

**HAYATA DESTEK DERNEĐİ**

**FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017**

**TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

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## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors of Hayata Destek Derneği

Cenap Şahabettin Sokak No:42 Koşuyolu Mahallesi, 34718 Kadıköy İstanbul, Turkey

### Opinion

We have audited the financial statements of Hayata Destek Derneği ("STL" or the "Company") which comprises the statement of financial position as at December 31, 2017 and the statement of profit or loss, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements report, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2017, and its financial performance and statement of cash flows for the year then ended in accordance with the basis of accounting described in Note 2.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Turkey, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Matter

The financial statements of the Company for the year ended December 31, 2016, were audited by another auditor who expressed an unmodified opinion on those statements on January 11, 2018.

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

Management is responsible for preparation and fair presentation of the financial statements in accordance with the accounting policies described in Note 2, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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.

Teknik Analiz Yeminli Mali Müşavirlik Ltd. Şti.

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Hüseyin KALENDER

Independent Auditor and Sworn-in Certified Public Accountant

November 28, 2018

**HAYATA DESTEK DERNEĞİ****STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2017**

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

	Notes	Audited December 31, 2017	Audited December 31, 2016
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	3	9.162.188	2.395.074
Other receivables and assets	4	84.050	1.370.020
Income accruals	5	173.738	239.010
<b>Total current assets</b>		<b>9.419.975</b>	<b>4.004.104</b>
<b>Non-current assets:</b>			
Other receivables	4	53.500	-
Property, plant and equipment	6	-	-
<b>Total non-current assets</b>		<b>53.500</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>9.473.475</b>	<b>4.004.104</b>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Creditors and other liabilities	7	689.562	1.183.271
Taxes and funds payables	8	906.827	472.758
Provisions	9	74.539	-
Unearned revenues	10	6.685.034	2.484.897
<b>Total current liabilities</b>		<b>8.355.963</b>	<b>4.140.926</b>
<b>Non-current liabilities:</b>			
Provisions	9	23.747	-
Unearned revenues	10	95.750	-
<b>Total non-current liabilities</b>		<b>119.498</b>	<b>-</b>
<b>Shareholders' equity:</b>			
Previous years' profit (loss)		-136.822	384.673
Net profit (loss) for the year		1.134.837	-521.495
<b>Total shareholders' equity</b>		<b>998.015</b>	<b>-136.822</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>9.473.475</b>	<b>4.004.104</b>
Provisions, contingent assets and liabilities	11		

## HAYATA DESTEK DERNEĞİ

### STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED DECEMBER 31, 2017

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

		Audited January 1- December 31, 2017	Audited January 1- December 31, 2016
	Notes		
<b>Operating income:</b>			
Project income	12	30.234.267	55.079.544
Other income	13	5.812.438	2.019.406
<b>Total operating income</b>		<b>36.046.705</b>	<b>57.098.950</b>
<b>Operating expenses:</b>			
Project expenses	14	-30.289.571	-55.220.944
Operating expenses	15	-1.883.549	-1.902.780
Other expenses	16	-2.738.749	-496.721
<b>Total operating expenses</b>		<b>-34.911.868</b>	<b>-57.620.445</b>
<b>Net profit (loss) for the year</b>		<b>1.134.837</b>	<b>-521.495</b>

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## HAYATA DESTEK DERNEĞİ

### STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2017

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

	Previous years' profit (loss)	Net profit (loss) for the year	Total
Balance at January 1, 2017	384.673	-521.495	-136.822
Transfers	-521.495	521.495	-
Net profit for the year	-	1.134.837	1.134.837
<b>Balance at December 31, 2017</b>	<b>-136.822</b>	<b>1.134.837</b>	<b>998.015</b>
Balance at January 1, 2016	345.621	39.052	384.673
Transfers	39.052	-39.052	-
Net loss for the year (-)	-	-521.495	-521.495
<b>Balance at December 31, 2016</b>	<b>384.673</b>	<b>-521.495</b>	<b>-136.822</b>

# HAYATA DESTEK DERNEĞİ

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2017

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

	Notes	Audited January 1- December 31, 2017	Audited January 1- December 31, 2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit (loss) for the year		1.134.837	-521.495
Adjustments to reconcile net profit to net cash provided by operating activities:			
Project income accrual		65.272	202.601
Operating profit (loss) before changes in working capital:		1.200.109	-318.894
Change in other receivables and current assets		1.232.470	-924.648
Change in creditor, accrued and other liabilities		-493.709	593.916
Change in taxes and funds payable		434.069	118.018
Change in unearned revenues		4.295.888	-2.845.220
Change in employee termination benefits	9, 11	98.287	-
<b>Cash flows from operating activities</b>		<b>5.567.004</b>	<b>-3.057.934</b>
<b>Net change in cash and cash equivalents</b>		<b>6.767.114</b>	<b>-3.376.828</b>
<b>Cash and cash equivalents at January 1</b>		<b>2.395.074</b>	<b>5.771.902</b>
<b>Cash and cash equivalents at December 31</b>	3	<b>9.162.188</b>	<b>2.395.074</b>

The below notes are accompanying part of the financial statements.  
The amounts are expressed in Turkish Lira ("TRY") unless otherwise indicated.

Hayata Destek Derneği (“STL” or the “Company”), a Turkish non-governmental organization, was founded on August 25, 2009 according to the Turkish Associations Law No. 5253. The headquarters is in İstanbul, Turkey. STL is a humanitarian agency to provide emergency relief aid for nutrition, sheltering, hygiene, rehabilitation, reconstruction and participatory development. STL has the principal objective to work with communities to raise funds for those who suffer from humanitarian crises in order to meet their basic needs and rights. The total number of employees is 293 as of December 31, 2017 (December 31, 2016: 241).

The general assembly of STL is held every two years in November. The 5th General Assembly was held on November 25, 2017 and the elected board of directors and auditors are shown below.

	Name SURNAME	Gender	Profession	Member Status
1	Gökhan ERKUTLU	M	Manager	Chairman
2	A. Emel Şensezgin MERGEN	F	Industrial Engineer	Vice-Chairman
3	İnci Aylin GEZGÜÇ	F	Social Entrepreneur	Accountant
4	Derya MUTLU	M	Civil Society	Member
5	Sema Genel KARAOSMANOĞLU	F	Sociologist	Member

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**Members of the Board of Auditors**

	Name SURNAME	Gender	Profession	Member Status
1	Aylin ERKUTLU	F	Manager	Chairman
2	Alper BULUŞ	M	Managing Partner	Member
3	Derya DURMAZ	F	Actress	Member

**NOTE 2. Basis of Presentation of the Financial Statements****2.1. Basis of Presentation**

The Company prepares the accompanying financial statements in accordance with the accounting standards applicable to foundations based on historical cost convention and accrual basis and in conformity with accounting policies described in Note 2.2.

The statutory financial statements of the Company differs from the accompanying financial statements in that the statutory financial statements of STL have not been prepared due to the accrual basis. The accompanying financial statements have been prepared by making such adjustments on the statutory financial statements of the Company regarding the accounts of "income accruals", "unearned revenues" and "project income".

The Company's measurement currency is the currency of the primary economic environment in which the Company operates ("the functional currency") which is the national currency of Turkey, Turkish Lira ("TRY"). All amounts in the financial statements are presented in Turkish Lira, unless otherwise indicated. All currencies other than the currency selected for measuring items in the financial statements are stated as foreign currencies.

The Company prepared financial statements in accordance with the going concern assumption.

**2.2. Summary of Significant Accounting Policies**

Significant accounting policies applied in the preparation of these financial statements are summarized below:

**Cash and Cash Equivalents**

Cash includes cash on hand and cash at banks.

Cash and cash equivalents include cash in hand and deposits held with banks. Deposits with Turkish lira are recognized with cost, foreign currency deposits are translated into Turkish lira by using the buying exchange rate of the Central Bank of the Republic of Turkey (Note 3).

### **Other receivables and current assets**

Other receivables and current assets are valued at acquisition costs which are at nominal value (Note 4).

### **Inventories**

Inventories include some cost elements such as paint and computer appliances, which are donated to the Company. They are valued at the purchase costs. Due to their insignificant value, they are stated under other receivables and assets in current assets (Note 4).

### **Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation of the assets is provided on a straight-line basis based on the estimated useful lives declared by the Ministry of Finance. The Company has only furniture and fixtures which were fully depreciated as of December 31, 2015 (Note 6).

Useful lives

Furniture and fixtures

3-5 years

### **Creditor and other liabilities**

Creditor and other liabilities to be paid in future for goods and services received are carried at cost. The valuation of liabilities is principally based on the settlement amount, which as a rule equals the repayment amount (Note 7).

### **Foreign currency transactions and balances**

Transactions in foreign currencies during the period have been translated into TRY at the exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies have been translated into TRY at the exchange rates prevailing at the balance sheet dates. Foreign exchange gains or losses arising from the settlement of such transactions and from the translation of assets and liabilities are recognized as income or expense in the statement of profit or loss (Note 13 and 16).

The Company used the rates of the Central Bank of Turkey as of December, 2017 which are EUR/TRY 4,5155 (December 31, 2016: 3,7099) and USD/TRY 3,7719 (December 31, 2016: 3,5192).

### **Donation income**

Donation income includes donations of voluntary contributions from the Company members. Donation income is recognized when it was collected from the Company members and the amount of donation can be measured reliably.

## Project income and expense

Income comprises membership dues from members, contributions in cash from donors, and project income from partner organizations. Project income and expenditure are recorded on accrual basis.

## Reporting of cash flows

In the financial statements of cash flows, cash flows are classified and reported according to their operating, investing and financing activities. However, due to the nature of non-profit association of the Company, there are no investing and financing activities.

## Events after balance sheet date

Events after the balance sheet date are those events that occur subsequent to the balance sheet date and disclosed in accompanying notes, where the decisions of the users of financial statements may be affected (Note 17).

## NOTE 3. Cash and Cash Equivalentents

<i>(in TRY)</i>	<b>December 31, 2017</b>	<b>December 31, 2016</b>
Cash in hand	<b>38.242</b>	31.955
Cash at banks		
TL denominated demand deposits	<b>9.060.733</b>	1.895.930
Foreign currency denominated demand deposits	<b>63.213</b>	467.189
	<b>9.162.188</b>	2.395.074

Cash in hand includes TRY 4.912, USD 3.473 and EUR 4.480 as of December 31, 2017.

Foreign currency denominated demand deposits include USD 2.087,06, EUR 12.069,56 and GBP 165,45 as of December 31, 2017.

Indicative exchange rates announced by the Central Bank of Turkey are used for the conversion of foreign currencies balances as of December 31, 2017, which were 3,7719 for USD/TRY, 4,5155 for EUR/TRY and 5,0803 for GBP/TRY.

The Company has no blocked deposits as of December 31, 2017.

Reconciliation letters were obtained directly from banks for the bank balances. Banks confirmed no other balances including bank loans and financial obligations other than the demand deposits mentioned in this note as of December 31, 2017.

#### NOTE 4. Other Receivables and Assets

##### 4.1. Short-term other receivables and assets

<i>(in TRY)</i>	December 31, 2017	December 31, 2016
Deposits and guarantees given	36.053	108.969
Advances to personnel	17.678	32.195
Work advances	12.497	30.927
Inventory	6.809	-
Other receivables	11.014	1.196.054
Prepaid expenses	-	1.875
	84.050	1.370.020

Deposits are given for the rent for the projects.

##### 4.2. Long-term other receivables

<i>(in TRY)</i>	December 31, 2017	December 31, 2016
Deposits and guarantees given	53.500	-
	53.500	-

Deposits are given for the rent to the landlords of the head-quarter building and community center in İstanbul.

## NOTE 5. Income Accruals

(in TRY)	December 31, 2017	December 31, 2016
<b>Projects:</b>		
DKH Regional Office West & Central Asia - Operational Costs 2016 2017 - DKH1601	106.388	-
Supporting pregnant women and mothers/caregivers with newborn babies in the Syrian refugee communities and vulnerable host communities in Turkey - SCI1702	67.349	-
Facilitating the protection of Syrian refugees in Istanbul - SDC	-	89.907
Distribution of winterization NFI to Syrian refugees - ACF	-	55.880
Protection for displaced Syrian Refugees in Istanbul - IOM	-	36.604
Civil society disaster platform	-	22.704
Multi purpose cash assistance for refugees - DKH	-	19.939
Other	-	13.976
	<b>173.738</b>	<b>239.010</b>

## NOTE 6. Property, Plant and Equipment

(in TRY)	January 1, 2017	Additions	Disposals	Transfers	December 31, 2017
<b>Cost:</b>					
Furniture and fixtures	11.732	-	-	-	11.732
	11.732	-	-	-	11.732
<b>Accumulated depreciation:</b>					
Furniture and fixtures	-11.732	-	-	-	-11.732
	-11.732	-	-	-	-11.732
<b>Net book value</b>	-				-

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(in TRY)	January 1, 2016	Additions	Disposals	Transfers	December 31, 2016
<b>Cost:</b>					
Furniture and fixtures	11.732	-	-	-	11.732
	11.732	-	-	-	11.732
<b>Accumulated depreciation:</b>					
Furniture and fixtures	-11.732	-	-	-	-11.732
	-11.732	-	-	-	-11.732
<b>Net book value</b>	-				-

#### NOTE 7. Creditors and Other Liabilities

(in TRY)	December 31, 2017	December 31, 2016
Payables to personnel	382.495	11.798
Trade payables	294.999	390.311
Payables to donors	12.068	781.162
	689.562	1.183.271

Trade payables are the liabilities arisen from the services and goods received from suppliers within the scope of the operations of the Company.

Payables to personnel is a part of the salaries related to December which is paid at the beginning of January 2018.

#### NOTE 8. Taxes and Funds Payables

(in TRY)	December 31, 2017	December 31, 2016
Social security premiums	486.373	259.184
Taxes payables	414.879	213.574
Other	5.575	-
	906.827	472.758

## NOTE 9. Provisions

Employee termination benefit legislation is explained in Note 11.

### 9.1. Short-term provisions for employee benefits

(in TRY)	December 31, 2017	December 31, 2016
<b>Short-term provision for employee termination benefits:</b>		
Şanlıurfa Mental Health Psycho Social Support 2017 - MSF	74.539	-
	<b>74.539</b>	<b>-</b>

The Company has started to fund employee termination benefits on project basis in 2017. The project will end in 2018.

### 9.2. Long-term provisions for employee benefits

(in TRY)	December 31, 2017	December 31, 2016
<b>Long-term provision for employee termination benefits:</b>		
Strengthening Child Protection Mechanisms in Turkey and Disseminating Best Practice Tools - TDH	23.747	-
	<b>23.747</b>	<b>-</b>

The Company has started to fund employee termination benefits on project basis in 2017. The project will end in 2019.

## NOTE 10. Unearned Revenues

### 10.1. Short-term unearned revenues

(in TRY)	December 31, 2017	December 31, 2016
<b>Projects:</b>		
Improving the Employability of Syrian Refugees and Vulnerable Host Community Members in Agricultural Sector - GIZ1701	1.539.299	-
Facilitating the protection and resilience of Syrian refugees in Istanbul Phase 3 - SDC1701	1.461.131	-
Enhancing access to effective services and protection for people of concern in Turkey - DKH1604	1.154.047	-
Building Resilience amongst Syrian refugees in Istanbul - SCI1701	837.867	-
Multi-purpose cash assistance (MPCA) and protection for urban Syrian and non-Syrian refugees in southeastern Turkey - DKH1603	800.747	-
Building and Strengthening Resilience of Syrian Refugees - UNHCR1701	637.231	-
Strengthening Child Protection Mechanisms in Turkey and Disseminating Best Practice Tools - TDH1601	75.935	-
Google. Reaching out to 30.000 refugees and disadvantaged Turkish adults and children through digital hubs to be set up in different provinces - GOG1701	53.193	-
Sanliurfa Mental Health Psycho Social Support (MHPSS) 2017 Project - MSF1702	5.806	-
Rehabilitating the Agricultural Sector in Gaza Strip - DKHGAZA	4.877	-
Enhancing access to effective services and protection for people of concern in Turkey	-	826.049
Production and marketing of crafts and handicrafts	-	230.335
Distribution of e-vouchers to displaced people in Mardin province	-	200.247
DKH regional office west and central Asia - operational costs	-	191.766
Capacity building initiative Asia II	-	184.618
Strengthening child protection mechanism in Turkey	-	178.170
Eliminating child labor in seasonal agriculture in Turkey	-	177.918
Facilitating the protection of Syrian refugees in urban settings in Turkey	-	158.958
Other	-	336.836
	<b>6.570.134</b>	<b>2.484.897</b>
Income from bank	<b>114.900</b>	-
	<b>6.685.034</b>	<b>2.484.897</b>

STL is entitled to have promotion due to contract signed with bank. The period of the contract comprises the 2017, 2018 and 2020 years. Although the bank paid in 2017 the total promotion, the promotion is reported on an accrual basis in the financial statements. TRY 19.150 promotion income is recognized in 2017.

## 10.2. Long-term unearned revenues

(in TRY)	December 31, 2017	December 31, 2016
Income from bank (2019)	95.750	-
	95.750	-

## NOTE 11. Provisions, Contingent Assets and Liabilities

### 11.1. Provisions

#### Provision for employee termination benefits

Under the Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). The amount payable consists of one month's salary limited to a maximum of TRY 4.732,48 for each year of service as of December 31, 2017 (December 31, 2016 : TRY 4.297,21). The amount is increased to TRY 5.001,76 as of January 1, 2018.

The Company has started to calculate and record provisions on a project basis in 2017. Provisions for employee termination benefits are recorded only for two projects, TRY 74.539 and TRY 23.747 (Note 9), a total of TRY 98.287 according to the regulation explained above.

The provision for employee termination benefits is not totally funded, as there is no funding requirement. The calculation of total employee termination benefit is TRY 866.856 as of December 31, 2017. This calculation is based according to the Turkish Labor Law. IFRS require actuarial valuation methods to be developed to estimate the Company's obligation by using demographic and financial actuarial assumptions. The total employee termination benefit is not calculated according to the actuarial valuation method. The employee termination benefit provision is partially funded and recorded in the financial statements (Note 9).

## 11.2. Contingent assets

### Social security premium returns

The Company has applied for social security premium returns which are estimated to be TRY 800.000. The Company expects to offset the returns to future social security premiums to be paid for the periods after January 2019.

### Value-added tax (VAT) returns

The company is a non-profit association and has not liable for value added tax. However, STL pays the suppliers the VAT. Turkish tax legislation permits the Company to recover the payments made to suppliers concerning the VAT amount under the scope of Framework Agreement between the Government of the Republic of Turkey and the European Commission on the Arrangements for Implementation of Union Financial Assistance to the Republic of Turkey under the Instrument for Pre-Accession Assistance (IPA). The Company has applied for tax returns amounting to a maximum of TRY 750.000. The tax return amount will be paid to donors.

### Annual membership fees

There is an annual membership fee amounting to TRY 100 as of 2017. The Company recognizes revenue at the period the fee is paid by the member. The total of unpaid membership fee is TRY 14.730 as of December 31, 2017. No accrual is recorded in the accompanying financial statements.

## 11.3. Contingent liabilities

### Value-added tax (VAT) returns

The Company will pay to the donors the VAT returns that are explained in Note 11.2 in the contingent assets.

### Provision for legal cases

None.

## NOTE 12. Project Income

### 12.1. Projects

(in TRY)	January 1- December 31, 2017	January 1- December 31, 2016
<b>Projects:</b>		
Enhancing access to effective services and protection for people of concern in Turkey - DKH1604	10.033.923	-
Building and Strengthening Resilience of Syrian Refugees - UNHCR1701	5.279.675	-
Multi-purpose cash assistance (MPCA) and protection for urban Syrian and non-Syrian refugees in southeastern Turkey - DKH1603	3.435.251	-
Addressing Child Labour among Syrian Refugees and Host Community in Turkey - UNICEF1601	2.786.113	-
Improving the Employability of Syrian Refugees and Vulnerable Host Community Members in Agricultural Sector - GIZ1701	1.419.379	-
DKH Regional Office West & Central Asia - Operational Costs 2016 2017 - DKH1601	941.456	1.251.687
Strengthening Child Protection Mechanisms in Turkey and Disseminating Best Practice Tools - TDH1601	845.230	-
Google. Reaching out to 30.000 refugees and disadvantaged Turkish adults and children through digital hubs to be set up in different provinces - GOG1701	827.107	-
Sanliurfa Mental Health Psycho Social Support (MHPSS) 2017 Project - MSF1701	805.112	-
Şanlıurfa MHPSS - MSF1702	785.871	-
Supporting pregnant women and mothers/caregivers with newborn babies in the Syrian refugee communities and vulnerable host communities in Turkey - SCI1702	673.418	-
Psychosocial support for Yazidi refugees - DKH1602	396.166	-
Facilitating the Protection of Syrian Refugees in Istanbul - SDC1501	388.902	-
Distribution of E-vouchers to Displaced People in Mardin Province - AAR1601	284.363	-
Building Resilience amongst Syrian refugees in İstanbul - SCI1701	271.354	-
E-vouchers for Syrian Non-Camp Refugees in South-Eastern Turkey - HEKS1601	266.264	-
Production and marketing of crafts and handicrafts (Cash-for-Work) - GIZ1601	265.851	-
Eliminating Child Labor in Seasonal Agriculture in Turkey - REWE1601	166.214	-
Donation gathered through marathon race - ADIM ADIM	115.546	-

Facilitating the protection and resilience of Syrian refugees in Istanbul Phase 3 - SDC1701	70.794	-
Protection for Displaced Syrian Refugees in Istanbul, Turkey - IOM1601	68.724	-
Capacity Building Initiative Asia - CBIA II	58.763	-
PARC1602	27.370	-
NEAR's Capacity Strengthening Project - NEAR1701	18.887	-
Proactive Actions to Reduce Protection Vulnerabilities among Displaced Populations in Turkey - DRC1701	2.535	-
Unconditional cash assistance for Syrian and Irakian refugees - DKH	-	30.885.703
Building and strenghten resilience in Syrian refugees	-	3.884.790
Enhancing axcess to effective services	-	3.740.565
Multi purpose cash assistance	-	3.129.026
Adressing child labor	-	1.351.900
Pschological support for Yazidi refugees	-	1.218.155
Other	-	9.617.718
	<b>30.234.267</b>	<b>55.079.544</b>

## 12.2.Donors

STL carried out projects with the following organizations (in alphabetical order):

Accion Contra El Hambre  
 Association for Aid and Relief, Japan  
 Danish Refugee Council  
 Deutsche Gesellschaft für Internationale Zusammenarbeit  
 Diakonie Katastrophenhilfe (DKH)  
 International Organization for Migration  
 Medecins Sans Frontieres  
 Near-Adeso  
 Parc Interpeoples Cooperation  
 Rewe Markt GmbH  
 Save the Children  
 Swiss Agency For Development and Cooperation (SDC)  
 Swiss Church Aid  
 Terre des Hommes  
 Tides Foundation  
 United Nations Children's Fund  
 United Nations High Commissioner for Refugees

The most supporting organization of STL is Diakonie Katastrophenhilfe (DKH) with the following listed projects and funds of amounting EUR 3.698.792 (2016: EUR 11.538.818).

(in €)	2017
<b>Project code (project code; total budget):</b>	
Enhancing access to effective services and protection for people of concern in Turkey - DKH1604 (K-TUR-2016-9013; EUR 3.870.700)	2.499.965
Multi-purpose cash assistance (MPCA) and protection for urban Syrian and non-Syrian refugees in southeastern Turkey - DKH1603 (K-TUR-2016-9009; EUR 1.941.730,72)	833.186
DKH Regional Office West and Central Asia - Operation Costs 2016 - DKH1601 (K-TUR-2016-4016; EUR 762.000)	245.650
Psychosocial support for Yazidi refugees - DKH1602 (K-TUR-2016-8001; EUR 462.304,61)	119.990
	<b>3.698.792</b>

### 12.3. DKH Regional Office

DKH had a regional office in İstanbul for the management of the projects carried out both in Turkey and in West and Central Asia. In order to meet the operational expenditures of the regional office, DKH has transferred EUR 131.920 (2016: EUR 460.000) to STL's bank account within the project named "DKH Regional Office West and Central Asia" numbered K-TUR-2016-4016 (DKH1601). The financial information of the project is as follows:

(in €)	January 1- December 31, 2017	January 1- December 31, 2016
Balance at January 1	86.166	16.121
Funds transferred from DKH	131.920	460.000
<b>Total income</b>	<b>218.086</b>	<b>476.121</b>
Payroll expenses	-129.049	-270.440
Direct project expenses	-76.404	-76.478
Operating expenses	-19.258	-5.118
Assets and capital equipment	-8.128	-16.181
Spezialized and external services	-6.292	-21.738
<b>Total expenditures</b>	<b>-239.131</b>	<b>-389.955</b>
<b>Balance at December 31</b>	<b>-21.045</b>	<b>86.166</b>

DKH has transferred EUR 28.891 in 2018 to settle the outstanding balance and other expenses occurred in 2018. DKH has closed its regional office in İstanbul at the end of February 2018, and moved to Amman (Note 17).

#### NOTE 13. Other Income

<i>(in TRY)</i>	January 1- December 31, 2017	January 1- December 31, 2016
Donation not related to projects	4.133.472	418.495
Discount from suppliers	1.158.257	1.197.245
Foreign currency income	296.857	293.387
Other	223.851	110.279
	5.812.438	2.019.406

#### NOTE 14. Project Expenses

<i>(in TRY)</i>	January 1- December 31, 2017	January 1- December 31, 2016
Personnel expenses	17.042.335	10.676.023
Food, hygiene and other relief materials	7.040.206	37.096.530
Project operating expenses	3.500.278	3.401.836
Material and equipment expenses	1.739.984	1.042.869
Other project expenses	966.767	3.003.686
	30.289.571	55.220.944

The expenses of the 2017 projects are as follows:

(in TRY)	DKH1604	UNHCR1701	DKH1603	UNICEF1601	GIZ1701
Personnel expenses	7.152.520	2.924.385	1.401.165	2.003.325	164.905
Direct project costs	975.613	1.187.132	1.650.288	426.727	1.182.563
Operating expenses	1.608.167	112.451	383.798	356.061	71.911
Materials and equipments	205.440	661.432			
Other	92.182	394.275			
	<b>10.033.923</b>	<b>5.279.675</b>	<b>3.435.251</b>	<b>2.786.113</b>	<b>1.419.379</b>

(in TRY)	DKH1601	TDH1601	GOG1701	MSF1701	MSF1702
Personnel expenses	488.586	591.460		578.054	482.120
Direct project costs	299.918			40.497	15.267
Operating expenses	75.797	251.449		118.891	113.388
Materials and equipments	43.684	2.321	827.107		
Other	33.472			67.669	175.096
	<b>941.456</b>	<b>845.230</b>	<b>827.107</b>	<b>805.111</b>	<b>785.871</b>

(in TRY)	SCI1702	DKH1602	SDC1501	AAR1601	SCI1701
Personnel expenses	180.032	253.228	140.252	233.039	110.009
Direct project costs	357.129	110.858	153.976	177	96.931
Operating expenses	88.860	24.672	94.673	51.147	64.414
Materials and equipments					
Other	47.396	62.712			
	<b>673.418</b>	<b>451.470</b>	<b>388.902</b>	<b>284.363</b>	<b>271.354</b>

(in TRY)	HEKS1601	GIZ1601	REWE1601	ADIM ADIM	SDC1701
Personnel expenses	43.947	95.949	84.696		59.991
Direct project costs	201.125	140.559	9.876	98.241	6.573
Operating expenses	11.162	29.342	1.283	17.305	
Materials and equipments					
Other	10.030		70.359		4.230
	<b>266.264</b>	<b>265.851</b>	<b>166.214</b>	<b>115.546</b>	<b>70.794</b>

(in TRY)	IOM1601	CBIA II	PARC1602	NEAR1701	DRC1701
Personnel expenses	36.190			15.987	2.494
Direct project costs	8.066	51.278	27.370		40
Operating expenses	15.123	7.485		2.900	
Materials and equipments					
Other	9.345				
	<b>68.724</b>	<b>58.763</b>	<b>27.370</b>	<b>18.887</b>	<b>2.535</b>

**NOTE 15. Operating Expenses**

<i>(in TRY)</i>	<b>January 1- December 31, 2017</b>	<b>January 1- December 31, 2016</b>
Personnel expenses	<b>833.746</b>	475.079
Consulting expenses	<b>277.748</b>	274.662
Office running costs	<b>229.007</b>	264.754
Needs assessment and other	<b>203.436</b>	417.000
Printed materials	<b>113.975</b>	116.524
Meeting and capacity	<b>54.684</b>	76.374
Travel and transportation costs	<b>32.081</b>	16.299
Other	<b>138.873</b>	262.087
	<b>1.883.549</b>	1.902.780

**NOTE 16. Other Expenses**

<i>(in TRY)</i>	<b>January 1- December 31, 2017</b>	<b>January 1- December 31, 2016</b>
Other project expenses	<b>2.377.617</b>	-
Foreign currency losses	<b>242.259</b>	352.945
Other	<b>118.872</b>	143.776
	<b>2.738.749</b>	496.721

#### NOTE 17. Events After Balance Sheet Date

No event has occurred since the year-end that would have a material impact on the financial statements. We bring to your attention the following matter:

DKH, which has been the most supporting organization of STL, moved its regional office from İstanbul to Amman at the end of February 28, 2018. However, DKH continues to work with STL, and a new project began in 2018 with a 3,5 million euros budget for a period of 18 months. Additionally, STL began to cooperate with new donors (such as UN Women, International Medical Corps and Vasque Foundation) in 2018.

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