

**TURKISH FOUNDATION FOR WASTE  
REDUCTION MICROCREDIT CENTRE –  
TURKISH GRAMEEN  
MICROFINANCE PROGRAM**

**STATUTORY FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
TOGETHER WITH AUDITOR'S REPORT**

**(Convenience translate into English of  
Financial Statements Originally issued in Turkish)**



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## INDEPENDENT AUDITOR'S REPORT TO THE FINANCIAL STATEMENTS

### To the Board of Directors of Turkish Foundation for Waste Reduction

#### 1. Opinion

We have audited the accompanying financial statements of Turkish Foundation for Waste Reduction (the "Foundation") Microcredit Centre - Turkish Grameen Microfinance Programme ("TGMP"), which comprise the balance sheet as of 31 December 2023, 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 2023, and its financial performance and its cash flows for the year then ended in accordance with General Communiqué on Accounting System Application ("GCASA").

#### 2. 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.

#### 3. 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.

#### 4. Other Matter

As discussed in Note 28, 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.

#### 5. 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.

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## 6. Auditor's Responsibilities for the Audit of 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 independent auditing standards 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 independent auditing standards, we exercise professional judgment and maintain professional skepticism 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 Company'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 Company's 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 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 Company 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.

İstanbul,  
25 November 2024

**BDO Denet Bağımsız Denetim  
ve Danışmanlık A.Ş.**  
Member, BDO International Network

Selçuk Şahin, SMMM  
Partner

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
TURKISH GRAMEEN MICROFINANCE PROGRAM**

**BALANCE SHEET AS OF 31 DECEMBER 2023**

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

<b>ASSETS</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>I. CURRENT ASSETS</b>		
<b>Liquid assets</b>	<b>1.731.026</b>	<b>621.508</b>
- Cash	30.585	12.180
- Banks	1.700.441	609.328
<b>Trade receivables</b>	<b>123.274.021</b>	<b>113.719.616</b>
- Customers	118.066.524	112.697.524
- Trade receivables from related parties	5.095.141	640
- Notes receivables	18.502	31.902
- Other trade receivables	93.895	989.550
- Doubtful trade receivables	1.649.151	1.593.133
- Provision for doubtful receivables	(1.649.151)	(1.593.133)
<b>Other receivables</b>	<b>-</b>	<b>-</b>
- Due from related parties	-	-
- Due from third parties	-	-
<b>Inventories</b>	<b>1.888</b>	<b>-</b>
<b>Short-term prepaid expenses and income accrual</b>	<b>1.493.631</b>	<b>421.596</b>
- Short-term prepaid expenses	1.493.631	421.596
<b>Other current assets</b>	<b>5.303.686</b>	<b>1.046.489</b>
- Prepaid taxes and funds	4.289	1.965
- Job advances	2.133.085	768.556
- Advances paid	5.740	29.051
- Income accrual	102.943	-
- Receivables from employees	3.059.455	246.917
Deposits and guarantees given	-	-
Other current assets	-	-
- Counting and receiving deficiencies	(1.826)	-
<b>Total current assets</b>	<b>131.804.293</b>	<b>115.809.209</b>
<b>TOTAL CURRENT ASSETS</b>	<b>131.804.293</b>	<b>115.809.209</b>
<b>II. NON-CURRENT ASSETS</b>		
<b>Property and equipment</b>	<b>11.850.653</b>	<b>2.424.307</b>
- Motor vehicles	33.593.877	4.531.639
- Furniture and fixtures	15.284.941	2.115.376
- Accumulated depreciation	(37.028.165)	(4.222.708)
<b>Intangible assets</b>	<b>2.084.845</b>	<b>100.303</b>
- Establishment costs	4.032	4.032
- Leasehold improvements	2.282.676	379.783
- Other intangible assets	2.696.902	223.800
- Accumulated amortization	(2.898.765)	(507.312)
<b>Other non-current assets</b>	<b>22.932</b>	<b>22.702</b>
- Deposits given	22.932	22.702
<b>Total non-current assets</b>	<b>13.958.430</b>	<b>2.547.312</b>
<b>TOTAL ASSETS</b>	<b>145.762.723</b>	<b>118.356.521</b>

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

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
TURKISH GRAMEEN MICROFINANCE PROGRAM**

**BALANCE SHEET AS OF 31 DECEMBER 2023**

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

	Cari Dönem 31 Aralık 2023	Önceki Dönem 31 Aralık 2022
<b>LIABILITIES AND FUNDS</b>		
<b>I. <u>CURRENT LIABILITIES</u></b>		
<b>Borrowings</b>	<b>6.060</b>	<b>922.615</b>
- Short-term borrowings	6.060	922.615
<b>Trade payables</b>	<b>16.196.478</b>	<b>12.773.280</b>
- Suppliers	1.439.257	484.255
- Due to related parties	14.757.221	12.289.025
<b>Other payables</b>	<b>22.585.941</b>	<b>22.543.770</b>
- Total deposits collected (voluntary savings)	21.183.491	18.508.294
- Other payables to related parties	1.395.169	4.035.476
- Payables to employees	7.281	-
<b>Advances received</b>	<b>7.754.396</b>	<b>475</b>
- Advances received	7.754.396	475
<b>Taxes and withholdings payable</b>	<b>2.078.330</b>	<b>1.084.073</b>
- Taxes and funds payable	644.760	372.499
- Social security premiums payable	1.433.570	711.574
<b>Other short term liabilities</b>	<b>20.170</b>	<b>20.170</b>
- Provision for lawsuits	20.170	20.170
<b>Provisions for liabilities and expenses</b>	<b>35.291</b>	<b>(281.707)</b>
<i>Tax and other legal obligations</i>	35.291	116.054
<i>Prepaid taxes and other obligations of current period profit (-)</i>	-	(397.761)
<b>Total current liabilities</b>	<b>48.676.666</b>	<b>37.062.676</b>
<b>II. <u>NON-CURRENT LIABILITIES</u></b>		
<b>Borrowings</b>	-	-
- Long-term borrowings	-	-
<b>Other non-current liabilities</b>	-	-
- Other non-current liabilities	-	-
<b>Other liabilities</b>	-	-
- Other liabilities	-	-
<b>III. <u>FUNDS</u></b>		
Share capital	16.199.480	16.199.480
Capital Adjustment Positive Differences	68.816.361	-
<b>Other reserves</b>	<b>71.168.382</b>	<b>65.072.167</b>
- Special funds	71.168.382	65.072.167
<b>Retained earnings</b>	<b>(59.456.439)</b>	<b>(405.299)</b>
<b>Net gain for the year</b>	<b>358.273</b>	<b>427.497</b>
<b>Total funds</b>	<b>97.086.057</b>	<b>81.293.845</b>
<b>TOTAL LIABILITIES AND FUNDS RECEIVED</b>	<b>145.762.723</b>	<b>118.356.521</b>

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

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
TURKISH GRAMEEN MICROFINANCE PROGRAM**

**INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023**

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

	31 December 2023	31 December 2022
<b>Gross sales</b>	<b>43.129.451</b>	<b>36.435.184</b>
- Sales	43.129.451	36.435.184
<b>Sales deductions</b>	<b>(6.096)</b>	<b>(555)</b>
- Sales returns	(6.096)	(555)
<b>Net sales</b>	<b>43.123.355</b>	<b>36.434.629</b>
<b>Cost of sales</b>	<b>(48.255.014)</b>	<b>(24.545.220)</b>
- Cost of services provided	(48.255.014)	(24.545.220)
<b>GROSS PROFIT</b>	<b>(5.131.659)</b>	<b>11.889.409</b>
<b>Operating expenses</b>	<b>(16.468.605)</b>	<b>(12.579.963)</b>
- Marketing, selling and distribution expenses	(33.393)	(53.653)
- General administrative expenses	(16.435.212)	(12.526.310)
<b>PROFIT FROM PRIMARY OPERATIONS</b>	<b>(21.600.264)</b>	<b>(690.554)</b>
<b>Other operating income</b>	<b>671.076</b>	<b>560.601</b>
- Foreign exchange gains	17.957	-
- Interest income	135.059	33.821
- Other income	5.952	14.672
- Provision no longer required	512.108	512.108
<b>Other operating expense</b>	<b>(161.207)</b>	<b>(308.796)</b>
- Provision expenses	(56.018)	(253.404)
- Commissions expenses	-	(53.288)
- Exchange loss	(105.189)	(2.104)
<b>Financial expenses</b>	<b>(661.210)</b>	<b>(537.350)</b>
- Financial expenses	(661.210)	(537.350)
<b>ORDINARY PROFIT</b>	<b>(21.751.605)</b>	<b>(976.099)</b>
<b>Extraordinary income and gain</b>	<b>22.681.847</b>	<b>1.961.003</b>
- Extraordinary income	22.681.847	1.961.003
<b>Extraordinary expense and loss</b>	<b>(571.967)</b>	<b>(441.353)</b>
- Prior period expense and loss	(33.326)	(170.253)
- Extraordinary loss	(538.641)	(271.100)
<b>Income before taxation</b>	<b>358.273</b>	<b>543.551</b>
<b>Tax expenses</b>	<b>-</b>	<b>(116.054)</b>
<b>NET PROFIT FOR THE YEAR</b>	<b>358.273</b>	<b>427.497</b>

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



# **TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM**

## **NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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

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### **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”).

Turkish Grameen Microfinance Program (“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 Hüsnü Özyeğin paid the balance of public money in the accounts of Diyarbakır Governor’s Office related to Bağlar and Hüsnü Özyeğin Ergani Branches in 2006. TGMP was taken over by TISVA with a payment of TRY 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 95 (31 December 2022: 93) different locations; Adıyaman, Afşin (Kahramanmaraş), Afyon, Aksaray, Amasya, Ankara, Antalya, Artvin, Aydın, Aydın Batı, Bağcılar (İstanbul), Bağlar (Diyarbakır), Balıkesir, Batman, Bayburt, Beyoğlu (İstanbul), Bilecik, Bingöl, Bismil (Diyarbakır), Silvan (Diyarbakır), Burdur, Bursa, Çankırı, Çanakkale, Çorum, Denizli, Edremit (Balıkesir), Elazığ, Elbistan (Kahramanmaraş), Ergani (Diyarbakır), Erzincan, Erzurum, Eskişehir, Gaziantep, Giresun, 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, Kütahya, 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, Soma (Manisa), Sarıçam (Adana),Sarıyer (İstanbul), Seyhan (Adana),Sinop, Sivas, Siverek (Şanlıurfa), Sur (Diyarbakır), Şahinbey (Gaziantep) , Şanlıurfa, Şırnak, Tokat, Trabzon, Tunceli, Türkoğlu (Kahramanmaraş), Van, Yenişehir (Bursa), Uşak,Yozgat ve Zonguldak. The number of employees of TGMP at 31 December 2023 is 202 (31 December 2022: 218) and the total member of TGMP is 42.616 (31 December 2022: 45.202).

TGMP projects include nine types of micro loans:

#### **a) Introductory Loan**

Introductory Loan aims to make a smooth transition for financially challenged micro-entrepreneurs who are introduced to the microcredit system for the first time. Introductory Loan has a lower limit of TRY 1.000 and an upper limit of TRY 3.000 to be repaid in 33 weeks.

Micro-entrepreneurs who receive Introductory Loan cannot use other types of loans. Micro-entrepreneurs have an option to receive an additional Basic Loan or Business Loan only after they have repaid 15 weeks of installments of their loan.

This loan type can also be given to micro-entrepreneurs who used a loan from the system before but has a passive status. Thus, financially challenged women who used a loan from the microcredit system before are reintroduced into the system.

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
TURKISH GRAMEEN MICROFINANCE PROGRAM**

**NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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

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**I. NATURE OF OPERATIONS (Continued)**

**b) Business Loan**

Micro-entrepreneurs who have fully repaid their Introductory Loan or wish to receive an intermediate withdrawal can receive Business Loan. However, Business Loan is not provided to micro-entrepreneurs who are introduced to microcredit system for the first time. Micro-entrepreneurs have an option to receive Business Loan rather than Introductory Loan if they are in passive status meaning that they have benefited from the microcredit system before. Business Loan is a type of loan with lower limit of TRY 1.000 and an upper limit of TRY 7.000 to be repaid in 40 weeks.

Micro-entrepreneurs who have received Business Loan can also benefit from Entrepreneurial Loan if they are taxpayers. However, micro-entrepreneurs who have received Business Loan cannot benefit from Basic Loan and Development Loan at the same time. Micro-entrepreneurs have an option to receive intermediate withdrawal only after they have paid back 15 weeks of installments of the loan.

**c) Basic Loan**

Micro-entrepreneurs who have fully repaid their Introductory Loan or wish to receive an intermediate loan can receive Basic Loan. However, Basic Loan is not provided to micro-entrepreneurs who are introduced to the microcredit system for the first time. Micro-entrepreneurs have an option to receive Basic Loan rather than Introductory Loan if they are in passive status meaning that they have benefited from the microcredit system before.

Basic Loan is a type of loan with lower limit of TRY 1.000 and an upper limit of TRY 10.000 to be repaid in 48 weeks and grace period for the first 4 weeks. Micro-entrepreneurs who have received Basic Loan can also benefit from Entrepreneurial Loan if they are taxpayers. However, micro-entrepreneurs who have received Basic Loan cannot benefit from Business Loan and Development Loan at the same time. Micro-entrepreneurs have an option to receive intermediate loan only after they have paid back 20 weeks of installments of the loan.

**d) Development Loan**

Micro-entrepreneurs who are in the microcredit system for 5 years and more, who use their financing in line with their microcredit purpose and contribute to their family and national economy by engaging in income-generating activities can receive Development Loan. Development Loan is a type of loan with a lower limit of TRY 7.000 and an upper limit of TRY 10.000 to be repaid in 46 weeks.

Micro-entrepreneurs who have benefited from Development Loan can receive Entrepreneurial Loan simultaneously. However, micro-entrepreneurs who have received Development Loan cannot benefit from Business Loan and Basic Loan at the same time. Micro-entrepreneurs have an option to receive intermediate loan only after they have paid back 20 weeks of installments of the loan.

**e) Entrepreneurial Loans**

This loan type can also be given to micro-entrepreneurs who used a loan from the system before but have a passive status. Thus, financially challenged women who used a loan from the microcredit system before are reintroduced into the system.



**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
TURKISH GRAMEEN MICROFINANCE PROGRAM**

**NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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

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**I. NATURE OF OPERATIONS (Continued)**

**e) Entrepreneurial Loans (Continued)**

Entrepreneurial Loan is a type of loan with lower limit of TRY 1.000 and an upper limit of TRY 10.000 collected in 48 weeks, disbursed to micro-entrepreneurs who are tax payers and have proven their success by using their microcredit financing to grow their business in addition to the loan they have received. If they wish, micro-entrepreneurs can make intermediate withdrawals after the 20th week of the installment payment. Micro-entrepreneurs using Entrepreneurial Loan can use only one of the other main loan types, excluding Introductory Loan.

**f) Growth / Happytalist Loan**

Micro-entrepreneurs who have increased their income above the poverty threshold and by experiencing this happiness, are motivated to become a trader and want to grow their commercial activities can receive Growth / Happytalist Loan. Growth / Happytalist Loan is provided for micro-entrepreneurs who have benefited from Fundamental Loans (Basic Loan, Business Loan and Development Loan) with a total limit of TRY 10.000. Growth / Happytalist Loan has lower limit of TRY 10.000 and upper limit of TRY 20.000 collected in 60 weeks. Micro-entrepreneurs who have received Growth / Happytalist Loan cannot benefit from Development Loan, Business Loan, Basic Loan and Entrepreneurial Loan at the same time. In order to benefit from Growth / Happytalist Loan, micro-entrepreneurs must be registered to Chamber of Commerce or Chamber of Merchants and Craftsmen.

Micro-entrepreneurs have an option to receive an intermediate withdrawal of Growth / Happytalist Loan only after they have repaid 32 weeks of instalments from their original loan.

**g) Social Development Loan**

Social Business is a business model that prioritizes social benefit rather than profit maximization in order to overcome problems that threaten humanity such as education, health, access to technology, environment and poverty.

In addition to other loan types, acting with the slogan "Social Business for Good", micro-entrepreneurs who wish to involve in commercial activities in order to generate additional income can receive Social Development Loan which includes different products ranging from cleaning products to cosmetics. Micro-entrepreneurs cannot receive an intermediate withdrawal in Social Development Loan. Micro-entrepreneurs repay the products in 25-60 weeks with a service fee of 5% - 20%, including BSMV, according to the determined limits; nonetheless there is no intermediate withdrawal in Social Development Loan. Micro-entrepreneurs have an option to pay back their Social Development Loan in cash without paying any service fee.

**h) Technology Loan**

The digital divide refers to the difference in low-income people's access to communication and communication technology due to demographic and regional factors. Telephone, television, personal computers and internet are included in the tools used within the scope of communication technology.

Financially challenged women who are the most affected by the digital divide problem in Turkey are provided with financial support to access communication tools via Technology Loan. Therefore, TISVA aims to resolve the digital divide problem in Turkey caused by geographical factors and unfair distribution of income. Financially challenged women who own a smart phone via Technology Loan repay their loans in 25-60 weeks with a service fee of 5% - 20%, including BSMV, according to the determined limits.

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
TURKISH GRAMEEN MICROFINANCE PROGRAM**

**NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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

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**I. NATURE OF OPERATIONS (Continued)**

**i) Agriculture and Livestock Loan**

Agriculture and Livestock Loan is an additional loan for our current micro-entrepreneurs. To those micro-entrepreneurs who would like to do Agriculture and Livestock activities are given up to TRY 15.000. It is repaid in weekly installments with no payments in the first 5 months.

***TEKFEN Women Farmer Loan – TISVA Agricultural Support Loan***

“Women Farmer Loan Project” is created by the collaboration of TEKFEN Foundation and Turkish Foundation for Waste Reduction (TISVA) in order to leave a livable world to the next generations with the vision of sustainable agriculture. Through Women Farmer Loan Project, low-income women farmers are enabled to operate in the field of agriculture.

10% service fee including BSMV is taken from women farmers who are going to use Women Farmer Loan in order to cover the project costs. The loan amount that is going to be used for agricultural activities is not only going to be used for growing crops. The loan amounts can also be used for manure, pesticide, irrigation systems, and engraftments etc. that are needed for agricultural activities.

To low-income women farmers who use a loan within the “Women Farmer Loan Project” context, TISVA is going to give “TISVA Agricultural Support Loan” that amounts to 25% of “Tekfen Women Farmer Loan” given by the TEKFEN Foundation.

***Livestock Loans***

***Beekeeping:***

Micro-entrepreneurs who will operate in the field of beekeeping can be given a maximum Livestock Loan of TRY 7.500 with respect to credit limits in the microcredit system. Micro-entrepreneurs who operates in the field of beekeeping can use the Livestock Loan by repaying in 30 weeks with a service fee of 20%, and with no payments for 5 months.

***Poultry Farming:***

Micro-entrepreneurs who will do poultry farming can be given a maximum Livestock Loan of TRY 5.000 with respect to credit limits in the microcredit system. Micro-entrepreneurs who operate in the field of Poultry Farming can use the Livestock Loan by repaying in 40 weeks with a service fee of 15%, and with no payments for 2 months.

***Bovine and Ovine Breeding:***

Micro-entrepreneurs who will operate in the field of bovine and ovine breeding can be given a maximum Livestock Loan of TRY 10.000 with respect to credit limits in the microcredit system. Micro-entrepreneurs who operate in the field of bovine and ovine farming can use the Livestock Loan by repaying in 30 weeks with a service fee of 20%, and with no payments for 5 months.

***Fishery:***

Micro-entrepreneurs who will operate in the field of fishery can be given a maximum Livestock Loan of TRY 5.000 with respect to credit limits in the microcredit system. Micro-entrepreneurs who operate in the field of fishery can use the Livestock Loan by repaying in 33 weeks with a service fee of 10%, and with no payments for 1 month.

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
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**NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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

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**I. NATURE OF OPERATIONS (Continued)**

**j) Types of Loans Distributed within the Scope of Cooperation with CARE Turkey – Turkish Grameen Microfinance Program**

Cooperation between CARE Turkey and the Turkish Grameen Microfinance Program (TGMP) was started in 2019 in Şanlıurfa, Gaziantep, and Kilis with the aim of strengthening the refugees and the host communities by conducting microcredit activities. In 2021, city of Adana was added in the scope of the project. The cities of the project were chosen by the intensity of the refugee population with the cooperation of TGMP – Care, increase in the social adaptation of both of the communities by bringing together the women micro-entrepreneurs from the refugees and host communities.

Types of loans that are given within the context of the cooperation of CARE Turkey are Basic Loan, Recurring Basic Loan, Basic Loan 2 with a limit of TRY 3.000, and Micro Business Credit with a limit ranging between TRY 6.000-TRY 50.000.

*Within the scope of the project, CARE Turkey covers the service fee of 23%, including BSMV, of Basic Loan 2.*

**k) Types of Loans Distributed within the Scope of Cooperation with German Sparkassenstiftung für Internationale Kooperation – Turkish Grameen Microfinance Program**

The cooperation of TGMP and German Sparkassenstiftung (DSIK) was started in 2019 in the cities of Ankara, Bursa, and Gaziantep with the aim of improving the economic conditions of people and host communities who were forced displacement and financially challenged by providing financial services, financial literacy trainings and technical assistance. In 2021, the city of Konya is added in the scope of the project. Three types of loans; SBF Introductory Loan, SBF Business Loan, and SBF Basic Loan are given within the scope of the project. These loans have the same conditions with the Basic Loan, Business Loan, and Basic Loan of TGMP.

**l) Types of Loans Distributed within the Scope of Cooperation with Kiva – Turkish Grameen Microfinance Program**

The cooperation protocol between TGMP and Kiva was signed in 2021. Investing Committee of Kiva provided a credit limit to TGMP for fulfilling the microcredit operations for refugees and host communities who do not have access to financial resources. Within the scope of the project, all micro-entrepreneurs throughout Turkey can get microcredit without any limitations of the city and branch within the scope of the cooperation with Kiva.

Five types of loans are given within the scope of the project as; Kiva Introductory Loan, Kiva Business Loan, Kiva Deferred Basic Loan, Kiva Development Loan, and Kiva Entrepreneurial Loan. These loans have the same conditions with the Introductory Loan, Business Loan, Deferred Basic Loan, Development Loan, and Entrepreneurial Loan of TGMP.

In the non-profit microcredit applications, 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).

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
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**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 2023 and 2022 were as follows:

	Share Capital	Positive Distinction From Share Capital adjustment	Special Funds	Retained Earnings	Net profit For The Year	Total Funds
<b>1 January 2023</b>	<b>16.199.480</b>		<b>65.072.167</b>	<b>(405.299)</b>	<b>427.497</b>	<b>81.293.845</b>
Transfers	-	-	-	427.497	(427.497)	-
Cash Dividend (-)	-	-	-	(254.586)	-	(254.586)
Donations	-	-	6.096.215	-	-	6.096.215
Net income for the year	-	-	-	-	358.273	358.273
Inflation adjustment	-	68.816.361	-	(59.224.051)	-	10.019.807
<b>31 December 2023</b>	<b>16.199.480</b>	<b>68.816.361</b>	<b>71.168.382</b>	<b>(59.456.439)</b>	<b>358.273</b>	<b>97.086.057</b>
	Share Capital	Special Funds	Retained Earnings	Net profit For The Year	Total Funds	
<b>1 January 2022</b>	<b>13.262.864</b>	<b>51.562.756</b>	<b>(68.717)</b>	<b>2.750.034</b>	<b>67.506.937</b>	
Transfers	2.936.616	-	(186.582)	(2.750.034)	-	-
Cash Dividend (-)	-	-	(150.000)	-	-	(150.000)
Donations	-	13.509.411	-	-	-	13.509.411
Net income for the year	-	-	-	427.497	-	427.497
<b>31 December 2022</b>	<b>16.199.480</b>	<b>65.072.167</b>	<b>(405.299)</b>	<b>427.497</b>	<b>81.293.845</b>	

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**NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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

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**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:

*Financial reporting in a hyperinflationary economy*

According to Article 298 of the Tax Procedure Law (TPL), income and corporate taxpayers apply inflation adjustment if the increase in the domestic producer price index (PPI) exceeds 100% in the last three accounting periods and 10% in the current accounting period.

In line with the announcements made by the Ministry of Finance, the Company has started to apply hyperinflation accounting to its financial statements for the year ending on December 31, 2023 in accordance with the Tax Procedure Law General Communiqué No. 555 published in the Official Gazette dated December 30, 2023.

The Company's financial statements for the year ending on December 31, 2023 have been restated for changes in the general purchasing power of the functional currency.

During the inflation period, an institution whose monetary assets exceed its monetary liabilities loses purchasing power, and an institution whose monetary liabilities exceed its monetary assets gains purchasing power to the extent that its assets and liabilities are not tied to a price level.

Monetary items (monetary assets and monetary liabilities) are not subject to inflation adjustment. Because the value of the monetary asset appearing on the balance sheet also indicates the purchasing power of that item as of the balance sheet date. However, since the values of non-monetary assets (non-monetary assets and non-monetary liabilities) appearing on the balance sheet do not indicate the purchasing power of these assets as of the balance sheet date, non-monetary assets are subject to inflation adjustment in order to eliminate the effects of inflation on the balance sheet.

Non-monetary items measured at historical cost are restated by applying the change in the PPI from January 1, 2005 to December 31, 2023.

*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%,15% 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:

	<b>Years</b>
Motor vehicles	5 years
Furniture and fixtures	4 years

Pro-rata depreciation method is used for the vehicles.

# **TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM**

## **NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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

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### **II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

#### **Significant Accounting Policies (Continued)**

##### *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.

##### *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.

The effective tax rate in 2023 is 25% (2022: 23%).

The corporate tax rate to be accrued over the taxable corporate income is based on the remaining tax after deducting the expenses that cannot be deducted from the tax base and the tax exemptions, non-taxable income and other discounts (if any, previous year losses and investment discounts used if preferred). it is calculated.

Advance tax in Turkey is calculated as three-month period and are accrued. However, in accordance with the Law No. 7316 published in the Official Gazette dated April 22, 2021, the corporate tax rate has been increased to 23% for the taxation period of 2022, starting with the declarations that must be submitted as of July 1, 2021 and being valid for the taxation period starting from January 1, 2021. and this rate will be applied as 25% for the taxation period of 2023.

Losses can be carried forward for a maximum of 5 years, to be deducted from the taxable profits that will arise in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years. The Law numbered 7061 on Amendment of Certain Taxes and Laws and Other Acts was published on the Official Gazette dated 5 December 2017 and numbered 30261. Article 5 entitled "Exceptions" of the Corporate Tax Law has been amended in Article 89 of the Law. In accordance with (a) clause in the first paragraph of the Article, the exemption of 75% applied to gains from the sales of lands and buildings held by the entities for two full years has been reduced to rate of 50%. This regulation has been effective from 5 December 2017.

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.



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**II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)**

**Significant Accounting Policies (Continued)**

*Taxes on Income (Continued)*

*Total deposits collected (Voluntary savings)*

Within the scope of the primary objective of TGMP, each project group member voluntarily deposits at least TRY 1,00 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 program 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.

**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 2022: 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:**

The advance amount given is none the advance received is TRY 7.746.746 (31 December 2022: TRY 3.249 and TRY 460 TRY, respectively).

**3. Total amount of insurance on assets:**

TRY 15.381.184 (31 December 2022: 49.087.000 TRY).

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

None (31 December 2022: None).

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

TRY 7.500.000 (31 December 2022: 7.500.000 TRY).

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
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(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

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

**A) NOTES TO THE BALANCE SHEET (Continued)**

**6. Off-balance sheet commitments and contingent liabilities:**

None (31 December 2022: None).

**7. Foreign currency denominated cash and bank balances:**

None (31 December 2022: None).

**8. Foreign currency denominated receivables:**

None (31 December 2022: None).

**9. Foreign currency denominated liabilities:**

None (31 December 2022: None).

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

None (31 December 2022: None).

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

None (31 December 2022: None).

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

None (31 December 2022: None).

**13. List of shares representing the share capital:**

None (31 December 2022: None).

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

None (31 December 2022: None).

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

	2023		2022	
	%	TRY	%	TRY
Türkiye İsrافی Önleme Vakfı	100	16.199.480	100	16.199.480

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

None (31 December 2022: None).

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

**A) NOTES TO THE BALANCE SHEET (Continued)**

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

- a. Additions (\*) : 1.339.493 TRY (31 December 2022 : 881.613 TRY).  
b. Disposals : 25.522 (31 December 2022: 13.905 TRY).

(\*) Predominantly purchased vehicles relate to purchases related to mobile phone and computer software.

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

	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Trade receivables from related parties:</b>		
Emekten Elektronik Ticaret Limited Şti. (*)	-	640
Tisva Sosyal İşletmesi	-	-
MCT Kripto Varlıklar Bilişim ve Teknoloji	5.095.141	-

(\*) Emekten Elektronik Ticaret Limited Şti. was closed in 2023.

	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Other receivables from related parties:</b>		
Türkiye İsrافی Önleme Vakfı	-	-
Emekten Elektronik Ticaret Limited Şti.	-	-

	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Trade payables to related parties:</b>		
Tisva Sosyal İşletmesi (*)	14.757.221	12.289.025

	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Other payables to related parties:</b>		
Türkiye İsrافی Önleme Vakfı	1.395.169	4.035.476

(\*) Tisva 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 202. (31 December 2022: 218).

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

**A) NOTES TO THE BALANCE SHEET (Continued)**

**20. Subsequent events:**

- a) In 2023, until the issuance date of these financial statements, TGMP received donations amounting to TRY 1.664.015 as presented below:

<b>Donor supporter individual / institution</b>	<b>Amount TRY</b>
Sanpa Gıda San.A.Ş.	500.000
Yusufpaşa Vakfı	350.000
Tekfen Vakfı	350.000
Kadın Emegini Değerlendirme Vakfı	329.015
Kigder	135.000
<b>Total</b>	<b>1.664.015</b>

**21. Contingent losses and contingent profits:**

None (31 December 2022: None).

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

None (31 December 2022: None).

**23. Amount of blocked deposits in bank accounts:**

None (31 December 2022: None).

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

None (31 December 2022: None).

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

None (31 December 2022: None).

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

None (31 December 2022: None).

**27. Guarantees extended to shareholders, affiliates and subsidiaries:**

None (31 December 2022: None).

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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) a) The details of the funds and donations transferred to TGMP from TISVA are as follows:

	<b>31 December 2023</b>	<b>31 December 2022</b>
Kiva Mikrokredi Proje Desteđi	12.652.032	4.698.024
Saving Banks Foundation for International Coop.- SBFIC	3.598.228	3.598.228
Tekfen Vakfı	5.647.345	2.797.345
Aktifbank	4.472.517	1.641.309
Saving Banks Foundation for International Coop.- BMZ Fonu	1.637.000	1.637.000
Türkiye Kızılay Derneđi	1.500.000	1.500.000
Kahramanmaraş İl Özel İdare Fonu	1.400.935	1.400.935
Gaziantep İl Özel İdare Fonu	1.400.000	1.400.000
Diyarbakır Valiliđi	1.017.826	1.017.826
Nihat Gökyiđit	975.000	975.000
Citybank Fonu	874.447	874.447
Rize İl Özel İdare Fonu	915.000	855.000
Denizli Belediyesi Fonu	802.000	802.000
Bursa İl Özel İdare Fonu	800.000	800.000
Aydın İl Özel İdare Fonu	753.688	753.688
Kahramanmaraş Belediyesi	750.000	750.000
Grameen- Jameel Fonu	746.525	746.525
United Way Worldwide	726.168	726.168
Osmaniye İl Özel İdare Fonu	675.500	675.500
Hatay İl Özel İdare Fonu	620.000	620.000
Şanlıurfa İl Özel İdare Fonu	599.997	599.997
Whole Planet	571.909	571.909
Hüsnu Özyeđin	551.224	551.224
Galip Öztürk	545.000	545.000
Mardin İl Özel İdare Fonu	535.214	535.214
Amasya İl Özel İdare Fonu	510.000	510.000
Ziylan Taban A.Ş.	1.010.000	510.000
Batman İl Özel İdare Fonu	500.000	500.000
Albarakatürk	3.500.000	500.000
Halil Fatih Akgül	500.000	-
Trabzon İl Özel İdare Fonu	450.000	450.000
HSBC	426.042	426.042
Açık Toplum Enstitüsü	423.359	423.359
Bingöl İl Özel İdare Fonu	411.000	411.000
Muzaffer Akpınar	402.240	402.240

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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):**

- a) a) The details of the funds and donations transferred to TGMP from TISVA are as follows (continued):

	<b>31 December 2023</b>	<b>31 December 2022</b>
Manisa İl Özel İdare Fonu	400.000	400.000
Sivas İl Özel İdare Fonu	400.000	400.000
Vuslat Doğan Sabancı	400.000	400.000
M.V Holding A.Ş.	357.500	357.500
Asım Kocabıyık	350.000	350.000
Balıkesir İl Özel İdare Fonu	350.000	350.000
Samsun İl Özel İdare Fonu	340.000	340.000
Niğde İl Özel İdare Fonu	325.000	325.000
Kadın Emegini Değerlendirme Vakfı	315.000	-
Akfen A.Ş.	310.000	310.000
Turkcell	305.000	305.000
Balıkesir Altıeylül Belediye Başkanlığı	300.000	300.000
Bursa Osmangazi Belediye Başkanlığı	300.000	-
Erzincan İl Özel İdare Fonu	297.750	297.750
Feyyaz Berker	275.000	275.000
Adıyaman İl Özel İdaresi	270.000	270.000
Muş Sodes Fonu	259.357	259.357
Tevfik Öz	257.955	257.955
Vehbi Bilgin	250.000	250.000
Portmobil A.Ş.	250.000	-
Tokat İl Özel İdare Fonu	245.000	245.000
Limak Holding A.Ş.	225.000	225.000
Kırıkkale İl Özel İdare Fonu	225.000	225.000
Gaziantep Sodes Projesi Fonu	220.000	220.000
Isparta İl Özel İdare Fonu	210.000	210.000
Yozgat İl Özel İdare Fonu	209.213	209.213
Çankırı İl Özel İdare Fonu	200.000	200.000
Işıl Mühendislik	200.000	-
Çorum Belediyesi	200.000	200.000
Malatya Belediyesi	200.000	200.000
Malatya İl Özel İdare Fonu	200.000	200.000
Sakarya İl Özel İdare Fonu	200.000	200.000
Sema Doğan	200.000	200.000
Mehmet Nazif Günal	200.000	200.000



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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):**

a) a) The details of the funds and donations transferred to TGMP from TISVA are as follows  
(continued):

	<b>31 December 2023</b>	<b>31 December 2022</b>
Elazığ İl Özel İdare Fonu	500.000	200.000
Karaman İl Özel İdare Fonu	195.000	195.000
Diyarbakır Sodes Fonu	194.600	194.600
Kırklareli İl Özel İdare Fonu	190.000	190.000
Turgay Ciner	190.000	190.000
Bingöl Sodes Projesi Fonu	186.000	186.000
Karaman Belediyesi Fonu	185.000	185.000
Erzincan Sodes Projesi Fonu	184.000	184.000
Ahmet Kaya Bağ	170.500	170.500
Bilecik İl Özel İdare Fonu	170.000	170.000
Batman Pemi Fonu	160.000	160.000
Burdur İl Özel İdare Fonu	160.000	160.000
Aksaray İl Özel İdare Fonu	160.000	160.000
Eskişehir İl Özel İdare Fonu	157.000	157.000
Afyon İl Özel İdare Fonu	150.000	150.000
Eyüp Cenap Gülpınar	150.000	150.000
Muğla İl Özel İdare Fonu	150.000	150.000
Şırnak İl Özel İdare Fonu	150.000	150.000
Adıyaman Sodes fonu	150.000	150.000
Osman Yıldırım Coşkun	150.000	150.000
Şanlıurfa Büyükşehir Belediyesi	148.578	148.578
Borusan Holding A.Ş.	132.450	132.450
Erzurum İl Özel İdare Fonu	120.000	120.000
Denizli İl Özel İdare Fonu	103.000	103.000
Abaloğlu Yem	100.000	100.000
İsken Enerji Üretim	100.000	100.000
Ordu İl Özel İdare Fonu	100.000	100.000
Sosyal Market Vakfı Fonu	100.000	100.000
Bereket Enerji	100.000	100.000
Altınordu Belediyesi	100.000	100.000
Kahramanmaraş Valiliği	100.000	100.000
Kastamonu Belediyesi	100.000	100.000
Yuma İnşaat	80.000	80.000
Adil Efendi İlim Kül.ve Yard.Vakfı - Mahmut Önügören	100.000	100.000

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
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(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)**

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

- a) The details of the funds and donations transferred to TGMP from TISVA are as follows  
(continued):

	31 December 2023	31 December 2022
Mehmet Ali Aykoç	200.000	100.000
Ali Polat	100.000	-
Rosenberg Emlak A.Ş.	100.000	-
Zonguldak İl Özel İdare Fonu	75.000	75.000
Ali Coşkun	75.000	75.000
Hakkari İl Özel İdare Fonu	70.700	70.700
Sinop İl Özel İdare Fonu	148.000	68.000
Kırşehir İl Özel İdare Fonu	65.000	65.000
Çorum İl Özel İdare Fonu	64.513	64.513
Park Teknik	62.000	62.000
Hamdi Akın	60.500	60.500
Mardin Midyat Belediyesi	60.000	60.000
İsmail Kavuncu	55.000	55.000
Kızıltepe Belediyesi	50.000	50.000
Cey-Kar A.Ş.	50.000	50.000
Rize Valiliği Hizmet Vakfı	50.000	50.000
Iğdır İl Özel İdare Fonu	50.000	50.000
Kahramanmaraş Sosyal Yardımlaşma Vakfı	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 Projesi Fonu	50.000	50.000
Ceylan İnşaat A.Ş.	50.000	-
TAV Yatırım Holding A.Ş.	50.000	50.000
Trabzon Belediyesi	50.000	50.000
Tülay Aksoy Fonu	50.000	50.000
Türk Telekom	50.000	50.000
Neşe Racıoğlu	50.000	50.000
Aziz Akgül	50.000	-
Diğer Bağışlar ve Fonlar	1.899.570	1.724.471
Care International	-	13.619.100
<b>TOPLAM</b>	<b>71.168.382</b>	<b>65.072.167</b>

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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):**

- 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.

**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: 327.928 TRY (2022: 308.373 TRY).  
Amortisation: 116.079 TRY (2022: 133.515 TRY).

**2. Provision expenses for the period:**

56.018 TRY (2022: 253.404 TRY).

**3. Financial expenses for the period:**

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

	31 December 2023	31 December 2022
Türkiye İsrافی Önleme Vakfı	560.547	420.965

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
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**NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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

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

**B) NOTES TO THE STATEMENT OF INCOME (Continued)**

**5. Sales to shareholders, subsidiaries and affiliates:**

None (2022: None).

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

None (2022: 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 2023 TRY 1.075.960 was paid to the General Manager and Assistant General Manager of TGMP (2022: TRY 589.525). 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 inventory counts:**

Physical inventories count was not performed by TGMP because there is no inventory amount in the financial statements as of 31 December 2023.

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

None (2022: None).

**11. Explanatory note for prior period income and expenses:**

Expenses and losses of the previous period amounting to TRY 33.326 (2022: TRY 170.253), consist of various expenses such as communication, electricity, cargo for the previous period.

**12. Earnings per share:**

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

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE  
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**NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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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):**

- 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:

	<b>2023</b>	<b>2022</b>
Salaries	13.064.586	7.452.876
Repair-maintenance	775.683	655.905
Rent expenses	535.888	321.415
Communication	403.506	948.036
Consultancy services	363.366	154.522
Tax expenses	249.414	60.377
Food expenses	245.249	1.945.813
Transportation	240.496	394.003
Press and printing expenses	120.026	107.962
Depreciation and amortization expenses	-	116.079
Other	436.998	369.322
<b>General administrative expenses</b>	<b>16.435.212</b>	<b>12.526.310</b>

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

	<b>2023</b>	<b>2022</b>
Salaries	43.826.013	21.041.510
Fuel expenses	1.365.979	1.254.638
Repair-maintenance expenses	971.923	634.395
Insurance	555.191	277.573
Communication	201.887	105.061
Tax and other duties - (Other than corporate income tax)	162.095	8.046
Stationery	77.595	79.387
Depreciation and amortisation expenses	26.427	325.809
Other	1.067.904	818.801
<b>Cost of sales</b>	<b>48.255.014</b>	<b>24.545.220</b>

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**NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023**

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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):**

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

	<b>2023</b>	<b>2022</b>
Credit Support (*)	21.604.183	1.786.030
Current account reconciliation differences (**)	560.128	131.323
Insurance income	283.345	43.478
Vehicle sales	234.170	-
Other	19	172
<b>Total</b>	<b>22.681.845</b>	<b>1.961.003</b>

(\*) As of December 31, 2023, the balance pertains to covering branch expenses for individuals and institutions and supporting loans.

(\*\*) The balance as of December 31, 2023, relates to discrepancies resulting from reconciliation with service providers and suppliers for purchases made.