



Annual Report 2008





Foreword: the Business & Charity Concept in 2008

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Foreword

Enrichment programs and managerial improvement took center stage in 2008. The rapid physical development of Peduli Anak Foundation (PAF) in the previous year inevitably encouraged us to increase the quality of our human resources and to produce better policies, procedures, and management systems, all directed to the betterment of PAF children and the organization as a whole.

In the current environment of upheaval and uncertainty, Peduli Anak Foundation has much to contribute. Through education, we are determined to graduate our children once they are ready to stand on their own and have enough education and skills to contribute to society. This year also marks the rise of our education project. From the establishment of a Vocational School to a specialized education program for highly intelligent children, we aim to provide the best education for PAF children and to support the government's nine-year compulsory education scheme.

Work in recent years by a committed team of staff, donors, and colleagues, has played a critical role in strengthening the existence of PAF. In 2008, 44 local employees were hired to run the foundation and take care of 47 children. With the help from our generous sponsors we were able to build and furnish a vocational school which will provide life skill training for the teenagers at Peduli Anak. The school is also open for teenagers from the surrounding villages free of charge. Fundraising events have successfully raised € 141.369.



Foreword

Signs of progress are abundant throughout this Annual Review. A range of events and activities are being taken by PAF and our loyal fundraisers worldwide; implementation of Child Protection Policy and PAF Protocols are on the rise; concrete actions to help street children and waifs are improving; and real efforts made to contribute to the Millennium Development Goals and to realize the UN Convention of Child's Rights (1989).

PAF is working hard to ensure that the good progress achieved in recent years is advanced – not reversed – in the current turbulent economic environment. It is our sincere hope that our foundation will mentally and physically grow in order to help more unfortunate children in this country and to actively contribute towards local communities welfare.

Chaim Fetter

Founder Peduli Anak Foundation





Foreword II : the Business & Charity Concept in 2008

2008 was a year of growth, success and finally (in the end days) a tough fight against the economic downturn which will last deep into 2009 as well.

Based upon core business principals (the Business & Charity Concept), the Peduli Anak Foundation tries to make the difference within the NGO industry by means of a pro active business approach to social problems. In this way, we are able, in the long term, to break the vicious circle of poverty and unemployment structurally instead of only delivering a contribution to the existing problems instead of a real solution.

Part of our concept of Business & Charity are the equity stakes which Peduli Anak tries to acquire (always for a symbolic amount) in small and medium size enterprises. In this way, the sustainability of Peduli Anak is linked directly to business performance, which in turn is less risky if a diverse group of portfolio companies is willing to donate a tiny part of their shares to the foundation. A better CSR initiative for partner companies cannot be named since the ultimate goal of most business is to maximize shareholder value



Foreword II : the Business & Charity Concept in 2008

Veneti Capital, the investment vehicle which we (the founding team of Peduli Anak) established in Singapore, is creating a benchmark by donating 5% of the shares in her main start up portfolio companies to the foundation. In 2008, Veneti Capital provided Peduli Anak with 5% of the shares in the Singapore-Chinese IT start up company Pix2Paint (www.pix2paint.com), which makes hand made oil paintings from digital images. Within the next years, we have the intention to attract new partners so we can enrol this approach on a larger scale.

Our wish is to get more structural (business and individual) sponsors on board during 2008-2012. Together with them we can deliver long lasting value (for example: duplication of Project Lombok) in order to fight against the social problems in Indonesia and other developing countries

Bjørn Dudok van Heel

Co Founder and Commissioner of the Peduli Anak Foundation





About the Peduli Anak Foundation

The foundation

Peduli Anak Foundation is an international NGO that fights for the rights of (street) children who suffer from lack of upbringing, education and medical support.

Peduli Anak is the first non-profit organization to implement the self developed concept called Business & Charity – a unique approach towards social development work that aims to break the cycle of poverty structurally, while adopting business principles of efficiency, uniformity, and effectiveness. By the end of 2008, Peduli Anak had existed for almost three years. Within this first period of the NGO lifecycle, we had undertaken many social initiatives, fought bravely against poverty and unemployment and developed and implemented many new initiatives. However, there is a long way ahead of us before we can speak in terms of success and final accomplishments.

The Peduli Anak Foundation had established its position among large pool of development organizations. With its growing projects in Indonesia and expansion plans on the field of operations and corporate initiatives, Peduli Anak cannot be overlooked anymore. Furthermore, Peduli Anak fundament, which is based upon business principles, proved effective since the steep growth curve kept on climbing during 2008.



About the Peduli Anak Foundation

Our sister foundation, which we established in 2006 in Indonesia, Yayasan Peduli Anak, has supported us day-in-day-out throughout 2008 with their operational expertise, strong dedication, and willpower. Forty-four local employees found a decent job on Project Lombok. They are part of an organization and a team that have overcome the many bottlenecks and came out as dedicated experts on the field development work.

Mission and vision

The mission of Peduli Anak Foundation is to defend the rights of (street) children who suffer from lack of upbringing, education and medical support. Besides focusing on this target group, Peduli Anak takes its human and natural resources into account. The main goals of Peduli Anak are reducing poverty, child abuse/mortality, exploitation and the spread of infectious diseases in combination with boosting local prosperity and access to decent medical facilities.

Organizational Structure

Peduli Anak Foundation consists of a Dutch legal entity, the Peduli Anak Foundation, and an Indonesian sister foundation namely Yayasan Peduli Anak. Yayasan Peduli Anak was established by the Peduli Anak Foundation to execute and coordinate local activities in Indonesia. The foundation itself takes care of strategic issues, policies, fundraising and marketing.





Board Report

Introduction to Board Report

The year 2008 was filled with programs development and enrichment activities. After rapid physical stages and series of projects launchings, the foundation realized that it is also important to allow our organization and staff to learn from our experience in the first two years and prepare us for great challenges ahead.

Besides the organizational part, Peduli Anak worked hard in order to achieve its main goals and battle social problems. By the end of 2008, 47 former street children found a safe and happy place to live in Project Lombok. We believe, with our hard work and loyal support from our friends, colleagues, and donors, we are able to increase the number and help more vulnerable children out there.



Peduli Anak and Projects

Second Shelter for Teenage boys

In May 2008, we receive an incredible amount of donation from Wilde Ganzen and Nijmeegse Schoolvereniging (The Netherlands) to be used to furnish our second shelter and vocational school.

We purchased 24 bunk beds, 4 big dining tables, 56 chairs, 8 big closets among other furniture necessary for the second shelter. The shelter is occupied by teenage boys thus we make room for more new young children to be admitted in the first shelter. The emphasis in the second shelter is re-integration of the young adults back to their society. The young boys in shelter two learn life skills in the vocational school in addition to their formal education.

Our goals for this second shelter home are realized thanks to the support from Wilde Ganzen and Nijmeegse Schoolvereniging.





Peduli Anak and Projects

Vocational School

In 2008, PA built a vocational school that will teach PA children and Young adults from the surrounding villages some important life skills such as sewing, carpentry, computer, English, art, music, and mechanic workshop.

Thanks to the donations from Van der Poel Charity Fund for the building, machinery, and tools and from Children's Choice for teachers' salary, we were able to build the school in six months and supply it with all the necessary furniture, materials, and also human resources.



Peduli Anak and Projects

SmartKid

Developed and implemented by the Peduli Anak Foundation in 2008, the SmartKid program provides gifted former street children the opportunity to create future change within their own developing country. The children are able to be the agent of change if we provide them a clear and structured education path.

Furthermore, the SmartKid program offers career guidance, personal advice, tests, access to suitable higher education and exchange programs with companies and academic institutions from all over the world. Currently, the Indonesian Project Lombok has many gifted children. A few of them are extra talented, motivated and ready to take on any educational challenges. Nowadays they are attending a local school which offers them little intellectual challenge and almost no chance to leverage their talents. If we want them to make a difference for their country in the future, we have to guide them now!

The smart children attend Sekolah Nusa Alam, a National Plus school which combines Indonesian and international curricula. This is a school with qualified teachers and where the teaching is matched to the individual child. There are nine children recruited into the program. Special thanks to Children's Choice, Stichting for Kids, and RSM Erasmus University for making this program possible.





Peduli Anak and Projects

Drop in Center – Plan

A volunteer from Australia, Grace Hermawan, helped PA to develop a new plan for a Drop-in Centre in Mataram, Lombok, Indonesia. This house will help some 1000 street children and their families. The staff at the Drop-in Centre will also support and facilitate various types of education.

Peduli Anak drafted a proposal to expand its street children's shelter to include a Drop-in Centre, to address the needs of children living and/or working on the streets but living at home. This year, we were at the stage of interviewing numerous street children in order to get their input and ideas into the development and implementation of activities in the center. We also approached local government and non-government organizations to explore partnership opportunities.



Peduli Anak and Actions and Initiatives

PATHS (Promoting Alternative Thinking Strategies) Program

PATHS Program aims to teach children to cope with their emotional feelings and behavioural treatment. The program is also known as PAD Netherlands which in many schools, especially in special education is used.

With the help from Prof. M. Greenberg, PA could own the program for free. The program was translated and learnt by our psychologist who would implement it in PA. We are the first organization in South East Asia to develop the program after United States, Canada, Australia, Norway, Israel, Great Britain, Netherlands and Belgium.

IQ Test for PA Children

PA performed IQ Test on all of its children to determine their intelligence level thus help to provide the suitable education for them and extra care when necessary. We used the WISC (Weschler Intelligence Scale for Children) which is also commonly used in The Netherlands. The children really enjoyed doing the test because it included simple and fun commands for children.

The test result showed that there are some children with IQ score above the average. For this group of children, the local schools in the village offer almost no educational challenge. Therefore, PA created the SmartKid Program to help children with great intelligence get better education and are able to channel their gifted skills and talent.





Peduli Anak and Actions and Initiatives

Football Tournament

PA introduced its first annual sporting event, YPA CUP, in February. On PA's new football field, the football tournament was held in four weeks participated by elementary schools in our district.

YPA CUP is not only a football tournament for children, but it's also a mean to strengthen the bond between Peduli Anak and the community nearby.

Free Medical Treatment

As a contribution to our local community, PA held Free Medical Treatment for villagers of Langko Village. This program helped many people in the village who have limited or no access to medical treatment. One doctor and two dentists performed general check-up, nutrition check, and dental exam on more than sixty people. The funding for this program came from our operational cost budget. In the future, we plan to do this annually with the help from local health institutions or sponsors.



Peduli Anak and Actions and Initiatives

Mentorship

In order to enrich our care for the children, PA introduced a mentorship program. PA appoints its counselors to be a mentor for their children (mentees). Mentors provide emotional guidance and a sense of continuity and stability, which may be lacking in the lives of their mentees. Through successful mentoring, constructive friendships are borne, in which mentees learn to trust and value their mentor. Meanwhile, they learn to develop essential social skills, recognize their own strengths, and grow in confidence.

The purpose of this program is:

- Helping children adjust to new environment
- Improving self-esteem
- Keeping children in school
- Helping improve academic skills
- Leading young people to resources they might not find on their own
- Providing support for new behaviors, attitudes and ambitions
- Increasing young people's ability to seek and keep jobs
- Enhancing parenting skills

Our counselors/mentors lead the mentoring hour by talking with their children/ mentees almost about everything the mentees want to talk about. Not only their problems but also about the things they like.





Peduli Anak and Actions and Initiatives

The feedback of this program has been positive. Our counselors have reported that children are now more open and expressive when they talk about problems that bother their mind. This also helps counselors to decide what steps to take to help the children.

Counselor Training

Peduli Anak continuously seeks effort to enrich its counselors' skills and knowledge. In 2008, we invited an independent worker and child protection officer, Tessa Boudrie, to give a three-day counselor training to all our counselors.

The purpose of the training was as knowledge building to boost counselors' performance on counseling and taking care of children. With her extensive experience in international street children organization such as Friends International, Tessa guided our counselors to learn more about Case Management, Child Protection Policy, and Observation of Child's Behavior.

The outcomes of this training are very positive. Our counselors admitted that they have more confidence in dealing with difficult situations when they help children.



Peduli Anak and Actions and Initiatives

Nutrition Training

A trainer from BLK (Balai Latihan Kerja/Job Training Center) conducted Nutrition Training for our cooks. The purpose of the training was to inform our cooks on how to create a balanced and healthy diet for our children and staff who live and work at PA. Some activities in the training included how to create a healthy menu, cooking guide on how to prepare healthy meals, and the importance of nutrition balance.

First Aid Training

Peduli Anak children are very active and enthusiastic children. In their daily work, all counselors and staff of Peduli Anak often encounter situations where basic first aid is necessary. Therefore, we invited dr. Imelda to give First Aid Training for all counselors and staff. The purpose of this training is to ensure that every adult in Peduli Anak area is able to perform basic first aid skill whenever a child or anybody gets injured.

Fire Simulation

One of the common accidents occurred in housing area is fire. In Peduli Anak premise there are several buildings which are the center of activities and home for children and staff. With so many people working and living in our foundation everyday, we take safety matter very seriously. We conducted a fire simulation for our staff and children. There were situational set-ups and rehearsal. We are certain that with this fire simulation hour staff and children know how to prevent fire and what to do when fire accident happens.





Peduli Anak and Actions and Initiatives

Recreational Activities

Social interaction through recreational activities helps to break down unfamiliarity, fear and isolation and promotes contact between children and their counselors/mentors. In Peduli Anak, children have recreational activities twice a month where we take them to visit popular sites on the island. Every year we take the whole big family to a nice camping event off the foundation.

Publications

In January 2008, Peduli Anak launched its first newsletter in Dutch. The following month, the English newsletter was published. The newsletter was distributed quarterly in that year.

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Peduli Anak and Actions and Initiatives

PA and Volunteers – Employees

In 2008, 44 employees and many western volunteers experienced working at Peduli Anak. Our policy with regards to volunteers spread around the globe and Peduli Anak was able to attract highly motivated and talented volunteers for operational activities in Indonesia. Besides that, our volunteers helped organizing the back office activities of Peduli Anak throughout the year. With their help we were able to excel throughout 2008.

PA and Sponsors/Partners

To all our supporters, we would like to say “Thank You!” As a non profit organization, your support allows us to put on free shelter, education, health care, community programs and other projects all dedicated to help street children and empower local community on Lombok island.

Support comes to us in so many ways, all of which are very important. Many individuals, organizations, and companies contribute money and goods in the form of membership, child support plan, CSR program, sponsorships, and donations.

In order to ensure the continuity of our work and support to all of our children, we created “Child Support Plan” where every child in Peduli Anak is supported his/her daily needs, education, and medical care by a financial adoption parent.



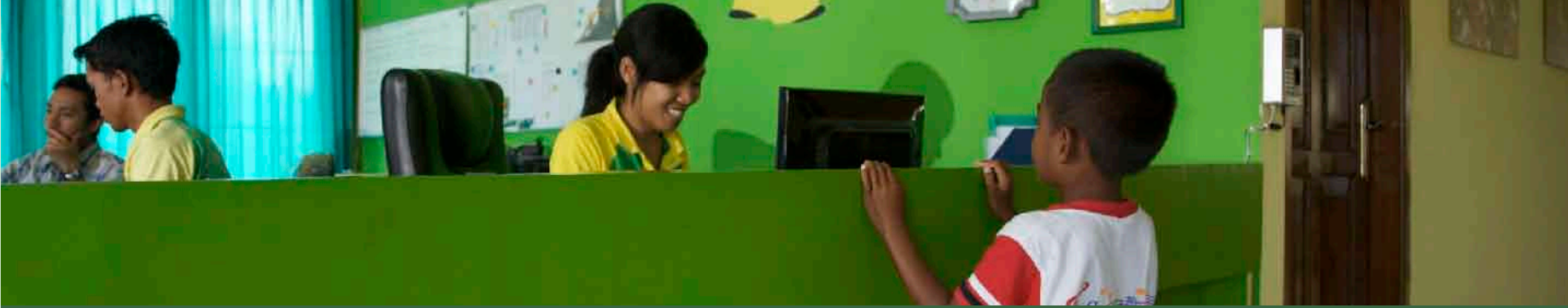


Sponsors

In 2008, Peduli Anak Foundation received monetary and non-monetary support from the following companies and partner foundations:

- Stichting Wilde Ganzen, the Netherlands
- Koolhaas Alphen, the Netherlands
- Rotary Heerhugowaard Langedijk, the Netherlands
- Exact, the Netherlands
- 6.12 Outsourcing, the Netherlands
- Veneti Capital, Singapore
- UNICEF
- Cecile van Eeden, the Netherlands
- Pay for People, the Netherlands
- RSM International Charity, the Netherlands
- Rotary Eindhoven, the Netherlands
- Geelen & Geelen , Germany
- Stichting Liliane Fonds, the Netherlands
- Waterlelie Fonds, the Netherlands
- LLINK, the Netherlands
- Careyn, the Netherlands
- Stichting Join!forkids, the Netherlands

For more list of partners and sponsors, visit our website www.pedulianak.com.



Testimonial from Sponsor

The German company Geelen & Geelen consists of a magazine, the DZKF (Deutsche Zeitschrift für Klinische Forschung) and a personnel service for clinical research, the MZD (Monitor Zentrale Deutschland). Geelen & Geelen will celebrate its 15th anniversary next year. Back then both services were completely new and borne out of idealism.

Our goal is to give clinical research professionals the recognition they deserve and to ensure that they can do their work well. On our website www.geelengeelen.com you can see that our corporate mission is “People matter to us”. That is how we do business and that’s how we treat one another.

Right from the start, when our financial situation was still precarious, we made the decision that we would endorse and sponsor charities the moment our situation improved and that we would continue to do so in order to ensure our corporate identity in good times. That was actually the cradle of Children's Choice with which we hoped to ignite a much bigger initiative but which in the end turned out to be beyond reach. In retrospective I think that I just do not have Chaim’s (founder of the Peduli Anak Foundation) talents, however, I am happy that I saw Chaim on the television. We chose Peduli Anak because it is run in a professional manner and we also did not want to “lose a dime”!



Testimonial from Sponsor

Furthermore, I like the idea that Peduli Anak doesn't only "give fish" but they also "show them how to fish"! The fact that Peduli Anak is a Dutch organisation and related to our history is also a bonus.

Personally, I am very motivated to do something because I feel very ashamed when I see the West busy pursuing wars and oil when not enough is being done to ensure that the situation of everyone on this planet is improved. I also find it hard to comprehend how the Netherlands can tolerate a politics that throws billions down the drain; You should join the politics (let me know when do, I will join too then)!

I would say this: Dear Minister, please give Peduli Anak 10 million and let us then see what Peduli Anak will accomplish! Peduli Anak "sweeps its own porch" and starts immediately with actions without being caught in lame talking. They also make sure to deliver visible results. What more can you ask for as a sponsor?

I really cannot see how people can choose not to support Peduli Anak; For me it is the most ideal project and even my children will support Peduli Anak through an alternative Christmas present.

In Germany together with Children's Choice we are making plans to do more PR and fundraising for PA. We will involve our staff and business partner in this initiative and we hope that many other companies will follow our example.

Francois Geelen

Geelen & Geelen, DZKF (Deutsche Zeitschrift für Klinische Forschung) and Children's Choice Foundation





Review 2008

In 2008, the call for increased development, management, and responsibility within the foundation body is inevitable. The first two years of the foundation life saw rapid development of facilities and infrastructures. However, all of these would be useless without proper management generated by experienced and skilled staff.

Peduli Anak considers education is the main key to end poverty. All of Peduli Anak children are sent to schools in the villages nearby. Some children who are not ready to attend regular school are homeschooled by our trained counselors/teachers. However, the standard of public education on the island of Lombok is somewhat poor, even below the national standard. Therefore, Peduli Anak launched a new program called the SmartKid Program where Peduli Anak children who are highly intelligent and talented are sent to a prominent international school on the island. In the first year of the program, we are able to send eight children to a better school, thanks to RSM International Charity Foundation.

Another challenge in which we believe to be the ghost of most (if not all) non profit organizations is the operational costs of the foundation. Life in developing countries becomes more expensive and the worldwide food and fuel crisis are putting pressure on the daily budget of Peduli Anak. Thanks to our donors who help us through The Child Support Plan, we are able to cover large part of the total cost involved in raising every single child. In 2008, we raised € 20,434 via this program.



Review 2008

Furthermore, our Vocational School receives tremendous support from the local government. The government supports teachers' wages for six months and acknowledges the school by providing curriculum guidance and certification. This means the Vocational School graduates can use the school diploma to apply for jobs.

Besides education programs, Peduli Anak also introduced some community-based activities in 2008. We held free medical treatment for people from the surrounding villages. From this event we found out that many people in the villages have limited or no access at all to medical facility. Therefore we plan to make this as our annual event and hopefully we can embrace more villagers who desperately need our help.

On a lighter note, we also introduced a fun community-based sporting event. YPA Cup is an annual football tournament where teams from elementary schools in Peduli Anak's district compete for trophy and cash prizes. The first YPA Cup was a major success. Our children were very enthusiastic! This event also becomes a solid bridge between Peduli Anak and the local communities around. We will continue to host this tournament every year.

Having existed for more than two years, Peduli Anak Foundation has gained good reputation among the local public. More people and government officials recognize our foundation as a leading street children organization on Lombok island. The locals and government officials often inform Peduli Anak if there are street children or neglected/orphan children who need our help.



Review 2008

However, despite our rigorous efforts to reduce the number of street children, still there are many children begging on the streets. They are even organized by certain groups or exploited by their own parents. One of the success indicators for any street children organizations is the decline of number of street children in their working area. If we use that indicator, we have a long way to go before we can claim our success. Public who see street children roaming on the streets may think that our foundation doesn't work hard enough to solve this social problem. Little that they know, our work also needs support from related government institutions. This is what we're going to aim at in the following year to come.

Good news for our supporters in the Netherlands. Still in 2008, Peduli Anak Foundation was granted an ANBI number which means that we are officially a charity/non-profit organization, therefore all donations to the foundation will be Dutch tax-deductible. We hope that this certification will bring us more donors from the Netherlands.





Outlook of 2009

In 2009, Peduli Anak will focus on improving the education programs. We believe that if we want to give our children a brighter future, we need to provide quality education. While we continue to improve non-formal education through our Vocational School, we will also explore opportunities to build our own formal school. Based on our experience of sending children to public schools in the villages on Lombok island, we have learned that affordable schools with international standard are a necessity. Many schools in the villages lack in facilities and qualified educators and have poor education system, even below the national standards. Therefore, we will work hard to establish an international standard school where any children regardless of their backgrounds are welcome.

Another aspect we need to work on is to develop more improved survey system with the government in order to help more street children. By understanding what the street children really need, we are able to provide the appropriate care for them. This is also important to ensure that our current and future projects could address the individual needs of each child in Peduli Anak Foundation.

The number of children admitted into Peduli anak's shelter homes tends to increase. After building all of the core facilities last year, we are looking forward to adding some new facilities and renovate some existing infrastructures. The first step would be to build a new shelter for the female children. Other building projects that might follow are drop-in center, library and classes renovations. And of course the long-term plan to expand the foundation.



Afterword

By the end of 2008, Peduli Anak almost celebrated its third anniversary. The road to success is really a tough one. But we are getting there one step at a time. The year 2009 seems to become another interesting year for Peduli Anak, new challenges and the expansion of our work will color the year.

However, without the help of our individual and corporate sponsors we would not be able to accomplish what we accomplished in 2008. All Peduli Anak staff and children are very grateful and happy with the effort and dedication of our friends and sponsors. We invite all of you to keep tracking Peduli Anak for many years to come. Together we can continue the battle against child exploitation and abuse and poverty in general!

For more information on how you can help us, go to our website at www.pedulianak.com





Financial Report

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Balance sheet as at 31 December 2008

ASSETS	<u>31-12-2008</u>	<u>31-12-2007</u>
	EUR	EUR
Current assets		
Receivables		
Interest to be received	501	573
Cash at banks		
Postbank Account 1816	2.912	9.039
Postbank Rentemeerrekening 1816	33.508	24.937
ABN-AMRO account	381	572
	<u>36.801</u>	<u>34.548</u>
	<u><u>37.302</u></u>	<u><u>35.121</u></u>



Balance sheet as at 31 December 2008

LIABILITIES	31-12-2008	31-12-2007
Equity		
- reserves for projects	-	-
- free available reserves	<u>37.146</u>	<u>31.006</u>
	37.146	31.006
Current liabilities		
Accrued expenses	<u>156</u>	<u>4.115</u>
Totaal	<u><u>37.302</u></u>	<u><u>35.121</u></u>



Statement of profits and losses for the year 2008

	2008	2007
	EUR	EUR
INCOME		
Income from own fundraising	141.369	222.975
Less: costs of own fundraising	14.186	20.407
	<u>127.183</u>	<u>202.308</u>
In % of income from own fundraising	90%	91%
Local gifts and donations	7.470	-
Indonesian Government donation	1.033	-
Other income	501	575
Total net income	<u>136.187</u>	<u>202.883</u>
EXPENSES		
Operational costs	80.364	66.300
External costs	49.324	142.984
General costs	359	739
Total expenses	<u>130.047</u>	<u>210.023</u>
Result for the period	<u><u>6.140</u></u>	<u><u>-7.140</u></u>



Cashflow statement for the period ended 31 December 2008

	<u>2008</u>	<u>2007</u>
Cashflow from financing activities		
Result of own fundraising	141.369	222.975
Donations from Indonesia	8.503	-
<i>Other income</i>	501	575
<i>Net cash flow form financing activities</i>	<u>150.373</u>	<u>223.550</u>
Cashflow from operating activities		
Operational costs	-80.364	- 66.300
Other costs	-359	-739
Costs of own fundraising	-14.186	-20.407
Change in working capital	- 3.887	3.719
<i>Net cash flow from operating activities</i>	<u>-98.796</u>	<u>-83.727</u>
Subtotal	<u>51.577</u>	<u>139.823</u>



Cashflow statement for the period ended 31 December 2008

Transported subtotal	51.577	139.823
Cashflow from investing activities		
External costs	<u>-49.324</u>	<u>-142.984</u>
<i>Net cash flow from investing activities</i>	<u>-49.324</u>	<u>-142.984</u>
 Net increase/decrease in cash at banks	 <u>2.253</u>	 <u>-3.161</u>
	<u>2008</u>	<u>2007</u>
Cash at banks as at 1 January	34.548	37.709
Cash at banks as at 31 December	<u>36.801</u>	<u>34.548</u>
<i>Movement in cash at banks</i>	<u>2.253</u>	<u>-3.161</u>



Notes to the financial statements for the year ended 31 December 2008

1. General

The foundation in The Netherlands was established in January 2006 and the activities are carried out in Lombok (Indonesia). The activities are held in the Indonesian Foundation (Yayasan).

The Dutch Peduli Anak foundation funds the operations of Yayasan Peduli Anak in Indonesia.

Peduli Anak foundation is acknowledged by the Dutch tax Administration as a 'public benefit aiming organisation'. Peduli Anak foundation meets the condition for financial accountability set forth by the Dutch tax administration for ANBI's. This means that Peduli Anak foundation does not have to pay taxes over income and that donations to Peduli Anak foundation can be subtracted for income tax or turnover tax by the sponsor.

2. Principles of valuation of assets and liabilities

The financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands. Goal-related costs of programme activities are processed directly in the costs as soon as they are legally enforceable by third parties because of contracts or externally communicated commitments.

Assets and liabilities are included at their face values unless stated otherwise. Amounts in foreign currencies are converted in Euro at the year-end rates. Transactions in foreign currencies are recorded using the rates at the date of the transactions. Gains or losses on transactions are included in the statement of income and expenditures.



Notes to the financial statements for the year ended 31 December 2008

3. Principles of determination of result

3.1 General

The result represents the difference between the income from gifts, donations and other income and the costs for the year. The gifts and donations are recognized in the year they are realised; losses are taken as soon as they are foreseeable.

3.2 Recognition of income

Income is recognised upon receipt of funds from sponsors. Such transfers of funds are guided by approved work plans.

3.3 Recognition of costs

Operational expenses are recognised as soon as they can be estimated and are legally enforceable by third parties because of contracts or externally communicated commitments. Costs are recognized at historical cost convention and are allocated to the reporting year to which they relate. Tangible fixed assets (land, buildings, furniture and equipments) are all fund by sponsors. Any assets purchases are expensed in full on the acquisition date and presented as external costs.



Notes to the financial statements for the year ended 31 December 2008

3.4 Taxation

Peduli Anak Foundation is not liable to corporate income tax in the Netherlands.

4. Comparative figures

The principles of valuation and determination of result remain unchanged from the previous year. However the presentation of the comparative figures has been changed comparing to last year to give more transparency.



Notes to the balance sheet as at 31 December 2008

5.1 Cash at banks

Cash at banks is available on demand. The interest on the bank accounts varies between 1,25% and 1,8%.

5.2 Equity

	<u>2008</u>	<u>2007</u>
	EUR	EUR
Balance as at 1 January	31.006	38.146
Result for the year	<u>6.140</u>	<u>-7.140</u>
Balance as at 31 December	<u><u>37.146</u></u>	<u><u>31.006</u></u>

Free available reserves

These reserves relate to gifts and donations from sponsors which are allocated to future projects.



Notes to the profits and losses statement for the year 2008

6.1 Income from own fundraising

The foundation had several sources of income during 2008 which added up to eur 141.369, a significant decrease compared to 2007. Individual, corporate and institutional donations are responsible for the largest part of the funds which are raised by the foundation. Schools and universities also supported us and brought in not only monetary assets but also non-monetary assets like knowledge and experience.

The income from fundraising in 2008 is as follows:

	2008	2007
	EUR	EUR
Donation from RSM Charity Foundation	14.000	-
Contributions via Child Support Plan	20.434	14.400
Contribution membership	2.408	-
Donations from Children's Choice	6.500	3.000
Contribution from NCDO	2.500	22.500
Subtotal	45.842	39.900



Notes to the profits and losses statement for the year 2008

Transported subtotal	45.842	39.900
Contribution from Join!ForKids	5.638	-
Contribution Charitas Eindhoven	7.500	-
Contribution Koolhaas-Alphen B.V.	8.500	5.000
Contribution Blue fish	500	7.000
Contribution Nijmeegse school vereniging II	2.326	-
Contribution Geef Gratis foundation	1.930	-
Contribution OBS de Tjalk	1.621	-
Contribution Bakfietsactie Tim van der Kroef	2.273	-
Contribution health insurance	1.860	-
Contribution Ladies run Rotterdam	-	3.164
Contribution L.A. Tak, Care about street children	-	4.000
Contribution Turing foundation	-	2.500
Contribution Waterlelie fonds	-	3.000
Contribution school De Kring	-	3.400
Contribution Van der Poel Foundation	-	32.300
Fundraising Rotary club	-	10.000
Legacies	-	10.000
Gifts (individuals, companies and institutions)	63.379	102.711
	<u>141.369</u>	<u>222.975</u>



Notes to the profits and losses statement for the year 2008

6.2 Costs of own fundraising

The costs of fundraising in 2008 are as follows:

	2008	2007
	EUR	EUR
Sponsoring Cost	7.426	2.490
Office Cost	741	1.609
Contribution Volunteer Cost	1.068	3.820
Storage cost	-	3.600
Cost of Docu-film Little Treasures of Lombok	1.369	8.888
Website www.pedulianak.com dev. Cost	3.582	-
Total	<u>14.186</u>	<u>20.407</u>

The cost to raise funds added up to € 14.186 and stayed below the 25% norm of the Central Bureau of Fundraising in 2008. Reducing cost is one of the secondary targets of the foundation and fits in the business approach of development work.



Notes to the profits and losses statement for the year 2008

6.3 Operational costs

	2008	2007
	EUR	EUR
Food	13.699	8.475
Salaries and wages	33.003	22.012
Children's Education	17.494	-
Utilities	2.782	-
Children's Savings	1.329	-
Transportation	3.221	-
Treatments and medicine	898	9.068
Other Operational Costs	7.938	26.745
Total	<u>80.364</u>	<u>66.300</u>

The average number of children for the year 2008 amounts to 47 (2007: 34)

The average number of personnel for the year 2008 amounts to 44 (2007: 31)



Notes to the profits and losses statement for the year 2008

6.4 External costs

	<u>2008</u>	<u>2007</u>
	EUR	EUR
Building Projects	2.063	140.559
Equipment, Tools and Furniture:		
- Children's Homes	8.525	-
- School	5.504	-
- Kitchen	6.245	-
- Office	1.512	-
Internet Installation	2.227	-
Storage costs	5.748	-
Uniform for teachers and school children	5.444	-
Advertisement to recruit volunteers and employees	1.047	-
Administration & Local Transportation Costs	6.667	-
Research and Education	1.079	-
Other external costs	3.263	2.425
Total	<u>49.324</u>	<u>142.984</u>