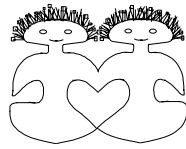


Friends of Anatolia

www.friendsofanatolia.org



DEMET YEZGI

President / CEO

January 8, 2005

Dear Friends,

In this first annual letter to you, I would like to share some of our achievements from 2004 and describe what lies ahead for our organization in the year 2005.

The idea of starting a new organization to stay involved with Turkey has been in my mind for quite some time. Finally, last June, I took the first official step and filed the Articles of Incorporation with the State of California to create a legal entity.

In October, I wrote the first draft of the *Friends of Anatolia* manifesto and started to share it with other people, mostly from Stanford University, to decide the specific purposes and the road map of the organization. This process of exchanging ideas ended up with the formation of a strong volunteer base.

We decided to focus on encouraging the growth of Turkish civil society by providing support for the education system and nonprofit organizations in Turkey. Furthermore, we agreed on promoting Anatolian culture and heritage as a unifying tool to create mutual understanding among people of different backgrounds.

Towards the end of the month, we became a team and began to manage administrative issues. We wrote the bylaws, formed e-mail groups and a temporary webpage, got a P.O. Box, created organizing documents (purpose, programs, operations, budget etc.), and most importantly, prepared and sent the application for tax-exempt status.

That manifesto led to our first donation, the \$10,000 challenge gift, and we had already raised more than a quarter of this challenge from individual contributions by the time we were granted tax-exempt status.

In November, we formed and activated eight different committees in addition to the Board of Directors: the executive, finance, personnel, organizational development, fundraising, program development, public relations, and research and evaluation committees. The Board held three open meetings to address the organizational needs.

December had a very happy start: the tax-exempt status was granted on the 7th, and we officially gained nonprofit standing. Now, as an organization exempt under section 501 (c) (3), we are a public charity and are qualified to receive tax-deductible contributions to help achieve our dreams.

Last year was a good year, and this coming year will be even better. Our first monetary goal is to match the \$10,000 challenge gift and then raise \$250,000 more in 2005. Our future monetary goal is to become a million-dollar organization within the next couple of years and extend the scope of our programs accordingly.

Program Goals

Once we establish our infrastructure, we will devote our energy into program goals related to education, nonprofits and culture.

1. Education

Civil participation requires awareness, and awareness comes with a good education. Thus, we will begin with improving the conditions of at least three elementary schools in Anatolia by coordinating physical repairs as well as providing educational tools and after-school programs. To do so, we will make a needs and means assessment. Special support for girls' education and financial help for students and teachers are among other important goals on our list for this year. The estimated cost of these educational projects is \$45,000, and we will seek individual contributions in addition to federal and foundation grants to reach this goal.

2. Nonprofits

Well-functioning nonprofits play a vital role in the best practice of democracy. Therefore, we will offer conditional grants to at least two local organizations, and publish a manual detailing the standards which produce efficient and credible organizations. We will also organize the first of a sequence of annual conferences in Turkey to provide training for staff, directors, and volunteers of these local organizations on subjects such as fundraising, project and volunteer management, and strategic planning. The approximate total cost for these projects is \$30,000.

3. Culture

Last but not least, we will raise money to rent a space for a community center in which we will promote Anatolian culture and heritage. This center will not only answer our needs as an office, but also be a place to bring volunteers together to develop further programs and strengthen the community. Thus, we will offer various courses on Turkish language, dance, art and cuisine as well as provide training related to volunteerism. The expected cost of the community center is \$25,000, in addition to \$30,000 for initial office set-up and rental expenses.

Administrative

To make things move faster and smoother, we will seek grants to fill executive and/or assistant director positions which might require between \$35,000 and \$85,000. Besides salary and office cost, we are expecting approximately \$25,000 of other administrative expenses. These will empower us to better serve the needs of the community and create a difference in people's lives. For this, we will apply for seed funds from foundations.

In closing

Our mission is to encourage the growth of Turkish civil society, with the greater hope that this will create a peaceful model for a sustainable democracy in the Middle East.

Every big journey starts with a small step, and we have taken that step. The program goals we set for this year represent only some of our dreams. Down the road, we may achieve more. It is our desire to see you with us as we continue this journey

With my best wishes for the year ahead,

Demet Yezgi

2004 Donor Roll

As we welcome a promising new year, we would like to take this opportunity to thank our donors for their support last year! Their financial contribution in this very early stage of Friends of Anatolia is much appreciated.

10,000+

Ibrahim BETIL (*)

\$500 - \$999

VERITAS (**)

\$250 - \$499

Oguzhan ERIS

Michael HOROWITZ

Demet YEZGI

\$100 - \$249

S. Nevra AKKOC

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Cagla EROGLU and Michel BAGNAT

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\$0 - \$99

Joyce and Yven BELIVEAU

Julia COHEN

Onur FIDANER

Erkcan OZCAN

Taylan V. YILDIZ

(*) Challenge gift / Pledge

(**) Matching gift

Friends of Anatolia Public Benefit Corporation is a tax-exempt nonprofit organization under section 501 (c) (3) of the Internal Revenue Code. The organization was incorporated on June 16, 2004, and its Bylaws were certified by the Board of Directors on October 14, 2004. Friends of Anatolia obtained its charitable status on December 7, 2004 from the Internal Revenue Service.