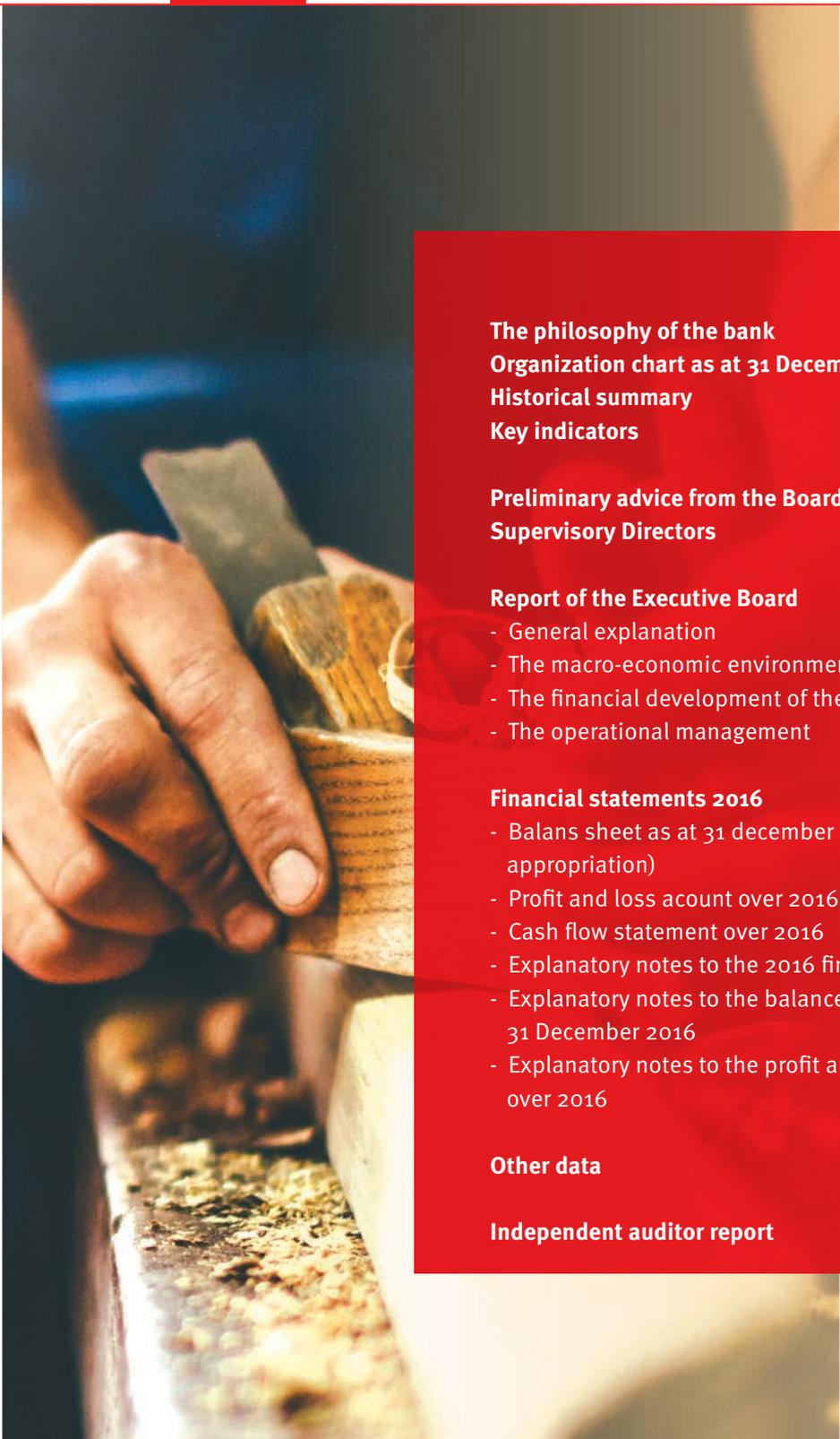




ANNUAL REPORT 2016



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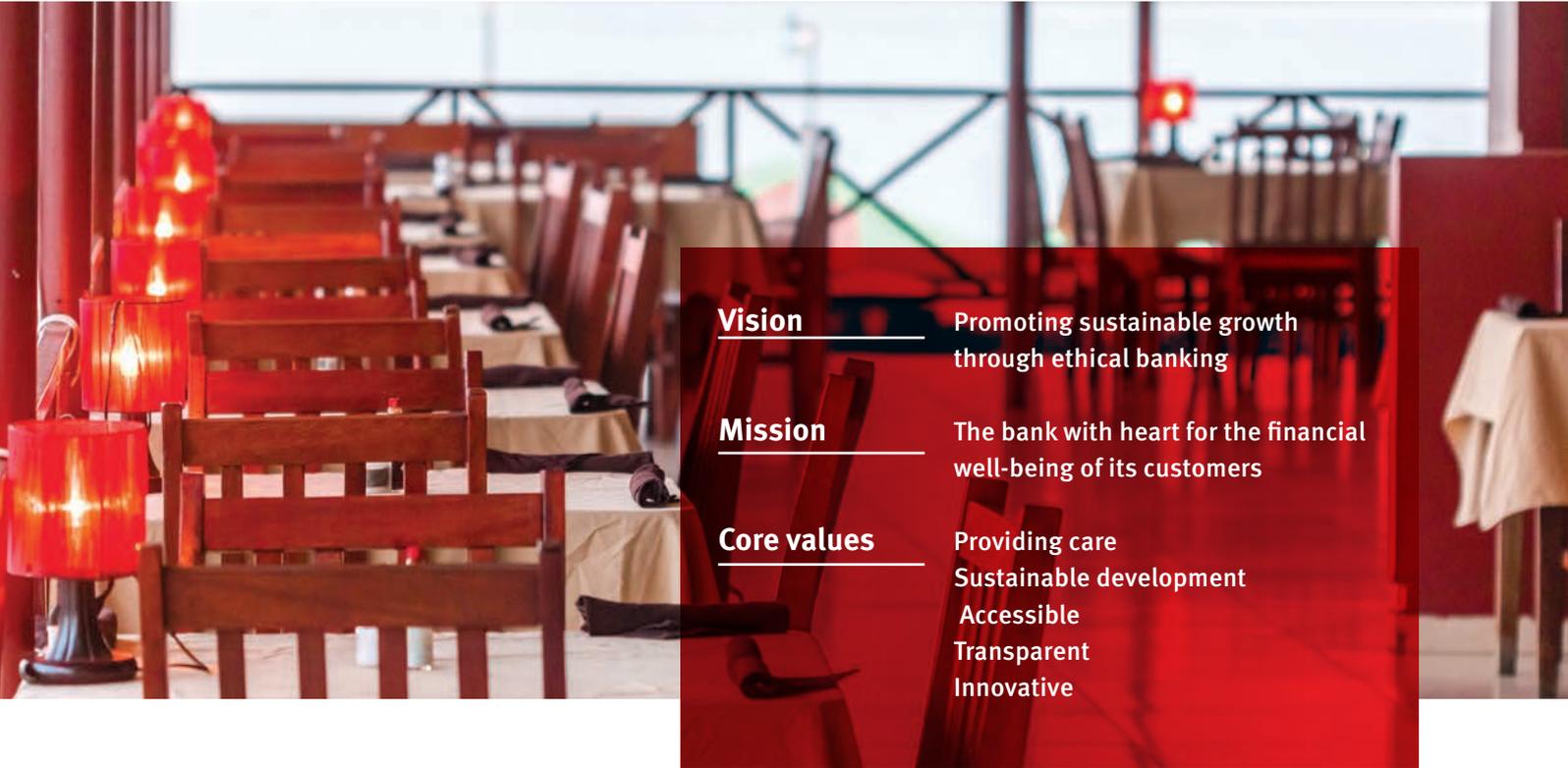
The philosophy of the bank

After almost three decades of dedicated and loyal service to the Surinamese community, the Trustbank has changed its strategic policy. In 2015, the starting point was given for the conversion of a conventional secondary bank to an Islamic bank. Its strategic partner in this is the Islamic Corporation for the Development of the Private Sector (ICD), which is a workforce of the Islamic Development Bank (ISDB). The year 2016 is therefore also characterized as the year of kick-starting the implementation.

The new strategic policy requires some change of the current banking business model of the Trustbank, transitioning from a conventional banking principle into a fully Islamic banking principle. In the last decade Islamic banking has been increasing in popularity worldwide, not only in the Middle East, but also in Asia and Europe, especially in England. After this transition, the new bank, Trustbank Amanah, will be the first Islamic bank in the Western Hemisphere.

As a result of such transition, the Trustbank will be able to deepen its vision, namely to enhance economic development through the use of relatively low funding, broad knowledge and expertise. This development will stimulate the growth of micro, small and medium-sized entrepreneurs, promote social development, alleviate poverty and ultimately promote the financial well-being of the Surinamese community.

The aim is to open the first branch of Trustbank Amanah in the second half of 2017. The Trustbank and the Monetary Authorities are currently working on some formalities, after which this new form of banking will be officially offered to the entire Surinamese society.



Vision

Promoting sustainable growth through ethical banking

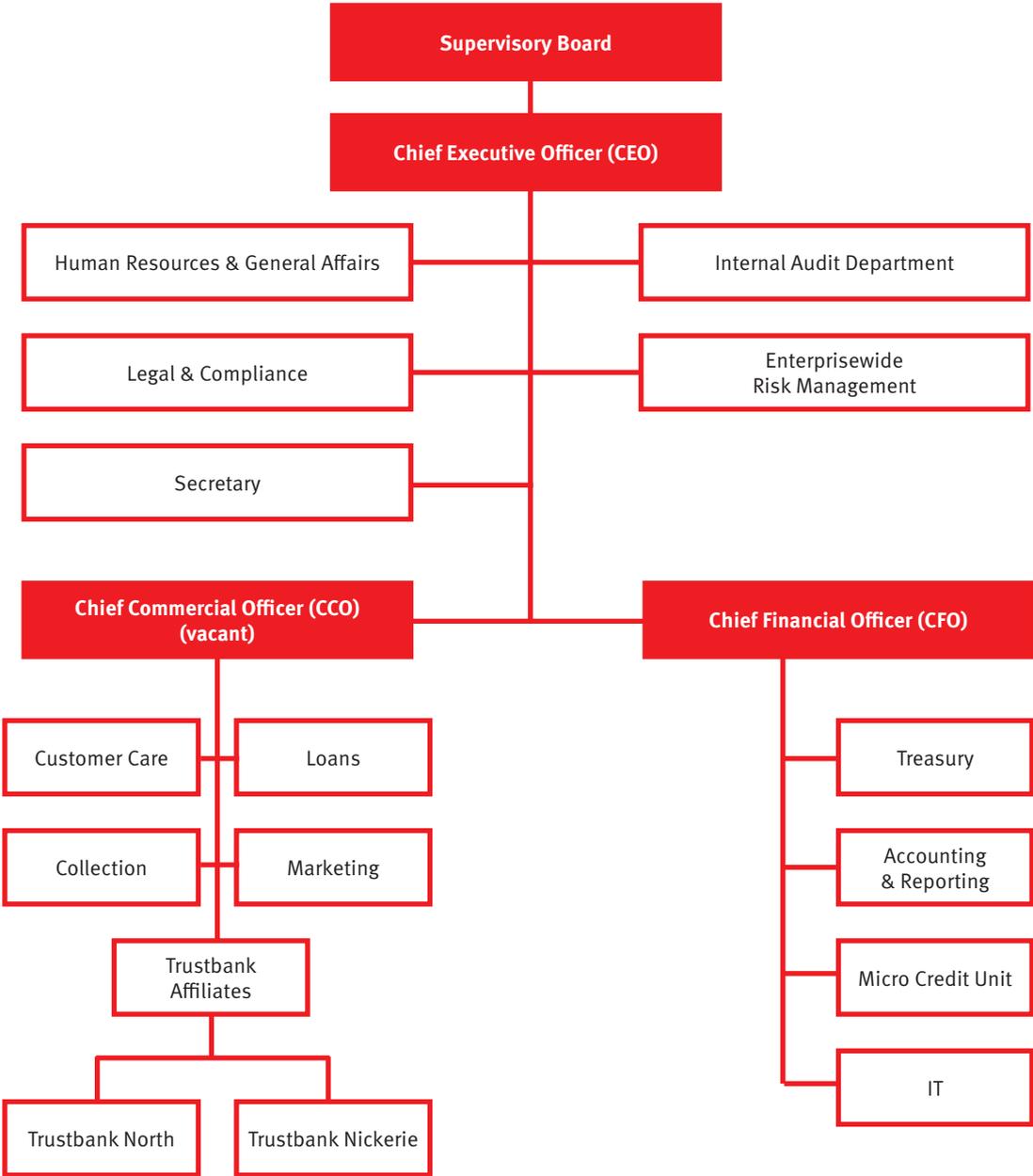
Mission

The bank with heart for the financial well-being of its customers

Core values

- Providing care
- Sustainable development
- Accessible
- Transparent
- Innovative

Organization chart as of 31 december 2016



Historical Summary

Balans sheet as at 31 december

x SRD 1000

	2016	2015	2014	2013
	SRD	SRD	SRD	SRD
ASSETS				
Cash resources	21,638	32,993	12,516	23,515
Loans and advances to credit institutions	65,737	42,352	23,916	23,631
Loans and advances to customers	161,352	139,927	122,003	104,525
Securities	261	229	308	352
Treasury bills	14,761	2,451	9,644	5,328
Investments	1,594	438	6,101	5,875
Intangible fixed assets	-	29	58	87
Operating assets	7,637	4007 *)	4,095	3,850
Other current assets	741	-	62	21
Prepayments and accrued income	24,249	438 *)	464	490
	297,970	222,864	179,267	167,674
LIABILITIES				
Amounts owed to customers	253,433	179,056 *)	148,092	140,516
Other liabilities	358	328	317	-
Accrued expenses and deferred income	20,583	21,487	12,978	12,409
Provision for general banking risks	-	600	600	600
Provision for deferred tax liabilities	3,315	2,759	1,959	1,959
Equity capital	20,281	18,634	15,321	12,190
	297,970	222,864	179,267	167,674

*) Adjusted for comparative purposes

Profit and loss account

x SRD 1000

	2016	2015	2014	2013
	SRD	SRD	SRD	SRD
INCOME				
Interest income	15,730	14,863	12,911	10,331
Other income	7,545	4,893	4,582	4,229
Total income	23,275	19,756	17,493	14,560
EXPENSES				
Personnel and other administrative expenses	14,395	9,439	7,581	7,190
Depreciations	282	327	321,1	237
Value adjustments to receivables and provisions for balance sheet liabilities	3,459	2,719	2,691	450
Total expenses	18,136	12,485	10,593	7,877
Pre-tax profit	5,139	7,271	6,900	6,683
Income tax	-1,821	-2,649	-2,500	-2,453
Net profit	3,318	4,622	4,400	4,230

Key indicators

x SRD 1000

	31-12-2016	31-12-2015
	SRD	SRD
Invested funds (loans and advances to customers)	167,568	146,761
Deposits and customer accounts (amounts owed by customers)	253,433	185,558
Deposits and customer accounts (amounts owed to customers)	%	%
Invested funds/deposits and customer accounts	66	79
Personnel expenses/total income	25	23
Operating expenses/total income	78	63
Operating result/total income	22	37
Pre-tax result/total income	22	37
Equity capital/total assets (capital ratio)	7	8
Interest income/average loans and advances to customers	21	21
Interest expenses/average amounts owed to customers	7	7
Net interest margin (interest income/average loans and advances to customers)	10	11
Net result/average equity capital	17	27
Net result/average total assets	1	2
Efficiency ratio (Personnel and other administrative expenses/total income)	62	48

Preliminary advice from the supervisory board

Consultation and decision-making

The economic situation in the country has had a slight impact on the operational management of the Trustbank. This is reflected in the bank's operational result, which reflects a decline. The negative development was mainly due to an increase in credit risks as a result of continued pressure on the Non-Performing Ratio and a decrease in loans, as well as worsening OCP positions because of the high exchange rate movements. The Supervisory Board has had frequent consultations with the management on this issue. These meetings regularly discussed the financial performance, performance indicators, policy goals and the strategic plans. Partly due to this joint effort and active monitoring of the Management, the Executive Board and the Board of Supervisory Directors, the Trustbank achieved a positive operating result for the 2016 financial year.

The initiated process of conversion into a full Islamic bank, launched in the first quarter of 2015, was continued in 2016. To this end, policy decisions have been taken:

1. Reformulating the governance structure with the introduction of new features such as Relationship Managers, Business Analysts, and the set-up of the Enterprise Risk Department and the Shari'ah Supervisory Board;
2. Conversion into an Islamic Banking IT System;
3. The conversion of existing banking products and services into Islamic banking products;
4. The amendment of the articles of association, in particular, the amendment of the objective, name change and introduction of the body of Shari'ah Supervisory Board.

The Management, the Executive Board and the Board of Supervisory Board have drafted the Business Plan of Trustbank Amanah in close cooperation. The Business Plan has included aspects such as ambitions, strategy, the new Islamic banking products and services, Organization Structure and HR, Internal Audit Department, Accounting, Risk Management and the Financial Plan. Simultaneous to the conversion process, negotiations will be conducted with the ICD regarding participation in the Trustbank's share capital. Through the participation of the ICD, Trustbank will be institutionally strengthened with capital and expertise and serve as a financial hub for the region.

The Board of Supervisory Directors and the Executive Board recognize that the current accommodations do not meet the current developments within the Trustbank. Both in the pre- and post-conversion phase with a new business model with new features and additional market care for SMEs and Corporate customers, expansion of office space is indispensable. In this context, a new business building has been set up in Paramaribo North and a new bank building will be set up in the centre.

To the General Meeting of Shareholders

In pursuance of article 19 of the Articles of Association we hereby submit the 2016 financial statements. We request you to grant your discharge based on these financial statements together with the auditor's report of Tjong A Hung Accountants.

The pre-tax operating result amounted to SRD 5,138,767. After deduction of SRD 1,820,733 in income tax, the net profit amounts to SRD 3,318,034. With the adoption of the financial statements, the annual profit will be allocated as follows:

Cash dividend:	SRD SRD 995,410
Addition to general reserve:	SRD SRD 2,322,624

Acknowledgments

We express our appreciation and gratitude for the manner in which the Executive Board, Management, and the employees devoted their efforts to the company during the 2016 financial year.

Paramaribo, April 28 2017

The Supervisory Board

S. Karijokromo-Ardjosoediro, LL.M.	Chair
S. Kertoidjojo, LL.M.	Member
Drs. R. Tjin Wong Joe	Member
F. M.S. Ishaq, LL.M.	Member
Ing. H. Abas	Member



The Supervisory Board.
From left to right: dhr. H. Abas, dhr. mr. F.M.S. Ishaak, mevr. mr. S. Ardjosoediro, dhr. mr. S. Kertoidjojo, dhr. drs. R.A. Tjin Wong Joe

Report of the Executive Board



The Executive Board.
mr. M.S. Badjoeri en drs. E. Kidjo

1. General Explanation

The Trustbank has developed satisfactorily in 2016, despite the historic shrinkage of the Surinamese economy and a strong overall drop in productivity. The main contribution to this decline was the public sector, but also the activities in the wholesale and retail sector strongly declined. Due to the large size of the public sector in Suriname, coupled with structural and increasing budget deficits, a sharp decline in the public sector was inevitable in the long run. Despite these negative circumstances in the macroeconomic environment in which we have to operate as a bank, we may state that the balance sheet total rose 34 percent over the past year, which has exceeded performance over the past few years (rising 7 percent in 2014 and 24 percent in 2015). On the credit and deposit market, the bank was faced with continuing depreciations of the Surinamese currency, partly due to insufficient foreign exchange reserves of the Central Bank and a resulting flexible exchange rate since mid 2016.

The operating result after deduction of taxes decreased by 28 percent to SRD 3,3 million compared with 2015. This was mainly the result of the increased management and personnel expenses of the bank. Personnel expenses increased by SRD 1,2 million, mainly due to inflation adjustments and a changed salary structure as of January 2016. Total management expenses increased by SRD 3,7 million, mainly resulting from the conversion process. The increased management expenses are also due to the deteriorated exchange rate ratio. The total income increased by 18 percent, while expenses increased by 45 percent. As a result of the increase in management expenses compared to total income, the Efficiency Ratio dropped by 14 percentage points to 62 percent. The performance indicators for liquidity, profitability and solvency remained within a sound level. The non-performing loan ratio rose to 6.7 percent, and therefore exceeded the standard of 5 percent as set by the Central Bank.

2. The Macroeconomic environment

Global economic rearrangement

Global growth in 2016 remained modest at 2.4 percent, in line with expectations outlined by international multilateral institutions. Although growth in developed economies remained weak at 1.6 percent, growth in emerging markets accelerated to an average of 3.2 percent in 2016. For the near future, the outlook is influenced by the shift of global trends. Firstly, due to the low level of commodity prices, which are expected to improve slightly in the near future after a slight recovery in the past year. Secondly, through the recovery of capital flows to emerging market economies following a sharp decline in the second half of 2015, mainly due to low interest rates in developed economies. In the third place, by a slower recovery of the US economy and a new downside risk of global growth prospects materialized in June by the Brexit vote in the United Kingdom before leaving the European Union. Comments from the market on the Brexit vote are generally resigned. In the medium term, the outlook remains moderate, due to ongoing global economic rearrangements.

Latin America and the Caribbean

The average growth of the region has been behind the growth rate of global activity since 2013. On average, GDP in Latin America grew by 0.3 percent and 1.9 percent in the Caribbean, although there is considerable variation within the region. The short-term regional outlook is due to the following factors:

- A weaker than expected US recovery has a direct impact on its trading partners, especially Mexico and Central America.
- The slight recovery of previously sharply declining commodity prices has provided some breathing space for commodity producers who were facing balance of payments shocks.
- Domestic developments remain dominating the prospects for a number of important countries, such as Argentina, Brazil and Venezuela.

As a result of the shift in short-term trends, most of the currency types of the region have recovered since mid 2016, especially those with a flexible exchange rate regime. As expected, this flexibility helped mitigate the impact on external accounts compared to countries with rigid currency regimes. Downward risks continue to dominate; on the external side, due to weaker than expected US recovery and moderate growth in world trade and on the internal side, due to increasing political and social turmoil coupled with an overly inward economic policy.

Suriname

In 2016 the Surinamese economy ended in a deep recession, resulting in a historical economic downturn of -9 percent, after real GDP in 2000 already declined by -2 percent. Declining commodity prices since 2014 represent a challenge for Suriname to maintain economic growth. Declining revenues from the export of commodities then put pressure on the government budget. In the first half of 2016, total revenue fell by 14 percent compared with the first half of 2015 and 28 percent compared to 2014. At the same time, total expenses declined by 6 percent over the first six months of 2016 compared with the first half of 2015. The cash-based deficit in 2016 is estimated at -6 percent of GDP, although the budget was based on a larger estimate of -7.7 percent of the GDP.

Assistance from multilateral institutions

The continuing poor economic performance, which resulted in double-digit funding shortages in 2015, forced the government into a spending cuts program. Therefore, in order to keep the spending in check, in 2016, subsidies for electricity and water were reduced and fuel taxes increased. The Government of Suriname also called for assistance from the International Monetary Fund within a Stand-by Arrangement (SBA). Within the SBA framework, Suriname was eligible for loans from the Inter-American Development Bank and the Caribbean Development Bank, respectively, USD 70 million and USD 50 million. In the last quarter of 2016, the Islamic Development Bank was also called upon to finance necessary infrastructure and energy projects between 2016 and 2018. The Central Bank's reserve for SRD, USD and EUR accounts of the general banking system remained constant in 2016 at 35 percent for the SRD and 50 percent for both the USD and EUR. The Ministry of Finance further introduced treasury bill auctions to initiate open market operations to enhance monetary policy and to provide for a new source of domestic funding. Finally, average lending and deposit extensions increased marginally over the previous year.

Floating exchange rates

In the last quarter of 2015, the pressure on the Surinamese dollar increased sharply, especially through depleted foreign exchange reserves, which forced the Central Bank to devalue by 20 percent to SRD 4,04 per USD. Due to the persistent scarcity of foreign currency, March 2016 began with so-called currency auctions in order to somewhat ease the pressure on exchange rates. The limited success of this measure forced the Central Bank in May to move to a free floating exchange rate system. The exchange rate then deteriorated steadily and rose to SRD 7,50 per US dollar by the end of 2016. Due to the reduced demand for import goods, the trade balance changed from a shortage to a slight surplus. On a cash basis, the Current Account ended at the end of 2016 at a loss of approximately 8.5 percent of the GDP, compared to 19.6 percent in 2015. International reserves by May 2016 guaranteed an import coverage of only 0.9 months. With the support of the IMF, these reserves were pushed to USD 400 million in the last quarter over 2016, enough for the critical three (3) months import coverage.

Tabel 2.1 Macro-economic key indicators

(percentage-wise movements, unless mentioned otherwise)

	2013	2014	2015	2016
Real Domestic Product	3	1	- 2	-9
Consumer Price Index	2	4	25	55
Money Supply	11	5	8	33
Loans to Private Sector	19	9	8	1
<i>Dollarization (in % of total)</i>				
-Lending operations	37	33	39	30
-Deposits	53	53	58	68
Public finance deficit (in % of GDP)	(6)	(5)	(8)	(10)
National Debt (in % of GDP)	37	42	50	60
International Reserves (in months of imports)	4	3	2	3

Source: Central Bank of Suriname, International Monetary Fund, provisional figures and own estimates

Prospects encouraging

In October 2016 the Newmont Suriname gold mine became operational. Gold exports from this mine, which is partly owned by the Staatolie Maatschappij Suriname N.V. and the Government of Suriname, are expected to contribute to some economic recovery starting in 2017. In the last 3 months of 2016 about 3 tons of gold were exported by Newmont. Monthly production is estimated at 1,000 kilograms of gold. The Newmont-Merian mine has a proven capacity of 5.1 million ounces, or nearly 160,000 kilos of gold. This multi-national company is expected to pay more than USD 19 million to the State on payroll tax and royalties in 2017. By the end of 2016, there were about 1,100 employees, of whom 20 percent came from the local Maroon community. Despite these promising prospects in the gold sector, overall economic performance in 2017 is expected to be weak.



3. De financial development of the bank

Coping with the deteriorated macroeconomic environment

During the fiscal year, the balance grew by 34 percent to SRD 298 million, compared to 24 percent balance sheet growth in 2015 (chart 3.1). Although changes in exchange rates are partly the root cause of this significant growth, successful accountmanagement has played an equally important role in the deposit market. In addition, the liquidity position was strengthened further, due to a significant increase in investment loans and fixed-term deposits. Growth was also characterized by a sharp rise in inflation (CPI inflation rose by 55 percent). In combination with the worsening of the exchange rates, a sharp upward pressure on interest rates was exercised.

The average balances of our funds increased by 42 percent to an amount of SRD 253 million at the end of 2016. The total amount of savings accounts ended at more than SRD 125 million, while term deposits increased to SRD 127 million by the end of 2016, from SRD 93 million and 86 million respectively in 2015 (Chart 3.2). This satisfactory result is indicative of the trust of the customer in our bank. The result of financial transactions includes exchange rate differences arising from the conversion of monetary assets and liabilities in foreign currency. Interest income increased by 6 percent, or SRD 867,634. This is due to an increase in interest income of SRD 3,954,370 resulting from an increase in the loan portfolio, compared to a sharp increase in interest expenses by increasing funds attracted to the end of December 2016. The exchange rate in foreign currency of both the USD and the Euro has also contributed to the strong increase in both interest income and interest expenses. It is worth mentioning that interest rates in 2016 have also been adjusted.

Chart 3.1: Balance sheet total of the Trustbank
x SRD 1.000

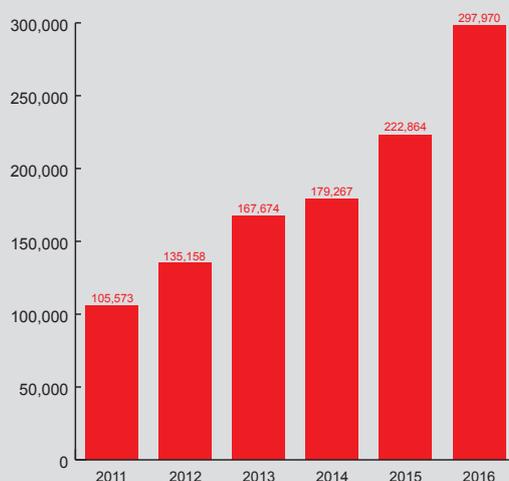
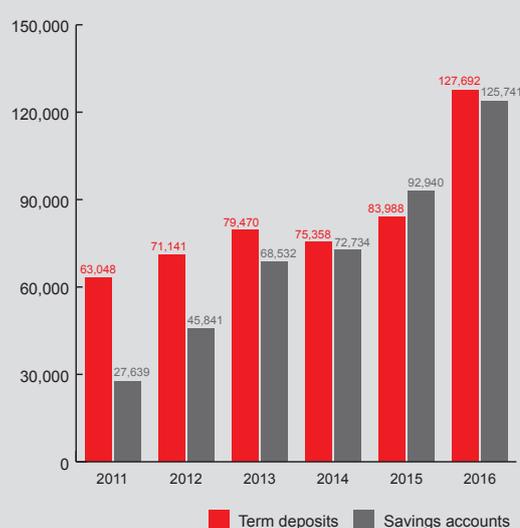


Chart 3.2: The deposits and customer accounts
x SRD 1.000



On the credit side there was a remarkable shift from car financing and mortgage loans to investment loans. An important reason behind this shift is risk reduction of the credit portfolio. The average interest rate for car finance rose by 3 percentage points to 15 percent, while interest rates on investment loans remained relatively low at 14 percent, while interest rates for mortgages were 21 percent on average.

The balance sheet value of interest certificates increased by 48 percent to SRD 127 million, making this share in the entrusted funds now 50 percent. Formal short-term savings yielded interest rates of 6 percent, 2 percent and 2 percent per annum for SRD, USD and EUR respectively. The maturity of the interest certificates was between 1 and 5 years, while interest rates varied between 8.5 percent and 13 percent for SRD, 4 percent and 6.25 percent for the USD and 2 percent and 4 percent for the EURO.

Active management focusing on better results

During the reporting year the policy was aimed at actively managing temporary surplus cash resources. The result was an increase in interest income by 4 percent to SRD 31 million. Especially additional income from personal loans and hire-purchase financing, as well as from increased investments in Treasury bonds, contributed to this positive result. On the other hand, efforts to control the funding cost as well as emphasis on attracting relatively cheap money led to a less sharp rise in interest expenses and this by 25 percent to SRD 15,6 million. Hence, on balance the interest margin rose by SRD 868 thousand or 6 percent to SRD 15,7 million, or 68 percent of the total income (Chart 3.5).

Chart 3.3: Lending
x SRD 1.000

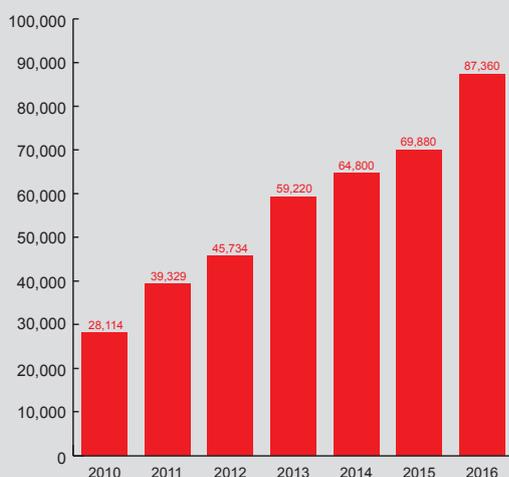
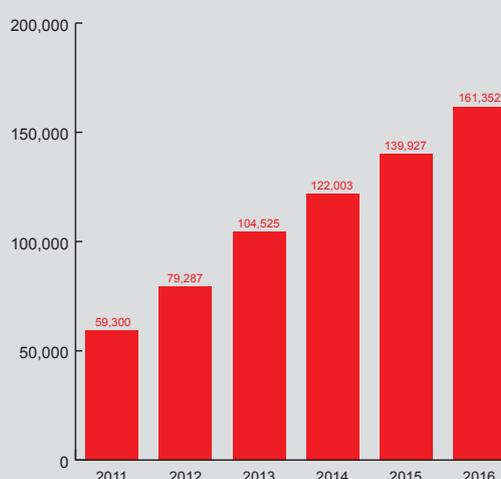


Chart 3.4: Movements credit portfolio
x SRD 1.000



The remaining income sources increased by 54 percent to SRD 7,5 million, mainly by providing coherent additional services to our customers. The result of securities holdings increased by SRD 168 thousand, while the result of financial transactions increased by 178 percent to SRD 2,1 million. On balance, total income increased by 18 percent to SRD 23,3 million, after having already amounting to 11 percent in the previous year.

On the liability side of the profit and loss account, total management expenses increased by 53 percent to SRD 14,4 million, mainly due to an increase in other (non-personnel) management costs with SRD 3,7 million. This increase is the result of the necessary costs due to the cooperation of the Trustbank and the ICD. Personnel expenses increased by SRD 1,2 million in 2016 or 26 percent. The increase in personnel expenses is due to inflation correction as at May 2016. As a result, total expenses increased by 45 percent to SRD 18,1 million.

The outlined development of income and expenses resulted in a levelling off, of operating income before tax by 29 percent to SRD 5,1 million. The net result after deduction of taxes amounted to SRD 3,3 million, a decrease of SRD 1,3 million compared with 2015.

This also led to a substantial improvement in the efficiency ratio by 14 percentage points to 62 percent (chart 3.7). This ratio reflects the ratio between personnel and other operating expenses (excluding credit risk provisions) and total income. The improvement of this ratio is indicative of the increased operational management efficiency in the reporting year.

Chart 3.5: Interest income versus Interest expenses
x SRD 1.000

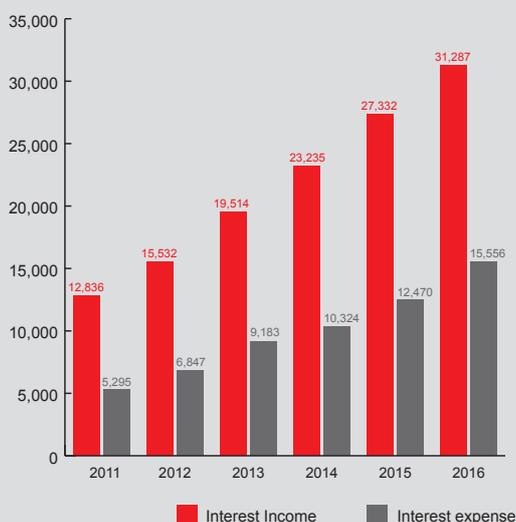
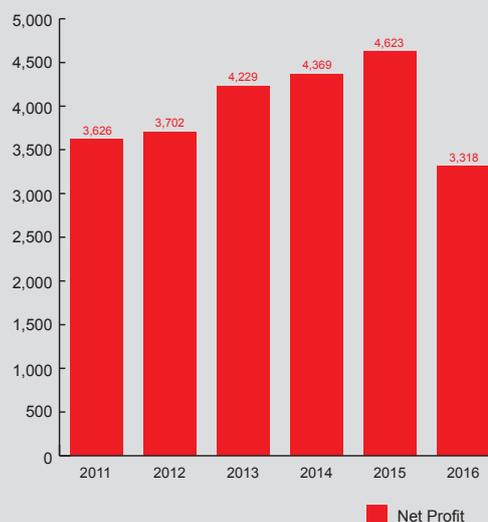


Chart 3.6: Movements in Results
x SRD 1.000



However, profitability on average equity decreased by 10 percentage points to 17 percent, due to the fact that the growth in total assets exceeded the increase in profit after tax. Profitability on total assets (before profit appropriation) decreased to 1 percent (chart 3.8).

Due to the faster growth in the balance sheet total relative to the operating result, the bank's solvency decreased slightly, but remained within the current standards. The capital ratio, which reflects the ratio between equity (before profit appropriation) and balance sheet total, decreased by 1 percentage point to 7 percent. This is the result of equity growth by SRD 1,6 million or 9 percent to SRD 20 million, while the balance sheet total, as previously stated, increased by SRD 75 million or 34 percent to SRD 298 million. The BIS ratio, defined as the ratio between equity and the sum of risk-weighted assets, increased marginally by 0.3 percentage point to 10.3%.

Chart 3.7: Movements in Efficiency ratio (%)

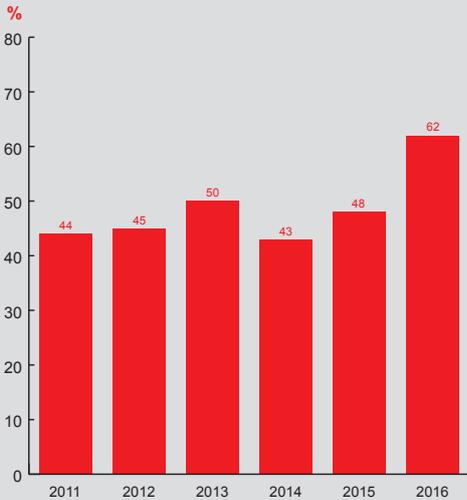
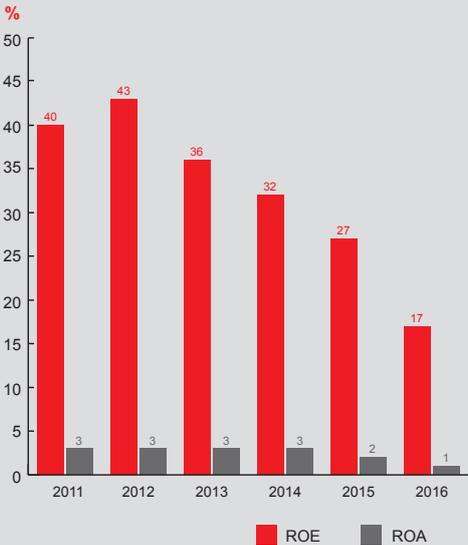


Chart 3.8: Trend in profitability



4. The Operational Management

Highlights AMANAH project

In 2015, the official start signal was given for the conversion process. In 2016, the Trustbank took up the preliminary work in full swing. The aim is to open the first branch of Trustbank Amanah in the 2nd half of 2017. The Trustbank and the Monetary Authorities are currently working on formalities under which this new form of banking will be officially offered to the entire Surinamese society.

In February, employees followed product trainings provided by the ICD. In the training, emphasis was placed on the new Islamic banking products that Trustbank Amanah will offer.

At the invitation of the ISDB, the Executive Board of the Trustbank attended the 41st Annual Meeting of the Islamic Development Bank (ISDB) in Jakarta from 15 to 19 May. At this annual meeting, the CEO had the opportunity to publicly present the Trustbank Amanah model and to conduct further discussions to achieve the goals as set.

For the selection of an Islamic Banking Information System (IBIS), a (pre-)selection procedure was kick-started in May 2016. Following this, a request for proposal was sent to selected IT providers on September 01. Three selected IT providers presented their proposal to the Trustbank from October 10-13, after which Path Solution with its iMal banking system was selected as the winning IT vendor. Implementation phase starts as soon as the contract has been signed.

In June, a tendering process for legal services was conducted. A selected number of law firms was invited to make a proposal. The engagement has been awarded to Law Firm Kraag-Brandon.

The new Plutostraat branch was made operational as a back office on November 7, 2016. Within the foreseeable future, the new establishment will also be available to the public.

Accounting & reporting

In 2015, Trustbank decided to be transformed into an Islamic bank. This implies that the organization, products and services and reporting are based on the Shari'ah principles. As part of the transformation and internationalization of the bank, it intends to change its financial reporting from Generally Accepted Accounting Principles (GAAP) to International Financial Reporting Standards (IFRS). The IFRS implementation has consequences for all (financial) processes, including the planning & audit cycle. At the end of 2016, we started gaining insight into the impact of a conversion from GAAP to IFRS on the balance sheet and income statement. For this purpose, a gap analysis is required, among other things, of the major differences in accounting principles. Taking into account the execution of the conversion process, the implementation will be done on a phased basis.

Human Resources

In 2016 the activities within the Human Resources department focused mainly on the conversion of Trustbank to Trustbank Amanah, in the course of which the development and need of existing human resources and the establishment and organization of a new organization were important.

The main activities that took place were:

- Preparing and supporting the various work visits of representatives of the ICD.
- Co-facilitating employees to participate in various training courses on Islamic Banking & Products.
- Developing the organizational structure of the new bank, Trustbank Amanah.
- Assisting the Project Management Office and associated work-streams within the conversion process, with as key milestone obtaining the Memorandum of Understanding from the Central Bank of Suriname for the transformation into an Islamic bank.

Personnel

As at 31 December 2016 the number of personnel members amounted 22 male and 40 female employees totalling 62. Five (5) employees left the organization, while 9 employees strengthened the organization in 2016. The recruitment and selection focuses mainly on candidates with the necessary skills and competences to further support the conversion process. In addition, the Trustbank has been able to accommodate trainees and holiday jobbers in 2016.

In 2016 employees were graded in the new salary structure of the Trustbank, taking into account the competences of the employees. The opening hours of the bank were advanced by one hour on Saturday, after which the rotation system for the Saturday was introduced to the employees. Furthermore, the holiday entitlements have been increased to a minimum of 14 days and up to 24 days, depending on the years of service. The annual Family Day and End of the Year Party were also organized for the employees in the past year. Communication and team building sessions were also held throughout the personnel.



Training

The following training and seminars were followed or attended by the employees of the Trustbank, including Managers and Executive Board:

- Islamic Contracts
- IT Core Banking Systems
- Performance Management System
- Project Investment Management Application
- Islamic Modes of Finance
- Treasury
- IFRS
- English conversation Skills
- Marketing Information Event
- FIBA/AMLCA Certification Training
- Finance & Tax Management
- National Rice Conference
- Fair remuneration
- Asset Liquidity Management

Risk & Compliance

ERM awareness sessions were held to raise awareness and urgency and initiate discussion internally. A modern ERM framework was designed to effectively manage and monitor specific risks related to banking.

FATCA

In February 2016, the Legal & Compliance Officer participated in a certified compliance training at the FIBA, thereby obtaining the title Anti-Money Laundering Certified Associate (AMLCA). In August, the department was strengthened by a senior Legal Officer. AML / CFT Awareness sessions were conducted for the employees.

Trustbank Micro Credits Program

In April, the Trustbank participated in the MADE IN SU fair in KKF (Chamber of Commerce and Industry) with the aim to further disclose the possibilities of the Micro Credit Plan (MKP – Dutch abbreviation). The MKP improves the income of micro (small) entrepreneurs, increases employment and improves access to credits at the Microfinance Institution (MFI).

Acknowledgements

The Executive Board thanks the Board of Supervisory Directors for its support and the employees for their commitment and contribution to achieving the positive operating result. We also express our gratitude to our customers for the trust placed in the bank.

Finatrust, the Trustbank N.V.

Paramaribo, 27 april 2017

Mrs. M.S. Badjoeri, LL.M. CEO

Mr. drs. E. Kidjo CFO



FINANCIAL STATEMENTS 2016



Balans sheet as at 31 december 2016 (before profit appropriation)

	31-12-2016		31-12-2015	
	SRD	SRD	SRD	SRD
ASSETS				
Cash resources		21,638,030		32,993,066
Loans and advances to credit institutions		65,737,397		42,352,240
Loans and advances to customers		161,351,502		139,927,188
Securities		260,547		229,373
Treasury bills		14,761,112		2,450,690
Investments		1,594,347		437,580
Intangible fixed assets				
Software		-		28,896
Operating assets				
Land	1,071,575		1,560,813	
Buildings	1,851,240		1,920,849	
Renovation Nickerie building	722		50,941	
Office furniture and equipment	30,042		59,552	
Office machines	28,167		39,317	
Vehicles	111,692		179,529	
Work in progress	2,613,911		196,084	
Purchased properties	1,929,180		-	
		7,636,529		4,007,085 *)
Other current assets		741,304		-
Prepayments and accrued income		24,249,164		437,597 *)
		297,969,932		222,863,715

*) Adjusted for comparative purposes

	31-12-2016		31-12-2015	
	SRD	SRD	SRD	SRD
LIABILITIES				
Amount owed to customers		253,432,625		179,056,014 *)
Other liabilities		358,400		327,500
Accrued expenses and deferred income				
Payable interest	4,694,536		3,522,169	
Other accruals	15,888,145		17,964,708 *)	
		20,582,681		21,486,877
Provision for general bank risks		-		600,000
Provision for deffered tax liabilities		3,314,929		2,759,486
Equity capital				
Share capital	104,250		104,250	
General reserve	16,048,431		12,859,465	
Reserve fund	197,989		197,989	
Revaluation reserve	612,593		849,568	
Result current year	3,318,034		4,622,566	
		20,281,297		18,633,838
		297,969,932		222,863,715

*) Adjusted for comparative purposes

Profit and loss account over 2016

	2016		2015	
	SRD	SRD	SRD	SRD
INCOME				
Interest income	31,286,752		27,332,382	
Interest expenses	15,556,418		12,469,682	
Interest income		15,730,334		14,862,700
Other income	4,659,481		3,868,437	
Result from financial transactions	2,137,835		769,380	
Commission	666,505		342,140	
Result from securities	81,174		-86,350	
		7,544,995		4,893,607
		23,275,329		19,756,307
EXPENSES				
Personnel expenses	5,848,979		4,639,978	
Other management expenses	8,546,859		4,798,933	
Depreciations	281,971		327,157	
Value adjustments to receivables and provisions for balance sheet liabilities	3,458,753		2,718,907	
		18,136,562		12,484,975
Pre-tax profit		5,138,767		7,271,332
Income tax		-1,820,733		-2,648,766
Net profit		3,318,034		4,622,566

Cash flow statement over 2016

	2016		2015	
	SRD	SRD	SRD	SRD
Cash flow from operational activities				
Net profit		3,318,034		4,622,566
Adjustments for:				
- Profit appropriation (excl. addition general reserve)	-1,433,600		-1,310,000	
- Depreciations	253,075		298,270	
- Depreciations on software	28,896		28,887	
- Addition/release value adjustments to receivables	-230,683		829,257	
		-1,382,312		-153,586
Cash flow from business operations		1,935,722		4,468,980
Movements operating capital				
Loans and advances to customers	-21,193,631		-18,753,619	
Other current assets	-741,304		61,719	
Prepayments and accrued income	-23,811,567		-169,229	
Amounts owned to customers	67,874,846		37,465,894	
Other liabilities	30,900		10,250	
Provision for general banking risks	-600,000		-	
Provision for deferred tax liabilities	555,443		800,576	
Accrued expenses and deferred income	5,597,569		2,007,488	
		27,712,256		21,423,079
		29,647,978		25,892,059
Cash flow from investment activities				
Revaluation reserve	-236,975			
Investments in operating assets	-4,371,757		-14,401	
Desinvestment in assets	489,238			
Treasury bills	-12,310,422		7,193,116	
Investments	-1,156,767		5,663,420	
Securities	-31,174		78,541	
		-17,617,857		12,920,676
Net cash flow		12,030,121		38,812,735
Opening balance cash resources and loans and advances to credit institutions		75,345,306		36,532,571
Closing balance cash resources and loans and advances to credit institutions		87,375,427		75,345,306

Explanatory notes to the 2016 financial statements

General Explanation

1. General

Formation and objects

Finatrust, de Trustbank N.V. has its registered office at the Dr. Sophie Redmondstraat number 93. The company was officially formed on 30 August 1989. After amendments to the articles of association in 2014, the objects of the company are:

1. managing movable and immovable property, securities and capital or capital assets;
2. providing all forms of credits with the exception of overdraft facilities, with own funds or funds attracted from third parties, acquiring funds not immediately due and payable, including savings and term deposits and the associated services in the own national currency and foreign currency transactions;
3. acting as administrator, trustee or executor, broker, and all forms of representation both in Suriname and abroad;
4. providing all financial services permitted by operation of law;
5. forming, co-forming or participating in and managing other companies irrespective of the objects of such company;

2. General principles for preparing the financial statements

General

The financial statements have been prepared in accordance with the generally accepted accounting principles.

Comparison with the previous year

The accounting policies and determination of profit/loss applied, remained unchanged compared to the previous year.

Foreign currency translation

Functional and presentation currency

The items in the financial statements of the Bank are valued with due observance of the currency of the primary economic environment in which the entity operates (the functional currency). These financial statements have been prepared in Suriname Dollars (SRD), being the functional currency and the reporting currency of the Bank.

Monetary assets and liabilities denominated in foreign currency are translated as at the reporting date at the exchange rate as quoted by the Central Bank of Suriname as at said date.

The exchange differences arising from the translation, are entered in the profit and loss account under the item "Result from financial transactions". Transactions in foreign currencies during the reporting period are recognized in the financial statements at the exchange rate at the time of settlement.

The exchange rates of the foreign currencies as at 31 December are as follows:

	31-12-2016	31-12-2015
	SRD	SRD
US\$ 1	7,35	3,96
Euro 1	7,69	4,33

3. Accounting policies for the valuation of assets and liabilities

Cash resources

These concern cash reserves with and amounts owed by the Central Bank of Suriname. The cash reserves and amounts receivable are valued at face value.

Loans and advances to credit institutions

These concern deposits on current account with commercial banks. These have been valued at face value.

Loans and advances to customers

Unearned interest, a provision for bad debt risks and the interests of the non-performing loans have been deducted from the loans granted.



Securities

This item relates to shares in local companies, which are valued at market value. The possible increase / decrease is recognized in the profit and loss account. If no market value is available, they are valued at the net asset value.

Treasury bills

Relates to investments with the Central Bank of Suriname. Valuation was done at face value.

Investments

This item relates to term deposits held with several financial and credit institutions. The investments have been valued at face value less provisions, if any.

Intangible fixed assets

The intangible fixed assets have been recognized at the acquisition value less the straight-line depreciations based on the estimated economic life. Depreciation will be done in three years.

Operating assets

Part of tangible fixed assets has been recognized at acquisition value less the depreciations, which are calculated according to the straight-line method, based on the estimated economic life. The immovable property has been valued, based on the valuation performed in 2012 by an external expert.

The following depreciation percentages are used:

Buildings	3% per jaar
Renovation Nickerie building	33,33% per jaar
Office Furniture and equipment	33,33% per jaar
Office equipment	20% - 33,33% per jaar
Vehicles	20% - 33,33% per jaar

Amounts owned to customers

These include liabilities in term deposits and savings accounts. They are valued at face value.

Provision for deferred tax liabilities

The provision is recognized at face value, based on the current tax rate. The deferred tax liability is formed for the difference between the result for accounting purposes and the taxable profit, which is mainly caused by creating tax provisions as well as the difference in fiscal and commercial accounting principles in respect of immovable property.

Other assets and liabilities

To the extent not stated otherwise above, the other assets and liabilities are valued at face value. If such is deemed necessary, a provision for bad debts is deducted from accounts receivable.

4. Accounting policies for determining the result

The result is determined as the difference between the earned interest income and other income on the one hand, and the interest expenses and other expenses on the other hand. Profits are recognized in the period in which they are realized; losses as soon as these are foreseeable. Depreciation of operating assets is done, based on the acquisition value. Depreciations are done according to the straight-line method based on the estimated economic life.

Income tax is calculated by applying the applicable rate to the commercial result over reporting period.

5. Accounting principles for preparing the cash flow statement

The cash flow statement has been prepared according to the indirect method, with a distinction being made between cash flows from operational activities, investments and investment activities, and financing activities.



Explanatory notes to the balance sheet as at 31 December

Assets

Cash resources

The supply of cash resources in Suriname currency and in foreign currency as well as the demand deposits with the Central Bank of Suriname, have been entered under the cash resources.

Below a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Central Bank of Suriname	15,733,395	28,592,673
Greenhouses foreign currency	5,125,894	3,898,072
Greenhouses SRD	778,741	502,321
	21,638,030	32,993,066

Loans and advances to credit institutions

These concern current account balances with the commercial banks.

Below a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Hakrinbank N.V.	23,958,368	17,180,591
FinaBank N.V.	14,376,175	7,587,684
DSB Bank N.V.	13,396,976	9,170,883
Republic Bank (Suriname) N.V.	6,529,173	4,146,733
Stichting Surinaamse Volkscredietbank	4,426,320	1,416,803
ING bank N.V.	2,394,593	1,509,501
Stichting Postspaarbank	655,792	964,020
Landbouwbank N.V.	-	376,025
	65,737,397	42,352,240

Loans and advances to customers

Loans

Below follows a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Total portfolio	179,879,472	164,326,739
Less: interest on future installments	-12,311,903	-17,566,023
Nominal value	167,567,569	146,760,716
Less: interest non-performing loans	-100,687	-487,465
	167,466,882	146,273,251
Less: provision value adjustments to receivables	-6,115,380	-6,346,063
Book value	161,351,502	139,927,188



Securities

This item relates to shares in the DSB Bank N.V., N.V. Surinaamse Assurantie Maatschappij "Self Reliance", N.V. VSH Investment, Hakrinbank N.V., Assuria N.V. and Elgawa N.V.

Below a breakdown of this item:

	Number value	Nominal value per share	Nominal value	Price	Balance sheet 31-12-2016
DSB Bank N.V.	4073	0,10	407,30	52,00	211,796
Self Reliance N.V.	520	0,01	5,20	65,50	34,060
N.V. VSH Investment	100	10,00	1000,00	72,00	7,200
Hakrinbank N.V.	10	0,15	1,50	408,00	4,080
Assuria N.V.	20	0,10	2,00	94,75	1,895
Elgawa N.V.	10	10,00	100,00	151,50	1,516
					260,547

Below follows a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Opening balance	229,373	307,914
Sale DSB shares	-52,000	-
Purchase shares with N.V. VSH Investment	-	6,281
Purchase shares with Elgawa N.V.	-	1,528
Purchase shares with Hakrinbank N.V.	2,000	-
Unrealized share price differences	81,174	-86,350
Balance sheet value as at	260,547	229,373

Treasury Bills

This item relates to an investment in treasury bills with the Ministry of Finance of USD 2,000,000 for a maturity of 6 months at an interest percentage of 2 % per annum.

Investments

Below a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Investments with third parties	1,594,347	437,580

Investments with third parties

This investment consists of a total of 12 certificates for a total amount of USD 216,800. The term is set at 3 years. The dividend is distributed on a quarterly basis.

Intangible fixed assets

The intangible fixed assets concern investments in software for the acquisition of the SWIFT Software programme. As of December 31, 2016, the software has been fully depreciated.

	Software
	SRD
January 1, 2016	
Acquisition value	86,670
Depreciations	-57,774
Book value	28,896
Movements	
Investments	-
Depreciations	-28,887
	-28,896
31 December 2016	
Acquisition value	86,670
Depreciations	-86,670
Book value	-

Operating assets

The movements in the operating assets have been summarized in the following table:

	Land	Buildings	Renovation building Nickerie	Office Furniture and fittings	Office equipment	Vehicles	Work in progress	Purchased properties	Total
	SRD	SRD	SRD	SRD	SRD	SRD	SRD	SRD	SRD
1 January 2016									
Acquisition value/ Actual value	1,560,813	2,320,299	150,671	255,934	362,350	997,879	196,084	-	5,844,030
Depreciations	-	-399,450	-99,730	-196,382	-323,033	-818,350	-	-	-1,836,945
Book value	1,560,813	1,920,849	50,941	59,552	39,317	179,529	196,084	-	4,007,085 *)
Movements									
Investments	-	-	-	-	24,750	-	2,417,827	1,929,180	4,371,757
Disinvestments	-489,238	-	-	-	-	-	-	-	-489,238
Depreciations	-	-69,609	-50,219	-29,510	-35,900	-67,837	-	-	-253,075
	-489,238	-69,609	-50,219	-29,510	-11,150	-67,837	2,417,827	1,929,180	3,629,444
31 December 2016									
Acquisition value/ Actual value	1,071,575	2,320,299	150,671	255,934	387,100	997,879	2,613,911	1,929,180	9,726,549
Depreciations	-	-469,059	-149,949	-225,892	-358,933	-886,187	-	-	-2,090,020
Book value	1,071,575	1,851,240	722	30,042	28,167	111,692	2,613,911	1,929,180	7,636,529

*) Adjusted for comparative purposes

Explanation of site Chopinstraat

In the year 2014 a parcel was purchased on the Chopinstraat for an amount of € 77,000 (excluding notary and valuation costs). The legality of the purchase and sales agreement between the seller and Finatrust is contested by the previous owner. Finatrust has filed a lawsuit with the subdistrict court, which will be dealt with in May 2017.

Works in progress

This item relates to investments in connection with a new branch of Finatrust (under construction) located at Plutostraat, where the site is hired by Finatrust. Finatrust has the beneficial ownership of the branch. Legally the site (and therefore the building) is not from Finatrust.

Purchased properties

This item concerns 4 properties purchased at the auction. These properties are held for sale. Hence, no depreciation is effectuated for this.

Other current assets

Below a summary of the other current assets:

	31-12-2016	31-12-2015
	SRD	SRD
Other current assets		
Loans and advances to third parties	645,346	-
Employee advances	95,958	-
	741,304	-

Loans and advances to third parties

This item relates to the acquisition of loans and advances to customers of the Trustbank Mortgage Fund, due to the phasing out thereof. There is a factoring agreement between Trustbank Mortgage Fund and Finatrust. The legal acquisition of the receivables must still be effectuated and have for now been recognized under the item "loans and advances to third parties".

Prepayments and accrued income

Below a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Receivable amounts from investment in treasury bills	18,422,639	-
Receivable amounts from investment with the Hakrinbank N.V.	3,677,000	-
Receivable amounts from Finabank settlement credit Global cars	1,402,816	-
Amount due for insurance premiums customers	197,267	78,466
Advanced health insurance employees	168,121	85,358
Outstanding amount management fee MKP	176,412	182,436
Costs passed on to third parties	52,052	32,621
Deposit rent building Plutostraat	58,832	31,680
Outstanding interest investments	6,705	3,604
Other	87,320	23,432
	24,249,164	437,597 *)

*) Adjusted for comparative purposes

Receivable amounts from investment in treasury bills

This item concerns investments in treasury bills with the Central Bank of Suriname which expired in 2016, which were partially received and partially re-invested in 2017.

Receivable amounts from investment with the Hakrinbank N.V.

This item concerns an investment of US \$ 500,000 with the Hakrinbank N.V., which expired in 2016 and was received in 2017.

Liabilities

Amounts owed to customers

This item can be broken down as follows:

	31-12-2016	31-12-2015
	SRD	SRD
Term deposits	127,692,068	86,116,354 *)
Savings Accounts	125,740,557	92,939,660
	253,432,625	179,056,014

*) Adjusted for comparative purposes

Term deposits

This item refers to outstanding time deposits with terms ranging from 1 year to 5 years. The interest rate depends on the duration and ranges from 2% to 13% per annum; for the SRD 8,5% to 13% per annum for the EURO 2% to 4% per year and for the USD 4% to 6,25% per year. The interest payable for the period is included under the heading "Accruals".

Savings Accounts

The interest rate on savings during the year was: 6%, 2% and 2%, respectively, SRD, USD and EURO.

Other Liabilities

This item concerns still to pay dividend for the year 2015 SRD 358,400

Accrued Expenses and deferred income

Interest payable

These include the interest payable in respect of resources made available by third parties in the form of investments.

The specification of this item is as follows:

	31-12-2016	31-12-2015
	SRD	SRD
Pay interest term deposits	4,694,536	3,522,169
	4,694,536	3,522,169

Other accruals

Below a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Payable loans	8,790,452	7,695,095
Payable interest matured term deposits	4,530,180	6,501,765
Income tax	870,414	842,611
Payments in progress	659,910	2,314,413
To be settled with clients (including repayments and insurance)	474,922	186,975
Payable wage tax and AOV (old age pension) contribution	190,253	139,787
Professional fees	151,233	94,089
Payable to Low Income Shelter Program/MKP	102,009	43,248
Payable medical fund	59,312	67,067
Deposit rent safety deposit box	33,093	14,850
Matured deposits	7,978	7,978
Payable turnover tax	5,527	5,080
Insurance premium received in advance	2,637	2,011
Outstanding rent Residence Inn	-	13,778
Other	10,225	35,961
	15,888,145	17,964,708 *)

*) Adjusted for comparative purposes

Provision general bank risks

In 2016, the amount of SRD 600,000 was written off due to the intention of Trustbank to switch to IFRS.

Provision for deferred tax liabilities

The provision for deferred tax liabilities partly relates to an obligation arising from the difference in valuation of part of tangible fixed assets as a result of the applied revaluation. The provision is recognized at face value, based on the current tax rate.

The provision for deferred tax liabilities partly also relates to the difference between the commercial result and taxable profit as a result of several tax provisions. Some tax provisions are made, which from a commercial point of view cannot be taken into account yet. The cumulative difference between the income tax payable calculated over the commercial result and the payable income tax calculated over the taxable profit up to and including the financial year 2015, has also been included in the provision for deferred tax liabilities.

Below a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Revaluation buildings	64,372	64,372
Difference between commercial result and taxable profit	3,250,557	2,695,114
	3,314,929	2,759,486

Movements

	31-12-2016	31-12-2015
	SRD	SRD
Opening balance	2,759,486	1,958,910
Result deferred taxes	555,443	800,576
Closing balance	3,314,929	2,759,486

Equity capital

Share capital

The authorized capital amounts to five hundred thousand Suriname dollars (SRD 500,000). This is divided into fifty thousand (50,000) shares each with a nominal value of ten Suriname dollars (SRD 10). These are numbered consecutively from one (1) up to and including fifty thousand (50,000). Of the share capital ten thousand four hundred and twenty five (10,425) shares have been issued, all of which have been fully paid up in cash.

General reserve

	31-12-2016	31-12-2015
	SRD	SRD
Opening balance	12,859,465	9,769,564
Addition from result previous year	3,188,966	3,089,901
Closing balance	16,048,431	12,859,465

Pursuant to the provisions as set out in the articles of association of the company, the appropriation of the annual result is determined by the General Meeting of Shareholders.

Reserve fund

This is a fund under the articles of association and is intended for social purposes.

Revaluation reserve

Revaluations are recognized in the revaluation reserve net of deferred taxes.

Explanatory notes to the profit and loss account over 2016

Income

Below a breakdown of the interest income and expenses:

	2016		2015	
	SRD	SRD	SRD	SRD
Interest income				
Cars/personal/hire-purchase financing	14,526,331		17,142,686	
Mortgage	5,608,731		6,993,757	
Commercial loans	8,939,416		2,102,738	
Interest treasury bills	1,252,783		678,443	
Interest in arrears	513,448		255,235	
Interest investments	413,284		120,579	
Proceeds interest banks	32,759		38,944	
		31,286,752		27,332,382
Interest expenses				
Term deposits	9,425,371		7,550,908	
Savings accounts	6,131,047		4,918,774	
		15,556,418		12,469,682
Interest result		15,730,334		14,862,700



Other income

	31-12-2016	31-12-2015
	SRD	SRD
Insurance deductible	1,101,926	1,564,350
Risk premium	610,265	773,945
Release provision general bank risks	600,000	-
Income refund of settled loans	425,047	-
Costs of administration passed on	504,233	297,937
Settlement costs early settlement personal loans	296,444	309,108
Proceeds sale land	188,052	-
Management fee MKP program	176,412	182,436
Rental income (MKP/ ATM space Finabank and other)	130,391	102,747
Collection	129,881	70,348
Proceeds contribution legal expenses	107,787	140,685
Penalty clause early settlement of mortgages	77,275	61,084
Proceeds bank guarantee	58,832	-
Lending performance mortgage fund	48,000	96,000
Penalty clause early termination of term deposits	39,584	-
Lending performance Micro Credit Program	30,000	24,000
Proceeds bank charges	24,725	
Management fee LISP 2	6,653	31,335
Interest discount civil-notary's fee for entering into new mortgages	5,193	18,828
Proceeds WAM insurances	-	101,405
Other	98,781	94,229
	4,659,481	3,868,437

Insurance deductible

The premium charged for personal and hire-purchase loans to the debtor amounts to 2% annually of the loan extended and is directly credited to the result.

Risk premium

The premium charged for clients who do not have an account with the Trustbank into which their salary is transferred to facilitate their repayment obligation.

Provision for general bank risks

An amount of SRD 600,000 has been written off against the provision of general bank risks.

Result from financial transaction

These include exchange rate differences arisen from the translation of monetary assets and liabilities denominated in foreign currency as at the reporting date.

Commission

Below a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Commission insurances	290,802	946
Handling fee	248,740	327,691
Compensation commission	126,963	13,503
	666,505	342,140

Result from securities

This relates to the revaluation the DSB shares as a result of the increased market price.

Below follows a breakdown of this item:

	31-12-2016	31-12-2015
	SRD	SRD
Unrealized market price differences	81,174	-86,350

Expenses

Personnel expenses

	31-12-2016	31-12-2015
	SRD	SRD
Salaries	2,828,194	2,377,378
Costs old age pension	1,660,724	896,106
Holiday allowance and other allowances	251,745	229,392
Overtime pay	234,321	236,225
Bonus personnel	218,785	178,570
Transportation allowance	139,064	130,763
Medical expenses	90,454	80,727
Bonus	72,718	26,909
Price compensation	57,240	40,967
Training personnel	57,027	106,030
Pensions	42,826	25,837
Lump-sum payment	-	95,781
Other	195,881	215,293
	5,848,979	4,639,978

Other administrative expenses

	31-12-2016	31-12-2015
	SRD	SRD
Office expenses		
Rent among others software Finabank/Swift connectivity	1,930,524	581,900
Office supplies	156,562	93,403
Telephone, postage and telex	104,587	62,937
Costs fixtures and fittings	70,973	57,415
Printed matter	63,464	52,485
Other	13,146	13,725
	2,339,256	861,865
Cost of accommodation		
Rent	958,331	398,810
Security expenses	586,366	287,446
Repairs and maintenance building	114,847	157,099
Utilities	108,241	50,823
	1,767,785	894,178



General expenses

	31-12-2016	31-12-2015
	SRD	SRD
ICD expenses	2,342,552	1,416,993
Consultancy fee	312,716	120,535
Cost of travel and accommodation	262,683	113,857
Professional fees	236,681	105,001
Membership and subscription fee	274,838	168,111
Entertainment/donations and gifts	164,038	155,082
Gasoline, repairs and other costs of transportation	119,684	110,881
Cash transport costs	134,130	116,469
Advisory expenses/legal fee	126,730	168,780
Remuneration supervisory directors	84,000	84,000
Bank charges	76,234	43,460
Promotions and advertisements	64,137	105,439
Administrative assistance	6,000	6,000
Supporting personnel services	5,785	7,111
Application fee	260	7,839
Insurances	8,484	12,205
Other	220,866	301,127
	4,439,818	3,042,890
Total other administrative expenses	8,546,859	4,798,933

Depreciations

	31-12-2016	31-12-2015
	SRD	SRD
Buildings	69,609	69,609
Renovation Nickerie building	50,219	50,219
Office furniture and equipment	29,510	33,224
Office machines	35,900	29,965
Vehicles	67,837	115,253
Software	28,896	28,887
	281,971	327,157

Value adjustments to receivables and provisions for balance sheet liabilities

	31-12-2016	31-12-2015
	SRD	SRD
Addition provision value adjustments to receivables	3,458,753	2,718,907
	3,458,753	2,718,907

Other data

Profit appropriation

Rules according to the articles of association on appropriation of profit

Pursuant to the articles of association of the company, the appropriation of the annual profit is determined by the General Meeting of Shareholders.

Designated use of the result for the financial year 2016

Net profit for the financial year 2016 amounted to SRD 3,318,034. The Board of Supervisory Directors advises to distribute SRD 995,410 as dividend and add SRD 2,322,624 to the equity capital under the heading "General Reserve".

	31-12-2016	31-12-2015
	SRD	SRD
Net profit	3,318,034	4,622,566
Less: dividend to be distributed	-995,410	-1,433,600
Addition general reserve	2,322,624	3,188,966

Independent auditor report

The abbreviated financial statements, included on page 23 up to and including 41 and consisting of the balance sheet as at 31 December 2016, the profit and loss account, the cash flow statement and related adjusted explanatory notes, have been derived from the financial statement of Finatrust, de Trustbank N.V. as at 31 December 2016. We issued an unqualified opinion on those financial statements in our auditor's report of 1 April 2017. The financial statements concerned and the abbreviated financial statements derived from these, do not give a representation of events that took place since the date of our auditor's report of 19 April 2017.

The abbreviated financial statements do not contain all explanations required on the basis of generally accepted accounting principles. Accordingly, taking note of the abbreviated financial statements cannot replace taking note of the audited 2016 financial statements of Finatrust, de Trustbank N.V.

Management's responsibility

The management is responsible for the preparation of the abbreviated version of the financial statements, in accordance with generally accepted accounting principles.

Auditor's responsibility

Our responsibility is to express an opinion on the abbreviated financial statements based on our audit, conducted in accordance with international auditing standards.

Opinion

In our opinion, the abbreviated financial statements 2016 of Finatrust, de Trustbank N.V., meet the requirements to be set for this purpose.

Paramaribo, 4 of June 2017

Tjong A Hung Accountants N.V.

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