

# Yayasan Kemanusiaan Ibu Pertiwi

Financial Statements  
For the years ended 31 December 2012 and 2011  
with Independent Auditors' Report Thereon

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## MANAGEMENT BOARD REPORT

To Donors, Potential Donors, Members of the Advisory and Supervisory Board and YKIP Members.

We have stated in year 2011 Audit Report that from year 2012 onward, YKIP would concentrate on Educational support and related services. The list of YKIP program is as follow:

### 1. KEMBALI Scholarship Program

This program provides comprehensive and sustainable educational assistance for impoverish and disabled students, including financial intervention in order for them to reach the key milestone to work their way out of poverty – graduated from high school.

### 2. KIDS Program

This program aims to give comprehensive educational needs of children who lost a parent or who had a permanently injured parent by Bali bombings in 2002. This program will enable the children to finish their education up to higher education.

### 3. University Scholarship

This Program aims to foster competent future leaders for society through his/her own areas of expertise. Sponsored by Annika Linden Foundation (ALF) and individual donors, this program has supported eight students since its establishment in year 2009.

### 4. Vocational Education Scholarship Program

The goal (long-term objective) of this program is to contribute to the reduction of unemployment/under-employment rate in Bali by providing scholarship for the economically disadvantaged high school graduates to acquire a one year vocational diploma degree. By equipping the senior high school graduates with skills required for commonly available jobs, they will be expected to be fit to compete in the work force and increase their opportunities in earning a decent livelihood. The program just started in 2012.

In this year report, there were Rp881,170,045 or equivalent to US\$91,124 project expenses which are not related to the Educational support and those expenses were mainly to finish the remaining ALF project commitment for year 2011. There is also some left-over of ALF's donation for year 2011 and the left-over was then deducted from year 2012 ALF's commitment to support YKIP Program. Therefore the balance of ALF project fund at the end of 2012 only represents the outstanding YKIP's commitment to ALF for Kembali Program in first half of 2013.

The impact of concentrating in Educational support and related services is a decreased in the amount of fund earned. In 2012 YKIP earned funds (donations plus interest) of Rp2,017,930,842 (approximately US\$208.680), compared to 2011 earned funds of Rp6,698,620,829, and this represents Rp4,680,689,987 decrease or 70%. Of this, Rp1,411,031,547 (US\$145.918) was in unrestricted and Rp606,899,295 (US\$62.761) was in restricted funds.

With these donations and our reserves YKIP was able to fund the following projects.

Project	Expenditure Rupiah	Expenditure US\$	Percentage
<b>Education</b>			
Kembali Project	1,051,058,647	108,693	65.76%
KIDS Project	449,178,610	46,451	28.10%
University Scholarship	75,343,650	7,791	4.71%
Vocational	17,885,000	1,850	1.12%
Other Educational Projects	4,861,800	503	0.31%
<b>Total</b>	<b>1,598,327,707</b>	<b>165,287</b>	<b>100.00%</b>



YKIP - Yayasan KIP Indonesia

The discrepancy between donations and expenses is because almost all our projects are multi year commitments with the donation being used for example to fund a child's education for several years.

For years, there is no project expenditures for the following project (1) Bali Bomb Project 2005, (2) Bali Memorial / Quick Silver Fund, we have therefore decided to move the fund to Unrestricted Fund, with the objective that we can utilize the fund for Educational Program. We have also decided to combine Kembali Seraya Barat Fund, Kembali Seraya Tengah Fund and Kembali Sanur Fund into Kembali Fund to enable better control and distribution as they are all related to the Kembali Program.

As a result at the end of year 2012 the balance of unrestricted reserve was Rp4,108,382,349 (US\$424,859) while restricted reserves stands at Rp5,367,796,531 (US\$555.098). It is the Board's policy to keep an operating reserve so as to ensure YKIP can continue to deliver its commitments.

General and Administrative expenses excluding the impacts of exchange rate were Rp369,955,184 representing 19% over donations and 13% of the expenditures. Compared to year 2011 at Rp718,890,146, although in Rupiah it is decreased significantly however with lower donation the percentage over donation increased by 8% and the same ratio at 13% to expenditures.

All the above projects are fully described in a separate and detailed report.

We would like to thank every one who has contributed to the work YKIP has undertaken during the year.

Kuta, 21 May 2013

On behalf of the Board of Management,

Permata Bulan  
Head Of Management board

Diati Siahaan  
Treasurer

**Management Boards' Statement Letter**  
Relating to  
The Responsibility on the Financial Statements  
For the Years Ended 31 December 2012 and 2011

**Yayasan Kemanusiaan Ibu Pertiwi**  
**("Foundation")**

We, the undersigned :

Name : Purnama Bulan  
Office address : Jl. Kediri No 38  
Kuta – Bali 80361  
Position : Head Of Management Board

Name : Dolok Djati Djaja Siahaan  
Office address : Jl. Kediri No 38  
Kuta – Bali 80361  
Position : Treasurer

State that :

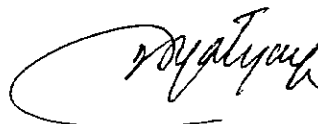
1. We are responsible for the preparation and presentation of Foundation's financial statements;
2. The Foundation's financial statements have been prepared and presented in accordance with generally accepted accounting principles in Indonesia;
3. a. All information contained in the Foundation's financial statements is complete and correct;  
b. The Foundation's financial statements do not contain misleading material information or facts and do not omit material information and facts;
4. We are responsible for the Foundation's internal control system.

This statement letter is made truthfully.

Bali, May 21, 2013



Purnama Bulan  
Head Of Management Board



Dolok Djati Djaja Siahaan  
Treasurer

No. PHHAAF/365b/TNT/YS/2013

### Independent Auditors' Report

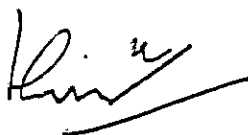
The Board of Advisory, Management and Supervisor  
**Yayasan Kemanusiaan Ibu Pertiwi**

We have audited the accompanying statements of financial position of **Yayasan Kemanusiaan Ibu Pertiwi** (the "Foundation") as of 31 December 2012 and 2011, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards established by the Indonesian Institute of Certificated Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Yayasan Kemanusiaan Ibu Pertiwi** as of 31 December 2012 and 2011, and the result of its activities and its cash flows for the years then ended in conformity with Indonesian Financial Accounting Standards.

As describe in note 17 of the financial statement, the Foundation has reclassified of temporary restricted net assets to unrestricted net assets.



**Drs. Hidajat Rahardjo**  
License No. AP. 0369  
Business License No. 1033/KM.1/2009

21 May 2013

### NOTICE TO READERS

This accompanying financial statements are not intended to present the financial position, the result of activities and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than those in Indonesia. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in Indonesia.

Yayasan Kemanusiaan Ibu Pertiwi  
 Statements of Financial Position  
 As of 31 December 2012 and 2011

	Notes	2012	2011
<b>Assets</b>			
Cash and cash equivalents	4	9,117,908,772	9,427,766,936
Other receivables		17,087,671	194,094,107
Advance payment	5	230,201,301	572,163,056
Prepaid expenses		9,757,192	66,445,512
Fixed assets - net book value	6	122,461,123	178,866,410
<b>Total assets</b>		<b>9,497,416,059</b>	<b>10,439,336,021</b>
<b>Liabilities and net assets</b>			
<b>Liabilities</b>			
Taxes payable		1,201,016	1,678,728
Accounts payable and accrued expenses		20,036,163	148,713,300
<b>Total liabilities</b>		<b>21,237,179</b>	<b>150,392,028</b>
<b>Net assets :</b>			
Unrestricted		4,108,382,349	1,713,018,205
Temporarily restricted :			
YKIP – KIDS Scholarship Fund	10	4,782,458,864	4,962,597,903
Annika Linden Foundation Project	11	517,059,902	2,511,778,212
Bali Bomb Project 2005	12	-	821,901,226
Bali Memorial/Quick Silver Fund	13	-	41,344,946
Kembali Seraya Barat Funds	14	-	116,961,988
Heidi Circle	15	31,462,484	-
Others donation	16	36,815,281	121,341,513
<b>Total temporarily restricted net assets</b>		<b>5,367,796,531</b>	<b>8,575,925,788</b>
<b>Total net assets</b>		<b>9,476,178,880</b>	<b>10,288,943,993</b>
<b>Total liabilities and net assets</b>		<b>9,497,416,059</b>	<b>10,439,336,021</b>

The accompanying notes to financial statements form an integral part of these financial statements.

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Statements of Activities**  
For the years ended 31 December 2012 and 2011

	Notes	2012	2011
<b>Changes in unrestricted net assets</b>			
Revenue and earnings :			
Donations	7	1,252,904,053	616,422,905
Others		158,127,494	73,641,991
<b>Total unrestricted revenue and earnings</b>		<b>1,411,031,547</b>	<b>690,064,896</b>
Expenses and loss :			
Other Projects and Donations	8	611,996,705	516,328,090
General and administrative	9	351,198,203	3,730,203
<b>Total expenses and loss</b>		<b>963,194,908</b>	<b>520,058,293</b>
Expense recovery			
Contribution - others		-	70,768,560
<b>Total expense recovery</b>		<b>-</b>	<b>70,768,560</b>
		447,836,639	240,775,163
Reclassification of temporarily restricted net assets to unrestricted net assets :			
Annika Linden Foundation	11, 17	879,241,563	-
Bali Bomb Project 2005	12, 17	821,901,226	-
Bali Memorial/Quick Silver Fund	13, 17	41,344,946	-
Kembali Seraya Barat Fund	14, 17	116,961,988	-
Others Donation	16, 17	88,077,782	-
<b>Total reclassification of temporarily restricted net assets to unrestricted net assets</b>		<b>1,947,527,505</b>	<b>-</b>
<b>Increase in total unrestricted net assets</b>		<b>2,395,364,144</b>	<b>240,775,163</b>
<b>Changes in temporarily restricted net assets</b>			
Revenue and earnings :			
YKIP-KIDS Scholarship Fund	10	239,039,572	380,157,378
Annika Linden Foundation	11	296,185,104	5,512,301,666
Kembali Seraya Barat Funds	14	-	59,924,206
Heidi Circle	15	58,943,419	-
Others	16	12,731,200	56,172,683
<b>Total temporarily restricted revenue and earnings</b>		<b>606,899,295</b>	<b>6,008,555,933</b>

The accompanying notes to financial statements form an integral part of these financial statements.



**Yayasan Kemanusiaan Ibu Pertiwi**  
**Statements of Activities (continued)**  
For the years ended 31 December 2012 and 2011

	Notes	2012	2011
Expenses and loss :			
YKIP-KIDS Scholarship Fund	10	419,178,611	359,425,866
Annika Linden Foundation	11	1,411,661,851	4,486,590,848
Kembali Seraya Barat Funds	14	-	86,567,759
Heidi Circle Funds	15	27,480,935	-
Others donation	16	9,179,650	94,908,442
<b>Total expenses and loss</b>		<b>1,867,501,047</b>	<b>5,027,492,915</b>
Reclassification from temporarily restricted net assets to unrestricted net assets :			
Annika Linden Foundation	11, 17	(879,241,563)	-
Bali Bomb Project 2005	12, 17	(821,901,226)	-
Bali Memorial/Quick Silver Fund	13, 17	(41,344,946)	-
Kembali Seraya Barat Fund	14, 17	(116,961,988)	-
Others Donation	16, 17	(88,077,782)	-
<b>Total reclassification from temporarily restricted net assets to unrestricted net assets</b>		<b>(1,947,527,505)</b>	<b>-</b>
<b>Increase (decrease) in temporarily restricted net assets</b>		<b>(3,208,129,257)</b>	<b>981,063,018</b>
Net assets at the beginning of the year			
Unrestricted net assets		1,713,018,205	1,472,243,042
Temporarily restricted net assets	10 - 16	8,575,925,788	7,594,862,770
<b>Total net assets at the beginning of the year</b>		<b>10,288,943,993</b>	<b>9,067,105,812</b>
Net assets at the end of the year			
Unrestricted net assets		4,108,382,349	1,713,018,205
Temporarily restricted net assets	10 - 16	5,367,796,531	8,575,925,788
<b>Total net assets at the end of the year</b>		<b>9,476,178,880</b>	<b>10,288,943,993</b>

The accompanying notes to financial statements form an integral part of these financial statements.

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Statements of Cash Flows**  
For the years ended 31 December 2012 and 2011

	Notes	2012	2011
<b>Cash flows from operating activities</b>			
Cash from donation		1,673,297,020	6,337,903,472
Cash from interest income and others		344,633,822	431,485,917
Cash used for program and others		(2,504,795,442)	(5,787,793,363)
Cash from (used for) operation		(486,864,600)	981,596,026
Cash from other receivables		177,006,436	74,686,436
<b>Net cash from (used for) operating activities</b>		<b>(309,858,164)</b>	<b>1,056,282,462</b>
<b>Cash flows from investing activities</b>			
Purchase of fixed assets	6	-	(5,175,000)
Proceed from sale of fixed assets		-	4,600,000
<b>Net cash used to investing activities</b>		<b>-</b>	<b>(575,000)</b>
Net increase (decrease) in cash and cash equivalents		(309,858,164)	1,055,707,462
Cash and cash equivalents at the beginning of the year	4	9,427,766,936	8,372,059,474
<b>Cash and cash equivalents at the end of the year</b>	<b>4</b>	<b>9,117,908,772</b>	<b>9,427,766,936</b>
<b>Reconciliation of changes in net assets to net cash from operating activities</b>			
Change in net assets		(812,765,113)	1,221,838,181
Adjustments to changes reconciliation in net assets to cash from operation :			
Depreciation expenses	6	51,805,287	74,720,414
Loss on disposal of fixed assets		4,600,000	(4,600,000)
Cash from (used for) operations		(756,359,826)	1,291,958,595
Decrease in other receivables		177,006,436	74,686,436
(Increase) decrease of advance payment		341,961,755	(102,445,138)
(Increase) decrease in prepaid expenses		56,688,320	(65,166,180)
(Decrease) in taxes payable		(477,712)	(9,010,636)
(Decrease) in accounts payable and accrued expenses		(128,677,137)	(133,740,615)
<b>Net cash from (used for) operating activities</b>		<b>(309,858,164)</b>	<b>1,056,282,462</b>

The accompanying notes to financial statements form an integral part of these financial statements.

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Notes to Financial Statements**

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**1. General**

Yayasan Kemanusiaan Ibu Pertiwi (the "Foundation") was established by deed No. 61 of notary public Josef Sunar Wibisono SH. dated 18 October 2002 and amended by deed No. 33 of Notary public Josef Sunar Wibisono, SH. dated 12 November 2002 and deed No. 56 of Josef Sunar Wibisono, SH., dated 26 February 2003. In relation with the Laws No. 16 year 2001, the Foundation's articles association has been changed by deed No. 40 dated 8 February 2005 and deed No. 42 dated 26 August 2006 of Josef Sunar Wibisono SH., a notary public in Denpasar.

The objectives of the foundation are as follow :

- a. Assisting to the victims of disaster, violence, criminal, terrorism, nature disaster, accident, and victims of other disaster in general;
- b. Providing the needs of medicines and medical supplies to the victims;
- c. Providing medical assistance and treatments for the victims;
- d. Carrying out other efforts which related and useful to achieve the aim and objectives of the Foundation and does not contrary to the prevailing laws and regulations.

Board of Managements

Based on notarial deed No. 18 dated 27 December 2012 of Selam Bastomi SH., M.Kn., a notary public in Jakarta Selatan, the composition of the board of managements as of 31 December 2012 are as follows :

Head of management board	: Purnama Bulan
General Secretary	: Endah Puspito Wardhani
Treasury	: Dolok Djati Djaja Siahaan

Based on notarial deed No. 37 dated 25 Mei 2011 of BF. Harry Prastawa SH., a notary public in Denpasar, the composition of the board of managements as of 31 December 2011 are as follows :

Head of management board	: Purnama Bulan
General Secretary	: Endah Puspito
Treasury	: Dolok Djati Djaja Siahaan
Members	: Antonius Andreas Djoko Dewanto Dipa

**2. Summary of significant accounting policies**

Set out below is a summary of the significant accounting policies adopted by the Foundation in the preparation of its financial statements.

**a) Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Financial Accounting Standards ("FAS"), which comprise the Statements and Interpretations issued by the Board of Financial Accounting Standards of the Indonesian Institute of Accountant. As disclosed further in the relevant succeeding notes, several amended and published accounting standards were adopted effective 1 January 2011.

2. Summary of significant accounting policies (continued)

a) Basis of preparation of financial statements (continued)

Statements of Financial Accounting Standard (“SFAS”) No. 1 (Revised 2009) regulates the presentation of financial statements as to, among others, the objective, components of financial statements, fair presentation, materiality and aggregation, offsetting, distinction between current and non-current assets and short-term and long-term liabilities, comparative information and consistency, and introduces new disclosures such as, among others, key estimations and judgments, capital management, other comprehensive income, departures from accounting standards and statement of compliance.

The adoption of SFAS No. 1 (Revised 2009) has significant impact on the related presentation and disclosures in the financial statements as follows :

- a. change in the title from balance sheets to statements of financial position;
- b. change in the presentation statements of changes in equity and comprehensive income;
- c. additional disclosures required, among others: source of estimation uncertainty and capital management.
- d. when the entity adopts accounting policy retrospectively or restates items in its consolidated financial statements or the entity reclassifies the items in its consolidated financial statements, the statements of consolidated financial position at the beginning of comparative period are presented.

The accounting policies adopted in the preparation of the financial statements are consistent with those made in the preparation of the Foundation’s financial statements for the year ended 31 December 2010, except for the adoption of several amended FAS’s effective 1 January 2011 as disclosed in its related accounting policies.

The financial statements have been prepared on the historical cost concept of accounting, except for certain accounts which are measured on the bases described in the related accounting policies of each account.

The statements of cash flows, which have been prepared using the direct method, present cash receipts and payments classified into operating, investing and financing activities.

The reporting currency used in the preparation of the financial statements are in Indonesian Rupiah currency which is the functional currency of the Foundation.

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Notes to Financial Statements (continued)**

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**2. Summary of significant accounting policies (continued)**

**b) Revenue and expense recognition**

Revenue from donation is recognized on cash basis.

Expenses are recognized base on accrual basis.

**c) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and in banks, and short term deposits with maturity not more than 3 months at the date of placement and is no restriction of the usage.

**d) Trade and other receivable**

Trade and other receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, except if the effect of discounting is immaterial, less provision for doubtful receivables.

Provision for doubtful receivables is established when there is objective evidence that the outstanding amounts will not be collected. Doubtful accounts are written-off during the period in which they are determined to be not collectible.

Trade and other receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, except if the effect of discounting is immaterial, less provision for doubtful receivables.

Provision for doubtful receivables is established when there is objective evidence that the outstanding amounts will not be collected. Doubtful accounts are written-off during the period in which they are determined to be not collectible.

**e) Fixed assets**

The Foundation applied Statements of Financial Accounting Standards (SFAS) No. 16, "Fixed Assets". Based on the revised SFAS, an entity shall choose between the cost model and revaluation model as the accounting policy and applied the policy to all fixed assets under the same class. The Foundation choose to adopt cost model, thus the Foundation's fixed assets are recorded at cost less accumulated depreciation and accumulated impairment loss, if any.

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Notes to Financial Statements (continued)**

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**2. Summary of significant accounting policies (continued)**

**e) Fixed assets (continued)**

Initially an item of fixed assets are measured at cost which consist of its acquisition costs and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimated of the costs dismantling and removing the item and restoring the site on which it is located.

Subsequent costs after initial acquisition as significant cost of replacing part of the assets and major inspection cost, recognize in the carrying amounts if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Any remaining carrying amounts of the costs of the previous replacement or inspection cost is derecognized. Repairs and maintenance cost that do not meet the recognition criteria are recognized in the statements of comprehensive income as incurred.

Fixed assets are depreciated using double declining balance method based on the estimated useful lives as follows :

Computers	50 %
Office equipments	50 %
Vehicles	25 %

The residual value, useful lives and depreciation methods shall be reviewed at each financial year end to ensure the residual value, useful lives and depreciation methods are applied consistently in line with the expected pattern of economic benefits of that assets.

When an items of assets disposed of or when no future economic benefits are expected from its use or disposal, acquisition costs, accumulated depreciation and accumulated impairment loss, if any, are removed from the accounts. Any resulting gains or losses on the disposal of fixed assets are recognized in the statements of income

**f) Foreign currency transactions and balances**

The Foundation maintains its accounting record in Indonesian Rupiah.

Transaction involving foreign currencies are recorded at Bank Indonesia's middle rates at the time the transactions are made. At the balance sheet date, assets and liabilities denominated in foreign currencies have been translated at Bank Indonesia's middle rate. The net foreign exchange gains or losses are recognized in the current year's statements of activities.

As of 31 December 2012 and 2011, the exchange rate used for US\$ 1 is Rp 9,670 and Rp 9,068, respectively.

**2. Summary of significant accounting policies (continued)**

**g) Adoption of new/ revised Statements of Financial Accounting Standard (“SFAS”) and Interpretations of Financial Accounting Standard (“IFAS”)**

Other than the revised accounting standards previously mentioned, the Company adapted the following revised accounting standards and interpretation which are relevant but did not have a material impact in the Company’s financial statements effective from :

1 January 2011 :

- SFAS 8 (Revised 2010), Event After the Reporting Period
- SFAS 25 (Revised 2009), Accounting Policies, Changes in Accounting Estimates and Errors
- SFAS 57 (Revised 2009), Provisions, Contingent Liabilities & Contingent Assets

1 January 2012 :

- SFAS 30 (Revised 2011), Leases
- IFAS 23, Operating Leases - Incentives
- IFAS 24, Evaluating the Substance of Transactions Involving the Legal Form of a Lease

**3. Critical accounting considerations and significant accounting estimates**

The preparation of financial statements, in conformity with Indonesian Financial Accounting Standards, requires management to make judgments, estimations and assumptions that affect amounts reported therein. Due to inherent uncertainty in making estimates, actual results reported in future periods may differ from those estimates.

**The application in the application of critical accounting policies**

In the process of applying the accounting policies described in Note 2, there is a critical consideration which has a significant impact on the amounts recognized in the financial statements, apart from presenting the estimates set out below.

3. Critical accounting considerations and significant accounting estimates (continued)

Sources of estimation uncertainty

The following judgments, estimates and assumptions were made by management in the process of applying the Foundation's accounting policies that have the most significant effects on the amounts recognized in the financial statements :

Determining classification of financial assets and financial liabilities

The Foundation determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in SFAS No. 55. (Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Foundation's accounting policies disclosed in Note 2.

Determining fair value of financial instruments

The Foundation carries certain financial assets and liabilities at fair values, which requires the use of accounting estimates. While significant components of fair value measurement were determined using verifiable objective evidences, the amount of changes in fair values would differ if the Foundation utilized different valuation methodology. Any changes in fair values of these financial assets and liabilities would affect directly the Foundation's profit or loss.

The fair value of financial assets as of 31 December 2012 and 2011 are disclosed in Note 18.

Assessing impairment of receivables

The Foundation evaluates specific accounts where it has information that certain customers are unable to meet their financial obligations. In these cases, the Foundation uses judgment, based on available facts and circumstances, including but not limited to, the length of its relationship with the customer and the customer's current credit status based on any available third party credit reports and known market factors, to record specific provisions for customers against amounts due to reduce its receivable amounts that the Foundation expects to collect. These specific provisions are reevaluated and adjusted as additional information received affects the allowance for impairment.

The provision of impairment in value of receivable as of 31 December 2012 and 2011 amounted Rp Nil, respectively.



**Yayasan kemanusiaan Ibu Pertiwi**  
**Notes to Financial Statements (continued)**

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**3. Critical accounting considerations and significant accounting estimates (continued)**

**Sources of estimation uncertainty (continued)**

Determining depreciation method of fixed assets

The costs of fixed assets are depreciated on a double declining balance basis over their estimated useful lives. Management properly estimates the useful lives of these fixed assets to be within three (3) to twenty (20) years. These are common life expectancies applied in the industries where the Foundation conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

The carrying amount of the Foundation's fixed assets as of 31 December 2012 and 2011 are disclosed in Note 6.

Assessing impairment of certain nonfinancial assets

SFAS No. 48 (Revised 2009) requires that an impairment review be performed on certain nonfinancial assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The factors that the Foundation considers important which could trigger an impairment review include the following :

- a. significant underperformance relative to the expected historical or project future operating results;
- b. significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- c. significant negative industry or economic trends.

An impairment loss is recognized whenever the carrying amount of a non-financial asset exceeds its recoverable amount. Determining the recoverable amount of such assets requires the estimation of cash flows expected to be generate from the continued use and ultimate disposition of such assets.

As of 31 December 2012, the Foundation, assessed that there is no indication of impairment on advances payment, and fixed assets.

Assessing provision for income tax

Determining provision for Corporate Income Tax requires significant judgment by management. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Foundation recognizes liabilities for expected Corporate Income Tax issues based on estimates of Corporate Income Tax.

As of 31 December 2012 and 2011, the balance of provision for the Foundation's Corporate Income Tax amounting to Rp Nil, respectively.

**Yayasan Kemanusiaan Ibu Pertiwi**  
Notes to Financial Statements (continued)

**4. Cash and cash equivalents**

	2012	2011
Cash on hand	10,000,000	10,000,000
Cash in banks :		
US Dollar accounts	238,706,561	1,426,393,862
Rupiah accounts	1,169,202,211	1,465,899,033
Total cash on hand and in bank	1,417,908,772	2,902,292,895
Time deposits		
Rupiah	7,700,000,000	6,525,474,041
Total time deposits	7,700,000,000	6,525,474,041
Total cash and cash equivalents	9,117,908,772	9,427,766,936

Time deposits represents deposit in PT CIMB Niaga, PT Bank Permata Tbk and Bank Rakyat Indonesia denominated in Rupiah currency with maturity not more than 6 (six) months and bearing interest rate per annum as follows :

	2012	2011
PT CIMB Niaga	5.5%	7.0%
PT Bank Permata Tbk	-	6.5%
Bank Rakyat Indonesia	5.5%	6.5%

**5. Advance payment**

Represents advance payment to project fund either in partnership or run by the Foundation. Balance as of 31 December 2012 and 2011 amounting to Rp 230,201,301 and Rp 572,163,056, respectively.

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Notes to Financial Statements (continued)**

**6. Fixed assets**

Balance and movement of fixed assets for the year ended 31 December 2012.

	Balance 1 Jan. 2012	Additions	Deduction	Adjustment	Balance 31 Dec. 2012
Cost :					
Computers	70,260,000	-	-	-	70,260,000
Office equipments	109,131,580	-	-	-	109,131,580
Vehicles	294,720,000	-	(12,000,000)	(4,600,000)	278,120,000
	474,111,580	-	(12,000,000)	(4,600,000)	457,511,580
Accumulated depreciation :					
Computers	63,336,721	4,109,817	-	-	67,446,538
Office equipments	90,046,884	9,908,051	-	-	99,954,935
Vehicles	141,861,565	37,787,419	(12,000,000)	-	167,648,984
	295,245,170	51,805,287	(12,000,000)	-	335,050,457
Book value	178,866,410				122,461,123

Balance and movement of fixed assets for the year ended 31 December 2011.

	Balance 1 Jan. 2011	Additions	Deduction	Balance 31 Dec. 2011
Cost :				
Computers	70,260,000	-	-	70,260,000
Office equipments	103,956,580	5,175,000	-	109,131,580
Vehicles	302,120,000	-	(7,400,000)	294,720,000
	476,336,580	5,175,000	(7,400,000)	474,111,580
Accumulated depreciation :				
Computers	55,433,752	7,902,969	-	63,336,721
Office equipments	74,576,421	15,470,463	-	90,046,884
Vehicles	102,514,585	51,346,980	(12,000,000)	141,861,565
	232,524,758	74,720,412	(12,000,000)	295,245,170
Book value	243,811,822			178,866,410

**Yayasan Kemanusiaan Ibu Pertiwi**  
Notes to Financial Statements (continued)

**7. Revenue and earnings - donations**

Represents donations from private, corporation and other institution for general programs (unrestricted). Total donation for the years ended 31 December 2012 and 2011 amounting to Rp 1,252,904,053 and Rp 616,422,905, respectively.

**8. Expenses and loss - others projects and donations**

Represents Kembali project, others projects and donations. Total expenses for the years ended 31 December 2012 and 2011 amounting to Rp 611,996,705 and Rp 516,328,090, respectively.

**9. Expenses and loss - general and administrative**

Represents general and administrative expenses, which consists of :

	2012	2011
Salaries and allowance	155,163,340	352,516,697
Communications	7,624,336	11,885,732
Office supplies and stationary	7,185,598	14,694,835
Depreciation of fixed assets	51,805,287	74,720,411
Legal and professional fee	22,000,000	13,710,530
Foreign exchanges loss (gain) - net	(18,756,981)	(15,159,943)
Transportation	159,600	5,709,525
Recruitment	3,507,978	1,684,550
Others	122,509,045	243,967,866
	351,198,203	703,730,203
Allocation to Annika Linden Foundation (see note 11)	-	(700,000,000)
<b>Total general and administrative expenses</b>	<b>351,198,203</b>	<b>3,730,203</b>

**Yayasan Kemanusiaan Ibu Pertiwi**  
Notes to Financial Statements (continued)

**10. YKIP-KIDS Scholarship Fund**

Represents activity of YKIP – KIDS Scholarship, which consists of :

	2012	2011
Revenue and earnings		
Donation	52,533,244	148,917,681
Interest income	186,506,328	231,239,697
<b>Total revenue and earnings</b>	<b>239,039,572</b>	<b>380,157,378</b>
Expenses and loss :		
Kids Education project	301,331,013	238,865,938
Salary and benefits	68,021,546	55,827,040
Relieving and treatment	784,000	17,120,000
Communication	-	508,513
Travelling expenses	-	4,135,302
(Gain) loss on foreign exchange - net	-	(1,440,870)
Others	49,042,052	44,409,943
<b>Total expenses and loss</b>	<b>419,178,611</b>	<b>359,425,866</b>
Net increase of fund	(180,139,039)	20,731,512
Beginning balance temporarily restricted net assets	4,962,597,903	4,941,866,391
<b>Ending balance temporarily restricted net assets</b>	<b>4,782,458,864</b>	<b>4,962,597,903</b>

**11. Annika Linden Foundation Project**

Represents activity of project donation from Annika Linden Foundation Project, which consists of :

	2012	2011
Revenue and earnings		
Donation	296,185,104	5,456,465,997
Interest income	-	55,835,669
<b>Total revenue and earnings</b>	<b>296,185,104</b>	<b>5,512,301,666</b>

**Yayasan Kemanusiaan Ibu Pertiwi**  
Notes to Financial Statements (continued)

**11. Annika Linden Foundation Project (continued)**

	2012	2011
Expenses and loss :		
Pasar Badung Project	406,715,909	711,097,742
Kiola School Fee	30,000,000	30,000,000
HIV/AIDS Awareness School Program	-	42,094,350
Prothesis and Orthopedics	217,457,856	1,008,057,159
Hearing Impairment	-	25,117,237
Kembali project	449,583,606	583,723,530
Sound Pound for Bali Hears Program	34,755,238	797,993,188
Jara Mara Pati – Elders Project	27,138,270	4,586,208
Rehabilitation project	195,102,772	506,939,953
Loss on foreign exchange	-	(27,237,547)
Others	-	39,433,028
University Scholarship	50,908,200	64,786,000
Allocation from general and administrative expenses (see note 9)	-	700,000,000
<b>Total expenses and loss</b>	<b>1,411,661,851</b>	<b>4,486,590,848</b>
Net increase (decrease) of fund	(1,115,476,747)	1,025,710,818
Beginning balance temporarily restricted net assets	2,511,778,212	1,486,067,394
	1,396,301,465	2,511,778,212
Reclassification from temporarily restricted net assets to unrestricted net assets (see note 17)	(879,241,563)	-
<b>Ending balance temporarily restricted net assets</b>	<b>517,059,902</b>	<b>2,511,778,212</b>

**12. Bali Bomb Project 2005**

Represents activity of project donation from Bali Bomb Project 2005, which consists of :

	2012	2011
Revenue and earnings	-	-
Expenses and loss	-	-
Net increase (decrease) of fund	-	-
Beginning balance temporarily restricted net assets	821,901,226	821,901,226
Reclassification from temporarily restricted net assets to unrestricted net assets (see note 17)	(821,901,226)	-
<b>Ending balance temporarily restricted net assets</b>	<b>-</b>	<b>821,901,226</b>

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Notes to Financial Statements (continued)**

**13. Bali Memorial/Quick Silver Fund**

Represent activity fund, which consist of :

	2012	2011
Revenue and earnings	-	-
Expenses and loss	-	-
Net increase (decrease) of fund		-
Beginning balance temporarily restricted net assets	41,344,946	41,344,946
Reclassification from temporarily restricted net assets to unrestricted net assets (see note 17)	(41,344,946)	-
Ending balance temporarily restricted net assets	-	41,344,946

**14. Kembali Seraya Barat Funds**

Represent activity fund, which consist of :

	2012	2011
Revenue and earnings	-	59,294,206
Expenses and loss	-	86,567,759
Net increase (decrease) of fund	-	(26,643,553)
Beginning balance temporarily restricted net assets	116,961,988	143,605,541
Reclassification from temporarily restricted net assets to unrestricted net assets (see note 17)	(116,961,988)	-
Ending balance temporarily restricted net assets	-	116,961,988

**15. Heidi Circle**

Represents activity of Heidi Circle, which consists of :

	2012	2011
Revenue and earnings		
Donation	58,943,419	-
Total revenue and earnings	58,943,419	-

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Notes to Financial Statements (continued)**

**15. Heidi Circle (continued)**

	2012	2011
Expenses and loss :		
Kids Education project	16,306,200	-
Distribution cost	213,440	-
Others	10,961,295	-
<b>Total expenses and loss</b>	<b>27,480,935</b>	<b>-</b>
Net increase of fund	31,462,484	-
Beginning balance temporarily restricted net assets	-	-
<b>Ending balance temporarily restricted net assets</b>	<b>31,462,484</b>	<b>-</b>

**16. Others donation**

Represent activity of Taufik Sinaga Fund and others program funds, which consist of :

	2012	2011
Revenue and earnings		
Donation	12,731,200	56,172,683
<b>Total revenue and earning</b>	<b>12,731,200</b>	<b>56,172,683</b>
Expenses and loss		
Taufik Sinaga	5,937,850	4,798,000
Others	3,241,800	90,110,442
<b>Total expenses and loss</b>	<b>9,179,650</b>	<b>94,908,442</b>
Net increase (decrease) of fund	3,551,550	(38,735,759)
Beginning balance from temporarily restricted net assets	121,341,513	160,077,272
	124,893,053	121,341,513
Reclassification from temporarily restricted net assets to unrestricted net assets (see note 17)	(88,077,782)	-
<b>Ending balance temporarily restricted net assets</b>	<b>36,815,281</b>	<b>121,341,513</b>



**Yayasan Kemanusiaan Ibu Pertiwi**  
Notes to Financial Statements (continued)

**17. Reclassification from temporarily restricted net assets to unrestricted net assets**

The Foundation has reclassified of temporarily restricted net assets to unrestricted net assets as follows :

	2012	2011
a. Bali Bomb project 2005	821,901,226	-
b. Bali Memorial / Quick Silver Fund	41,344,946	-
c. Annika Linden Foundation	879,241,563	-
d. Kembali Seraya Barat Fund	116,961,988	-
e. Other Donation	88,077,782	-
	<b>1,947,527,505</b>	<b>-</b>

a. Bali Bomb Project 2005

Since 2007, there is no any activities, therefore the Foundation's management decided to move the fund into unrestricted fund, with purpose that the fund could be more useful for other project such as for educational program.

b. Bali Memorial / Quick Silver Fund

Since 2009, there is no any activities, therefore the Foundation's management decided to move the fund into unrestricted fund, with purpose that the fund could be more useful for other project such as for educational program.

c. Annika Linden Foundation ("ALF")

The ALF's program are Kembali Scholarship Program, Pasar Badung Project Prothesis and Orthopedics, Sound Pound for Bali Hears Program, Rehabilitation Project and others. Since two years ago ALF's program only Kembali Scholarship Program and in the year 2012, there is left over balance from Kembali Scholarship Program amounting to Rp 517,059,902 which will be calculate in budget of Academic years 2013. The Foundation's management decided that the left over balance from other program transfer to unrestricted fund.

d. Kembali Seraya Barat

The Foundation's management decided to combine Kembali Seraya Barat Fund into Kembali Fund ("unrestricted") to enable better control and distribution as they are all related to the Kembali Program. Therefore the Foundation's management decided to move the fund into unrestricted fund.

e. Others Donation

Other donation consist of Kembali Seraya Tengah, Kembali Sanur and others. The Foundation's management decided to combine Kembali Seraya Tengah, Kembali Sanur and others into Kembali Fund ("unrestricted") to enable better control and distribution as they are all related to the Kembali Program. Therefore the Foundation's management decided to move the fund into unrestricted fund.

**Yayasan Kemanusiaan Ibu Pertiwi**  
**Notes to Financial Statements (continued)**

**18. Financial instruments**

The following table the carrying values and estimated fair values of financial instruments that are carried in the statements of financial position as of 31 December 2012 and 2011 are as follows :

	2012		2011	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets:</b>				
Cash and cash equivalents	9,117,908,772	9,117,908,772	9,427,766,936	9,427,766,936
Other receivables	17,087,671	17,087,671	194,094,107	194,094,107
<b>Total financial assets</b>	<b>9,134,996,443</b>	<b>9,134,996,443</b>	<b>9,621,861,043</b>	<b>9,621,861,043</b>
<b>Financial liabilities:</b>				
Accounts payable and accrued expenses	20,036,163	20,036,163	148,713,300	148,713,300
<b>Total financial liabilities</b>	<b>20,036,163</b>	<b>20,036,163</b>	<b>148,713,300</b>	<b>148,713,300</b>

Fair value of financial assets and liabilities approximate their carrying amounts due to the short term maturities of these instruments.

The Foundation is exposed to credit risk arising in the normal course of business. The management continually monitors the Foundation's risk management process to ensure the appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Foundation activities.

Credit risk is the risk of a financial loss on outstanding financial instruments should a counter-party default on its obligation.

Cash and time deposits are placed with financial institutions which are regulated and reputable.

The maximum exposure to credit risk is represented by the carrying amount of each class of financial assets in the statement of financial position.

**Yayasan Kemanusiaan Ibu Pertiwi**  
Notes to Financial Statements (continued)

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**19. New financial accounting standards and Interpretations of Financial Accounting Standard and Withdrawal**

Standards and interpretations issued but not yet implemented.

Effective for periods beginning on or after 1 January 2013:

- IFAS No. 21, Real Estate Construction Agreement
- RSFAS No. 7 regarding Revocation of Entire of SFAS No. 44 (1997), Accounting for Real Estate Development Activities
- RSFAS No. 10 regarding Revocation of Entire of SFAS No. 51, Accounting Quasi-Reorganization

As of the date of issuance of the financial statements, management is evaluating the impact of the standards and interpretations on the financial statements.

**20. Event after the reporting period**

Up to the date of independent auditors' report, there is no significant event after reporting period which might have a significant effect to the financial statements for the year ended 31 December 2012.

**21. The preparation and issuance of the financial statements**

The Foundation's management are responsible in the preparation of the financial statements and approved for issuance on 21 May 2013.

**22. Reclassification of account**

Certain accounts in the financial statements for the year 2011 have been reclassified to conform with the presentation of the financial statements for the year 2012.