

HDSK

INDEX TO FINANCIAL STATEMENTS

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HDSK

ANNUAL REPORT OF THE TRUSTEES OF HDSK FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report and accounts for the year ended 31 December 2020.

The Trustees are satisfied with the performance of the Charity during the year and the position at 31 December 2020 and consider that the Charity is in a satisfactory position to continue its activities during the coming year, and that the Charity's resources are adequate to fulfil its obligations in view of the undertakings of continued support received

SUMMARY OF THE YEAR

In 2020 the Charity has maintained its commitment to the promotion of self-knowledge, based on the teachings of Prem Rawat (Maharaji), and that message continues to generate enthusiastic interest, around the world.

In the UK, the activities of the Charity are concentrated on providing support for the promotion of Prem Rawat's message through Key 6 events and Key 6 review events, making the 'Keys' DVDs available through local libraries, and for sale, at cost, and also for sale in USB format, via the internet.

The Charity maintains a successful working relationship with Dutch charity Stichting Words of Peace Global (WOPG) which acts as the fulcrum for the international promotion of Prem Rawat's message.

In 2020, despite the restrictions of the Covid-19 pandemic, Prem Rawat has continued to speak by invitation at events, undertaking 38 speaking engagements over the course of the year when it was safe to do so, attended by those interested in his message of peace, of whom many will have been listening to him in person for the first time. Attendance at these events was of course smaller than would usually be the case; nonetheless it is estimated that over the course of the year, approximately 17,500 people attended events at which Prem Rawat presented his message, in person.

Many supporters of the Charity were able to attend one or more of these international events in other countries during the first quarter of the year. In addition, in the UK, Prem Rawat was the key note speaker at four Covid safe events held in the UK with a total attendance of 91 as follows:

| | |
|----------------------------|---|
| 31 st July | Stanhill Court Hotel, Charlwood, Surrey |
| 2 nd August | Stanhill Court Hotel, Charlwood, Surrey |
| 12 th September | Stanhill Court Hotel, Charlwood, Surrey |
| 13 th September | Stanhill Court Hotel, Charlwood, Surrey |

A clear path has been established in recent years for those that become interested in learning more about Prem Rawat's message as a result of coming across an advert or watching a DVD, which they can follow entirely at their own initiative and at their own pace. This is by way of 'The Keys', the materials based learning process, which provides a step by step, DVD based, learning course. Members of the public can borrow the DVDs, free of charge, by post or by collecting in person from local libraries managed by volunteers. Keys 1-5 have also been made available to purchase, for those who wish to keep a complete set for themselves, at home.

The Keys are also available for sale, at cost, on USB sticks, comprising versions in English, Hindi and Tamil.

Key 6 comprises an event where the practical steps for experiencing self-knowledge, based on Prem Rawat's message, are taught. Throughout the year these Key 6 events are normally held regularly for people who have completed the Keys process. However due to the Covid-19 restrictions these events were not able to go ahead from mid-March 2020 for the rest of the year.

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ANNUAL REPORT OF THE TRUSTEES OF HDSK FOR THE YEAR ENDED 31 DECEMBER 2020 - CONTINUED

Almost all who do come to such events express that they have received great benefit, in terms of their individual well being, from having a practical way, through self knowledge, to experience the feeling of peace that exists in their own lives.

For those who have previously undertaken Key 6 but want to refresh their understanding, regular Key 6 review events are usually made available throughout the country, on demand, but were also affected from mid-March 2020 by the Covid-19 restrictions.

All these sessions continue to be made available free of charge with costs covered by donations, including the generous contributions of donors who wish others to benefit as they have.

In summary, the core activities of the Charity are as follows:

1. Inviting Prem Rawat to speak at events in the UK
2. Maintaining the Keys website and distribution, and distribution of aspirant materials and introductory information packs
3. Database maintenance
4. Arranging events at which people can be taught or review the techniques of Knowledge
5. Any other one off initiatives to promote Prem Rawat's message, in the UK and internationally, as agreed from time to time.

The Trustees wish to express their thanks for the continuing support received from the many volunteers and other supporters, throughout the year, whose enthusiasm, consistent commitment and generosity enable HDSK to fulfil its objectives.

Name, registered office and constitution of the charity

Name: HDSK

Charity registration number: 1016818

Date of registration as a Charity: 28 January 1993

Registered office: 148 Portland Road, Hove, BN3 5QL

The Trustees: Roland Peter Klepzig
James William Shaw
Frederick Grant

Financial Controller: Ann Savell

Bankers: Lloyds Bank plc, 74/78 Church Road, Hove, East Sussex BN3 2EE

Solicitors: Bates Wells Braithwaite LLP, 10 Queen St Pl, London EC4R 1BE

Independent Examiners: Jason Foxwell FCCA FCIE, 39 Enfield Road, Poole, BH15 3LJ (independent-examiner.net)

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ANNUAL REPORT OF THE TRUSTEES OF HDSK FOR THE YEAR ENDED 31 DECEMBER 2020 - CONTINUED

OBJECTIVES AND ACTIVITIES OF THE CHARITY

The objectives of the Charity are set out in the Trust Deed, and are “to advance public education in the understanding and realisation of human potential through self-knowledge based upon the teachings of Prem Pal Singh Rawat k/a Maharaji”.

The Trustees have found from years of practical experience that, among the ways which the Charity employs to achieve its charitable objectives, the addresses given by Prem Rawat in person, at the events organised each year within the UK and throughout the world, are not only highly effective but are also instrumental to the success of the Charity’s other activities.

In the UK the Charity’s objectives have continued to be pursued in the following ways, all of which flow from Prem Rawat’s personal attendance at the events described above including those in the UK. These consist of:

- Live presentations by Prem Rawat
- Support for the international promotion of Prem Rawat’s message
- Websites, library services and newsletters
- Collaboration with WOPG in relation to the above, and generally in support of the promotion of Prem Rawat’s message.

These activities are explained in greater detail, as follows:

1. Inviting Prem Rawat to the UK to speak at events, at which he can personally present his message and his teaching.

At such events, Prem Rawat addresses and often interacts with

- those who have never previously had an opportunity to listen to him in person;
- those who have heard him speak before, who want to learn more of his message and teachings;
- those who already enjoy hearing him and have benefited from ‘Knowledge’ as a practical way of experiencing self-knowledge.

In July, August and Sept 2020 the Charity was pleased to support the following events convened in conjunction with WOPG:

| | |
|----------------------------|--|
| 31st July | Stanhill Court Hotel, Charlwood, Surrey – attendance: 24 |
| 2 nd August | Stanhill Court Hotel, Charlwood, Surrey – attendance: 24 |
| 12 th September | Stanhill Court Hotel, Charlwood, Surrey – attendance: 21 |
| 13 th September | Stanhill Court Hotel, Charlwood, Surrey – attendance: 22 |

Due to the Covid-19 restrictions and in order to fully comply with all government regulations and guidelines to ensure that the safety of those attending was paramount, attendance at these events was limited by invitation only to those residing within the local area. Two of the events were specifically for members of the UK Hindi speaking community and the event on 31 July was livestreamed to India where it was watched by many thousands more.

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ANNUAL REPORT OF THE TRUSTEES OF HDSK FOR THE YEAR ENDED 31 DECEMBER 2020 – CONTINUED

2. International support

WOPG's remit is now mainly focused on supporting the worldwide events attended by Prem Rawat. It also continues to keep people from all around the world in touch via its website and emails, and uses the website to make its extensive library of audio and visual materials available for people to view free of charge. These materials comprise compilations from or complete broadcasts of Prem Rawat's worldwide presentations and have been shown to be a very effective tool in introducing members of the public to his message.

WOPG also continues to ensure the Keys are made available (including maintaining the standards for Key 6 and Key 6 reviews)

In 2020 the Trust continued to work closely with WOPG and gratefully acknowledges the support it received from WOPG for its general activities by way of grants totalling £100,000 and the further grants it received of £16,000 and £22,850 in support of the above July/Aug events with Prem Rawat and the September events respectively.

ACHIEVEMENTS, PERFORMANCE AND PUBLIC BENEFIT

A review of the activities undertaken by the Charity is set out under Objectives and Activities, above.

As mentioned above in 2019 outreach initiatives have included:

- Maintenance of the Keys distance learning program
- Support for the international promotion of Prem Rawat's message
- The availability of materials for free distribution to the public.

Financial support for the Charity has continued at satisfactory levels, in line with budget and as required to cover the Charity's core activities.

The Trustees and management team have always recognised that the success and stability of the Charity, since its inception, is founded on the broad base of support that exists for the Charity's activities, throughout the UK, and in developing promotional initiatives for the future, the focus will continue to be on ensuring that mainstream UK activities continue to be adequately funded.

The message, which Prem Rawat delivers, represents the continuation of an oral teaching tradition (whose origins predate this era by many thousands of years) providing an understanding of that within each individual, which, through self-knowledge, can give a feeling of peace, fulfilment and happiness.

The Charity makes that message available to all who are interested in the UK, and actively supports the promotion of the message internationally. Those who have undertaken the 'Keys' process and continue to practice, and those who simply enjoy watching the broadcasts and/or reading the materials, are appreciative of the benefits to be felt, in their own lives, from these various activities.

The Trustees are satisfied that the benefits described above are consistent with the Charity Commission's guidance on public benefit.

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ANNUAL REPORT OF THE TRUSTEES OF HDSK FOR THE YEAR ENDED 31 DECEMBER 2020 - CONTINUED

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitutional Structure

HDSK was established as a charitable trust (under the name Elan Vital) by Deed of Trust dated 22 October 1991 ('the Trust Deed'). The name of the Charity was changed to HDSK with effect from 1 January 2010.

The Trust Deed provides that the statutory power of removing a trustee or trustees and of appointing new or additional trustees is vested in the Settlor during its existence and thereafter in the Trustees for the time being. The minimum number of trustees is three and the maximum is seven. The named Settlor is Elan Vital Foundation of Hirschmattstrasse 36, 6002 Luzern, Switzerland.

The general powers of the Trustees are set out in the Trust Deed and include the power to organise and hold conventions and conferences, both in the UK and throughout the world, and to co-operate with other organisations carrying out similar work in organising and holding such conventions and conferences and other meetings, and to contribute to the cost of these activities.

The Trust Deed gives the power of investment to the Trustees including the power to invest in the purchase or acquisition of real or personal property rights or interests of every kind.

There are no specific restrictions imposed by the Trust Deed concerning the way in which the Charity may fulfil its objectives.

HDSK Trading Ltd was a dormant subsidiary company which was dissolved on 27 April 2021. A small balance of £4,696 owing to the charity was written off together with a correction of £2,500 to a charge to the company which was irrecoverable and the £100 value of the share capital.

Organisational Structure

The management of the Charity is the responsibility of the Trustees, who work closely in this regard with the Trust's Financial Controller and with key volunteers. This management team meets formally or informally, and its members liaise regularly throughout the year, via email and telephone conference calls, to review the activities, policies and progress of the Charity.

As at 31 December 2020 of this report the Charity has a total staff of 7, and one part time contractor. Their costs have been allocated with regard to their time spent under the appropriate cost headings.

The Trustees and other representatives of the Charity meet regularly with representatives of other not for profit organisations around the world, with objectives similar to those of the Charity, in order to promote cooperation and liaison in the convening of events and other initiatives for making Prem Rawat's message available on a worldwide basis.

Governance, Risk assessment, Policies and Procedures, and Complaints.

Good governance has always been recognised as the cornerstone of the management of the Charity; the Trustees work closely with the Financial Controller who in turn works with the staff and volunteers involved to ensure that there are strong financial controls in place and the Trustees are therefore confident that the fiscal integrity of the Charity has at all times been maintained.

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ANNUAL REPORT OF THE TRUSTEES OF HDSK FOR THE YEAR ENDED 31 DECEMBER 2020 – CONTINUED

The Trustees have prepared a Risk Schedule and this is kept under review including as to appropriate priorities, and scores for frequency and consequences.

The Trustees have identified that a major risk to which the Charity is exposed is that of Health and Safety at local video and broadcast events and in particular at International events held in the UK. The Trustees have adopted a Health and Safety Policy, which includes risk assessments of these events, and this policy is implemented by the Charity's appointed Health and Safety manager and a team of volunteers, many of whom have attended appropriate internal and external training courses. During 2020 these well-developed risk assessments and procedures were further expanded to fully take into account all Covid-19 Government safety requirements and guidelines related to holding meetings and events.

Much of the work of the charity is conducted by volunteers, and the Trustees have adopted a volunteer policy, set out in its People Manual, comprising policies including the HDSK Ethical Policy, the Statement of Purpose, Policy on Volunteering, Volunteer Agreement, Equal Opportunities Policy, Code of Conduct, Advertising Policy, Induction Policy, Duty of Care, Grievance Procedure and Disciplinary Procedure. All of this information is made available via the Charity's website www.hdsk.org.uk.

Financial risk assessments are carried out regularly by a sub group of Trustees and the Financial Controller, who report to the board of Trustees.

PR risk assessments are also carried out by a sub group of Trustees, in conjunction with key volunteers with experience in this area; where necessary advice is obtained from specialist media lawyers and consultants.

In relation to volunteers, any complaints and concerns are dealt with in accordance with the policies, particularly the grievance procedure, set out in the People Manual.

FINANCIAL REVIEW

Overview

The financial statements are set out on pages 10 to 17. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The year ended 31st December 2020 recorded net income over expenditure of £14,184. Total reserves now stand at £70,782 all of which is unrestricted. By comparison, the year ended 31st December 2019 recorded net income over expenditure of £9,594 of which there was £17,249 of income over expenditure in unrestricted funds, and £7,655 of expenditure over income in restricted funds. Total reserves in 2019 stood at £56,598 all of which was unrestricted.

Total income for the year ended 31st December 2020 amounted to £346,841 compared to £482,060 in the previous year, a decrease of £135,219 from 2019. A breakdown of grants received is shown in Note 2 to the accounts. Voluntary donations received by the Charity into the unrestricted general fund for the period totalled £218,584 (2019: £229,280).

Total expenditure for the year ended 31st December 2020 amounted to £332,657 compared to £472,466 in the previous year, a decrease of £139,809 from 2019.

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ANNUAL REPORT OF THE TRUSTEES OF HDSK FOR THE YEAR ENDED 31 DECEMBER 2020 – CONTINUED

In line with SORP (FRS 102), expenditure is analysed into two main categories; charitable activities and raising funds for the charity. In 2020, £331,806 expenditure relates to charitable activities (2019: £471,665) and £851 relates to raising funds (2019: £801). In 2020, of the £331,806 charitable activity expenditure, £197,637 included the costs of the four Surrey events detailed above that were attended by Prem Rawat in the UK. In 2019 of the £471,665 charitable activity expenditure, £331,206 related to costs of one such event in the UK which was held in Manchester.

Financial position and Reserve Policy

The financial position of the Charity is satisfactory and the Trustees have satisfied themselves that the current level of activities can be maintained for the foreseeable future.

All assets of the Charity other than those donated for specific purposes in which case are held in a restricted fund, are held in the unrestricted general fund.

The assets of the Charity are all held for the purpose of its objects and none have a value materially different from that shown in the accounts.

The Charity does not have any significant investments apart from its shareholding in HDSK Trading Limited. The level of the company's engagement in activities relevant to the promotion of the Trusts objectives has declined, to the point where in effect, the company has been dormant for some time; in September the decision was made to close the company (and the formal closure process was completed in 2021).

The Trustees have decided that it is prudent to designate the sum of £30,000 from its free unrestricted liquid reserves for the purpose of a contingency to ensure statutory costs (including staff and premises) could be met in full should donations fail to reach their expected level in any particular year.

Subject to the above it continues to be the policy of the Trustees not to hold other general reserves but rather to maximise the application of income in furtherance of the Trust's objectives. This policy is based on the fact that the Trust has low fixed costs, which are budgeted to be covered by fixed income from standing orders and other regular income throughout the year.

In any year the major financial commitment may comprise the cost of holding or supporting a major international event in the UK. A detailed budget is carefully worked out for each such event in advance and the Trustees do not commit to supporting such an event unless they are satisfied that funds raised from those attending the event, and other donations, will more than cover the cost as has always been the case in the past.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period.

In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;

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- Comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements, and whether the financial statements have been prepared in accordance with the Charities SORP; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for:

- Keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity; and
- Safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the board of Trustees on 16th July 2021 and signed on its behalf:



James Shaw
Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31
DECEMBER 2020**

I report to the charity trustees on my examination of the accounts of the Trust for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of both the Association of Chartered Certified Accountants (ACCA) and the Association of Charitable Independent Examiners (ACIE), both of which are listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Jason Foxwell FCCA FCIE
independent-examiner.net
39 Enfield Road, Poole, BH15 3LJ

Date..... 18 July 2021

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDING 31 DECEMBER 2020

| | Note | Unrestricted Funds £ | Total 2020 £ | Total 2019 £ |
|------------------------------------|------|----------------------------|--------------------|--------------------|
| Income from: | | | | |
| Donations and grants | 2 | 218,584 | 218,584 | 229,753 |
| Charitable activities: | | | | |
| <i>Events</i> | | 20,050 | 20,050 | 143,691 |
| <i>Sale of keys</i> | | 336 | 336 | 638 |
| Investment income | | 12 | 12 | 12 |
| Other income | 3 | 107,859 | 107,859 | 107,966 |
| Total | | <u>346,841</u> | <u>346,841</u> | <u>482,060</u> |
| Expenditure on: | | | | |
| Raising funds | | 851 | 851 | 801 |
| Charitable activities | 4 | 339,102 | 339,102 | 471,665 |
| Total | | <u>339,953</u> | <u>339,953</u> | <u>472,466</u> |
| Net Income / (Expenditure) | | 6,888 | 6,888 | 9,594 |
| Transfers between funds | | - | - | - |
| Net movement in funds | 6 | <u>6,888</u> | <u>6,888</u> | <u>9,594</u> |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 56,598 | 56,598 | 47,004 |
| Total funds carried forward | | <u>£63,486</u> | <u>£63,486</u> | <u>£56,598</u> |

(The notes on pages 12 to 17 form part of these financial statements)

HDSK

BALANCE SHEET AS AT 31 DECEMBER 2020

| | <u>Note</u> | £ | 2020 £ | £ | 2019 £ |
|-------------------------------------|-------------|----------------|------------------------------|---------------|------------------------------|
| FIXED ASSETS | | | | | |
| Tangible Assets | 10 | | 1,878 | | 2,356 |
| Investments | 11 | | <u>1</u> | | <u>101</u> |
| | | | 1,879 | | 2,457 |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 3,088 | | 10,331 | |
| Cash at Bank & in hand | | <u>65,760</u> | | <u>50,707</u> | |
| | | 68,848 | | 61,038 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 13 | <u>(7,241)</u> | | <u>6,897</u> | |
| | | | | 6,897 | |
| NET CURRENT ASSETS | | | <u>61,607</u> | | <u>54,141</u> |
| NET ASSETS | | | <u><u>£63,486</u></u> | | <u><u>£56,598</u></u> |
| FUNDS | | | | | |
| Unrestricted Funds - General | | | 33,486 | | 26,598 |
| - Designated | | | 30,000 | | 30,000 |
| TOTAL FUNDS | | | <u><u>£63,486</u></u> | | <u><u>£56,598</u></u> |

The financial statements were approved by the board of Trustees on

16 July 2021

and were signed on its behalf by:


 James Shaw
 Trustee

(The notes on pages 12 to 17 form part of these financial statements)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

(b) Funds

The Charity has various types of funds for which it is responsible:-

Unrestricted Funds – these funds are for use on the general charitable objectives of the charity.

Restricted Funds – these funds are for use as directed by the donor.

(c) Income

Grants

Grants are recognised on an accruals basis, accounted for in relation to the period that they relate. Where grants have been received for capital items, the total grant has been disclosed in the SOFA and depreciation, in accordance with the accounting policies, has been charged against that income over the estimated useful economic life of the asset.

Where grants are received during the year under review but relate to a later period the amount is deferred under Grants in Advance in the Balance Sheet.

(d) Expenditure

Expenditure is recognised in the period in which it is incurred.

Expenditure on grants is recorded once the Charity has made an unconditional commitment to pay the grant and this has been communicated to the beneficiary or the grant has been paid, whichever is the earlier.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support costs include central functions and have been allocated to activity cost categories on the basis consistent with the use of resources.

In line with SORP 2015 (FRS 102), expenditure is analysed into two main categories; charitable activities and raising funds for the charity. Support costs have been allocated on the basis of staff time expended, (see Note 4).

(e) Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write down the cost less estimated residual values of tangible fixed assets over their estimated useful lives on a 25% reducing balance basis. There is a minimum value of £100 for capitalisation of fixed assets.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 – CONTINUED

(f) Fund Accounting

The accounts distinguish between restricted and unrestricted funds. The former have been raised by the charity for specific purposes or are received from donors and are subject to restrictions on the purposes for which they may be used. Unrestricted funds are those where there are no externally imposed restrictions and are available for use at the discretion of the Trustees for expenditure on its objects or appropriated to reserves for internally designated purposes.

(g) Operating Leases

Rentals payable under operating leases are charged on a straight line basis over the terms of the lease.

(h) Material Legacies

Legacy income is only included in incoming resources where the legacy has been received, or both the receipt and the amount is known with sufficient certainty.

2. Income from donations and grants

| | Unrestricted Fund £ | 2020 Total £ | 2019 Total £ |
|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| General donations | 31,009 | 31,009 | 42,542 |
| Gift aid donations & tax credits | 48,725 | 48,725 | 49,651 |
| Words of Peace Global | 138,850 | 138,850 | 137,559 |
| | <u>218,584</u> | <u>218,584</u> | <u>229,752</u> |

3. Other income

| | Unrestricted Fund £ | 2020 Total £ | 2019 Total £ |
|---------------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Secondment to 'Words of Peace Global' | 107,709 | 107,709 | 107,780 |
| Other income | 150 | 150 | 186 |
| | <u>107,859</u> | <u>107,859</u> | <u>107,966</u> |

As from April 2016, two members of staff have been seconded to Words of Peace Global (WOPG) (P.O. Box 20627, 1001 NP, Amsterdam, The Netherlands). WOPG paid the total staff costs of £107,709 (2019: £107,780) for this secondment.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 – CONTINUED

4. Expenditure on charitable activities

| | Events | Other | 2020 | 2019 |
|---|---------|---------|----------------|---------|
| | £ | £ | £ | £ |
| <u>Direct costs</u> | | | | |
| Venue hire | 3,248 | 804 | 4,052 | 59,429 |
| Equipment hire | 54,902 | - | 54,902 | 125,909 |
| Supplies | 380 | 22 | 402 | 6,595 |
| MC fees | - | - | - | 4,800 |
| Salaries | 107,709 | 60,013 | 167,722 | 165,131 |
| Insurance | 386 | - | 386 | 1,467 |
| Travel, subsistence and accommodation | 8,049 | 131 | 8,180 | 8,256 |
| Telephone, printing, postage & stationery | 4 | - | 4 | 344 |
| Communication | - | 959 | 959 | 1,046 |
| Educational materials and courses | - | 357 | 357 | 534 |
| Warehousing costs | - | 6,145 | 6,145 | 5,239 |
| Safety & security | - | - | - | 480 |
| Depreciation & loss on disposal | 188 | 520 | 708 | 762 |
| Other costs | 1,450 | 1,256 | 2,706 | 3,478 |
| Grants payable (Note 5) | - | - | - | 8,128 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 176,316 | 70,207 | 246,523 | 391,598 |
| <u>Support costs</u> | | | | |
| Salaries & other staff costs | 18,472 | 55,415 | 73,887 | 69,569 |
| Premises & facilities | 1,855 | 5,564 | 7,419 | 6,975 |
| Insurance | 496 | 1,487 | 1,983 | 1,811 |
| Bank charges and exchange differences | 136 | 409 | 545 | 862 |
| Depreciation | 118 | 356 | 474 | 100 |
| <u>Governance:</u> | | | | |
| Accountancy & independent examination | 244 | 731 | 975 | 750 |
| Write off HDSK Trading Ltd balances | - | 7,296 | 7,296 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 21,321 | 71,258 | 92,579 | 80,067 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 197,637 | 141,465 | 339,102 | 471,665 |

Support costs

Support costs are apportioned on the basis of staff time. The charity initially identifies the costs of its support functions, classified as above. These support costs are then apportioned between the key functions of the charity; raising funds and charitable activities on a percentage basis.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 – CONTINUED**

| 5. Grants payable | 2020 | | 2019 | |
|-----------------------|-----------------------|---------------------|-----------------------|---------------------|
| | Unrestricted Funds | Restricted Funds | Unrestricted Funds | Restricted Funds |
| | £ | £ | £ | £ |
| Words of Peace Global | - | - | - | 8,128 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>8,128</u> |

| 6. Net movement in funds | 2020 | 2019 |
|--------------------------------|------------|------------|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation | <u>626</u> | <u>862</u> |
| Independent examiner's fees | <u>975</u> | <u>750</u> |

| 7. Staff costs | 2020 | 2019 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 215,918 | 208,835 |
| Social security costs | 22,019 | 18,180 |
| Pension | <u>2,627</u> | <u>2,377</u> |
| | <u>240,564</u> | <u>229,392</u> |

The average monthly number of employees during the year was as follows:

| 2020 | 2019 |
|----------|----------|
| <u>7</u> | <u>7</u> |

One employee received emoluments in excess of £60,000 (2019: 1) as detailed below.

HDSK considers that the key management personnel comprise the Board of Trustees and the Financial Controller. The total employee benefits of the key management personnel of the charity were £66,206 (2019: £60,888) in the year.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 – CONTINUED

8. Related party disclosures

- (i) On 15th February 2017 one of HDSK's Trustees, Roland Klepzig, was appointed to Words of Peace Global, (WOPG); PO Box 20627, 1001 NP, Amsterdam, The Netherlands, (RSIN 819929803) as President, Chief Executive Officer and Treasurer. The Trust works closely with WOPG who act as the fulcrum for the international promotion of Prem Rawat's message.

In 2020, HDSK received grants from WOPG totalling £138,850 (2019: £137,559). Of this, £38,850 (2019: 57,559) was in support of UK events with Prem Rawat and £100,000 (2019: £80,000) was in support of its general activities.

9. Trustee remuneration and expenses

No trustee received any emoluments or were reimbursed any expenses (2019: £NIL) during the year.

10. Tangible Fixed Assets

| | General Equipment £ | Computer Equipment £ | Furniture, Fixtures & Fittings £ | Total £ |
|------------------------|---------------------------|----------------------------|---|---------------|
| Cost: | | | | |
| At 1 January 2020 | 8,314 | 1,516 | 16,821 | 26,651 |
| Additions | - | 709 | - | 709 |
| Disposals | (1,503) | (1,516) | (8,451) | (11,470) |
| At 31 December 2020 | <u>6,811</u> | <u>709</u> | <u>8,370</u> | <u>15,890</u> |
| Depreciation: | | | | |
| At 1 January 2020 | 6,544 | 1,213 | 16,538 | 24,295 |
| Charge for the year | 399 | 176 | 50 | 625 |
| Disposal | (1,329) | (1,213) | (8,366) | (10,908) |
| At 31 December 2020 | <u>5,614</u> | <u>176</u> | <u>8,222</u> | <u>14,012</u> |
| Net Book Value: | | | | |
| At 31 December 2020 | <u>1,197</u> | <u>533</u> | <u>148</u> | <u>1,878</u> |
| At 31 December 2019 | <u>1,770</u> | <u>302</u> | <u>283</u> | <u>2,356</u> |

HDSK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 - CONTINUED**

11. Investments

| | Listed Investments £ | Shares in Subsidiary £ | 2020 Total £ |
|-------------------------------------|----------------------------|------------------------------|--------------------|
| Brought forward | 1 | 100 | 101 |
| Write off subsidiary company shares | - | (100) | (100) |
| | 1 | - | 1 |

12. Debtors

| | 2020 £ | 2019 £ |
|---|--------------|---------------|
| Income tax recoverable | 682 | 1,240 |
| Inter-company debtor (HDSK Trading Limited) | - | 7,344 |
| Deposits | 300 | 300 |
| Prepayments | 2,106 | 1,447 |
| | 3,088 | 10,331 |

13. Creditors – amounts falling due within one year

| | 2020 £ | 2019 £ |
|-------------------------------------|--------------|--------------|
| Trade creditors | 428 | 346 |
| Other taxes & social security costs | 5,740 | 5,557 |
| Accruals | 1,072 | 994 |
| | 7,240 | 6,897 |