

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

A Rezaei
E Arjmandi
H Rahbari

Charity number

1156782

Independent examiner

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

Bankers

Yorkshire Bank
154 - 158 Kensington High Street
London
W8 7RL

Co - Operative Bank
195 High Road
Wood Green
London
N22 6DP

Solicitors

Russell - Cooke Solicitors
8 Bedford Row
London
WC1R 4BX

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

CONTENTS

| | Page |
|---|-------------|
| Trustees' report | 1 - 2 |
| Statement of trustees' responsibilities | 3 |
| Independent examiner's report | 4 |
| Statement of financial activities | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 - 15 |

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 Sharmaghsoodi (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

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, practice and advancement of the Islamic 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.

Achievements and performance

The Charity was formed to take over the activities of the registered Charitable Trust 1010542 which has the same objects and name as this Charitable Incorporated Organisation. The transfer of operations which started at the end of 2014 has continued with only a few remaining with the Trust.

The CIO is continuing the work of the Trust in promoting Sufism and education as a part of MTO. This involves a programme of lectures and classes in the UK including the ability to host 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 will encourage the development of Sufism at Universities and other educational institutions in the UK and to promote inter-faith activities in local communities.

Weekly lectures continued with in person sessions at the London centre with limited numbers, social distancing and mask wearing. The sessions were also available online for the smaller UK centres.

The Charity continued its efforts in line with the wider MTO Global charitable endeavours. This included the making and distribution of PPEs to hospitals, care homes and schools in the UK as well as donations of non-perishable foods and clothing. The Charity also continued its efforts with the Caring for our Caregivers initiative and donated tablets preloaded with Tamarkoz® meditation exercises to hospitals to provide stress relief. Since the launch of the Sustainability branch of its activities in 2021, the Charity won the Barnet Faith & Belief Forum Award for its 'Haringey Forest' project in January 2022. The Charity continued its efforts in presenting Sufi music, poetry, Zekr and Sama through various in person and online events including a webinar at the Fringe Festival in August 2022.

The Charity facilitated the distribution of two new publications; The Extraordinary Human and Nazer va Manzour.

Financial review

As detailed in the Statement of Financial Activities on page 6, the Charity's reserves at the year-end amounted to £2,928,871 of unrestricted funds and £194,839 of restricted funds. The CIO 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 Incorporated Organisation, was registered as a Charity on 28th April 2014. Registration number: 1156782. The Constitution is a CIO Foundation and was created by a Deed executed on the 27th February 2014.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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

A Rezaei

E Arjmandi

H Rahbari

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 3.

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 are to be conducted from their premises in London and Birtley and at rented premises in other cities in the United Kingdom.

Volunteers

During the period various individuals gave their time in supporting the Charity's activities. The value of this 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.



E Arjmandi

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.

Nigël 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

| | | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|---|----|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Notes | | | | | | | |
| <u>Income and endowments from:</u> | | | | | | | |
| Donations and legacies | 3 | 121,178 | 11,257 | 132,435 | 138,170 | 13,729 | 151,899 |
| Charitable activities | 4 | 12,873 | - | 12,873 | 13,266 | - | 13,266 |
| Investments | 5 | 64,610 | - | 64,610 | 62,581 | - | 62,581 |
| Other incoming resources | 6 | 11,743 | - | 11,743 | 8,587 | - | 8,587 |
| Total income | | 210,404 | 11,257 | 221,661 | 222,604 | 13,729 | 236,333 |
| <u>Expenditure on:</u> | | | | | | | |
| Cost of raising funds | 7 | 6,724 | - | 6,724 | 18,078 | - | 18,078 |
| Charitable activities | 8 | 65,634 | - | 65,634 | 82,577 | - | 82,577 |
| Total expenditure | | 72,358 | - | 72,358 | 100,655 | - | 100,655 |
| Net gains/(losses) on investments | 13 | 25,000 | - | 25,000 | 15,000 | - | 15,000 |
| Net income for the year/ Net movement in funds | | 163,046 | 11,257 | 174,303 | 136,949 | 13,729 | 150,678 |
| Fund balances at 1 January 2022 | | 2,765,825 | 183,583 | 2,949,408 | 2,628,876 | 169,853 | 2,798,729 |
| Fund balances at 31 December 2022 | | 2,928,871 | 194,839 | 3,123,710 | 2,765,825 | 183,582 | 2,949,407 |

All income and expenditure derive from continuing activities.

The notes on pages 7 to 15 form part of these financial statements.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

BALANCE SHEET

AS AT 31 DECEMBER 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|------------------|-------------------------|------------------|-------------------------|
| Fixed assets | | | | | |
| Tangible assets | 14 | | 855,857 | | 862,751 |
| Heritage assets | 15 | | 21,824 | | 21,824 |
| Investment property | 16 | | 1,025,000 | | 1,000,000 |
| | | | <u>1,902,681</u> | | <u>1,884,575</u> |
| Current assets | | | | | |
| Debtors | 17 | 34,152 | | 27,979 | |
| Cash at bank and in hand | | 1,253,564 | | 1,103,150 | |
| | | <u>1,287,716</u> | | <u>1,131,129</u> | |
| Creditors: amounts falling due within one year | 18 | (66,687) | | (66,297) | |
| Net current assets | | | <u>1,221,029</u> | | <u>1,064,832</u> |
| Total assets less current liabilities | | | <u><u>3,123,710</u></u> | | <u><u>2,949,407</u></u> |
| Income funds | | | | | |
| Restricted funds | 19 | | 194,839 | | 183,582 |
| Unrestricted funds | | | 2,928,871 | | 2,765,825 |
| | | | <u><u>3,123,710</u></u> | | <u><u>2,949,407</u></u> |

The notes on pages 7 to 15 form part of these financial statements.

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

EA

E Arjmandi
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 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 for on a day to day basis.

Interest income is accounted for on an accruals basis.

Income from charitable activities is recognised when conditions of receipt have been met and there is reasonable assurance of receipt.

Other incoming resources are accounted for when conditions for receipt have been met and there is reasonable assurance of receipt.

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)

1.5 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.

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

Charitable activities include costs of services and support costs and depreciation on related assets.

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

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------|----------------------|
| Freehold land and buildings | 2% straight line |
| Plant and equipment | 25% reducing balance |
| Fixtures and fittings | 25% reducing balance |
| Land | Held at cost |

1.7 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.

1.8 Heritage assets

The nature of heritage assets held by the charity are artwork and statues. Heritage assets are measured initially at either their cost or valuation if the heritage asset has been donated unless this information is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts. Heritage assets are not revalued.

1.9 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.

1.10 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.

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)

1.11 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 the expenditure is shown inclusive of VAT.

1.12 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.

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 16 to the financial statements, investment properties are stated at fair value. The trustees used observable market prices.

3 Donations and legacies

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|-----------|-----------------------|---------------------|-------------------|-----------------------|---------------------|-------------------|
| | 2022 £ | 2022 £ | 2022 £ | 2021 £ | 2021 £ | 2021 £ |
| Donations | 121,178 | 11,257 | 132,435 | 138,170 | 13,729 | 151,899 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

4 Charitable activities

| | 2022 £ | 2021 £ |
|------------------------|-------------------|-------------------|
| Books and publications | 12,873 | 13,266 |
| | <u> </u> | <u> </u> |

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Rental income | 62,024 | 61,824 |
| Interest receivable | 2,586 | 757 |
| | <u>64,610</u> | <u>62,581</u> |

6 Other incoming resources

| | Unrestricted funds | Unrestricted funds |
|----------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Gift aid | <u>11,743</u> | <u>8,587</u> |

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Cost of raising funds

| | Unrestricted funds | Unrestricted funds |
|---------------------------|--------------------|--------------------|
| | 2022 | 2021 |
| | £ | £ |
| Investment property costs | 6,724 | 18,078 |
| | <u>6,724</u> | <u>18,078</u> |

8 Charitable activities

| | 2022 | 2021 |
|--|---------------|---------------|
| | £ | £ |
| Insurance | 6,432 | 6,210 |
| Bank service charge | 36 | - |
| Advertising | 1,073 | 240 |
| Rent | - | 13,998 |
| Mail, postage and stationery | 926 | 3,623 |
| Legal and professional fees | 5,587 | 16,651 |
| Repairs and maintenance | 2,917 | 244 |
| General expenses | 7,940 | 3,851 |
| Depreciation | 17,426 | 17,027 |
| Telephone and internet | 4,468 | 5,103 |
| Utilities | 4,965 | 5,222 |
| Security | 1,607 | 2,408 |
| Travel and subsistence | 6,326 | - |
| Grants payable | 1,330 | 3,800 |
| Bad debts | 161 | - |
| | <u>61,194</u> | <u>78,377</u> |
| Share of governance costs (see note 9) | 4,440 | 4,200 |
| | <u>65,634</u> | <u>82,577</u> |
| Analysis by fund | | |
| Unrestricted funds | <u>65,634</u> | <u>82,577</u> |
| | <u>65,634</u> | <u>82,577</u> |

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

| | Support costs | Governance costs | 2022 | Support costs | Governance costs | 2021 |
|---------------------------|---------------|------------------|--------------|---------------|------------------|--------------|
| | £ | £ | £ | £ | £ | £ |
| Independent examiner fees | - | 4,440 | 4,440 | - | 4,200 | 4,200 |
| | <u>-</u> | <u>4,440</u> | <u>4,440</u> | <u>-</u> | <u>4,200</u> | <u>4,200</u> |
| | - | 4,440 | 4,440 | - | 4,200 | 4,200 |
| | <u>-</u> | <u>4,440</u> | <u>4,440</u> | <u>-</u> | <u>4,200</u> | <u>4,200</u> |
| Analysed between | | | | | | |
| Charitable activities | - | 4,440 | 4,440 | - | 4,200 | 4,200 |
| | <u>-</u> | <u>4,440</u> | <u>4,440</u> | <u>-</u> | <u>4,200</u> | <u>4,200</u> |

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

10 Trustees

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

No Trustee, or person related or connected by business to them, received any remuneration or benefits in kind from the Charity during the year.

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

11 Employees

There were no employees during the year.

12 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.

13 Net gains/(losses) on investments

| | 2022 | 2021 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Revaluation of investment properties | 25,000 | 15,000 |
| | <u>25,000</u> | <u>15,000</u> |

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Tangible fixed assets

| | Freehold land and buildings £ | Plant and equipment £ | Fixtures and fittings £ | Total £ |
|------------------------------------|-------------------------------------|-----------------------------|-------------------------------|----------------|
| Cost | | | | |
| At 1 January 2022 | 928,312 | 15,765 | 34,733 | 978,810 |
| Additions | 7,380 | - | 3,153 | 10,533 |
| | <u>935,692</u> | <u>15,765</u> | <u>37,886</u> | <u>989,343</u> |
| Depreciation and impairment | | | | |
| At 1 January 2022 | 73,366 | 13,663 | 29,030 | 116,059 |
| Depreciation charged in the year | 14,713 | 526 | 2,187 | 17,426 |
| | <u>88,080</u> | <u>14,189</u> | <u>31,217</u> | <u>133,486</u> |
| Carrying amount | | | | |
| At 31 December 2022 | <u>847,613</u> | <u>1,576</u> | <u>6,669</u> | <u>855,858</u> |
| At 31 December 2021 | <u>854,946</u> | <u>2,102</u> | <u>5,703</u> | <u>862,751</u> |

15 Heritage assets

| | Artwork £ |
|---|---------------|
| At 1 January 2022 and at 31 December 2022 | <u>21,824</u> |

16 Investment property

| | 2022 £ |
|--|------------------|
| Fair value | |
| At 1 January 2022 | 1,000,000 |
| Net gains or losses through fair value adjustments | 25,000 |
| | <u>1,025,000</u> |
| At 31 December 2022 | <u>1,025,000</u> |

The investment property 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 2022

17 Debtors

| | 2022 | 2021 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | - | 161 |
| Other debtors | 19,373 | 14,636 |
| Prepayments and accrued income | 14,779 | 13,182 |
| | <u>34,152</u> | <u>27,979</u> |

18 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 13,904 | 11,689 |
| Other creditors | 19,611 | 19,611 |
| Accruals and deferred income | 33,172 | 34,997 |
| | <u>66,687</u> | <u>66,297</u> |

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 January 2021 | Movement in funds Incoming resources | Balance at 1 January 2022 | Movement in funds Incoming resources | Balance at 31 December 2022 |
|----------|------------------------------|---|------------------------------|---|-----------------------------------|
| | £ | £ | £ | £ | £ |
| Sadagheh | 169,853 | 13,729 | 183,582 | 11,257 | 194,839 |
| | <u>169,853</u> | <u>13,729</u> | <u>183,582</u> | <u>11,257</u> | <u>194,839</u> |

Sufficient funds are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed. The restricted funds were established as the result of directions given by donors which specified that the money was to be used for a specific purpose.

MAKTAB TARIGHAT OVEYSSI SHAHMAGHSOUDI (SCHOOL OF ISLAMIC SUFISM)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|---|-----------------------|---------------------|------------------|-----------------------|---------------------|------------------|
| | 2022 | 2022 | 2022 | 2021 | 2021 | 2021 |
| | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 December 2022 are represented by: | | | | | | |
| Tangible assets | 855,857 | - | 855,857 | 862,751 | - | 862,751 |
| Heritage assets | 21,824 | - | 21,824 | 21,824 | - | 21,824 |
| Investment properties | 1,025,000 | - | 1,025,000 | 1,000,000 | - | 1,000,000 |
| Current assets/(liabilities) | 1,026,190 | 194,839 | 1,221,029 | 881,250 | 183,582 | 1,064,832 |
| | <u>2,928,871</u> | <u>194,839</u> | <u>3,123,710</u> | <u>2,765,825</u> | <u>183,582</u> | <u>2,949,407</u> |

21 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 includes £19,611 (2021 - £19,611) being the Sterling Equivalent of Euro Loans due to MTO Germany.

Other debtors includes £15,070 (2021: £6,280) due from MTO Trust.

Rental income includes £20,000 (2021 - £27,500) of rent received from MTO College.

22 Charity information

Maktab Tarighat Oveyssi Sharmaghsoodi (School of Islamic Sufism) is a charitable incorporated organisation 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 £.