R. Wesenhagen	Member Building Commission	Dec. 2012	Yes	SUA 1273	5.1	9,600
22	I. Jalimsing	Member Building Commission	Dec. 2012	Yes	SUA 1270	5.1	4,800
23	Anaula Resort	Lodging Training Grade 3	Dec. 2012	Yes	SUA 1262	1.1	11,779
24	Lutchman & Co Accountants	Auditor (AFS 2012)	Dec. 2012	Yes	SUA 1263	5.3	4,250
25	Fees Trainers	Master Trainers Grade 3	Dec. 2012	Yes	SUB 1268	1.1	18,462
26	N. Wielingen	Logistical Support	Dec. 2012	Yes		5.1	277
27	Agnes Ritfeld	Group to review the Language material	Feb. 2013	Yes	SUA 1302	1.1	8,000
28	Uitgeverij Malmberg	Firm to provide services Curriculum for Grades 4 & 5	Apr. 2013	Yes	SUA 1313	1.1	3,392,480
29	IICD	Firm to provide services: "Development of National Policy and Strategy on ICT in Education	Jun. 2013	Yes	SUA 1318	2.2	266,977
30	Art Sabina Design & Printing N.V.	Printing of Visual materials for Language Grade 3	Jul. 2013	Yes	SUA 1326	1.2	91,215
31	Malinie Kaersenhout	Finalization of the Basic Education Legislation in Suriname	Jul. 2013	Yes	SUA 1327	1.1	12,308
32	Mrs. I. Overeem	Development of teaching & learning material physical education Grade 4	Jul. 2013	Yes	SUA 1334	1.1	8,462
33	Mrs. M. Braafheid	Adaptation, commenting & review grade 4 -math	Jul. 2013	Yes	SUA 1335	1.1	6,369



**Continuation for procurement of services:**

No.	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no-objection	Prism #	Investment category	Amount (in US\$)
34	Mr. P. Derveld	Adaptation, commenting & review grade 4 - language	Jul. 2013	Yes	SUA 1336	1.1	9,181
35	Mr. A. Ozir	Desktop publishing to teaching and learning material grade 4	Aug. 2013	Yes	SUA 1337	1.1	2,462
36	Mrs. J. Polanen	Development, commenting & review of teaching materials grade 4 - science	Jul. 2013	Yes	SUA 1338	1.1	6,385
37	Mr. H. Snijders	Development, commenting & review of teaching materials grade 4 - art & culture	Jul. 2013	Yes	SUA 1339	1.1	9,215
38	Mrs. L. Valies	Develop photographs, illustrations & drawings for teaching and learning materials grade 4 - physical education	Jul. 2013	Yes	SUA 1340	1.1	1,038
39	L. Lavenberg	Senior Administrative Assistant	Jul. 2013	Yes	SUA 1344	5.1	30,000
40	Mr. H. Derby	Desktop publishing for teaching and learning material grade 4 - language & math	Jul. 2013	Yes	SUA 1346	1.1	2,308
41	Mr. G. Slijngard	Develop photographs, illustrations & (paint) drawings for teaching and learning materials grade 4 - language & math	Jul. 2013	Yes	SUA 1345	1.1	2,308
42	D. Wazir	Task Officer ICT	Dec. 2013	Yes	SUA 1347	5.1	38,400
43	S. Ramadhin-Bansropansingh	Finance Officer	Dec. 2013	Yes	SUA 1349	5.1	43,200
44	Tjong A Hung Accountants & Belastingadviseurs	Audit Services 2013-2016	Sep. 2013	Yes	SUA 1351	5.3	45,000
45	Hendrika Verwey-Deleij	Program Manager 2nd BEIP	Nov. 2013	Yes	SUA 1374	5.1	15,000
46	Teacher Trainers (group)	Training of teachers Grade 4 in revised curriculum period July to August 13	Jul. 2013	Yes	SUA 1385	1.1.3.2	14,831
47	Jurmen Kadosoe	Drawing/illustrations for Science Grade 4	Dec. 2013	Yes	SUA 1386	1.1.1	609
48	Margo Kramp	Adapting Part B learning & teaching methods Language Grade 4	Nov. 2013	Yes	SUA 1389	1.1.1	10,004
49	Henk Derby	Desktop publishing teaching & learning materials Math & Language Part B Grade 4	Dec. 2013	Yes	SUA 1390	1.1.1	1,614

**Continuation for procurement of services:**

No.	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no-objection	Prism #	Investment category	Amount
50	Maria Elena Ruiz	Consultant for monitoring and evaluation	May 2013	Yes	SUA 1317	4.3	43,898
51	G. Slijngard	Illustrations, drawings (paint), digitally processing and photo shopping of illustrations & drawings for Language & Math Part B Grade 4	Dec. 2013	Yes	SUA 1391	1.1.1	1,766
	<b>Total</b>						<b>4,460,006</b>

**Note 7 – Investment categories**

**7.1. Component 1 - Improve Student Learning Outcomes in Basic Education**

All schools will benefit from interventions designed to update and strengthen the curriculum and classroom teaching approaches to improve learning outcomes, especially in low performing students, and in Dutch and mathematics skills of students in grades 4 to 8.

***Sub-component 1.1 Redesign of curriculum, testing and examination***

This sub-component includes the cost financing for the following activities:

- (i) curriculum revision and piloting of grades 4 to 8 and national expansion of the revised curriculum in grades 3 to 6;
- (ii) development of diagnostic tests for grades 3 and 7 and a manual for the diagnostic examination system;
- (iii) training of all teachers at the primary level (approximately 5,000) in participatory teaching approaches and competencies, and the revised curriculum and examination system;
- (iv) revision of the draft education legislation for the new basic education system that includes abolishing the use of an exam to stream students into tracks in junior secondary;
- (v) development of a process that offers students flexibility in selecting a junior secondary school; and
- (vi) development of a strategy for revising the junior secondary grades in Phase II.

Initiatives in this component will include all private and public schools in the country. Each year, two grades will be revised and piloted (with external supervision) in 30 schools (about 10 percent of all schools) prior to national expansion.

The summary of the investments recognized under sub-component 1.1 Redesign of curriculum, testing and examination is as follows:

<b>Description</b>	<b>2012</b>	<b>2013</b>	<b>Cumulative</b>
	US\$	US\$	US\$
1.1.1.1 Curriculum revision – pilot for grade 4	-	1,957,628	1,957,628
1.1.3.1 Training approximately 1,000 teachers – grade 3	110,968	230,315	341,283
1.1.3.2 Training approximately 1,000 teachers – grade 4	-	106,847	106,847
1.1.4. Revision of the draft education	-	12,308	12,308
1.1.6. Implementation of pre-primary	71,110	-	71,110
	<b>182,078</b>	<b>2,307,098</b>	<b>2,489,176</b>

During 2013 bulk of the payments to Uitgeverij Malmberg totaling to US\$ 1,905,309 are charged in “Curriculum revision – pilot for grade 4”.

**Sub-component 1.2 Provide schools with appropriate textbooks and learning materials**

This sub-component includes the cost to finance the development and delivery of textbooks, teaching and learning materials, and supplementary reading materials for approximately 44,000 students in grades 3 to 8 (public and private).

The summary of the investments recognized under sub-component 1.2 Provide schools with appropriate textbooks and learning materials is as follows:

Description	2012	2013	Cumulative
	US\$	US\$	US\$
1.2.1 Learning materials and textbook for grade 3	22,610	499,601	522,211
1.2.1 Textbooks for grade 4	-	223,348	223,348
	<b>22,610</b>	<b>722,949</b>	<b>745,559</b>

During 2013, the costs of learning materials and textbooks for grade 3 mainly include payments made to Art Sabina totaling to US\$ 491,600.

The costs of textbooks for grade 4 mainly include payments made to Art Sabina totaling to US\$ 223,194.

**7.2. Component 2 - Information and Communication Technology in Education**

The purpose for this component is to provide cost-effective means to reach students in the interior through ICT, and thereby address the challenge of quantity and quality of teachers in the interior. The initiatives will focus on setting up the legal and regulatory foundation for ICT in education, as none exists. The initiatives in this component will be developed in close collaboration with the ministry responsible for ICT.

This component includes the cost financing for the following activities:

- (i) development of the legal and regulatory framework for ICT in education;
  - (ii) diagnostic of existing studies and initiatives in ICT and the development of a national ICT in educational policy and strategy;
  - (iii) design ICT educational content for selected grades, including materials, specialized teacher training, testing and supervision and implement pilots in ten schools nationally;
  - (iv) development of ICT enabling infrastructure for schools selected for pilot;
  - (v) a study for ICT alternatives in education in the interior; and
  - (vi) an action plan and recommendations on methods to expand ICT in education.
- Variations in the model may be developed to ensure adaptability to the cultural and economic differences among communities in the interior.

The total costs invested in this component mainly consist of the cost of developing a national policy and strategy which relates to the first payment (10% of the total contract) made to IICD, the contractor who will provide services "Development of National Policy and Strategy on ICT in Education".

The total investments as at December 31, 2013 amounted to US\$ 27,292 of which US\$ 26,698 relates to payment to IICD. IICD, the Firm to provide services, "Development of National Policy and Strategy on ICT in Education".

### 7.3. Component 3 - Increase Access to Basic Education in the Interior and Improve Facilities of MOECD

This component deals with the building of infrastructure projects, which include construction of new public schools and expansion of existing ones in the interior of the country, are designed to complement the other initiatives in the Program and achieve the following: (i) decrease overcrowdedness in pre-primary and primary public schools; (ii) expand primary schools to include two years of pre-primary; and (iii) increase access to pre-primary, primary and junior secondary schools.

This component includes the cost financing for the following activities:

- (i) construction of schools (including furniture, equipment, multimedia center, sports facility, teacher housing, and supervision) in the interior on MOECD-owned land;
- (ii) the operations/management of the multimedia centers in these schools for the first two years, after which the MOECD will take over financial responsibility;
- (iii) a diagnostic on school construction and expansion in the interior; and
- (iv) construction, rehabilitation and refurbishment of MOECD departments, including equipment for staff as a non-monetary incentive.

#### ***Sub-component 3.1 Renovation of existing schools & teacher housing in the interior***

The total cost during 2013 amounted to US\$ 5,262 mainly pertaining costs incurred during field visit of various constructions sites such as Ricanau Mofo; Pete Ondro; Apoera & Washabo; Moengo; Pusugrunu; Duwatra; Bigi Poika; Wanhati & Moengo; and Galibi & Albina.

#### ***Sub-component 3.2 Building and furnishing of new schools including multi-media centers, sport facilities and/or teacher housing***

Investments made during 2013 under this component are as follows:

<b>Contractor</b>	<b>Description</b>	<b>2013</b>
		US\$
Bouwbedrijf Ramlal	Renovation and construction in Ricanau Mofo	134,097
Bouwbedrijf Ramlal	Renovation and construction in Pete Ondro	172,466
G. J. Reyke	Renovation and construction in Apoera/Washabo	266,004
G. J. Reyke	Renovation and construction in Galibi/Albina	224,879
Techman N.V.	Renovation and construction in Wanhati/Moengo	193,257
Huaro Builders	Renovation and construction in Duwatra	80,394
Bouwbedrijf Simple	Renovation and construction in Bigi Poika	199,197
De T.E.A.M.	Renovation and construction in Moengo	179918
GG Meiland	Renovation and construction in Pusugrunu	448,850
		<b><u>1,899,061</u></b>

***Sub-component 3.4 Renovation and upgrading of some MOECD departments and purchases of equipment (including furniture)***

Investments made during 2013 under this sub-component are as follows:

<b>Contractor</b>	<b>Description</b>	<b>2013</b>
		US\$
Zenobia N.V.	All in one printer	30,194
Computronics N.V.	Laptops, laser printers, scanners & projectors	23,976
Devina`s Enterprises N.V.	Office furniture and 7 air condition units	9,140
VK Office Supplies N.V.	Office chairs	1,306
Integrated Computer Services .V.	Computers, laptops, scanners and laser printers	1,007
		<b>65,623</b>

**7.4. Component 4 - Improvement of the Management of MOECD and School Levels**

The initiative is designed to address: (i) management at the Ministry and school levels; (ii) strengthening the EMIS; and (iii) Monitoring and Evaluation (M&E) and social marketing. Initiatives will target key staff within the MOECD departments, school leaders in all primary schools and key stakeholders.

***Sub-component 4.1 Capacity development of MOECD staff***

Investments made during 2013 under this sub-component are as follows:

<b>Description</b>	<b>2013</b>
	US\$
Quick books training in Orlando, U.S.A.	6,511
Observation of ICT in education in Maine, U.S.A.	1,810
Project evaluation training in Denmark	13,528
	<b>21,849</b>

***Sub-component 4.2 Strengthening and expanding EMIS***

There were no investments as at December 31, 2013.

***Sub-component 4.3 Monitoring and evaluation and social marketing***

Investments made during 2013 under this sub-component are as follows:

<b>Description</b>	<b>2013</b>
	US\$
Monitoring and evaluation	50,555
Social marketing	38,372
	<b>88,927</b>

### 7.5. Program Administration

Program administration includes cost and consultancy fees to the members of the Program Management Unit (PMU), costs for the Mid-term and final evaluation and audit fees. Details of PMU (consultancy fees and other costs):

Description	2012	2013	Total
	US\$	US\$	US\$
Program manager	13,750	30,000	43,750
Operation officer	5,500	12,000	17,500
Finance officer	9,900	21,892	31,792
Task manager - curriculum	8,800	19,710	28,510
ICT officer	4,800	19,346	24,146
Procurement officer	130	520	650
Social marketing officer	8,800	10,400	19,200
Administrative assistant	6,500	13,182	19,682
Head technical deputy	550	5,255	5,805
Building supervisor	800	8,244	9,044
Technical officer	800	9,600	10,400
Insurance	-	6,839	6,839
Head Bureau of Education	-	4,664	4,664
PMU operations	2,985	19,762	22,747
Transportation	57,157	1,165	58,322
Furniture	910	16,983	17,893
Others	7	-	7
	<b>121,389</b>	<b>199,562</b>	<b>320,951</b>

### Note 8 – Cash received (disbursements made by IDB)

Disbursement request no.	Year	Advance of funds	Direct payments	Justification of advance
1 to 46	2012	200,000	241,433	-
47 – 104	2013	3,621,897	2,748,880	1,672,024
		<b>3,821,897</b>	<b>2,990,313</b>	<b>1,672,024</b>

Advance funds pertain to amount requested from IDB and subject to justification when 80% of the fund is used.

Justification pertains to the amount used by the Project out of the advance of funds and reported to the IDB.

Direct payment pertains to the amount requested from IDB and to be directly paid to supplier or contractor of the Project.

Total cash received from IDB as at December 31, 2013 amounted to US\$ 6,812,210 (total of cash advance of funds and direct payments).

**Note 9 – Reconciliation between the Statement of Cash Flows and the Statement of Cumulative Investments**

	<u>2013</u>	<u>2012</u>
	US\$	US\$
<b>Per Statement of Cash Flow</b>		
- Cumulative cash received as at December 31	6,857,736	441,436
<b>Per Statement of Cumulative Investments</b>		
- Cumulative investments as at December 31	<u>5,708,068</u>	<u>328,244</u>
<b>Available cash balance as at December 31</b>	<u><b>1,149,668</b></u>	<u><b>113,192</b></u>

**Note 10 – Reconciliation by investment categories between the Program’s records and the IDB’s records**

	<u>Per Program’s Records</u>	<u>Per IDB’s Records</u>	<u>Difference</u>	<u>Explanation</u>
Component 1 Improve Student Learning Outcome	3,234,735	3,097,924	136,811	a
Component 2 ICT in Education	27,290	27,022	268	b
Component 3 Increase Access to Basic Education in the Interior and Improve Facilities of MOECD	1,969,988	1,166,816	803,172	c
Component 4 Improvement of the Management at the MOECD and School Levels	110,774	96,818	13,956	d
Program Administration	<u>319,184</u>	<u>273,757</u>	<u>43,827</u>	e
<b>TOTAL</b>	<u><b>5,661,971</b></u>	<u><b>4,662,337</b></u>	<u><b>998,034</b></u>	
	<u>Per Project’s Records</u>	<u>Per IDB’s Records</u>		
	US\$	US\$		
Total investments	5,660,371	4,662,337		
Cash available balance	1,151,839	-		
Cash advance of funds	<u>-</u>	<u>2,149,873</u>		
	<u><u>6,812,210</u></u>	<u><u>6,812,210</u></u>		



**Explanation of the difference:**

The difference between Program's records and IDB's records is brought about by payments made after the last justification of cash advance. Details are as follows:

a. Component 1	
Description	Amount
	US\$
Curriculum revision/develop pilot	3,882
Train teachers for grade 3	977
Train teachers for grade 4	41,856
Revision of draft basic education legislation	8,000
Learning materials for grade 3	82,096
	136,811
b. Component 2	
Description	Amount
	US\$
Transport and photo copy costs	173
Low cost interactive white board	80
Snacks during meeting on ICT evaluation	15
	268
c. Component 3	
Description	Amount
	US\$
Renovation of existing schools	1,257
Building and furnishing of new schools	771,052
Renovation and upgrading of MOECD	30,863
	803,172
d. Component 4	
Description	Amount
	US\$
Monitoring and evaluation	1,236
Social marketing	12,720
	13,956
e. Program Administration	
Description	Amount
	US\$
Program management unit fees	33,736
PMU operations	4,427
Transportation	1,164
Audit fee	4,500
	43,827

**Note 11 – Contingencies**

A total of US\$ 900,000 is budgeted under contingencies which is 6.23% of the total budget of the Project.

As at December 31, 2013, there were no transfers made from contingencies budget to any other project categories.

Any transfer from the contingencies budget to any other project categories will have to be requested by the signatory of the loan contract agreement (Minister of Finance) or by an authorized signatory within the Ministry of Finance.

**Note 12 – Subsequent events**

Subsequent events are events or transactions sometimes occur after the end of the period date, but before the issue of the financial statements and auditor’s report, that has a material effect on the financial statements, and therefore may require adjustment or disclosure in the statement.

**12.1. Accounts payable as at December 31, 2013**

The list of outstanding payables as at December 31, 2013 is as follows:

<u>Suppliers / contractors</u>	<u>Description</u>	<u>Amount</u> US\$
Cai Bin / Hua Ro Builders	Renovation / construction – Duwatra	151,269
G.G. Meiland	Renovation / construction – Pusugrunu	122,623
Trainers	Math and language group	15,096
H. Snijders	Review of teaching and learning materials	7,354
Tjong A Hung Accountants	Audit fee 2013	9,000
N.V. VSH Trading	40% down payment for MOECD equipment	2,585
H. Derby	Desktop publishing for teaching and learning material grade 4 - language & math	1,154
G. Slijngard	Develop photographs, illustrations & (paint) drawings for teaching and learning materials grade 4 - language & math	1,154
Melissa Eijk	Survey of ICT in schools	146
Ashna Shakita Bikhari	Survey of ICT in schools	158
Various contractors	Retention payable	100,706
Total		<b><u>412,245</u></b>

**12.2. Approval of the financial statements**

The financial statements of the Second Basic Education Program as at and for the year ended December 31, 2013 were approved by the Executing Agency on April 29, 2014.