



INDEPENDENT AUDITOR'S REPORT
ON
THE FINANCIAL STATEMENTS OF
YAYASAN DOMPET DHUAFA
AS OF DECEMBER 31, 1997 AND 1996

Number : R/096/06/98

Independent Auditors' Report

The Administrators
Ikatan Silaturahmi Republika

We have audited the statements of assets, liabilities and funds balances of Yayasan Dompot Dhuafa Harian Umum Republika as of December 31, 1997 and 1996, statements of sources, uses and changes in funds and cash flows for the years then ended. These financial statements are the responsibility of the Administrators. Our responsibility is to express an opinion on these financial statements based on our audits.

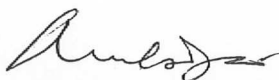
We conducted our audits in accordance with auditing standards established by the Indonesian Institute of Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes 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 statement presentation. We believe that our audits provides a reasonable basis for our opinion.

As described in Note 2.a, the financial statements prepared on modified cash basis, which represent other comprehensive basis of accounting other then generally accepted accounting principles.

As described in Note 17, the Foundation has changed its accounting policy for depreciation expense, which previously charged to the statement of tith fund balances become charge to the statement of utilized fund balances. Therefore, the financial statements for the year 1996 have been restated following the new accounting policy.

In our opinion, the financial statements referred to above present fairly, in all material respect, the assets, liabilities and funds balances of Yayasan Dompot Dhuafa Harian Umum Republika as of December 31, 1997 and 1996, changes in balances of fund and cash flows for the years then ended in conformity with basis of accounting as described in Note 2.a.

Note 18 of the financial statements includes a summary of the effect of adverse economic condition in Indonesia has had on the Foundation. Accompanying financial statements includes the effects of the economic condition to the extent they can be determined and estimated.



Amir Abadi Jusuf SE, MAcc.
License No. : 98.1.0206

Jakarta, June 26, 1998

YAYASAN DCM PET DHU AFA
HARIAN UMUM REPUBLIKA
STATEMENTS OF ASSETS, LIABILITIES, AND FUNDS BALANCES
AS OF DECEMBER 31, 1997 AND 1996

ASSETS	NOTE	1997 Rp	1996 Rp	LIABILITIES AND FUNDS BALANCES	NOTE	1997 Rp	1996 Rp
Current Assets				Current Liabilities			
Cash and Cash Equivalents	3	296.228.932	155.870.349	Bank Loans	11	10.000.000	10.000.000
Funds for:	2.b			Accrued Expenses		1.494.300	955.100
Operation	4	703.643.868	676.833.868	Accrued Taxes		1.759.291	966.327
Education	5	36.780.000	35.000.000	Deposit Receipt from Third Parties		1.911.437	5.706.790
Miscellaneous		2.647.155	10.924.550	Payables to BPRS - BAH			
Prepayments		12.392.183	2.722.253	Due in one Year	12	--	16.390.832
Total Current Assets		<u>1.051.692.138</u>	<u>881.351.020</u>	Total Current Liabilities		<u>15.165.028</u>	<u>34.019.049</u>
Advance for Investments	6	<u>503.983.600</u>	<u>309.050.000</u>	Long Term Liabilities			
Investments	7	<u>197.400.000</u>	<u>6.000.000</u>	Payables to BPRS - BAH			
Property and Equipments				Due more than One Years	12	--	--
<i>(Net of accumulated depreciation as of</i>				Total Long Term Liabilities		--	--
<i>December 31, 1997 and 1996 amounting</i>				Total Liabilities		<u>15.165.028</u>	<u>34.019.049</u>
<i>to Rp 69.355.725 and Rp 41.000.600)</i>	2.c, 8	<u>57.381.846</u>	<u>67.823.171</u>	Funds Balances			
Others Assets				Tithe Funds		183.827.121	81.979.397
Deposits in BPRS - BAH	9	3.749.057	20.139.889	Unappropriated Funds		25.783.353	23.542.499
Due from Employees	10	5.675.000	14.720.000	Special Funds	16	86.618.458	50.348.453
Total Other Assets		<u>9.424.057</u>	<u>34.859.889</u>	Utilized Funds		<u>1.508.487.681</u>	<u>1.109.194.682</u>
						<u>1.804.716.613</u>	<u>1.265.065.031</u>
TOTAL ASSETS		<u><u>1.819.881.641</u></u>	<u><u>1.299.084.080</u></u>	TOTAL LIABILITIES AND FUNDS BALANCES		<u><u>1.819.881.641</u></u>	<u><u>1.299.084.080</u></u>

The Accompanying Notes are an Integral Part of the Financial Statements

YAYASAN DOMPET DHU'AFA REPUBLIKA
STATEMENTS OF SOURCES, USES, AND CHANGES IN TITHE FUND
FOR THE YEARS ENDING
DECEMBER 31, 1997 AND 1996

	NOTE	1997 Rp	1996 Rp
SOURCES OF FUND			
a. General Tithe	13	973.538.664	777.851.134
b. Specialized Tithe	13	45.395.000	10.000.000
TOTAL SOURCES OF FUND		<u>1.018.933.664</u>	<u>787.851.134</u>
USES OF FUNDS			
a. Grants			
Living Cost Aid	14.a	35.446.000	19.187.000
Catasthrope Aid	14.a	5.000.000	21.273.750
Medical Aid	14.a	65.818.900	29.457.000
Clinic Aid	14.a	20.850.000	2.800.000
Education Aid	14.a	13.435.500	3.595.000
Scholarship Aid	14.b	107.865.000	62.746.000
b. Gharimin	14.a	--	2.400.000
c. Ibnu Sabil	14.a	4.535.950	16.910.000
d. Fi Sabilillah	14.a	143.085.000	25.513.000
f. Development and Human Resources	14.a	67.953.800	100.256.550
TOTAL USES OF FUND		<u>463.990.150</u>	<u>284.138.300</u>
EXCESS OF FUND		554.943.514	503.712.834
FUNDS TRANSFER		(453.095.790)	(495.325.854)
BEGINNING BALANCE OF TITHE FUND		81.979.397	73.592.417
ENDING BALANCE OF TITHE FUND	17	<u><u>183.827.121</u></u>	<u><u>81.979.397</u></u>

The Accompanying Notes are an Integral Part of the Financial Statements

YAYASAN DOMPET DHU'AFA REPUBLIKA
 STATEMENTS OF SOURCES, USES, AND CHANGES IN INFAQ/ALMS FUND
 FOR THE YEARS ENDING
 DECEMBER 31, 1997 AND 1996

	NOTE	1997 Rp	1996 Rp
SOURCES OF FUND			
a. General Infaq/Alms	13	411.774.650	348.279.516
b. Specialized Infaq/Alms	13	111.008.500	5.668.700
c. Miscellaneous			
Repayment of Investments		--	15.324.575
Due to BMI (Al-Qordhul Hasan)		--	10.000.000
Receipt of Funds:			
Al-Qordhul Hasan		12.790.000	89.855.750
Education		--	-
Miscellaneous		33.194.550	31.995.000
Total Sources of Fund		<u>568.767.700</u>	<u>501.123.541</u>
USES OF FUND			
a. Economic Development		128.134.500	--
b. Other Social Aid	14.c	122.216.450	67.295.143
c. Miscellaneous			
Investments		398.743.600	349.050.000
Due from:			
Al-Qordhul Hasan		39.600.000	300.774.350
Education		1.780.000	35.000.000
Miscellaneous		16.522.155	56.149.550
Total Uses of Fund		<u>706.996.705</u>	<u>808.269.043</u>
DEFICIT		(138.229.005)	(307.145.502)
FUND TRANSFER		138.229.005	307.145.502
BEGINNING BALANCE OF INFAQ/ALMS FUND		<u>--</u>	<u>--</u>
ENDING BALANCE OF INFAQ/ALMS FUND		<u><u>--</u></u>	<u><u>--</u></u>

The Accompanying Notes are an Integral Part of the Financial Statements

YAYASAN DOMPET DHU'AFA REPUBLIKA
STATEMENTS OF SOURCES, USES, AND CHANGES IN ADMINISTRATORS' FUND
FOR THE YEARS ENDING
DECEMBER 31, 1997 AND 1996

	NOTE	1997 Rp	1996 Rp
SOURCES OF FUND			
a. From Operations			
Receipt from Profit Sharing		3.403.522	12.692.239
Receipt on Royalty		1.688.650	1.615.950
Specialized Activity		25.124.751	11.621.950
Others		30.294.830	619.000
b. Miscellaneous			
Retirement Deposits in BPRS		16.390.832	19.391.767
Total Sources of Fund		<u>76.902.585</u>	<u>45.940.906</u>
USES OF FUND			
a. Routine Amil Operations	15	335.643.080	163.183.318
b. Miscellaneous			
Taxes Prepayments		7.929.475	4.115.596
Others Prepayments		12.392.183	2.722.253
Purchase of Property and Equipments		19.413.800	42.959.267
Installment of BBA's Assets		16.390.832	21.140.824
Total Uses of Fund		<u>391.769.370</u>	<u>234.121.258</u>
DEFICIT		(314.866.785)	(188.180.352)
FUND TRANSFER		314.866.785	188.180.352
BEGINNING BALANCE OF ADMINISTRATORS' FUND		--	--
ENDING BALANCE OF ADMINISTRATORS' FUND		<u> </u>	<u> </u>

The Accompanying Notes are an Integral Part of the Financial Statements

YAYASAN DOMPET DHU'AFA REPUBLIKA
 STATEMENTS OF SOURCES, USES, AND CHANGES IN
 UNAPPROPRIATED FUND
 FOR THE YEARS ENDING
 DECEMBER 31, 1997 AND 1996

	1997 Rp	1996 Rp
SOURCES OF FUND		
a. Interest on Current Account	2.240.854	12.807.389
Total Sources of Fund	2.240.854	12.807.389
USES OF FUND		
Total Uses of Fund	--	--
EXCESS	2.240.854	12.807.389
BEGINNING BALANCE	23.542.499	10.735.110
ENDING BALANCE	25.783.353	23.542.499

The Accompanying Notes are an Integral Part of the Financial Statements

YAYASAN DOMPET DHU'AFA REPUBLIKA
 STATEMENTS OF SOURCES, USES, AND CHANGES IN SPECIALIZED FUND
 FOR THE YEARS ENDING
 DECEMBER 31, 1997 AND 1996

	NOTE	1997 Rp	1996 Rp
SOURCES OF FUND			
a. Accumulated Fund		201.187.925	371.375.403
b. Painting Auction Fund		--	178.500.000
		201.187.925	549.875.403
USES OF FUND			
Catastrophe Aid		164.917.920	499.526.950
EXCESS			
BEGINNING BALANCE		36.270.005	50.348.453
		50.348.453	--
ENDING BALANCE	16	86.618.458	50.348.453

The Accompanying Notes are an Integral Part of the Financial Statements

YAYASAN DOMPET DHU'AFA REPUBLIKA
STATEMENTS OF CHANGES IN UTILIZED FUND
FOR THE YEARS ENDING
DECEMBER 31, 1997 AND 1996

	NOTE	1997 Rp	1996 Rp
BEGINNING BALANCE		1.109.194.682	650.706.296
Beginning Balance Adjustments		(8.838.539)	(28.554.937)
ADDITIONS			
Taxes Prepayments		7.929.475	4.115.596
Other Prepayments		12.392.183	2.722.253
Purchase of Property and Equipments		19.413.800	42.959.267
Installments of BBA's Assets		16.390.832	21.140.824
Investments		398.743.600	349.050.000
Due from:			
Al-Qordhul Hasan		39.600.000	300.774.350
Education		1.780.000	35.000.000
Miscellaneous		16.522.155	56.149.550
TOTAL ADDITIONS		512.772.045	811.911.840
DEDUCTIONS			
Retirement Deposits in BPRS		16.390.832	19.391.767
Depreciations		28.730.125	22.404.450
Repayment of Investments		--	15.324.575
Investments Loss		12.410.000	15.675.425
Loss on Disposal of Equipments		1.125.000	--
Receivables Written-Off		--	120.221.550
Collection of Receivables:			
Al-Qordhul Hasan		12.790.000	89.855.750
Miscellaneous		33.194.550	31.995.000
TOTAL DEDUCTIONS		104.640.507	314.868.517
		1.517.326.220	1.147.749.619
DUE TO AL-QORDHUL HASAN ARISING FROM BMI		--	(10.000.000)
ENDING BALANCE OF UTILIZED FUND	17	<u>1.508.487.681</u>	<u>1.109.194.682</u>

The Accompanying Notes are an Integral Part of the Financial Statements

YAYASAN DOMPET DHU'AFA REPUBLIKA
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDING
DECEMBER 31, 1997 AND 1996

R/096/06/97

	1997 Rp	1996 Rp
CASH FLOWS PROVIDED FROM (USED IN) OPERATING ACTIVITIES		
Receipt of Tithe	1.018.933.664 ✓	787.851.134
Receipt of Infaq/Alms	522.783.150 ✓	353.948.216
Receipt of Special Funds	201.187.925 ✓	549.875.403
Receipt of Profit Sharing	3.403.522 ✓	12.692.239
Receipt of Royalty	1.688.650 ✓	1.615.950
Receipt of Special Activity	25.124.751 ✓	11.621.950
Others Receipt	30.294.830	619.000
Settlement of Al Qordhul Hasan Receivable	12.790.000	89.855.750
Settlement of Other Receivables	33.194.550	31.995.000
Receipt of Interest on Current Account	2.240.854	12.807.389
Payment for Advance of Activity	(12.392.183)	(2.722.253)
Payment for Living Cost Aid	(35.446.000)	(19.187.000)
Payment for Catastrophe Aid	(169.917.920)	(520.800.700)
Payment for Medical Aid	(65.818.900)	(29.457.000)
Payment for Clinic Aid	(20.850.000)	(2.800.000)
Payment for Education Aid	(13.435.500)	(3.595.000)
Payment for Scholarship Aid	(107.865.000)	(62.746.000)
Payment for Other Social Aid	(122.216.450)	(67.295.143)
Payment for Gharimin	--	(2.400.000)
Payment for Ibnu Sabil	(4.535.950)	(16.910.000)
Payment for Fi Sabilillah	(143.085.000)	(25.513.000)
Payment for Muallaf	(128.134.500)	--
Payment for Development and Human Resources	(67.953.800)	(100.256.550)
Payment for Amil	(335.643.080)	(163.183.318)
Payment for Al Qordhul Hasan	(39.600.000)	(300.774.350)
Payment for Other Receivables	(16.522.155)	(56.149.550)
Payment for Education Receivable	(1.780.000)	(35.000.000)
Labor Taxes Payment	(7.929.475)	(4.115.596)
Net Cash Flows Provided from Operating Activities	<u>558.515.983</u>	<u>439.976.571</u>
CASH FLOWS PROVIDED FROM (USED IN) INVESTING ACTIVITIES		
Repayment of Investments	--	15.324.575
Purchase of Property and Equipments	(19.413.800)	(42.959.267)
Investments	(398.743.600)	(349.050.000)
Net Cash Flows Used in Investing Activities	<u>(418.157.400)</u>	<u>(376.684.692)</u>
CASH FLOWS PROVIDED FROM (USED IN) FINANCING ACTIVITIES		
Retirement Deposits in BPRS	16.390.832	19.391.767
Due to BMI (Al Qordhul Hasan)	--	10.000.000
Installment of BBA's Assets	(16.390.832)	(21.140.824)
Net Cash Flows Provided from Financing Activities	<u>--</u>	<u>8.250.943</u>
NET INCREASE CASH AND CASH EQUIVALENTS	140.358.583	71.542.822
CASH AND CASH EQUIVALENTS - BEGINNING BALANCE	<u>155.870.349</u>	<u>84.327.527</u>
CASH AND CASH EQUIVALENTS - ENDING BALANCE	<u><u>296.228.932</u></u>	<u><u>155.870.349</u></u>

The Accompanying Notes are an Integral Part of the Financial Statements