

**MINISTRY OF EDUCATION, SCIENCE AND CULTURE
REPUBLIC OF SURINAME**

**SECOND BASIC EDUCATION IMPROVEMENT PROGRAM – Phase II
IDB Loan Agreement No. 3603/OC-SU**

FINANCIAL STATEMENTS

FOR THE PERIOD JANUARY 29, 2016 TILL DECEMBER 31, 2016

Ministry of Education, Science and Culture
Second Basic Education Improvement Program – Phase II

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Ministry of Education, Science and Culture
Second Basic Education Improvement Program – Phase II

INDEPENDENT AUDITOR'S REPORT

Ministry of Education, Science and Culture
Republic of Suriname
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 – Phase II, executed by the Ministry of Education, Science and Culture (Executing Agency), and financed with funds from the Inter-American Development Bank (IDB) Loan Agreement No. 3603/OC-SU for the period January 29, 2016 till December 31, 2016.

Project management's responsibility for the financial statements

The Project management of the Second Basic Education Improvement Program Phase II 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash flows and cumulative investments of the Second Basic Education Improvement Program Phase II as at December 31, 2016, in accordance with the accounting policies described in Note 2.

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. 3603/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, Science and Culture, Ministry of Finance of the Republic of Suriname and the Inter-American Development Bank and should not be used for other purposes.

Paramaribo, April 7, 2017

Tjong A Hung Accountants N.V.



drs. J.D. Kortram RA
Partner

Ministry of Education, Science and Culture
Second Basic Education Improvement Program – Phase II

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Expressed in US dollars)

	Notes	December 31, 2016	
		IDB	TOTAL
CASH RECEIVED			
Accumulated cash at January 29, 2016		-	-
Adjustments prior year		-	-
<u>Activity during the period</u>			
- Advance of funds		998,705	998,705
- Direct payments		-	-
Total cash received		<u>998,705</u>	<u>998,705</u>
DISBURSEMENTS MADE			
Cumulative cash at January 29, 2016		-	-
<u>Activity during the year</u>			
Payments for goods and services		<u>119,215</u>	<u>119,215</u>
Total cash disbursements		<u>119,215</u>	<u>119,215</u>
CASH AVAILABLE AS AT DECEMBER 31, 2016	4	<u>879,490</u>	<u>879,490</u>

The notes on pages 8 to 25 form an integral part of the financial statements.

Ministry of Education, Science and Culture
Second Basic Education Improvement Program – Phase II
for the period January 29, till December 31, 2016

STATEMENT OF CUMULATIVE INVESTMENTS FOR THE PERIOD JANUARY 29, 2016 TILL DECEMBER 31, 2016
(Expressed in US dollars)

NR	CATEGORY OF INVESTMENT	Notes	CUMULATIVE AT JANUARY 29, 2016		MOVEMENT DURING YEAR JANUARY-DECEMBER 2016		CUMULATIVE AT DECEMBER 31, 2016	
			IDB	TOTAL	IDB	TOTAL	IDB	TOTAL
1	Improve student learning	7.1	-	-	65,120	65,170	65,120	65,120
1.1	Redesign of curriculum		-	-	-	-	-	-
1.2	Training of teachers and principals		-	-	55,100	55,100	55,100	55,100
1.3	Provision of textbooks and teacher guides		-	-	10,020	10,020	10,020	10,020
1.4	Development of e-content		-	-	-	-	-	-
1.5	Strategy to reform lower secondary		-	-	-	-	-	-
2	Improve access to education	7.2	-	-	-	-	-	-
2.1	Assessment of school infrastructure needs		-	-	-	-	-	-
2.2	Renovation and expansion of classrooms and teacher housing		-	-	-	-	-	-
2.3	Building of CENASU		-	-	-	-	-	-
	Carry forward		-	-	65,120	65,120	65,120	65,120

NR	CATEGORY OF INVESTMENT	NOTES	CUMULATIVE AT JANUARY 29, 2016		MOVEMENT DURING YEAR JANUARY-DECEMBER 2016		CUMULATIVE AT DECEMBER 31, 2016	
			IDB	TOTAL	IDB	TOTAL	IDB	TOTAL
3	To carry forward							
	Improve management capacity at MOESC	7.3			65,120	65,120	65,120	65,120
3.1	Capacity strengthening				9,127	9,127	9,127	9,127
3.2	Social Marketing Campaign				1,863	1,863	1,863	1,863
3.3	Assistance in the execution of ICT in Education				7,264	7,264	7,264	7,264
4	Program							
	Administration	7.4						
4.1	Program Coordinating Unit				44,831	44,831	44,831	44,831
4.2	Evaluation							
4.3	Audit							
5	87.00.00 Financial Costs							
	87.01.00 Credit fee	7.5			137	137	137	137
5.1	87.02.00 Interest							
5.2	Exchange gain/loss							
5.3	Bank charges				87	87	87	87
5.4					50	50	50	50
	TOTAL				119,215	119,215	119,215	119,215

Ministry of Education, Science and Culture
Second Basic Education Improvement Program – Phase II

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 29, 2016 TILL DECEMBER 31, 2016**

Note 1 – Program description

On January 29, 2016 the Republic of Suriname and Inter-American Development Bank entered into a Loan Agreement No. 3603/OC-SU to cooperate in the execution of a Second Basic Education Improvement Program (2nd BEIP) – Phase 2 (hereinafter referred to as the Program).

Program scope and objectives

The objective of the program is to increase learning outcomes of all primary school students and improve the internal efficiency of the education system.

The present program is the second phase of a multiphase operation. The first phase (2742/OC-SU) focused on developing the curriculum for students from grades 3 to 6, and improving access to preschool and primary education in the interior. BEIP-II complements phase I by developing the curriculum of the last two years of primary education, improving access to better schools and teachers in the interior, and building capacity within the MOESC. In addition, BEIP-II will support the already developed curriculum for pre-primary and early grades of primary education by providing didactic material, reading books, and additional teacher training and coaching for grades 1-8. The above objectives will be achieved through investments in three components.

Program components

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

- Component 1. Improve student learning;
- Component 2. Improve access to education;
- Component 3. Improve management capacity at MOESC

Program costs and financing structure

The total cost of this operation is twenty million US dollars (US\$ 20,000,000) all financed by the IDB.

As part of the loan agreement the government is obligated to pay interest and credit fee.

The following is the financial plan of the Program:

	Bank	Budget Transfer	Bank after the budget transfer	
Categories	US\$ '000	US\$ '000	US\$'000	%
Component 1.				
Improve student learning	11,710	-	11,710	58.55
1.1 Redesign of curriculum	5,300	(300)	5,000	25.00
1.2 Training of teachers and principals	1,610	-	1,610	8.05
1.3 Provision of textbooks and teacher guides	2,600	600	3,200	16.00
1.4 Development of e-content	1,000	(1,000)	-	-
1.5 Strategy to reform lower secondary	1,200	700	1,900	9.50
Component 2. Improve access to education	5,000	-	5,000	25.00
2.1 Assessment of school infrastructure needs	500	-	500	3.00
2.2. Renovation and expansion of classrooms and teacher housing	3,500	-	3,500	18.00
2.3 Building of CENASU	1,000	-	1,000	5.00
Component 3. Improve management capacity at MOESC	1,540	-	1,540	7.70
3.1 Capacity strengthening	300	1,000	1,300	6.50
3.2 Social Marketing Campaign	240	-	240	1.20
3.3 Assistance in the execution of ICT in Education	1,000	(1,000)	-	-
Program Administration	1,450	-	1,450	7.25
Program Coordinating Unit	1,080	-	1,080	5.40
Evaluation	300	-	300	1.50
Audit	70	-	70	0.35
Contingencies	300	-	300	1.50
Total	20,000	-	20,000	100.00

Budget transfer

On requests of the execution agency budget transfer has been taken place in July. This budget transfer was approved by the IDB.

Execution

According to the GOS/IDB Loan Contract No. 3603/OC-SU, and the design of the Program, the Executing Agency (EA) is the MOESC. To make this happen the technical units of the MOESC have been given the responsibility of executing the project in conjunction with the Program Management Unit (PMU). The PMU in turn will be responsible of organizing all efforts into achieving the goals set forth by the project, by coordinating: the execution of project components, consultancies and key stakeholders efforts; the monitoring of progress and results; procurement and contracting of goods and services; processing of eligible payments; financial management; IDB supervision-related activities; and reporting to the IDB and other Government entities.

To execute the operation SU-L1038 more efficiently and effectively, the MOESC and the IDB agreed that the PMU would require the following personnel:

- i) 1 Program Manager (PM)
- ii) 1 Operations Officer (OO)
- iii) 1 Financial Officer (FO).
- iv) 1 Financial Assistant (FA).
- v) 1 Procurement Officer (PO)
- vi) 1 Administrative Assistant (AA)
- vii) 1 Driver.

For the year 2016, the PMU consists of the following key personnel comprised of MOESC appointed staff and external consultants:

Program manager	: Mrs. M. Levens
Finance officer	: Mrs. A. Thakoerdien - Jokhoe
Procurement officer	: Mrs. S. Soegono - Sijem
Driver	: Mr. R. Ost

At December 31, 2016 the positions of Operations Officer, Financial Assistant and Administrative Assistant were vacant.

To enhance accountability throughout the loan implementation and to support the effective and coordinated implementation of the BEIP-II program, a Program Management Group (PMG) comprising representatives from key members of the execution team and the leadership of the MOESC was created. The PMG is chaired by the PS, and the Program Manager/BEIP-II will serve as the technical and administrative secretariat. Other participants in the PMG are the Deputy Permanent Secretary and the Deputy Director Curriculum Development.

Note 2 – Significant accounting policies

Cash Basis of Accounting

The financial statements of the Program for the year ended December 31, 2016 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. From January – March 22, 2016 the exchange rate was US\$1 to SRD 3.96 and from March 23, 2016 there was a floating exchange rate.

On March 23, 2016, US\$ 1 to SRD 5.068

On December 31, 2016, US\$ 1 to SRD 7.354

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 – Exchange gain and losses

Due to the devaluation of the SRD and the timing differences of cash received and disbursements made, this resulted in exchange losses.

Note 4 – Available cash balance

The composition of the available cash balance as at December 31, 2016 is as follows:

	31 December, 2016
	US\$
Central Bank of Suriname USD 0313100/001-096-840	818,555
Central Bank of Suriname SRD 0313100/001-182-968	62,094
Petty Cash	4
Cheques already issued but not yet cleared by the bank (17th TSA)	-1,163
Balance at December 31, 2016	879,490

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.

	31 December, 2016
	US\$
Balance as at beginning of the period	-
Advances of funds received during the year	998,705
Advances of funds justified during year	-
Balance as at December 31, 2016	998,705

As at December 31, 2016 the advances of funds is composed of the following:

	31 December, 2016
	US\$
Cash available balance (<i>Note 4</i>)	879,490
Payments made after the last justification	-
Balance as at December 31, 2016	879,490

For 2016 no justification of the advance of funds was done.

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, 2016 is stated here:

#	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no- objection	Prism #	Investment category	Amount US\$
1	Buro Lucht en Koude Technieken	Aankoop van 2 24000 BTU Split units	10-Oct-16	YES	Na	3.1	1,862.50
2	Buro Lucht en Koude Technieken	Aankoop van 1 24000 BTU Split Unit	31-Oct-16	YES	Na	4.1	920.83
	Total						2,783.33

6.2. Procurement of services

#	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no- objection	Prism #	Investment category	Amount US\$
1	Sidyuta Consultancy	Summer Streaming Education Camps	31-Aug-16	Yes	SUA 1703	1.2	55,100.00
2	Artie Thakoerdien Jokhoe	Finance Officer	19-Aug-16	Yes	SUA 1705	4.1	26,400.00
3	Sandra Soegono - Sijem	Procurement Officer	19-Aug-16	Yes	SUA 1706	4.1	23,400.00
4	Maria Levens	Program manager	20-Oct-16	Yes	SUA 1715	4.1	48,000.00
5	R. Hasnoe	Hiring of trucks and truck drivers for the distribution of books and didactic materials	3-Oct-16	Yes	Na	1.3	2,892.39
6	T. Binesari	Hiring of trucks and truck drivers for the distribution of books and didactic materials	3-Oct-16	Yes	Na	1.3	4,927.14
7	E. Somopawiro	Hiring of trucks and truck drivers for the distribution of books and didactic materials	3-Oct-16	Yes	Na	1.3	624.53
8	Jermain W. Brandon	Freelance workers for the distribution of books and didactic materials	27-Oct-16	Yes	Na	1.3	97.13
9	Imro Deekman	Freelance workers for the distribution of books and didactic materials	27-Oct-16	Yes	Na	1.3	107.93

#	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no- objection	Prism #	Investment category	Amount
10	E. Doorson	Freelance workers for the distribution of books and didactic materials	27-Oct-16	Yes	Na	1.3	107.93
11	A. Linga	Freelance workers for the distribution of books and didactic materials	27-Oct-16	Yes	Na	1.3	107.93
12	N. Chester	Freelance workers for the distribution of books and didactic materials	27-Oct-16	Yes	Na	1.3	97.13
13	A. Nyon	Freelance workers for the distribution of books and didactic materials	27-Oct-16	Yes	Na	1.3	97.13
14	E. Ronde	Freelance workers for the distribution of books and didactic materials	27-Oct-16	Yes	Na	1.3	43.17
15	S. Adipi	Freelance workers for the distribution of books and didactic materials	27-Oct-16	Yes	Na	1.3	86.34
16	Forward Motion	Facilitator National Art Fair	28-Oct-16	Yes	SUA 1712	3.2	14,525.00
17	Dr. Cool	One year maintenance Airco units BEIP Office	7-Nov-16	Yes	Na	4.1	1,080.00
18	Koen De Pryck	Education Specialist	20-Dec-16	Yes	SUA 1734	1.1	36,000.00
19	Tom Vanwing	Consultant for the provision of the Situation Analyses of the curriculum and Curriculum reform process	22-Dec-16	Yes	SUA 1733	1.1	49,170.00
	Total						262,863.75
	Total procurement goods and services						265,647.08

Note 7 – Investment categories

7.1. Component 1 - Improve student learning

The objective of this component is to improve student learning and the efficiency of the primary education levels in Suriname by completing the redesign of the curriculum of primary education in all subject areas, developing and making available students' textbooks and teachers' guides in the schools to support the implementation of the new curriculum as well as training and coaching teachers in its use.

Sub-component 1.1 Redesign of curriculum

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

- (i) curriculum development of all subjects for grades 7 and 8;
- (ii) emphasizing the portrayal of non-stereotypical gender roles;
- (iii) development of reading books for grades 4 to 8 to complement the language curriculum;
- (iv) a strategy to improve examinations and implementation of recommendation.

In 2016 there were no activities in this sub - component

Sub-component 1.2 Training and coaching of teachers and principals in the new curriculum

This sub-component includes the cost financing for training and coaching/mentoring teachers (approximately 6850) in the implementation of the new curriculum and the use of all supporting material.

During 2016 an amount of US\$ 55,100 was paid to Sidyuta Consulting Inc. for BE STREAMING (Basic Education- Science, Technology, Reading, Engineering, Arts and Mathematics for continuous Improvement of the Next Generation) Summer Education camps (August-September 2016).

Sub-component 1.3 Provision of textbooks and teachers guides

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

- i) printing and distribution of textbooks and teacher's guides
- ii) purchase and distribution of didactic material.

The summary of the investments recognized under sub-component 1.3. Provision of textbooks and teachers guides is as follows:

Description	2016
	US\$
1.3 provide textbooks and teacher guides for grade 6	831
1.3 provision of textbooks & teacher guides - Other	9,189
	10,020

During 2016 an amount of US\$ 831 was paid to Art Sabina Design & Printing N.V. This was a balance payment from phase 1 for the printing of pupils textbooks and teacher guide lines for grade 6. An amount of USD 9,189 was paid to hire trucks and freelance workers for the distribution of books and didactic materials.

Sub-component 1.4 Development of e-content

The PMU and the IDB agreed to transfer the budget of this subcomponent to other components.

Sub-component 1.5 Strategy to reform lower secondary

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

- Learning assessment: to strengthen the Examination Bureau and support it in the development and implementation of a learning assessment strategy and new assessments in accordance with the new curriculum.
- Strategy for lower secondary education: to develop a strategy to inform the lower secondary education reform.

In 2016 there were no activities in this sub – component.

7.2. Component 2 - Improve access to education in the interior and improve facilities at MOESC

The objective of this component is to improve access to better schools and teachers in the interior of the country as well as the facilities of the MOESC.

Sub-component 2.1 Assessment of school infrastructure needs

The objective of this sub -component is to improve the efficiency and effectiveness of the decision making process and investment planning of the MOESC with regard to school infrastructure in Suriname, by strengthening the capacity of the MOESC in the collection of data in order to better plan for school infrastructure investment, and facilitate preventive as well as corrective school maintenance.

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

- i) school infrastructure census;
- ii) conservation and maintenance School Program.

Sub-component 2.2 Renovation and expansion of classrooms and teacher housing in the interior:

The objective of this sub -component is to improve the quality and access of selected primary education schools, by investing resources on the renovation and expansion of classrooms and teachers' housing.

This sub-component includes the cost financing for renovation and expansion of classrooms.

Sub-component 2.3 Building of the Center for Continuing Education of Suriname (CENASU)

The objective of this sub - component is to improve the delivery of in-service training for teachers in Suriname, by investing resources on the construction of a center to house the CENASU.

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

- i) Construction of CENASU
- ii) Purchase of furniture and equipment for CENASU building; and develop a maintenance plan for the center
- iii) Teachers' Resource Centres (TRC) Repairs.

In 2016 there were no activities in this component.

7.3. Component 3 - Improve management capacity at the MOESC

The objective of this component is to strengthening the capacity of the MOESC in the delivery of education services, supporting schools and teachers, and monitoring progress.

Sub-component 3.1 Capacity Strengthening of MOESC

The objective of this subcomponent is to improve the capacity of selected MOESC departments to create and implement an education quality assurance system.

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

- i) Strengthening of the Curriculum Development Department.
- ii) Strengthening of the Center for Continuing Education of Suriname
- iii) Strengthening of the Research and Planning Department
- iv) Strengthening of the Inspection Department (IBO) and the Guidance Department (BEG).

During 2016 an amount of US\$ 1,863 was paid to Buro Lucht en Koude technieken for the purchase of 2 aircondition units for the Curriculum Development Department.

Sub-component 3.2 Social Marketing Campaign

The objective of this sub - component is to advance the project effectiveness by promoting the interventions among key stakeholders and winning the hearts and minds of teachers, principals, unions, parents and education officials, Parliament, business, and other public and private sector individuals.

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

- i) Carry out a social marketing campaign;
- ii) Develop a communication strategy;
- iii) Implement the strategy.

During 2016 US\$ 7,264, 50% of the contract amount was paid to the facilitator of the National Art Fair.

Sub-component 3.3 Assistance in the execution of ICT in Education Policy

The PMU and the IDB agreed to transfer the budget of this subcomponent to component Capacity Strengthening 3.1.

7.4. Program Administration

Program administration includes cost and consultancy fees to the members of the Program Management Unit (PMU), (sub - component 4.1) costs for the evaluations (sub - component 4.2) and audit fees (sub - component 4.3). Details of PMU (consultancy fees and other costs):

<u>Description</u>	<u>2016</u> US\$
Program manager	16,007
Finance officer	8,802
Procurement officer	7,802
PMU operations	9,398
Transportation	1,903
Furniture	919
	<u>44,831</u>

7.5. Financial costs

The interest and credit fee regarding the loan is an obligation for the government. These are paid by "Bureau voor de Staatsschuld". In 2016 the amounts regarding interest and credit fee are US\$ 29,508.

Note 8 - Cash received (disbursements made by IDB)

<u>Disbursement request no.</u>	<u>Year</u>	<u>Advance of funds</u>	<u>Direct payments</u>	<u>Justification of advance</u>
1	2016	998,705	-	-
		998,705	-	-

Advance of funds pertain 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.

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, 2016 amounted to US\$ 998,705 (advance of funds).

For 2016 no justification of the advance of funds was done as the 80% of the fund has not been used yet.

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

	<u>2016</u>
	<u>US\$</u>
Per Statement of Cash Flow	
Cumulative cash received as at December 31	998,705
Per Statement of Cumulative Investments	
Cumulative investments as at December 31	-119,215
Available cash balance as at December 31	<u>879,490</u>

Cash Received

	<u>IDB</u> <u>USD</u>	<u>TOTAL</u> <u>USD</u>
Balance as of January 29, 2016	-	-
Advance of Funds	998,705	998,705
Direct Payments	-	-
Total cash received	<u>998,705</u>	<u>998,705</u>
Project Disbursements		
Repayments	-	-
Payments for goods and services	119,215	119,215
Total Project Disbursements Made	<u>119,215</u>	<u>119,215</u>
Cumulative Investments		
1. Improve student learning	65,120	65,120
2. Improve access to education	-	-
3. Improve management capacity at MOESC	9,127	9,127
4. Program Administration	44,831	44,831
5. Financial Cost	137	137
Total Cumulative Investments	<u>119,215</u>	<u>119,215</u>
Available Cash as of December 31, 2016	<u>879,490</u>	<u>879,490</u>

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

	<u>Per</u> <u>Project's</u> <u>Records</u> <u>US\$</u>	<u>Per IDB's</u> <u>Records</u> <u>US\$</u>
Total investments	119,215	-
Cash available balance	879,490	-
Cash advance of funds	-	998,705
	<u>998,705</u>	<u>998,705</u>

Note 11 – Contingencies

A total of US\$ 300,000 is budgeted under contingencies which is 1.5% of the total budget of the Project. At the end of the reporting period, December 31, 2016 no amount was used.

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.

For this report no subsequent events are noted.

12.1. Accounts payable as at December

The list of outstanding payables as at December 31, 2016 is as follows:

Supplier	Description of Services	Amount
		US\$
Forward Motion	Facilitator National Art Fair	7,264
	Total	7,264

12.2 Approval of the financial statements

The financial statements of the Second Basic Education Program as at and for the year ended were approved by the Executing Agency on April 7, 2017.