

**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)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Page
Reference and Administrative Details	1
Trustees' Report	2 to 4
Statement of Trustees' Responsibilities	5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 15

**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

The notes form part of these financial statements

**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
	<hr/>	<hr/>	<hr/>
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 £.