THE PARTNERSHIP FOR GOVERNANCE REFORM IN INDONESIA – PRO-POOR PLANNING, BUDGETING AND MONITORING (P3BM) PROJECT

FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2015

AND
INDEPENDENT AUDITORS' REPORT
THE PARTNERSHIP FOR GOVERNANCE REFORM IN INDONESIA- PRO-POOR PLANNING, BUDGETING AND MONITORING (P3BM) PROJECT

FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2015

AND
INDEPENDENT AUDITORS’ REPORT
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DIRECTORS' STATEMENT
RELATING TO THE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015
THE PARTNERSHIP FOR GOVERNANCE REFORM IN INDONESIA-
PRO-POOR PLANNING, BUDGETING AND MONITORING (P3BM) PROJECT

We Undersigned:
1. Name: Monica Tanuhandaru
   Office Address: Jl. Wolter Mongonsidi No. 3
                  Kebayoran Baru, Jakarta Selatan 12110
   Domiciled as Stated in ID card: Jakarta
   Phone Number: +62 21 7279 9566
   Position: Executive Director

2. Name: Budi Santoso
   Office Address: Jl. Wolter Mongonsidi No. 3
                  Kebayoran Baru, Jakarta Selatan 12110
   Domiciled as Stated in ID card: Jakarta
   Phone Number: +62 21 7279 9566
   Position: Operations Director

Stated that:
1. We are responsible for the preparation and presentation of the Pro-Poor Planning,
   Budgeting And Monitoring Project's financial statements;
2. The financial statements have been prepared and presented in accordance with the
   Indonesian Financial Accounting Standard;
3. a. All information contained in the financial statements is complete and correct;
   b. The financial statements do not contain misleading material information or facts, and
      do not omit material information or facts;
4. We are responsible for the Program's internal control system.

This statement is made truthfully.

For and behalf of the board
Jakarta, 7 September 2015

Monica Tanuhandaru
Executive Director

Budi Santoso
Operations Director
Independent Auditor’s Report

Report No.: 34/TP-P3BM/IX/15

The Founders, The Partners, and The Executive Boards:
THE PARTNERSHIP FOR GOVERNANCE REFORM IN INDONESIA-
PRO-POOR PLANNING, BUDGETING AND MONITORING (P3BM) PROJECT

We have audited the Statement of Expenditure of The Partnership For Governance Reform In Indonesia (“PGR”) - Pro-Poor Planning, Budgeting And Monitoring (“P3BM”) Project for the period ended 30 June 2015, and a 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.

Auditor’s 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 auditor considers 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 significant 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.
Opinion

In our opinion, financial statements present fairly, in all material respects, Statement of Expenditure of The Partnership For Governance Reform In Indonesia - Pro-Poor Planning, Budgeting And Monitoring ("P3BM") Project for the period ended 30 June 2015, in accordance with Indonesian Financial Accounting Standards.

KAP Gideon Adi & Rekan
Registered Public Accountants

Gideon Adi Siallagan, M.Acc, CA.,CPA
Public Accountant Registration No. AP. 0460

7 September 2015
# THE PARTNERSHIP FOR GOVERNANCE REFORM IN INDONESIA-
PRO-POOR PLANNING, BUDGETING AND MONITORING (P3BM) PROJECT
STATEMENT OF EXPENDITURE
FOR THE PERIOD ENDED 30 JUNE 2015
(Figures in table are expressed in Rupiah, unless otherwise stated)

<table>
<thead>
<tr>
<th>Notes</th>
<th>From Inception up to 30 June 2015</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Increase (Decrease)</td>
</tr>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Contributions</td>
<td>19,210,983,836</td>
<td>19,215,098,175</td>
</tr>
<tr>
<td></td>
<td>Interest Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Other Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total Revenues</td>
<td>19,210,983,836</td>
<td>19,215,098,175</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Goods, non-consulting services, and consultants’ services</td>
<td>9,026,198,519</td>
<td>8,499,651,535</td>
</tr>
<tr>
<td>6</td>
<td>Training and workshops</td>
<td>6,576,935,721</td>
<td>6,121,133,977</td>
</tr>
<tr>
<td>7</td>
<td>Direct operational cost</td>
<td>3,163,895,605</td>
<td>3,825,708,736</td>
</tr>
<tr>
<td>8</td>
<td>Indirect operational cost</td>
<td>443,953,991</td>
<td>768,603,927</td>
</tr>
<tr>
<td></td>
<td>Total Expenses</td>
<td>19,210,983,836</td>
<td>19,215,098,175</td>
</tr>
<tr>
<td>Net Assets at End of the Year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
1. GENERAL

a. General Information

The Partnership for Governance Reform in Indonesia was established by a group of eminent Indonesians representing different walks of life, together with the United Nations Development Programme ("UNDP"), the World Bank and the Asian Development Bank, towards the end of 1999, in the aftermath of the general elections held in June of that year. Initially, the Partnership was established as a UNDP Project with the National Development Planning Agency (BAPPENAS) as the Executing Agency.

In 2001, on the basis of the "Memorandum of Understanding between the Government of the Republic of Indonesia and the UNDP on utilization of Official Development Assistance to Support Governance Reform in Indonesia", two complementary mechanisms were put into effect: (1) UNDP development project facility entitled the "Facility"; (2) Enabling The Partnership for Governance Reform in Indonesia" and a fund entitled the "Indonesia Governance fund", that is managed by the UNDP.

In 2003, the Partnership was established under a civil law as a legal entity and bearing the name of the Partnership for Governance Reform. The establishment was based on the Notarial deed of Putut Mahendra, S.H No. 5 dated 12 November 2003. The Partnership is domiciled in Jakarta. The organization’s articles of association has been amended by Notarial deed Putut Mahendra, S.H No. 22 dated 27 August 2004 of Notary in Jakarta in relation to changes to the organization’s articles of association.

In 2014, the organization’s articles of association has been amended by Notarial deed Hotman Syukur Nasution, S.H No. 1 dated 27 March 2014 of Notary in Jakarta in relation to changes to the organization’s articles of association from “Perserikatan” to “Perkumpulan”.

In accordance with the organization's articles of association by Notarial deed Putut Mahendra, S.H No. 22 dated 27 August 2004 of Notary in Jakarta, the Partnership shall be engaged in activities in support of governance reform in Indonesia by consulting and cooperating in:

a. identifying the essential element of the governance reform agenda in Indonesia;
b. providing the means for implementing such agenda;
c. providing advice in the development and direction of reform priorities; And
d. providing coordination and support for the implementation and management of specific projects financed from resources mobilized through the Partnership.

In accordance with the organization's articles of association by Notarial deed Hotman Syukur Nasution, S.H No. 1 dated 27 March 2014 of Notary in Jakarta, the Partnership shall be engaged in activities in support of governance reform in Indonesia by consulting and cooperating in:

a. determining the important elements within the governance reform agenda; and
b. determining and formulate issues and strategic programs, renewal of urban planning and public governance; and
c. providing the means for the implementation of agendas; and

d. providing advice on the development and direction of reform policies; and
e. providing coordination and support for the implementation and management of special projects funded by sources of funds raised through Perkumpulan; and
f. providing support for the implementation and management of donor funds as well as grants received so that they are efficient, transparent and accountable; and
1. GENERAL (Continued)

a. General Information (Continued)

g. providing and give special attention to institutions and civil organisations in dissemination, institutionalization and improvement of good public governance; and

h. providing and exercise other efforts aimed at improvind the quality of governance reform in Indonesia

In order to fulfill its purposes and achieve its objectives, the Partnership may engage in, take part in, and support efforts to collect and manage funds and other resources obtained from both domestic and foreign sources, as well as to arrange for the channeling of such funds and other resources to underwrite and assist programs, projects and activities.

The Member Meeting of the organization members is the highest decision making body of the Partnership. They determine the vision and mission of the organization, set up strategic goals and policies for standard governance of the Partnership, appoint and oversee the performance of the Executive Board. The Board consisting of 5-9 members selected from the organization members has the authority to execute the policies and strategy mandated by the Member Meeting. As a vehicle to administer and carry out program and funds, an administrative office known as the Executive Office led by an Executive Director was set up under the authority of the Executive Board.

Based on letter from National Project Director for the Partnership Governance Reform Indonesia (Director of State Apparatus, National Development Planning Agency - BAPPENAS) dated 7 January 2009 and letter from Country Director of United Nation Development Program dated 22 January 2009, it was approved for extension of the project document to support the PGR until the end of 2009. During the extended period, UNDP continued channeling fund from donors as a fiduciary manager, and monitor transformation process together with BAPPENAS to ensure that within 2009, PGR can fulfill the targets agreed by the Executive Board and eventually become a sustainable and effective organization. In relation with this, effective 1 January 2010, PGR was programmatically and operationally independent and expand its resources base through direct mobilization from donors and other parties.

In accordance with the organization's articles of association by Notarial deed Hotman Syukur Nasution, S.H No. 1 dated 27 March 2014 of Notary in Jakarta, the structure of organization is as follows:

THE FOUNDERS:

1. Susilo Bambang Yudhoyono  
   (President of the Republic of Indonesia, 2004 – 2014)

2. Boediono  
   (Vice President of the Republic of Indonesia, 2009 – 2014)

3. Marzuki Darusman  
   (Executive Director of the Human Rights Resource Center for ASEAN & Member of Parliament, 2004 – 2009)
1. GENERAL (Continued)
   
a. General Information (Continued)

   THE FOUNDERS (Continued)

   4. Nurcholish Madjid (Deceased)
      (Former Rector of Paramadina University)

   5. Erna Witoelar
      (Special Ambassador of the UN Millennium Development Goals, 2003 - 2007)

   6. Felia Salim
      (Former Vice President Director of Bank Nasional Indonesia / BNI)

   7. J.E. Sahetapy
      (Chairman of the National Law Commission / KHN)

   8. Benyamin Mangkoedilaga
      (Former Co-Chairperson of Commission for Truth and Friendship, Indonesia Timor Leste) – deceased

   9. Petrus Turang
      (Archbishop, Kupang Archdiocese, NTT)

   10. Shanti Poesposoetjipto
       (Commissioner of PT Samudera Indonesia Tbk)

   11. Daniel Dhakidae
       (Chief Editor, Prisma)

   12. Nursyahbani Katjasungkana
       (National Coordinator of LBH-APIK/Indonesian Legal Aid Association for Women)

   13. J.B. Kristiadi
       (Special Advisor to the Minister of Finance)

   14. Naimah Hasan
       (Head of the Indonesian Women Scholar Association of Aceh Region & Head of Division for Children Empowerment and Protection of the Indonesian Muslim Scholar Association (ICMI) of Aceh Region)

   15. Triyono Budi Sasongko
       (Former Head of Purbalingga Regent, Central Java Province)

   16. Azyumardi Azra
       (Director of the School of Graduate Studies at Syarif Hidayatullah State Islamic University)

   17. Karel Phil Erari
       (National Coordinator of the National Forum of Concern on Human Rights in Papua)
1. GENERAL (Continued)
   
a. General Information (Continued)

THE FOUNDERS (Continued)

18. Djunaedi Hadisumarto  
   (Former Chairman of the National Development Planning Agency / Bappenas)

19. Erry Riyana Hardjapamekas  
   (Former Vice Chairman of Corruption Eradication Commission / KPK)

20. Makarim Wibisono  
   (Former Director General for Asia Pacific and Africa, Ministry of Foreign Affairs)

21. Todung Mulya Lubis  
   (Founder and Senior Partner of Lubis Santosa & Maramis)

22. Heru Prasetio  
   (Former Head of the National REDD+ Agency)

THE PARTNERS:

Kemitraan is an independent legal entity established as a non-for-profit civil law association under Indonesian law. The governing body is the Partners. These are senior and respected Indonesian citizens who are active across, and representative of, various sectors and communities of Indonesia. The Partners provide long-term strategic direction and the Executive Board monitors overall implementation. The current Partners include:

Chairperson:

Azyumardi Azra  
(Director of the School of Graduate Studies at Syarif Hidayatullah State Islamic University)

Vice-Chairperson:

Noke Kiroyan  
(Founder of Kiroyan Partners)

Members:

1. Agus Widjojo  
   (Senior Fellow CSIS & Board of Advisors, Institute for Peace and Democracy)

2. Felia Salim  
   (Vice President Director of PT Bank Negara Indonesia/BNI)
1. **GENERAL** (Continued)

   **a. General Information** (Continued)

3. Eva Kusuma Sundari  
   *(Member of Parliament (2010 – 2014))*

4. Farouk Muhammad  
   *(Member of the Regional Representatives Council/DPD & Professor of Criminology and Criminal Justice System at University of Indonesia and Police Sciences College)*

5. Nurul Arifin  
   *(Member of Parliament (2010 – 2014))*

6. Kuntoro Mangkussubroto  
   *(Head of the Presidential Working Unit for Development Supervision and Control)*

7. Lukita Dinarsyah Tuwo  
   *(Vice Minister of National Development Planning Agency/BAPPENAS & Chair of the Steering Committee Aid for Development Effectiveness Secretariat (A4DES))*

8. Petrus Turang  
   *(Archbishop, Kupang Archdiocese, NTT)*

9. Sylviana Murni  
   *(Jakarta Secretary Assistant for Governance)*

10. Valina Singka Subekti  
    *(Head of Post-Graduate Program of Political Studies at University of Indonesia & Member of the General Election Organizers Ethics Council (DKPP RI))*

11. Yopie Hidayat  
    *(Former Vice Presidential Spokesperson)*

12. Agustinus Rumansara  
    *(NGO Activist)*

13. Endy Mouzaedi Bayuni  
    *(Senior Editor of the Jakarta Post)*

14. Agustin Teras Narang  
    *(Governor of Central Kalimantan Province)*

15. Hikmahanto Juwana  
    *(Professor of Law at University of Indonesia)*

16. Ida Fauziyah  
    *(Member of Parliament)*

17. Nursiti  
    *(Head of Presidium for Balai Syura Ureung Inong Aceh)*
1. **GENERAL** (Continued)

   a. **General Information** (Continued)

   **THE EXECUTIVE BOARDS:**

   **Chairperson:**
   Agus Widjojo

   **Vice-Chairperson:**
   Felia Salim

   **Members:**
   1. Nurul Qomaril Arifin
   2. MGR. Petrus Turang
   3. Eva Kusuma Sundari
   4. Farouk Muhammad
   5. Valina Singka Subekti

   b. **Vision**

   The Partnership has vision to establish fair, democratic and sustainable governance for the welfare of Indonesian citizens.

   c. **Mission**

   The Partnership has mission to disseminating, advancing and institutionalizing the principles of good and clean governance among government, civil society and business, while considering human rights, gender balance, the marginalized and environmental sustainability

   d. **Programs**

   The Partnership focuses its works on seven (7) strategic programs are as follows:

   **I. Democratic and Justice Governance**
   1. Democratic and State Governance
   2. Decentralisation, Bureaucratic Reform and Public Service Governance
   3. Human Rights, Justice and Anti Corruption
   4. Civil Society Empowerment (And Open Governance)

   **II. Sustainable Development Governance**
   1. Poverty Eradication and Economic Governance
   2. Sustainable Environmental Governance
   3. Private Sector Governance
2. PRO-POOR PLANNING, BUDGETING AND MONITORING (P3BM) PROJECT

On 12 June 2013, International Bank for Reconstruction and Development ("World Bank"), acting as administrator of grant funds provided by donors, with the Partnership enter to an agreement of Pro-Poor Planning, Budgeting And Monitoring (P3BM) Project. Based on agreement, a grant in amount not to exceed one million six hundred sixty five thousand United States Dollars (US$ 1,665,000).

Project objectives and description is to improve poverty targeting of local government expenditures and local government responsiveness to community needs through the scale-up and institutionalization of the P3BM program.

Implementation of the project will be conducted through activities such as provincial cascade training for Master Trainers, technical assistance for local governments, and institutional support and national secretariat.

Pro-Poor Planning, Budgeting And Monitoring (P3BM) Project will be ended on 30 June 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING AND FINANCIAL REPORTING 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 (SFAS), particularly SFAS No. 45 "Financial Reporting of Non Profit Organization". Such financial statements is not intended to present the statement of expenditure in accordance with accounting principles and reporting practices generally accepted in other countries and jurisdictions.

The measurement basis used is the historical cost concept.

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

b. Foreign Currency Transactions and Balances

The books of accounts of the Organization are maintained in Rupiah and USD. Transactions during the year involving foreign currencies are recorded at the average of previous month's daily middle rate of Bank Indonesia which is updated on a monthly basis rate 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 Bank Indonesia monthly average middle rate prevailing at that date. The resulting gains or losses are credited or charged to current operations as unrealized gain or losses of exchange rate.
3. SUMMARY OF SIGNIFICANT ACCOUNTING AND FINANCIAL REPORTING POLICIES
(Continued)

c. Revenues and Expenses Recognition

Revenues from donors are recorded when earned. Expenses are recognized when incurred (accrual basis).

d. Net Assets

The net balance of revenues against expenses during the year is accumulated and recorded as net assets.

Net assets are disclosed only for restricted funds, and funds are restricted to refer that funds are 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.

4. REVENUES

<table>
<thead>
<tr>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>From Inception</td>
</tr>
<tr>
<td>From Inception</td>
</tr>
<tr>
<td>up to 30 June 2015</td>
</tr>
<tr>
<td>1st installment funds</td>
</tr>
<tr>
<td>2nd installment funds</td>
</tr>
<tr>
<td>3rd installment funds</td>
</tr>
<tr>
<td>4th installment funds</td>
</tr>
<tr>
<td>5th installment funds</td>
</tr>
<tr>
<td>6th installment funds</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

The funds received by the Partnerships periodically for which the World Bank receives periodic contributions from the Donors. Until end of the program, funds had been received amounting to IDR 19,210,983,836 or equal to USD1,664,643.49 based on the installment record of the World Bank through the Client Connection.
5. GOODS, NON-CONSULTING SERVICES, AND CONSULTANTS’ SERVICES

<table>
<thead>
<tr>
<th>From Inception up to 30 June 2015</th>
<th>Budget</th>
<th>Variance</th>
<th>Increase (Decrease)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods</td>
<td>3,686,111,855</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Procurement of ArcGIS Software,</td>
<td>664,990,427</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Consultant Salaries</td>
<td>4,675,096,237</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td>9,026,198,519</td>
<td>8,499,651,535</td>
<td>526,546,984</td>
<td>6.19%</td>
</tr>
</tbody>
</table>

This account mainly consist of expenses for providing support of the project such as for buying software and consultant fees.

6. TRAINING AND WORKSHOPS

<table>
<thead>
<tr>
<th>From Inception up to 30 June 2015</th>
<th>Budget</th>
<th>Variance</th>
<th>Increase (Decrease)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOT P3BM</td>
<td>2,184,384,505</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Meeting Clinic P3BM</td>
<td>32,134,543</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Coordination in establishing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provincial Clinic,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Socisalisation,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In-depth Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coaching and training P3BM</td>
<td>1,018,441,804</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>in three provinces</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Testing Monitoring Instrument at</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>District</td>
<td>233,663,687</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Workshop and National TOT</td>
<td>132,683,419</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>P3BM Clinic Workshop</td>
<td>166,334,158</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>for 15 Provinces</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Based Monitoring P3BM</td>
<td>327,293,036</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>(Social Accountability) at 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>selected provinces</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality Assurance</td>
<td>207,988,278</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Technical Assistance,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coordination and Database</td>
<td>399,126,866</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Maintenance by National Secretariat</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brought forward</td>
<td>6,169,027,535</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
6. TRAINING AND WORKSHOPS (Continued)

<table>
<thead>
<tr>
<th>From Inception up to 30 June 2015</th>
<th>Budget</th>
<th>Variance</th>
<th>Increase (Decrease)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carried forward</td>
<td>6,169,027,535</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>News letter</td>
<td>19,858,000</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Book Revision and Printing</td>
<td>335,149,000</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Visit from Bappenas and Partnership</td>
<td>42,995,817</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Regular Field Visit of Regional M&amp;E Specialist</td>
<td>9,905,369</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,576,935,721</strong></td>
<td><strong>6,121,133,977</strong></td>
<td><strong>455,801,744</strong></td>
<td><strong>7.45%</strong></td>
</tr>
</tbody>
</table>

This account mainly consist of expenses for providing support for the production of a Project document outlining the Project’s components and implementation plan.

7. DIRECT OPERATIONAL COST

<table>
<thead>
<tr>
<th>From Inception up to 30 June 2015</th>
<th>Budget</th>
<th>Variance</th>
<th>Increase (Decrease)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office equipment</td>
<td>1,025,940,233</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Operational cost</td>
<td>361,049,555</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Audit fee</td>
<td>153,577,920</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Management fee</td>
<td>1,623,327,897</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,163,895,605</strong></td>
<td><strong>3,825,708,736</strong></td>
<td><strong>(661,813,131 )</strong></td>
<td><strong>(17.30%)</strong></td>
</tr>
</tbody>
</table>

This account mainly consist of expenses for overhead cost such as salary of the project staff, contribution of the project to managerial expenses to various parties which involved in national secretariat of the project such as National Development Planning Agency (Bappenas-Badan Perencanaan Pembangunan Nasional) and Regional Development Planning Agency (Bappeda-Badan Perencanaan Pembangunan Daerah).
# 8. INDIRECT OPERATIONAL COST

<table>
<thead>
<tr>
<th>From Inception up to 30 June 2015</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Fee</td>
<td>443,953,991</td>
<td>768,603,927</td>
</tr>
<tr>
<td>Total</td>
<td>443,953,991</td>
<td>768,603,927</td>
</tr>
</tbody>
</table>

This account consists of contribution of the project to managerial expenses of the Partnerships.

# 9. APPROVAL OF FINANCIAL STATEMENTS

The accompanying financial statements have been approved by the Board of the Partnership to be issued on 7 September 2015.