

YAYASAN RUMAH ENERGI
FINANCIAL STATEMENTS
THE PERIOD FROM THE DATE OF INCEPTION
19 NOVEMBER 2012 UP TO 31 DECEMBER 2013
AND
INDEPENDENT AUDITORS' REPORT

**YAYASAN RUMAH ENERGI
FINANCIAL STATEMENTS
THE PERIOD FROM THE DATE OF INCEPTION
19 NOVEMBER 2012 UP TO 31 DECEMBER 2013**

C O N T E N T S

Director's Statement

Independent Auditors' Report

Exhibit

Statement of Financial Position

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DIRECTORS' STATEMENT LETTER
RELATING TO
THE RESPONSIBILITY ON FINANCIAL STATEMENTS
THE PERIOD FROM THE DATE OF INCEPTION
19 NOVEMBER 2012 UP TO 31 DECEMBER 2013
YAYASAN RUMAH ENERGI

We, the undersigned :

1. Name : RR. Agi Safitri Cakradirana
Office address : Jl. Ampera IV Gg.H.Rais no.1 Jakarta 12550
Domicile as stated in ID Card : Jl. Swakarsa II No.28 Jakarta Timur
Phone Number : 021-7821086
Position : Chairman of Yayasan Rumah Energi

2. Name : Husni Irawati
Office address : Jl. Ampera IV Gg.H.Rais no.1 Jakarta 12550
Domicile as stated in ID Card : Jl. Flamboyan Raya Komp. Setiabudi Flamboyan P-10 Medan
Phone Number : 021-7821086
Position : Finance Manager

State that :

1. We are responsible for the preparation and presentation of the financial statements;
2. The financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standard;
3. All information contained in the financial statements is complete and correct;
4. The financial statements do not contain misleading material information or facts, and do not omit material information and facts;
5. We are responsible for the Organization internal control system.

This statement letter is made truthfully.

Jakarta, 6 June 2014

Chairperson

Finance Manager



The image shows two handwritten signatures in black ink. The signature on the left is for RR. Agi Safitri Cakradirana, and the signature on the right is for Husni Irawati. Between the signatures is a blue and white stamp. The stamp is a 'METERAI TEMPEL' (Postage Stamp) for 6000 Rupiah, issued by the Directorate General of Taxation (DJP). The stamp includes the text 'PAJAK NEGARA RI INDONESIA', '14-20', and the identification number '512C9ACF394032998'.

(RR Agi Safitri Cakradirana)

(Husni Irawati)



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Tanubrata Sutanto Fahmi & Rekan
Certified Public Accountants
License No 460/KM.1/2010

Prudential Tower, 17th Fl
Jalan Jend. Sudirman Kav. 79
Jakarta 12910 - Indonesia

No. : 579/1-Y014RE/FH-1/12.13
Re : Financial Statements
31 December 2013

Independent Auditors' Report

The Director
Yayasan Rumah Energi
J a k a r t a

We have audited the accompanying financial statements of Yayasan Rumah Energi (the "Organization"), which comprise the statements of financial position as of 31 December 2013, the statement of activity, and the statement of cash flows for the period from the date of inception 19 November 2012 up to 31 December 2013, and summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

TANUBRATA SUTANTO FAHMI & REKAN

Tanubrata Sutanto Fahmi & Rekan (Certified Public Accountants), an Indonesian partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of International BDO network of Independent member firms.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Yayasan Rumah Energi as of 31 December 2013, and its statement of activity and cash flows for the period from the date of inception 19 November 2012 up to 31 December 2013, in accordance with Indonesian Financial Accounting Standards.

Kantor Akuntan Publik
TANUBRATA SUTANTO FAHMI & Rekan



Fahmi SE, CPA
License No. AP.0124

6 June 2014

Zlk/yn

YAYASAN RUMAH ENERGI
STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2013
(Expressed in IDR, unless otherwise stated)

	<u>Notes</u>	<u>2 0 1 3</u>
A S S E T S		
Current Assets		
Cash and cash equivalent	3	16,507,789,527
Grant receivable	4	255,200,000
Other receivables		20,916,847
Advances	5	719,236,614
Prepaid rent	6	<u>421,939,659</u>
Total Current Assets		<u>17,925,082,647</u>
Non-Current Assets		
Fixed assets		<u>-</u>
TOTAL ASSETS		<u>17,925,082,647</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Account payables	7	796,400,000
Grant payables	8	14,875,872,126
Taxes payables	9	41,076,791
Accrued expense	10	<u>991,912,427</u>
Total Current Liabilities		<u>16,705,261,344</u>
Non-Current Liabilities		
Provision for employee benefits	14	<u>1,172,133,539</u>
Net Assets		
Restricted		
Unrestricted		<u>47,687,764</u>
TOTAL LIABILITIES AND NET ASSETS		<u>17,925,082,647</u>

See accompanying Notes to Financial Statements on Exhibit D
which are an integral part of the Financial Statements taken as a whole

YAYASAN RUMAH ENERGI
STATEMENT OF ACTIVITIES
THE PERIOD FROM THE DATE OF INCEPTION
19 NOVEMBER 2012 UP TO 31 DECEMBER 2013
(Expressed in IDR, unless otherwise stated)

	<u>Notes</u>	<u>2 0 1 3</u>
Revenue		
Grant received	11	<u>17,041,712,546</u>
Expenditures		
Upscaling the Indonesia Domestic Biogas Programme in East Java	12	(3,526,680,389)
Indonesia Domestic Biogas Program	13	(13,235,199,660)
Biogas Components in Sumba		(<u>268,614,869</u>)
Total Expenditures		(<u>17,030,494,918</u>)
Other income (expenses)		<u>36,470,136</u>
INCREASED IN NET ASSETS		47,687,764
NET ASSETS AT BEGINNING OF THE YEAR		<u>-</u>
NET ASSETS AT END OF THE YEAR		<u><u>47,687,764</u></u>

See accompanying Notes to Financial Statements on Exhibit D
which are an integral part of the Financial Statements taken as a whole

YAYASAN RUMAH ENERGI
STATEMENT OF CASH FLOWS
THE PERIOD FROM THE DATE OF INCEPTION
19 NOVEMBER 2012 UP TO 31 DECEMBER 2013
(Expressed in IDR, unless otherwise stated)

	2 0 1 3
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	47,687,764
Adjustment for:	
Depreciation	-
Operating cash flow before changes in working capital	47,687,764
(Increase) in assets:	
Grant receivable	(255,200,000)
Other receivables	(20,916,847)
Advances	(719,236,614)
Prepaid rent	(421,939,659)
Increase in liabilities:	
Account payables	796,400,000
Grant payables	14,875,872,126
Taxes payable	41,076,791
Accrued expenses	991,912,427
Provision for employee benefits	1,172,133,539
Net cash flows provided by operating activities	16,507,789,527
NET INCREASE IN CASH AND BANKS	16,507,789,527
CASH AND CASH IN BANKS AT BEGINNING OF THE YEAR	-
CASH AND CASH IN BANKS AT END OF THE YEAR	16,507,789,527

See accompanying Notes to Financial Statements on Exhibit D
which are an integral part of the Financial Statements taken as a whole

YAYASAN RUMAH ENERGI
NOTES TO FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2013
(Expressed in IDR, unless otherwise stated)

1. GENERAL

Yayasan Rumah Energi (“YRE”) is a local non-government organization (NGO) which operates based on social and humanist values to support Indonesian families by facilitating and enhancing access to new and renewable energy and contribute to improve food security and encourages the Indonesian sovereignty in food and energy security in general.

YRE was established and has started its activities on 19 November 2012 and is legally registered under the Ministry of Justice and Human Rights on 13 May 2013 with aims to give a response for better access to affordable food and energy and to address unsustainable use of fossil fuels and the impact of climate change, as well as to help people to be empowered in managing their natural resources.

YRE’s first activity was done through a collaboration with Hivos Foundation ROSEA in implementing the Indonesia Domestic Biogas Programme (BIRU Programme) which was funded by the Dutch Government, with technical support from SNV (Netherlands Development Organization) in Lampung, West Java, Central Java, DI Yogyakarta, Bali, West Nusa Tenggara (Lombok and Sumbawa), East Nusa Tenggara and South Sulawesi provinces. The BIRU programme seeks to distribute biogas digesters as a local sustainable energy source by developing a commercial, market-oriented sector in selected Indonesian provinces. The financial support from the Dutch government ended at the end of 2013.

Starting from February 2013, YRE through Hivos also received contribution from Energizing Development (Endev) Programme to implement the Indonesia Domestic Biogas Programme in East Java.

In implementing the Indonesia Domestic Biogas Programme, YRE works closely with local NGOs, cooperatives and small-medium entrepreneurs.

YRE is responsible for the program implementation and managing the partner organizations. YRE assesses and selects for the partners, implements comprehensive monitoring measures and conducts regular evaluation for its programme. YRE also provides the partners with necessary capacity building support.

Since its establishment, YRE has already developed close coordination with the Indonesian government, especially the Directorate Bio-energy at the Ministry of Mineral and Energy Resources (MEMR) and international donor agencies. Together with Hivos as the lead organization, YRE plays a key role in the development of biogas sector in Indonesia.

As of 31 December 2013, Ms. RR Agi Saftri Cakradirana is the Chairwoman of Yayasan Rumah Energi.

YAYASAN RUMAH ENERGI
NOTES TO FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2013
(Expressed in IDR, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Financial Statements Preparation and Measurement

The financial statements have been prepared using accounting principles and reporting practices generally accepted in Indonesia such as the Statements of Financial Accounting Standards (PSAK), particularly PSAK No. 45 "Financial Reporting of Non Profit Organization". Such financial statements are an English translation of the Organization's statutory report in Indonesia, and are not intended to present the financial position, results of activities, and cash flows in accordance with accounting principles and reporting practices generally accepted in other countries and jurisdictions.

The measurement basis used is the historical cost concept, except for certain accounts which are measured on the bases described in the related accounting policies. The financial statements, except the statements of cash flows, are prepared under the accrual basis of accounting.

The statement of cash flows are prepared using the indirect method with classifications of cash flows into operating, investing and financing activities.

The reporting currency used in the preparation of the financial statements is the Indonesian Rupiah (IDR).

b. Foreign Currency Transactions and Translations

The books of accounts of the Organization are maintained in Indonesia Rupiah (IDR). Transactions during the year involving foreign currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At statements of financial position date, assets and liabilities denominated in foreign currencies are adjusted to reflect the rates of exchange prevailing at that date. The resulting gains or losses are credited or charged to current operations.

c. C a s h

Cash consists of cash on hand and cash in banks.

d. Prepaid Expenses

Prepaid expenses are amortised over the expected benefit period using the straight-line method.

e. Revenue and Expenses Recognition

Revenue from donations is recognized in the period designated by the donor, or in the absence of specified periods, at the time the commitment is made.

Expenses are recognized when incurred (accrual basis).

YAYASAN RUMAH ENERGI
NOTES TO FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2013
(Expressed in IDR, unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Net Assets

Net assets mainly represent funds available for organization's activities, direct fund raising, administration and capital expenditures.

Net assets are disclosed as either restricted or unrestricted funds. Funds are unrestricted if these are not subject to any externally imposed restriction. If a donor imposes specific conditions that limit the usage of the funds, then the funds are treated as restricted.

g. Provision for Employee Benefits

Employee benefits related to retirement, service and compensation payments are recognized when they are accrued to the employees. Provision is made for the estimated liability as a result of past services rendered by employees up to the statements of financial position date and meets the requirements of the prevailing law and regulations.

3. CASH AND CASH EQUIVALENT

	2 0 1 3
Cash on hand	15,000,000
Cash in banks	
PT Bank Negara Indonesia (Persero) Tbk	
Euro	9,456,221,110
Rupiah	3,607,632,037
PT Bank Rabobank International Indonesia	
Euro	345,597,663
Rupiah	83,338,717
Sub total cash in banks	13,492,789,527
Time deposit	
PT Bank Negara Indonesia (Persero) Tbk	
Rupiah	3,000,000,000
T o t a l	16,507,789,527

4. GRANT RECEIVABLE

Grant receivable from project fund Op Eigen Weiken amounted Rp 255,200,000 as of 31 December 2013.

YAYASAN RUMAH ENERGI
NOTES TO FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2013
(Expressed in IDR, unless otherwise stated)

5. ADVANCES

	2 0 1 3
Advance Program	564,677,093
Advance Operational	125,945,220
Advance Others	28,614,301
T o t a l	719,236,614

6. PREPAID RENT

Prepaid rent of office will be amortized until October 2015 amounted Rp 421,939,659 as of 31 December 2013.

7. ACCOUNT PAYABLES

Account payables are funds withheld for the after sales service of biogas digesters amounted Rp 796,400,000.

8. GRANT PAYABLES

	2 0 1 3
Indonesia Domestic Biogas Programme Implementation	8,142,986,168
Upscaling the Indonesia Domestic Biogas Programme in East Java	5,833,176,588
Biogas components in Sumba	674,943,388
Implementation of Microhydro in La Au East Sumba	224,765,982
T o t a l	14,875,872,126

9. TAXES PAYABLES

	2 0 1 3
Article 21	24,729,625
Article 23	5,951,778
Article 29	5,506,500
Article 4(2)	4,888,888
T o t a l	41,076,791

YAYASAN RUMAH ENERGI
NOTES TO FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2013
(Expressed in IDR, unless otherwise stated)

10. ACCRUED EXPENSE

Accrued Biogas from unpaid expenses as of 31 December 2013 funded by Royal Netherlands Embassy amounted Rp 991,912,427.

11. GRANT RECEIVED

	2 0 1 3
Indonesia Domestic Biogas Programme Implementation	13,212,328,150
Upscaling the Indonesia Domestic Biogas Programme in East Java	3,514,559,527
Biogas Components in Sumba	268,614,869
Others	46,210,000
T o t a l	17,041,712,546

12. UPSCALING THE INDONESIA DOMESTIC BIOGAS PROGRAMME IN EAST JAVA

	2 0 1 3
Biogas Human Resouces & Management	1,705,229,144
Biogas Investment Subsidy	1,499,000,000
Biogas Technical	322,451,245
T o t a l	3,526,680,389

13. INDONESIA DOMESTIC BIOGAS PROGRAM

	2 0 1 3
Biogas Human Resouces & Management	5,617,066,869
Biogas Investment Subsidy	5,015,226,150
Biogas Technical	2,602,906,641
T o t a l	13,235,199,660

YAYASAN RUMAH ENERGI
NOTES TO FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2013
 (Expressed in IDR, unless otherwise stated)

14. PROVISION FOR EMPLOYEE BENEFITS

In accordance to Labor Law No. 13, 2003, Yayasan Rumah Energi computed its employee benefit for the year 2013 which are based on the following assumptions:

The movement of employee benefits is recognized in the balance sheets as follows:

	2 0 1 3
Balance of the beginning of the year	-
Current year expenses	1,172,133,539
Balance at the end of the year	1,172,133,539

15. AUTHORIZATION OF FINANCIAL STATEMENTS

The management of the Organization is responsible for the preparation of the financial statements that were authorized by the Director for issuance on 6 June 2014.