



Paramaribo, April 30, 2015

Ref.nr.: 0179-15/39
DIR/UKO/yw

BDO Assurance N.V.
Attn: Mr. N.T.H. Veerman RA
Paramaribo, Suriname

Subject: Representation in connection with the financial statements as of and for the year ended December 31, 2014 of the program “SUPPORT TO IMPROVE THE SUSTAINABILITY OF THE ELECTRICITY SERVICE”, investment loan contract No. 3059/OC-SU, project No. SU-L1009

Dear Sir,

This representation letter is provided in connection with your audit of the financial statements of the program “SUPPORT TO IMPROVE THE SUSTAINABILITY OF THE ELECTRICITY SERVICE” for the year 2014 for the purpose of expressing an opinion as to whether these financial statements present fairly, in all material respects, the cash flow and the cumulative investments for Program “SUPPORT TO IMPROVE THE SUSTAINABILITY OF THE ELECTRICITY SERVICE” as of and for the year ended 31 December 2014, in accordance with the basis of accounting described in the paragraph above and the accounting policies described in Note 2 and the terms of IDB Loan contract No. 3059/OC-SU.

We have made appropriate inquiries from management and officers of the company with the relevant knowledge and experience, as we considered necessary and relevant for the purpose of appropriately informing ourselves. Accordingly, we confirm, to the best of our knowledge and belief, the following representations:

Financial Statements

1. We acknowledge our responsibility for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and the accounting policies described in Note 2 of the financial statements and the terms of IDB Loan contract No. 3059/OC-SU. We have fulfilled our responsibilities, as set out in the terms of the audit engagement, for the preparation of the financial statements including its fair presentation.
2. All transactions have been recorded in the accounting records and are reflected in the financial statements.

3. Significant assumptions used by us in making accounting estimates, are based on management best estimate of current events and actions.
4. All events subsequent to the date of the financial statements and for which the applicable accounting standards require adjustment or disclosure have been adjusted or disclosed.
5. If applicable, we informed you about matters that have come to our attention which might have a significant impact on the implementation of the project.
6. The selection and hiring of consultant/consulting firms and the procurement of goods for the development of the activities comprised by this Program was carried out in accordance with the IDB's policies and procedures (GN-2349-9 "Policies for the Procurement of Goods and Works financed by the Inter-American Development Bank" and GN-2350-9 "Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank"), and with the provisions established in the agreement and the procurement plan.
7. Program transactions are executed in accordance with the established policies, practices and procedures delineated in the agreements.

Information provided

We have provided you with:

Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records and supporting documentation.

The Steering Committee Meeting of 30 January 2015 is the only meeting held by the Steering Committee.

Additional information that you have requested from us for the purpose of the audit; and unrestricted access to persons within the company from whom you determined it necessary to obtain audit evidence as part of the audit of the financial statements.

Fraud and compliance with law and regulations

The term fraud refers to an intentional act by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception to obtain an unjust or illegal advantage. Fraud also includes misstatements resulting from misappropriation of assets, including pledging of assets without proper authorization. Fraudulent financial reporting involves intentional misstatements or omissions of amounts or disclosures in the financial statements to deceive financial statement users.

We acknowledge responsibility for the design and implementation of internal control to prevent and detect fraud.

We have disclosed to you all information in relation to suspected fraud, allegation of fraud or fraud affecting the company involving:

-management;

-employees who have significant roles in internal control; or

-others where the fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to any suspected fraud, allegations of fraud, or fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

Related parties

We have disclosed to you the identity of the company's related parties and all the related party relationships and transactions of which we are aware.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements.

Claims and litigations

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and have appropriately accounted for and/or disclosed these in the financial statements.

If applicable, we have requested the legal advisors who perform services for us to provide you with all required information and have requested them to disclose to you any matters you may request in this respect.

Yours truly,
The Management of N.V. ENERGIEBEDRIJVEN SURINAME

 30-04-2015
Mr. E.W. Duiker MBA
Acting CEO