



**TELESUR**

Keeping us in touch

# ANNUAL REPORT 2017





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# PROFILE

# DIRECTOR'S MESSAGE

Dear reader,

The year 2017 for Telesur, has been one where the focus was to systematically control and where possible, reduce expenditure, and simultaneously increase revenues. In doing so, providing optimal services and high-quality telecommunications connections were the constant preconditions. Consequently, realization of the 2017 theme “We improve to serve” was worked on. The 2017 Telesur annual report, elaborates on the route taken to fulfil the policy objectives mentioned above. Looking back, it can be concluded that we as a company have partly been able to achieve these objectives.

Below please find a summary of some 2017 policy highlights:

- Structuring procurement procedures by the Corporate Audit department with the main objective of cost savings.
- Investments in telecom infrastructure and network connections in particular the “Telesur National Broadband Project”.
- Performance measurement, analysis and trend watching to support business innovation and development.
- Marketing campaigns via social media.
- Improvement of administration and registration of customer contact, to collect data therefrom with the aim to improve overall service.
- Construction of warehouses and automation of inventory management.
- Training of staff and putting into practice the use of automated administration applications in different departments.
- Optimization of partnerships with international telecom service providers.
- Rebuilding of Telesur branch Nickerie.
- Celebration of ATV's 30th anniversary.

With regard to Telesur's financial performance, we can report on successfully turning the tide, as 2017 was concluded with a positive financial result. The process of publishing audited annual accounts of past years is continued in close cooperation with the external auditor.

In closing of this message, we wish to indicate that the Telesur family will continue striving to place customer service at the heart of all projects executed. Thus, achieving both short term and long-term development of Telesur.

Warm Telesur greetings,

Mike Antonius, MBA  
Director Telesur



PARAMAM 32

AFFOBAKKA 107

ONVERWACHT 27

ZANDERIJ 45

UITKIJK 26

GRONINGEN 43

CORONIE 138

NICKERIE 237

BOXSBERG 9

MEERZORG 3

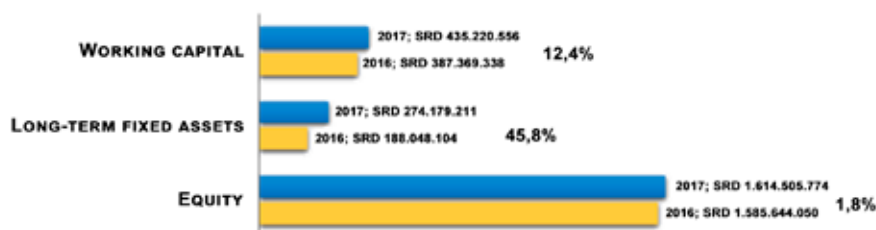
MOENGO 96

ALBINA 141

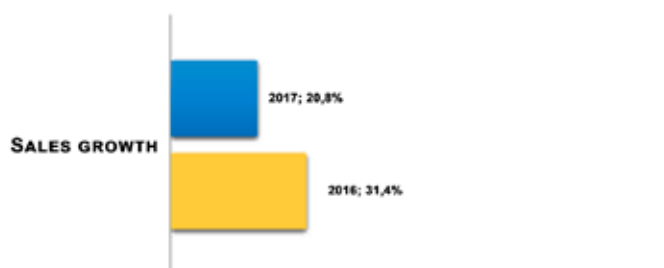
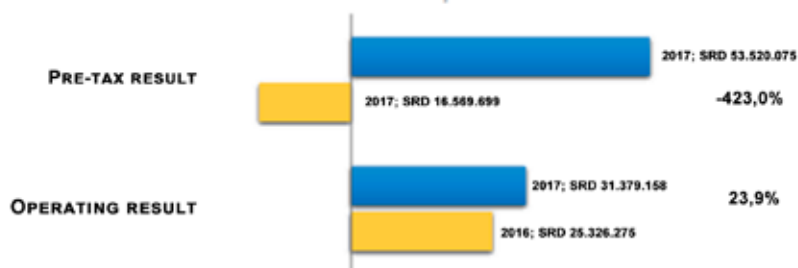
Road sign in downtown Paramaribo, marking the different districts.

# 2017 KEY FIGURES

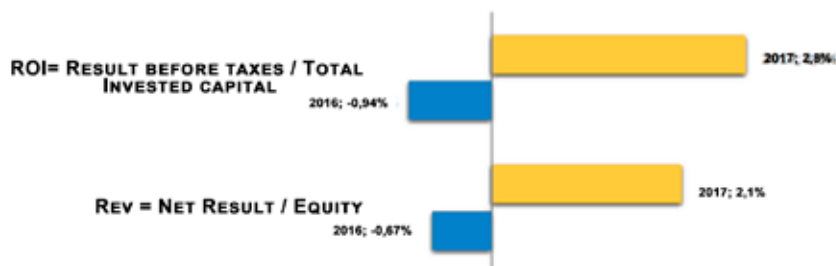
## STATEMENT OF FINANCIAL POSITION



## STATEMENT OF COMPREHENSIVE INCOME



## PROFITABILITY



## LIQUIDITY



## SOLVENCY

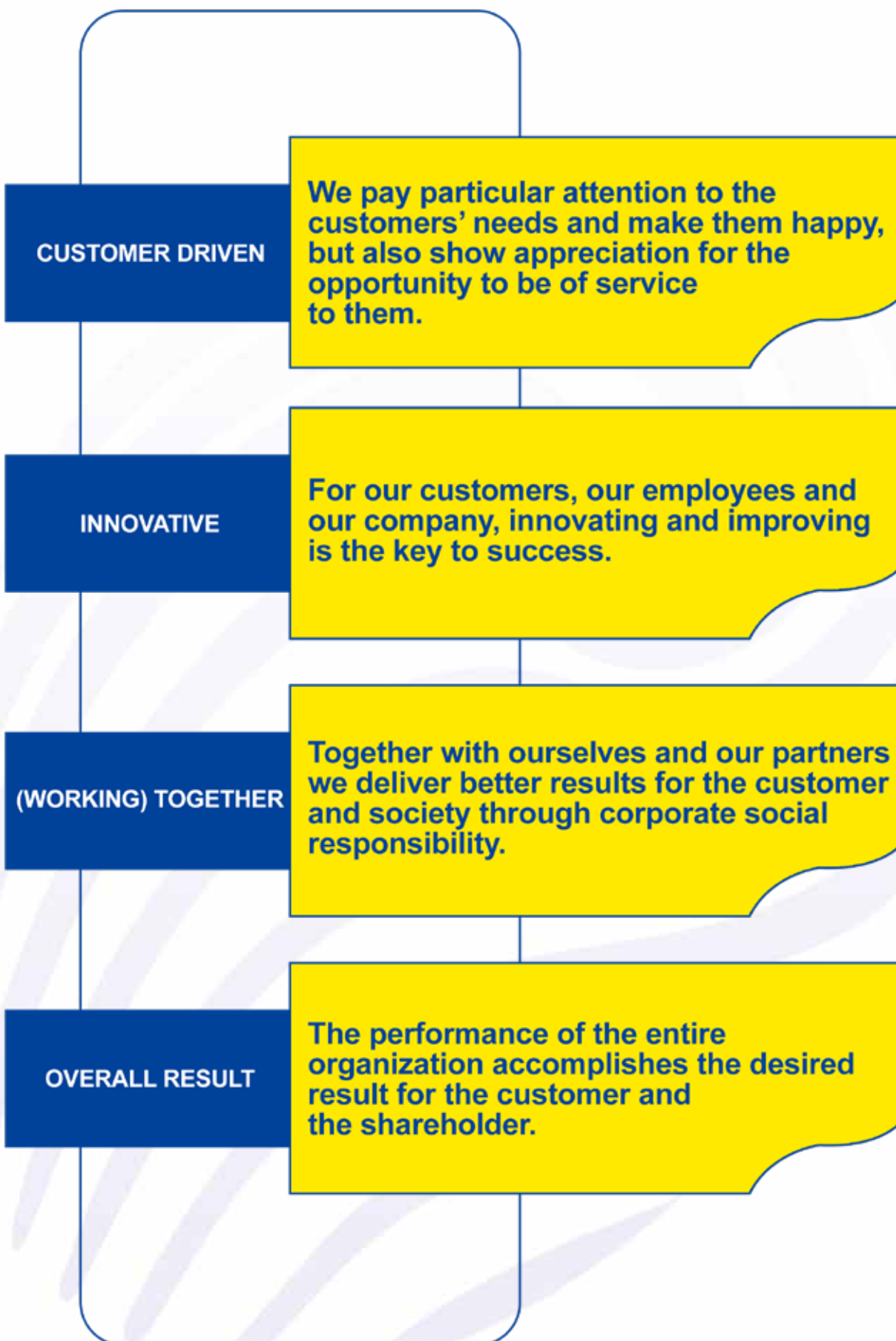


# MULTI YEAR FINANCIAL OVERVIEW

Year	2017	2016	2015	2014	2013
<b>Statement of comprehensive income</b>					
	<i>× SRD'1,000</i>				
Net Revenues	636,053	526,543	397,784	371,515	371,655
Expenses	604,674	501,217	376,752	352,813	350,112
Operational Result	31,379	25,326	21,032	18,703	21,543
Result before Tax	53,520	(16,570)	25,774	10,452	32,077
Result after Tax	34,253	(10,605)	22,384	7,049	20,530
<b>Statement of financial position</b>					
Total Assets	2,288,137	2,094,131	1,234,345	981,737	960,101
Tangible Assets	1,570,700	1,474,268	839,910	679,132	567,338
Intangible Assets	717,437	619,863	394,435	302,605	392,762
Equity	1,614,506	1,585,644	863,450	687,930	690,519
Provisions + Liabilities	673,631	508,487	370,895	293,806	269,581
<b>Financing ratios</b>					
	<i>In percentages</i>				
Equity/ Liabilities	290.2%	377.0%	232.8%	234.1%	256.1%
Equity/ Total Assets	70.6%	75.7%	70.0%	70.1%	71.9%
Cash + Receivables/ Short Term Liabilities	237.5%	242.4%	185.9%	153.5%	206.0%
<b>Profitability ratios</b>					
Result after Tax/ Equity	2.1%	-0.7%	1.5%	1.0%	3.0%
Result after Tax/ Total Operating Capital	1.7%	0.6%	2.2%	0.9%	2.6%
Operational Result/ Net Revenues	4.9%	4.8%	5.3%	5.0%	5.8%
Result after Tax/ Net Revenues	5.4%	-2.0%	5.6%	1.9%	5.5%
<b>Workforce</b>					
	<i>Number</i>				
Employees as at year end	842	839	769	817	798



# CORE VALUES



# HISTORICAL OVERVIEW

**1981**  
Establishment of Telecommunications company Suriname, Telesur in new legal form "Sui Generis", by means of conversion of 's Lands Telegraaf and Telephone Service

**1986 - 1991**  
The broadcasting project Telesur starts with television broadcasts and undergoes a name change in 1991: General Television Verzorging (ATV)

**1993**  
The Telecommunications Training and Research Centre (TOC) is recognised as a regional training centre

Inauguration of the cellular telephone exchange

**1994**  
Commissioning fibre optic cable network

**1996**  
Introduction DATANET

**1999**  
Introduction Prepaid Mobile Service (TDM A cellular)

**2000**  
Introduction ISDN (Data Network)  
Suriname on the Americas-II international fiber optic sea cable system

**2002**  
Introduction of GSM under the product name TeleG

**2004**  
Launch corporate website www.telesur.sr

**2006**  
Introducing new Telesur slogan and corporate identity  
Dirk Currie is installed as director of Telesur

**2007**  
Liberalisation telecom sector in Suriname

**2008**  
Launch Telesur Mobile Netherlands and unlimited calling

**2009**  
Inauguration Wireless Fixed Telephony in Suriname

**2010**  
Launch Blackberry Service

Signing Suriname Guyana Submarine Cable System (SG-SCS)

**2011**  
Launch Telesur Multimedia Innovation Laboratory (TMIL)

Telesur director Dirk Currie elected as chairman CANTO

Launch Community Hub in District of Coronie

**2012**  
Launch 3G Services  
Launch Tele.I.C. (Telesur Internet Calling)

**2013**  
Launch 4<sup>th</sup> Generation Mobile Network (4G Services)  
Commissioning Telesur Telecommunications Museum in New Amsterdam - Commewijne

**2014**  
Pilot project fibering part of Paramaribo's fixed network

Start project "Inland Access"; Digital TV and 3G reach in Albina, Apoera, Brownsberg and Donderskamp

**2015**  
Nationwide expansion to 264 Telesur sites

**2016**  
Concrezation E-Suriname vision and preparations for Telesur National Broadband Project (TNBP)  
Collaboration agreement Telesur and EBS regarding TNBP. The agreement ensures exclusive use for Telesur of the EBS poles to hang fiber optic cables

**2017**  
Project (Telesur National Broadband Project - TBNP)  
Reorganization of Public Relations & Facilities (PR&F) department into separate departments Corporate Communication and Facilities Management

## MISSION AND VISION

**Mission:** Facilitate communication through innovative market-based solutions

**Vision:** Remain the leader of communications development of Suriname

## MEANING OF LOGO AND COLORS



- Derived from a fingerprint:
- Represents the own identity.
- Gives content to the mission statement; services and products.
  - Personal/customized delivery to the customer.
- Represents the uniqueness of the company.
- Makes an association with the end user.
  - He/she recognizes himself/herself in the logo.
- Seven lines equal the number of letters making up Telesur's name.



YELLOW is associated with:

- Intellect
- Honor
- Energy
- Loyalty
- Stimulation of mental activity
- Joy
- Happiness
- Attention



BLUE is associated with:

- Reliability
- Honesty
- Wisdom
- Confidence
- Accuracy in promoting high-tech products
- Intelligence
- Faith

# THE DISTRICT OF MAROWIJNE: COASTAL INLAND

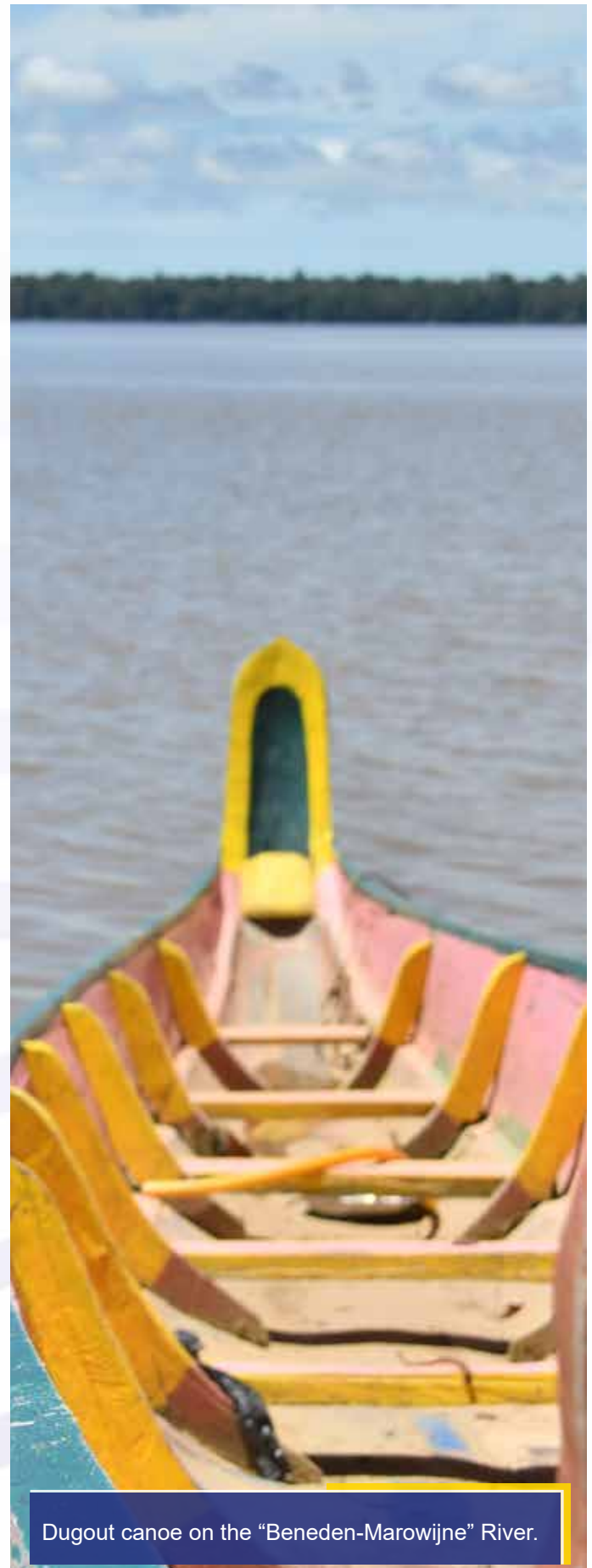
Marowijne is the district par excellence to get a taste of what it is like to be in the heart of the interior while travelling alongside the coastal strip. This tells much about the district's pristine nature. Marowijne is known for its nesting beaches where sea turtles, including the giant leatherback turtle (Aitkanti), come from other parts of the world to lay their eggs. For this reason, the Galibi Nature Reserve is a tourist attraction.

## MINERAL RESOURCES

Marowijne is rich in mineral resources. At the beginning of the twentieth century, bauxite was discovered near Moengo which made this Suralco town flourish. Situated in a sloping landscape, Moengo is an example of beautiful urban architecture modeled according to American style. Albina, the main town of the Marowijne district, is also gorgeously situated on the curvy, wide Marowijne river with on the opposite side "France", as Saint Laurent du Maroni is called. Albina, initially founded as a trading post, became best known as a riverside resort after the First World War. Thanks to the lively, back-and-forth boat transport of people and goods, Albina has maintained its dynamic character.

## POSITIVE IMPACT

In Moengo efforts are also being made to bring back economic prosperity and nice living conditions. Individuals put in efforts, be it as teachers, youth coaches or preservers of cultural heritage. With minimal resources and a large dose of perseverance, they make a positive impact on the future of their immediate environment, no matter how small. With the district of Marowijne as this annual report's theme, you as a reader will be introduced to four of these impactful individuals.



Dugout canoe on the "Beneden-Marowijne" River.



Anchorage point for river crossing to Saint-Laurent, French-Guiana.



Rear side of the shopping promenade at Albina's waterfront.

# MAYRA COLOM. THE NEVER QUITTING SCHOOL PRINCIPAL

## “I WANT CHILDREN TO BECOME SOMETHING IN SOCIETY AND RETURN PROUDLY”

At the Iporoma School in Erowarte, about five kilometers from Albina, the paved road ends abruptly, just in front of a sandy beach on the wide Marowijne River. This makes it seem like you have landed in a far corner of the world. About 50 pupils sing the national anthem during the flag ceremony. At this small-scale school, great work is being done by school principal Mayra Colom and her often work-overloaded team. “Never give up!” is her life motto. She herself was in the fourth grade of this school when her family moved to French Guiana in 1986 because of the Inland War. Yet she had to daily cross the river by boat, to go to school in Albina. After the MULO (secondary school), she

Surinamese Pedagogical Institute (SPI) and then became assistant teacher at the Iporoma school.

## MULTIPLE CLASSES

Motherhood has not stopped Colom from studying. She obtained the teacher’s certificate and headmaster’s certificate and returned to the Iporoma school. She first taught kindergarten and then became responsible for first and second grade. “That was an experience for me: how to teach two classes at the same time?” When in addition to these matters, the school principal at that time fell ill, another colleague and I were in charge of the school.” The “biggest challenge” for Colom came in 2013, when she took over fifth and sixth grade as well as the school’s administration from the ailing school principal whose illness turned out to be untreatable. “It was really too much. However, I persevered out of sympathy for the children. I know them all personally and it’s important that they can visit school close to home.”

## RETURN PROUDLY

When Colom herself visited the MULO in Moengo, she had to ride her bike to Albina in the morning on an awfully bad road. During her follow-up studies, she also made long days because of the poor condition of the roads that led to the school. “Yet, I kept going. I share these experiences with my pupils so they will never give up. I also tell them, “You can always become a father or a mother, but you can’t always get a degree.” The efforts of Colom and her team have a huge impact on the pupils’ future. In recent years, between 70 and 80 percent passed the school’s final exam. “I want the kids to say, “We’re going to be something in society” and proudly return to Erowarte to help bring development. That is my purpose.”



Principal Mayra Colom of the Iporoma School in Erowarte.



Pupils of the Iporoma School in Erowarte.





# GOVERNANCE



# THE BOARD OF SUPERVISORY DIRECTORS

As at July 2020



# REPORT OF THE BOARD OF SUPERVISORY DIRECTORS

In order to comply with Article 15 of the act on the provision of telecommunications, the “Wet Telecommunicatievoorzieningen”, we have audited the 2017 statement of financial position and the statement of comprehensive income of the “Telecommunicatiebedrijf Suriname”, Telesur, for the 2017 fiscal year including the notes thereon, and were assisted in doing so by Audit Firm Tjong A Hung N.V. This external auditor provided a qualified opinion on the USD financial statements 2017. We approved the 2017 USD annual report of which the statement of financial position as at December 31st, 2017 and the 2017 statement of comprehensive income are an integral part.

In line with Article 17 sub 1 of the same act the Board of Supervisory Directors advises the General Meeting of Shareholders to keep Telesur’s profits if any, over the next 10 (ten) years within the company, for the following purposes.

1. To repay the loans to the Bank of China (USD 25 million) and the Export Import Bank of China (USD 98.5 million).
2. Settlement of outstanding debts of the Surinamese Government to Telesur (SRD 168,5 million as at June 2019).
3. Payment of invoices for services purchased (Safe City, Datacenter, video conferencing, data lines, telecommunications traffic, SMS etc.) by the Republic of Suriname.
4. Further implementation of the Inland Access Project, in accordance with Suriname’s Government policy.

If the above obligations are met before the 10-year term, Telesur will again pay dividends in accordance with statutory provisions.

We therefore recommend that Telesur’s General Meeting of Shareholders determine the statement of financial position as at December 31st, 2017 and the 2017 statement of comprehensive income and approve the recommended profit allocation. This determination, pursuant to Article 15 sub 7 of the aforementioned Law, extends discharge of Telesur’s management and supervisory board for the management and supervision conducted in 2017.

The above recommendation to the General Meeting of Shareholders of Telesur has been approved and adopted by the shareholder’s representative, The Minister of Public Works, Transport & Communications Mr. Vijay Chotkan.

Finally, we are pleased to express our appreciation and gratitude for the way that Telesur’s management and all other employees have committed themselves to the company in the year passed.

## The Board of Supervisory Directors of Telesur

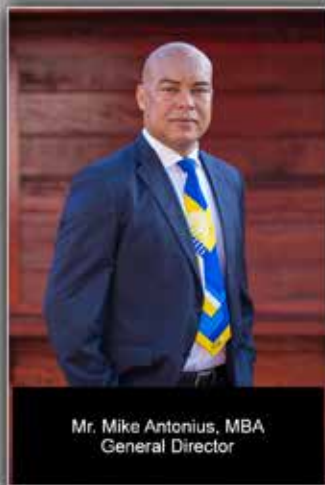
Mr. G. Hew A Kee, PhD	Chairman of the Board
Mr. Drs. J. Bolman	Deputy Chairman of the Board
Mrs. F. Harpal–van Ommeren MPA, BSc	Secretary
Mr. Ir. R. Abrahams	Member
Mr. Ing. R. Doekhie	Member
Mrs. Drs. M. Isselt, MBA	Member

# THE BOARD OF DIRECTORS

As at July 2020



Mr. Doric Ramlakhan, MSc  
Deputy Director  
Technical Sub Directorate



Mr. Mike Antonius, MBA  
General Director



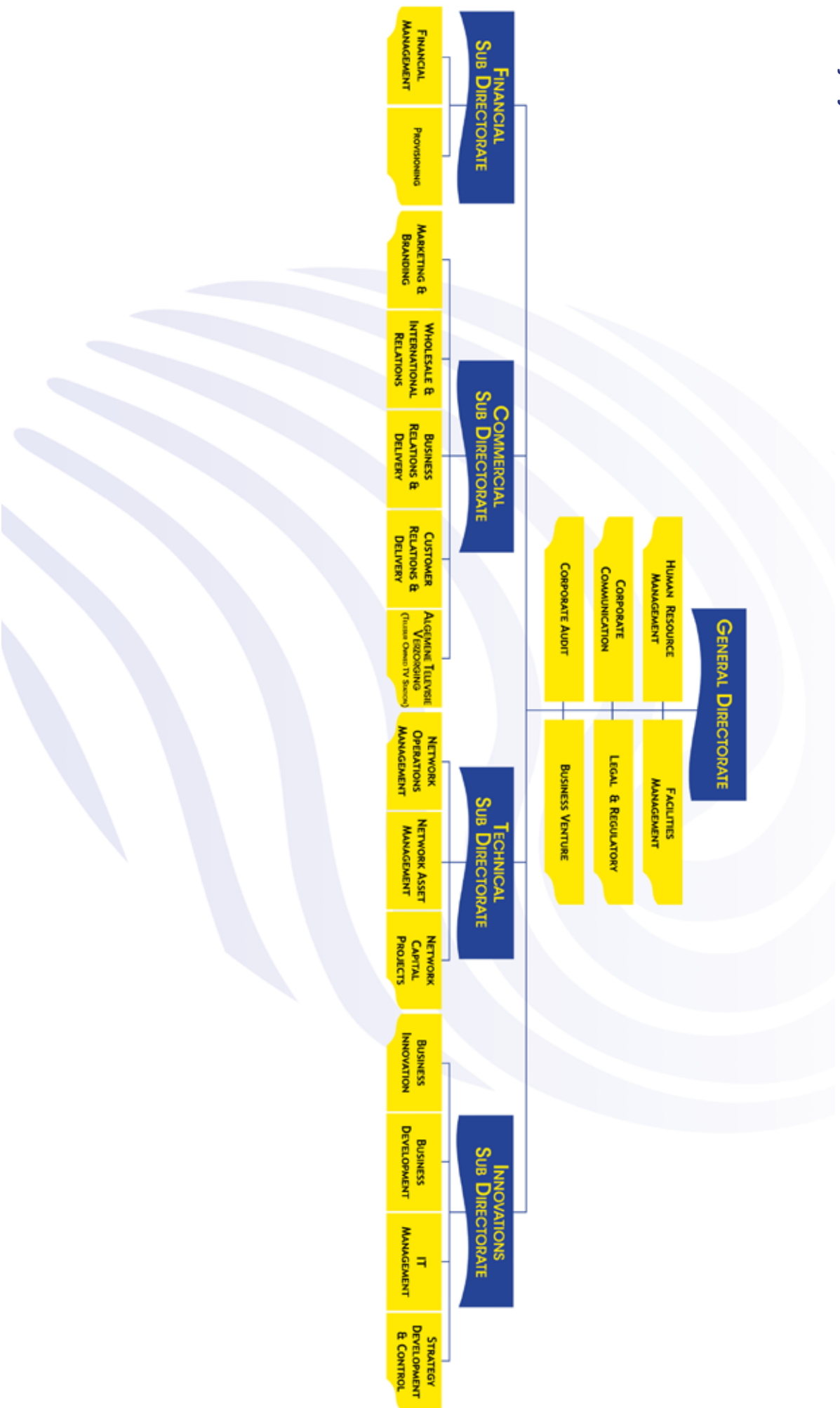
Mrs. Grace Yard-Hensen, MBA, BEc  
Deputy Director  
Commercial Sub Directorate



Mr. Steven Tjitrotaroen, MBA, BSc  
Deputy Director  
Innovations Sub Directorate

# ORGANIZATIONAL CHART

As at July 2020



# OSCAR AWESE, COACH AND FATHER OF YOUNGSTERS

## “BETTER GRADES BY DOING HOMEWORK”

It is about 5 o' clock on Monday afternoon. On a fenced artificial turf field in the heart of Albina, two boys' teams in yellow and blue outfits play football against each other. From the stands, the then 50 year old trainer, coach and caretaker Oscar Awese is watching. “I see children as the future. When I was a kid, I did not have this. These village children are also my family,” he says. Every afternoon Awese welcomes about 80 football-loving youngsters at the turf field. “Sport is particularly important for those who go to school,” Awese explains his motivation.” It is refreshing for their brains and teaches them discipline. I think it is important to spend every afternoon with these youngsters. Otherwise they hang out in the streets or in the supermarkets and some of them will shoplift.”

## TEENAGE CLUB LEADER

Awese did not finish primary school because of the Inland War that broke out in 1986. With his family he fled to French Guiana, where for years they stayed in a refugee camp. Before the war, he was a teenage club leader at the Baptist church in Alfonsdorp, where he and a missionary read biblical stories to children every Friday. “Many of these children died during the war,” he remembers painfully. “Their names are on the monument in Moiwana. That's where most of them died.” In the refugee camp Awese was also involved with children and sports. In 1997 he returned to Albina and continued. The artificial turf field has been donated to Albina by the Royal Dutch Football Association, partly because of his efforts as a member of the Albina Sports association.

“Before, it was an open field where children ran uncontrolled which was dangerous due to passing cars.” The balls and outfits are donated by sponsors.

## POSITIVE IMPACT

Awese also acts as a ‘father and lawyer’ for his youngsters. He regularly visits them at school or at home to inquire if they are behaving well. If they are not, they are disciplined by not being



Oscar Awese, football coach of Albina youngsters.

allowed to come and play football. “By doing their homework, they get better grades,” he says about the positive impact of his approach. “In case they are disciplined, I also explain to them what to change or improve. At home, their behavior also changes.” Many youngsters are not met at home by their parents after school. “That's a big social problem in Albina. So, it is important that we keep them occupied.” The efforts of Awese and his team are paying off. “You can see that youngsters are less likely to hang around the shops or be arrested for theft. If parents do not find their children at home, they know: “They are with Oscar.” I pray to God for good health so I can continue this for years to come.”



Coach Oscar Awese with two competing Albina youth football teams.





# **2017 BUSINESS REVIEW**

The business review sequentially goes into the following:

1. **MACRO-ECONOMIC DEVELOPMENTS**

A brief reflection by management on macro-economic developments, outlining the environment Telesur has operated in. This section also addresses developments in the telecom sector.

2. **HIGHLIGHTS**

Management's report on developments within Telesur form the core of the 2017 Business Review.

3. **2018 OUTLOOK**

Management concludes with a brief preview of the agenda to be completed by Telesur to strengthen the company's strategic position.

## **MACRO- ECONOMIC DEVELOPMENTS**

In 2017 Suriname achieved a 1.7% economic growth, i.e. progress after two years of economic recession with negative growth figures. The main driver behind this growth was the upsurge in prices on the international gold market, which increased the earnings from gold exports. Inflation also fell sharply compared to 2016 and ended at 22%. The official exchange rate between the SRD and the USD barely rose, and financial ratios in the banking sector also showed positive development. Nevertheless, it is a challenge to purchase foreign currency at the exchange rate of the Central Bank of Suriname, in accordance with instructions of the Minister of Finance.

The "Telesur National Broadband Project" (TNBP) was implemented in 2017 aiming to increase Telesur's resilience. The investment amounts to USD 115 million, to be realized by means of a loan to the State of Suriname by the Export Import Bank of China (EXIM Bank) amounting to USD. 98.5 million with a term of 15 years at 3% interest and a grace period of 5 years. The implementation of the TNBP will cover a period of between 18 and 24 months.

## **HIGHLIGHTS**

### **GENERAL**

The composition of Telesur's management as at December 31st, 2017 differs from that at the time of publication of this annual report. For completeness' sake, it is stated that as of December 31st, 2017, besides Mr. M. Antonius, Telesur's management team also consisted of Mr. R. Headley, Mr. S. Tjitrotaroen and Mr. R. Naipal.

The following 2017 highlights are listed:

- **Validation of the e-Suriname vision by management**

This vision should partly lead to transformation of the Surinamese economy in digital sense. As a government owned company, Telesur wants to play an important role in enriching the lives of its clients and in the way business is conducted. The e-Suriname vision is the first step towards an integrated approach to this end. Together with already identified and potential partners, this dream will be realized. The first step has been taken with the kick-off of the



TNBP to provide the coastal plain with high speed internet by the end of 2019, which will form the basis for further development of the ecosystem needed for the transformation. Through this vision further contributions to the socio-economic development of Suriname are made by enablement of a broadband ecosystem. Within that ecosystem, Telesur's role is that of provider of leading ICT services to further connect society (government, companies, organizations, and households). In addition, Telesur also plays a role as an e-services enabler for and from Suriname. In this way, Telesur creates a platform for itself on the one hand, and on the other hand for the entire Surinamese economy for the creation of various new e-services. As an enabler, Telesur wants to give other companies the opportunity to (further) digitalize their operations and services, enabling them to improve their competitive position. This creates opportunities for companies and various sectors to further grow and contribute to the realization of e-Suriname. In order to give shape to this ecosystem, Telesur itself will participate in the development and launch of a number of e-services.

- **Kick-off “Telesur National Broadband Project”**

On Friday June 9th, 2017, a ceremonial start of the TNBP was made. On this occasion, the Minister of Public Works, Transport & Communication, Jerry de Miranda and the Vice President of the National Assembly, Melvin Bouva were present as representatives of the government. A toast was made together with the chairman of the Board of Supervisory Directors of Telesur, Gardelito Hew a Kee, General Director of Telesur, Mike Antonius and the representative of Huawei, Zachary Qui Zhuyu. The various speeches emphasized faith in Telesur and the potential the company has. The highlight of the day was the commissioning of the renovated power plant in Clevia. This operation was carried out by Telesur's General Director and the Vice President of the National Assembly. The ceremony was concluded with a speed test in which 48Mbps was measured for the upload and 81.42Mbps for the download.

- **Focus on content**

A well-known quote from Bill Gates is “Content is King”. The earning potential of content services is viewed against this background. This can be delivered when the internet capacity to customers at home is increased. A package consisting of phone calling, television and internet is an example of a triple play service, already offered internationally. A start has been made to review the possibilities of Internet-TV. Also, various content suppliers have been contacted. In preparation for implementation of a Telesur triple play service, content has been purchased and is currently situated at ATV.

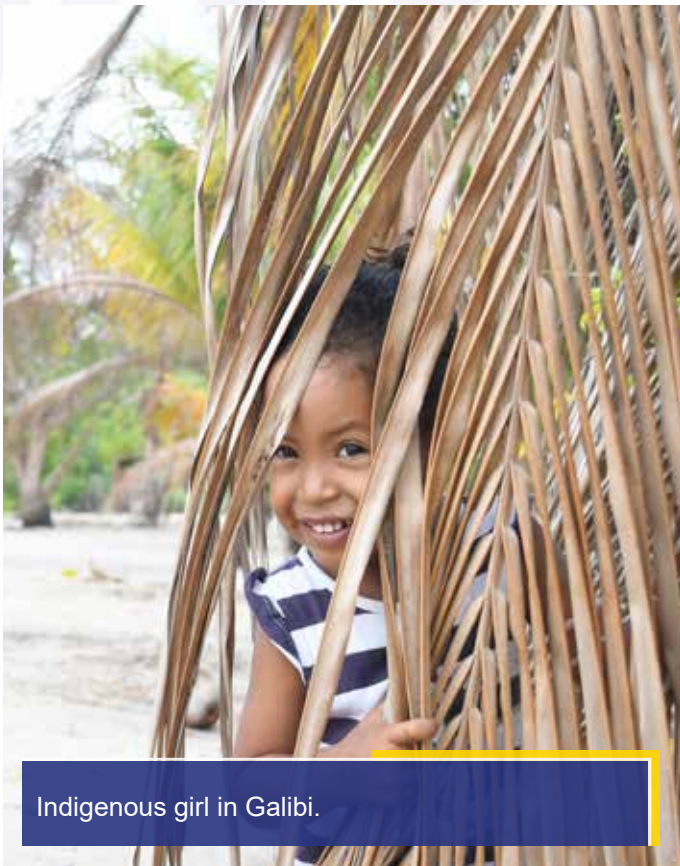
In order to increase ATV's audience share, it was decided to tighten up the strategy. First of all, the “ATV new style” trajectory was started. The goal of this trajectory was to determine what the necessary improvements for ATV's organization are, and to work therefrom on improving the quality of services. The main reason behind this is the decision to use Telesur's own television station as much as possible to promote its products and services. Cost control is leading in this decision. In this context it was decided that ATV will focus more on local productions in terms of content.



"The Indigenous" by Jozef Klas at the Marimbopark in Albina.



Howler monkey at the Galibi nature reserve.



Indigenous girl in Galibi.



Artwork made out of bauxite in Moengo.

## PRODUCT DEVELOPMENT

Within the framework of product development, a collaboration has been established with KirpalaniKom (KKOM). The primary goal of this collaboration is to combat churn on the Telesur network. Telesur has created “Data & Voice/SMS bundles” for Kirpalani NV, which are intended for prepaid subscribers. These will be available exclusively at or through Kirpalani under the name “KirpalaniKOM; a Mobile Virtual Network Operator on the Telesur network”.

## ORGANIZATIONAL MATTERS

In 2017 an organizational change was implemented, namely separation of PR from the Public Relations & Facilities (PR&F) department, resulting in the Corporate Communication and Facilities Management departments. This separation creates a better basis for safeguarding the company’s reputation and the management of an important part of the company’s tangible fixed assets.

## FINANCIAL IMPACT

In order to finalize the financial statements regarding the 2017 fiscal year, an intensive audit process has been completed. This has resulted in determining the annual accounts and granting of discharge in an Extraordinary General Meeting of Shareholders, led by the representative of the Shareholder, the Minister of Public Works, Transport & Communication, Mr. Vijay Chotkan. The 2017 fiscal year ended with a positive financial result.

In order to further improve the organization’s financial policy, increased priority is given to establishing financial processes and procedures. Among other things, emphasis is placed on timely internal and external reporting, budget monitoring and cash flow management.

An absolute precondition for improving the financial set-up within the organization is the optimal use of available financial software packages. In this context it has been decided to start a company-wide project in which optimization of use of the software package in which our financial administration is carried out, will take place.

## 2018 OUTLOOK

In 2018, emphasis will be on “*Operational Stability, Innovation & Growth*”. This should be reflected in improving the “Quality of Service, Seamless Customer Experience, Seamless Employee Experience” and a robust foundation for growth. This will take into account the transformation Telesur has to go through in becoming a digital service enabler and provider.

To ensure stability in operations, investments are made by means of the TBNP in infrastructural, processes and systems to improve the quality of services and customer service to achieve an excellent and streamlined customer experience (“excellent and seamless customer experience”) so as to retain customers and acquire new ones. The focus for the 2018 investment budget has been on fixed infrastructure, particularly through the TNBP. This creates a solid foundation for our society, where everyone has access to digital communication. The investments in the broadband network are not only catering to the construction of fixed infrastructure, but also to the construction of digital infrastructure related to the e-Suriname vision.

# SOERAT IRODIKROMO, DECORATED GAMELAN GURU

## “MY IDEA IS TO MIX ALL CULTURES”

In the compound of Surat Irodikromo (71 years old at the time of the interview), soothing gamelan music composed by himself can be heard.

Irodikromo is dressed in Javanese traditional attire and his grandchildren are listening. He plays the drum and says afterwards: “The drum is difficult, there are no musical notes, so you’ve got to have a feel for it.” The instruments had to be dusted properly first, because it has been a while since the group members were together. The gamelans, made of ‘Suralco iron’, were inherited from a previous group whose members have already passed away. Irodikromo has been committed to cultural preservation for over 25 years. “I love Javanese and other cultures. My idea actually, is to mix the cultures. That is why we played the first “Ala kondreman dron” with Henk Tjon in Thalia in 1992.”

## DECLINING INTEREST

However, interest of young people is declining, while simultaneously Irodikromo’s group is ageing. “The group consists of nine ladies and our singer is almost ninety.” His father taught gamelan music and wajang puppetry. “Almost every day I heard gamelan and learned it without notations. Out of the nine children, I was the only one involved in culture.” In the past, his group performed every week with “jaran kepang dancers”. Those glory days are over. “Nevertheless, I encourage young people to come and take classes instead of hanging out on the streets. You get free classes and a drink and still they are not interested. That’s too bad.” Irodikromo has trained five generations of dancers and teaches every Saturday. He blames the ageing population partly on the lack of a secondary school in Moengo.

“I teach Javanese dance to girls aged 9 to 15. But after primary school they leave for Paramaribo to continue their studies. Now I have no girls in dance class anymore.”



Soerat Irodikromo elaborates on gamelan music.

## DECORATED TWICE

Narda has been an ‘apprentice’ for twenty-five years and says about Irodikromo: “He is our gamelan guru. We were able to preserve the music and that is certainly thanks to him. It is a pity that so few young people still participate. They think their mobile phone is more important and have no interest in culture. How can the culture be preserved if there is no rejuvenation?” Nevertheless, Irodikromo has received recognition for his multigenerational cultural impact. In 2018 he was decorated by the President on Independence Day and in 2019 by the “Federatie Javanisme Suriname”. Student Rosie on her guru: “He has earned it because he really does this out of love and for our culture, which he wants to preserve and transfer. We are very appreciative thereof.”



Gamelan guru Soerat Irodikromo and his "apprentices" in action.



# THE 2017 SUMMARY CONVERTED SRD ANNUAL ACCOUNTS

## STATEMENT OF FINANCIAL POSITION AS AT 31-12-2017

	31-12-2017	31-12-2016
	SRD	SRD
<b>ASSETS</b>		
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land and buildings	167,678,004	166,971,454
Exchanges and stations	291,800,827	344,838,349
Cable networks and ray connections	709,955,768	663,853,538
Data and subscriber equipment	106,830,191	115,925,497
Transport means	1,091,985	4,209,170
Other property and equipment	30,077,856	48,463,282
Investments in progress	211,883,527	79,703,150
	<b>1,519,318,158</b>	<b>1,423,964,440</b>
<b>FINANCIAL FIXED ASSETS</b>	<b>51,381,422</b>	<b>50,304,023</b>
<b>CURRENT ASSETS</b>		
Stock	47,203,368	56,273,216
Receivables	330,839,606	264,701,602
Cash	339,394,039	298,888,218
	<b>717,437,013</b>	<b>619,863,037</b>
	<b>2,288,136,593</b>	<b>2,094,131,500</b>
<b>LIABILITIES</b>		
<b>Equity</b>		
Capital	93,349,826	93,349,826
Allocation reserve	54,283,519	0
Conversion reserve	983,682,999	977,424,821
General reserve	459,541,188	503,090,131
Operating result prior years	-10,604,607	22,383,878
Operating result in fiscal year	34,252,848	-10,604,607
	<b>1,614,505,774</b>	<b>1,585,644,050</b>
<b>PROVISIONS</b>	117,235,152	87,945,648
	<b>274,179,211</b>	<b>188,048,104</b>
<b>SHORT-TERM LIABILITIES</b>		
Debts international telecommunication traffic	13,047,262	5,845,563
Creditors	45,177,634	22,294,629
Telephone cards in circulation	18,528,513	36,894,609
Taxes to be paid	107,850,181	71,300,381
Amounts received in advance	65,552,212	57,239,951
Debts regarding interconnection	12,011,391	19,354,475
Other liabilities and accruals	20,049,264	19,564,090
	<b>282,216,456</b>	<b>232,493,698</b>
	<b>2,288,136,593</b>	<b>2,094,131,500</b>

## 2017 STATEMENT OF COMPREHENSIVE INCOME

	2017	2016
	SRD	SRD
<b>NET INCOME</b>		
Regulated services	529,453,902	453,724,413
Non-regulated services	244,120,450	176,305,544
Other operating income	9,081,435	9,710,677
	<b>782,655,787</b>	<b>639,740,634</b>
Deduct: Sales and marketing costs	-146,602,629	-113,197,733
	<b>636,053,158</b>	<b>526,542,901</b>
<b>EXPENSES</b>		
Personnel costs	135,865,289	100,502,429
Telecommunications Infrastructure Costs	96,305,269	85,427,562
General expenses	115,447,672	94,215,770
Allocation/ (release) provisions	16,553,230	15,437,387
Depreciation material fixed assets	240,502,540	205,633,478
	<b>604,674,000</b>	<b>501,216,626</b>
<b>Operating result</b>	<b>31,379,158</b>	<b>25,326,275</b>
<b>FINANCIAL INCOME AND (EXPENSES)</b>		
Interest income and (expense)	1,190,770	3,596,384
Exchange rate gains (-losses)	836,252	-65,344,403
	<b>2,027,021</b>	<b>-61,748,020</b>
	<b>33,406,179</b>	<b>-36,421,745</b>
<b>OTHER INCOME AND (EXPENSES)</b>	20,113,896	19,852,046
	<b>53,520,075</b>	<b>-16,569,699</b>
<b>Pre-tax profit</b>	<b>53,520,075</b>	<b>-16,569,699</b>
Deduct: Income tax	-19,267,227	5,965,091
<b>Net profit current year</b>	<b>34,252,848</b>	<b>-10,604,607</b>



## OVERVIEW OF MOVEMENTS IN EQUITY OVER 2017

Description	Capital		Allocation reserve		Conversion reserve		General reserve		Result previous years		Result current fiscal year		Total	
	SRD		SRD		SRD		SRD		SRD		SRD		SRD	
<b>Statement of financial position as at 1-1-2017</b>	<b>93,349,826</b>	-	<b>977,424,821</b>	<b>503,090,131</b>	<b>22,383,878</b>	<b>-10,604,607</b>	<b>1,585,644,049</b>							
Correction in opening balance - assignment allocation reserve	-	33,367,890	-	-33,750,644	-	-	-382,754							
Allocation of 2015 result - Addition to allocation reserve <sup>*)</sup>	-	20,915,629	-	-20,915,629	-	-	-							
Allocation of 2015 result - settled with receivables from shareholder <sup>*)</sup>	-	-	-	-11,266,548	-	-	-11,266,548							
Result allocation 2015 <sup>*)</sup>	-	-	-	22,383,878	-22,383,878	-	-							
Allocation of booking result 2016	-	-	-	-	-10,604,607	10,604,607	-							
Conversion difference - tangible fixed assets	-	-	-	-5,345,823	-	-	-5,345,823							
Conversion difference - other	-	-	-	11,604,001	-	-	11,604,001							
Booking result 2017	-	-	-	-	-	34,252,848	34,252,848							
<b>Statement of financial position as at 31-12-2017</b>	<b>93,349,826</b>	<b>54,283,519</b>	<b>983,682,999</b>	<b>459,541,188</b>	<b>-10,604,607</b>	<b>34,252,848</b>	<b>1,614,505,774</b>							

\*) The result of 2015 was allocated on the shareholders meeting of December 13, 2017. The allocated result has been based on the converted SRD result amounting to SRD 22,838,878. The allocated result is higher than the administrative result (USD 1,837,301). The difference between the allocated result and the administrative result is deducted from the general reserve.

## 2017 STATEMENT OF CASH FLOW

	2017	2016
	SRD	SRD
<b>Cash flow from operating activities</b>		
Operating result	31,379,158	25,326,275
Adjustments for:	-	-
Depreciations	240,502,540	205,633,478
Provisions	29,289,505	-14,564,124
Interest income and (expenses)	1,190,770	3,596,384
Income tax	-19,267,227	5,965,092
Dividends received	-	-
Other income and (expenses)	20,113,896	19,852,046
Exchange rate gains/(-losses)	836,252	-65,344,403
	<b>304,044,892</b>	<b>180,464,747</b>
<b>Movements in working capital:</b>		
Stock	9,069,848	-31,561,259
Receivables	-66,138,004	-60,847,815
Short term liabilities	49,722,758	33,643,197
	<b>-7,345,398</b>	<b>-58,765,877</b>
	<b>296,699,495</b>	<b>121,698,871</b>
<b>Cash flow from investment activities</b>		
Investments in property, plant, and equipment	-335,856,258	-816,855,686
Financial fixed assets	-1,077,395	-23,136,623
	<b>-336,933,653</b>	<b>-839,992,309</b>
<b>Cash flow from financing activities</b>		
Addition to allocation reserve	54,283,519	
Addition to conversion reserve	6,258,178	732,799,029
Other direct movements in equity	-54,666,273	-
Profit distribution	-11,266,548	
Long-term liabilities	86,131,106	118,513,199
	<b>80,739,982</b>	<b>851,312,229</b>
<b>Increase/(decrease) cash</b>	<b>40,505,821</b>	<b>133,018,790</b>
<b>Cash at the beginning of fiscal year</b>	<b>298,888,218</b>	<b>165,869,428</b>
<b>Cash at the end of fiscal year</b>	<b>339,394,039</b>	<b>298,888,218</b>

# GENERAL NOTES TO THE 2017 SUMMARY CONVERTED SRD ANNUAL ACCOUNTS

## 1. GENERAL

### Nature of business activities:

- Installing, maintaining, and using telephones, internet facilities and other means of telecommunications.
- Performing tasks regarding telecommunications based on statutory regulations.
- Fulfilling all operations deemed to belong to the company's work terrain, resulting from the above-mentioned tasks.

## 2. ACCOUNTING PRINCIPLES AND DETERMINATION OF FINANCIAL RESULTS

### General

#### **Basis for compiling of the converted financial statements**

The converted financial statements are prepared based on the USD financial statements, which are in line with generally accepted accounting principles. The subsidiary companies have not been consolidated in the financial statements and are included under "Financial fixed assets".

#### **Conversion method**

Telesur's administration is done in USD. Income tax returns are also submitted in USD. The converted financial statements in SRD are derived from the financial statements in USD. Due to exchange rate fluctuations during the year between de USD and the SRD, the converted SRD financial statements present an approximation of the statement of financial position and the comprehensive statement of income. The increase in the exchange rate between the SRD and the USD in 2017 (average exchange rate of USD 1 = SRD 7.55 and year end exchange rate of USD 1 = SRD 7.52 in 2017 versus average exchange rate of USD 1 = SRD 6.26 and year end exchange rate of USD 1 = SRD 7.49 in 2016) is the reason the 2017 converted financial statements reflect a different picture than the 2017 USD financial statements. This applies mainly to developments in (net) income.

The bodies in charge of governance have firmly intent to change the administrative currency from USD to SRD. The 2017 USD financial statements were converted to SRD based on the following:

#### Statement of financial position

- The items included in the equity initial capital, capital deposit and general reserve were converted at the historical price USD/SRG, after which it was nominated back to SRD. Had the equity not been converted into USD and converted back to SRD, the share capital would be substantially lower if the capital deposits in SRG were converted directly into SRD.
- Conversion of the tangible fixed assets has been done on the basis of the balance of the converted SRD financial statements 2016. The ending balance in SRD equals the ending balance at December 31, 2017 at the year-end rate. Movements during the year are converted in SRD against the average SRD/USD exchange rate. The difference has been accounted for as conversion differences.
- The other items on the statement of financial position were converted at the year-end exchange rate as at December 31st, 2017

- The Conversion Differences item was used as a balancing amount.

### **Statement of comprehensive income**

- All items have been converted at the average annual exchange rate.
- This remains an estimate because it does not take into account interim exchange rate fluctuations, which occurred during 2017 and have had a material impact on financial transactions.

### Comparison with the previous year

The principles for determining the assets, liabilities and financial results have not changed in comparison to the previous year.

### **Accounting principles for valuation of assets and liabilities**

#### **Tangible fixed assets**

Land acquired prior to January 1<sup>st</sup>, 1990 is accounted for at the appraised value as at January 1<sup>st</sup>, 1990, while land acquired after January 1<sup>st</sup>, 1990 has been accounted for at acquisition costs. The buildings, telephone switch board plants and stations acquired prior to January 1<sup>st</sup>, 1990 are accounted for at the appraised value as at January 1<sup>st</sup>, 1990, less calculated depreciations. The buildings, telephone switch board plants and stations acquired after January 1<sup>st</sup>, 1990 are accounted for at acquisition costs, less calculated depreciations. Other tangible fixed assets are accounted for at acquisition cost, less the accumulated depreciations. Depreciations are done linearly, based on the estimated economic lifespan. Investments in process of construction have been valued at the amounts spent thereon.

The annual depreciation rates for the different categories amount to the percentages below:

Buildings:	3½% - 10%
Telephone switch board plants and stations:	15% - 33⅓%
Cable systems and microwave radio links:	4% - 25%
Data and subscribers' equipment:	4% - 33⅓%
Vehicles:	33⅓%
Other fixed assets:	33⅓%

In 2015, some of the land and buildings were appraised. The current value of this part of land and buildings as at December 31, 2015 equals USD 34.7 million.

This value has not yet been incorporated in the 2016 financial accounts. The financial position will be different as a result of appraisal of all buildings and land and incorporating it in the financial statements.

#### **Financial fixed assets**

##### **Shareholdings**

The shareholdings are valued at the acquisition price.

## **Stock**

### **Warehouse stocks**

Warehouse stocks are accounted for at the average purchase price, less a provision for obsolescence.

### **Goods ordered**

Goods ordered are valued at invoice value. Invoice values expressed in a currency other than the reporting currency, have been converted taking into account the exchange rate as at the end of the year.

## **Accounts Receivable**

### **Accounts receivable telecommunications carriers**

These have been accounted for, at nominal value, less a provision for debtors' risk. The provisions have been determined on an individual basis for each carrier.

### **Private accounts receivable**

These accounts receivable have been accounted for, at nominal value, less a provision for debtors' risk.

## **Provisions**

### **Provision for pensioners**

This relates to a provision for supplements to the pensions, a monthly allowance and medical benefits for retirees and future retirees. The staff, including the management of Telesur participates in the Civil Servants' Pension Plan. The "Ambtenaren Pensioenverordening 1972" (the Civil Servants' Pension Act) states that the maximum pensionable salary equals the salary of a Departmental Director at the Government. The amount of this provision is based on actuarial calculations.

#### **Actuarial assumptions**

The following assumptions have been used to calculate the provision.

#### **Marital frequency and age difference**

A marital frequency of 54% is assumed for male and female employees. An age difference of five years is assumed between spouses.

#### **Return on investments**

The expected return on long-term SRD investments is 14%. This rate of return is based on the expected average interest rate on low risk investments of term deposits at local commercial banks.

#### **Indexation**

The annual allowances are based on an assumed annual indexation rate of 8.04%, which is equal to the 5-year average of the published inflation rates.

#### **Mortality**

Mortality rates are based on calculations by the "Kring van Actuarissen in Suriname" regarding observation period 2010-2013 (KRIAS 2010-2013).

#### **Funeral costs**

The average funeral costs are estimated at SRD 7.260 for each funeral.

#### **Medical costs**

The following assumptions have been used to calculate the provision for medical expenses:

- The pensioners make up 34.34% of the entire personnel population.
- The net medical costs regarding pensioners equal SRD 3,359,933 (for 2018).
- The average costs per pensioner after cost reduction equal SRD 4.976.

### **Other assets and liabilities**

Unless stated otherwise, other assets and liabilities have been accounted for, at nominal value.

### **Principles for determining financial results**

The financial result is determined as the difference between on the one hand, the income earned from products sold and services delivered and on the other hand the cost of products sold, and services delivered, the costs and other charges over the year.

Net revenues refer to:

- The amounts invoiced to customers for goods and services delivered, if applicable less payments owed to carriers for outgoing telecom traffic, the commissions owed to distributors of among other things telephone cards and security codes and the bonuses and discounts granted to customers.
- The payments from carriers for incoming telecom traffic.

The profits on transactions are accounted for in the year they are realized. Losses are accounted for as soon as they are foreseeable.

Costs are allocated to the fiscal year they regard.

Taxes are calculated by applying the applicable rate on the financial result of the fiscal year, taking into account applicable tax incentives.

## **3. CURRENCY**

### **3.1 Presentation, reporting and functional currencies**

Due to hyperinflation of the Surinamese currency in the past, in 1995 the USD was chosen as the presentation and reporting currency. The converted financial statements in SRD are derived from the USD financial statements and the underlying administration in USD. For principles of the conversion, we refer to the section "Conversion method" under "Accounting principles and determination of financial results".

### **3.2 Foreign currency**

Monetary assets and liabilities denominated in a currency other than the reporting currency are converted at the rate as at the balance sheet date. The exchange differences resulting from the conversion are included in the statement of comprehensive income. Transactions in a currency other than the reporting currency during the reporting period were processed at the exchange rate at the time of settlement.

The rates of the main currencies used are as follows:

December 31<sup>st</sup>, 2017

USD 1 = SRD 7.52

USD 1 = Euro 0.83

December 31<sup>st</sup>, 2016

USD 1 = SRD 7.49

USD 1 = Euro 0.95

The average annual exchange rate USD/SRD was 7.55 in 2017. (2016: USD/SRD 6.29).

#### **4. PRINCIPLES FOR PREPARATION OF THE CASH FLOW STATEMENT**

The cash flow statement is drawn up using the indirect method. The cash resources in the cash flow statement consist of bank balances and cash. Taxes, interest income and similar income, as well as interest expense and similar expenses, are included in cash flow from operating activities.

#### **5. THE ACT ON ANNUAL FINANCIAL STATEMENTS**

In August of 2017, the Act on Annual Financial Statements was approved by parliament. In line with this act, Telesur will have to prepare its financial statements applying the International Financial Reporting Standards (IFRS) as of the 2020 fiscal year. Telesur is preparing for the IFRS conversion.

#### **6. EVENTS THAT OCCURRED AFTER THE DATE OF THE STATEMENT OF FINANCIAL POSITION**

The loans of Datasur N.V. and Wise N.V. and their current accounts with Telesur have been converted to share premium as at January 1<sup>st</sup>, 2018.

#### **7. NON-BALANCE SHEET LIABILITIES**

##### **Huawei**

In 2017 Telesur and Huawei International Co. Limited signed an agreement for the purchase and installation of equipment for the “Telesur Nationaal Breedband Project” for the total amount of SRD 115 million.

##### ***Columbus Networks Ltd. Suriname/Guyana Submarine Cable System***

On August 12th, 2009, Telesur and GTT entered into an agreement with Columbus Networks Ltd. to connect the second sea cable to the existing networks in Trinidad. The effective date is February 1<sup>st</sup>, 2010 and the duration is 20 years. Telesur pays a monthly fee of USD 6,718 to Columbus Networks Ltd.

##### **Other**

As part of the expansion of its networks, Telesur has entered into contracts with various suppliers, amounting to USD 49 million excluding import duties and sales tax, for the supply of equipment, goods, and services. As of December 31<sup>st</sup>, 2016, equipment, goods, and services are still to be received amounting to USD 15.7 million (SRD 117.8 million). No invoices in this regard were received by the date of the statement of financial position. This amount was therefore not included in the December 31<sup>st</sup>, 2017 statement of financial position.

#### **8. ONGOING LAWSUITS**

The company lawyer has reported the following lawsuits:

##### **Former directors**

##### **Proceedings on the merits**

Two former directors namely Mr. D. Currie and Mr. M. Muringen filed a claim with the judge in preliminary proceedings, objecting their termination with the company. The two aforementioned gentlemen have filed for proceedings on the merit claiming the following:

#### *Drs. D.M.R. Currie*

- Primary: annulment of the dismissal order of the Minister of Labor and annihilation of his dismissal.
- In the alternative: As of June 30<sup>th</sup>, 2016, continued payment of his monthly salary of USD 12,000 or its equivalent value in SRD increased by the annual statutory interest rate of 6% starting the date of filing the claim until complete fulfillment.
- Additionally, in the alternative: Payment of an amount of USD 696,000 or its equivalent value in SRD increased by the annual statutory interest rate of 6%, starting the date of filing the claim until complete fulfillment.

#### *M.K. Muringen MBA*

- Primary: identical to Mr. Currie's claim;
- In the alternative: Continued payment of his monthly salary of SRD 20,000 increased by penalty interest of 50% (late payment interest), at least with the annual statutory interest rate of 6%, starting the date of filing the claim until complete fulfillment.
- Additionally, in the alternative: Payment of SRD 1,200,000 increased by the annual statutory interest rate of 6%, starting the date of filing the claim until complete fulfillment.

#### **Other former employees**

The following former Telesur employees have also filed a lawsuit against Telesur for reversing termination of their employment, requiring payment of salary and emoluments, including 6% statutory interest up to the day their employment is restored:

1. Rahan, Henk
2. Soemodikromo, Denny

In addition, these two former employees also filed a lawsuit on October 12<sup>th</sup>, 2017, demanding to pay SRD 10,000 per day from the aforementioned date to the day of the restoration of their employment.

In the court case against Mrs. Braaf, the judge ruled in Telesur's favor on July 3<sup>rd</sup>, 2019.

#### **Intelsur N.V.**

Telesur filed a lawsuit against Intelsur N.V. on November 3<sup>rd</sup>, 2009 for a total of USD 641,235 increased by 6%, to be made payable from the day of the judge's ruling until full payout is accomplished. In addition, Telesur has requested a monthly fee of USD 47,423 including 8% sales tax, to be paid on the last day of each month.

The above amount is to be paid retrospectively from the day the agreement was entered into between the parties on October 30<sup>th</sup>, 2007. This lawsuit regards services provided by Telesur for installation of the International Private Line that would be available from Albina/Moengo to Intelsur's central Telecommunications Center in Paramaribo, Geyersvlijt.

Trial is scheduled for October 8<sup>th</sup>, 2019.

#### **Amsitt N.V.**

Lawsuits against Telesur have been brought by Amsitt N.V.:

1. It calls for annulment of the contract between Amsitt and Telesur.
2. In addition, Telesur is required to pay an amount of USD 850,000 in compensation for loss of income over the period March 2012 to November 2013.

This trial is scheduled for July 9, 2019.



### **Atlantic Architects**

Atlantic Architects filed a lawsuit against Telesur on July 15<sup>th</sup>, 2013, requiring Telesur to pay USD 38,000 to annually be increased by 6% statutory interest, from the day the lawsuit is filed until the day of a court ruling.

The court ruling is expected on August 13<sup>th</sup>, 2019.

No provision for litigation is considered necessary for the aforementioned cases, as the amounts or timing of the events are uncertain and/or the lawsuits are expected to be settled in Telesur's favor.

### **Boshuizen Training & Consultancy Suriname Foundation**

Boshuizen Training & Consultancy Suriname Foundation filed a lawsuit against Telesur on October 30<sup>th</sup>, 2017 claiming the outstanding receivable of SRD 15,846.

The court ruling is expected on October 2<sup>nd</sup>, 2019.

# OVERVIEW TANGIBLE FIXED ASSETS AS AT 31-12-2017

	Land and buildings SRD	Exchanges and stations SRD	Cable networks and microwave links SRD	Subscriber equipment SRD	Vehicles SRD	Other fixed assets SRD	Investments in progress SRD	Total SRD
<b>1-1-2017</b>								
Acquisition value	132,626,457	1,239,810,037	1,088,259,249	172,158,560	35,876,367	257,203,651	37,255,434	2,963,189,756
Accumulated depreciations	-43,250,003	-1,067,417,981	-741,914,081	-93,690,709	-35,729,108	-237,947,732	-	-2,219,949,613
Conversion differences	77,595,000	172,446,293	317,508,369	37,457,646	4,061,911	29,207,363	42,447,716	680,724,298
<b>Book value</b>	<b>166,971,454</b>	<b>344,838,349</b>	<b>663,853,538</b>	<b>115,925,497</b>	<b>4,209,170</b>	<b>48,463,282</b>	<b>79,703,150</b>	<b>1,423,964,441</b>
<b>Movements 2017</b>								
Investments	6,234,430	37,834,755	113,082,839	36,499,311	-	4,471,941	-198,765,527	-642,250
Transfer work in progress	-	-	-	-	-	-	-10,820,342	-10,820,342
Addition to work in progress	-	-	-	-	-	-	341,973,043	341,973,043
Conversion differences	668,628	1,598,291	2,485,645	502,458	29,363	268,232	-206,796	5,345,823
Depreciations	-6,196,509	-92,470,569	-69,466,254	-46,097,075	-3,146,548	-23,125,600	-	-240,502,555
<b>Total</b>	<b>706,550</b>	<b>-53,037,522</b>	<b>46,102,231</b>	<b>-9,095,306</b>	<b>-3,117,185</b>	<b>-18,385,427</b>	<b>132,180,377</b>	<b>95,353,718</b>
<b>31-12-2017</b>								
Acquisition value	138,860,888	1,277,644,793	1,201,342,088	208,657,871	35,876,367	261,675,592	169,642,607	3,293,700,206
Accumulated depreciations	-49,446,511	-1,159,888,550	-811,380,335	-139,787,784	-38,875,656	-261,073,332	-	-2,460,452,168
Conversion differences	78,263,628	174,044,584	319,994,015	37,960,104	4,091,275	29,475,596	42,240,920	686,070,121
<b>Book value</b>	<b>167,678,004</b>	<b>291,800,827</b>	<b>709,955,768</b>	<b>106,830,191</b>	<b>1,091,985</b>	<b>30,077,856</b>	<b>211,883,527</b>	<b>1,519,318,159</b>
	3 1/2%	14% - 33 1/3%	4% - 25%	4% - 33 1/3%	10% - 33 1/3%	33 1/3%		

To: the Management and the Supervisory Board of the  
Telecommunicatiebedrijf Suriname (Telesur)

## **REPORT OF THE INDEPENDENT AUDITOR**

### **Our qualified opinion**

The summary converted SRD financial statements 2017 of Telecommunicatiebedrijf Suriname (Telesur) based in Paramaribo as stated on pages 30 to 40 is derived from the USD audited financial statements 2017 of Telecommunicatiebedrijf Suriname (Telesur).

In our opinion the accompanying summary converted SRD financial statements 2017 are derived, in all material respects, from the USD audited financial statements 2017 of Telecommunicatiebedrijf Suriname (Telesur) and converted based on the principles as described in the notes to the summary converted financial statements. However, the summary converted SRD financial statements 2017 have a possible misstatement to the equivalent extent as the USD audited financial statements 2017 of Telesur.

The summary converted SRD financial statements 2017 comprise:

1. the statement of financial position at December 31, 2017;
2. the statement of comprehensive income and cash flows over 2017; and
3. the related explanatory information on the summary converted financial statements.

### **Summary converted SRD financial statements**

The summary converted SRD financial statements 2017 are derived from the USD audited financial statements 2017. The summary converted SRD financial statements 2017 do not contain all the disclosures required by general accepted accounting principles. Reading the summary converted financial statements 2017 and our report thereon, therefore, is not a substitute for reading the USD audited financial statements 2017 of Telecommunicatiebedrijf Suriname (Telesur) and our auditor's report thereon.

The summary converted SRD financial statements 2017 and the USD audited financial statements 2017 do not reflect the effects of events that occurred subsequent to the date of our auditor's report on the USD financial statements 2017 of July 10, 2019.

### **The USD audited financial statements 2017 and our auditor's report thereon**

We expressed a qualified opinion on the USD audited financial statements 2017 of Telecommunicatiebedrijf Suriname (Telesur) in our auditor's report of July 10, 2019. Our qualified opinion is based on the telephone cards in circulation, which are presented under short term liabilities. Due to organizational circumstances we have not been able to obtain sufficient and appropriate audit evidence regarding the accuracy and completeness of this financial statement line-item and the relating profit and loss account. As a result, we were unable to determine whether any corrections were necessary. The auditor's report also contains emphasis on the determination of the result 2015. Determination of the result 2015 is based on the converted SRD financial statements.

Responsibilities of Management and the Supervisory Board for the summary converted financial statements

## **Responsibilities of Management and the Supervisory Board for the summary converted financial statements**

Management is responsible for the preparation of the summary converted SRD financial statements 2017 on the basis of the principles and conversion method as described in the related explanatory notes.

The Supervisory Board is responsible for overseeing the company's financial reporting process.

### **Our responsibilities**

Our responsibility is to express an opinion on whether the summary converted SRD financial statements are derived, in all material respects from the USD audited financial statements based on our procedures, which we conducted in accordance with International Standards on Auditing, engagements to report on summary financial statements.

Paramaribo, July 20, 2020

Tjong A Hung Accountants N.V.

drs. J.D. Kortram RA CA  
Partner

# TRESNA PINAS, VERSATILE MOENGO NESE

## “WE HAVE TO ENHANCE MOENGO AGAIN”

“I do a lot,” Tresna Pinas replies when asked. At her home in Moengo she runs a craft shop where mainly local female crafters sell products to tourists and local visitors. Pinas is chairman of the Teke Leli Foundation (follow training) including a theatre school and a dance school, where young people can learn maroon dance styles. Her father is a maroon culture expert and the ‘driving force’ behind Teke Leli. Pinas also makes recordings of conversations with the elderly. “I can use those later to educate young people who don’t know that part of history.” She is also the principal of the Bambi School with about 400 pupils. “If young people have to write theses, make presentations or recite something, I am happy to help them.”

## ECONOMIC SELF-RELIANCE

Pinas strives for economic self-reliance and frequently works with single women. She started doing so upon her return to Moengo after a two-year stay in a refugee camp in French Guiana because of the Inland War. “Many women lost their spouses during the war. There were also teenage mothers who no longer could go to school because they had to support their families.” Pinas, who is also a mother, knows how hard it is to be single. “That is why I had to do something for these women. We started with sewing classes, handicrafts, we made things for sales purposes and that’s how the craft shop came into being.”

## IN HER OWN HANDS

She completed her secondary school MULO education, which she had to interrupt because of the war. After obtaining the “forest land” teacher’s certificate, for two years she worked as a teacher in the interior. She then obtained her teacher’s certificate within five years thereafter. Pinas also founded Teke Leli to take matters into her own hands. Organizations from Paramaribo and abroad approached Moengo’s manufacturing women in a manner based on



manufacturing women in a manner based on pity. “Some did a short time superficial project with us, took pictures or had a newspaper article written. Thereafter, they were gone and had in the meantime received payment from donors. That is why I started a foundation to be able to directly deal with donors.”

## REBUILD

Pinas believes in the economic potential and total revival of her birthplace. “We, the people of Moengo have to work at its development ourselves to make it beautiful once more. That is why I encourage young people to graduate and start their own business.” She has made a significant impact on the economic opportunities of the locals. “Women who used to be unable to make clothes now sell genuinely nice homemade outfits and other garments. In most cases, I am proud of the people I have supported. We teach each other not to wait on lanti (the government)”.



Impression of the product range at "Craftshop Moengo".





Telesur Shop at the riverside Albina



Telesur shop in Moengo at the Sumatraweg

# TELESUR LOCATIONS IN SURINAME

## Telesur Heiligenweg (Downtown)

Address: Heiligenweg 14  
Telephone: 473944/474242

## Telesur Havenlaan

Address: Havenlaan Zuid 1  
Telephone: 474242 /473944

## Telesur North

Address: Corner Jozef Israel-/Kristastraat  
Telephone: 550168

## Telesur Zonnebloemstraat

Address: Zonnebloemstraat 50  
Telephone: 494555

## Telesur Latour

Address: Latourweg 57  
Telephone: 484500

## Telesur Lelydorp

Address: Indira Gandhiweg 474  
Telephone: 0366767

## Telesur Tamanredjo

Address: Pandit Tilakdariweg  
Telephone: 0356329/0356330

## Telesur Moengo

Address: Sumatraweg 4  
Telephone: 0341300

## Telesur Coronie

Address: Hoofdweg  
Telephone: 0235118

## Telesur Nickerie

Address: Oostkanaalweg 3  
Telephone: 0231751





