

# **Suriname Football Association**

Report on the  
financial statements 2019

TRANSLATED

Lutchman & Co N.V.  
An independent member firm of Moore Global Network Limited  
Paramaribo, August 17, 2020  
This report contains 18 pages  
DK/fl/Fs2019-2024

## **Suriname Football Association**

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\* This report of the Financial Statements 2019 is a translation of the "Rapport inzake de jaarrekening 2019" in the Dutch language as prepared to be approved by the General Members Meeting of the Association. In the circumstance of a legal dispute, the adopted Dutch Financial Statements 2019 (Jaarrekening 2019) will prevail.

## **Financial Statements**

- Balance
- Statement of income and expenses
- Notes to the financial statements

## Suriname Football Association

BALANCE AT DECEMBER 31, 2019

ASSETS	2019		2018	
	SRD	SRD	SRD	SRD
<b>Tangible fixed assets</b>				
Land	85,817,135		85,817,135	
Buildings	53,914,288		42,057,930	
Other fixed assets	1,084,225		1,394,714	
Work in progress	2,003,561		13,199,264	
Vehicles	624,484		462,488	
		143,443,693		142,931,531
<b>Inventory</b>		73,498		124,236
<b>Current assets</b>		1,038,575		177,232
<b>Cash and cash equivalents</b>		3,450,321		2,541,391
		<u>148,006,087</u>		<u>145,774,390</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
General reserve	29,782,338		19,357,350	
Revaluation reserve	115,756,551		116,781,496	
Unappropriated result	2,389,890		9,400,043	
		147,928,779		145,538,889
<b>Current liabilities</b>				
Bank overdraft	3,208		82,903	
Amounts received in advance	1,500		9,725	
Other current liabilities	72,600		142,873	
		77,308		235,501
		<u>148,006,087</u>		<u>145,774,390</u>

*The Board:*

John Krishnadath – Chairman

Dayasankar Mathoera – Vice-Chairman

Johan Rozenblad – Secretary

Bidjaikoemar Mankoe – Treasurer

Roy Samuels – Member

Waldo Gobardhan – Member

Guilliano Snip – Member

## Suriname Football Association

### STATEMENT OF INCOME AND EXPENSES 2019

<b>INCOME</b>	Operating 2019	Operating 2018
<u>Income from own activities</u>	SRD	SRD
Contributions from members	39,200	31,920
Competitions	161,766	160,065
Rental stadiums to third parties	549,852	414,011
Income from related activities	160,073	84,903
Donations and sponsoring	379,650	369,000
Administrative charges	58,650	59,080
International competitions	484,600	123,175
<i>Total income from own activities</i>	<u>1,833,791</u>	<u>1,242,154</u>
<u>Other income</u>		
FIFA	12,517,634	16,948,098
Concacaf/CFU	2,254,799	2,528,398
<i>Total other income</i>	<u>14,772,433</u>	<u>19,476,496</u>
<b>Total income</b>	<u>16,606,224</u>	<u>20,718,650</u>
<b>EXPENSES</b>		
<u>Expenses from activities</u>		
Competitions	1,167,483	995,988
Interlands	516,339	130,742
National teams	6,524,375	5,042,088
Strengthening institutional framework	460,013	363,446
<i>Total expenses from activities</i>	<u>8,668,210</u>	<u>6,532,264</u>
<u>Operating expenses</u>		
Personnel	669,010	598,693
Housing	1,280,565	1,293,857
General	1,407,257	1,092,525
Depreciation	2,241,575	1,764,822
Financial (income) and expenses	-50,283	36,446
<i>Total operating expenses</i>	<u>5,548,124</u>	<u>4,786,343</u>
<b>Total expenses</b>	<u>14,216,334</u>	<u>11,318,607</u>
<b>Net result</b>	<u>2,389,890</u>	<u>9,400,043</u>

#### *The Board:*

John Krishnadath – Chairman

Dayasankar Mathoera – Vice-Chairman

Johan Rozenblad – Secretary

Bidjaikoemar Mankoe – Treasurer

Roy Samuels – Member

Waldo Gobardhan – Member

Guilliano Snip – Member

# Suriname Football Association

## NOTES TO THE FINANCIAL STATEMENTS 2019

### 1. General

#### *Activities*

The activities of Suriname Football Association (“SVB”) mainly concern serving the interest of its members. The association was founded on October 1, 1920 and is located in Paramaribo. The objective of the association is to practicing football in Suriname in the broadest sense of the word in all its facets, thereby promoting solidarity, playing style and sportsmanship, to ensure coordination and facilitation. The association aims to achieve this goal legitimately through:

- a. Organizing and promoting football matches.
- b. Assisting in the broadest sense to those who practice soccer sport.
- c. Work closely with national and international organizations to achieve the goals of SVB.
- d. Pursue activities that benefits football.
- e. Settlement of disputes about football matters, either on its own initiative or at the request of the parties concerned.
- f. Generating or do generate funds for the activities of the SVB.
- g. All legal and lawful means at its disposal which can be conducive to the SVB’s objective.

#### *Board of SVB*

As per December 31, 2019 the composition of the Board is as follows:

John Krishnadath	: Chairman
Dayasankar Mathoera	: Vice-Charmain
Johan Rozenblad	: Secretary
Bidjaikoemar Mankoe	: Treasurer
Roy Samuels	: Member
Waldo Gobardhan	: Member
Guilliano Snip	: Member

#### *Related parties*

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the association are considered to be a related party. In addition, statutory directors, other key management of SVB and close relatives are regarded as related parties. Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the required insight.

### 2. Accounting policies applied to the valuation of assets and liabilities

#### 2.1 General

The financial statements have been prepared in accordance with generally accepted accounting principles on the going concern basis of accounting.

Assets and liabilities are generally valued at historical cost, production cost or at fair value. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet and the statement of income and expenses, references are made to the notes.

#### 2.2 Comparison with previous year

The principles of valuation and method of determining the result are the same as those used in previous year.

## Suriname Football Association

### 2.3 Foreign currency

#### 2.3.1 Reporting and functional currency

The financial statements are presented in Suriname dollars (SRD), which is the functional and reporting currency of SVB.

The exchange rates used at December 31, 2019 are as follows:

	<u>2019</u>	<u>2018</u>
EUR	8,47	8,60
USD	7,55	7,55

#### 2.3.2 Transactions, receivables and liabilities

Transactions in foreign currencies are stated in the financial statements at the exchange rate on the date of the transaction.

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the statement of income and expenses.

Non-monetary assets are valued at historical cost in a foreign currency (or the approximate price) are converted at the exchange rate on the transaction date.

Non-monetary assets valued at fair value in a foreign currency are converted at the exchange rate on the date on which the fair value was determined.

### 2.4 Use of judgment and estimates

In preparing these financial statements management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimate is revised and in any future periods if affected.

### 2.5 Tangible fixed assets

Land, buildings and renovations are valued at fair value which is based on the valuation of a licensed surveyor, taking into account technical and economic developments. Changes in the value are recognized in the revaluation reserve. Other tangible fixed assets are valued at historical cost less accumulated depreciation. Land and work in progress are not depreciated.

### 2.6 Inventory

The warehouse inventory refers to sportswear and is valued at acquisition price taking into account a provision for obsolescence.

### 2.7 Receivables

Receivables are stated at nominal value less a provision for doubtful receivables, based on a review of all balances at the end of the year.

## **Suriname Football Association**

### *2.8 Cash and cash equivalents*

Cash at banks and on hand represent cash on hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognized as part of debts to lending institutions under current liabilities. Cash at banks and on hand is carried at nominal value.

### *2.9 Equity*

The equity of SVB is subdivided in reserves and unappropriated result which is available to the General Members Meeting of SVB.

### ***Principles for the determination of the result***

#### *2.10 General*

Net result is the difference between total income and total expenses. Income is recognized in the statement of income and expenses in the year in which they are realized; expenses are accounted for in the period in which they are foreseen.

For income received in the form of goods or services, the real value is used insofar as it can be determined. Income of this kind is recorded in the statement of income and expenses.

#### *2.11 Income from own activities*

Income from own activities are recognized as income in the statement of income and expenses in the year in which the subsidized costs are incurred, or income is lost, or a subsidized operating deficit has occurred. The income is recognized when it is likely that it will be received and SVB can show the conditions for receipt.

#### *2.12 Sponsor funds*

Funds of sponsors are recognized in the statement of income and expenses in the year to which they relate.

#### *2.13 Donations and sponsorship*

Donations in kind are valued at fair value. Donations received in the form of services are recognized in the statement of income and expenses, only if they can be valued in financial terms.

#### *2.14 Exchange rate differences*

Exchange rate differences that occur at the settlement of monetary items are recognized in the statement of income and expenses in the period in which they occur.

#### *2.15 Expenses*

The expenses are determined on a historical basis and allocated to the period to which they relate.



## Suriname Football Association

### 2.16 Employee benefits

#### 2.16.1 Periodically payable benefits

Wages, salaries and social charges are stated on the basis of the conditions of employment in the profit and loss account to the extent that they are payable to the employees.

#### 2.16.2 Depreciation

Tangible fixed assets are depreciated from the time when they are first put to use over the expected future useful life of the asset.

### 3. Tangible fixed assets

The movements in tangible fixed assets are as follows:

	Land	Buildings	Inventory	Work in progress	Vehicles	Total
	SRD	SRD	SRD	SRD		SRD
<b>January 1, 2018</b>						
Acquisition cost	85,817,135	46,590,108	2,779,738	13,199,264	513,400	148,899,645
Accumulated depreciation	-	-4,532,178	-1,385,024	-	-50,912	-5,968,114
Book value	<u>85,817,135</u>	<u>42,057,930</u>	<u>1,394,714</u>	<u>13,199,264</u>	<u>462,488</u>	<u>142,931,531</u>
<b>Movements 2019</b>						
Investments	-	13,457,467	220,712	-11,195,703	271,261	2,753,737
Revaluation						
Depreciation	-	-1,601,109	-531,201	-	-109,265	-2,241,575
	<u>-</u>	<u>11,856,358</u>	<u>-310,489</u>	<u>-11,195,703</u>	<u>161,996</u>	<u>512,162</u>
<b>December 31, 2019</b>						
Acquisition cost	85,817,135	60,047,575	3,000,450	2,003,561	784,661	151,653,382
Accumulated depreciation	-	-6,133,287	-1,916,225	-	-160,177	-8,209,689
Book value	<u>85,817,135</u>	<u>53,914,288</u>	<u>1,084,225</u>	<u>2,003,561</u>	<u>624,484</u>	<u>143,443,693</u>
Depreciation rates	0	3,33	20-33,3	0	15	

### 4. Inventory

	December 31, 2019	December 31, 2018
	SRD	SRD
Sportswear and materials	<u>73,498</u>	<u>124,236</u>

### 5. Receivables

Accounts receivable / prepayments	<u>1,038,575</u>	<u>177,232</u>
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All receivables have a remaining term of less than one year. The fair value of the receivables approximates the book value, given the short-term character and the fact that if so required provisions for obsolescence have been formed.

## Suriname Football Association

	December 31, 2019	December 31, 2018
<b>6. Cash and cash equivalents</b>	<b>SRD</b>	<b>SRD</b>
Cash	29,104	19,996
Banks	3,421,217	2,521,395
	<u>3,450,321</u>	<u>2,541,391</u>

Cash and cash equivalents are at the free disposal of SVB.

## 7. Equity

	December 31, 2019	December 31, 2018
<i>General reserve</i>	<b>SRD</b>	<b>SRD</b>
Balance at January 1, 2019	19,357,350	12,220,668
Addition: result 2018	9,400,043	6,111,736
Release from revaluation reserve	1,024,945	1,024,946
Balance at December 31, 2019	<u>29,782,338</u>	<u>19,357,350</u>

The equity of SVB is entirely at the disposal of the General Members Meeting. No earmarked or designated fund has been formed.

### *Revaluation reserve*

The revaluation reserve relates to the revaluation of land and buildings of SVB and is based on valuations of a licensed property surveyor "General Project Consultants" tax reports d.d. February 12, 2018. Changes in value are included in the revaluation reserve. The realized part of the reserve due to annual depreciation of the buildings is released to the general reserve.

	December 31, 2019	December 31, 2018
The revaluation reserve can be specified as follows:	<b>SRD</b>	<b>SRD</b>
Balance at January 1	116,781,496	117,806,442
Revaluation	-	-
Less: Release to the general reserve	-1,024,945	-1,024,946
Balance at December 31	<u>115,756,551</u>	<u>116,781,496</u>

## 8. Current liabilities

### 8.1 *Bank overdraft*

In 2014 Hakrinbank N.V. granted SVB a credit facility up to a maximum of SRD 200,000 at an interest rate of 19% per annum. As security for this facility a first and second mortgage of respectively SRD 105,000 and SRD 119,000 have been provided on the parcel of land, with all that is thereon, large 3652.54 m<sup>2</sup>, situated in Paramaribo at the Letitia Vriesdelaan (formerly Cultuurtuinlaan), forming part of the former plantation Wolfenbuttel and known as the new District Letter B number 262 b 1. of SVB, as well as a personal guarantee by the members of the Board of SVB. As at December 31, 2019, the balance of the current account overdraft facility amounted to SRD 3,208 at the expense of SVB.

## Suriname Football Association

### 8.2 Other liabilities

	December 31, 2019	December 31, 2018
<i>Amounts received in advance</i>	SRD	SRD
Deposits rent	1,500	9,725
	<u>1,500</u>	<u>9,725</u>
 <i>Other current liabilities</i>		
Professional service fees	60,000	54,492
Creditors	12,600	85,981
Other	-	2,400
	<u>72,600</u>	<u>142,873</u>

## Suriname Football Association

### NOTES TO THE STATEMENT OF INCOME AND EXPENSES

#### 9. Income from its own activities

	<u>2019</u>	<u>2018</u>
	SRD	SRD
<i>Contributions from members</i>	<u>39,200</u>	<u>31,920</u>
<i>Competitions</i>		
Competition benefits	98,116	107,715
Rent AK stadium	19,000	19,000
Rent Essed stadium	<u>44,650</u>	<u>33,350</u>
	<u>161,766</u>	<u>160,065</u>
<i>Rental of stadiums to third parties</i>		
AK stadium	28,487	-
Essed stadium	19,625	70,220
La Fuente Sport Centre	87,248	77,002
Owru cul	<u>414,492</u>	<u>266,789</u>
	<u>549,852</u>	<u>414,011</u>
<i>Income from related activities</i>		
Wall advertising	43,000	48,620
Various income and expenses	43,790	31,417
Income sportshop	7,611	4,866
Other	<u>65,672</u>	<u>-</u>
	<u>160,073</u>	<u>84,903</u>
<i>Sponsors income:</i>		
Suribet	120,000	244,000
Telesur	150,000	125,000
Other	<u>109,650</u>	<u>-</u>
	<u>379,650</u>	<u>369,000</u>
<i>Administrative charges</i>		
Penalties	200	500
Transfer income	25,250	43,100
Other administrative charges	<u>33,200</u>	<u>15,480</u>
	<u>58,650</u>	<u>59,080</u>
<i>Income international competitions</i>	<u>484,600</u>	<u>123,175</u>

## Suriname Football Association

### 10. Other income

#### FIFA

From FIFA SVB receives funds to support projects. SVB gives account through a separate (financial) report. Below a list of funds disbursed to SVB.

	<u>2019</u>	<u>2018</u>
	SRD	SRD
For submitted projects FIFA has provided an amount of USD 900,000 in 2019	7,536,711	3,753,128
In 2019, FIFA made funds available for the "Equipment Funding": USD 250,000 (2019 = USD 100,000 en 2018 = USD 150,000)	1,900,000	-
In 2018, FIFA made funds available for the project "Purchase Coaster bus": USD 66,000	-	495,000
FIFA made funds available in 2018 for the project "Seating upgrade Frank Essed Stadium": USD 48,038	-	360,685
FIFA made funds available in 2018 for the project "Upgrade of Emile de la Fuente Guesthouse": USD 32,760	-	245,700
FIFA made funds available in 2019 for the project "Renovation of Frank Essed Stadium": USD 190,000	1,444,000	6,452,376
In 2018, FIFA provided funds for the project "Lighting Andre Kamperveen Stadium": USD 709,796	-	5,340,809
FIFA made funds available in 2019 for the Project "Scoreboard" USD 8,195	61,544	-
FIFA made funds available in 2018 for the project "Purchase Digital Scoreboard": USD 40,000	-	300,400
In 2019, FIFA has made Travel Funds available for National Selections: USD 200,000	1,520,000	-
In 2019, FIFA made funds available for the "FIFA Congress": USD 3,000	22,530	-
In 2019, FIFA made funds available for the "Fifa Infrastructure Workshop": USD 4,374	32,849	-
	<u>12,517,634</u>	<u>16,948,098</u>

## Suriname Football Association

### CONCACAF/CFU

	<u>2019</u>	<u>2018</u>
	SRD	SRD
CONCACAF contribution in connection with Nations League	1,316,049	759,401
CONCACAF Regular annual contribution	938,750	1,127,563
CONCACAF contribution in connection with CFU Womens Challenge Series	-	53,048
CFU Financial support	-	588,386
	<u>2,254,799</u>	<u>2,528,398</u>

### 11. Expenses from activities

	<u>2019</u>	<u>2018</u>
	SRD	SRD
<i>Competitions/Interlands</i>		
Tournaments	141,940	117,278
Cost youth-men football competition	301,199	367,164
Cost youth-women football competition	6,768	21,206
Cost men football competition	628,645	387,177
Cost women football competition	39,273	69,563
Other	49,658	33,600
	<u>1,167,483</u>	<u>995,988</u>
<i>Interland competitions</i>		
Other football tournaments	516,339	130,742
	<u>516,339</u>	<u>130,742</u>
<i>National teams</i>		
Youth-men	717,291	909,311
Youth-women	458,309	-
Men	3,676,510	3,768,581
Women	311,137	338,896
Other	1,361,128	25,299
	<u>6,524,375</u>	<u>5,042,087</u>
<i>Strengthening institutional framework</i>		
Administrative and framework delegation	247,005	150,159
Institutional strenghtening	85,044	90,095
Trainings	127,964	123,192
	<u>460,013</u>	<u>363,446</u>

## Suriname Football Association

### 12. Operating expenses

	2019	2018
	SRD	SRD
<i>Personnel cost</i>		
Wages and salaries	599,593	568,027
Social security charges	16,131	4,746
Other personnel cost	53,286	25,920
	<u>669,010</u>	<u>598,693</u>

Average number of employees during the year 2019 on the basis of full-time employment: 20 (2018: 23).

#### *Housing expenses*

Maintenance of land and buildings	910,063	848,167
Repair and maintenance other fixed assets	36,415	38,398
Electricity, water and telephone	198,248	313,251
Other	135,839	94,041
	<u>1,280,565</u>	<u>1,293,857</u>

#### *General*

Office expenses	72,568	75,228
Professional service fees	66,083	54,492
Bank charges	39,909	67,825
Advertisement and promotion	23,039	33,443
Representation expenses	55,039	30,033
Transport and distribution costs	96,869	35,345
Printed material	46,689	18,345
Third party services	605,202	525,197
Donations	17,338	35,327
Contributions	17,372	13,475
Compensation commissions	110,269	80,203
Import duties and customs clearance	145,514	55,041
Other	111,366	68,571
	<u>1,407,257</u>	<u>1,092,525</u>

#### *Depreciation*

Buildings	1,601,109	1,242,279
Other fixed assets	531,201	471,631
Vehicles	109,265	50,912
	<u>2,241,575</u>	<u>1,764,822</u>

#### *Financial income and expenses*

Exchange rate result	-50,026	28,218
Interest income	-5,473	-1,665
Interest expenses	5,216	9,893
	<u>-50,283</u>	<u>36,446</u>

**13. Subsequent event (s)**

In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a “Public Health Emergency of International Concern” and declared it a pandemic in March 2020 which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Suriname Football Association, its performance, and its financial results. The specific impact is not readily determinable as of the date of these financial statements.



**Suriname Football Association**

**Other information**

## **Suriname Football Association**

### **Other information**

#### *Articles of association concerning appropriation of the result*

According to Article 10 of the association statutory regulations dated January 2015, the approval of the balance and the statement of income and expenses takes place at the General Members Meeting. Approval of the annual report entails to the discharge of the board.

#### *Appropriation of the result for the year 2018*

For the processing of the net result, reference is made to the statement of income and expenses and the equity as included in note 7 in the notes on page 10. At the General Members Meeting of April 25, 2019, the decision was taken with regard to the appropriation of the net result of income and expenses.

#### *Appropriation of the result for the year 2019*

For the processing of the net result, reference is made to the statement of income and expenses and the equity as included in note 7 in the notes on page 8. At the General Members Meeting, a decision will be taken with regard to the appropriation of the net result of income and expenses.

### **Independent auditor's report**

Reference is made to the auditor's report as included hereafter.

## INDEPENDENT AUDITOR'S REPORT

The Financial Statements 2019 are a translation of the "Jaarrekening 2019" in the Dutch language as prepared to be approved by the General Member Meeting of the Association. Attached to the "Jaarrekening 2019" we issued our opinion translated as follows.

To the Board of  
**Suriname Football Association**  
Paramaribo

### Opinion regarding the Financial Statements 2019

#### *Our opinion*

We have audited the financial statements 2019 of Suriname Football Association ("SVB"), based in Paramaribo.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Suriname Football Association at December 31, 2019 in accordance with generally accepted accounting principles.

The financial statements comprise:

1. the balance sheet at December 31, 2019;
2. the statement of income and expenses for 2019; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### *Basis for our opinion*

We conducted our audit in accordance with generally accepted auditing standards. Our responsibilities under those standards are further described in the *Our Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of Suriname Football Association in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

#### *Emphasis of Matter*

As discussed in the Subsequent event (s) paragraph to the financial statements, in March 2020, the World Health Organization has declared COVID-19 a pandemic. Given the uncertainty of the situation, the duration of any business disruption and related financial impact cannot be reasonably estimated at this time. Our opinion is not modified with respect to this matter.

### Statement on other information included in the financial statements

In addition to the financial statements and our auditor's report thereon, the financial statements includes other information, which consists of other data.

Based on the procedures below, we believe that other information is consistent with the financial statements and contains no material misstatements.

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We have read the other information and, based on our knowledge and understanding obtained from the audit of the financial statements or otherwise, have considered whether other information contains material deviations.

With our work, we have met the requirements of audit standard 720. This work does not have the same depth as our audit work.

### **Basis of accounting and restriction on distribution and use**

Without qualifying our opinion, we draw attention to the notes to the financial statements, which describes the basis of accounting. The accounting policies used are selected and disclosed by the Suriname Football Association. The financial statements are prepared to assist SVB to comply with its accountability requirements and its financial rules and regulations. As a result, the financial statements may not be suitable for other purposes.

Our auditor's report is therefore intended solely for the Board of the SVB, its members and FIFA, and should not be distributed or used by other parties than the board of the SVB, its members and FIFA.

### **Description of responsibilities regarding the financial statements**

#### ***Responsibilities of the management for the financial statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the entity's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the entity's ability to continue as a going concern in the financial statements.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with generally accepted auditing standards, ethical requirements and independence requirements. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the activities within the entity to express an opinion on the financial statements.

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

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Paramaribo, August 17, 2020

**Lutchman & Co N.V.**

On behalf of  
was signed D. de Keyzer CA, AA (Chartered Accountant)