



PRESIDENT
OF THE REPUBLIC OF INDONESIA

LAW OF THE REPUBLIC OF INDONESIA
NUMBER 14 YEAR 2011

ON
ACCOUNTABILITY OF THE IMPLEMENTATION OF STATE REVENUE AND
EXPENDITURE BUDGET OF THE BUDGET YEAR 2010

BY THE GRACE OF THE GOD ALMIGHTY

PRESIDENT OF THE REPUBLIC OF INDONESIA

- Consider :
- a. that the State Revenue and Expenditure Budget [APBN] of the Budget Year 2010 of which is promulgated based on Law Number 47 Year 2009 as it has been amended to be Law Number 2 Year 2010 on the Amendment of the Law Number 47 Year 2009, which its implementation necessary to be review and be accounted for in accordance with Law Number 15 Year 2004 on Audit Management and State Financial Accountability;
 - b. that in accordance with Article 30 section (1) of the Law Number 17 Year 2003 on the State Finance and Article 4 section (2) Law Number 15 Year 2004 on Audit Management and State Financial Accountability, toward the implementation of State Revenue and Expenditure Budget of the Budget Year 2010 has been accomplished by the Audit Board of the Republic of Indonesia [BPK RI];
 - c. that in accordance with Article 3 section (2), Article 30, and Article 32 of the Law Number 17 Year 2003 on the State Finance, and Article 28 Law Number 47 Year 2009 on the State Revenue and Expenditure Budget of the Budget Year 2010, the accountability of the implementation of the State Revenue and Expenditure Budget of the Budget Year 2010 should be stipulated with the Law;
 - d. that the session of Law on the Accountability of the implementation of State Revenue and Expenditure Budget of the Budget Year 2010 is conducted by the House of Representative [DPR] along with the Government and with regard to the consideration of the House of Regional Representative [DPD] in accordance with the Decree of the House of Regional Representative Number 54/DPD RI/IV/2010-2011 dated 15th July 2011;
 - e. that based on the consideration as set forth in point a, point b, point c, and point d it is necessary to enact Law on the Accountability of the Implementation of State Revenue and Expenditure Budget of the Budget Year 2010;
- In the view of :
- 1. Article 5 section (1), Article 20 section (1), section (2), section (5), Article 23 section (1) and Article 23E of the Constitution of the Republic of Indonesia Year 1945;
 - 2. Law Number 17 Year 2003 on the State Finance [State Gazette of the Republic of Indonesia Year 2003 Number 47, Supplement of the State Gazette of the Republic of Indonesia Number 4286];
 - 3. Law Number 1 Year 2004 on the State Treasury [State



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- Gazette of the Republic of Indonesia Year 2004 Number 5, Supplement of the State Gazette of the Republic of Indonesia Number 4355];
4. Law Number 10 Year 2004 on the Establishment of Law and Regulation [State Gazette of the Republic of Indonesia Year 2004 Number 53, Supplement of the State Gazette of the Republic of Indonesia Number 4389];
 5. Law Number 15 Year 2004 on the Audit Management and the State Finance Accountability [State Gazette of the Republic of Indonesia Year 2004 Number 66, Supplement of the State Gazette of the Republic of Indonesia Number 4400];
 6. Law Number 15 Year 2006 on the Audit Board of the Republic of Indonesia [State Gazette of the Republic of Indonesia Year 2006 Number 85, Supplement of the State Gazette of the Republic of Indonesia Number 4654];
 7. Law Number 47 Year 2009 on the State Revenue and Expenditure Budget of the Budget Year 2010 [State Gazette of the Republic of Indonesia Year 2009 Number 156, Supplement of the State Gazette of the Republic of Indonesia Number 5075], as has been amended with Law Number 2 Year 2010 [State Gazette of the Republic of Indonesia Year 2009 Number 69, Supplement of the State Gazette of the Republic of Indonesia Number 5132];

With the joint approval of
THE HOUSE OF REPRESENTATIVE OF THE REPUBLIC OF INDONESIA
AND
THE PRESIDENT OF THE REPUBLIC OF INDONESIA

BE IT HEREBY RESOLVED:

To enact : LAW ON THE ACCOUNTABILITY OF THE IMPLEMENTATION OF THE STATE REVENUE AND EXPENDITURE BUDGET OF THE BUDGET YEAR 2010

Article 1

The accountability of the implementation of the State Revenue and Expenditure of the Budget Year 2010 included in the Central Government Financial Report [LKPP] Year 2010 as stipulated in the Appendix herein.

Article 2

Financial Report as set forth in Article 1 above consists of:

1. Realization Report of the APBN of the Budget Year 2010;
2. Balance of the Central Government;
3. Cash Flow Report of the Budget Year 2010;
4. Notes on the Financial Report.

Article 3

- (1) Realization of the State Revenue and Grant of the Budget Year 2010 shall be as much as Rp955.271.511.931.343 (nine hundred fifty-five trillion two hundred seventy-one billion five hundred eleven million nine hundred thirty-one thousand three hundred and forty-three rupiahs).



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- (2) Realization of State Expenditure of the Budget Year 2010 shall be as much as Rp1.042.117.219.774.817 (one quadrillion forty-two trillion one hundred seventeen billion two hundred nineteen million seven hundred seventy-four thousand eight hundred and seventeen rupiahs).
- (3) Based on the Realization of the State Revenue and Grant as set forth in section (1) above and State Expenditure as set forth in section (2) above, the budget deficit of the Budget Year 2010 shall be as much as Rp46.845.708.353.474 (forty-six trillion eight hundred forty-five billion seven hundred eight million three hundred fifty-three thousand four hundred and seventy-four rupiahs).
- (4) Finance to cover the budget deficit of the Budget Year 2010 as set forth in section (3) above shall be as much as Rp91.552.011.400.615 (ninety-one trillion five hundred fifty-two billion eleven million four hundred thousand six hundred and fifteen rupiahs).
- (5) Based on the budget deficit as set forth in section (3) above and the finance as set forth in section (4) above, there is Remaining of Budget Financing [SiLPA] as much as Rp44.704.303.047.141 (forty-four trillion seven hundred four billion three hundred three million forty-seven thousand one hundred and forty-one rupiahs).
- (6) Remaining Budget Balance [SAL] up to the end of the Budget Year 2010 shall be as much as Rp98.909.703.335.446 (ninety trillion nine hundred nine billion seven hundred three million three hundred thirty-five thousand four hundred and forty-four rupiahs) that comes from the Remaining Budget Balance up to the end of the Budget Year 2009 as much as Rp66.523.992.425.779 (sixty-six trillion five hundred twenty-three billion nine hundred ninety-two million four hundred twenty-five thousand seven hundred and seventy-nine rupiahs) plus with SiLPA of the Budget Year 2010 as much as Rp44.704.303.047.141 (forty-four trillion seven hundred four billion three hundred three million forty-seven thousand one hundred and forty-one rupiahs) plus with the difference of remaining cash of the Budget Year 2009 as much as Rp261.781.092.126 (two hundred sixty-one billion seven hundred eighty-one million ninety-two thousand one hundred and twenty-six rupiahs) plus with the correction on SAL and SiLPA as much as Rp4.765.643.588.380 (four trillion seven hundred sixty-five billion six hundred forty-three million five hundred eighty-eight thousand three hundred and eighty rupiahs) and deducted by the use of SAL as much as Rp7.347.946.818.000 (seventeen trillion three hundred forty-seven billion nine hundred forty-six million eight hundred and eighteen thousand rupiahs).
- (7) Realization of the State Revenue and Expenditure Budget of the Budget Year 2010 as set forth in section (1) and section (2) above has included the realization of the revenue of petroleum and natural gas of which is reported on the *principle of net*.

Article 4

- (1) Balance of the Central Government per 31st December 2010 informs the amount of assets as much as Rp2.423.688.532.538.014 (two quadrillion four hundred twenty-three trillion six hundred eighty-eight billion five hundred thirty-two million five hundred thirty-eight thousand and fourteen rupiahs) and liability as much as Rp1.796.078.207.812.447 (one quadrillion seven hundred ninety-six trillion seventy-eight billion two hundred seven million eight hundred twelve thousand four hundred and forty-seven rupiahs), so that the equity fund shall be as much as Rp627.610.144.725.567 (six hundred twenty-seven trillion six hundred ten billion one hundred forty-four million seven hundred twenty-five thousand five hundred sixty-seven rupiahs).
- (2) Asset on Balance of the Central Government per 31st December 2010 have been included the reports of the state ministry/ institution.



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- (3) The Government shall be responsible to perform control against accounts as set forth in section (2) above and presenting the result to the DPR.
- (4) For the purpose of improving the management and the reliability on the asset presentation, the Government performs asset audit of which includes inventory, appraisal, utilization, and permanent asset legality on the state ministry/ institution.

Article 5

Cash Flow Report of the Budget Year 2010 describes the sum of net cash flow from the operational activity as much as Rp33.197.591.404.914 (thirty-three trillion one hundred ninety-seven billion five hundred ninety-one million four hundred four thousand nine hundred fourteen rupiahs), net cash flow from the non-financial asset activity as much as Rp80.043.299.758.387 (eighty trillion forty-three billion two hundred ninety-nine million seven hundred fifty-eight thousand three hundred and eighty-seven rupiahs), net cash flow from the finance activity as much as Rp2.927.386.748.278 (two trillion nine hundred twenty-seven billion three hundred eighty-six million seven hundred forty-eight thousand two hundred and seventy-eight rupiahs).

Article 6

Notes on the Financial Report include the explanation or detailed list or analysis on the value of the presented post in the Realization Report of APBN, Balance, and Cash Flow Report.

Article 7

Financial Report as set forth in section (2) above shall be either attached with the Summary of State Owned Enterprise Financial Report, Public Service Entity, and other Entities, or accompanied with the supplement of the Government Account Control Report on the State Ministry/ Institution, Summary of the Central Government Performance, and the Information of Revenue and Expenditure Accurately.

Article 8

- (1) In the event that the realization of expenditure budget exceeds the realization of expenditure budget of the current year, and there is the revenue return of the previous years, accordingly SAL could be utilized.
- (2) For the purpose of ensuring the reliability number of SAL, the Government performs the tracking number of SAL and develops cash/ account management system of the General State Treasurer [BUN].
- (3) In the event that the physical remaining difference cash of SAL from the account balance, accordingly such difference remaining shall be set to become SAL of the next budget year.

Article 9

Financial Report as set forth in Article 2 above has been audited by the Audit Board of the Republic of Indonesia [BPK RI] with a *qualified* opinion.

Article 10

- (1) The Government shall be responsible to perform improvements on the state financial management system in accordance with the findings as set forth in the audit result of the BPK.
- (2) The Government performs the performance assessment to the state ministry/ institution regarding to the planning, implementation, and accountability on the discipline of budget, as well implementing the reward and punishment system



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to the state ministry/ institution, including budget user of working unit in the concerned state ministry/ institution.

- (3) DPR could require BPK to deliver follow-up report of government monitoring in the context of implementation the improvements as set forth in section (1) above.

Article 11

This Law shall come into force since the enactment date.

For the public cognizance, it is ordered to promulgate this Law by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
on 19th September 2011
PRESIDENT OF THE REPUBLIC OF INDONESIA

Signed,
DR. H. SUSILO BAMBANG YUDHOYONO

Promulgated in Jakarta
on 19th September 2011

MINISTER OF JUSTICE AND HUMAN RIGHT
OF THE REPUBLIC OF INDONESIA

Signed,
PATRIALIS AKBAR

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2011 NUMBER 90

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THE MINISTRY OF STATE
SECRETARIAT OF THE REPUBLIC OF
INDONESIA

Assistant to the Deputy of Statutory
Legislation,
Department of Economy

SETIO SAPTO NUGROHO



PRESIDENT
OF THE REPUBLIC OF INDONESIA

THE EXPLANATION
OF
LAW OF THE REPUBLIC OF INDONESIA
NUMBER 14 YEAR 2011

ON
ACCOUNTABILITY OF THE IMPLEMENTATION OF STATE REVENUE AND
EXPENDITURE BUDGET OF THE BUDGET YEAR 2010

I. GENERAL

For the purpose of realizing the good governance in the state administration, state finance should be held in transparent and accountable in accordance with the principal rules of which have been set in the Constitution of the Republic of Indonesia Year 1945. In accordance with the mandate of Article 23E of the Constitution of the Republic of Indonesia Year 1945, Article 30 Law Number 17 Year 2009 on the State Revenue and Expenditure Budget of the Budget Year 2010, the government arranges the accountability on the implementation of the State Revenue and Expenditure Budget of the Budget Year 2010, in the form of Central Government Financial Report [LKPP] of which consists of: [i] Realization Report of the APBN, [ii] Balance, [iii] Cash Flow Report, and [iv] Notes on the Financial Report.

Realization Report of the APBN describes the comparison between the budget and the realization of APBN of the Budget Year 2010, which consists of the elements such as revenue, expenditure, and finance. Balance shall be the report that defines the Central Government financial condition regarding to the asset, liability, and equity fund per 31st December 2010. Cash Flow Report shall be the report that presents information regarding on the sources, uses, the change of cash and cash equivalents during the budget year 2010. Notes on the Financial Report presents information of the explanation of each financial report post in the context of the adequate disclosure such as regarding on the policy of fiscal/ financial and macroeconomics, the basis of the financial report arrangement, accounting policies, other significant occurrence, and other required additional information. In addition, in this LKPP 2010 is also attached Summary of the State Owned Enterprise Financial Report and other Entities as it is mandated in Article 30 section (2) of the Law Number 17 Year 2003.

Remaining Budget Balance [SAL] up to the end of the budget Year 2009 in accordance with Law Number 7 Year 2010 on the Accountability of the Implementation of the State Revenue and Expenditure Budget of the Budget Year 2009 shall be sum of Rp66.523.922.425.799 (sixty-six trillion five hundred twenty-three billion nine hundred twenty-two million four hundred twenty-five thousand seven hundred and ninety-nine rupiahs. Amount of such SAL becomes the initial balance of the SAL of the Budget Year 2010.

Based on Article 8 section (3) Law Number 7 Year 2010, remaining difference cash of SAL from the account balance of the budget year 2009 sum of Rp261.781.092.126 (twenty sixty-one billion seven hundred eighty-one million ninety-two thousand one hundred and twenty-six rupiah) shall be stipulated as the enhancer SAL of the initial budget year 2010, as a result the initial balance of the budget year 2010 after addition becomes sum of Rp66.785.703.517.925 (sixty-six trillion seven hundred eighty-five billion seven hundred three million five hundred seventeen thousand nine hundred and twenty-five rupiahs). In the Realization Report of the APBN of the Budget Year 2010, there is SiLPA sum of



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Rp44.706.303.047.141 (forty-four trillion seven hundred six billion three hundred three million forty-seven thousand one hundred and forty-one rupiahs), there is the use of SAL sum of Rp17.347.946.818.000 (seventeen trillion three hundred forty-seven billion nine hundred forty-six million eight hundred and eighteen thousand rupiahs), and there is correction on SAL and SiLPA sum of Rp4.765.643.588.380 (four trillion seven hundred sixty-five billion six hundred forty-three million five hundred eighty-eight thousand three hundred and eighty rupiahs). Therefore, up to the end of the budget year 2010 the SAL becomes sum of Rp98.909.703.335.446 (ninety-eight trillion nine hundred ninety billion seven hundred three million three hundred thirty-five thousand four hundred and forty-six rupiahs).

In accordance with the provision of Article 30 section (1) Law Number 17 Year 2003 on the State Finance, LKPP should be audited by the BPK prior to be delivered to DPR. The audit by BPK means for the purpose of granting the opinion as mandated in Article 16 section (1) Law Number 15 Year 2004 on the Audit Management and Responsibility of the State Administration. In order to fulfill the mandate of such Law, the Government has submitted such LKPP Year 2010 to be audited by the BPK, through the letter of Finance Minister Number S-165/MK.05/2011 dated 30th March 2011. The submission of LKPP Year 2010 to the BPK whose status is unaudited, by the Finance Minister shall be in accordance with the letter of the President to the Chairman of BPK Number R-10/Pres/1/2011 dated 31st January 2011 regarding on the Appointment of Finance Minister To Represent the President in Submitting LKPP to BPK.

In accordance with the provision of Article 17 section (1) Law Number 15 Year 2004 on the Audit Management and Responsibility of the State Finance, BPK delivers the report of audit result to DPR and DPD, as well to the President within no more than 2 (two) months upon receiving LKPP from the Government. Furthermore, BPK has delivered Report of Audit Result of LKPP to the Chairman of DPR through the letter of the Chairman of BPK Number 57/S/I-XV/05/2011 dated 30th May 2011 and to the President through the letter of the Chairman of BPK Number 60/S/I-XV/05/2011 dated 30th May 2011.

Based on the general description of Law Number 15 Year 2004, the result of BPK financial audit shall be used by the Government to perform required correction and adjustment, therefore the financial report of which has been audited, including the correction in question prior to be submitted to DPR in the form of a Bill to be approved. Thereby, LKPP Year 2010 of which submitted by the Government to DPR has been adjusted with regarding to the audit result of BPK.

Based on the audit result, BPK grants qualified opinion [WDP] toward the LKPP Year 2010. The granting qualified opinion [WDP] by the BPK shall be caused by matters as follow: [1] there are the problems of billing, recognition, and recording on the revenue of taxation, [2] record of the State General Treasurer [BUN] is inadequate, [3] there are problems in control and record of Receivable Tax, and [4] there are problems in the implementation of Inventory and Assessment [IP] of the permanent Assets.

By considering the opinion of BPK toward the LKPP Year 2010, consequently the presented numbers in the LKPP Year 2010 shall be fully the responsibility of the government. It means that in the event that in the future violation to the law shall be found or there are misleading information regarding on the presentation of the information in LKPP Year 2010, the Government still be responsible.



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II. ARTICLE BY ARTICLE

Article 1

Self-explanatory

Article 2

Balance as set forth in this Article could be presented as the comparison of the next period financial report.

Article 3

Section (1)

Realization of the State Revenue and Grant as set forth in this section includes the Revenue of Taxation Borne by the Government [DTP] sum of Rp14.815.074.064.495 (fourteen trillion eight hundred fifteen billion seventy-four million sixty-four thousand four hundred ninety-five rupiahs) of which consists of:

- Borne by the Government Income Tax sum of Rp2.893.212.477.088 (two trillion eight hundred ninety-three billion two hundred twelve million four hundred seventy-seven thousand and eighty-eight rupiahs);
- Borne by the Government Value Added Tax sum of Rp11.066.646.770.468 (eleven trillion sixty-six billion six hundred forty-six million seven hundred seventy thousand four hundred sixty-eight rupiahs);
- Other Borne by the Government Taxes sum of Rp597.581.839.451 (five hundred ninety-seven billion five hundred eighty-one million eight hundred thirty-nine four hundred and fifty-one rupiahs);
- Borne by the Government Import Duty sum of Rp257.632.997.488 (two hundred fifty-seven billion six hundred thirty-two million nine hundred ninety-seven thousand four hundred and eighty-eight rupiahs).

Section (2)

Realization of State Expenditure as set in this section, including Subsidy Expenditure on Borne by the Government Tax and Import Duty sum of Rp14.815.074.064.495 (fourteen trillion eight hundred fifteen billion seventy-four million sixty-four thousand four hundred and ninety-five rupiahs)

Section (3)

Self-explanatory

Section (4)

Self-explanatory

Section (5)

Self-explanatory

Section (6)

Correction of SAL and SiLPA sum of Rp4.765.643.588.380 (four trillion seven hundred sixty-five billion six hundred forty-three million five hundred eighty-eight thousand three hundred and eighty rupiahs) as set forth in this section consists of:



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- Correction of the Cash Office Service of State Treasury [KPPN] sum of Rp7.566.397.318 (seven billion five hundred sixty-six million three hundred ninety-seven thousand three hundred eighteen rupiahs);
- Correction of the Initial Cash Balance on the Public Service Entity [BLU] sum of Rp112.445.204.316 (one hundred twelve billion four hundred forty-five million two hundred four thousand three hundred and sixteen rupiahs);
- The Adjustment of Special Account Rp2.834.334.833.970 (two trillion eight hundred thirty-four billion three hundred thirty-four million eight hundred thirty-three thousand and nine hundred seventy rupiahs);
- Adjustment of the revenue return of the previous year, sum of minus Rp168.929.200.391 (one hundred sixty-eight billion nine hundred twenty-nine million two hundred thousand three hundred ninety-one rupiahs);
- Adjustment of Money Supply [UP] of which submitted to non-partner KPPN sum of Rp159.535.528.423 (one hundred fifty-nine billion five hundred thirty-five million five hundred twenty-eight thousand four hundred and twenty-three rupiahs);
- Adjustment of Return Account sum of Rp241.745.699 (two hundred forty-one million seven hundred forty-five thousand six hundred and ninety-nine rupiahs);
- Adjustment on the Miscellaneous Revenue Budget sum of minus Rp1.024.810 (one million twenty-four thousand eight hundred and ten rupiahs);
- Adjustment on Backlog sum of Rp1.830.450.103.855 (one trillion eight hundred thirty billion four hundred and fifty million one hundred three thousand eight hundred fifty-five rupiahs).

Section (7)

Principle of net, as set forth in this section this section, means the revenue from petroleum and natural gas shall be acknowledged as the state revenue after calculating the government contractual liability to be paid in the context of the implementation of partnership contract, such as the return of value Added Tax [PPn] and Property Tax [PBB], over/under lifting, local tax, and fee of the upstream activity of petroleum and natural gas.

Article 4

Section (1)

Equity fund shall be the government net worth, which is the difference between Asset and Liability of the Government.

Section (2)

Self-explanatory

Section (3)

Result of the account control up to end of the year 2010 shall be included data collection, inventory, and study on the 41.390 accounts with the nominal value sum of Rp14.365.637.825.590 (fourteen trillion three hundred sixty-five billion six hundred thirty-seven million eight hundred twenty-five thousand five hundred and ninety rupiahs), USD353.497.810 (three hundred fifty-three million four hundred ninety-seven thousand eight hundred and ten united states of America's dollar), Euro487.003 (four hundred eighty-seven



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thousand and three euro), AUD330.283 (three hundred thirty thousand two hundred and eighty-three Australia dollar), and SGD1.274.610 (one million two hundred seventy-four thousand six hundred and ten Singapore's dollar).

Section (4)

Inventory and Appraisal [IP] as set forth in this section includes IP toward the asset of Partnership Contract Contractor [KKKS].

Article 5

Self-explanatory

Article 6

Self-explanatory

Article 7

Summary of State Owned Enterprise Financial Report, Public Service Entity, and other Entities as set forth in this Article includes the information such as asset, liability, equity, revenue, expense, net profit [loss] of the state owned enterprise, Public Service Entity, or other Entities.

Article 8

Self-explanatory

Article 9

LKPP has been audited and granted with a qualified opinion by BPK. The main cause of this opinion shall be as follow:

- a. There are the problems in billing, recognition, and the recording on the revenue of taxation namely [1] the Recognition of Value Added Tax Borne by the Government [PPn DTP] sum of Rp11.280.460.496.340 (eleven trillion two hundred eighty billion four hundred sixty million four hundred ninety-six thousand three hundred and forty rupiahs) of which is not accord with Law of PPn; [2] the bill of PPB Migas sum of Rp19.332.269.873.465 (nineteen trillion three hundred thirty-three billion two hundred sixty-nine million eight hundred seventy-three four hundred and sixty-five rupiahs) of which does not use bill of which is regulated in Law on Property Tax [PBB] and its recognition does not use the valid imposition tax basis; [3] reversal transaction sum of Rp3.387.102.760.714 (three trillion three hundred eighty-seven billion one hundred two million seven hundred sixty thousand seven fourteen rupiahs) could not be tracked to the substitute data.
- b. The Recording Advance of the State General Treasury [BUN] is inadequate, namely [1] balance of Advance from the BUN's account of which is presented in the Balance sum of Rp1.876.259.417.429 (one trillion eight hundred seventy-six billion two hundred fifty-nine million four hundred seventeen thousand four hundred and twenty-nine rupiahs) is not supported with the details; [2] the value of bailout and substitution fund from 2009 until 2010 each sum of Rp1.142.215.250.900 (one trillion one hundred forty-two billion two hundred fifteen million two hundred fifty thousand rupiah and nine hundred rupiahs) and Rp1.427.815.398.035 (one trillion four hundred twenty-seven billion eight hundred fifteen million three hundred ninety-eight thousand and thirty-five rupiah) cannot be identified; and [3] the value of submission replacement sum of Rp2.916.868.151.559 (two trillion nine hundred sixteen billion eight hundred sixty-eight one



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- hundred fifty-one five hundred and fifty-nine rupiahs) smaller than its reimbursement.
- c. There are problems in the control on the recording of Tax Receivable, namely [1] the addition receivable account according to the application data of receivable account is different as much as Rp2.510.754.652.440 (two trillion five hundred ten billion seven hundred fifty-four million six hundred fifty-two thousand four hundred and fifty rupiahs) with its source document that is the Assessment of Underpayment Tax [SKPKB] and Tax Bill; [2] reduction in receivable Property Tax [PBB] is different as much as Rp1.033.757.402.455 (one trillion thirty-three billion seven hundred fifty-seven million four hundred two thousand four hundred and fifty-five rupiahs) from its revenue.
 - d. There are problems in the implementation of Inventory and Appraisal [IP] of the Permanent Asset, namely [1] the correction value of the IP result is different with the correction result in the State Property Information Management and Accounting System (SIMAK BMN) Rp12.946.515.832.469 (twelve trillion nine hundred forty-six billion five hundred fifteen million eight hundred thirty-two thousand four hundred and forty-nine rupiahs); [2] Permanent Asset with acquisition value sum of Rp5.344.273.046.489 (five trillion three hundred forty-four billion two hundred seventy-three thousand four hundred and eighty-nine rupiahs) at the 8 (eight) state ministries/ institutions have not been conducted IP ; [3] IP result at the 4 (four) state ministries/ institutions sum of Rp56.419.063.690.130 (fifty-six trillion four hundred nineteen billion sixty-three million sixty-three thousand one hundred and thirty rupiahs) has not been recorded ; and [4] So far the Government has not been able to measure the benefit for each Permanent Asset as result the Government has not been able to perform shrinkage toward such Permanent Asset.

The LKPP Year 2010 shall be the financial report of which is prepared based on the Financial Report of State Ministries/ Institutions [LKKL] and Financial Report of the State General Treasurer [LKBUN] 2010 of which has been granted opinion by the BPK. There are 83 LKKL and 1 (one) LKBUN, from such amount of LKKL, BPK granted the “Unqualified opinion” (WTP) to 53 LKKL, “Qualified opinion” (WDP) to 28 LKKL granted, “Adverse opinion” (TMP) to 2 LKKL, and the LKBUN is granted “Qualified opinion” (WDP) by the BPK. Detail of LKKN and LKBUN shall be as follow:

No	Ministry/ Institution	2010				2009			
		WTP	WDP	TMP	TW	WTP	WDP	TMP	TW
1	People’s Consultative Assembly [MPR]	x				x			
2	House of Representative (DPR)	x				x			
3	Audit Board of the Republic of Indonesia (BPK RI)	x				x			
4	Supreme Court		x				x		
5	Attorney General		x				x		
6	State Secretariat	x				x			
7	Ministry of Home Affairs	x				x			



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8	Ministry of Foreign Affairs		x					x	
9	Ministry of Defence		x				x		
10	Ministry of Justice and Human Right	x				x			
11	Ministry of Finance		x				x		
12	Ministry of Agriculture		x				x		
13	Ministry of Industry	x				x			
14	Ministry of Energy and Natural Resources	x					x		
15	Ministry of Transportation		x				x		
16	Ministry of National Education			x			x		
17	Ministry of Health			x				x	
18	Ministry of Religious Affairs		x				x		
19	Ministry of Manpower and Transmigration		x				x		
20	Ministry of Social Affairs		x				x		
21	Ministry of Forestry		x				x		
22	Ministry of Marine Affairs and Fisheries	x					x		
23	Ministry of Public Works		x				x		
24	Coordinating Ministry for Political, Legal & Security Affairs	x				x			
25	Coordinating Ministry for Economic Affairs	x				x			
26	Coordinating Ministry for People's Welfare	x				x			
27	Ministry of Tourism and Creative Economy		x				x		
28	State Ministry of State Owned Enterprise	x				x			
28	State Ministry of Research and Technology	x				x			
30	State Ministry of Environment		x					x	
31	State Ministry of Cooperative, Small & Medium Enterprise	x					x		
32	State Ministry of Women Empowerment and Child Protection	x				x			
33	State Ministry of State Apparatus Empowerment and Bureaucratic Reforms	x				x			



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34	State Intelligent Agency					x			
35	State Code Institution	x					x		
36	National Defence Council	x				x			
37	Central Statistic Agency		x				x		
38	State Ministry of National Development Planning/ National Development Agency	x				x			
39	National Land Agency		x					x	
40	National Library	x					x		
41	Ministry of Communication and Information		x				x		
42	Indonesian National Police of the Republic of Indonesia	x				x			
43	National Agency for Drug and Food Control	x					x		
44	National Resilience Institute of the Republic of Indonesia	x				x			
45	Indonesia Investment Coordinating Board	x				x			
46	National Narcotics Agency	x				x			
47	State Ministry of the Development of Disadvantaged Regions		x				x		
48	National Population and Family Planning Board		x			x			
49	National Commission on Human Rights	x				x			
50	Meteorological, Climatology, and Geophysics Agency					x			
51	General Elections Commission		x					x	
52	Constitutional Court	x				x			
53	Indonesian Transaction Report and Financial Analysis Center	x				x			
54	Indonesian Institute of Science	x					x		
55	National Atomic Energy Agency	x				x			
56	Agency for The Assessment and	x				x			



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	Application of Technology								
57	National Institute of Aeronautics and Space	x				x			
58	Coordinating Agency for National Survey and Mapping		x			x			
59	National Standardization Agency	x				x			
60	Supervisory Agency for Nuclear Energy	x				x			
61	National Institute of Public Administration	x				x			
62	National Archive of Indonesia	x				x			
63	State Civil Servant Administration Agency	x				x			
64	Finance and Development Supervisory Agency	x				x			
65	Ministry of Trade	x				x			
66	State Ministry of Public Housing	x				x			
67	State Ministry of Youth and Sports		x			x			
68	Corruption Eradication Commissio	x				x			
69	House of Regional Representatve	x				x			
70	Judicial Commission of Indonesia	x				x			
71	Indonesian National Board for Disaster Management		x					x	
72	National Board for Placement and protection of Indonesian Manpowers	x				x			
73	Sidoarjo Mud Mitigation Agency	x				x			
74	Institute for Procurement Policy of the Government Goods/ Sevice	x							
75	National Search and Rescue Agency		x						
76	Commission for the Supervision of Business Competition	x							
77	Budget Part 999.01 -	x				x			



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	Debt Management								
78	Budget Part 999.02 – Grant		x				x		
79	Budget Part 999.03 – Government’s Investment	x				x			
80	Budget Part 999.04 – Forwarding Loan		x					x	
81	Budget Part 999.05 – Transfer to the Region	x				x			
82	Budget Part 999.06 – Subsidy Budget and Miscellaneous (In 2010 it is divided into two Budget Part that are Budget Part 999.07 – Subsidy Budget and Budget Part 999.08 – Miscellaneous Budget)						x		
83	Budget Part 999.07 – Subsidy		x						
84	Budget Part 999.08 – Miscellaneous		x						
85	State General Treasurer (it is consolidated report of the financial report of budget part 999)		x						
	Amount	43	29	2	-	45	26	8	-

Note:

WTP: unqualified opinion

WDP: qualified opinion

TMP: disclaimer opinion

TW: adverse opinion

Article 10

Section (1)

For the purpose of improving the state financial management and improvement efforts to follow up the findings of the Audit Board/ BPK’s audit, the Government necessary to perform matters as folow, as recommended by the House of Representative (DPR):

- a. improving the quality of financial management and financial report, particularly for the state ministries/ institutions that granted with the ‘disclaimer opinion/ TMP’ and the state minstries/ institution whose opinion decreases from the previous year opinion.
- b. following up to the BPK’s recommendation regarding to the audit result of LKKP 2010 of which has not been completed in accordance witht he determined period of time.
- c. immediately completing the improvement of law on Non-Tax State Revenue (PNBP) of which has not been no longer in accordance



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- with the law on State Finances, as well imposing sanction to the state ministry(s)/ Institution(s) that manages PNBPN beyond the mechanism of APBN.
- d. continuing the process of inventory of the Asset of KKKS.
 - e. continuing the training program of accounting and financial report for the purpose of improving the quality of Human Resources capability to the employees of the state ministry/ institution and the local government.
 - f. continuing the steps in implementing of accounting on the accrual basis.
 - g. along with the House of Representative, creating the measurable and accountable criteria in the event that required the additional allocation of Adjustment Fund in each session of the Bill of APBN/ APBN-P.

Section (2)

Rules on the reward and sanction for the State Ministry/ Institution shall be included into in the Law on State Revenue and Expenditure Budget/ APBN.

Section (3)

Self-explanatory