

Stichting Maharishi Global Financing Research
Roerdalen

Report on the annual accounts 2014

October 23, 2015

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1 GENERAL

1.1 Activities

The activities of Stichting Maharishi Global Financing Research, having its Legal seat at Roerdalen, and its office at Vlodrop, Station 24, and its group companies are as follows:

The main activity of the foundation is to evolve and advance principles and programmes for poverty and promotion of education in the poor population of the world.

Amongst its research activities in the field of Economy, the foundation will explore the use of Global Development Currency, which will be used in limited areas of developing countries around the world, for limited periods of time, with the permission of any sovereign government for its country, in order to start export-oriented organic agricultural projects.

The Global Development Currency will be produced by a mint or printing press in the Netherlands or anywhere else in the world with due observance of the local laws and regulations.

The Global Development Currency will represent the future earnings from these export oriented Enterprises and will finance the start-up cost of these Agricultural projects.

The Global Development Currency will circulate during a limited period of four crop seasons, or for a maximum of three years, in the limited project areas, after which it will naturally transform itself into the hard currencies earned through the usual procedure of exports.

The introduction of this currency for a limited period of time, in limited places, will amount to creating a catalytic agent in the field economy, and it will provide a concrete channel for the transformation of this catalytic currency into practical hard currencies. This will fulfill the research objective of the foundation, contained in its name, and will create, in the scientific age, from the Netherlands, a global smile in de centuries-old depressed faces of the poor around the world.

2 ANALYSIS OF THE FINANCIAL POSITION

Hereafter we give you an overview of the financial position as of December 31, 2014 and December 31, 2013.

This overview aims particularly at displaying the funds available for financing the working capital. The data have been adopted from the balance sheet (x € 1.000)

	December 31, 2014 <u>x € 1.000</u>	%	December 31, 2013 <u>x € 1.000</u>	%	Difference <u>x € 1.000</u>
ASSETS					
Fixed assets					
Tangible fixed assets	5.458	26,1	5.492	26,5	-34
Financial fixed assets	15.418	73,9	15.204	73,5	214
	<u>20.876</u>	100	<u>20.696</u>	100,0	<u>180</u>
Current assets					
Inventory	-	-	-	0,0	-
Receivables	-	-	-	0,0	-
Cash and bank	-	-	-	0,0	-
	<u>-</u>	-	<u>-</u>	0,0	-
	<u>20.876</u>	100	<u>20.696</u>	100,0	<u>180</u>
LIABILITIES					
Equity	-16.815	-80,5	-14.632	-70,7	-2.183
Long-term liabilities	37.341	178,9	35.174	170,0	2.167
Current liabilities	350	1,7	154	0,7	196
	<u>20.876</u>	100	<u>20.696</u>	100,0	<u>180</u>

FIGURES FOR THE YEAR 2014

1 BALANCE SHEET AS AT DECEMBER 31, 2014

(after appropriation of net result)

	31 December 2014		31 December 2013	
	€	€	€	€
ASSETS				
FIXED ASSETS				
<i>Tangible fixed assets</i>				
Land and buildings		5.457.587		5.492.398
<i>Financial fixed assets</i>				
Participation in group companies	15.990		16.026	
Receivables from group companies	-		511.086	
Receivables from related parties	15.402.356		14.677.067	
		15.418.346		15.204.179
 <i>Cash and bank</i>		 154		 39
		20.876.086		20.696.616

	31 December 2014		31 December 2013	
	€	€	€	€
EQUITY AND LIABILITIES				
Equity		-16.814.607		-14.632.264
Long-term liabilities				
Amounts due to group companies	15.870		16.020	
Amounts due to related parties	36.234.133		34.067.231	
Other bonds and private loans	959.216		959.216	
Raam liabilities	<u>131.850</u>		<u>131.850</u>	
		37.341.068		35.174.316
Current liabilities				
Current liabilities, accruals and deferred income	<u>349.625</u>		<u>154.563</u>	
		349.625		154.563
		<u><u>20.876.086</u></u>		<u><u>20.696.616</u></u>

2 PROFIT AND LOSS ACCOUNT 2014

	2014		2013	
	€	€	€	€
Net turnover		-		9.150
Salaries, wages and social premiums	3.274		5.417	
Depreciation	34.811		46.672	
General costs	<u>158.939</u>		<u>114.920</u>	
Operating costs		<u>197.024</u>		<u>167.009</u>
Operating result		-197.024		-157.859
Financial income	725.289		1.582.880	
Financial costs	<u>2.199.487</u>		<u>2.196.686</u>	
Financial income and costs		-1.474.198		-613.806
Extraordinary income and costs		-511.087		-2.374
Loss from ordinary activities before taxation		-2.182.309		-774.039
Corporation tax				
Share in result of group companies		<u>-35</u>		<u>239</u>
Result after taxation		<u><u>-2.182.344</u></u>		<u><u>-773.800</u></u>

3 ACCOUNTING PRINCIPLES

Name, address, place

Stichting Maharishi Global Financing Research, Station 24, 6063 NP Vlodrop.

Reporting standard

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise, the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Financial instruments

Financial instrument be both primary financial instruments, such as receivables and payables, and financial derivatives. For the principles of primary financial instruments, reference is made to the treatment per balance sheet item. Financial derivatives whose underlying value is not listed are recognized at cost.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date.

Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as of balance sheet date, taking into account possible hedge transactions, are taken in the profit and loss account.

Foreign Group companies and non-consolidated participations outside the Netherlands qualify as independent foreign units. For the translation of the financial statement of these foreign entities the balance sheet items are translated at the exchange rate at balance sheet date and the profit and loss account items at the average rate. The translation differences that arise are directly deducted or added to equity.

PRINCIPLES OF VALUATION

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Land is not depreciated.

Financial fixed assets

Where significant influence is exercised participations are valued under the net asset value method, but not lower than a nil value. This net asset value is based on the same accounting principles as applied by Stichting Maharishi Global Financing Research.

Participations with a negative equity are valued at nil. If the foundation fully or partly guarantees the liabilities of the participation concerned a provision is formed, primarily comprising the receivables from this participation. The remainder is recognized under provisions, in the amount of the share in the losses incurred by the participation, or for the amount of payment is expected to make on behalf of these participations.

The other receivables are valued at face value after deduction of any provisions.

Principles for the determination of the result

Net turnover

Net turnover represents amounts invoiced for goods and services supplied during the financial year reported on, net of discounts and value added taxes.

Revenues ensuing from the sale of goods are accounted for when all major entitlements to economic benefits as well as all major risks have transferred to the buyer. The cost price of these goods is allocated to the same period.

Revenues from services are recognized in proportion to the services rendered. The cost price of these services is allocated to the same period.

Profits are recognised in the current year if they are realised and losses are recognised if their cause lies before the end of the current year.

Depreciation.

Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Land is not depreciated.

Share in result of group companies

Where significant influence is exercised over participations, the share of the foundation in the participations' results is included in the profit and loss account. This result is determined on the basis of the accounting principles applied by Stichting Maharishi Global Financial Research.

Taxation

The calculation of the corporation tax is based on the result before taxation considering possible tax relief and nondeductible expenses.

4 NOTES TO THE BALANCE SHEET AS AT DECEMBER 31, 2014

FIXED ASSETS

Tangible fixed assets

	Land and buildings	Total
	€	€
Acquisition price	5.700.683	5.700.683
Accumulated depreciation	<u>-208.285</u>	<u>-208.285</u>
Book value as at December 31, 2013	<u>5.492.398</u>	<u>5.492.398</u>
<i>Movements</i>		
Investments	-	-
Depreciation	-34.811	-34.811
Sold assets	-	-
Correction	-	-
Disposals	-	-
	<u>-34.811</u>	<u>-34.811</u>
Acquisition price	5.700.683	5.700.683
Accumulated depreciation	<u>-243.096</u>	<u>-243.096</u>
Book value as at December 31, 2014	<u>5.457.587</u>	<u>5.457.587</u>
Percentages of depreciation		%
Land and buildings		0% - 2%

Current assets

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
Cash and bank		
Petty cash	3	3
ABN AMRO Bank N.V.	-13	-13
ABN AMRO Bank N.V.	77	27
ING Bank N.V.	87	23
RABO bank N.V.	-	-
	<u>154</u>	<u>39</u>

Equity

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
Accumulated capital contributions	4.299.252	4.299.252
Reserve accumulated financial results	<u>-21.113.860</u>	<u>-18.931.516</u>
	<u>-16.814.608</u>	<u>-14.632.264</u>

Accumulated capital contributions

Accumulated capital contributions	<u>4.299.252</u>	<u>4.299.252</u>
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In order to realize the objectives of Stichting Maharishi Global financing Research, Maharishi Vedic Technology Foundation and Maharishi Global Development Fund contributed capital in earlier years to do so.

The (original) capital of the foundation is nil. The equity consists of (repayments) of capital contributions (31-12-2014 €4.299.252) and the financial results according to the profit and loss accounts (31-12-2014 - €21.113.860). Considering that the contributions from other organizations were unrestricted, meaning that there are no redemption conditions of requirements attached to them and that the contributions were classified as capital contributions, the contributions were directly transferred to equity.

A specification of the classes of the equity capital reserves is not applicable.

The foundation did not receive capital contributions in 2014.

	<u>2014</u>	<u>2013</u>
	€	€
Reserve accumulated financial results		
Balance as at January 1	-14.632.264	-13.858.463
Allocation of results period	<u>-2.182.344</u>	<u>-773.800</u>
Balance as at December 31	<u>-16.814.607</u>	<u>-14.632.264</u>

Raam liabilities

Liabilities regarding issued Raam EU	92.190	92.190
Liabilities regarding issued Raam NL	39.659	39.659
	<u>131.850</u>	<u>131.850</u>

Current liabilities

Current liabilities, accruals and deferred income

VAT payable	-	188
Stichting Maharishi University of Management	16.646	-
Stichting Academie voor Bewustzijnsontwikkeling	332.857	154.250
Other payables	123	125
	<u>349.626</u>	<u>154.562</u>

The Raam NL is free of interest. The Raam NL can be exchanged for euro for the denomination of the applicable Raam NL note. To insure this exchange right the Foundation will keep 100 per cent of the receipts in euro from the sale of Raam NL deposited.

The Raam EU is bearing interest from December 31 of the year of issue, printed on the note, at the rate of 3% per five years. Interest on the Raam EU is payable in arrear on the first day following five years after December 31 of the year of issue (the "Interest Payment Date"). Interest will cease to accrue on the Raam EU on the Interest Payment Date.

The RAAM Europe can be exchanged for euro for the denomination of the applicable RAAM EU note (as well as interest, if payable). To ensure this exchange right the Foundation will keep at least 50 per cent of the receipts in euro from the sale of RAAM EU deposited.

5 NOTES TO THE PROFIT AND LOSS ACCOUNT

	<u>2014</u>	<u>2013</u>
	€	€
Net turnover		
Donations	-	50
Rent income	-	9.100
	<u>-</u>	<u>9.150</u>

Salaries, wages and social premiums

Gross wages and salaries	2.798	4.689
Social premiums	<u>476</u>	<u>728</u>
	<u>3.274</u>	<u>5.417</u>

Number of staff

Average number of staff 2014: 1 (2013:1)

Depreciation

Depreciation of tangible fixed assets

Land and buildings	34.811	17.406
Other assets	<u>-</u>	<u>29.266</u>
	<u>34.811</u>	<u>46.672</u>

	2014	2013
	€	€
<i>General costs</i>		
Lawyer, audit and accountancy fees	87.108	66.592
Travel and hotel cost	43.403	15.194
Projects cost	28.486	27.570
Others	-58	5.564
	<u>158.939</u>	<u>114.920</u>
Financial income and costs		
<i>Financial income</i>		
Exchange rate profit financial fixed assets	725.289	808.176
Interest revenues and similar revenues	-	774.704
	<u>725.289</u>	<u>1.582.880</u>
<i>Financial costs</i>		
Bank charges/interest	85	606
Interest long-term liabilities	32.500	1.731.199
Exchange rate loss financial fixed assets	2.166.902	464.881
	<u>2.199.487</u>	<u>2.196.686</u>
Extraordinary income and costs		
Final settlement Cisco lease		
Final settlement ABN AMRO lease	-	-20.000
Bonds forgiven	-511.086	58.976
Subsidiaries write off	-1	-3.949
Payments to Joh. Enschede	-	-25.065
Provision Czech Republic	-	-72.000
Correction Bosnia property	-	330.600
Result sale of properties	-	102.333
Stock paper write off	-	-343.870
Write off garden	-	-29.399
	<u>-511.087</u>	<u>-2.374</u>
Share in result of group companies		
Maharishi College of Vedic Medicine B.V.	<u>-35</u>	<u>206</u>
	<u>-35</u>	<u>206</u>

OTHER INFORMATION

1 PROPOSED APPROPRIATION OF RESULT

The loss for the period ended December 31, 2014 amounts to €2.182,344. The management proposes to attribute this result to the reserve accumulated financial results. The financial statements reflect this proposal.