



ISRSF

Scholars • Research • Scholarship

ANNUAL
REPORT
2012

Cultivating Scholars and Scholarship for Indonesia

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Message from the Chairman of the Board of Trustees

We are delighted to report that we have achieved a very strong first year. The Indonesian Scholarship and Research Support Foundation (ISRSF) began as an initiative to contribute to academic excellence in Indonesia. For several decades the country has been producing advanced students with graduate degrees. But there has been no parallel increase in the number of first-rate scholars – by which we mean individuals who produce published research that influences their fields, and reproduce generations of new scholars to carry on the academic tradition in a way that puts Indonesia on the scholarly map globally in public policy and the social sciences.

ISRSF was created to help contribute to the worthy goal of cultivating leading scholars. Our work begins with the identification, recruitment, and training of talented young Indonesian students. The pace we set is to send four candidates per year over a five-year period. Upon their return, these twenty new and energetic scholars will have a major impact, even in a country as large as Indonesia. ISRSF is also linked to the creation of a new School of Public Policy and Social Sciences. All of the scholars we produce will find an active and productive intellectual environment at this school. Eventually ISRSF will evolve into a body that provides research funding based on peer-reviewed proposals.

Launching ISRSF in 2012 would not have been possible without many people coming together to contribute time and resources to the effort. Our donors are true visionaries. Fully aware that there will be no instant gratification, they have contributed very substantial financial resources for higher education. Educational seeds are planted, nurtured, and finally bear fruit over a period of years and decades. The members of our Boards of Trustees, Supervisors, and Directors have volunteered tirelessly because they believe in education and teaching for a better Indonesia. Our Executive Director and Administrative Assistant have been endlessly creative and dedicated.



This first year saw our successful launch of the Arryman Fellows program, which sent three very talented Indonesians to the United States for intensive research and studies. This group will be followed by a new class of four Fellows in 2013.

It has been a very promising start for a pioneering new Foundation in Indonesia. We are confident that these efforts will pay off in the years and decades ahead. Personally, I am grateful for all the work and cooperation undertaken by my Indonesian and foreign colleagues. I am also thankful for the financial and other professional support that has advanced the Foundation's work.

Although we are proud of our achievements thus far, we know our most important work still lies ahead. We look forward to continuing to make new strides with the help of our partners, supporters, and friends!

Sincerely,

Jeffrey A. Winters, Ph.D.
Chairman of Trustees

Executive Director's Statement

The year 2012 marked the commencement of ISRSF's long-term endeavor to cultivate scholars and scholarship in Indonesia. It has been my pleasure and honor to serve as Executive Director since the Foundation was established early in the second quarter of 2012. Although we were very active and completed a full agenda, this first Annual Report covers only a six-and-half-month period since we became fully operational in mid-May. Our first priorities were to build the Foundation's institutional capacity and launch our first Arryman Fellows.

There were many stages in building our institution – our Boards had to become fully operational, we had to hire staff (in particular, our excellent administrative assistant Ibu Dewi Puspasari) and complete all of our legal work with the superb pro-bono assistance of Mr. Gregory Churchill and the law offices of Mr. Arief T. Surowidjojo of Lubis Ganie Surowidjojo. The Foundation also focused on building our website presence and our capacity to manage a 100 percent online application process for the Arryman Fellows program. This important work was done by the brilliant Mr. Rudy Cahyadi. And finally, we had to interview and select our first class of three Arryman Fellows and launch them in their studies and research at Northwestern University.

By the early fall, the Fellows arrived in Chicago and took up residence as researchers and non-degree graduate students at NU. The educational opportunities these Fellows have at NU represent a dramatic change in their lives. As a newly established Foundation, ISRSF is a pioneer in recruiting and grooming Indonesia's promising young scholars. The Foundation provides them a full fellowship spanning up to seven years to pursue their graduate studies at a leading American university. This is only possible due to generous donations from our benefactors, who share ISRSF's deep commitment to education and change for Indonesia's future.



This Annual Report provides a record of the activities carried out by ISRSF in 2012 and highlights the most important institutional developments that took place throughout the year. It also contains a short overview of our activities and progress achieved, as well as a financial statement.

At the end of this report we mention the Indonesia-based foundations and corporations that have supported ISRSF's work to bring transformative change to Indonesia and elevate its academic profile globally.

Sincerely,

Benny Subianto
Executive Director

Introducing ISRSF

The Indonesian Scholarship and Research Support Foundation (ISRSF) or *Yayasan Beasiswa dan Dukungan Penelitian Indonesia* is an Indonesian philanthropic, non-profit, and non-partisan organization established in 2012 by Indonesian and American scholars. ISRSF is an Indonesian legal entity officially founded in Jakarta on March 30, 2012. The first Board Meeting was held soon thereafter, attended by the Board of Trustees, Board of Supervisors, Board of Directors, and the Executive Officers. The Ministry of Law and Human Rights ratified ISRSF as a legal entity on June 13, 2012.

The Foundation was then formally launched at a gala event at the Four Seasons Hotel in Jakarta on July 16, 2012. The launch was attended by over 120 invitees consisting of ISRSF board members, donors, NU alumni, prominent scholars, academics, and intellectuals, government officials, media, foreign diplomats, and members of the expatriate community. Among the distinguished guest were Prof. Jay Walsh, the Vice-President for Research of Northwestern University, Dr. Armida Alisjahbana, the State Minister for National Development Planning/Head of Bappenas, and Ms. Atitje Arryman, wife of the late Dr. Arif Arryman. Prof. Vedi R. Hadiz of Murdoch University delivered the keynote address entitled "Bringing Indonesian Social Sciences to the Global Academic Community." The launch was also marked by the awarding ceremony for the first Arryman Fellows.

ISRSF signed an agreement with Northwestern in August 2012 as the Foundation's partner for the administration of the Arryman Fellows and Scholars program. The Arryman Fellows arrived in Chicago on August 24, 2012. They were appointed as Visiting Pre-Doctoral Fellows and became affiliated with the Buffett Center for International and Comparative Studies and the Equality Development and Globalization Studies program (EDGS).

ISRSF's Mission

The founders and Board members of ISRSF are determined to cultivate scholars and scholarship for Indonesia. Our first major program is to enable committed and talented young Indonesians to pursue their graduate studies at Northwestern University, a leading American university. We intend to create a core network of transformative scholars whose teaching and academic productivity will shape ideas and concepts in Indonesia for decades to come.

ISRSF has several important goals. First, we are helping address a need for coherent, consistent, and predictable public policy. This is vital for the country's economic and social welfare. A second challenge is the need for more world-class scholars in public policy and the social sciences. Many Indonesians have earned doctoral degrees at home and overseas, but very few have emerged as major voices in their fields. There are many reasons for this, but lack of talent is not the cause. ISRSF has identified the core obstacles and has designed a program that will increase the output of first-rate scholars. The Arryman program promises to produce innovative research and knowledge on important societal issues, and those who go through the rigorous training we will provide will be well-positioned to become critical scholars and leading thinkers.

ISRSF has designed a plan to produce twenty scholars who will serve as core faculty members and researchers at the School of Public Policy and Social Sciences, which is being developed by the Rajawali Foundation in consultation with the Harvard Kennedy School, Northwestern University, Cambridge University, and the Australian National University.

Arryman Fellows and Scholars

The Arryman Fellows and Scholars program was designed by ISRSF in cooperation with several domestic and international partners. The Foundation's approach is to identify, recruit, train, and graduate a core group of twenty pioneering scholars focused in public policy, the social sciences, law, business, journalism, communications, and development studies. Each year for five years we will select four Indonesians who show exceptional potential to become recognized scholars. The first recipients of Arryman Fellow awards for 2012 have already arrived in the USA.

We have designed an innovative "1+6" approach for achieving maximum educational success. Each entering class spends one year as an Arryman Fellow. This year of pre-doctoral preparation is both a transition period and an investment in the skills needed to perform with excellence in a top American doctoral program. The Arryman Fellows take graduate courses for credit, enroll in graduate-level English language training, and conduct a year-long research project. This is followed by a second phase as an Arryman Scholar, which lasts up to six years and is fully devoted to the candidate's doctoral studies and thesis.

ISRSF will select five cohorts of Arryman Fellows from 2012 to 2016. We envisage that the first Ph.D. graduates will be in 2019 and the last in 2023. We are confident that the academics returning to Indonesia beginning in 2019 will create a critical mass of dedicated scholars. Their immense contribution to Indonesian society, politics, and economics will be felt for decades to come as these scholars produce subsequent generations of scholars trained in the same tradition of excellence.

Dr. Arif Arryman

The Fellows and Scholars are named in honor of the late Dr. Arif Arryman (1956 – 2010). Arryman was a cosmopolitan Indonesian whose exemplary life and career spanned academia, business, government, and civil society. A consummate intellectual, Arryman was inspirational and incorruptible (he handled Sarbanes-Oxley compliance for Telkom). In a manner that was always constructive and diplomatic,



he was critical of status quo Indonesia and a determined advocate for transformative change. He was known for his vision, insights, and global perspective. Arryman was devoted to education and served as one of the inspirations and architects of Indonesia's relationships with the Harvard Kennedy School and Northwestern University. He was also a man of good cheer and humor. This educational initiative named in his memory continues Arryman's commitment to cultivating and supporting world-class Indonesian scholars.



From left to right: Danang Kurniadi, Hipo Ringgi, and Gde Metera.

2012 Arryman Fellows

The recruitment process for the 2012 class of Arryman Fellows was conducted in April 2012, only a month after ISRSF was officially established. The Selection Committee was comprised of Prof. Jeffrey Winters, Dr. Todung Mulya Lubis, Prof. Teri Caraway, and Benny Subianto. The Foundation awarded Arryman Fellow status to Gde Dwitya Arief Metera, Hipolitus Yolisandry Ringgi, and Danang Kurniadi.

The Fellows arrived in Chicago in August 2012 and were assisted by Ms. Beth Morrissey, the program manager at NU's Equality Development and Globalization Studies (EDGS) program.

The Fellows took a range of courses in the political science department and attended specially tailored seminars related to their areas of interest. They also conducted a full year of work on a research project that will develop their research skills prior to applying to the graduate school at Northwestern for the Ph.D. degree.

Danang Kurniadi

Danang Kurniadi graduated with distinction in 2009 from Gadjah Mada University's Law School. As an undergraduate, Danang was showered with awards for scholarship from the Ministry of Education, Republic of Indonesia. His strong intellectual capacity enabled him to win the National Debate Competition conducted by the Indonesian Constitutional Court in 2008 and 2009. His inclination toward research was shown by his numerous activities in research projects, particularly on corruption-related issues.

In the fall quarter Danang enrolled in an independent study with Prof. Edward Gibson on "Problems of Democracy and Democratization." In the winter quarter he enrolled in a graduate seminar on Comparative Political Economy of Developing Countries offered by Prof. Jordan Gans-Morse. This course explored sources of economic growth, inequality, poverty, and other aspects of development, with a particular focus on political institutions. Danang expressed the challenging academic work and joyful social life as follows:

Northwestern's academic life is very organized, challenging, and enjoyable. For graduate seminars, students are required to do weekly reading assignments, to attend and actively participate in class discussions, and to write a final paper. For reading assignments, students are expected to have completed all the materials before the class. In terms of discussion, particularly in the graduate seminars, students are required to do reading and to present their views to the class. Although these academic requirements often make me stressed, I would say that all my classes are enjoyable.



As for my Arryman research paper, I am working on comparing the different paths of Indonesia, Brazil, and South Korea in democratization and political corruption. In the paper, I attempt to explore how democracy has increased political corruption in these three countries. Of course, the general expectation is that democracy should decrease corruption. The specific research question I explore is why democracy in Indonesia and Brazil actually fail to curb the level of political corruption, while South Korea has been more successful in curbing it. In this project, I focus on exploring the link between two significant issues: the changes in political context and corruption.

Gde Dwitya Arief Metera

Gde Dwitya Arief Metera graduated from the English Department at Gadjah Mada University with strong academic interests in cultural studies, particularly in religion and social change. He finished his master's degree in religious studies at Gadjah Mada in May 2012. He was awarded a Graduate Student Fellowship by the Asian Research Institute at National University of Singapore in 2011. He intends to pursue his Ph.D. in political science exploring the intersection of religion, society, and politics. Gde describes his experience at NU as follows:

Besides my Democratic Transitions course with Prof. Edward Gibson, I also attended an advanced English language preparation and tutorial at Loyola University Chicago. Prof. Winters also invited me to take his Politics in Southeast Asia class. Despite only auditing the class, I had to participate fully in the classroom interaction including taking tests and being graded.

In between attending seminars, lectures, and English preparation, I also met regularly with my Arryman mentor, Prof. Gibson. I came to his office and discussed my research project with him. Prof. Gibson has been guiding me through the research and writing process and also helping me with my application to the Political Science Department. I found him extremely helpful and resourceful. I am sincerely grateful to this supportive environment that enabled me to pass the fall quarter relatively well.

In the winter quarter I took a seminar on Political Economy of Developing Countries with Prof. Jordan Gans-Morse. This seminar is challenging and very intense. The reading materials involve a great deal of econometrics and other technical economics concepts. Given my previous background in the humanities, I need to catch up a lot in



order to be able to actively participate in the discussion and weekly presentations. My initial impression is that the academic life at Northwestern is exceptionally demanding and intense. I had never encountered such a set of scheduled reading materials which are so thorough, exhaustive, and very purposive.

I begin to acknowledge that this is a typical seminar and graduate students are expected to endure the rigorous training. As a consequence, burning the midnight oil to digest reading materials and writing final papers is now the norm and not the exception. When the final week is getting close, I become habituated to stay at the library until well past midnight and sometimes until it almost closes at 3 am. My research project examines the institution of state-religion relations in Indonesia, specifically the role of Pancasila as an institution, and how it transforms over time, particularly after the democratic transition in 1998. This Pancasila institution rules Indonesia as



From left to right: Gde Metera, Beth Morrissey (EDGS program manager), and Hipo Ringgi.

a deconfessionalized state, meaning that Indonesia is neither secular, nor a state based on a specific religion. Therefore it effectively constrains any religion from mandating interests in policymaking. In the Indonesian case, the main objective was to prevent the majority from imposing Sharia or transforming Indonesia into an Islamic state. While this Pancasila model was effectively enforced during the New Order, post New Order Indonesia has seen an interesting phenomenon where this model is stable at the national level but seriously challenged and violated at the sub-national level, as seen from the proliferation of Sharia-based bylaws. The puzzle that I am addressing is to explain this transformation and explain the variations found at the national and subnational level.

In the spring quarter I am taking a seminar with Prof. James Mahoney on Historical Institutionalism, which will integrate well with my research project.

Hipolitus Yolisandry Ringgi

Hipolitus Yolisandry Ringgi is a political scientist who graduated in 2006 from Pembangunan Nasional Veteran University, Yogyakarta. He completed his master's degree in political science at the University of Indonesia in 2012, where he was also a research fellow at Pacivis, a center conducting research on civil society. He has published several academic and popular articles. He intends to pursue a comparative study of the Indonesian, South Korean, Brazilian, and Filipino militaries in the context of democratic consolidation.

Having lived in Chicago for more than six months, Hipo notes that it has thoroughly changed his life. The fall quarter was really a challenge for him as an international student who just arrived in the United States. He took a class on Democratic Transitions with one of the leading scholars in that field, Prof. Gibson. He was immensely interested in how Prof. Gibson conducted this class. The class discussed many aspects that the democratic transition process takes in various countries. This class helped him greatly in comparing Indonesia with other countries in terms of democratic processes. Hipo writes:

In the winter quarter I am taking Modern African Politics, which is a highly demanding graduate seminar. It provides me a new perspective on relationships among economy, politics, security, and cultures within countries in Africa. In terms of political comparison for Southeast Asia, this seminar helps us to understand how the civil-military relationship functions in African countries. Prof. William Reno is one of the most prominent experts in this field. He always brings new and insightful perspectives to the discussion. Accordingly, we use these perspectives to explain many diverse issues across Africa. I work hard to understand the materials of this



class. I was really glad when Prof. Reno informed me that my articles and comments were very good.

By taking these classes, I am now engaged in training to become a scholar with a range of different perspectives to look at my own country, Indonesia. Theories we discuss in the seminar help me to build my own theoretical framework for my research. As for my research paper, I decided to work on civil-military relations in four countries: South Korea, Brazil, the Philippines, and Indonesia. I want to understand why there have been various outcomes after each of these countries entered its democratic period. Prof. Reno, who serves as my Arryman Mentor, always emphasizes why scholars have to understand a comparative perspective on a specific issues across many countries in the world.



From left to right: Gde Metera, Prof. Hendrik Spruyt (BCICS director), and Hipo Ringgi.

Honestly, this kind of research is really hard to do in terms of building the theoretical framework. This research has to come at the expense my time for reading popular books. Despite working on research harder than before, I never despaired. Prof. Reno always encourages me to continue what I have done.

Promotion & Recruitment of 2013 Arryman Fellows

ISRSF is committed to search for talented Indonesians from all parts of Indonesia to apply for the Arryman program. We are making every effort to ensure that information about these awards is accessible to prospective applicants, especially women. ISRSF conducted a series of road shows to universities and scholar/intellectual communities in various cities such as Medan, Padang, Jakarta, Bandung, Semarang, Yogyakarta, Solo, Surabaya, Malang, and Makassar in November and December to promote the Arryman Fellows program to students, fresh college graduates, researchers, and junior faculty members. The promotion was enthusiastically received. For locations the Foundation was not able to visit personally, ISRSF sent promotional posters and brochures to universities in Papua, Kalimantan, and Lombok.

ISRSF arranged for a new Selection Committee for the 2013 Fellows consisting of Prof. Melani Budianta of the University of Indonesia, Prof. Mohtar Mas'ood of Gadjah Mada University, Prof. Jeffrey Winters of Northwestern, Benny Subianto of ISRSF and Harvard, and Prof. Edward Aspinall of the Australian National University.



From left to right: 2013 Selection Committee members Prof. Melani Budianta, Prof. Jeffrey A. Winters, Prof. Mohtar Mas'ood, Prof. Edward Aspinall, and Benny Subianto.

ISRSF and the School of Public Policy and Social Sciences

ISRSF and its Arryman Fellows and Scholars program are designed as part of a much larger vision and endeavor. One of ISRSF's missions is to create a critical mass of scholars who will serve as core faculty members and researchers at a new School of Public Policy and Social Sciences that is being established concurrently in Jakarta. As mentioned previously, the school is being designed and built by the Rajawali Foundation in consultation with the Harvard Kennedy School, Northwestern University, Cambridge University, and the Australian National University.

Association with Northwestern University



ISRSF's Arryman Fellows and Scholars program is made possible through a partnership with NU in Chicago. The foundation's relationship with NU is at the highest level via the university's office of the Vice-President for Research. ISRSF works directly with NU's Buffett Center for International and Comparative Studies (BCICS) and the Equality Development and Globalization Studies (EDGS) program. The directors of these two units ensure the Arryman Fellows are mentored during their studies at NU. A special Arryman Graduate Committee composed of NU professors guides the placement Arryman Scholars into doctoral programs of their choice.

Institutional Development

During our first year, we were able to expand ISRSF's Board of Trustees. At the Board's meeting on July 15, 2012, it was agreed by unanimous vote to appoint Mr. John Kurtz, the Head of Asia Pacific at A.T. Kearney, as a Trustee. The initial composition of the Board of Directors included Mr. Mustafa Fakhri as Chairman, Ms. Sondang Simandjantuk as Secretary, and Mr. Abdul Haris Semendawai as Treasurer. At the Board of Trustees meeting of October 5, 2012, the Trustees voted to accept the request of Mustafa Fakhri to resign from his position as the Chairman because he was commencing his doctoral studies at the University of Indonesia. The Trustees also voted to accept the resignation of Mr. Semendawai from his position as Treasurer due to his heavy workload as the head of Indonesia's Witness Protection Agency.

The Trustees resolved to appoint Ms. Poengky Indarti as Chairwoman and Mr. Ridarson Galingging as Treasurer of the Board of Directors. Additionally, the Trustees voted to appoint Mr. Fakhri and Mr. Semendawai as members of the Board of Supervisors so that they could continue contributing to the Foundation in less demanding positions.



From left to right: Carla Natan (Chairwoman of the Board of Supervisors), Poengky Indarti (chairwoman of the Board of Directors), and Mustafa Fakhri (member of the Board of Supervisors).

As a result of these changes, the current organizational leadership personnel of ISRSF is as follows:

Board of Trustees

- Prof. Jeffrey A. Winters
(Chairman)
- Ms. Antarini Pratiwi
- Mr. Irfan R. Hutagalung
- Prof. Jonathan R. Pincus
- Mr. John Kurtz

Board of Supervisors

- Ms. Carla June Natan
(Chairwoman)
- Ms. Asmin Fransiska
- Mr. Taufik Basari
- Mr. Mustafa Fakhri
- Mr. Abdul Haris Semendawai

Board of Directors

- Ms. Poengky Indarti (Chairman)
- Ms. Sondang Frishka
Simanjuntak (Secretary)
- Mr. Ridarson Galingging
(Treasurer)

Executive Officers

- Mr. Benny Subianto (Executive
Director)
- Ms. Dewi Puspasari
(Administrative Assistant)

The changes in ISRSF's leadership were officially ratified by amending the Foundation's legal document (Akta Notaris) before the public notary on October 23, 2012. Accordingly, ISRSF changed the persons who are entitled to sign all official papers, including bank documents.

At the Board of Directors meeting of October 19, 2012, the Board approved ISRSF's Rules of Association (Anggaran Rumah Tangga), which complies with the Indonesian Law on Foundations. These rules regulate the routine activities of the Executive Officers.

The Executive Officers prepared a draft of Financial Standard Operating Procedures (SOP) that will regulate all aspects of the Foundation's financial management. The draft of Financial SOP will be approved or amended by the Board at its next meeting.

Agreements with Donors

ISRSF's activities and the Arryman Fellows program are made possible by the generous support from a set of donors who share the vision of cultivating scholars and scholarship in Indonesia. The cost of the combined Arryman Fellows and Scholars program is substantial because it spans up to seven years of international education at a top-tier American university. The Foundation is profoundly grateful to PT. Adaro, PT. Bank Central Asia, PT Djarum, the Ford Foundation, Rajawali Foundation, and William Soeryadjaya Foundation for their important donations to ISRSF. Without the commitment of these Indonesian entities, the educational work of this Foundation could not be undertaken. We sincerely thank our donors for their contributions to Indonesia's future.

Cash support and donations in kind from these benefactors also support the routine activities of the Foundation. ISRSF is especially proud of the fact that we run a very lean operation so that between 90-95% of all support we receive goes to the costs of supporting our Fellows and Scholars.



Audited Financial Statement



Hadori Sugiarto Adi & Rekan
Certified Public Accountants

LAPORAN AUDITOR INDEPENDEN

No.: 012/LA - ISRSF/JKT2/II/13

INDEPENDENT AUDITOR'S REPORT

No.: 012/LA - ISRSF/JKT2/II/13

Pembiaya, Pengawas dan Pengurus

YAYASAN BEASISWA DAN DUKUNGAN PENELITIAN INDONESIA
(INDONESIA SCHOLARSHIP AND RESEARCH SUPPORT
FOUNDATION - ISRSF)

Trustees, Supervisors and Managements

YAYASAN BEASISWA DAN DUKUNGAN PENELITIAN INDONESIA
(INDONESIA SCHOLARSHIP AND RESEARCH SUPPORT
FOUNDATION - ISRSF)

Kami telah mengaudit laporan posisi keuangan YAYASAN BEASISWA DAN DUKUNGAN PENELITIAN INDONESIA (INDONESIA SCHOLARSHIP AND RESEARCH SUPPORT FOUNDATION - ISRSF) periode 7 Mei sampai dengan 31 Desember 2012, laporan aktivitas dan laporan arus kas untuk periode yang berakhir pada tanggal tersebut. Laporan keuangan adalah tanggung jawab pengurus Yayasan. Tanggung jawab kami terletak pada pernyataan pendapat atas laporan keuangan berdasarkan audit kami.

We have audited the accompanying statements of financial position of YAYASAN BEASISWA DAN DUKUNGAN PENELITIAN INDONESIA (INDONESIA SCHOLARSHIP AND RESEARCH SUPPORT FOUNDATION - ISRSF) period May 7 to December 31, 2012, and the related statements of activities and statements of cash flows for the period ended on that date. The financial statements are the responsibility of the Foundation board. Our responsibility is to express an opinion on these financial statements based on our audit.

Kami melaksanakan audit berdasarkan standar auditing yang ditetapkan Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami merencanakan dan melaksanakan audit agar kami memperoleh keyakinan yang memadai bahwa laporan keuangan bebas dari salah saji material. Suatu audit meliputi pemeriksaan, atas dasar pengujian, bukti-bukti yang mendukung jumlah-jumlah dan pengungkapan dalam laporan keuangan. Audit juga meliputi penilaian atas prinsip akuntansi yang digunakan dan estimasi signifikan yang dibuat oleh manajemen, serta penilaian terhadap penyajian laporan keuangan secara keseluruhan. Kami yakin bahwa audit kami memberikan dasar memadai untuk menyatakan pendapat.

We conducted our audit in accordance with auditing standards established by the Indonesian Institute of Certified Public 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 audit provide a reasonable basis for our opinion.

Menurut pendapat kami, laporan keuangan yang kami sebut di atas menyajikan secara wajar, dalam semua hal yang material, posisi keuangan Yayasan periode 7 Mei sampai dengan 31 Desember 2012, laporan aktivitas dan arus kas untuk periode yang berakhir pada tanggal tersebut, sesuai dengan Standar Akuntansi Keuangan di Indonesia.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Foundation period May 7 to December 31, 2012, statements of activities and cash flows for the period then ended in conformity with Financial Accounting Standards in Indonesia.

KANTOR AKUNTAN PUBLIK/CERTIFIED PUBLIC ACCOUNTANTS
HLB HADORI SUGIARTO ADI & REKAN

Drs. Jimmy Jansen, Ak. CPA

Nomor Registrasi Akuntan Publik AP. 02011/Public Accountant Registered Number AP. 0201
Jakarta, 26 Februari 2013 / February 26, 2013

The accompanying financial statements are not intended to present the financial position, result of activities and cash flows in accordance with financial accounting standards in countries and jurisdictions other than Indonesia. The standards, procedures and practices to audit such financial statements are those accounting standards in Indonesia.

Kantor Cabang Jakarta Dua Nomor Ijin Usaha KAP: KEP-443/KM.1/2009
Jl. Ciledug Raya 36A, Kebayoran Lama, Jakarta Selatan 12230, Indonesia
Tel: +62 21 7261212, Fax: +62 21 7261313 email: hlb_jkt2@yahoo.com
HLB Hadori Sugiarto Adi & Rekan is a member of International. A world-wide organization of accounting firms and business advisers

Financial Report



Scholars • Research • Scholarship

**YAYASAN BEASISWA DAN DUKUNGAN PENELITIAN INDONESIA
(INDONESIA SCHOLARSHIP AND RESEARCH SUPPORT FOUNDATION - ISRSF)**

Head Office Website
: Menara Rajawali Lt. 6, Jl. Mega Kuningan Lot 5.1, Jakarta Selatan, Jakarta 12950
: www.isrfsf.org

| STATEMENTS OF FINANCIAL POSITION | | | |
|--|----------------|----------------------------------|----------------|
| PERIOD 7 MEI - 31 DESEMBER 2012 | | | |
| (Expressed in Rupiah, unless otherwise stated) | | | |
| ASET | 2012 | LIABILITY AND EQUITY | 2012 |
| CURRENT ASSETS | | CURRENT LIABILITIES | |
| Cash and cash equivalents | 12,734,561,029 | Tax payable | 16,098,779 |
| | | Other payable | 139,775,600 |
| Total Current Assets | 12,734,561,029 | Total Liabilities | 155,874,379 |
| NON-CURRENT ASSETS | | NET ASSETS | |
| Total Non-Current Assets | - | Not bound | 100,000,000 |
| | | Temporary bound | 12,478,686,650 |
| | | Total Unrestricted Net Assets | 12,578,686,650 |
| TOTAL ASSETS | 12,734,561,029 | TOTAL LIABILITIES AND NET ASSETS | 12,734,561,029 |

| STATEMENTS OF ACTIVITIES | |
|--|----------------|
| FOR PERIOD 7 MEI - 31 DESEMBER 2012 | |
| (Expressed in Rupiah, unless otherwise stated) | |
| DESCRIPTION | 2012 |
| CHANGES IN TEMPORARY RESTRICTED NET ASSETS : | |
| REVENUES | 14,210,500,000 |
| OPERATING EXPENSES | |
| Direct cost | 1,594,781,875 |
| Direct cost - others | 118,833,285 |
| Indirect cost | 287,327,736 |
| Total Operating Expenses | 2,000,942,896 |
| Total Net Assets | 12,209,557,104 |
| Others Revenue (Expenses) | |
| Interest | 10,555,516 |
| Administration | (2,940,000) |
| Gain (Loss) foreign exchange | 261,514,029 |
| Total Other Revenues | 269,129,546 |
| INCREASE IN NET ASSETS CURRENT YEAR TEMPORARY RESTRICTED | 12,478,686,650 |

| STATEMENTS OF CASH FLOW | |
|--|----------------|
| FOR PERIOD 7 MEI - 31 DESEMBER 2012 | |
| (Expressed in Rupiah, unless otherwise stated) | |
| DESCRIPTION | 2012 |
| CASH FLOW FROM OPERATING ACTIVITIES | |
| Cash Flow Before Changes in Working Capital | 12,478,686,650 |
| Temporary Increase in net assets bound | |
| Increase (decrease) in liabilities: | |
| Cash Flow Before Changes in Working Capital | |
| Tax payable | 16,098,779 |
| Other payable | 139,775,600 |
| Net Cash Provided by Operating Activities | 12,634,561,029 |
| CASH FLOW FROM INVESTING ACTIVITIES | |
| (Increase) decrease in fixed assets | - |
| Net Cash Used in Investing Activities | - |
| CASH FLOW FROM FINANCING ACTIVITIES | |
| The increase in assets is not bound | 100,000,000 |
| Net Cash Provided by Financing Activities | 100,000,000 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 12,734,561,029 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | - |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 12,734,561,029 |

Notes :

* The above financial information for the period 7 May to 31 December 2012 extracted from the audited financial statements by Public Accountant Hador Sugianto Adi & Associates, which has provided an unqualified opinion in their report No. 012/LA-(ISRSF)/JK12/11/13. Date February 26, 2013.

Jakarta, March 1, 2013

YAYASAN BEASISWA DAN DUKUNGAN PENELITIAN INDONESIA

MANAGEMENT

Non-Discrimination Policy

ISRSF does not discriminate on the basis of ethnicity, national origin, gender, religion, political affiliation, personal differences, or minority status of any kind. The Foundation seeks talented Indonesians from all parts of the country, and we especially encourage women to apply for the Arryman program.



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