

**TURKISH FOUNDATION FOR WASTE REDUCTION
MICROCREDIT CENTRE - TURKISH GRAMEEN
MICROCREDIT PROGRAMME**

**STATUTORY FINANCIAL STATEMENTS
AT 31 DECEMBER 2014
TOGETHER WITH AUDITOR'S REPORT**

**(ORIGINALLY ISSUED IN TURKISH -
TURKISH TEXT IS AUTHORITATIVE)**



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Turkish Foundation for Waste Reduction

1. We have audited the accompanying financial statements of the Turkish Foundation for Waste Reduction ("Foundation") Microcredit Centre - Turkish Grameen Microcredit Programme ("TGMP"), which comprise the balance sheet as at 31 December 2014, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Foundation Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation and fair presentation of these financial statements in accordance with Turkish Commercial Code ("TCC") and Turkish Standard Chart of Accounts and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

4. In our opinion, the financial statements give a true and fair view of the financial position of TGMP as at 31 December 2014, and its financial performance for the year then ended in accordance with Turkish Standard Chart of Accounts and Turkish Commercial Code.

Other information

5. As discussed in Note 28 to the balance sheet, the financial statements are prepared in accordance with the Turkish Standard Chart of Accounts and the TCC, which are different from the accounting principles generally accepted in countries in which the financial statements are to be distributed and International Financial Reporting Standards ("IFRS"). The effects of such differences have not been quantified. Accordingly, the financial statements are not intended to present the financial position, results of operations and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

**Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.**
a member of
PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read "Msancar", with a long horizontal flourish extending to the right.

**Murat Sancar, SMMM
Partner**

Istanbul, 25 May 2015

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

BALANCE SHEET AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	31 December 2014	31 December 2013
ASSETS		
I. CURRENT ASSETS		
Liquid assets	395,971	518,678
Cash	5,168	14,455
Banks	390,803	504,223
Trade receivables	46,168,499	43,022,906
Customers	45,998,308	42,975,060
Other trade receivables	170,191	47,846
Doubtful trade receivables	33,235	60,673
Provision for doubtful receivables	(33,235)	(60,673)
Short-term prepaid expenses and income accruals	40,355	25,056
Short-term prepaid expenses	40,355	25,056
Other current assets	882,399	539,340
Prepaid taxes and funds	112,318	109,505
Job advances	347,195	90,013
Advances paid	398,759	332,593
Receivables from employees	24,127	7,229
Total current assets	47,487,224	44,105,980
II. NON-CURRENT ASSETS		
Property and equipment	420,189	600,006
Motor vehicles	867,832	841,993
Furniture and fixtures	466,547	447,872
Accumulated depreciation	(914,190)	(689,859)
Intangible assets	50,638	60,057
Establishment costs	4,032	4,032
Leasehold improvements	10,175	10,175
Other intangible assets	113,365	104,381
Accumulated amortisation	(76,934)	(58,531)
Other non-current assets	7,661	7,788
Deposits given	7,661	7,788
Total non-current assets	478,488	667,851
TOTAL ASSETS	47,965,712	44,773,831

The accompanying notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

BALANCE SHEET AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	31 December 2014	31 December 2013
LIABILITIES AND FUNDS		
I. <u>CURRENT LIABILITIES</u>		
Borrowings	364,100	320,000
Borrowings	364,100	320,000
Trade payables	288,265	67,631
Suppliers	288,021	67,387
Deposits and guarantees received	244	244
Other payables	5,004,825	5,212,634
Total deposits collected (voluntary savings)	4,990,447	5,195,458
Payables to employees	14,378	17,176
Advances received	17,403	58,809
Advances received	17,403	58,809
Taxes and withholdings payable	278,315	245,604
Taxes and funds payable	123,243	94,544
Social security premiums payable	155,072	151,060
Other current liabilities	4,892,507	5,785,003
Due to related parties	4,892,507	5,785,003
Total current liabilities	10,845,415	11,689,681
II. <u>NON-CURRENT LIABILITIES</u>		
Due to related parties	8,576,504	6,076,504
Due to related parties	8,576,504	6,076,504
Total non-current liabilities	8,576,504	6,076,504
III. <u>FUNDS</u>		
Other reserves	29,470,125	27,411,781
Extraordinary reserves	2,051	2,051
Other reserves	3,027	3,027
Special funds	29,465,047	27,406,703
Accumulated losses	(404,135)	(552,162)
Net loss for the year	(522,197)	148,027
Total funds	28,543,793	27,007,646
TOTAL LIABILITIES AND FUNDS RECEIVED	47,965,712	44,773,831

The accompanying notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

INCOME STATEMENT FOR THE YEAR ENDED AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	2014	2013
Gross sales	10,887,604	10,062,333
Sales	10,887,604	10,062,333
Sales deductions	(13)	(11,229)
Sales returns	(13)	(11,229)
Net sales	10,887,591	10,051,104
Cost of sales	(7,344,125)	(6,615,471)
Cost of merchandise stocks sold	-	(25,556)
Cost of services provided	(7,344,125)	(6,589,915)
GROSS PROFIT	3,543,466	3,435,633
Operating expenses	(2,728,205)	(2,568,855)
Marketing, Selling and Distribution Expenses	(9,531)	(20,624)
General administrative expenses	(2,718,674)	(2,548,231)
PROFIT FROM PRIMARY OPERATIONS	815,261	866,778
Other operating income	44,499	19,518
Exchange gain	1,092	10
Interest income	15,969	17,950
Other income	-	-
Adjustments of Unused Allowances	27,438	1,558
Other operating expense	-	(21,394)
Provision expense	-	(21,394)
Financial expenses	(1,369,306)	(838,721)
Financial expenses	(1,369,306)	(838,721)
ORDINARY (LOSS)/PROFIT	(509,546)	26,181
Extraordinary income and gain	41,057	255,721
Extraordinary income	41,057	255,721
Extraordinary expense and loss	(53,708)	(50,774)
Prior period expense and loss	(4,192)	(1,622)
Extraordinary loss	(49,516)	(49,152)
Income before taxation	(522,197)	231,128
Taxation	-	(83,101)
NET (LOSS)/PROFIT FOR THE YEAR	(522,197)	148,027

The accompanying notes form an integral part of these financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ISSUED IN TURKISH (NOTE 28.c)

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROCREDIT PROGRAMME

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira (“TL”) unless otherwise indicated.)

I. NATURE OF OPERATIONS

The Grameen Trust (“GT”) is committed to the cause of alleviating global poverty by providing financial and technical support to Grameen Bank Build-Operate-Transfer Programmes in Bangladesh and abroad. As part of its commitment, GT began a Grameen replication project in Turkey under its build, operate and transfer model with the support of the Turkish Foundation for Waste Reduction (“TISVA”).

The Turkish Grameen Microcredit Programme (“TGMP”) was officially launched by TISVA in Diyarbakır, in the south-east of Turkey, in June 2003 with the support of GT. The primary objective of this project is to provide loans to poor women in rural and urban areas surrounding Diyarbakır, and to support their income-generating activities and small businesses as a means of reducing poverty. The project then spread to the whole country. During the implementation of the project, due to the regulations, the project was financed by the donations given by various organisations and people under the control of Diyarbakır Governor’s Office.

TISVA and Hüsnu Özyeğin paid the balance of public money in the accounts of Diyarbakır Governor’s Office related to Bağlar and Hüsnu Özyeğin Ergani Branches in 2006. TGMP was taken over by TISVA with a payment of TL 429,112. The TISVA Microcredit Centre, which is an economic enterprise foundation, was established as a part of TISVA in 2006.

TGMP is being implemented in 106 (31 December 2013: 101) different locations; Adıyaman, Afşin (Kahramanmaraş), Afyon, Aksaray, Amasya, Antalya, Artvin (Nihat Gökyiğit), Arhavi (Artvin), Aydın, Aydın Batı, Aydın Aksoğan (Malatya), Bağcılar (İstanbul), Bağlar (Diyarbakır), Balıkesir, Bandırma, Batman, Beykoz (İstanbul), Beyoğlu (İstanbul), Bilecik, Bingöl, Bismil (Diyarbakır), Bitlis, Bozöyük (Bilecik), Buca (İzmir), Burdur, Bursa, Çankırı, Çanakkale, Çan(Çanakkale), Biga (Çanakkale) Çatalca (İstanbul), Çorum, Darıca (Kocaeli), Denizli, Edirne, Elazığ, Elbistan (Kahramanmaraş), Ergani (Diyarbakır), Erzincan, Erzurum, Eyüp (İstanbul), Gemlik (Bursa), Hatay, İnegöl (Bursa), Iğdır, İskenderun (Hatay), İzmit (Kocaeli) Isparta, Kahramanmaraş, Karaman, Kastamonu, Kayapınar (Diyarbakır), Kayseri, Kemaliye (Erzincan), Kırıkkale, Kırklareli, Kırşehir, Kızıltepe (Mardin), Kilis, Konya, Kovancılar (Elazığ), Kurtalan (Siirt), Kütahya, M.Kemal Paşa (Bursa), Malatya, Mamak (Ankara), Manisa, Mardin, Mersin, Muğla, Muş, Nazilli (Aydın), Nevşehir, Niğde, Nizip (Gaziantep), Odunpazarı (Eskişehir), Ordu, Osmangazi(Bursa), Osmaniye, Reyhanlı (Hatay), Rize, Şahinbey (Gaziantep), Sakarya, Salıpazarı (Samsun), Samsun, Sancaktepe (İstanbul), Sarıkaya (Yozgat) Şanlıurfa, Sarıçam (Adana), Sarıyer (İstanbul), Şehitkamil (Gaziantep), Seyhan (Adana), Silvan (Diyarbakır), Sinop, Sivas, Siverek (Şanlıurfa), Sur (Diyarbakır), Şırnak, Şişli (İstanbul), Tokat, Trabzon, Van, Viranşehir (Şanlıurfa), Yenişehir (Bursa), Yozgat, Ceyhan (Adana), Yüksekova (Hakkari) and Zonguldak. The number of employees of TGMP at 31 December 2014 is 319 (31 December 2013: 330).

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

I. NATURE OF OPERATIONS (Continued)

TGMP projects include seven types of loans:

a) Basic Loan:

The main loan product of TGMP is the basic loan. All members can get their first loan through basic loan. The basic loan is a one-year loan and all members can extend their lines of credit as long as they adhere to the terms and conditions of the loan they obtained. In this loan system, the borrower can re-borrow the principal amounts paid after six months from the original loan date. In the concept of the basic loan, the member can make voluntary savings. In order to cover the member service costs, 10% of the loan given is deducted as service charges. The loan and the member service cost are paid in instalments over 46 weeks.

b) Enterprise Loan:

TGMP has launched a different loan programme for capable, successful and hard-working members. Enterprise loans can be used by the members who have completed one year in the basic loan system. In order to cover the member service costs, 10% of the loan given is deducted as service charge. The loan and the member service cost are paid in instalments over 46 weeks.

c) Contracted Loan:

This loan is the alternative method to counter probable difficulties regarding defaults in the weekly loan payments collected from members. If the member is experiencing difficulties in paying the loan, this system extends its maturity and an agreement is signed with the member accordingly. In order to cover the member service costs, 10% of the loan given is deducted as service charge. The principal and service charge is paid by the end of the contract. Since this loan is provided for poor people, no additional charges to members due from repayment maturity extension.

d) Short-term Animal Breeding Loan:

TGMP started to use this loan for its members in 2009. This loan is provided to all members in rural areas who want to make animal breeding as an income-generating activity. Animal breeding loan is given six months before the Feast of the Sacrifice and is recouped through the sale of animals purchased with the loan six months after the Feast of the Sacrifice. In order to cover the member service costs, 10% of the loan given is deducted as service charge and member service costs are paid in instalments over 26 or 46 weeks.

e) Loan for Struggling Members:

This loan is provided to very poor people such as beggars or homeless people. There is no service charge and no redemption schedule.

f) Social Development Loan:

This loan is provided to low income women for them to engage in additional income increasing activities and to maximize social benefit. In order to cover the member service costs, 10% of the loan given is deducted as service charge. The loan and the member service cost are paid in instalments over 46 weeks.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
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NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

I. NATURE OF OPERATIONS (Continued)

g) Communication Loan:

This loan is provided in order for low income women to possess mobile phone and to eliminate digital inequality. In order to cover the member service costs, 10% of the loan given is deducted as service charge. The loan and the member service cost are paid in instalments over 40 weeks.

According to the tax ruling that is provided from Ministry of Finance, effective from the beginning of the year 2013, for not-for profit microcredit applications, service charges include 5% Banking and Insurance Transactions Tax (BSMV).

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

TGMP maintains its books of account in Turkish lira ("TL") based on the Turkish Commercial Code ("TCC") and tax legislation and prepares its statutory financial statements in accordance with the Turkish Standard Chart of Accounts.

The changes in funds in years 2014 and 2013 were as follows:

	Extraordinary reserves	Other reserves	Special funds	Accumulated losses	Net profit/(loss) for the year	Total funds
1 January 2014	2,051	3,027	27,406,703	(552,162)	148,027	27,007,646
Transfers	-	-	-	148,027	(148,027)	-
Donations	-	-	2,058,344	-	-	2,058,344
Net loss for the year	-	-	-	-	(522,197)	(522,197)
31 December 2014	2,051	3,027	29,465,047	(404,135)	(522,197)	28,543,793

	Extraordinary reserves	Other reserves	Special funds	Accumulated losses	Net profit/(loss) for the year	Total funds
1 January 2013	2,051	3,027	24,427,287	(1,763,484)	1,211,322	23,880,203
Transfers	-	-	-	1,211,322	(1,211,322)	-
Donations	-	-	2,979,416	-	-	2,979,416
Net income for the year	-	-	-	-	148,027	148,027
31 December 2013	2,051	3,027	27,406,703	(552,162)	148,027	27,007,646

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira (“TL”) unless otherwise indicated.)

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

Significant Accounting Policies

The following significant accounting policies have been applied in the preparation of these financial statements:

Revenue

TGMP charges a service fee for each loan disbursed to the microcredit members of the project. The total service charge is determined as 15% of the outstanding loan amount. TGMP revenue includes micro-credit service charges and wallet charges.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. The depreciation is provided for property and equipment based on the straight line method. The useful lives of the property and equipment which is adopted by tax laws are as follows:

	Years
Motor vehicles	5 years
Furniture and fixtures	4 years

Pro-rata depreciation method is used for the vehicles.

Intangible assets

Intangible assets mainly comprise establishment costs, leasehold improvements and other intangibles. They are stated at cost less accumulated amortisation. Amortisation is provided based on the straight-line method over five years.

Related parties

For the purpose of these financial statements major donors and key management personnel, in each case together with organisations controlled by or affiliated with them are considered and referred to as related parties.

Financial liabilities are accounted for under due to related parties in the balance sheet since the loans are obtained via TISVA.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
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NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

Provision for doubtful receivables

A credit risk provision for receivables is established when there is objective evidence that TGMP will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount of the receivable.

Taxes on income

In accordance with Corporate Tax Law No. 5520, Article 2, Paragraph 5, the "Law related to taxpayers of corporation tax for the associations and foundations" published on 21 June 2006, commercial, industrial and agricultural enterprises that are owned by or affiliated to associations or foundations are the economic enterprises of associations and foundations. TGMP is an economic enterprise of TISVA and Adıyaman, Afşin (Kahramanmaraş), Afyon, Aksaray, Amasya, Antalya, Artvin (Nihat Gökyiğit), Arhavi (Artvin), Aydın, Aydın Batı, Aydın Aksoğan (Malatya), Bağcılar (İstanbul), Bağlar (Diyarbakır), Balıkesir, Bandırma, Batman, Beykoz (İstanbul), Beyoğlu (İstanbul), Bilecik, Bingöl, Bismil (Diyarbakır), Bitlis, Bozüyük (Bilecik), Buca (İzmir), Burdur, Bursa, Çankırı, Çanakkale, Çan(Çanakkale), Biga (Çanakkale) Çatalca (İstanbul), Çorum, Darıca (Kocaeli), Denizli, Edirne, Elazığ, Elbistan (Kahramanmaraş), Ergani (Diyarbakır), Erzincan, Erzurum, Eyüp (İstanbul), Gemlik (Bursa), Hatay, İnegöl (Bursa), Iğdır, İskenderun (Hatay), İzmit (Kocaeli) Isparta, Kahramanmaraş, Karaman, Kastamonu, Kayapınar (Diyarbakır), Kayseri, Kemaliye (Erzincan), Kırıkkale, Kırklareli, Kırşehir, Kızıltepe (Mardin), Kilis, Konya, Kovancılar (Elazığ), Kurtalan (Siirt), Kütahya, M.Kemal Paşa (Bursa), Malatya, Mamak (Ankara), Manisa, Mardin, Mersin, Muğla, Muş, Nazilli (Aydın), Nevşehir, Niğde, Nizip (Gaziantep), Odunpazarı (Eskişehir), Ordu, Osmangazi (Bursa), Osmaniye, Reyhanlı (Hatay), Rize, Şahinbey (Gaziantep), Sakarya, Salıpazarı (Samsun), Samsun, Sancaktepe (İstanbul), Sarıkaya (Yozgat) Şanlıurfa, Sarıçam (Adana), Sarıyer (İstanbul), Şehitkamil (Gaziantep), Seyhan (Adana), Silvan (Diyarbakır), Sinop, Sivas, Siverek (Şanlıurfa), Sur (Diyarbakır), Şırnak, Şişli (İstanbul), Tokat, Trabzon, Van, Viranşehir (Şanlıurfa), Yenişehir (Bursa), Yozgat, Ceyhan (Adana), Yüksekova (Hakkari) and Zonguldak. branches are subject to corporate tax.

Corporation tax is payable at a rate of 20% on the net income after adjusting for certain disallowable expenses, exempt income and investment and other allowances.

Tax returns are open for five years during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods. As of 31 December 2014, TGMP has carry-forward tax losses amounted to TL293,994 (31 December 2013: None).

Total deposits collected (voluntary savings)

Within the scope of the primary objective of TGMP, each project group member voluntarily deposits at least TL1 on a weekly basis. Poor people are encouraged to voluntarily save in order to help developing their saving habitudes. TGMP have not made interest payment in 2014 (2013: none) on the saving balance. The group members can withdraw their savings any time. Only the new members are not allowed to withdraw within six months. TGMP accounts for the weekly deposits collected from the members voluntarily under total deposits collected (voluntary savings) in the balance sheet.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
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NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

Trade receivable (Microcredits given)

TGMP's customers are the members of the microcredit programmes and the receivable is calculated as loans are given to microcredit members at nominal value by TGMP.

Special funds

Legal funds that must be reserved in the corporation are followed in this account. TISVA transfers the funds received from public institutions and donations received from various foundations, corporations and individuals to TGMP and TGMP follows these funds as special funds in the balance sheet.

III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS

A) NOTES TO THE BALANCE SHEET

1. Upper limit of capital where registered capital system is applied:

TGMP is not subject to registered capital system.

2. a. Total amount of advances extended to the chairman and the members of the board of directors, general manager, general coordinator, assistant general manager and other high-level management during the year:

None (31 December 2013: None). TGMP paid no advances to the chairman and members of the board of directors, chairman and members of board of trustees and audit committee of TISVA.

b. Balance of such advances at year end:

None (31 December 2013: None).

3. Total amount of insurance on assets:

TL937,200 (31 December 2013: TL976,800).

4. Total amount of mortgages and other guarantees obtained against the receivables:

None (31 December 2013: None).

5. Total amount of mortgages and other collaterals and guarantee letters given against the payables:

None (31 December 2013: None).

6. Off-balance sheet commitments and contingent liabilities:

None (31 December 2013: None).

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

7. Foreign currency denominated cash and bank balances:

None (31 December 2013: TL13,295).

8. Foreign currency denominated receivables:

None (31 December 2013: None).

9. Foreign currency denominated liabilities:

None (31 December 2013: None).

10. Amount of bills and financial bonds in circulation issued under the guarantee of banks:

None (31 December 2013: None).

11. Total investment incentive tax exemption to be utilised in current and following periods:

None (31 December 2013: None).

12. Bills in circulation, which are convertible to share certificates:

None (31 December 2013: None).

13. List of shares representing the share capital:

None (31 December 2013: None).

14. Total amount of share capital issued in current period:

None (31 December 2013: None).

15. List of owners or shareholders holding more than 10% of capital:

TGMP is a not-for-profit organisation and it does not have a shareholding structure. The TGMP management classified the donations as special funds under "Funds" in the financial statements (Note 28.a).

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

16. List of investments and subsidiaries where more than 10% of the share capital is owned:

None (31 December 2013: None).

17. Tangible and intangible fixed assets movements during the year:

- a. Additions (*) : TL78,259 (31 December 2013: TL157,420).
b. Disposals (**) : TL24,760 (31 December 2013: TL224,464).

(*) Office furniture, vehicle and computer software purchases

(**) Vehicle sales

18. Share of shareholders, subsidiaries, associates and related parties in short and long-term receivables and payables:

31 December 2014 31 December 2013

Due to related parties:

Turkish Foundation for Waste Reduction (*) 13,469,011 11,861,507

(*) Total amount of payables due to related parties includes principal and accrued interest of various bank loans transferred from TISVA with the same conditions (average interest rate of 12% per annum). The maturities of those bank loans vary between 28 May 2015 and 1 July 2017 and TL8,576,504 is related to the year 2016 and afterwards.

19. Average number of employees in during the year:

Average number of employees during the year is 319 (31 December 2013: 330).

20. Subsequent events:

- a) Until the preparation date of these financial statements, the project is implemented in five new locations which are : Bandırma (Balıkesir), Çan (Çanakkale), Osmangazi (Bursa), Osmaniye, Bozöyük (Bilecik), Ceyhan (Adana) and sub-unit of Kayseri - Nevşehir.
- b) In 2014, until the preparation date of these financial statements, TGMP received donations amounting to TL631,478 as presented on the following page:

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

Donor - supporter individual/institution	Amount (TL)
Şanlıurfa Metropolitan Municipality	148,578
Rize Special Provincial Administration Fund	80,000
Denizli Special Provincial Administration Fund	50,000
Edirne Special Provincial Administration Fund	50,000
Tekfen Holding A.Ş.	50,000
Aksaray Special Provincial Administration Fund	30,000
Darülaceze Institution/Sarıyer Branch	30,000
Darülaceze Institution/Edirne Branch	30,000
Adıyaman Special Provincial Administration Fund	30,000
Social Market Institution Beyoğlu Branch	25,000
Darülaceze Institution/İzmit Branch	20,000
Darülaceze Institution/Darıca Branch	20,000
Darülaceze Institution/Şişli Branch	20,000
Ahmet Kaya Bağ	10,000
Darülaceze Institution/Beykoz Branch	10,000
Yozgat Special Provincial Administration Fund	10,000
Ali Kale	7,000
Uzun Köprü Social Solidarity Institution	5,000
HSBC Çorum Branch	2,500
Bilal Çeker	2,000
Social Solidarity Fund	1,000
Olca Uygur	400
Total	631,478

21. Contingent losses and contingent profits:

None (31 December 2013: None).

22. Disclosure of changes in accounting estimates, which have material effect on gross profit ratios and their monetary effect:

None (31 December 2013: None).

23. Amount of blocked deposits in bank accounts:

None (31 December 2013: None).

24. Affiliates, subsidiaries and shareholders issuing available-for-sale marketable securities and their amount:

None (31 December 2013: None).

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

25. Bonus shares received from affiliates and subsidiaries due to capital increases from reserves:

None (31 December 2013: None).

26. Total amount of unrealised interest related to the following financial period:

None (31 December 2013: None).

27. Guarantees extended to shareholders, affiliates and subsidiaries:

None (31 December 2013: None).

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements:

a) The details of the special funds transferred to TGMP are as follows:

	31 December 2014	31 December 2013
Kahramanmaraş Special Provincial Administration Fund	1,400,935	1,400,935
Gaziantep Special Provincial Administration Fund	1,308,000	1,308,000
Diyarbakır Governorship	1,021,425	1,021,425
Citi Foundation Donation Account	874,447	874,447
Bursa Special Provincial Administration Fund	800,000	800,000
Nihat Gökyiğit	775,000	575,000
Aydın Special Provincial Administration Fund	753,688	753,688
Grameen- Jameel Fund	746,525	746,525
Rize Special Provincial Administration Fund	575,000	495,000
Whole Planet	571,909	571,909
Hatay Special Provincial Administration Fund	570,000	570,000
Hüsni Özyeğin	551,224	551,224
Mardin Special Provincial Administration Fund	535,214	535,214
Amasya Special Provincial Administration Fund	510,000	410,000
Batman Special Provincial Administration Fund	500,000	500,000
Galip Öztürk	455,000	455,000
Trabzon Special Provincial Administration Fund	450,000	450,000
HSBC Donation Account	426,043	426,043
Open Society Foundation	423,359	423,359
Manisa Special Provincial Administration Fund	400,000	400,000
Sivas Special Provincial Administration Fund	400,000	400,000
Şanlıurfa Special Provincial Administration Fund	399,997	399,997
M.V Holding A.Ş	355,000	315,000
Asım Kocabıyık	350,000	350,000

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements: (continued)

	31 December 2014	31 December 2013
Balıkesir Special Provincial Administration Fund	350,000	350,000
Samsun Special Provincial Administration Fund	340,000	340,000
Niğde Special Provincial Administration Fund	325,000	325,000
Vuslat Doğan Sabancı	300,000	250,000
Adıyaman Local Administration Fund	300,000	200,000
Erzincan Special Provincial Administration Fund	297,750	297,750
Feyyaz Berker	275,000	275,000
Tevfik Öz	257,955	257,955
Vehbi Bilgin	250,000	250,000
Tokat Special Provincial Administration Fund	245,000	245,000
Limak Holding A.Ş.	225,000	200,000
Darıca Rotary Club	217,000	217,000
Tekfen Holding A.Ş.	213,420	-
Gaziantep Sodes Project Fund	212,000	212,000
Kırıkkale Special Provincial Administration Fund	205,000	155,000
Denizli Municipality Fund	202,000	102,000
Bingöl Special Provincial Administration Fund	201,000	151,000
Çankırı Special Provincial Administration Fund	200,000	200,000
Çorum Municipality	200,000	200,000
Malatya Municipality	200,000	200,000
Malatya Special Provincial Administration Fund	200,000	200,000
Sakarya Special Provincial Administration Fund	200,000	200,000
Sema Doğan	200,000	200,000
Viranşehir Sodes Project Fund	200,000	200,000
Yozgat Special Provincial Administration Fund	199,213	199,213
Karaman Special Provincial Administration Fund	195,000	195,000
Diyarbakır Sodes Fund	194,600	194,600
Turgay Ciner	190,000	190,000
Kırklareli Special Provincial Administration Fund	190,000	140,000
Edirne Darülaceze Institution	190,000	100,000
Bingöl Sodes Project Fund	186,000	186,000
Çanakkale United Way World Wide City Foundation	186,000	186,000
Sarıyer Rotary Club	185,500	185,500
Erzincan Sodes Project Fund	184,000	184,000
Bilecik Special Provincial Administration Fund	170,000	170,000
Batman Pemi Fund	160,000	160,000
Burdur Special Provincial Administration Fund	160,000	160,000
Isparta Special Provincial Administration Fund	160,000	160,000
Eskişehir Special Provincial Administration Fund	157,000	157,000

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements: (continued)

	31 December 2014	31 December 2013
Sarıyer Darülaceze Institution	155,000	100,000
Afyon Special Provincial Administration Fund	150,000	150,000
Eyüp Cenap Gülpınar	150,000	150,000
Muğla Special Provincial Administration Fund	150,000	150,000
Şırnak Special Provincial Administration Fund	150,000	150,000
Muş Sodes Fund	148,000	148,000
Karaman Municipality Fund	135,000	85,000
Borusan Holding A.Ş.	132,450	132,450
Şişli Darülaceze Institution	130,000	100,000
Şişli Rotary Club	124,000	124,000
Erzurum Special Provincial Administration Fund	120,000	120,000
Bitlis Special Provincial Administration Fund	111,357	111,357
Akfen A.Ş.	110,000	110,000
Darıca Darülaceze Institution	110,000	50,000
Denizli Special Provincial Administration Fund	103,000	103,000
Abalıoğlu Yem	100,000	100,000
Aksaray Special Provincial Administration Fund	100,000	100,000
Ayşe Işıl Zaim	100,000	100,000
Elazığ Special Provincial Administration Fund	100,000	100,000
Gaziantep Special Provincial Administration Fund	100,000	100,000
İsken Energy Production	100,000	100,000
Ordu Special Provincial Administration Fund	100,000	100,000
Osman Yıldırım Coşkun	100,000	100,000
Turkcell	100,000	-
Kütahya Special Provincial Administration Fund	89,874	60,000
İzmit Darülaceze Institution	85,000	-
Yuma Construction	80,000	80,000
Osmaniye Special Provincial Administration Fund	75,500	-
Zonguldak Special Provincial Administration Fund	75,000	75,000
Social Market Institution Fund	75,000	50,000
BRJ Loan Distribution Fund	73,636	73,636
Hakkari Special Provincial Administration Fund	70,700	70,700
Sinop Special Provincial Administration Fund	68,000	68,000
Kırşehir Special Provincial Administration Fund	65,000	65,000
Çorum Special Provincial Administration Fund	64,513	64,513
Park Teknik	62,000	62,000
Beykoz Rotary Club	60,000	60,000
İsmail Kavuncu	55,000	55,000
Cey-Kar A.Ş.	50,000	50,000

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements: (continued)

	31 December 2014	31 December 2013
İğdır Special Provincial Administration Fund	50,000	50,000
İskenderun Special Provincial Administration Fund	50,000	50,000
Kahramanmaraş Municipality	50,000	50,000
Kahramanmaraş Social Solidarity Foundation	50,000	50,000
Muş Special Provincial Administration Fund	50,000	50,000
Nihat Özdemir	50,000	50,000
Recep Atakaş	50,000	50,000
Siverek Sodes Project Fund	50,000	50,000
TAV Yatırım Holding A.Ş.	50,000	50,000
Trabzon Municipality	50,000	50,000
Tülay Aksoy Fund	50,000	50,000
Türk Telekom	50,000	50,000
Adana Industrial Zone	50,000	-
Beykoz Darülaceze Institution	50,000	-
Metalurji Baştuğ Sanayi A.Ş.	50,000	-
Edirne Rotary Club	45,000	45,000
Ahmet Kaya Bağ	42,000	-
Reyhanlı Municipality	40,974	40,974
Aytekin Conkur	32,000	-
İzmit Rotary Club	30,000	30,000
MPR Marketing	27,442	27,442
Ercan Alagöz	25,000	25,000
Kahramanmaraş Chamber of Commerce	25,000	25,000
Kipaş A.Ş.	25,000	25,000
Yeşim Toduk-Ali Rıza Toduk	25,000	25,000
The Grand National Assembly of Turkey Fund- Adana	24,794	24,794
The Grand National Assembly of Turkey Fund - Mersin	24,794	24,794
Aksoğanlar A.Ş. Fund	22,160	22,160
Osmaniye Turkish Local Service Union	22,000	-
Begümhan Doğan Faralyalı	21,000	21,000
AgriTrade Agricultural Products	20,000	20,000
İzmir Industrialists	20,000	20,000
Leyla Alaton	20,000	20,000
Norm Industry Foreign Trade Donation	20,000	20,000
Tosyalı Holding A.Ş.	20,000	-
İşkur Enerji A.Ş.	15,000	15,000
Nokta Kom Media	15,000	15,000
Yazıcı Demir Çelik A.Ş.	15,000	15,000
Spintek İletişim A.Ş.	15,000	-

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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

**28. Other matters that may have a material effect on, or be explained for the clear
understanding of the financial statements: (continued)**

	31 December 2014	31 December 2013
Ecem Erşeker	14,859	14,859
Nevşehir Special Provincial Administration Fund	14,000	-
Towerbridgeint Services	12,582	12,582
Ömer Sabancı	12,500	12,500
Hasan Serhan Süzer	10,500	10,500
Selim Akın	10,150	10,150
Ak Parti Parliamentary Group Daily Allowance	10,000	10,000
Aksu Mining Fund	10,000	10,000
Batü Ege Gayrimenkul	10,000	10,000
Merke Doğal	10,000	10,000
Nuri Üysen	10,000	10,000
Shamrock Textile	10,000	10,000
Boydak Holding A.Ş.	10,000	-
Edirne Chamber of Commerce	10,000	-
Osman Özgür	10,000	-
Ral Steel Recycling Industry	10,000	-
Yonpaş Orman Ürünleri	10,000	-
Ali Kale	7,000	-
İran Bağış	6,930	6,930
Eman Tur	6,110	6,110
Doğuş Oto	6,000	6,000
Adil Koç	5,000	5,000
Ahmet Mercan	5,000	5,000
Ali Emre Kaan Sabancı	5,000	5,000
Ali İsmail Sabancı	5,000	5,000
Ali Rıza Ceylan	5,000	5,000
Alpler Agricultural Products Fund	5,000	5,000
Deniz Textile	5,000	5,000
Finansbank	5,000	5,000
Hanzade Vasfiye Doğan Boyner	5,000	5,000
Hayri Yüce	5,000	5,000
Hürsan Textile	5,000	5,000
Metin Yıldız	5,000	5,000
Nevbahar Ve Ali	5,000	5,000
Okan Üniversitesi	5,000	5,000
Sema Karaoğlu	5,000	5,000
Vefa Dayanıklı Tük. Mal. Ltd. Şti.	5,000	5,000
Emas Metal Industry	5,000	-
Fikret Ataman	5,000	-

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

**28. Other matters that may have a material effect on, or be explained for the clear
understanding of the financial statements: (continued)**

	31 December 2014	31 December 2013
Ozan Textile	5,000	-
Özpak Nutrition	5,000	-
Özcan Ertunç	4,000	4,000
Mim Tur	3,750	3,750
Ayşe Uzunlu	3,500	-
Kahramanmaraş Chamber Fund	3,400	3,400
Dörtüyl Rural Services	3,023	3,023
Asaş Filtre San. Tic. A.Ş.	3,000	3,000
Kırıkkale Mayor	3,000	3,000
Dr. Sinan Karaoğlu	3,000	-
Promed Hospital	3,000	-
Doğan Erten	2,500	2,500
Şah-Pet Şahin Kardeşler	2,500	2,500
Özdörtler Nutrition	2,500	-
Hilmi Mithat Delen	2,010	2,010
Ansa-Med Health	2,000	2,000
Derya Erden Çerkeş	2,000	2,000
Ecevit Arakılıç	2,000	2,000
Giltaş Marine	2,000	2,000
Kemal Oğuz	2,000	2,000
Kosifler Auto	2,000	2,000
Mehmet Kılıçlar	2,000	2,000
Otonom Görüntüleme	2,000	2,000
Recep Barut	2,000	2,000
Seval-Kaya Başaran	2,000	2,000
Seyfettin Kanık	2,000	2,000
Akprofil Tourism	2,000	-
Aynur Erman	2,000	-
Dal Ev Decoration	2,000	-
Kızıklı Nutrition	2,000	-
Mahmut Hiçyılmaz	2,000	-
Numanoğlu Construction	2,000	-
Ayşe İnan Fonu	1,500	1,500
Ertuğrul Özkök	1,500	1,500
Association of Women Entrepreneurs Fund	1,500	1,500
Hakkı Hasan Yılmaz	1,500	1,500
İhsan Onat	1,500	1,500
İbrahim Betil	1,200	1,200
Ahmet Kamil Şirikçi	1,100	1,100

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

**28. Other matters that may have a material effect on, or be explained for the clear
understanding of the financial statements: (continued)**

	31 December 2014	31 December 2013
Diekmann Schwanena Llee	1,016	1,016
Naşit Doğan	1,005	1,005
Adnan Günay	1,000	1,000
Ali Hamza Pehlivan	1,000	1,000
Ali Nur Aktaş	1,000	1,000
Ali Özbuğday	1,000	1,000
Aliye Varoğlu	1,000	1,000
Anıl Automotive Commerce	1,000	1,000
Aydeniz Family	1,000	1,000
Aydın Commodity Exchange	1,000	1,000
Aylin - Özcan Tahincioğlu	1,000	1,000
Ayşe Oya Eczacıbaşı	1,000	1,000
Aziz Efe	1,000	1,000
Bülent Eczacıbaşı	1,000	1,000
Cem Kozlu	1,000	1,000
Deniz Çemşit Demiroğlu	1,000	1,000
Dilek Karadeniz	1,000	1,000
Ebru Ve Temuçin Tüzecan	1,000	1,000
Emin Metin	1,000	1,000
Enerji Sa	1,000	1,000
Erkan Çakım	1,000	1,000
Ermaş Mining	1,000	1,000
Esengül Korkmaz Çiçekli	1,000	1,000
Fevzi Eriş	1,000	1,000
Gazi Osman Ovalı	1,000	1,000
Gülay Gül	1,000	1,000
Gültekin Güvensoy	1,000	1,000
Hacı Karaca	1,000	1,000
Halef Günay	1,000	1,000
Hasan Fehmi Kınay	1,000	1,000
Hasan Tunç	1,000	1,000
Hateks Textile	1,000	1,000
Haydar Kotan	1,000	1,000
Kızıltepe District	1,000	1,000
Mahmut Miskar	1,000	1,000
Mehmet Güzelmansur	1,000	1,000
Mehmet Narin	1,000	1,000
Menaf Kıyanç	1,000	1,000
Midyat Kaymakamlığı	1,000	1,000

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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements: (continued)

	31 December 2014	31 December 2013
Mine Lök Beyaz	1,000	1,000
Murat Özyeğin	1,000	1,000
Mustafa Birsen	1,000	1,000
Mustafa Erkan Ersoy	1,000	1,000
Mustafa Poyraz	1,000	1,000
Mustafa Takmaklı	1,000	1,000
Mustafa Yıldırım	1,000	1,000
Naime Göker Ekim	1,000	1,000
Nazilli Municipality	1,000	1,000
Nur İpek Kumaşçılık Fund	1,000	1,000
Nuri Bayramoğlu	1,000	1,000
Orhan Durmuş	1,000	1,000
Öz Volkan Oil	1,000	1,000
Petek Pastanesi	1,000	1,000
Rotary Club Fund	1,000	1,000
Şafak Çivici	1,000	1,000
Selma Özkan	1,000	1,000
Semih Cemali	1,000	1,000
Semiha Öyüş	1,000	1,000
Sezai Boncuk	1,000	1,000
Tahsin Kabaali	1,000	1,000
Tuncay Akkoyun	1,000	1,000
Vahap Minigül	1,000	1,000
Yesaş Fund	1,000	1,000
Yüksel Duman	1,000	1,000
Yüksel Construction	1,000	1,000
Ali Eziñ	1,000	-
Hamid Kınaş	1,000	-
Musa Birdal	1,000	-
F. Sevinç Dinçsoy Fund	600	600
Ayfer Balki	570	570
Ahmet Faralyalı	500	500
Ahmet Nafi Dalman	500	500
Ahmet Özer	500	500
Alev Çeliktaş	500	500
Ali Cingilhoğlu	500	500
Ali Hakan Altınay	500	500
Ali Ömer Dinçe	500	500
Alihan Doğan Yalçındağ	500	500

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

**28. Other matters that may have a material effect on, or be explained for the clear
understanding of the financial statements: (continued)**

	31 December 2014	31 December 2013
Alihan Yalçın	500	500
Arzu - Murat Atabarut	500	500
Arzu Çebi	500	500
Arzuhan Yalçındağ	500	500
Asli & Damar Arikoğlu	500	500
Asli Demir Sabancı	500	500
Aslı Erkut Soyak	500	500
Asuman Şener	500	500
Aydın Doğan Yalçındağ	500	500
Ayşe Leman Balım	500	500
Ayşe Nil Bağcıoğlu	500	500
Ayşe Yalçın	500	500
Başar Arıoğlu	500	500
Berna Arıoğlu	500	500
Berna Tokar	500	500
Bettina Hakko	500	500
Bucak Chamber of Drivers	500	500
Damla Şener	500	500
Duru Construction	500	500
Ece - Korhan Kurdoğlu	500	500
Ekinözü Municipality	500	500
Elif Dürüst	500	500
Elif Şafak-Eyüp Can	500	500
Emel Armutçu	500	500
Emine Kamışlı Fund	500	500
Enis Berberoğlu	500	500
Erhan Kamışlı Fund	500	500
Erol - Güliz Kalaçı	500	500
Ersin Arıoğlu	500	500
Esra Bilgin	500	500
Fatma Ayşe Cemal	500	500
Ferayi & Lütfü Tınç	500	500
Gökhan Sime	500	500
Gülse Şener Birsnel	500	500
Hakan Çarmıklı	500	500
Hamdi Akın	500	500
Hande Durak Dumrul	500	500
Hayırlı Zerrin Sabancı	500	500
İpek Cem Taha	500	500

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

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(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

**28. Other matters that may have a material effect on, or be explained for the clear
understanding of the financial statements: (continued)**

	31 December 2014	31 December 2013
Kamil Kanat Atkaya	500	500
Kerim Arıođlu	500	500
Magma İletişim Hizmetleri Ltd.Şti.	500	500
Maide - Emre Kurttepedi	500	500
Mediha Ayça Sarangil	500	500
Mehmet Ali Yalçındađ	500	500
Mehmet Başer	500	500
Mehmet Dođan Hızlan	500	500
Mehmet Esra Armađan	500	500
Mehmet Kahraman	500	500
Mehmet Ođuz Güney	500	500
Mehtap Bayraktar	500	500
Meliha Serra Tokar	500	500
Melis Küçük	500	500
Memduh Karakullukçu	500	500
Mina Küçük	500	500
Murat Küçük	500	500
Neşet Yalçın	500	500
Nesrin Ercan	500	500
Nilüfer Haybat	500	500
Ömer Celal Umur	500	500
Ömer Temelli	500	500
Oya Berberođlu	500	500
Ozan Şener	500	500
Özcan Sabancı	500	500
Özkan Ateş	500	500
Pelin Akın	500	500
Perihan Özkök	500	500
Pınar Küçük	500	500
Pınar Yeşilada	500	500
Sani Şener	500	500
Sedat Ergin	500	500
Sema Cıngıllıođlu	500	500
Serpil Bilgel	500	500
Sertaç Haybat	500	500
Şevket Sabancı	500	500
Seyit Karagözođlu	500	500
Silvia Meşulam	500	500
Sinan Bilgin	500	500

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

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(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements: (continued)

	31 December 2014	31 December 2013
Şirin Yalçın	500	500
Şule Zeybek	500	500
Suzi - Nedim Dayan	500	500
Taylan Bilge	500	500
Tijen Mergen	500	500
Tuğba Zeybek Demircan	500	500
Tülay Ulusoy	500	500
Umut Alphan	500	500
Vio-Verda-Lidya	500	500
Virna Ve Vedat	500	500
Yasemin Germiyangil	500	500
Yusuf Fatih Çekirge	500	500
Zafer Civelek	500	500
Zeynep Dalman	500	500
Zeynep Orcan Kalkagüliz	500	500
Zeynep Temelli	500	500
Öz Avcı Construction Materials	500	-
Nuray Ökten	300	300
Demet-Abdulkadir Varoğlu	250	250
Erdem Ünlü Çetinkaya	250	250
Serkan Boyalı	250	250
Şeyma Boyacıgil	250	250
Yeşim Özemir	250	250
Morkoz Health and Cosmetics Products	240	240
Ferit Mevlüt Aslan	200	200
Hatice Nuray Ökten	200	200
Özgül Atılgın Ayanoğlu	200	200
Palu Municipality	200	200
Serdar Kartal	200	200
Sümer Plastics	184	184
Keiko Takaki	150	150
Yakup Dinç	150	150
Aybüke Altaş	100	100
Burhanettin Aktaş	100	100
Celal Tilge	100	100
İzmirli Otel Yatırım Tur. A.Ş.	100	100
Şakir Dorukkaya	100	100
Şebnem Bursalı	80	80
Aysel Balki	70	70

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira (“TL”) unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements: (continued)

	31 December 2014	31 December 2013
Murat Akpiçak-Gediz University	60	60
Semra Ulusoy	55	55
Dilek Başoğlu	50	50
Halil Kılıç-Kavuklar A.Ş.	50	50
Kerem İnanır	50	50
Oltan Sungurlu	50	50
Şerife Kürekçi	50	50
Öz Işık Yılmaz Özgün	50	0
Serkan Bulguroğlu	5	5
TOPLAM	29,465,047	27,406,703

b) The Turkish Standard Chart of Accounts requires companies to compile statements of changes in shareholders’ equity, cash flows, fund flows and profit distribution together with their balance sheet, income statement and notes to the financial statements. Since TGMP is a not-for-profit organization, it is not required to prepare a statement of profit distribution. However, as of the preparation date of these financial statements, the Company has not prepared its statements of changes in shareholders’ equity, cash flows and fund flows, yet.

c) The financial statements are based on the Turkish Standard Chart of Accounts in accordance with the TCC, which is different from the accounting principles generally accepted in countries in which the financial statements are to be distributed and International Financial Reporting Standards (“IFRS”). The effects of such differences have not been quantified. Accordingly, the financial statements are not intended to present the financial position, results of operations and changes in the financial position and cash flows in accordance with the accounting principles generally accepted in such countries and IFRS.

29. Date at which the financial statements are approved and become effective:

The financial statements have not yet been approved by the Board of Trustees of TISVA as of the preparation date of these financial statements. According to regulatory rules, there is no such requirement for not-for-profit organisations.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

B) NOTES TO THE STATEMENT OF INCOME

1. Total depreciation and amortisation charges for the period:

Depreciation: TL241,251 (2013: TL245,939).

Amortisation: TL18,403 (2013: TL25,141).

2. Provision expenses for the period:

Provision expense for the period is TL72,407 (2013: TL21,394). Provision expenses are composed of the provision for the doubtful receivables.

3. Financial expenses for the period:

As of 31 December 2014, financial expense for the period is TL1,369,306 (2013: TL838,721).

4. Amount of financial expenses for the period related to shareholders, subsidiaries and affiliates:

None (2013: None).

5. Sales to shareholders, subsidiaries and affiliates:

None (2013: None).

6. Interest, commission, rent and similar income and expenses received from or paid to shareholders, subsidiaries and affiliates:

None (2013: None).

7. Salaries and other benefits paid to the chairman and the members of the board of directors, general manager, general coordinator, assistant general manager and other high-level management during the year:

During the year 2014 TL59.033 was paid to the General Manager and Assistant General Manager of TGMP (2013: TL72,217). TGMP did not pay any salaries and other benefits to the chairman and members of the board of directors, chairman and members of board of trustees and audit committee of TISVA.

8. Depreciation and amortisation method applied:

The depreciation for property and equipment and amortisation for intangibles are provided based on the straight-line method. Pro-rata depreciation method is used for the vehicles. For the current year additions of other property plant and equipment and intangible assets, the depreciation and amortisation calculated for the whole year is accounted for in the financial statements.

9. Reasons for non-performance of physical stock counts:

Physical stock count was not performed by TGMP because there is no inventory amount to the financial statements as of 31 December 2014.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH (NOTE 28.c)**

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
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NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2014

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

B) NOTES TO THE STATEMENT OF INCOME (Continued)

10. Sales of by- products and scraps exceeding 20% of sales:

None (2013: None).

11. Explanatory note for prior period income and expenses:

No prior period income occurred during the year (2013: None). Prior period expense amounting to TL4,192 is related to various expenses such as communication, electricity, postage expenses of 2014 (2013: TL1,622).

12. Earnings per share:

Since TGMP is not a capital stock company, earnings per share is not calculated.

13. Other disclosures:

a) General administrative expenses are mostly attributable to the expenses of the project office in Ankara. The details of general administrative expenses are as follows:

	2014	2013
Salaries	1,350,064	1,181,765
Meal	340,261	360,314
Transportation	253,135	297,317
Communication	300,171	247,235
Rent	124,133	121,255
Consultancy services	105,190	95,449
Press and printing expenses	99,357	81,945
Depreciation and amortisation expenses	44,983	48,081
Tax expenses	24,032	40,428
Maintenance	13,305	14,638
Electricity, phone and water expenses	15,895	13,961
Fixtures recorded as expense	1,696	2,375
Other	46,452	43,468
General administrative expenses	2,718,674	2,548,231

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

B) NOTES TO THE STATEMENT OF INCOME (Continued)

13. Other disclosures (Continued)

b) The details of cost of services provided are as follows:

	2014	2013
Salaries	5,514,592	4,822,416
Vehicle rent	485,191	483,247
Fuel	437,569	440,005
Depreciation and amortisation expenses	203,586	222,999
Maintenance	97,149	72,992
Taxes and other duties (Other than corporate income tax)	64,375	56,429
Internet	62,731	48,015
Travel	54,524	66,053
Insurance	52,582	58,118
Transfer expenses	51,733	34,731
Freight expenses	34,721	28,132
Stationery	33,316	56,463
Postage	29,973	46,781
Electricity, phone and water expenses	25,268	18,099
Communication	23,953	19,377
Subscription fee	18,063	25,209
Fixtures recorded as expense	12,232	28,121
Entertainment expenses	7,807	18,411
Other	134,760	69,873
Cost of sales	7,344,125	6,615,471

c) The details of extraordinary income and gain are as follows:

	2014	2013
Insurance income	20,033	-
Vehicle sales	13,881	73,755
General management donation	5,119	72,508
Turkcell donation (*)	-	95,238
Other	2,024	14,220
Total	41,057	255,721