

**TÜRKİYE GİRİŞİMCİLİK VAKFI**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY-31 DECEMBER 2015  
AND AUDITOR'S REPORT**



## INDEPENDENT AUDITOR'S REPORT (ORIGINALLY ISSUED IN TURKISH)

To the Board of Directors of Türkiye Girişimcilik Vakfı;

1. We have audited the accompanying financial statements of Türkiye Girişimcilik Vakfı (the "Foundation") which comprise the balance sheet as of 31 December 2015 and the statement of income for the year then ended and a summary of significant accounting policies and other explanatory notes.

### *Management's responsibility for the financial statements*

2. Management is responsible for the preparation and fair presentation of these financial statements based on Turkish Standard Chart of Accounts in accordance with the principles announced by General Directorate for Foundations and accounting policies stated in Note 3. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's responsibility*

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

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

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



*Opinion*

4. In our opinion, the financial statements present fairly, in all material respects, the financial position of Türkiye Giriřimcilik Vakfı as of 31 December 2015 and its financial performance for the year ended 31 December 2015 based on the Turkish Standard Chart of Accounts in accordance with the principles announced by General Directorate for Foundations and accounting policies stated in Note 3.

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

**(Originally signed in Turkish)**

Adnan Akan, SMMM  
Partner

Istanbul, 2 June 2016

# **TÜRKİYE GİRİŞİMCİLİK VAKFI**

## **FINANCIAL STATEMENTS AT 31 DECEMBER 2015**

<b>CONTENTS</b>	<b>PAGE</b>
<b>BALANCE SHEET</b> .....	<b>1-2</b>
<b>STATEMENT OF INCOME</b> .....	<b>3</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b> .....	<b>4-7</b>
<b>I. ORGANIZATION AND NATURE OF ORGANIZATION</b> .....	<b>4</b>
<b>II. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS</b> .....	<b>4</b>
<b>III. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b> .....	<b>4-5</b>
<b>IV. EXPLANATORY NOTES</b> .....	<b>5-6</b>
<b>V. OPERATIONS OF THE FOUNDATION</b> .....	<b>6-7</b>

# TÜRKİYE GİRİŞİMCİLİK VAKFI

## BALANCE SHEET AT 31 DECEMBER 2015

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

	31 December 2015	31 December 2014
<b>I. <u>CURRENT ASSETS</u></b>		
<b>Cash and cash equivalents</b>	<b>751,449</b>	<b>908,360</b>
Banks	751,449	908,360
<b>Other current assets</b>	<b>6,430</b>	<b>368</b>
Job advances	6,430	368
<b>Total current assets</b>	<b>757,879</b>	<b>908,728</b>
<b>II. <u>NON-CURRENT ASSETS</u></b>		
<b>Tangible assets</b>	<b>20,355</b>	<b>1,387</b>
Furniture and fixtures	26,657	2,080
Accumulated depreciation (-)	(6,302)	(693)
<b>Intangible assets</b>	<b>6,458</b>	<b>708</b>
Leasehold improvements	8,294	885
Accumulated amortization (-)	(1,836)	(177)
<b>Prepaid expenses and income accruals</b>	<b>-</b>	<b>1,730</b>
Prepaid expenses	-	1,730
<b>Total non-current assets</b>	<b>26,813</b>	<b>3,825</b>
<b>TOTAL ASSETS</b>	<b>784,692</b>	<b>912,553</b>

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

# TÜRKİYE GİRİŞİMCİLİK VAKFI

## BALANCE SHEET AT 31 DECEMBER 2015

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

	31 December 2015	31 December 2014
<b>I. <u>CURRENT LIABILITIES</u></b>		
<b>Trade payables</b>	<b>24,519</b>	<b>5,014</b>
Suppliers	23,909	3,783
Other financial liabilities	610	1,231
<b>Other payables</b>	<b>-</b>	<b>8,079</b>
Due to personnel	-	79
Other payables	-	8,000
<b>Taxes and other liabilities</b>	<b>24,168</b>	<b>12,928</b>
Taxes and funds payable	18,098	9,216
Social security premiums payable	6,070	3,712
<b>Total current liabilities</b>	<b>48,687</b>	<b>26,021</b>
<b>TOTAL LIABILITIES</b>	<b>48,687</b>	<b>26,021</b>
<b>II. <u>EQUITY</u></b>		
Endowment	479,000	479,000
Surplus for the previous period	407,532	-
Deficit /surplus for the current period	(150,527)	407,532
<b>Total equity</b>	<b>736,005</b>	<b>886,532</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>784,692</b>	<b>912,553</b>

The accompanying notes form an integral part of these financial statements

# TÜRKİYE GİRİŞİMCİLİK VAKFI

## INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015 AND FOR THE PERIOD FROM 10 APRIL 2014 (ESTABLISHMENT) TO 31 DECEMBER 2014

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

	31 December 2015	10 April - 31 December 2014
<b>Total revenue</b>	<b>843,625</b>	<b>671,106</b>
Membership fees	383,755	371,404
Contributions from other countries	-	99,937
Other contributions and donations	390,206	172,000
Financial income	59,991	25,155
Other income	9,673	2,610
<b>Total expenses</b>	<b>(994,152)</b>	<b>(263,574)</b>
<b>Total expenses with regards to the purpose of the Foundation</b>	<b>(753,579)</b>	<b>(156,320)</b>
Scholarship	(275,706)	(60,000)
Organisation expenses	(193,481)	(24,678)
Payroll	(177,803)	(48,680)
General expenses	(106,589)	(22,962)
<b>Other expenses</b>	<b>(240,573)</b>	<b>(107,254)</b>
Payroll	(81,883)	(97,185)
Other	(158,690)	(10,069)
<b>DEFICIT/ SURPLUS</b>	<b>(150,527)</b>	<b>407,532</b>

The accompanying notes form an integral part of these financial statements

# TÜRKİYE GİRİŞİMCİLİK VAKFI

## NOTES TO THE FINANCIAL STATEMENTS

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

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### I. ORGANIZATION AND NATURE OF OPERATIONS

Türkiye Girişimcilik Vakfı (“Girişimcilik Vakfı” or “Foundation”) was established on 10 April 2014. The statute was published in the official gazette and the official status of the foundation was declared on 10 April 2014. Türkiye Girişimcilik Vakfı was established to support the people who have higher level of entrepreneurship potential and leadership capacity. In addition to that; the foundation was established in order to contribute improvement of culture of the entrepreneurship in Turkey. The foundation has 3 personnel, 37 trustee member and 5 board member and 3 substitute board member as at 31 December 2015.

Türkiye Girişimcilik Vakfı is exempt from corporation income tax.

The registered address of the Türkiye Girişimcilik Vakfı is:

İstanbul Beşiktaş Levent  
Levent Mah. Eylül Sok. No:6

### II. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The Foundation keeps its accounting record and prepares the statutory financial statement in Turkish Lira. The financial statement is prepared in accordance with the uniform chart of accounts announced by Ministry of Finance and the principles announced by General Directorate for Foundations.

### III. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies used in the preparation of the financial statements are as follows:

#### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks. Cash and cash equivalents are highly liquid short-term assets easily convertible into cash. Interest income are accounted on a cash basis at the end of the interest term.

#### Tangible and intangible assets and depreciation

Tangible and intangible assets consists of physical and non -physical assets are acquired to be used in the Foundation operations of which estimated useful lives are more than one year.

Amortization and depreciation is charged on a straight-line basis over the useful lives announced by Tax Procedure Law.

Useful lives of tangible assets are as follows:

Furniture and fixtures	3 years
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Useful lives of intangible assets are as follows:

Leasehold improvements	5 years
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# TÜRKİYE GİRİŞİMCİLİK VAKFI

## NOTES TO THE FINANCIAL STATEMENTS

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

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### III. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Prepaid expenses and income accruals

Prepaid expenses and income accruals represents the cash amounts paid in advance for the insurance services that are going to be benefited in next period.

#### Account payable

Trade payables are carried at their original invoice value.

#### Taxes and other liabilities

Taxes and other liabilities represent the cash amount that will be paid in 2015 for the liability of the tax and social security in relation to 2016.

#### Other balance sheet items

Other balance sheet items are recognized in the financial statements at cost.

#### Endowment

This amount is consists of TRY 479,000 donated by the founders.

#### Revenue recognition

Membership fees represent the amounts that are received from the board of trustees. Other donations and grants represent the amounts that are received in accordance with sponsorship agreements. Revenue is recognized when the amounts are received.

#### Expenses related to the foundation's activities

Operation expenses comprise of expenses related to the purpose of the foundation's operations.

### IV. EXPLANATORY INFORMATIONS

#### a) Cash and Cash Equivalents

	<b>31 December 2015</b>	<b>31 December 2014</b>
Cash in banks	751,449	908,360
- Demand deposits	208,449	232,824
- Time deposits with maturity 3 months	543,000	675,536
	<b>751,449</b>	<b>908,360</b>

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# TÜRKİYE GİRİŞİMCİLİK VAKFI

## NOTES TO THE FINANCIAL STATEMENTS

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

### IV. EXPLANATORY INFORMATION (CONTINUED)

#### Time deposits

Currency	Interest (%)	Maturity	31 December 2015	31 December 2014
Turkish Lira	9.30 - 11	May 2016	543,000	675,536
			<b>543,000</b>	<b>675,536</b>

#### b) Other contributions and donations

Other donations and grants represent the amounts that are received in accordance with sponsorship agreements.

	2015	2014
Sponsorship income	335,420	172,000
Other donations	54,786	-
	<b>390,206</b>	<b>172,000</b>

#### c) Expenses

Activity expenses are listed as below:

	2015	2014
Travel expenses	131,189	695
Organization service expenses	57,077	23,983
Printing expenses	5,215	-
	<b>193,481</b>	<b>24,678</b>

General and other expenses are listed as below:

	2015	2014
Rent expenses	106,200	13,950
Translation expenses	31,741	2,399
Advertisement expenses	30,738	3,544
Travel expenses	9,763	5,081
Representation expenses	7,536	3,320
Consulting expenses	3,599	2,891
Other expenses	75,702	1,846
	<b>265,279</b>	<b>33,031</b>

# TÜRKİYE GİRİŞİMCİLİK VAKFI

## NOTES TO THE FINANCIAL STATEMENTS

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

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### V. OPERATIONS OF THE FOUNDATION

#### Fellow programme

The young people who are selected for the Turkish Entrepreneurship Foundation's Fellow Programme through a six-step scientific elimination process participate in “FellowUP” inspiration gatherings, network events, internships, and experience events once every two months.

The fellow programme is composed of five core components:

1. Network
2. Role Model
3. Scholarship
4. Start-up ambassadors
5. Giveback

#### Network

The program participants are part of a national and an international network and attend trainings and gatherings.

#### Role model

Once every two months, the participants come together with successful entrepreneurs and have the chance to be inspired by them. This way, they develop themselves in the most effective manner.

#### Scholarship

The foundation grants scholarships to university students. A total of 80 students qualified for a monthly scholarship in the period 1 January 2015 - 31 December 2015. There is a plan to increase this number by 40 students each year.

#### Start-up ambassadors

The program participants act as “start-up ambassadors” in their own universities in order to propagate the culture of entrepreneurship by creating a multiplier effect.

#### Giveback

The Entrepreneurship Foundation operates with the understanding that success can only be scaled and multiplied with practice of a “giveback” philosophy in which success, attained with the support of the public, is then progressively shared with the public itself.

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