

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

England & Wales · Charity number 1010542

Details

Other names	MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI, MTO
Status	Registered
Legal form	Trust
Registered	1992-04-14
Register	View on the Charity Commission register

Contact

Address	MTO Shahmaghsoudi 23 Edison Road London N8 8AE
Phone	02083487575
Email	info.lon.uk@mto.org
Website	www.mtoshahmaghsoudi.org

Activities

Objects: THE OBJECTS OF THE TRUST ARE TO ESTABLISH THE TEACHING, PRACTICE AND ADVANCEMENT OF RELIGION AND EDUCATION IN THE UNITED KINGDOM AND ELSEWHERE AROUND THE WORLD IN ACCORDANCE WITH THE DOCTRINES AND TENETS OF SUFISM AS PRACTISED BY MTO

Activities: Weekly webcasts & lectures on Sufism, Koran classes & book reading, Tamarkoz (Meditation) classes, translation classes, Farsi classes, ceremonies & other events, interfaith activities, musical performances, arts and crafts and tuition on traditional Iranian instruments

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Religious Activities, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM AND ELSEWHERE
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£60,083	£25,452	-	-
2023-12-31	£67,137	£9,490	-	-
2022-12-31	£52,868	£13,561	-	-
2021-12-31	£52,866	£9,580	-	-
2020-12-31	£99,680	£11,180	-	-

Trustees

Name	Role	Appointed
SEPEEDEH MARYAM DUNDON	Chair	2025-11-05
Ebrahim Bagherzadeh Darban		2013-10-24
HAMID RAHBARI		

Accounts

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
FOR
MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI
(SCHOOL OF ISLAMIC SUFISM)**

**MGR Weston Kay LLP
Chartered Accountants
55 Loudoun Road
St John's Wood
London
NW8 0DL**

**MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI
(SCHOOL OF ISLAMIC SUFISM)**

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FOR THE YEAR ENDED 31 DECEMBER 2024**

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**MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI
(SCHOOL OF ISLAMIC SUFISM)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2024**

TRUSTEES	H Rahbari E B Darban A Rezaei
PRINCIPAL ADDRESS	23 Edison Road London N8 8AE
REGISTERED CHARITY NUMBER	1010542
INDEPENDENT EXAMINER	MGR Weston Kay LLP Chartered Accountants 55 Loudoun Road St John's Wood London NW8 0DL
BANKERS	Metro Bank 1 Southampton Row London WC1B 5HA
SOLICITORS	Stephen Fidler & Co St Andrews House, 66 Shoe Lane London EC4A 3BQ

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

The objects are to establish the teaching and advancement of religion and education in the United Kingdom and elsewhere around the world in accordance with the tenets and doctrines of Sufism as practiced by MTO.

During the year the Charity continued to promote Sufism and education as a part of MTO. Its program of lectures and classes in the UK included webcasts from London to students throughout the world. These compliment the broadcasts of related MTO centres elsewhere in Europe and from the United States. The Charity continued to encourage the development of Sufism at universities and other educational institutions in the UK and to promote inter-faith activities and provide charitable donations or services and contributions in local communities.

ACHIEVEMENTS AND PERFORMANCE

The Charity is progressing with the transfer of its assets and operations to the Charitable Incorporated Organisation ('CIO'), registered charity 1156782 with the same name and objects as the Charity. Any on-going donations or receipts are vested to the CIO accounts as part of the transfer policy.

The main remaining assets of the Charity are the commercial premises near the London Centre bought in October 2012. They were leased for 5 years from 20 March 2015 to a nursery. Following approval from the freeholders, in 2020 a new lease was signed by the subtenants and trustees.

The Trustees continued to progress with required variations of the Headlease. After continued negotiations over a period of time, deeds of variations with a new Freeholder were satisfactorily concluded which resulted in the removal of ground rent provisions and a long term extension of the Headlease.

FINANCIAL REVIEW

As detailed in the Statement of Financial Activities, the Charity's reserves at the year-end amounted to £749,071 of unrestricted funds. The Trust will hold these reserves and further funds as they are received as a buffer for operating costs. In addition they are available to help support other centres abroad or fund additional properties in the UK for holding meetings and lectures as required.

**MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI
(SCHOOL OF ISLAMIC SUFISM)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Maktab Tarighat Oveyssi Sharmaghsoodi (School of Islamic Sufism), a Charitable Trust, was registered as a Charity on 14th April 1992. Registration number: 1010542. The governing document is the Deed of Trust dated 18 October 1991 as amended by supplemental deeds dated 9 March 2006, 15 June 2006, 2 January 2009 and 9 April 2009.

The principal place of business is 23 Edison Road, Couch End, London, N8 8AE.

The trustees who served during the year and up to the date of signature of the financial statements were:

H Rahbari
E B Darban
A Rezaei

None of the trustees have been direct beneficiaries of the Charity during the year or the preceding year. No trustees received any remuneration from the Charity during the year (2023 - £Nil).

A trustee is appointed by recommendation of the trustees, or by proposal of a trustee entitled to vote at a meeting of the Charity.

Induction and training policies for trustees

The Charity follows the guidelines provided by the Charity Commission.

Responsibility of the trustees

The trustees are responsible for the management of the Charity and for the furtherance of the objects for which it is established. Trustees meet on a regular basis to discuss the affairs of the Charity.

Investment powers

The trustees may invest the monies of the Charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

Public Benefit requirement

The trustees have due regard to the guidance set out under section 17(5) of the Charities Act 2011.

Organisation

The day-to-day activities of the Charity continue to be conducted from premises in London and Birtley and at rented premises in other cities in the United Kingdom.

Volunteers

During the year various individuals gave their time in supporting the Charity's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Risk management

The trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the Charity's exposure to the major risks.

Independent examiner

A resolution proposing that Nigel Walfisz be reappointed as Independent Examiner will be proposed at the next Annual General Meeting.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

**MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI
(SCHOOL OF ISLAMIC SUFISM)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Approved by order of the board of trustees on 30 October 2025 and signed on its behalf by:

A handwritten signature in black ink, consisting of a stylized 'H' followed by a large, sweeping 'R' that curves upwards and to the right.

H Rahbari - Trustee

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and The Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI
(SCHOOL OF ISLAMIC SUFISM)**

Independent examiner's report to the trustees of Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism)

I report to the charity trustees on my examination of the accounts of Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism) (the Trust) for the year ended 31 December 2024.

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 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

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

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.



Nigel Walfisz FCA

MGR Weston Kay LLP
Chartered Accountants
55 Loudoun Road
St John's Wood
London
NW8 0DL

31 October 2025

**MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI
(SCHOOL OF ISLAMIC SUFISM)**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

		31.12.24 Unrestricted fund £	31.12.23 Total funds as restated £
INCOME AND ENDOWMENTS FROM	Notes		
Investment income	3	60,083	67,138
EXPENDITURE ON			
Raising funds	4	20,922	20,948
Charitable activities			
Share of governance costs		4,530	3,690
Total		25,452	24,638
NET INCOME		34,631	42,500
RECONCILIATION OF FUNDS			
Total funds brought forward		714,440	671,940
TOTAL FUNDS CARRIED FORWARD		749,071	714,440

The notes form part of these financial statements

**MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI
(SCHOOL OF ISLAMIC SUFISM)**

**BALANCE SHEET
31 DECEMBER 2024**

		31.12.24 Unrestricted fund £	31.12.23 Total funds as restated £
	Notes		
FIXED ASSETS			
Investment property	9	780,000	780,000
CURRENT ASSETS			
Debtors	10	17,373	7,156
Cash at bank		329,193	286,543
		<u>346,566</u>	<u>293,699</u>
CREDITORS			
Amounts falling due within one year	11	(27,483)	(25,153)
		<u>319,083</u>	<u>268,546</u>
NET CURRENT ASSETS			
		<u>1,099,083</u>	<u>1,048,546</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	12	(350,012)	(334,106)
		<u>749,071</u>	<u>714,440</u>
NET ASSETS			
FUNDS	14		
Unrestricted funds		749,071	714,440
TOTAL FUNDS		<u>749,071</u>	<u>714,440</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 October 2025 and were signed on its behalf by:



H Rahbari - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Incoming resources

Rent receivable is accrued on a day to day basis.

Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Charitable activities include costs of services and support costs.

Governance costs are those costs incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements.

Cost of raising funds are those associated with rental and investment income.

Investment property

Investment properties are included in the balance sheet at their open market value as estimated by the trustees.

Taxation

The charity is exempt from tax on income and gains falling within the Taxes Act 1988, s. 505 or the Taxation of Chargeable Gains Act 1992, s. 252 to the extent that these are applied to its charitable objectives.

The charity is not VAT registered. As such, expenditure is shown inclusive of VAT.

Charitable funds

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance working capital.

Restricted funds represent income received which are allocated by the donor for specific purposes which are therefore not available for other purposes.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES - continued

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is recognised in the Statement of Financial Activities so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income arising from the letting of the charity's investment properties under operating leases, including any lease incentives granted, is recognised on a straight line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are diminished.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Valuation of investment properties

Investment properties are stated at fair value. The trustees based this on observable market prices.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

3. INVESTMENT INCOME

	31.12.24	31.12.23 as restated
	£	£
Rental income	<u>60,083</u>	<u>67,138</u>

4. RAISING FUNDS

Investment management costs

	31.12.24	31.12.23 as restated
	£	£
Investment property costs	4,217	5,000
Interest payable and similar charges	<u>16,705</u>	<u>15,948</u>
	<u>20,922</u>	<u>20,948</u>

5. SUPPORT COSTS

	Governance costs £
Share of governance costs	<u>4,530</u>

Governance costs represents the support costs incurred in administering, the management of charity affairs and complying with its statutory and constitutional obligations.

Support costs, included in the above, are as follows:

Governance costs

	31.12.24	31.12.23 as restated
	Share of governance costs £	Total activities £
Independent examiner fees	<u>4,530</u>	<u>3,690</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees

The average number of Trustees during the year was 3 (2023: 3).

The Trustees are named as Additional Assureds under the liability insurances of the Charity at no additional cost.

7. EMPLOYEES

There were no employees in the current and preceding year.

8. PRIOR YEAR ADJUSTMENT

During the year, the charity reviewed the accounting treatment of its investment properties and determined the arrangement meets the definition of a finance lease. The prior year financial statements have been restated to recognise the finance lease liability of £334,906.

The effect of the adjustment was to:

- Increase expenditure on raising funds by £15,148.
- Increase creditors by £334,906 with £800 recognised as falling due within one year and £334,106 recognised as falling due after more than one year.
- Decrease unrestricted funds at 1 January 2023 by £319,758.

9. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2024	
and 31 December 2024	780,000
NET BOOK VALUE	
At 31 December 2024	780,000
At 31 December 2023	780,000

The investment properties are stated in the accounts at the Trustees' estimate of market value at the balance sheet date. There has been no valuation by an independent party.

The net book value of investment property includes £780,000 (2023 - £780,000) in respect of assets held under finance leases.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23 as restated
	£	£
Trade debtors	17,373	7,156

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23 as restated
	£	£
Finance leases (see note 13)	800	800
Trade creditors	313	313
Other creditors	26,370	24,040
	27,483	25,153

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.24	31.12.23 as restated
	£	£
Finance leases (see note 13)	350,012	334,106

13. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	31.12.24	31.12.23 as restated
	£	£
Net obligations repayable:		
Within one year	800	800
Between one and five years	3,200	3,200
In more than five years	346,812	330,906
	350,812	334,906

Finance lease payments represent ground rent payable by the charity for its investment properties. The average lease term is 125 years. No arrangements have been entered into for contingent rental payments.

Included within expenditure on raising funds is finance lease interest of £16,705 (2023: £15,948).

The investment properties have been sublet under operating leases with lease terms up to 15 years.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

13. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	31.12.24	31.12.23 as restated
	£	£
Within one year	48,000	48,000
Between one and five years	192,000	192,000
In more than five years	251,836	299,836
	<u>491,836</u>	<u>539,836</u>

14. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	714,440	34,631	749,071
	<u>714,440</u>	<u>34,631</u>	<u>749,071</u>
TOTAL FUNDS	<u>714,440</u>	<u>34,631</u>	<u>749,071</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	60,083	(25,452)	34,631
	<u>60,083</u>	<u>(25,452)</u>	<u>34,631</u>
TOTAL FUNDS	<u>60,083</u>	<u>(25,452)</u>	<u>34,631</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	671,940	42,500	714,440
	<u>671,940</u>	<u>42,500</u>	<u>714,440</u>
TOTAL FUNDS	<u>671,940</u>	<u>42,500</u>	<u>714,440</u>

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	67,138	(24,638)	42,500
TOTAL FUNDS	<u>67,138</u>	<u>(24,638)</u>	<u>42,500</u>

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

15. RELATED PARTY DISCLOSURES

The charity made donations or loans, shared costs with or received income from other charities which form part of the global organisation using the name MTO.

Creditors include £313 (2023: £313) due to MTO USA.

Accruals include £25,534 (2023: £18,970) due to MTO CIO for expenses which have not been reimbursed.

16. POST BALANCE SHEET EVENTS

On 4 April 2025, the charity entered into Deeds of Variation which removed the ground rent provision and extended the lease term to 999 years. The total cost of the variations was £15,387.

As a result of these changes, the lease no longer meets the definition of a finance lease. The effect of the variation will be to eliminate the charity's finance lease liability currently recognised in the financial statements. The impact of the variation will be reflected in the financial statements for the year ended 31 December 2025.

17. CHARITY INFORMATION

Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism) is a charity incorporated in England and Wales. The principal place of business is 23 Edison Road, Couch End, London, N8 8AE.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Accounts

Charity Registration No. 1010542

Maktab Tarighat Oveyssi Shahmaghsoudi (School Of Islamic Sufism)

Annual report and unaudited financial statements

For the year ended 31 December 2023

mgr 
55 Loudoun Road
St John's Wood
London NW8 0DL

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Rahbari E B Darban A Rezaei
Charity number	1010542
Independent examiner	MGR Weston Kay LLP 55 Loudoun Road St John's Wood London NW8 0DL
Bankers	Metro Bank 1 Southampton Row London WC1B 5HA
Solicitors	Stephen Fidler & Co St Andrews House, 66 Shoe Lane London EC4A 3BQ

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

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MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

Name and Registered Office of the Charity

The full name of the Charity is Maktab Tarighat Oveyssi Sharmaghsoodi (School of Islamic Sufism), its registered office is PO Box 33805, London, N8 8ZW and its principal operating address is 23 Edison Road, Crouch End, London, N8 8AE. It is part of the global organisation with the same name (the global organisation hereinafter referred to as 'MTO').

Charity Financial Statements

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "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 2019).

Objectives and activities

The objects are to establish the teaching and advancement of religion and education in the United Kingdom and elsewhere around the world in accordance with the tenets and doctrines of Sufism as practiced by MTO.

During the year the Charity continued to promote Sufism and education as a part of MTO. Its program of lectures and classes in the UK included webcasts from London to students throughout the world. These compliment the broadcasts of related MTO centres elsewhere in Europe and from the United States. The Charity continued to encourage the development of Sufism at Universities and other educational institutions in the UK and to promote inter-faith activities in local communities.

Achievements and performance

The Charity is progressing with the transfer of its assets and operations to the Charitable Incorporated Organisation ('CIO'), registered charity 1156782 with the same name and objects as the Charity. Any on-going donations or receipts are vested to the CIO accounts as part of the transfer policy.

The main remaining assets of the Charity are the commercial premises near the London Centre bought in October 2012. They were leased for 5 years from 20th March 2015 to a nursery. Following approval from the freeholders, in 2020 a new lease was signed by the subtenants and Trustees.

Following several rounds of legal advice related to the commercial premises, initially in May 2021 to July 2022, and delayed court hearings and negotiations with the other parties and the court, the Trustees agreed to settle the claim and discontinue with the parties solicitors signing a Tomlin order on 30th June 2023 with confidential terms and no orders on costs.

Financial review

As detailed in the Statement of Financial Activities on page 5, the Charity's reserves at the year-end amounted to £1,049,346 of unrestricted funds. The Trust will hold these reserves and further funds as they are received as a buffer for operating costs. In addition they are available to help support other centres abroad or fund additional properties in the UK for holding meetings and lectures as required.

Structure, governance and management

The Charity, a Charitable Trust, was registered as a Charity on 14th April 1992. Registration number: 1010542. The governing document is the Deed of Trust dated 18 October 1991 as amended by supplemental deeds dated 9 March 2006, 15 June 2006, 2 January 2009 and 9 April 2009.

The trustees who served during the year and up to the date of signature of the financial statements were:

H Rahbari

E B Darban

A Rezaei

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

None of the Trustees have been direct beneficiaries of the Charity during the year or the preceding year. No Trustees received any remuneration from the Charity during the year (2022 – £Nil).

A Trustee is appointed by recommendation of the Trustees, or by proposal of a Trustee entitled to vote at a meeting of the Charity.

Induction and training policies for trustees

The Charity follows the guidelines provided by the Charity Commission.

Responsibility of the Trustees

The Trustees are responsible for the management of the Charity and for the furtherance of the objects for which it is established. Trustees meet on a regular basis to discuss the affairs of the Charity. The Statement of Trustees' Responsibilities is on Page 4.

Investment Powers

The Trustees may invest the monies of the Charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

Public Benefit Requirement

The Trustees have due regard to the guidance set out under section 17(5) of the Charities Act 2011.

Organisation

The day-to-day activities of the Charity continue to be conducted from premises in London and Birtley and at rented premises in other cities in the United Kingdom.

Volunteers

During the year various individuals gave their time in supporting the Charity's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Risk Management

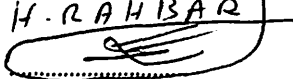
The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the Charity's exposure to the major risks.

Independent examiner

A resolution proposing that Nigel Walfisz be reappointed as Independent Examiner will be proposed at the next Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

H. RAHBARI



H Rahbari
Trustee

Date: 31/12/2023

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

I report to the trustees on my examination of the financial statements of Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism) (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



Nigel Walfisz FCA
MGR Weston Kay LLP
55 Loudoun Road
St John's Wood
London
NW8 0DL

Dated: 31 October 2024

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Investments	3	67,137	52,868
Total income		<u>67,137</u>	<u>52,868</u>
Expenditure on:			
Raising funds	4	5,800	4,771
Charitable activities	5	3,690	8,790
Total expenditure		<u>9,490</u>	<u>13,561</u>
Net gains/(losses) on investments		<u>-</u>	<u>40,000</u>
Net income and movement in funds		<u>57,647</u>	<u>79,307</u>
Reconciliation of funds:			
Fund balances at 1 January 2023		991,699	912,392
Fund balances at 31 December 2023		<u>1,049,346</u>	<u>991,699</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 7 to 11 form part of these financial statements.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Investment property	10		780,000		780,000
Current assets					
Debtors	11	7,156		4,157	
Cash at bank and in hand		286,543		238,276	
		<u>293,699</u>		<u>242,433</u>	
Creditors: amounts falling due within one year	12	<u>(24,353)</u>		<u>(30,734)</u>	
Net current assets			269,346		211,699
Total assets less current liabilities			<u>1,049,346</u>		<u>991,699</u>
The funds of the charity					
Unrestricted funds			1,049,346		991,699
			<u>1,049,346</u>		<u>991,699</u>

The notes on pages 7 to 11 form part of these financial statements.

The financial statements were approved by the trustees on 31 October 2024



 H Rahbari
 Trustee

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

1.1 Accounting convention

The accounts have been prepared in accordance with applicable accounting standards, "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)" and the Charities Act 2011. The charity is a Public Benefit Entity defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance working capital.

Restricted funds represent income received which are allocated by the donor for specific purposes which are therefore not available for other purposes.

1.4 Incoming resources

Rent receivable is accrued on a day to day basis.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Charitable activities include costs of services and support costs.

Governance costs are those costs incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements.

Cost of raising funds are those associated with rental and investment income.

1.6 Investment properties

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the year of disposal. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Investment properties are included in the balance sheet at their open market value as estimated by the trustees. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

1.9 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.10 Taxation

The charity is exempt from tax on income and gains falling within the Taxes Act 1988, s. 505 or the Taxation of Chargeable Gains Act 1992, s. 252 to the extent that these are applied to its charitable objectives.

The charity is not VAT registered. As such, expenditure is shown inclusive of VAT.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Valuation of investment properties

As described in note 10 to the financial statements, investment properties are stated at fair value. The trustees based this on observable market prices.

3 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	67,137	52,868

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Investment property costs	5,800	4,771
	<u>5,800</u>	<u>4,771</u>

5 Charitable activities

	2023	2022
	£	£
Share of governance costs (see note 6)	3,690	8,790
	<u>3,690</u>	<u>8,790</u>

6 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Independent examiner fees	-	3,690	3,690	-	3,690	3,690
Legal and professional	-	-	-	-	5,100	5,100
	<u>-</u>	<u>3,690</u>	<u>3,690</u>	<u>-</u>	<u>8,790</u>	<u>8,790</u>
Analysed between						
Charitable activities	-	3,690	3,690	-	8,790	8,790
	<u>-</u>	<u>3,690</u>	<u>3,690</u>	<u>-</u>	<u>8,790</u>	<u>8,790</u>

Governance costs represents the support costs incurred in administering, the management of charity affairs and complying with its statutory and constitutional obligations.

7 Trustees

The average number of Trustees during the year was 3 (2022: 3).

No Trustee or person connected by business to them, has received any remuneration or benefits in kind from the Charity during the year (2022 - £Nil).

The Trustees are named as Additional Assureds under the liability insurances of the Charity at no additional cost.

During the year no Trustees (2022: none) received reimbursement of travel, subsistence and other expenditure.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Employees

There were no employees during the year.

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

10 Investment properties

	2023 £
Fair value	
At 1 January 2023 and 31 December 2023	780,000

The investment properties are stated in the accounts at the Trustees' estimate of market value at the balance sheet date. There has been no valuation by an independent party.

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	7,156	4,157

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	313	5,383
Accruals and deferred income	24,040	25,351
	24,353	30,734

13 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2023 £
General funds	991,699	67,137	(9,490)	-	1,049,346

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Unrestricted funds

(Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	912,392	52,868	(13,561)	40,000	991,699

14 Analysis of net assets between funds

	Unrestricted funds 2023 £
At 31 December 2023:	
Investment properties	780,000
Current assets/(liabilities)	269,346
	<u>1,049,346</u>
	Unrestricted funds 2022 £
At 31 December 2022:	
Investment properties	780,000
Current assets/(liabilities)	211,699
	<u>991,699</u>

15 Related party transactions

The charity made donations or loans, shared costs with or received income from other charities which form part of the global organisation using the name MTO.

Creditors include £313 (2022: £313) due to MTO USA.

Accruals include £18,970 (2022: £15,070) due to MTO CIO for expenses which have not been reimbursed. During the year, expenses of £3,900 (2022: £8,790) was paid for by the CIO.

16 Charity information

Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism) is a charity incorporated in England and Wales. The principal place of business is 23 Edison Road, Crouch End, London, N8 8AE.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Accounts

Maktab Tarighat Oveyssi Shahmaghsoudi (School Of Islamic Sufism)

Annual report and unaudited financial statements

For the year ended 31 December 2022



55 Loudoun Road
St John's Wood
London NW8 0DL

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Rahbari E B Darban A Rezaei
Charity number	1010542
Independent examiner	MGR Weston Kay LLP 55 Loudoun Road St John's Wood London NW8 0DL
Bankers	Metro Bank 1 Southampton Row London WC1B 5HA
Solicitors	Stephen Fidler & Co St Andrews House, 66 Shoe Lane London EC4A 3BQ

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

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MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

Name and Registered Office of the Charity

The full name of the Charity is Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism), its registered office is PO Box 33805, London, N8 8ZW and its principal operating address is 23 Edison Road, Crouch End, London, N8 8AE. It is part of the global organisation with the same name (the global organisation hereinafter referred to as 'MTO').

Charity Financial Statements

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "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 2019).

Objectives and activities

The objects are to establish the teaching and advancement of religion and education in the United Kingdom and elsewhere around the world in accordance with the tenets and doctrines of Sufism as practiced by MTO.

During the year the Charity continued to promote Sufism and education as a part of MTO. Its program of lectures and classes in the UK included webcasts from London to students throughout the world. These compliment the broadcasts of related MTO centres elsewhere in Europe and from the United States. The Charity continued to encourage the development of Sufism at Universities and other educational institutions in the UK and to promote inter-faith activities in local communities.

Achievements and performance

The Charity is progressing with the transfer of its assets and operations to the Charitable Incorporated Organisation ('CIO'), registered charity 1156782 with the same name and objects as the Charity. Any on-going donations or receipts are vested to the CIO accounts as part of the transfer policy.

The main remaining assets of the Charity are the commercial premises near the London Centre bought in October 2012. They were leased for 5 years from 20th March 2015 to a nursery. Following approval from the freeholders, in 2020 a new lease was signed by the subtenants and Trustees.

Based on legal advice at the time, the Trustees issued a claim against the original solicitor who acted in the purchase of the commercial premises. The claim was issued in 2018 with the relevant fee paid by the Trust. However, in February 2019, the new solicitors informed Trustees that there was a potential issue with the limitation of the new claim. Trustees sought legal advice, and pursued with Directions questionnaires. Following exchange of documents and correspondence with the other side, both parties asked the court for a consent order to agree mediation. Due to covid 19, the mediation was postponed. The case with Boulter & Co was settled in 2020. A new claim against the new solicitors and advising counsel has been sought. Both defendants have disputed their liability and the matter has been beset by delays in the court listing application and covid restrictions. A court date was set in July 2022 but was adjourned for covid related issues.

Following several rounds of legal advice, initially in May 2021 to July 2022, and delayed court hearings and negotiations with the other parties and the court, the Trustees agreed to settle the claim and discontinue with the parties solicitors signing a Tomlin order on 30th June 2023 with confidential terms and no orders on costs.

Financial review

As detailed in the Statement of Financial Activities on page 5, the Charity's reserves at the year-end amounted to £991,699 of unrestricted funds. The Trust will hold these reserves and further funds as they are received as a buffer for operating costs. In addition they are available to help support other centres abroad or fund additional properties in the UK for holding meetings and lectures as required.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

The Charity, a Charitable Trust, was registered as a Charity on 14th April 1992. Registration number: 1010542. The governing document is the Deed of Trust dated 18 October 1991 as amended by supplemental deeds dated 9 March 2006, 15 June 2006, 2 January 2009 and 9 April 2009.

The trustees who served during the year and up to the date of signature of the financial statements were:

H Rahbari

E B Darban

A Rezaei

None of the Trustees have been direct beneficiaries of the Charity during the year or the preceding year. No Trustees received any remuneration from the Charity during the year (2021 – £Nil).

A Trustee is appointed by recommendation of the Trustees, or by proposal of a Trustee entitled to vote at a meeting of the Charity.

Induction and training policies for trustees

The Charity follows the guidelines provided by the Charity Commission.

Responsibility of the Trustees

The Trustees are responsible for the management of the Charity and for the furtherance of the objects for which it is established. Trustees meet on a regular basis to discuss the affairs of the Charity. The Statement of Trustees' Responsibilities is on Page 4.

Investment Powers

The Trustees may invest the monies of the Charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

Public Benefit Requirement

The Trustees have due regard to the guidance set out under section 17(5) of the Charities Act 2011.

Organisation

The day-to-day activities of the Charity continue to be conducted from premises in London and Birtley and at rented premises in other cities in the United Kingdom.

Volunteers

During the year various individuals gave their time in supporting the Charity's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the Charity's exposure to the major risks.

Independent examiner

A resolution proposing that Nigel Walfisz be reappointed as Independent Examiner will be proposed at the next Annual General Meeting.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees' report was approved by the Board of Trustees.

H Rahbari
Trustee



30 October 2023

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

I report to the trustees on my examination of the financial statements of Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism) (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Nigel Walfisz FCA
MGR Weston Kay LLP
55 Loudoun Road
St John's Wood
London
NW8 0DL

Dated: 30 October 2023

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>			
Investments	3	52,868	52,866
<u>Expenditure on:</u>			
Raising funds	4	4,771	6,100
Charitable activities	5	8,790	3,480
Total expenditure		13,561	9,580
Net gains/(losses) on investments		40,000	-
Net income for the year/ Net movement in funds		79,307	43,286
Fund balances at 1 January 2022		912,392	869,106
Fund balances at 31 December 2022		991,699	912,392

All income and expenditure derive from continuing activities.

The notes on pages 8 to 12 form part of these financial statements.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Investment property	10		780,000		740,000
Current assets					
Debtors	11	4,157		4,156	
Cash at bank and in hand		238,276		185,409	
		<u>242,433</u>		<u>189,565</u>	
Creditors: amounts falling due within one year	12	<u>(30,734)</u>		<u>(17,173)</u>	
Net current assets			211,699		172,392
Total assets less current liabilities			<u>991,699</u>		<u>912,392</u>
Income funds					
Unrestricted funds			991,699		912,392
			<u>991,699</u>		<u>912,392</u>

The notes on pages 8 to 12 form part of these financial statements.

The financial statements were approved by the Trustees on 30 October 2023

H Rahbari
Trustee



MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

1.1 Accounting convention

The accounts have been prepared in accordance with applicable accounting standards, "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)" and the Charities Act 2011. The charity is a Public Benefit Entity defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance working capital.

Restricted funds represent income received which are allocated by the donor for specific purposes which are therefore not available for other purposes.

1.4 Incoming resources

Rent receivable is accrued on a day to day basis.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Charitable activities include costs of services and support costs.

Governance costs are those costs incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements.

Cost of raising funds are those associated with rental and investment income.

1.6 Investment properties

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the year of disposal. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Investment properties are included in the balance sheet at their open market value as estimated by the trustees. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

1.9 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.10 Taxation

The charity is exempt from tax on income and gains falling within the Taxes Act 1988, s. 505 or the Taxation of Chargeable Gains Act 1992, s. 252 to the extent that these are applied to its charitable objectives.

The charity is not VAT registered. As such, expenditure is shown inclusive of VAT.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Valuation of investment properties

As described in note 10 to the financial statements, investment properties are stated at fair value. The trustees based this on observable market prices.

3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Rental income	52,868	52,866

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Investment property costs	4,771	6,100
	<u>4,771</u>	<u>6,100</u>

5 Charitable activities

	2022	2021
	£	£
Share of governance costs (see note 6)	8,790	3,480
	<u>8,790</u>	<u>3,480</u>

6 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Independent examiner fees	-	3,690	3,690	-	3,480	3,480
Legal and professional	-	5,100	5,100	-	-	-
	<u>-</u>	<u>8,790</u>	<u>8,790</u>	<u>-</u>	<u>3,480</u>	<u>3,480</u>
Analysed between						
Charitable activities	-	8,790	8,790	-	3,480	3,480
	<u>-</u>	<u>8,790</u>	<u>8,790</u>	<u>-</u>	<u>3,480</u>	<u>3,480</u>

Governance costs represents the support costs incurred in administering, the management of charity affairs and complying with its statutory and constitutional obligations.

7 Trustees

The average number of Trustees during the year was 3 (2021: 3).

No Trustee or person connected by business to them, has received any remuneration or benefits in kind from the Charity during the year (2021 - £Nil).

The Trustees are named as Additional Assureds under the liability insurances of the Charity at no additional cost.

During the year no Trustees (2021: none) received reimbursement of travel, subsistence and other expenditure.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Employees

There were no employees during the year.

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Investment properties

	2022
	£
Fair value	
At 1 January 2022	740,000
Net gain through fair value adjustments	40,000
	<u> </u>
At 31 December 2022	<u>780,000</u>

The investment properties are stated in the accounts at the Trustees' estimate of market value at the balance sheet date. There has been no valuation by an independent party.

11 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	4,157	4,156
	<u> </u>	<u> </u>

12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	5,383	313
Accruals and deferred income	25,351	16,860
	<u> </u>	<u> </u>
	<u>30,734</u>	<u>17,173</u>

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fund balances at 31 December 2022 are represented by:		
Investment properties	780,000	740,000
Current assets/(liabilities)	211,699	172,392
	<u>991,699</u>	<u>912,392</u>

14 Related party transactions

The charity made donations or loans, shared costs with or received income from other charities which form part of the global organisation using the name MTO.

Creditors include £313 (2021: £313) due to MTO USA.

Accruals include £15,070 (2021: £6,280) due to MTO CIO for expenses which have not been reimbursed. During the year, expenses of £8,790 (2021: £6,280) was paid for by the CIO.

15 Charity information

Maktab Tarighat Oveyssi Sharmaghsoodi (School of Islamic Sufism) is a charity incorporated in England and Wales. The principal place of business is 23 Edison Road, Crouch End, London, N8 8AE.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Accounts

Maktab Tarighat Oveyssi Shahmaghsoudi (School Of Islamic Sufism)

Annual report and unaudited financial statements

For the year ended 31 December 2021



55 Loudoun Road
St John's Wood
London NW8 0DL

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Rahbari E B Darban A Rezaei
Charity number	1010542
Independent examiner	MGR Weston Kay LLP 55 Loudoun Road St John's Wood London NW8 0DL
Bankers	Metro Bank 1 Southampton Row London WC1B 5HA
Solicitors	Stephen Fidler & Co St Andrews House, 66 Shoe Lane London EC4A 3BQ

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

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MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

Name and Registered Office of the Charity

The full name of the Charity is Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism), its registered office is PO Box 33805, London, N8 8ZW and its principal operating address is 23 Edison Road, Crouch End, London, N8 8AE. It is part of the global organisation with the same name (the global organisation hereinafter referred to as 'MTO').

Charity Financial Statements

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "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 2019).

Objectives and activities

The objects are to establish the teaching and advancement of religion and education in the United Kingdom and elsewhere around the world in accordance with the tenets and doctrines of Sufism as practiced by MTO.

During the year the Charity continued to promote Sufism and education as a part of MTO. Its program of lectures and classes in the UK included webcasts from London to students throughout the world. These compliment the broadcasts of related MTO centres elsewhere in Europe and from the United States. The Charity continued to encourage the development of Sufism at Universities and other educational institutions in the UK and to promote inter-faith activities in local communities.

Achievements and performance

The Charity is progressing with the transfer of its assets and operations to the Charitable Incorporated Organisation ('CIO'), registered charity 1156782 with the same name and objects as the Charity. Any on-going donations or receipts are vested to the CIO accounts as part of the transfer policy.

The main remaining assets of the Charity are the commercial premises near the London Centre bought in October 2012. They were leased for 5 years from 20 March 2015 to a nursery. Following approval from the freeholders, in 2020 a new lease was signed by the subtenants and Trustees.

Based on legal advice at the time, the Trustees issued a claim against the original solicitor who acted in the purchase of the commercial premises. The claim was issued in 2018 with the relevant fee paid by the Trust. However, in February 2019, the new solicitors informed Trustees that there was a potential issue with the limitation of the new claim. Trustees sought legal advice, and pursued with Directions questionnaires. Following exchange of documents and correspondence with the other side, both parties asked the court for a consent order to agree mediation. Due to Covid 19, the mediation was postponed. The case was settled in 2020. A new claim against the new solicitors and advising counsel has been sought. Both defendants have disputed their liability and the matter has been beset by delays in the court listing application and Covid restrictions. The Trustees are waiting for a court hearing date.

Financial review

As detailed in the Statement of Financial Activities on page 6, the Charity's reserves at the year-end amounted to £912,392 of unrestricted funds. The Trust will hold these reserves and further funds as they are received as a buffer for operating costs. In addition they are available to help support other centres abroad or fund additional properties in the UK for holding meetings and lectures as required.

Structure, governance and management

The Charity, a Charitable Trust, was registered as a Charity on 14th April 1992. Registration number: 1010542. The governing document is the Deed of Trust dated 18 October 1991 as amended by supplemental deeds dated 9 March 2006, 15 June 2006, 2 January 2009 and 9 April 2009.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees who served during the year and up to the date of signature of the financial statements were:

H Rahbari

E B Darban

A Rezaei

None of the Trustees have been direct beneficiaries of the Charity during the year or the preceding year. No Trustees received any remuneration from the Charity during the year (2020 – £Nil).

A Trustee is appointed by recommendation of the Trustees, or by proposal of a Trustee entitled to vote at a meeting of the Charity.

Induction and training policies for trustees

The Charity follows the guidelines provided by the Charity Commission.

Responsibility of the Trustees

The Trustees are responsible for the management of the Charity and for the furtherance of the objects for which it is established. Trustees meet on a regular basis to discuss the affairs of the Charity. The Statement of Trustees' Responsibilities is on Page 4.

Investment Powers

The Trustees may invest the monies of the Charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

Public Benefit Requirement

The Trustees have due regard to the guidance set out under section 17(5) of the Charities Act 2011.

Organisation

The day-to-day activities of the Charity continue to be conducted from premises in London and Birtley and at rented premises in other cities in the United Kingdom.

Volunteers

During the year various individuals gave their time in supporting the Charity's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the Charity's exposure to the major risks.

Independent examiner

A resolution proposing that Nigel Walfisz be reappointed as Independent Examiner will be proposed at the next Annual General Meeting.

The trustees' report was approved by the Board of Trustees.



H Rahbari

Trustee

31 October 2022

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

I report to the trustees on my examination of the financial statements of Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism) (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Nigel Walfisz FCA
MGR Weston Kay LLP
55 Loudoun Road
St John's Wood
London
NW8 0DL

Dated: 31 October 2022

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income and endowments from:</u>			
Investments	3	52,866	50,680
Other incoming resources	4	-	49,000
Total income		52,866	99,680
<u>Expenditure on:</u>			
Raising funds	5	6,100	4,970
Charitable activities	6	3,480	6,210
Total expenditure		9,580	11,180
Net income for the year/ Net movement in funds		43,286	88,500
Fund balances at 1 January 2021		869,106	780,606
Fund balances at 31 December 2021		912,392	869,106

All income and expenditure derive from continuing activities.

The notes on pages 7 to 11 form part of these financial statements.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investment properties	10		740,000		740,000
Current assets					
Debtors	11	4,156		4,156	
Cash at bank and in hand		185,409		132,543	
		<u>189,565</u>		<u>136,699</u>	
Creditors: amounts falling due within one year	12	<u>(17,173)</u>		<u>(7,593)</u>	
Net current assets			172,392		129,106
Total assets less current liabilities			<u>912,392</u>		<u>869,106</u>
Income funds					
Unrestricted funds			912,392		869,106
			<u>912,392</u>		<u>869,106</u>

The notes on pages 7 to 11 form part of these financial statements.

The financial statements were approved by the Trustees on 31 October 2022

H.R

H Rahbari
Trustee

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.1 Accounting convention

The accounts have been prepared in accordance with applicable accounting standards, "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)" and the Charities Act 2011. The charity is a Public Benefit Entity defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance working capital.

Restricted funds represent income received which are allocated by the donor for specific purposes which are therefore not available for other purposes.

1.4 Incoming resources

Donations are accounted for on a cash receivable basis.

Rent receivable is accrued on a day to day basis.

Interest receivable is accounted for at the date it is declared.

Other income is accounted for on a cash received basis.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Charitable activities include costs of services and support costs.

Governance costs are those costs incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements.

Cost of raising funds are those associated with rental and investment income.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Investment properties

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the year of disposal. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Investment properties are included in the balance sheet at their open market value as estimated by the trustees. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

1.9 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.10 Taxation

The charity is exempt from tax on income and gains falling within the Taxes Act 1988, s. 505 or the Taxation of Chargeable Gains Act 1992, s. 252 to the extent that these are applied to its charitable objectives.

The charity is not VAT registered. As such, expenditure is shown inclusive of VAT.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Valuation of investment properties

As described in note 10 to the financial statements, investment properties are stated at fair value. The trustees based this on observable market prices.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Rental income	52,866	50,680
	<u>52,866</u>	<u>50,680</u>

4 Other incoming resources

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Settlement income	-	49,000
	<u>-</u>	<u>49,000</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Investment property costs	6,100	4,970
	<u>6,100</u>	<u>4,970</u>
	<u>6,100</u>	<u>4,970</u>

6 Charitable activities

	2021	2020
	£	£
Legal and professional fees	-	2,730
Share of governance costs (see note 7)	3,480	3,480
	<u>3,480</u>	<u>6,210</u>
	<u>3,480</u>	<u>6,210</u>

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Independent examiner fees	-	3,480	3,480	-	3,480	3,480
	-	3,480	3,480	-	3,480	3,480
Analysed between						
Charitable activities	-	3,480	3,480	-	3,480	3,480

Governance costs represents the support costs incurred in administering, the management of charity affairs and complying with its statutory and constitutional obligations.

8 Trustees

The average number of Trustees during the year was 3 (2020: 3).

No Trustee or person connected by business to them, has received any remuneration or benefits in kind from the Charity during the year (2020 - £Nil).

The Trustees are named as Additional Assureds under the liability insurances of the Charity at no additional cost.

During the year no Trustees (2020: none) received reimbursement of travel, subsistence and other expenditure.

9 Employees

There were no employees during the year.

10 Investment properties

	2021
	£
Fair value	
At 1 January 2021 and 31 December 2021	740,000

The investment properties are stated in the accounts at the Trustees' estimate of market value at the balance sheet date. There has been no valuation by an independent party.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	4,156	4,156
	<u> </u>	<u> </u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	313	313
Accruals and deferred income	16,860	7,280
	<u> </u>	<u> </u>
	17,173	7,593
	<u> </u>	<u> </u>

13 Analysis of net assets between funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fund balances at 31 December 2021 are represented by:		
Investment properties	740,000	740,000
Current assets/(liabilities)	172,392	129,106
	<u> </u>	<u> </u>
	912,392	869,106
	<u> </u>	<u> </u>

14 Related party transactions

The charity made donations or loans, shared costs with or received income from other charities which form part of the global organisation using the name MTO.

Creditors include £313 (2020: £313) due to MTO USA.

15 Charity information

Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism) is a charity incorporated in England and Wales. The principal place of business is 23 Edison Road, Crouch End, London, N8 8AE.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Accounts

Maktab Tarighat Oveyssi Shahmaghsoudi (School Of Islamic Sufism)

Annual report and unaudited financial statements

For the year ended 31 December 2020



**55 Loudoun Road
St John's Wood
London NW8 0DL**

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Rahbari
	E B Darban
	A Rezaei
Charity number	1010542
Independent examiner	MGR Weston Kay LLP
	55 Loudoun Road
	St John's Wood
	London
	NW8 0DL
Solicitors	Russell - Cooke Solicitors
	8 Bedford Row
	London
	WC1R 4BX

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

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MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Name and Registered Office of the Charity

The full name of the Charity is Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism), its registered office and principal operating address is 23 Edison Road, Crouch End, London, N8 8AE. It is part of the global organisation with the same name (the global organisation hereinafter referred to as 'MTO').

Charity Financial Statements

In preparing the financial statements for the Charity, the Trustees have adopted the disclosures required by the "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)". The financial statements comply with the trust deeds and the Charities Act 2011.

Objectives and activities

The objects are to establish the teaching and advancement of religion and education in the United Kingdom and elsewhere around the world in accordance with the tenets and doctrines of Sufism as practiced by MTO.

During the year the Charity continued to promote Sufism and education as a part of MTO. Its program of lectures and classes in the UK included webcasts from London to students throughout the world. These compliment the broadcasts of related MTO centres elsewhere in Europe and from the United States. The Charity continued to encourage the development of Sufism at Universities and other educational institutions in the UK and to promote inter-faith activities in local communities.

Achievements and performance

The Charity is progressing with the transfer of its assets and operations to the Charitable Incorporated Organisation ('CIO'), registered charity 1156782 with the same name and objects as the Charity. Any on-going donations or receipts are vested to the CIO accounts as part of the transfer policy.

The main remaining assets of the Charity are the commercial premises near the London Centre bought in October 2012. They were leased for 5 years from 20 March 2015 to a nursery. Following approval from the freeholders, in 2020 a new lease was signed by the subtenants and Trustees.

Based on legal advice at the time, the Trustees issued a claim against the original solicitor who acted in the purchase of the commercial premises. The claim was issued in 2018 with the relevant fee paid by the Trust. However, in February 2019, the new solicitors informed Trustees that there was a potential issue with the limitation of the new claim. Trustees sought legal advice, and pursued with Directions questionnaires. Following exchange of documents and correspondence with the other side, both parties asked the court for a consent order to agree mediation. Due to covid 19, the mediation was postponed. The first case was settled in August 2020. A second claim against the new solicitors and advising counsel has been brought.

Financial review

As detailed in the Statement of Financial Activities on page 6, the Charity's reserves at the year-end amounted to £869,106 of unrestricted funds. The Trust will hold these reserves and further funds as they are received as a buffer for operating costs. In addition they are available to help support other centres abroad or fund additional properties in the UK for holding meetings and lectures as required.

Structure, governance and management

The Charity, a Charitable Trust, was registered as a Charity on 14th April 1992. Registration number: 1010542. The governing document is the Deed of Trust dated 18 October 1991 as amended by supplemental deeds dated 9 March 2006, 15 June 2006, 2 January 2009 and 9 April 2009.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

The trustees who served during the year and up to the date of signature of the financial statements were:

H Rahbari

E B Darban

A Rezaei

None of the Trustees have been direct beneficiaries of the Charity during the year or the preceding year. No Trustees received any remuneration from the Charity during the year (2019 – £Nil) .

A Trustee is appointed by recommendation of the Trustees, or by proposal of a Trustee entitled to vote at a meeting of the Charity.

Induction and training policies for trustees

The Charity follows the guidelines provided by the Charity Commission.

Responsibility of the Trustees

The Trustees are responsible for the management of the Charity and for the furtherance of the objects for which it is established. Trustees meet on a regular basis to discuss the affairs of the Charity. The Statement of Trustees' Responsibilities is on Page 4.

Investment Powers

The Trustees may invest the monies of the Charity not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

Public Benefit Requirement

The Trustees have due regard to the guidance set out under section 17(5) of the Charities Act 2011.

Organisation

The day-to-day activities of the Charity continue to be conducted from premises in London and Birtley and at rented premises in other cities in the United Kingdom.

Volunteers

During the year various individuals gave their time in supporting the Charity's activities. The value of this substantial support cannot be readily quantified and has not been included in the financial statements.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the Charity's exposure to the major risks.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Independent examiner

A resolution to re-appoint Nigel Walfisz as Independent Examiner will be proposed at the next Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

HR

H Rahbari

Trustee

Dated: 28 October 2021

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

I report on the financial statements of the charity for the year ended 31 December 2020, which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Nigel Walfisz FCA

55 Loudoun Road
St John's Wood
London
NW8 0DL

Dated: 29 October 2021

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
<u>Incoming Resources</u>			
Investments	3	50,680	58,765
Other incoming resources	4	49,000	-
Total incoming resources		99,680	58,765
<u>Resources Expended</u>			
Raising funds	5	4,970	5,731
Charitable activities	6	6,210	5,760
Other expenditure	10	-	51,753
Total resources expended		11,180	63,244
Net gains /(losses) on investments		-	(35,000)
Net income/(expenditure) for the year/ Net movement in funds		88,500	(39,479)
Fund balances at 1 January 2020		780,606	820,085
Fund balances at 31 December 2020		869,106	780,606

All activities relate to continuing operations.

There is no difference between the income / (expenditure) on ordinary activities for the year stated above and its historical cost equivalent.

Investment income is from commercial property and bank interest and arises in the United Kingdom.

The notes on pages 7 to 13 form part of these financial statements.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investment properties	11		740,000		740,000
Current assets					
Debtors	12	4,156		8,847	
Cash at bank and in hand		132,543		36,118	
		136,699		44,965	
Creditors: amounts falling due within one year	13	(7,593)		(4,359)	
Net current assets			129,106		40,606
Total assets less current liabilities			869,106		780,606
Income funds					
Unrestricted funds			869,106		780,606
			869,106		780,606

The accounts were approved by the Trustees on 28 October 2021

H.R

H Rahbari
Trustee

The notes on pages 7 to 13 form part of these financial statements.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

1.1 Accounting convention

The accounts have been prepared in accordance with applicable accounting standards, "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)" and the Charities Act 2011. The charity is a Public Benefit Entity defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance working capital.

Restricted funds represent income received which are allocated by the donor for specific purposes which are therefore not available for other purposes.

1.4 Incoming resources

Donations are accounted for on a cash receivable basis.

Rent receivable is accrued on a day to day basis.

Interest receivable is accounted for at the date it is declared.

Other income is accounted for on a cash received basis.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Charitable activities include costs of services and support costs.

Governance costs are those costs incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements.

Cost of raising funds are those associated with rental and investment income.

Other expenditure includes transfers to MTO CIO.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Investment properties

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the year of disposal. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Investment properties are included in the balance sheet at their open market value as estimated by the trustees. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

1.9 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.10 Taxation

The charity is exempt from tax on income and gains falling within the Taxes Act 1988, s. 505 or the Taxation of Chargeable Gains Act 1992, s. 252 to the extent that these are applied to its charitable objectives.

The charity is not VAT registered. As such, expenditure is shown inclusive of VAT.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Valuation of investment properties

As described in note 11 to the financial statements, investment properties are stated at fair value. The trustees based this on observable market prices.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Investments

	2020 £	2019 £
Rental income	50,680	58,765
	<u>50,680</u>	<u>58,765</u>

4 Other incoming resources

	2020 £	2019 £
Settlement income	49,000	-
	<u>49,000</u>	<u>-</u>

5 Raising funds

	2020 £	2019 £
Investment property costs	4,970	5,731
	<u>4,970</u>	<u>5,731</u>

6 Charitable activities

	2020 £	2019 £
Legal and professional fees	2,730	2,280
Share of governance costs (see note 7)	3,480	3,480
	<u>6,210</u>	<u>5,760</u>

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Independent examiner fees	-	3,480	3,480	3,480
	<u>-</u>	<u>3,480</u>	<u>3,480</u>	<u>3,480</u>
	<u>-</u>	<u>3,480</u>	<u>3,480</u>	<u>3,480</u>

Governance costs represents the support costs incurred in administering, the management of charity affairs and complying with its statutory and constitutional obligations.

8 Trustees

The average number of Trustees during the year was 3 (2019: 3).

No Trustee or person connected by business to them, has received any remuneration or benefits in kind from the Charity during the year (2019 - £Nil).

The Trustees are named as Additional Assureds under the liability insurances of the Charity at no additional cost.

During the year no Trustees (2019: none) received reimbursement of travel, subsistence and other expenditure.

9 Employees

There were no employees during the year.

10 Other expenditure

	2020	2019
	£	£
Transfers to MTO CIO	-	51,753
	<u>-</u>	<u>51,753</u>
	<u>-</u>	<u>51,753</u>

11 Investment properties

	2020
	£
Fair value	
At 1 January 2020 and 31 December 2020	740,000
	<u>740,000</u>

The investment properties are stated in the accounts at the Trustees' estimate of market value at the balance sheet date. There has been no valuation by an independent party.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	4,156	4,601
Other debtors	-	3,076
Prepayments and accrued income	-	1,170
	<u>4,156</u>	<u>8,847</u>

13 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	313	879
Accruals and deferred income	7,280	3,480
	<u>7,593</u>	<u>4,359</u>

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2020 are represented by:			
Investment properties	740,000	-	740,000
Current assets/(liabilities)	40,606	-	40,606
	<u>780,606</u>	<u>-</u>	<u>780,606</u>

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Related party transactions

The charity made donations or loans, shared costs with or received income from other charities which form part of the global organisation using the name MTO.

Creditors include £313 (2019: £313) due to MTO USA.

Charitable expenditure includes £Nil (2019: £51,753) being the value of the assets transferred to MTO CIO, a related party charity, as the activities of the Trust transition to the CIO.

16 Charity information

Maktab Tarighat Oveyssi Shahmaghsoudi (School of Islamic Sufism) is a charity incorporated in England and Wales. The principal place of business is 23 Edison Road, Crouch End, London, N8 8AE.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.