

Financial Statements

**Yayasan Kemanusiaan Ibu Pertiwi**

For the year ended 31 December 2003 and  
for the period from 18 October 2002 through 31 December 2002

**With Independent Auditors' Report thereon**

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No. A/016b/TNT/AR/04

## **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 2003 and 2002, and the related statements of activities, and cash flows for the year ended 31 December 2003 and for the period from 18 October 2002 through 31 December 2002. 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 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 2003 and 2002, and the results of its activities and its cash flows for the year ended 31 December 2003 and for the period from 18 October 2002 through 31 December 2002 in conformity with generally accepted accounting principles in Indonesia.

**Drs. Hidajat Rahardjo**

License No. 98.1.0145

20 February 2004

### **NOTICE TO READERS**

The accompanying financial statements are not intended to present the financial position, the results 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 2003 and 2002

	Notes	2003	2002
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	2,280,776,879	863,091,134
Cash advance		4,058,264	-
Fixed assets - net book value	4	6,843,435	5,936,875
<b>Total assets</b>		<b>2,291,678,578</b>	<b>869,028,009</b>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses	5	21,873,711	11,108,775
<b>Total current liabilities</b>		<b>21,873,711</b>	<b>11,108,775</b>
Net assets :			
Unrestricted		403,465,879	641,321,625
Temporarily restricted :			
YKIP – KIDS Scholarship Fund	10	1,866,338,988	190,305,384
Shadow Puppet - USAID	11	-	26,292,225
<b>Total temporarily restricted net assets</b>		<b>1,866,338,988</b>	<b>216,597,609</b>
<b>Total net assets</b>		<b>2,269,804,867</b>	<b>857,919,234</b>
<b>Total liabilities and net assets</b>		<b>2,291,678,578</b>	<b>869,028,009</b>

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

## Yayasan Kemanusiaan Ibu Pertiwi

### Statement of Activities

For the year ended 31 December 2003 and for the period from 18 October 2002 through 31 December 2002

	Notes	2003	2002
<b>Changes in unrestricted net assets</b>			
Revenue and earnings :			
Donation	6	464,824,295	743,392,201
Transfer from restricted net assets - Children Shadow Puppet - UNICEF Pilot Project	12	817,700	-
Others		14,515,964	1,617,720
Total unrestricted revenue and earnings		480,157,959	745,009,921
<b>Expenses and loss :</b>			
Medical Library	7	510,529,422	-
Other Projects and Donations	8	107,773,361	18,236,000
General and administrative	9	85,738,559	17,968,564
Medical Donations		7,010,000	67,483,732
General Trauma Counseling		2,600,000	-
Transfer to temporarily restricted net assets to cover Shadow Puppet - USAID		4,362,363	-
Total expenses and loss		718,013,705	103,688,296
Increase(decrease) in total unrestricted net assets		(237,855,746)	641,321,625
<b>Changes in temporarily restricted net assets</b>			
Revenue and earnings :			
YKIP-KIDS Scholarship Fund	10	1,917,189,900	190,316,418
Shadow Puppet - USAID	11	6,068,450	61,180,000
Children Shadow Puppet - UNICEF Pilot Project	12	14,500,000	-
Children Shadow Puppet - UNICEF Phase 2	13	128,555,000	-
Transfer from unrestricted net assets to cover Shadow Puppet - USAID	11	4,362,363	-
		2,070,675,713	251,496,418
Less:			
Transfer to unrestricted net assets, surplus on Children Shadow Puppet -UNICEF Pilot Project	12	(817,700)	-
Refund on Children Shadow Puppet -UNICEF Phase 2	5,13	(14,120,866)	-
Total temporarily restricted revenue and earnings - net		2,055,737,147	251,496,418
<b>Expenses and loss :</b>			
YKIP-KIDS Scholarship Fund	10	241,156,296	11,034
Shadow Puppet - USAID	11	36,723,038	34,887,775
Children Shadow Puppet - UNICEF Pilot Project	12	13,682,300	-
Children Shadow Puppet - UNICEF Phase 2	13	114,434,134	-
Total expenses and loss		405,995,768	34,898,809
Increase in temporarily restricted net assets		1,649,741,379	216,597,609
Net asset at beginning of the year			
Unrestricted net assets		641,321,625	-
Temporarily restricted net assets	10,11	216,597,609	-
Total net asset at beginning of the year		857,919,234	-
Net asset at end of the year			
Unrestricted net assets		403,465,879	641,321,625
Temporarily restricted net assets	10,11	1,866,338,988	216,597,609
Total net asset at end of the year		2,269,804,867	857,919,234

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

## Yayasan Kemanusiaan Ibu Pertiwi

### Statements of Cash Flows

For the year ended 31 December 2003 and for the period from 18 October 2002 through 31 December 2002

	2003	2002
<b>Cash flows from operating activities</b>		
Cash from donation	2,513,730,575	994,877,584
Cash from interest income	17,802,168	1,628,756
Cash used for program and others	(1,105,438,734)	(127,220,206)
Cash received from operation	1,426,094,009	869,286,134
Cash used for advance	(4,058,264)	-
Net cash received from operating activities	1,422,035,745	869,286,134
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(4,350,000)	(6,195,000)
Net cash used to investing activities	(4,350,000)	(6,195,000)
Net increase in cash and cash equivalents	1,417,685,745	863,091,134
Cash and cash equivalents at the beginning of the period	863,091,134	-
Cash and cash equivalents at the end of the period	2,280,776,879	863,091,134
Reconciliation of changes in net assets to net cash from operating activities		
Change in net assets	1,411,885,633	857,919,234
Adjustments to changes reconciliation in net assets to cash from operation :		
Depreciation expenses	3,443,440	258,125
Increase in accounts payable	10,764,936	11,108,775
Cash received from operation	1,426,094,009	869,286,134
Increase in cash advance	(4,058,264)	-
Net cash received from operating activities	1,422,035,745	869,286,134

The accompanying notes, 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.

The objectives of the foundation, 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 doesn't contrary to the prevailing laws and regulations.

Based on notarial deed No. 56. dated 26 February 2003 of Josef Sunar Wibisono SH notary public in Denpasar, the board of advisory, management and supervisor changed as follow :

Advisory board	: Aloysius Purwa Anak Agung Gede Ngurah Asmarajaya Freddy Subiyanto
Head of management board	: David William Magson
Secretary	: Kenneth Artur Grant : Kevin John Lovett
Treasury	: Purnama Bulan : Totok Sudarmanto
Supervisor	: Tjakra Wibawa Manuaba Anwar Santoso Johann Zurcher Mark Adrian Wilson Ross William Tysoe Ketut Suastika Andrew Francis Toth

## **Yayasan Kemanusiaan Ibu Pertiwi**

### **Notes to Financial Statements** (continued)

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#### **2. Summary of Significant Accounting Policies**

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

a) **Basis of Preparation of Financial Statements**

The financial statements have been prepared on the basis of historical costs and in accordance with generally accepted accounting principles in Indonesia.

The statements of cash flows have been prepared using the direct method.

All figures presented in the notes to financial statements are expressed in Rupiah.

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 three months at the date of placement and no limit in use.

d) **Fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Fixed assets are depreciated using double declining balance method based on the estimated useful lives as follows :

Computer	50 %
Office equipment	50 %

The cost of repairs and maintenance is charged to expense as incurred Expenditures which extend the future life of assets or provide further economic benefits by increasing capacity are capitalized and depreciated based on applicable depreciation rate. When assets are retired or otherwise disposed of, their carrying value and the related accumulated depreciation are eliminated from the financial statements and the result gain or losses are recognized in the statement of profit and loss for the year.

e) **Foreign Currency Transactions and Balances**

Transaction involving foreign currences 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 statement of profit and loss.

As of 31<sup>st</sup> December 2003 and 2002, the exchange rate used for US\$ 1 is Rp 8,465 and Rp 8,940, respectively.



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

**3. Cash and Cash Equivalents**

	2003	2002
Cash on hand	2,011,023	5,000,000
Cash in banks:		
US Dollar accounts	1,624,809,431	531,539,232
Rupiah accounts	230,706,425	237,351,902
Total cash on hand and in bank	1,857,526,879	773,891,134
Time deposits	423,250,000	89,200,000
Total cash and cash equivalents	2,280,776,879	863,091,134

Time deposits represents deposit in PT Lippo Bank Tbk denominated in USD currency with bearing interest rate ranging 1.5 % per annum with maturity not more than 3 (three) months.

**4. Fixed assets**

Balance and movement of fixed assets for the year ended 31 December 2003.

	Balance 1 Jan. 2003	Additions	Deduction	Balance 31 Dec. 2003
Cost :				
Computer	6,195,000	-		6,195,000
Office equipment	-	4,350,000	-	4,350,000
	6,195,000	4,350,000	-	10,545,000
Accumulated depreciation :				
Computer	258,125	2,968,440	-	3,226,565
Office equipment	-	475,000	-	475,000
	258,125	3,443,440	-	3,701,565
Book value	5,936,875			6,843,435

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

Balance and movement of fixed assets for the period from 18 October 2002 through 31 December 2002.

	Balance 18 Oct. 2002	Additions	Deduction	Balance 31 Dec. 2002
Cost :				
Computer	-	6,195,000		6,195,000
	-	6,195,000	-	6,195,000
Accumulated depreciation :				
Computer	-	258,125	-	258,125
	-	258,125	-	258,125
Book value	-			5,936,875

**5. Accounts payable and accrued expenses**

	2003	2002
UNICEF	14,120,866	-
Shadow puppet	-	2,434,775
Others	7,752,845	8,674,000
Total accounts payable and accrued expenses	21,873,711	11,108,775

**6. Donation**

Represents donation from private, corporation and other institution for general programs (unrestricted). Total donation in 2003 and 2002 amounting to Rp 464,824,295 and Rp 743,392,201, respectively.

**7. Medical Library**

Represents medical library expenses for Udayana University, which consists of :

	2003	2002
Reading room	59,825,000	-
Administration room	68,708,700	-
Electronic Library room	360,221,378	-
Book, Magazine and Journal	21,774,344	-
Total	510,529,422	-

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

**8. Other Projects and Donations**

Represents other project and donations expenses, which consists of :

Sanglah Hospital	-	8,000,000
Parum Samigita	-	10,000,000
Prima Medika Hospital	29,414,925	-
Direct victim	17,000,000	-
Mass Casualty Volunteer KITS	22,810,936	-
International Family Day	30,000,000	-
Others	8,547,500	236,000
<b>Total</b>	<b>107,773,361</b>	<b>18,236,000</b>

**9. General and administrative**

Represents general and administrative expenses, which consists of :

Salaries and allowance	44,723,684	3,184,220
Communications	6,606,108	32,000
Office supplies & stationary	6,157,870	1,022,200
Depreciation	3,105,940	258,125
Legal & professional fee	2,314,750	1,675,000
Foreign exchanges loss	16,076,006	11,073,974
Transportation	1,949,800	71,000
Others	4,804,401	652,045
<b>Total</b>	<b>85,738,559</b>	<b>17,968,564</b>

**10. YKIP-KIDS Scholarship Fund**

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

	2003	2002
Revenue and earnings	1,917,189,900	190,316,418
Expenses and loss :		
Salary and benefits	27,146,397	-
Communication	4,275,444	-
Depreciation	337,500	-
Saving Educations Bond	200,000,000	-
Others	9,396,955	11,034
<b>Total expenses and loss</b>	<b>241,156,294</b>	<b>11,034</b>
	1,676,033,604	190,305,384
Beginning balance temporarily restricted net assets	190,305,384	-
<b>Ending balance temporarily restricted net assets</b>	<b>1,866,338,988</b>	<b>190,305,384</b>

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

**11. Shadow Puppet - USAID**

Represents activity of shadow puppet - USAID, which consists of :

	2003	2002
Revenue and earnings	6,068,450	61,180,000
Expenses and loss :		
Shooting & Editing	18,847,088	27,458,000
Public Screening in Banjars & School	14,259,000	5,700,000
Publications	1,426,950	1,729,775
Others	2,190,000	
Total expenses and loss	36,723,038	34,887,775
	(30,654,588)	26,292,225
Transfer from unrestricted net assets to cover		
Shadow Puppet – USAID	4,362,363	-
Beginning balance temporarily restricted net assets	26,292,225	-
Ending balance temporarily restricted net assets	-	26,292,225

**12. Children Shadow Puppet - UNICEF Pilot Project**

Represents activity of children shadow puppet - UNICEF Pilot Project, which consists of :

Revenue and earnings	14,500,000	-
Expenses and loss :		
Consumption for each rehearsal	82,300	-
Phone and gasoline expenses for Dalang	50,000	-
Honorarium for script	10,500,000	-
Performance in Bali International Schools	1,700,000	-
Project Manager fees	1,350,000	-
Total expenses and loss	13,682,300	-
Surplus	817,700	-

The fund surplus are transfer from temporarily restricted net assets to unrestricted net assets.

**13. Children Shadow Puppet - UNICEF Phase 2**

Represents activity of children shadow puppet - UNICEF Phase 2, which consists of :

Revenue and earnings	128,555,000	-
Expenses and loss :		
DVD Production Cost	28,786,747	-
Public Screening in School	85,647,387	-
Total expenses and loss	114,434,134	-
Surplus	14,120,866	-

The fund surplus should be transfer to UNICEF (see note 5).

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

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**14. Reclassification of accounts**

Certain accounts in the financial statements for the year ended 31 December 2003 have been reclassified to conform with the presentation of the financial statements for the year ended 31 December 2002.