

Financial Statements

**Yayasan Kemanusiaan Ibu Pertiwi**

For the year ended 31 December 2004 and 2003

**With Independent Auditors' Report thereon**

## Table of Contents

	Page
Independent Auditors' Report	
Financial Statements	
Statements of Financial Position	1
Statements of Activities	2
Statements of Cash Flows	3
Notes to Financial Statements	4 - 11

\*\*\*\*\*

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 2004 and 2003, and the related statements of activities, and cash flows For the year ended 31 December 2004 and 2003. 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 2004 and 2003, and the results of its activities and its cash flows For the year ended 31 December 2004 and 2003 in conformity with generally accepted accounting principles in Indonesia.

**Drs. Hidajat Rahardjo**

License No. 98.1.0145

25 February 2005

### **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 2004 and 2003

	Notes	2004	2003
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	2,618,571,286	2,280,776,879
Other receivables		2,082,713	
Cash advance		22,500,000	4,058,264
Fixed assets - net book value	4	12,264,948	6,843,435
<b>Total assets</b>		<b>2,655,418,947</b>	<b>2,291,678,578</b>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses	5	7,671,465	21,873,711
<b>Total current liabilities</b>		<b>7,671,465</b>	<b>21,873,711</b>
Net assets :			
Unrestricted		450,697,701	403,465,879
Temporarily restricted :			
YKIP – KIDS Scholarship Fund	10	2,087,827,863	1,866,338,988
Annika Linden Foundation	11	109,221,918	-
<b>Total temporarily restricted net assets</b>		<b>2,190,443,878</b>	<b>1,866,338,988</b>
<b>Total net assets</b>		<b>2,641,141,579</b>	<b>2,269,804,867</b>
<b>Total liabilities and net assets</b>		<b>2,655,418,947</b>	<b>2,291,678,578</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 2004 and 2003

	Notes	2004	2003
<b>Changes in unrestricted net assets</b>			
Revenue and earnings :			
Donation	6	236,859,642	464,824,295
Transfer from restricted net assets - Children Shadow Puppet - UNICEF Pilot Project	13	-	817,700
Others		4,808,848	14,515,964
Total unrestricted revenue and earnings		241,668,490	480,157,959
<b>Expenses and loss :</b>			
Medical Library	7	-	510,529,422
Other Projects and Donations	8	101,845,798	107,773,361
General and administrative	9	92,590,870	85,738,559
Medical Donations		-	7,010,000
General Trauma Counseling		-	2,600,000
Transfer to temporarily restricted net assets to cover Shadow Puppet - USAID		-	4,362,363
Total expenses and loss		194,436,668	718,013,705
Increase(decrease) in total unrestricted net assets		47,231,822	(237,855,746)
<b>Changes in temporarily restricted net assets</b>			
Revenue and earnings :			
YKIP-KIDS Scholarship Fund	10	263,082,420	1,917,189,900
Annika Linden Foundation	11	870,638,266	-
Shadow Puppet - USAID	12	-	6,068,450
Children Shadow Puppet - UNICEF Pilot Project	13	-	14,500,000
Children Shadow Puppet - UNICEF Phase 2	14	-	128,555,000
Transfer from unrestricted net assets to cover Shadow Puppet - USAID	12	-	4,362,363
		1,133,720,686	2,070,675,713
Less:			
Transfer to unrestricted net assets, surplus on Children Shadow Puppet -UNICEF Pilot Project	13	-	(817,700)
Refund on Children Shadow Puppet -UNICEF Phase 2	5,14	-	(14,120,866)
Total temporarily restricted revenue and earnings - net		1,133,720,686	2,055,737,147
<b>Expenses and loss :</b>			
YKIP-KIDS Scholarship Fund	10	41,593,545	241,156,296
Annika Linden Foundation	11	761,416,348	-
Shadow Puppet - USAID	12	-	36,723,038
Children Shadow Puppet - UNICEF Pilot Project	13	-	13,682,300
Children Shadow Puppet - UNICEF Phase 2	14	-	114,434,134
Total expenses and loss		803,009,893	405,995,768
Increase in temporarily restricted net assets		330,710,793	1,649,741,379
Net asset at beginning of the year			
Unrestricted net assets		403,465,879	641,321,625
Temporarily restricted net assets	10,12	1,866,338,988	216,597,609
Total net asset at beginning of the year		2,269,804,867	857,919,234
Net asset at end of the year			
Unrestricted net assets		450,697,701	403,465,879
Temporarily restricted net assets	10,11	2,197,049,781	1,866,338,988
Total net asset at end of the year		2,647,747,482	2,269,804,867

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 2004 and 2003

	2004	2003
<b>Cash flows from operating activities</b>		
Cash from donation	1,170,662,239	2,513,730,575
Cash from interest income and others	204,726,836	17,802,168
Cash used for program and others	(1,006,565,069)	(1,105,438,734)
Cash received from operation	368,824,106	1,426,094,009
Cash used for other receivables	(2,082,713)	-
Cash used for advance	(18,441,736)	(4,058,264)
Net cash received from operating activities	348,299,657	1,422,035,745
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(10,505,250)	(4,350,000)
Net cash used to investing activities	(10,505,250)	(4,350,000)
Net increase in cash and cash equivalents	337,794,407	1,417,685,745
Cash and cash equivalents at the beginning of the period	2,280,776,879	863,091,134
Cash and cash equivalents at the end of the period	2,618,571,286	2,280,776,879

Reconciliation of changes in net assets to net cash from operating activities

Change in net assets	337,794,407	1,411,885,633
Adjustments to changes reconciliation in net assets to cash from operation :		
Depreciation expenses	5,083,737	3,443,440
Increase (decrease) in accounts payable	(14,202,246)	10,764,936
Cash received from operation	368,824,106	1,426,094,009
Increase in other receivables	(2,082,713)	-
Increase in cash advance	(18,441,736)	(4,058,264)
Net cash received from operating activities	348,299,657	1,422,035,745

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

# Yayasan Kemanusiaan Ibu Pertiwi

## Notes to Financial Statements

---

### 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)

---

**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 9,290 and Rp 8,465, respectively.



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

**3. Cash and Cash Equivalents**

	2004	2003
Cash on hand	5,000,000	2,011,023
Cash in banks:		
US Dollar accounts	1,198,197,352	1,624,809,431
Rupiah accounts	344,268,031	230,706,425
Total cash on hand and in bank	1,542,465,383	1,857,526,879
Time deposits		
US Dollar	464,500,000	423,250,000
Rupiah	606,605,903	-
Total time deposits	1,071,105,903	423,250,000
Total cash and cash equivalents	2,618,571,286	2,280,776,879

Time deposits represents deposit in PT Lippo Bank Tbk denominated in USD and Rupiah currency with bearing interest rate ranging 0.5% - 5.5 % 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. 2004	Additions	Deduction	Balance 31 Dec. 2004
Cost :				
Computer	6,195,000	4,300,000		10,495,000
Office equipment	4,350,000	6,205,250	-	10,555,250
	10,545,000	10,505,250	-	21,050,250
Accumulated depreciation :				
Computer	3,226,565	1,842,520	-	5,069,085
Office equipment	475,000	3,241,217	-	3,716,217
	3,701,565	5,083,737	-	8,785,302
Book value	6,843,435			12,264,948

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

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

**5. Accounts payable and accrued expenses**

	2004	2003
UNICEF	-	14,120,866
Others	7,671,465	7,752,845
Total accounts payable and accrued expenses	7,671,465	21,873,711

**6. Donation**

Represents donation from private, corporation and other institution for general programs including from KEMBALI Donation amounting to Rp 225,144,092 (unrestricted). Total donation in 2004 and 2003 amounting to Rp 236,859,642 and Rp 464,824,295, respectively.

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

**7. Medical Library**

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

	2004	2003
Reading room	-	59,825,000
Administration room	-	68,708,700
Electronic Library room	-	360,221,378
Book, Magazine and Journal	-	21,774,344
<b>Total medical library</b>	<b>-</b>	<b>510,529,422</b>

**8. Other Projects and Donations**

Represents other project and donations expenses, which consists of :

	2004	2003
Yayasan Gerakan Nasional Orangtua Asuh	36,777,500	-
Medical Reference Center (MERC)	48,502,298	-
Pasar Badung Project	16,566,000	-
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
<b>Total other projects and donations</b>	<b>101,845,798</b>	<b>107,773,361</b>

**9. General and administrative**

Represents general and administrative expenses, which consists of :

Salaries and allowance	130,897,314	44,723,684
Communications	6,398,277	6,606,108
Office supplies & stationary	5,606,606	6,157,870
Depreciation	3,292,476	3,105,940
Legal & professional fee	4,700,000	2,314,750
Foreign exchanges loss (gain)	(3,454,560)	16,076,006
Transportation	14,002,599	1,949,800
Registration	2,575,830	-
Publication	2,162,713	-
Recruitment	1,227,250	-
Others	3,355,834	4,804,401
	170,764,339	85,738,559
<b>Allocation to Annika Linden Foundation</b>	<b>(78,173,469)</b>	<b>-</b>
<b>Total general and administrative expenses</b>	<b>92,590,870</b>	<b>85,738,559</b>

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

**10. YKIP-KIDS Scholarship Fund**

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

Revenue and earnings		
Donation	70,837,697	1,917,189,900
Interest income	16,557,055	-
Gain on exchange rate difference	175,687,668	-
<b>Total revenue and earnings</b>	<b>263,082,420</b>	<b>1,917,189,900</b>
Expenses and loss :		
Salary and benefits	22,163,133	27,146,397
Communication	3,622,166	4,275,444
Depreciation	1,791,261	337,500
Saving Educations Bond	-	200,000,000
KIDS Party	1,130,700	-
Travelling expenses	3,757,750	-
Kiola Scott – school fees	6,200,000	-
Training	1,055,000	-
Others	1,873,535	9,396,955
<b>Total expenses and loss</b>	<b>41,593,545</b>	<b>241,156,294</b>
	221,4888,875	1,676,033,604
<b>Beginning balance temporarily restricted net assets</b>	<b>1,866,338,988</b>	<b>190,305,384</b>
<b>Ending balance temporarily restricted net assets</b>	<b>2,087,827,863</b>	<b>1,866,338,988</b>

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

**11. Annika Linden Foundation Project**

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

	2004	2003
Revenue and earnings		-
Donation	862,965,000	
Interest income	7,673,266	-
<b>Total revenue and earnings</b>	<b>870,638,266</b>	
Expenses and loss :		
Pasar Badung Project	148,438,879	-
Kiola School Fee	4,900,000	-
HIV/AIDS Awareness School Program	31,760,000	-
Prothesis and Orthopedics	34,825,000	
East Bali Poverty Program	346,826,000	
North Bali Health Women	79,715,500	
Yayasan Gerakan Nasional Orangtua Asuh	36,777,500	
Allocation from general and administrative expenses	78,173,469	-
<b>Total expenses and loss</b>	<b>761,416,348</b>	-
	109,221,918	-
<b>Beginning balance temporarily restricted net assets</b>	<b>-</b>	<b>-</b>
<b>Ending balance temporarily restricted net assets</b>	<b>109,221,918</b>	<b>-</b>

**12. Shadow Puppet - USAID**

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

	2004	2003
Revenue and earnings	-	6,068,450
Expenses and loss :		
Shooting & Editing	-	18,847,088
Public Screening in Banjars & School	-	14,259,000
Publications	-	1,426,950
Others	-	2,190,000
<b>Total expenses and loss</b>	<b>-</b>	<b>36,723,038</b>
	-	(30,654,588)
<b>Transfer from unrestricted net assets to cover</b>		
Shadow Puppet – USAID	-	4,362,363
<b>Beginning balance temporarily restricted net assets</b>	<b>-</b>	<b>26,292,225</b>
<b>Ending balance temporarily restricted net assets</b>	<b>-</b>	<b>-</b>

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

---

**13. 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.

**14. 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).

**15. Subsequent events**

In relation with the Laws No. 16 year 2001, the Foundation articles association has been changed by deed No. 40 dated 8 February 2005 of Josef Sunar Wibisono SH. notary public in Denpasar.

Based on notarial deed No. 40. dated 8 February 2005 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
Head of management board	:	David William Magson
Secretary	:	Purnama Bulan
Treasury	:	Drs. Totok Sudarmanto
Supervisor	:	dr. Ida Bagus Tjakra Wibawa Manuaba dr. Anwar Santoso