

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

**STATUTORY FINANCIAL STATEMENTS AT 31 DECEMBER 2019
TOGETHER WITH AUDITOR'S REPORT**

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



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Turkish Foundation for Waste Reduction

Opinion

We have audited the accompanying financial statements of Turkish Foundation for Waste Reduction (the "Foundation") Microcredit Centre - Turkish Grameen Microcredit Programme ("TGMP"), which comprise the balance sheet as at 31 December 2019, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with General Communiqué on Accounting System Application ("GCASA").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

Independence

We are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of matter

We draw attention to Note 20 of the consolidated financial statements, which describes the effects of COVID - 19 outbreak on the Foundation. Our opinion is not modified in respect of this matter.

Other Matter

As discussed in Note 28 to the balance sheet, the accompanying financial statements are prepared and presented in accordance with GCASA which is different from the accounting principles generally accepted in the countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards ("IFRS"). The effects of such differences have not been quantified in the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and financial performance of the Foundation in accordance with the accounting principles generally accepted in such countries and IFRS.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Foundation management is responsible for the preparation and fair presentation of the financial statements in accordance with GCASA, 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with ISAs is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an independent audit conducted in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit 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 Foundation's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Murat Sancar, SMMM
Partner

İstanbul, 18 August 2020

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH**

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

BALANCE SHEET AT 31 DECEMBER 2019

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

	31 December 2019	31 December 2018
ASSETS		
I. CURRENT ASSETS		
Liquid assets	947,688	416,990
Cash	580	1,595
Banks	947,108	415,395
Trade receivables	56,840,329	48,140,219
Customers	56,758,435	48,026,493
Notes receivables	78,406	94,006
Other trade receivables	3,488	19,720
Doubtful trade receivables	1,011,729	1,029,203
Provision for doubtful receivables	(1,011,729)	(1,029,203)
Other receivables	40,966	76,143
Due from related parties	40,966	76,143
Inventories	4,001	-
Short-term prepaid expenses and income accrual	156,407	129,763
Short-term prepaid expenses	156,407	129,763
Other current assets	593,221	555,322
Prepaid taxes and funds	1,453	1,048
Job advances	146,198	198,028
Advances paid	431,018	348,683
Receivables from employees	13,050	5,462
Income accrual	158	2,101
Deposits and guarantees given	741	-
Other current assets	603	-
Total current assets	58,582,612	49,318,437
II. NON -CURRENT ASSETS		
Property and equipment	812,526	1,221,415
Motor vehicles	3,033,552	2,808,136
Furniture and fixtures	1,080,158	968,047
Accumulated depreciation	(3,301,184)	(2,554,768)
Intangible assets	47,743	68,433
Establishment costs	4,032	4,032
Leasehold improvements	67,895	67,895
Other intangible assets	145,901	145,901
Accumulated amortisation	(170,085)	(149,395)
Other non-current assets	14,769	13,798
Deposits given	14,769	13,798
Total non-current assets	875,038	1,303,646
TOTAL ASSETS	59,457,650	50,622,083

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH**

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

BALANCE SHEET AT 31 DECEMBER 2019

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

	31 December 2019	31 December 2018
LIABILITIES AND FUNDS		
I. <u>CURRENT LIABILITIES</u>		
Borrowings	2,697	23,557
Short-term borrowings	2,697	23,557
Trade payables	5,728,775	3,183,053
Suppliers	114,903	55,587
Due to related parties	5,613,872	3,127,466
Deposits and guarantees received	-	-
Other payables	8,138,611	6,020,887
Total deposits collected (voluntary savings)	8,128,229	5,990,018
Payables to employees	10,382	30,869
Advances received	11,631	367
Advances received	11,631	367
Taxes and withholdings payable	482,577	325,146
Taxes and funds payable	216,442	141,919
Social security premiums payable	266,135	183,227
Provisions for liabilities and expenses	66,273	158,106
Tax and other legal obligations	66,273	884,589
Prepaid taxes and other obligations	-	-
of current period profit (-)	-	(726,483)
Other current liabilities	-	415,000
Due to related parties	-	415,000
Total current liabilities	14,430,564	10,126,116
II. <u>NON-CURRENT LIABILITIES</u>		
Borrowings	-	-
Long-term borrowings	-	-
Other non-current liabilities	-	-
Other non-current liabilities	-	-
Other liabilities	-	-
Other liabilities	-	-
Total non-current liabilities	-	-
III. <u>FUNDS</u>		
Share capital	7,381,051	4,494,250
Other reserves	37,973,960	33,430,153
Special funds	37,973,960	33,430,153
Retained earnings / (accumulated losses)	(465,237)	(518,644)
Net gain for the year	137,312	3,090,208
Total funds	45,027,086	40,495,967
TOTAL LIABILITIES AND FUNDS RECEIVED	59,457,650	50,622,083

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

INCOME STATEMENT FOR THE YEAR ENDED AT 31 DECEMBER 2019

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

	1 January - 31 December 2019	1 January - 31 December 2018
Gross sales	16,790,353	15,200,203
Sales	16,790,353	15,200,203
Sales deductions	(98)	(173)
Sales returns	(98)	(173)
Net sales	16,790,255	15,200,030
Cost of sales	(10,946,913)	(8,273,101)
Cost of services provided	(10,946,913)	(8,273,101)
GROSS PROFIT	5,843,342	6,926,929
Operating expenses	(5,776,457)	(3,834,905)
Marketing, selling and distribution expenses	(126,990)	(17,211)
General administrative expenses	(5,649,467)	(3,817,694)
PROFIT FROM PRIMARY OPERATIONS	66,885	3,092,024
Other operating income	173,043	809,197
Exchange gain	-	2,653
Interest income	8,485	6,870
Other income	107,112	220,801
Unused provisions	57,446	578,873
Other operating expense	(40,074)	(80,614)
Provision expense	(39,971)	(80,607)
Exchange loss	(103)	(7)
Financial expenses	-	(144,723)
Financial expenses	-	(144,723)
ORDINARY PROFIT	199,854	3,675,884
Extraordinary income and gain	203,256	403,380
Extraordinary income	203,256	403,380
Extraordinary expense and loss	(199,525)	(104,467)
Prior period expense and loss	(88,590)	(36,925)
Extraordinary loss	(110,935)	(67,542)
Income before taxation	203,585	3,974,797
Taxation	(66,273)	(884,589)
NET PROFIT FOR THE YEAR	137,312	3,090,208

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

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ISSUED IN TURKISH

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROCREDIT PROGRAMME

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2019

(Amounts expressed in Turkish lira ("TRY") 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 Hüsni Özyeğin paid the balance of public money in the accounts of Diyarbakır Governor's Office related to Bağlar and Hüsni Özyeğin Ergani Branches in 2006. TGMP was taken over by TISVA with a payment of TRY429,112. The TISVA Microcredit Centre, which is an economic enterprise foundation, was established as a part of TISVA in 2006.

TGMP is being implemented in 95 (31 December 2018: 91) different locations; Adıyaman, Afşin (Kahramanmaraş), Afyon, Aksaray, Amasya, Ankara, Antalya, Artvin, Aydın, Aydın Batı, Bağcılar (İstanbul), Bağlar (Diyarbakır), Balıkesir, Batman, Beykoz (İstanbul), Beyoğlu (İstanbul), Bilecik, Bingöl, Bismil (Diyarbakır), Burdur, Bursa, Çankırı, Çanakkale, Çorum, Darıca (Kocaeli), Denizli, Edirne, Elazığ, Elbistan (Kahramanmaraş), Ergani (Diyarbakır), Erzincan, Erzurum, Eskişehir, Eyüp (İstanbul), Gaziantep, Giresun, Göksun (Kahramanmaraş), Hakkari, Hatay, İnegöl (Bursa), Iğdır, İskenderun (Hatay), İzmir, İzmit (Kocaeli), Isparta, Kahramanmaraş, Karaman, Kastamonu, Kayapınar (Diyarbakır), Kayseri, Kemaliye (Erzincan), Kilis, Kırıkkale, Kırklareli, Kırşehir, Kızıltepe (Mardin), Konya, M.Kemal Paşa (Bursa), Malatya, Manisa, Mardin, Mersin, Midyat (Mardin), Muğla, Muş, Nazilli (Aydın), Niğde, Nizip (Gaziantep), Ordu, Osmaniye, Reyhanlı (Hatay), Rize, Sakarya, Salıpazarı (Samsun), Samsun, Sancaktepe (İstanbul), Soma (Manisa), Sarıçam (Adana), Sarıyer (İstanbul), Seyhan (Adana), Sinop, Sivas, Siverek (Şanlıurfa), Sur (Diyarbakır), Şanlıurfa, Şırnak, Şişli (İstanbul), Tokat, Trabzon, Türkoğlu (Kahramanmaraş), Van, Yenişehir (Bursa), Yozgat and Zonguldak. The number of employees of TGMP at 31 December 2019 is 224 (31 December 2018: 203) and the total member of TGMP is 37,182 (31 December 2018: 34,578).

TGMP projects include four 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 with minimum TRY1,000 and maximum TRY5,000 limit 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 26 weeks 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 charged as service costs and 5% of the loan given is charged as Banking and Insurance Transactions Tax. The loan and the member service cost are paid in instalments over 46 weeks.

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ISSUED IN TURKISH

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROCREDIT PROGRAMME

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2019

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

I. NATURE OF OPERATIONS (Continued)

b) Enterprise Loan:

TGMP has launched a different loan programme for capable, successful and hard-working members. Enterprise loans can be used at limits of minimum TRY1,000 and maximum TRY5,000 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 charged as service costs and 5% of the loan given is charged as Banking and Insurance Transactions Tax. The loan and the member service cost are paid in instalments over 46 weeks.

c) 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 charged as service costs and 5% of the loan given is charged as Banking and Insurance Transactions Tax. The loan and the member service cost are paid in instalments over 46 weeks.

d) 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 charged as service costs and 5% of the loan given is charged as Banking and Insurance Transactions Tax. The loan and the member service cost are paid in instalments over 46 weeks.

According to the tax ruling that is provided from Ministry of Finance, effective from the beginning of the year 2013, 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 ("TRY") 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 2019 and 2018 were as follows:

	Share capital	Special funds	Retained earnings	Net profit for the year	Total funds
1 January 2019	4,494,250	33,430,153	(518,644)	3,090,208	40,495,967
Transfers	2,886,801	-	203,407	(3,090,208)	-
Dividends paid	-	-	(150,000)	-	(150,000)
Donations	-	4,543,807	-	-	4,543,807
Net income for the year	-	-	-	137,312	137,312
31 December 2019	7,381,051	37,973,960	(465,237)	137,312	45,027,086

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
ISSUED IN TURKISH**

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

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2019

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

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

	Share capital	Special funds	Retained earnings	Net profit for the year	Total funds
1 January 2018	-	31,930,094	2,196,373	1,904,233	36,030,700
Transfers	4,494,250	-	(2,590,017)	(1,904,233)	-
Dividends paid	-	-	(125,000)	-	(125,000)
Donations	-	1,500,059	-	-	1,500,059
Net income for the year	-	-	-	3,090,208	3,090,208
31 December 2018	4,494,250	33,430,153	(518,644)	3,090,208	40,495,967

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 10% and the Banking and Insurance Transactions Tax is 5% of the outstanding loan amount. TGMP revenue includes micro-credit service 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 through TISVA.

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ISSUED IN TURKISH

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROCREDIT PROGRAMME

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2019

(Amounts expressed in Turkish lira ("TRY") 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 is subject to corporate tax.

Corporation tax is payable at a rate of 22% (2018: 22%) on the total income of the Company and its subsidiaries registered in Turkey after adjusting for certain disallowable expenses, exempt income and investment and other allowances (e.g. research and development allowance). No further tax is payable unless the profit is distributed.

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. TGMP does not have carry-forward tax losses as of 31 December 2019 (31 December 2018: None).

Total deposits collected (Voluntary savings)

Within the scope of the primary objective of TGMP, each project group member voluntarily deposits at least TRY1 on a weekly basis. Poor people are encouraged to voluntarily save in order to help developing their saving habits. The group members can withdraw their savings any time. TGMP accounts for the weekly deposits collected from the members voluntarily under total deposits collected (voluntary savings) in the balance sheet.

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 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.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2019

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

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 2018: 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 2018: None).

3. Total amount of insurance on assets:

TRY 3,033,552 (31 December 2018: TRY3,004,806).

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

None (31 December 2018: None).

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

None (31 December 2018: None).

6. Off-balance sheet commitments and contingent liabilities:

None (31 December 2018: None).

7. Foreign currency denominated cash and bank balances:

None (31 December 2018: None).

8. Foreign currency denominated receivables:

None (31 December 2018: None).

9. Foreign currency denominated liabilities:

None (31 December 2018: None).

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2019

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

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

A) NOTES TO THE BALANCE SHEET (Continued)

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

None (31 December 2018: None).

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

None (31 December 2018: None).

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

None (31 December 2018: None).

13. List of shares representing the share capital:

None (31 December 2018: None).

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

None (31 December 2018: None).

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

	2019		2018	
	%	TRY	%	TRY
Türkiye İsrافی Önleme Vakfı				
Mikrokredi Merkezi				
İktisadi İşletmesi	100	7,381,051	100	4,494,250

(*) It has been decided by the board of trustees to distribute dividend payment in the amount of TRY150,000 to the TİSVA from TGMP's net profit of TRY 3,036,801 and the remaining TRY2,886,801 was transferred to the TİSVA as of capital in the 2018 balance sheet.

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

None (31 December 2018: None).

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

a. Additions (*) : TRY 337,528 (31 December 2018: TRY478,030).

b. Disposals (**): TRY None. (31 December 2018: TRY109,924).

(*) Mainly consists of purchase of vehicles, mobile phones and computer software.

(**) Consists of vehicle sales.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROCREDIT PROGRAMME**

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2019

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

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

A) NOTES TO THE BALANCE SHEET (Continued)

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

	31 December 2019	31 December 2018
Receivable from related parties:		
Turkish Foundation for Waste Reduction	40,966	76,143

	31 December 2019	31 December 2018
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Trade Liabilities to the related parties:

Tisva Social Business (*)	5,613,872	2,162,777
Morkoz Social Business (**)	-	964,689

Due to related parties;

Turkish Foundation for Waste Reduction (***)	-	415,000
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(*) Tisva Social Business balance consists of payables related to the aid under social development loan.

(**) Morkoz Social Business balance consists of payables related to the aid under social development loan.

19. Average number of employees in during the year:

The average number of employees during the year is 224 (31 December 2018: 203).

20. Subsequent events:

- a) In 2020, until the issuance date of these financial statements, TGMP received donations amounting to TRY1,145,544 as presented below:

Donor - supporter individual/institution	Amount (TRY)
Care United Nations	1,079,500
Aksaray City Special Administration Fund	30,000
KVK Teknoloji Ürünleri	25,000
İyzi Ödeme ve Elektronik Para Hizmetleri A.Ş.	7,044
Altuğ Öztürk	4,000
Toplam	1,145,544

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ISSUED IN TURKISH

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

A) NOTES TO THE BALANCE SHEET (Continued)

20. Subsequent events (Continued):

- b) Late in 2019 news first emerged from China about the COVID-19 ("Coronavirus"). The situation at year end, was that a limited number of cases of an unknown virus had been reported to the World Health Organisation. In the first months of 2020, virus spread continued internationally and its negative impact for some sectors started to increase. On 12 March 2020, the World Health Organization declared the Covid-19 epidemic as a global pandemic. Although the first case in our country was seen in March 2020, as of the date of the approval of these financial statements, the Turkish Lira depreciated by 22% and 28% against respectively US Dolar and Euro since the beginning of the year. However, as of the date of approval of these financial statements, unpredictable that the the effect of the Covid-19 on the economy how long it will take. Management considers this outbreak to be a non-adjusting post balance sheet event. TGMP ensured that the optimum number of employees were on site to ensure that the operation was carried out safely and sustainably, As the situation is still developing, management considers it impracticable to provide a quantitative estimate of the potential impact of this outbreak on the TGMP.

21. Contingent losses and contingent profits:

None (31 December 2018: None).

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

None (31 December 2018: None).

23. Amount of blocked deposits in bank accounts:

None (31 December 2018: None).

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

None (31 December 2018: None).

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

None (31 December 2018: None).

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

None (31 December 2018: None).

27. Guarantees extended to shareholders, affiliates and subsidiaries:

None (31 December 2018: None).

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**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)

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 2019	31 December 2018
Saving Banks Foundation for International Coop.-SBFIC	1,911,300	-
Kahramanmaraş Provincial Administration Fund	1,400,935	1,400,935
Gaziantep Provincial Administration Fund	1,400,000	1,400,000
Care International	1,240,000	-
Diyarbakır Governorship	1,017,826	1,024,781
Nihat Gökyiğit	975,000	975,000
Citi Foundation	874,447	874,447
Tekfen Foundation	829,500	494,000
Denizli Municipality Fund	802,000	802,000
Bursa Provincial Administration Fund	800,000	800,000
Aydın Provincial Administration Fund	753,688	753,688
Kahramanmaraş Municipality Fund	750,000	750,000
Grameen- Jameel Fund	746,525	746,525
Rize Provincial Administration Fund	745,000	745,000
United Way Worldwide	726,168	726,168
Turkish Red Crescent	700,000	-
Osmaniye Provincial Administration Fund	675,500	675,500
Hatay Provincial Administration Fund	620,000	570,000
Şanlıurfa Provincial Administration Fund	599,997	599,997
Whole Planet	571,909	571,909
Hüsnü Özyeğin	551,224	551,224
Mardin Provincial Administration Fund	535,215	535,214
Amasya Provincial Administration Fund	510,000	510,000
Batman Provincial Administration Fund	500,000	500,000
Galip Öztürk	495,000	455,000
Trabzon Provincial Administration Fund	450,000	450,000
HSBC	426,043	426,042
Open Community Institute	423,359	423,359
Bingöl Provincial Administration Fund	411,000	411,000
Manisa Provincial Administration Fund	400,000	400,000
Sivas Provincial Administration Fund	400,000	400,000
Vuslat Doğan Sabancı	400,000	400,000
Muzaffer Akpınar	397,240	158,000
M.V Holding A.Ş	355,000	355,000
Asım Kocabıyık	350,000	350,000
Balıkesir Provincial Administration Fund	350,000	350,000
Samsun Provincial Administration Fund	340,000	340,000

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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 2019	31 December 2018
Niğde Provincial Administration Fund	325,000	325,000
Akfen A.Ş.	310,000	310,000
Turkcell	305,000	305,000
Erzincan Provincial Administration Fund	297,750	297,750
Feyyaz Berker	275,000	275,000
Adıyaman Provincial Administration Fund	270,000	270,000
Muş Sodes Foundation	259,357	148,000
Tevfik Öz	257,955	257,955
Vehbi Bilgin	250,000	250,000
Tokat Provincial Administration Fund	245,000	245,000
Limak Holding A.Ş.	225,000	225,000
Kırıkkale Provincial Administration Found	225,000	225,000
Gaziantep Sodes Found	220,000	220,000
Isparta Provincial Administration Found	210,000	210,000
Yozgat Provincial Administration Fund	209,213	209,213
Çankırı Provincial Administration Fund	200,000	200,000
Çorum Municipality Fund	200,000	200,000
Malatya Municipality Fund	200,000	200,000
Malatya Provincial Administration Fund	200,000	200,000
Sakarya Provincial Administration Fund	200,000	200,000
Sema Doğan	200,000	200,000
Mehmet Nazif Günal	200,000	200,000
Karaman Provincial Administration Fund	195,000	195,000
Diyarbakır Sodes	194,600	194,600
Kırklareli Provincial Administration Fund	190,000	190,000
Turgay Ciner	190,000	190,000
Bingöl Sodes	186,000	186,000
Karaman Municipality Fund	185,000	185,000
Erzincan Sodes	184,000	184,000
Bilecik Provincial Administration Fund	170,000	170,000
Batman Pemi Fund	160,000	160,000
Burdur Provincial Administration Fund	160,000	160,000
Eskişehir Provincial Administration Fund	157,000	157,000
Afyon Provincial Administration Fund	150,000	150,000
Eyüp Cenap Gülpınar	150,000	150,000
Muğla Provincial Administration Fund	150,000	150,000
Şırnak Provincial Administration Fund	150,000	150,000
Sodes	150,000	150,000
Büyük Şehir Municipality Fund / Şanlıurfa	148,578	148,578
Ahmet Kaya Bağ	138,500	125,794
Borusan Holding A.Ş.	132,450	132,450
Aksaray Provincial Administration Fund	130,000	130,000

**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 2019	31 December 2018
Erzurum Provincial Administration Fund	120,000	120,000
Denizli Provincial Administration Fund	103,000	103,000
Abaloğlu Yem	100,000	100,000
Elazığ Provincial Administration Fund	100,000	100,000
İsken Enerji Üretim	100,000	100,000
Ordu Provincial Administration Fund	100,000	100,000
Sosyal Market Vakfi Fund	100,000	100,000
Bereket Enerji	100,000	100,000
Altınordu Municipality Fund	100,000	100,000
Kahramanmaraş Governorship	100,000	100,000
Municipality of Kastamonu	100,000	100,000
Osman Yıldırım Coşkun	100,000	100,000
Yuma İnşaat	80,000	80,000
Zonguldak Provincial Administration Fund	75,000	75,000
Hakkari Provincial Administration Fund	70,700	70,700
Sinop Provincial Administration Fund	68,000	68,000
Kırşehir Provincial Administration Fund	65,000	65,000
Çorum Provincial Administration Fund	64,513	64,513
Park Teknik	62,000	62,000
Kütahya Provincial Administration Fund	59,916	89,874
İsmail Kavuncu	55,000	55,000
Municipality of Mardin-Midyat	50,000	-
Municipality of Kızıltepe	50,000	-
Cey-Kar A.Ş.	50,000	50,000
Rize Governorship	50,000	50,000
Iğdır Provincial Administration Fund	50,000	50,000
Kahramanmaraş Welfare	50,000	50,000
Metalurji Baştuğ Sanayi A.Ş.	50,000	50,000
Nihat Özdemir	50,000	50,000
Recep Atakaş	50,000	50,000
Siverek Sodes	50,000	50,000
TAV Yatırım Holding A.Ş.	50,000	50,000
Trabzon Municipality Fund	50,000	50,000
Tülay Aksoy Fund	50,000	50,000
Türk Telekom	50,000	50,000

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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 2019	31 December 2018
Neşe Racioğlu	50,000	50,000
TBMM Fund	49,588	49,588
BRJ Loan Distribution Fund	43,636	73,636
Reyhanlı Municipality Fund	40,974	40,974
Haşim Kılıç	35,000	25,000
Aytekin Conkur	32,000	32,000
Bağcılar Branch/Baraj Branch Costs Fund	30,000	-
MPR Pazarlama	27,442	27,442
Ercan Alagöz	25,000	25,000
Kahramanmaraş Ticaret Odası	25,000	25,000
Kipaş A.Ş.	25,000	25,000
Yeşim Toduk-Ali Rıza Toduk	25,000	25,000
Erpa Hastanesi	25,000	25,000
Ali Coşkun	25,000	-
Semra Acar Akça(Denizli Branch)	25,000	-
Aziz Akgül	22,847	22,847
Aksoğanlar A.Ş. Fund	22,160	22,160
Osmaniye Türk Yerel Hizmet Sen	22,000	22,000
Begümhan Doğan Faralyalı	21,000	21,000
Agritrade Tarım Ürünleri	20,000	20,000
İzmir Sanayiciler	20,000	20,000
Leyla Alaton	20,000	20,000
Norm Sanayi Dış Ticaret	20,000	20,000
Tosyalı Holding A.Ş.	20,000	20,000
Denizli Şube-Başaranlar İnşaat	20,000	20,000
Özpak Gıda	20,000	20,000
İşkur Enerji A.Ş.	15,000	15,000
Nokta Kom Medya	15,000	15,000
Spintek İletişim A.Ş.	15,000	15,000
Yazıcı Demir Çelik A.Ş.	15,000	15,000
Yonpaş Orman Ürünleri	15,000	15,000
Ecem Erşeker	14,859	14,859
Ali Kale	14,000	14,000
Towerbridgeint Services	12,582	12,582
Ömer Sabancı	12,500	12,500
Zeynel Yüce	12,000	-
Torun Osman Ahmet Kamil	12,000	-
Hasan Serhan Süzer	10,500	10,500
Selim Akın	10,150	10,150
Ak Parti Meclis Grubu Huzur Hakları	10,000	10,000
Aksu Maden Fund	10,000	10,000

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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 2019	31 December 2018
Batü Ege Gayrimenkul	10,000	10,000
Boydak Holding A.Ş.	10,000	10,000
Mahmut Önügöre	10,000	-
Merke Doğal	10,000	10,000
Nuri Üyşen	10,000	10,000
Osman Özgür	10,000	10,000
Ral Geri Dönüşüm Çelik Sanayi	10,000	10,000
Shamrock Tekstil	10,000	10,000
Mehmet Özbıyık	10,000	10,000
Varol Tekstil	10,000	-
Nihat Zeybekçi	10,000	-
Mehmet Manisalı- Batı Otomotiv	10,000	-
Mehmet Başaran	10,000	-
Güvenç Boya	10,000	-
Sarikaya Welfare	8,650	8,650
Bülent Tanilli	7,500	7,500
Ahmet Mercan	7,000	7,000
Süleyman Bölünmez	6,955	-
İran Bağış	6,930	6,930
Eman Tur	6,110	6,110
Doğuş Oto	6,000	6,000
Adil Koç	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 Ziraat Aletleri Fund	5,000	5,000
Deniz Tekstil	5,000	5,000
Emas Metal Sanayi	5,000	5,000
Fikret Ataman	5,000	5,000
Finansbank	5,000	5,000
Hanzade Vasfiye Doğan Boyner	5,000	5,000
Hayri Yüce	5,000	5,000
Hürsan Tekstil	5,000	5,000
Metin Yıldız	5,000	5,000
Nevbahar Koç - Ali Koç	5,000	5,000
Okan Üniversitesi	5,000	5,000
Ozan Tekstil	5,000	5,000
Kenan Tangülü	5,000	-
Recep Ertemel	5,000	-

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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 2019	31 December 2018
Semih Baykuşoğlu	5,000	-
Sema Karaoğlu	5,000	5,000
Vefa Dayanıklı Tük. Mal. Ltd. Şti.	5,000	5,000
Uygun Konteynir	5,000	5,000
Uzun Köprü Welfare	5,000	5,000
Karademir Haddecilik	5,000	-
Akürün Tekstil	5,000	-
Özcan Ertunç	4,000	4,000
Mim Tur	3,750	3,750
Ayşe Uzunlu	3,500	3,500
Mustafa Tokgöz	3,500	3,500
Kahramanmaraş Esnaf Odaları	3,400	3,400
Dörtüol Köy Hizmetleri	3,023	3,023
Asaş Filtre San. Tic. A.Ş.	3,000	3,000
Dr. Sinan Karaoğlu	3,000	3,000
Kırıkkale Belediye Başkanı	3,000	3,000
Promed Hospital	3,000	3,000
Doğan Erten	2,500	2,500
Özdörtler Gıda	2,500	2,500
Şah-Pet Şahin Kardeşler	2,500	2,500
Çorum Şube-Çorum Ticaret Odası	2,500	2,500
Klass Dış Ticaret Ltd. Şti.	2,500	2,500
Recep Mamur	2,500	2,500
Aynur Erman	2,000	2,000
Dal Ev Dekorasyon	2,000	2,000
Ecevit Arakılıç	2,000	2,000
Giltaş Denizcilik	2,000	2,000
Kemal Oğuz	2,000	2,000
Kızıklı Gıda	2,000	2,000
Kosifler Oto	2,000	2,000
Mahmut Hiçyılmaz	2,000	2,000
Mehmet Kılıçlar	2,000	2,000
Numanoğlu İnşaat	2,000	2,000
Recep Barut	2,000	2,000
Otonom Görüntüleme	2,000	2,000
Tgmp -Kaya Başaran	2,000	2,000
Seyfettin Kanık	2,000	2,000
Bilal Çeker	2,000	2,000
Ersan Madeni Eşya	2,000	2,000

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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 2019	31 December 2018
Duran Aral	2,000	2,000
Ansa-Med Sağlık	2,000	2,000
Akprofil Turizm	2,000	2,000
Ayşe İnan Fund	1,500	1,500
Ertuğrul Özkök	1,500	1,500
Girişimci Kadınlar Derneği	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
Diekmann Schwanena Llee	1,016	1,016
Emel Özmal	1,010	1,010
Naşit Doğan	1,006	1,006
Hilmi Mithat Delen	1,000	1,000
Adnan Günay	1,000	1,000
Ali Ezinç	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 Otomotiv Ticaret	1,000	1,000
Aydeniz Ailesi	1,000	1,000
Aydın Ticaret Borsası	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
Derya Erden Çerkeş	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 Madencilik	1,000	1,000
Esengül Korkmaz Çiçekli	1,000	1,000
Fevzi Eriş	1,000	1,000
Gazi Osman Ovalı	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 2019	31 December 2018
Gülay Gül	1,000	1,000
Gültekin Güvensoy	1,000	1,000
Hacı Karaca	1,000	1,000
Halef Günay	1,000	1,000
Hamdi Kınaş	1,000	1,000
Hasan Fehmi Kınay	1,000	1,000
Hasan Tunç	1,000	1,000
Hateks Tekstil	1,000	1,000
Haydar Kotan	1,000	1,000
Kızıltepe Kaymakamlığı	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
Mine Lök Beyaz	1,000	1,000
Murat Özyeğin	1,000	1,000
Musa Birdal	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 Fund	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 Kulübü 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

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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 2019	31 December 2018
Yasaş Fund	1,000	1,000
Yüksel Duman	1,000	1,000
Yüksel İnşaat	1,000	1,000
Orhan Aktaşlı	1,000	1,000
Sevim Güral Olgun	1,000	1,000
Osmaniye Şube-Hatice Tohumcu	1,000	1,000
Tokat Kalpten	1,000	1,000
Osman Ulubaş	1,000	1,000
Bahri Çivici	1,000	1,000
Sefes Turizm	1,000	1,000
Keramettin Otursun	1,000	1,000
Fatih Kara	1,000	1,000
TİSVA Fund	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 Cıngıllıoğlu	500	500
Ali Hakan Altınay	500	500
Ali Ömer Dinçe	500	500
Alihan Doğan Yalçındağ	500	500
Alihan Yalçın	500	500
Arzu - Murat Atabarut	500	500
Arzu Çebi	500	500
Arzuhan Yalçındağ	500	500
Asli ve Damar Arikoglu	500	500
Asli Demir Sabancı	500	500
Aslı Erkut Soyak	500	500
Asuman Şener	500	500
Aydin Doğan Yalçındağ	500	500
Ayşe Leman Balim	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

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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 2019	31 December 2018
Ece ve Korhan Kurdoğlu	500	500
Ekinözü Municipality Fund	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
Ferayî ve Lütfü Tınç	500	500
Gökhan Sime	500	500
Gülse Şener Birsell	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
Kamil Kanat Atkaya	500	500
Kerim Arıoğlu	500	500
Magma İletişim Hizmetleri Ltd. Şti.	500	500
Maide ve Emre Kurttepelî	500	500
Mediha Ayça Sarangil	500	500
Mehmet Ali Yalçındağ	500	500
Mehmet Başer	500	500
Mehmet Doğan Hızlan	500	500
Mehmet Esra Armağan	500	500
Mehmet Kahraman	500	500
Mehmet Oğuz 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

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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 2019	31 December 2018
Nilüfer Haybat	500	500
Ömer Celal Umur	500	500
Ömer Temelli	500	500
Oya Berberoğlu	500	500
Öz Avcı İnşaat Malzemeleri	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 Cıngıllıoğlu	500	500
Serpil Bilgel	500	500
Sertaç Haybat	500	500
Şevket Sabancı	500	500
Seyit Karagözoğlu	500	500
Silvia Meşulam	500	500
Sinan Bilgin	500	500
Şirin Yalçın	500	500
Şule Zeybek	500	500
Suzi ve 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
Ahmet Alperen	500	500
Bekir Öz Saraç	500	500

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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 2019	31 December 2018
Harun Durak	450	450
Olca Uygur	400	400
Rüştü Güngör	400	400
Hayat Yayıncılık Ltd.Şti.	400	-
Abidin Özkaya	335	335
Mehmet İlgu	335	335
İlhan Baloglu	335	335
Sedat Büyük	335	335
Mehmet Büyüksimitçi	335	335
Abdullah Oğuzbaş	335	335
Ahmet Gümüştü	335	335
Mehmet Sarıalp	335	335
İbrahim Ezinç	335	335
Nuh Mehmet Aktaş	335	335
Ali Baktır	330	330
Mustafa Kemal Saçmacı	330	330
Mustafa Nebi Doğan	330	330
Erkut Korkmaz	330	330
Lütfi Çarşıbaşı	330	330
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
Mustafa Uçar	250	250
Tuba Büyükkeçeci	250	250
Morkoz Health and Cosmetic Products	240	240
Ferit Mevlüt Aslan	200	200
Hatice Nuray Ökten	200	200
Özgül Atılgın Ayanoğlu	200	200
Palu Municipality Fund	200	200
Serdar Kartal	200	200
Sümer Plastik	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

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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 2019	31 December 2018
Şebnem Bursalı	80	80
Aysel Balki	70	70
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
Öz Işık Yılmaz Özgün	50	50
Şerife Kürekçi	50	50
Serkan Bulguroğlu	5	5
Bitlis Provincial Administration Fund	-	111,357
Ayşe Işıl Zaim	-	100,000
Nazife Er	-	1,000
Uluslararası Nakliyat	-	1,000
Yıldız Tuncay	-	1,000
Kemal Başmısırlı	-	1,000
Sebahat Başmısırlı	-	1,000
Semra Çapak	-	1,000
Serpil Irmak	-	1,000
İskenderun Provincial Administration Fund	-	50,000
Zeki Kebeci	-	10,000
Edirne Provincial Administration Fund	-	50,000
TGMP Region Management	-	8,382
Total	37,973,960	33,430,153

- 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 non-profit organization, it is not required to prepare a statement of profit distribution. However, as of the issuance date of these financial statements, the Foundation has not prepared its statements of changes in shareholders' equity, cash flows and fund flows.
- c) The financial statements are prepared and presented in accordance with General Communique on Accounting System Application ("GCASA") which is different from the accounting principles generally accepted in the countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards ("IFRS"). The effects of such differences have not been quantified in the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and financial performance of the Foundation in accordance with the accounting principles generally accepted in such countries and IFRS.

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
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**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)

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 non-profit organisations.

B) NOTES TO THE STATEMENT OF INCOME

1. Total depreciation and amortisation charges for the period:

Depreciation: TRY746,416 (2018: TRY590,091).

Amortisation: TRY20,690 (2018: TRY13,184).

2. Provision expenses for the period:

TRY39,971 (2018: TRY80,607).

3. Financial expenses for the period:

As of 31 December 2019, there is no financial expense for the period (2018: TRY144,723).

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

31 December 2019 31 December 2018

Turkish Foundation for Waste Reduction	-	144,723
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5. Sales to shareholders, subsidiaries and affiliates:

None (2018: None).

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

None (2018: 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 2019 TRY367,950 was paid to the General Manager and Assistant General Manager of TGMP (2018: TRY216,625). 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.

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

B) NOTES TO THE STATEMENT OF INCOME (Continued)

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 in the financial statements as of 31 December 2019.

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

None (2018: None).

11. Explanatory note for prior period income and expenses:

TRY107,112 prior period income occurred during the year (2018: TRY220,801). Prior period expense amounting to TRY88,590 is related to various expenses such as communication, electricity, postage expenses of 2019 (2018: TRY36,925).

12. Earnings per share:

Since TGMP is not a joint 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:

	2019	2018
Salaries	2,588,825	1,861,217
Transportation	724,322	533,512
Meal	647,251	450,674
Maintenance	508,168	60,715
Communication	353,479	224,308
Rent	226,103	197,519
Press and printing expenses	162,317	91,101
Consultancy services	147,657	125,943
Depreciation and amortisation expenses	63,146	76,938
Tax expenses	60,956	90,069
Electricity, phone and water expenses	43,313	33,688
Other	123,930	72,010
General administrative expenses	5,649,467	3,817,694

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**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:

	2019	2018
Salaries	8,678,151	6,541,425
Depreciation and amortisation expenses	748,182	526,337
Fuel	426,161	372,265
Stationery	202,176	125,665
Insurance	153,092	159,624
Maintenance	152,956	136,459
Tax and other duties (Other than corporate income tax)	143,764	120,732
Communication	86,951	78,708
Other	355,480	211,886
Cost of sales	10,946,913	8,273,101

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

	2019	2018
Insurance income	28,224	11,436
Vehicle sales	-	34,511
Other (*)	175,032	357,433
Total	203,256	403,380

(*) The amount mainly consist of mobile phones given by GSM companies as promotions as at 31 December 2019.
