

**THE MINISTRY OF SOCIAL AFFAIRS AND PUBLIC HOUSING (MOSAPH)**

**“SUPPORT TO SAFETY NETS FOR VULNERABLE POPULATIONS  
IN SURINAME” PROJECT – IDB AGREEMENT LOAN NO. 5447/OC-SU-L1063**

**FINANCED BY THE INTER-AMERICAN DEVELOPMENT BANK (IDB)**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD SEPTEMBER 1, 2022 TO DECEMBER 31, 2022**

Ministry of Social Affairs and Public Housing (MOSAPH) –  
Project no: 5447/OC-SU “Support to Safety Nets for Vulnerable Populations in Suriname – SU-L 1063”  
Inter-American Development Bank (IDB)

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Ministry of Social Affairs and Public Housing (MOSAPH) –  
Project no: 5447/OC-SU “Support to Safety Nets for Vulnerable Populations in Suriname – SU-L 1063”  
Inter-American Development Bank (IDB)

### **INDEPENDENT AUDITOR’S REPORT**

To: Ministry of Social Affairs and Public Housing (MOSAPH)  
“Support to Safety Nets for Vulnerable Populations in Suriname -IDB

#### **A. REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS FOR THE PERIOD SEPTEMBER 1, 2022 TO DECEMBER 31, 2022**

##### **Our opinion**

We have audited the financial statements, which is recorded on the pages 5 till 18 of this report, for the period September 1, 2022 to December 31, 2022 of the “Support to Safety Nets for Vulnerable Populations in Suriname IDB loan no.: 5447/OC-SU – SU-L 1063, executed by Ministry of Social Affairs and Public Housing (MOSAPH) as Executing Agency, based in Paramaribo and financed with funds from the Inter-American Development Bank (IDB).

In our opinion the accompanying financial statements presents fairly, in all material respects, the cash flows and cumulative disbursements of the “Support to Safety Nets for Vulnerable Populations in Suriname IDB loan no.: 5447/OC-SU – SU-L 1063 for the period September 1, 2022 to December 31, 2022 in accordance with Cash Basis Accounting and specific requirements of the IDB.

The financial statements comprise of:

1. the statement of cash flows for the period September 1, 2022 to December 31, 2022;
2. the statement of cumulative investments for the period September 1, 2022 to December 31, 2022;
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

##### **Basis for our opinion**

We conducted our audit in accordance with International Standards on Auditing.

Our responsibilities under those standards are further described in the ‘Our responsibilities for the audit of the financial statements’ section of our report. International Standards on Auditing 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.

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

##### **Other matters**

The total amount for the AKB for the period July - December 2022 and other costs for a total of US\$ 3,289,817 has been disbursed on October 7, 2022. MOSAPH and the PIU have not been able to pay the AKB through the Moni Karta before December 31, 2022 due to several logistical constraints.

Our opinion is not modified in respect of this matter.

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

We did not observe situations suggesting non-compliance with the financial clauses in Inter-American Development Bank Loan Agreement No. 5447/OC-SU – SU-L 1063 during the period audited by us.

## **B. DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS**

### **Responsibilities of Project management's for the financial statements**

The Project management is responsible for the preparation and fair presentation of the financial statements in accordance with Cash Basis Accounting and specific requirements of the IDB. Furthermore, the Project management is responsible 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.

### **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with International Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- Obtaining and 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 Project Execution Unit internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paramaribo, April 6, 2023

Tjong A Hung Accountants N.V.



M.S.A. Tjong A Hung CA MSc RA  
Partner

Ministry of Social Affairs and Public Housing (MOSAPH) – Project no: 5447/OC-SU "Support to Safety Nets for Vulnerable Populations in Suriname – SU-L 1063"  
Inter-American Development Bank (IDB)

**STATEMENT OF CASH FLOWS FOR THE PERIOD SEPTEMBER 1, 2022 TO DECEMBER 31, 2022 (Expressed in US dollars)**

	Notes	September 1, 2022 - December 31, 2022			2021		
		IDB	LOCAL	Total	IDB	LOCAL	Total
CASH RECEIVED							
Accumulated cash at beginning of year		-	-1,250,479	-1,250,479	-	-	-
Activity during the period							
Disbursement Request No. 1 (advance)	9	3,289,817	-	3,289,817	-	-	-
Disbursements Request No. 2 (reimbursed)	9	1,250,479	-	1,250,479	-	-	-
		4,540,296	-	4,540,296	-	-	-
Total cash received		4,540,296	-1,250,479	3,289,817	-	-	-
DISBURSEMENTS MADE							
Cumulative cash disbursed at beginning of year		-	-	-	-	-	-
Activity during the year							
Payments for goods and services		-	-	-	-	-	-
Program Administration and evaluation		15,978	-	15,978	-	-	-
External Audit		4,005	-	4,005	-	-	-
Monitoring And Evaluation		-	-	-	-	-	-
FBMMeB 1 August 2021 - 24 November 2021	9	-	-	-	-	-1,250,479	-1,250,479
		19,983	-	19,983	-	-1,250,479	-1,250,479
Total cash disbursements		19,983	-	19,983	-	-1,250,479	-1,250,479
CASH AVAILABLE AS AT DECEMBER 31, 2022	3	4,520,313	-1,250,479	3,269,834	-	-1,250,479	-1,250,479

The accompanying notes on pages 8 to 18 form an integral part of the financial statements.

Ministry of Social Affairs and Public Housing (MOSAPH) –  
Project no: 5447/OC-SU “Support to Safety Nets for Vulnerable Populations in Suriname – SU-L 1063”  
Inter-American Development Bank (IDB)

**STATEMENT OF CUMULATIVE INVESTMENTS SEPTEMBER 1, 2022 - DECEMBER 31, 2022 (Expressed in US dollars)**

Nr.	CATEGORY OF INVESTMENT	CUMULATIVE AT SEPTEMBER 1, 2022		MOVEMENT DURING YEAR		CUMULATIVE AT DECEMBER 31, 2022	
		IDB	LOCAL	IDB	LOCAL	IDB	LOCAL
<b>1</b>	<b>PROTECTION USING EXISTING CASH TRANSFER PROGRAM</b>						
1.1	Transfers paid to beneficiaries of the Support for disadvantaged persons with disabilities (FBMMEB)	-	1,250,479	-	-	-	1,250,479
1.2	Transfers paid to beneficiaries of the AKB (Child allowance)	-	-	-	-	-	-
1.3	Transfers paid to beneficiaries of the AOV (Elderly allowance)	-	-	-	-	-	-
1.4	Transfers paid to beneficiaries of the FBZwHH (support to poor households)	-	-	-	-	-	-
<b>2</b>	<b>EFFICIENCY OF THE SOCIAL PROTECTION SYSTEM</b>						
2.1	Operations Manuals for Cash transfer programs	-	-	-	-	-	-
2.2	Monitoring and Evaluation Unit established	-	-	-	-	-	-
2.3	Number of MOSAPH regional and local staff trained in cash transfer	-	-	-	-	-	-
2.4	program procedures and protocols BIS Expanded and functioning	-	-	-	-	-	-
2.5	Agreements with Ministries of the Internal Affairs and Finance and Planning subscribed	-	-	-	-	-	-

Nr.	CATEGORY OF INVESTMENT	CUMULATIVE AT SEPTEMBER 1, 2022			MOVEMENT DURING YEAR			CUMULATIVE AT DECEMBER 31, 2022		
		IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL	IDB	LOCAL	TOTAL
2.6	MOSAPH national, regional and local staff trained in the use of the BIS	-	-	-	-	-	-	-	-	-
2.7	District and field offices equipped with technology infrastructure	-	-	-	-	-	-	-	-	-
2.8	Cybersecurity framework established within BIS	-	-	-	-	-	-	-	-	-
2.9	Number of beneficiary households of the AKB and FBZwHH enrolled in money Karta or bank accounts	-	-	-	-	-	-	-	-	-
2.10	Communications campaign for use of the money Karta designed and implemented	-	-	-	-	-	-	-	-	-
<b>3</b>	<b>PROGRAM ADMINISTRATION</b>									
3.1	Audit and Evaluation	-	-	-	4,005	-	4,005	4,005	-	4,005
3.2	PIU – STAFF	-	-	-	15,978	-	15,978	15,978	-	15,978
3.3	PIU OFFICE	-	-	-	-	-	-	-	-	-
	<b>Total</b>		<b>1,250,479</b>	<b>1,250,479</b>	<b>19,983</b>	-	<b>19,983</b>	<b>19,983</b>	<b>1,250,479</b>	<b>1,270,462</b>

Ministry of Social Affairs and Public Housing (MOSAPH) –  
Project no: 5447/OC-SU “Support to Safety Nets for Vulnerable Populations in Suriname – SU-L 1063”  
Inter-American Development Bank (IDB)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD SEPTEMBER 1, 2022 TO DECEMBER 31, 2022

### NOTE 1 – PROGRAM DESCRIPTION

On February 22, 2022 the Republic of Suriname and Inter-American Development Bank (IDB) entered into a Loan Agreement No. 5447/OC--SU – L1063 to cooperate in the execution of the Support to Safety Nets for Vulnerable Populations in Suriname project. The activities started per September 1, 2022 for a period of four years ending February 22, 2026. In accordance with article Section 3.02 (b) of the Special Conditions of the loan agreement, the resources of the loan may be used to pay expenses that incurred after November 24, 2021, and before the expiration of the original disbursement period or any extension thereof; such expenses are hereafter referred to as “Eligible expenditures”. The cash transfer payments up to the equivalent of four million four hundred eighty-five thousand three hundred fifty dollars nine cents (US\$ 4,485,350,09) of the amount of the loan maybe recognized by the Bank as eligible expenditures, provided that they have been incurred between July 23, 2021 and November 24, 2021 in accordance with substantially analogous conditions to those established in the contract; and the contracting procedures must be in conformity with the Core Procurement Principals.

#### **Technical Cooperation (TC): Support for Innovation in the Management of Social Programs in Suriname TC number SU-T1150**

On February 24, 2022, a Technical Cooperation (TC) was authorized for an amount US\$ 150.000. This TC supports the implementation of the program “Support to Safety Nets for Vulnerable Populations in Suriname” (5447/OC-SU), a specific investment loan executed by the Ministry of Social Development and Public Housing (MOSAPH) of Suriname. This TC will be executed by the Bank’s Social Protection and Health Division (SCL/SPH) during a period of 24 months.

This technical cooperation (donation) will support the strengthening of Suriname’s social protection system through innovations in the management of cash transfer programs for vulnerable populations, by financing, among others:

- (i) the development of technical specifications and bidding documents for the expansion of the Beneficiary Information System and the design of expansion mechanisms for digital payments; and
- (ii) the analysis and development of targeting methods for cash transfer programs.

The Bank executes this program due to:

- (i) the lack of a project implementation unit within MOSAPH with the technical and administrative capacities to undertake the execution of the TC’s resources;
- (ii) the SPH’s capacity to provide MOSAPH with the technical assistance needed to implement and supervise the TC products; and (iii) SPH’s extensive expertise in the design, implementation and evaluation of cash transfer programs in 18 Latin American and Caribbean countries and the development of social registries, which will facilitate the transfer of knowledge and lessons learned.



## PROGRAM SCOPE AND OBJECTIVES

The general development objective of this project is to contribute to ensuring minimum consumption levels for vulnerable groups amid Suriname's socio-economic crisis and strengthen the efficiency and transparency of the country's social safety net.

The specific objectives are to:

- (i) support minimum consumption levels for vulnerable population groups affected by the crisis; and
- (ii) strengthen MOSAPH's capacity to manage social protection programs with efficiency and transparency.

## PROGRAM COMPONENTS

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

- Component 1. Protection using existing cash transfer programs
- Component 2. Institutional strengthening and transparency  
Program Administrations and evaluation

### Component 1: Protection using existing cash transfer programs

This component will finance existing cash transfers, namely:

- (i) Support to Poor Households;
- (ii) Child Allowance;
- (iii) Support to Disadvantaged Persons with Disabilities; and Elderly Allowance. The existing cash transfers will benefit all enrolled beneficiaries as of 2021 and will be paid through the existing payment mechanisms.

### Component 2: Institutional strengthening and transparency

This component will finance: (i) technical assistance for the design of optimized operational processes for the management of the CTP, and operating manuals; (ii) the establishment of a Monitoring and Evaluation Unit within MOSAPH to supervise operational processes; (iii) training of MOSAPH central, regional and field staff in operating procedures and protocols; (iv) computer hardware equipment, and internet services for District and Field Offices as well as cloud services for data storage and security within the MOSAPH; (v) expansion of the BIS including the development of all functions necessary to administer cash transfers (e.g. enrollment, recertification, unified social registry, payments) and the inclusion of artificial intelligence algorithms to monitor households poverty and vulnerability in the face of shocks; (vi) technical assistance for the development of interoperable platforms between the BIS and the Ministries of Internal Affairs and Finance and Planning for verifying beneficiary eligibility requirements; (vii) training of MOSAPH central, district and field staff engaged in the operation of the BIS; (viii) technical assistance for the design and implementation of an institutional change management process to accompany implementation of the BIS; (ix) technical assistance for the design and implementation of cybersecurity framework for MOSAPH; (x) support for the expansion of the money card or bank accounts to beneficiary households of the FBZWHH and the AKB who live in coastal areas; and (xi) support for the implementation of financial management mechanisms associated with cash and digital payment of cash transfers.

### Program administration and evaluation

These activities will finance the costs associated with planning, implementing, and supervising the Program, including: (i) human resources required to staff the Program Implementation Unit (PIU) and the MOSAPH's Information Technology (IT) Department; (ii) annual financial audits; and (iii) program evaluation.

## PROGRAM COSTS AND FINANCING STRUCTURE

The total cost of this operation is thirty million US dollars (US\$ 30,000,000), which is financed by the IDB. The following is the financial plan of the Program:

### CATEGORY OF INVESTMENT

#### Component 1.

##### Protection using existing cash transfer programs

Support to Poor Households

Child Allowance

Support to Disadvantaged Persons with Disabilities

Elderly Allowance

#### Component 2.

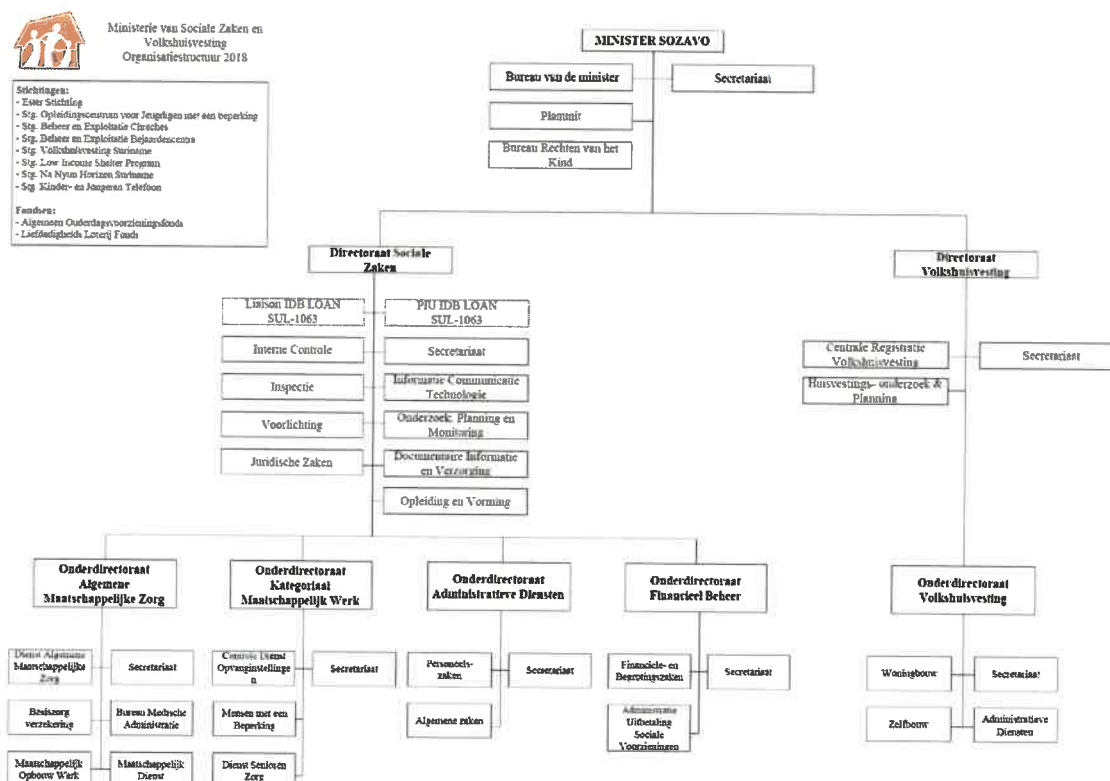
##### Institutional strengthening and transparency

##### Program administration and evaluation

##### Total

IDB LOAN	
US\$	%
26,499,981	88.3
5,549,387	-
6,401,742	-
5,009,894	-
9,538,958	-
2,773,000	9.3
727,019	2.4
<b>30,000,000</b>	<b>100</b>

Figure 1: Organizational Structure of "Support to Safety Nets for Vulnerable Populations in Suriname"



### Execution IDB

The Executing Agency (EA) is the Ministry of Social Affairs and Public Housing (MOSAPH). The Program Implementation Unit (PIU) shall be created within MOSAPH and shall be attached to the Department of Social Affairs (DSA). The PIU is responsible for:

- (i) preparation of the implementation plan;
- (ii) financial administration, accounting, and preparation of budgets and disbursement requests;
- (iii) preparation of procurement plan and procurement of consultancy services, including the selection and hiring of the external audit firm;
- (iv) preparation of bi-annual monitoring reports for which the structure will be agreed with the Bank and financial statements; and
- (v) monitoring of the project activities progress. These responsibilities will be outlined in the operations manual.

For the year 2022 the PIU consisted of the following key personnel (consultants):

<u>Consultant</u>	<u>Consultant name</u>	<u>Start date</u>
Program Manager	Rachel Perri	September 1, 2022
Financial Specialist	Claudia A. C. Heide	September 1, 2022
Procurement Specialist	Silvia Karwofodi	September 1, 2022
Monitoring & Evaluation Specialist	Lorain Arsomedjo	September 1, 2022

## **NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

### **Cash Basis of Accounting**

The financial statements of the Program for the period September 1, 2022 – December 31, 2022 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. The valid exchange rate as at December 31, 2022 is as follow:

	December 31, 2022 SRD	December 31, 2021 SRD
US\$	31.7650	20.8930

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.

As of June 7, 2021 the GoS changed the policy in establishing the US\$ exchange rate which causes the effective exchange rate to be updated 3 times a day. The rates are published on the Central Bank of Suriname website at 10:00 AM, 12:30 PM and 15:00 PM.

### NOTE 3 – AVAILABLE CASH BALANCE

The composition of the available cash balance as at December 31, 2022 is as follows:

	December 31, 2022		December 31, 2021	
	IDB	Total	IDB	Total
	US\$	US\$	US\$	US\$
Central Bank of Suriname USD	3,269,334	3,269,334	-	-
Central Bank of Suriname SRD	500	500	-	-
Petty Cash fund SRD	-	-	-	-
FBMMeB 1 August 2021 - 24 November 2021	-	-	-1,250,479	-1,250,479
<b>Total</b>	<b>3,269,834</b>	<b>3,269,834</b>	<b>-1,250,479</b>	<b>-1,250,479</b>

#### Central Bank of Suriname SRD

A request for replenishment of the Petty Cash Fund – for USD 500,00 – was submitted to the Ministry of Finance. The Ministry of Finance interpreted the request as inter-account transfer and replenished instead the SRD Bank Account. The cheque was issued in January 2023 but as of February 1, 2023, the MOSAPH location for storage of the Petty Cash box was found to be not secure enough after a burglary took place in January 2023. The collection and cashing of the check, for the purpose of replenishment of the Petty Cash Fund, will take place once the PIU has its own, safe work location.

#### FBMMeB 1 August 2021 - 24 November 2021

The resources of the loan may be used to pay expenses that incurred after November 24, 2021, and before the expiration of the original disbursement period or any extension thereof; such expenses are hereafter referred to as “Eligible expenditures”. The cash transfer payments up to the equivalent US\$ 4,485,350,09 of the amount of the loan maybe recognized by the Bank as eligible expenditures, provided that they have been incurred between July 23, 2021 and November 24, 2021 in accordance with substantially analogous conditions to those established in the contract; and the contracting procedures must be in conformity with the Core Procurement Principals

### NOTE 4 – ADVANCES PENDING JUSTIFICATION

As at December 31, 2022 the amount pending justification to the IDB for Loan no. 5447/OC-SU-L1063 amounts to US\$ 19,983.

## NOTE 5 – 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.

	December 31, 2022	December 31, 2021
	IDB	Total
	US\$	US\$
Opening balance of advances	-	-
Advances received and recorded during the period	3,289,817	-
Direct Payment and recorded during the period	1,250,479	-
Less: Justification of Direct Payment	-1,250,479	-
Closing balance as at December 31, 2022	<u>3,289,817</u>	<u>-</u>

The advance of funds balance is composed of the following:

Cash available balance	3,269,834	-
Pending justification	<u>19,983</u>	<u>-</u>
Closing balance as at December 31, 2022	<u>3,289,817</u>	<u>-</u>

## NOTE 6 – LOCAL COUNTERPART FUNDS

For the year 2022 no local counterpart resources were allocated to the project.

## NOTE 7 – PROCUREMENT OF GOODS AND SERVICES

### 7.1. Procurement of goods

No procurement of goods during the period September 1, 2022 to December 31, 2022.

## 7.2. Procurement of services

6.2 Procurement of services as of December 31, 2022									
No.	Contractor/Supplier	Description of Services	Sign date (mo/year)	IDB no- objection	Reference #	Investment category	PRISM #	Amount in SRD	Amount in US\$
List of contracts for procurement of services funded by the IDB									
1	Rachel Perri	Program Manager	August 31, 2022	August 23, 2022	0-CCB/CSU 707/2022	03.02	SUA2119	192.512	6,423
2	Claudia A. C. Heide	Financial Specialist	August 31, 2022	August 23, 2022	0-CCB/CSU 707/2022	03.02	SUA2120	93.850	3,132
3	Silvia Karwofodi	Procurement Specialist	August 31, 2022	August 23, 2022	0-CCB/CSU 707/2022	03.02	SUA2121	93.850	3,132
4	Lorain Arsomedjo	Monitoring & Evaluation Specialist	August 31, 2022	August 23, 2022	0-CCB/CSU 707/2022	03.02	SUA2122	98.662	3,291
5	Tjong A Hung N.V.	Independent External Auditor	December 1, 2022	November 29, 2022	0-CCB/CSU- 1069/2022	03.01	SUA2170	NA	4,005
Sub total									19,983
Total procurement goods and services									19,983

N/A: No prism number required for amounts below US\$ 25,000, with the exception of individual consultants.

## NOTE 8 – INVESTMENT CATEGORIES AND DISBURSEMENTS MADE –

	December 31, 2022		
	Budget	Cumulative investment	Variance
	US\$	US\$	US\$
1. Protection using existing cash transfer programs	5,009,894	1,250,479	3,759,415
2. Institutional strengthening and transparency	2,773,000	-	-
3. Program administration	729,019	19,983	709,036
<b>TOTAL</b>	<b>30,000,000</b>	<b>1,270,462</b>	<b>28,729,538</b>

All the expenditures have proven to be eligible. Under realization as of December 31, 2022 amounts to 95,7%.

## NOTE 9 – LIST OF DISBURSEMENTS MADE

Disbursement Request (DR) Number	Type	DR Date	Co reception Date	Authorization date	US\$
1	Receipt	October 6, 2022		October 7, 2022	3,289,817
2	Receipt	December 14, 2022,		December 15, 2022	1,250,479
					<u>4,540,296</u>
	Justification			December 15, 2022	1,250,479
					<u>3,289,817</u>

Receipt pertains to the 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.

Total cash received from IDB as at December 31, 2022 amounted to US\$ 3,289,817 (advance of funds).

Disbursement Request no. 1 for an Advance of Funds was made / received in the period October 2022 for an amount of US\$ 3,289,817 for a period of 6 months (September 1, 2022 – February 28, 2023).

Disbursement Request no. 2 was a request for direct payment of retroactive expenses. Beneficiary was the Ministry of Finance. Payment amounted to US\$ 1,250,479.

**NOTE 10 – RECONCILIATION BETWEEN THE STATEMENT OF CASH FLOWS AND THE STATEMENT OF CUMULATIVE INVESTMENTS**

	December 31, 2022	
	<u>IDB</u>	<u>Total</u>
	<u>US\$</u>	<u>US\$</u>
<b>Per Statement of Cash Flow</b>		
Cumulative cash received as at December 31	4,540,296	4,540,296
<b>Per Statement of Cumulative Investments</b>		
Cumulative investments as at December 31	<u>1,270,462</u>	<u>1,270,462</u>
<b>Available cash balance as at December 31</b>	<u><u>3,269,834</u></u>	<u><u>3,269,834</u></u>
The detailed reconciliation is as follows:		
		<u>IDB</u>
		<u>US\$</u>
<b>Balance as of September 1, 2022</b>		
Advance of Funds		3,289,817
Direct Payments		<u>1,250,479</u>
<b>Total cash received</b>		<u><u>4,540,296</u></u>
<b>Project Disbursements</b>		
Repayments		1,250,479
Payments for goods and services during the year		<u>19,983</u>
<b>Total Project Disbursements Made</b>		<u><u>1,270,462</u></u>
<b>Cumulative Investments</b>		
Protection using existing cash transfer programs		1,250,479
Institutional strengthening and transparency		-
Program Administration and evaluation		15,978
External Audit		4,005
Monitoring and Evaluation		<u>-</u>
<b>Total Cumulative Investments</b>		<u><u>1,270,462</u></u>
<b>Available cash as of December 31, 2022</b>		<u><u>3,269,834</u></u>



## NOTE 11 – RECONCILIATION BY INVESTMENT CATEGORIES BETWEEN THE PROGRAM'S RECORDS AND THE IDB'S RECORDS

This reconciliation clarifies the financials regarding the IDB financing:

COI	Category of Investment	Per Program's Records	Per IDB's Records	Difference
1	Protection using existing cash transfer programs	1,250,479	1,250,479	-
2	Institutional strengthening and transparency	-	-	-
3	Program Administration and evaluation	15,978	-	15,978
4	External Audit	4,005	-	4,005
5	Monitoring and Evaluation	-	-	-
<b>Total Cumulative Disbursement</b>		<b>1,270,462</b>	<b>1,250,479</b>	<b>19,983</b>

The difference of US\$ 19,983 relates to the amount pending justification to the IDB.

## 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 statements.

In accordance with contractual clause Section 3.02 (b) of the Specific conditions of the contract, the MOSAPH and the Ministry of Finance and Planning have to enter into an agreement establishing the terms for the presentation to MOSAPH and the Ministry of Finance and Planning of the financial statements of cash transfer payments financed by the project. This condition shall be fulfilled to the satisfaction of the Bank within six months following the beginning of the execution of Component 1.

The contract between the MOSAPH, the Ministry of Finance and the SPSB was signed on February 28, 2023.

### 12.1. ACCOUNTS PAYABLE AS AT DECEMBER

The total amount for the AKB July – December 2022 payment and other costs was disbursed on October 7, 2022 for a total of US\$ 3,289,817. The AKB will be paid in cash to beneficiaries in all ten (10) districts. MOSAPH and the PIU have not been able to pay the AKB before December 31, 2022, because MOSAPH needs to consider the safety of the cash transfers and is planning to pay AKB in 2023, through digital payments namely Moni Karta.

## NOTE 13 - FINANCIAL COSTS GOVERNMENT

The interest and commitment fee regarding the loan is an obligation for the government as agreed in the loan agreement regarding IDB financing. These are paid by "Bureau voor de Staatsschuld". The amounts regarding interest and commitment fee for 2022 is US\$ 46,850.

	December 31, 2022
	IDB
	US\$
Commitment fee	46,850
Interest paid	-
<b>Total</b>	<b>46,850</b>

### 13.1. Approval of the financial statements

The financial statements of the "Support to Safety Nets for Vulnerable Populations in Suriname" as at and for the period ended September 1, 2022 until December 31, 2022 were approved by the Executing Agency on April 6, 2023.