

**Charity number: 1188787**

**MOSTAFAVI FOUNDATION**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FINANCIAL YEAR TO 5 APRIL 2023**

## **MOSTAFAVI FOUNDATION**

### **REFERENCE AND ADMINISTRATIVE DETAILS FINANCIAL YEAR TO 5 APRIL 2023**

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<b>Trustees</b>	Seyed Mahmoud Mostafavi Majid Mostafavi
<b>Registered charity number</b>	1188787
<b>Principal office</b>	3 Castleacre 15 Hyde Park Crescent London W2 2PT
<b>Independent Examiner</b>	Saeed Noury FCA MAAT 22 Conduit Place London W2 1HS
<b>Bankers</b>	Clydesdale Bank PLC (trading as Virgin Money)

# **MOSTAFAVI FOUNDATION**

## **TRUSTEES' REPORT FINANCIAL YEAR TO 5 APRIL 2023**

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The Trustees present their annual report and financial statements of the charity for the year ended 5 April 2023.

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 governing document, 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)" published in October 2019.

### **Objectives and activities**

In accordance with the charity's governing document, the Trustees shall hold the trust fund upon trust to apply the income, and if and in so far as the Trustees shall think fit in their absolute discretion all or such part or parts of the capital, at such time or times and in such manner as the Trustees shall in their absolute discretion determine to or for the benefit of such one or more charitable purposes bodies trusts associations institutions or organisations in any part of the world as the Trustees may in their absolute discretion determine provided always that no part of the capital of the trust fund shall be so paid or applied without the unanimous consent of all the Trustees and provided further that the Trustees may in their absolute discretion during the period of 21 years from the date of this deed accumulate the whole or any part or parts of the income of the trust fund by investing the same in any investments hereby authorised and so that the accumulations so made shall be held as an accretion to the capital of the trust fund.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 and referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Charity's aims and objectives and in planning future activities.

### **Grant-making policy**

The Trustees have complete discretion to pay any grants which fall within the charity's objects. The Trustees hold regular meetings to discuss grants, based on applications received throughout the year. The Trustees' policy is to distribute grants based on the level of investment income they receive.

### **Investment policy**

The Trustees have complete discretion to invest in any form of investment they think fit and have currently invested to strike a balance between capital growth and regular income to enable the charity to fulfil its charitable purposes. The Trustees review the investments at each meeting to ensure they are still appropriate.

### **Achievements and performance**

#### **Financial review**

Donations of £96,749 were received in the year. Investment income of £169,041 were received in the year. The Trustees authorised the payment of donations totalling £140,000 in the year.

#### **Going concern**

Having considered post year end financial results, investments and cash reserves, and after making enquiries, the Trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

## **MOSTAFAVI FOUNDATION**

### **TRUSTEES' REPORT FINANCIAL YEAR TO 5 APRIL 2023**

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#### **Reserves policy**

It is the policy of the Trustees to maintain reserves of approximately 50% of the Foundation's annual investment income. The balance on unrestricted funds at 5 April 2023 was £181,101.

#### **Risk management**

The Trustees have assessed the major risks affecting the charity under the following categories: compliance with law and regulation, external risks, financial risks, and governance risks. The risks identified by Trustees have been reviewed and systems have been established to mitigate the identified risks. The Trustees intend to continue their existing policies subsequent to the year end.

#### **Structure, governance and management**

The Mostafavi Foundation was established by a charitable trust deed dated 15 November 2019.

The Trustees who served during the year were:

Sayed Mahmoud Mostafavi  
Majid Mostafavi

In accordance with the Trust Deed, during the period of their joint lives the existing Trustees shall unless they shall otherwise agree be and remain the sole Trustees hereof (such period is hereinafter referred to as "the first period"). If at any time either or both of them shall retire from the trusts or shall die thereupon their children then living (other than any child or children who shall then be a Trustee or Trustees hereof) shall be and become trustees hereof together with the surviving Trustee or Trustees.

After the first period the number of Trustees shall not be less than three. If at any time after the first period owing to retirement or death or removal or otherwise the number of Trustees shall be reduced to less than the minimum required hereby the continuing Trustees shall immediately appoint one or more Trustees to fill the vacancy so occurring and any new Trustees shall in the first instance be appointed from amongst the lineal descendants then living of the Settlor who shall be of full age.

Being family members, incoming Trustees are aware of the aims and objectives of the Foundation and the manner in which the Trustees carry out their responsibilities. New Trustees are fully inducted by the existing Trustees and will be suitably trained in respect of their responsibilities.

#### **Statement of responsibilities of the Trustees**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & 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 income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

## **MOSTAFAVI FOUNDATION**

### **TRUSTEES' REPORT FINANCIAL YEAR TO 5 APRIL 2023**

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- 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 business.

The Trustees are responsible for maintaining proper accounting records which 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 charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'Seyed Mahmoud Mostafavi', with a stylized flourish at the end.

**Seyed Mahmoud Mostafavi**  
Trustee

**18 January 2024**

## **MOSTAFAVI FOUNDATION**

### **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MOSTAFAVI FOUNDATION**

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I report to the trustees on my examination of the financial statements of Mostafavi Foundation (the charity) for the year ended 5 April 2023 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies.

#### **Responsibilities and basis of report**

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

Having satisfied myself that the accounts of the charity are not required to be audited and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

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 charity as required by section 130 of the 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

**Saeed Noury FCA MAAT**  
**22 Conduit Place**  
**London**  
**W2 1HS**

**18 January 2024**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2023**

	<b>Note</b>	<b>Unrestricted funds £</b>	<b>Endowment funds £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
<b>Income &amp; endowments</b>					
Donations and legacies	2	-	96,749	96,749	1,133,189
Investments	3	169,041	-	169,041	129,699
Total income		169,041	96,749	265,790	1,262,888
<b>Expenditure</b>					
Charitable activities		140,000	-	140,000	120,300
Total expenditure	4	140,000	-	140,000	120,300
Net income / (expenditure)		29,041	96,749	125,790	1,142,587
Transfers between funds		-	-	-	-
Net movement in funds		29,041	96,749	125,790	1,142,587
<b>Reconciliation of funds</b>					
Total funds brought forward		152,060	5,104,210	5,256,270	4,113,683
<b>Total funds carried forward</b>		<b>181,101</b>	<b>5,200,959</b>	<b>5,382,060</b>	<b>5,256,270</b>

All recognised gains and losses have been included in the Statement of Financial Activities and the amounts included are derived entirely from the continuing activities of the Foundation.

# MOSTAFAVI FOUNDATION

## BALANCE SHEET AS AT 5 APRIL 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	9	9,442,986	9,433,221
<b>Current assets</b>			
Cash at bank & in hand		404,456	317,738
Debtors	10	<u>33,753</u>	<u>32,406</u>
		438,209	350,143
Creditors: amounts falling due within one year	11	<u>20,461</u>	<u>16,368</u>
<b>Net current assets</b>		<u>417,748</u>	<u>333,775</u>
<b>Total assets less current liabilities</b>		<b>9,860,734</b>	<b>9,766,997</b>
Creditors: amounts falling due after one year	12	4,478,674	4,510,727
<b>Total net assets</b>		<u><b>5,382,060</b></u>	<u><b>5,256,270</b></u>
<b>Funds of the charity</b>			
Endowment funds		5,200,959	5,104,210
Unrestricted funds		181,101	152,060
<b>Total charity funds</b>		<u><b>5,382,060</b></u>	<u><b>5,256,270</b></u>

The financial statements were approved by the Trustees on 18 January 2024 and were signed on their behalf by:



**Seyed Mahmoud Mostafavi**  
Trustee



**1 Accounting policies**

**a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

**b) Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**c) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

**d) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**f) Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by Mostafavi Foundation.

**g) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

All expenditure is inclusive of irrecoverable VAT.

**h) Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance and governance costs which support the Trust's charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

**i) Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the statement of financial activities.

**j) Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income for the year. Transaction costs are expensed as incurred.

**k) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**l) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**m) Creditors and provisions**

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## MOSTAFAVI FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

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#### n) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### 2 Income from donations

	Unrestricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Donations	-	96,749	96,749	1,133,189
	-	96,749	96,749	1,133,189

#### 3 Income from investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Rental income	169,023	-	169,023	129,699
Interest income	18	-	18	-
	169,041	-	169,041	275,539

# MOSTAFAVI FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

### 4 Analysis of expenditure

	<b>Raising funds £</b>	<b>Charitable activities £</b>	<b>Support costs £</b>	<b>Governance costs £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Independent examiner fees	-	-	-	-	-	1,800
Grants	-	140,000	-	-	140,000	118,500
	-	140,000	-	-	140,000	120,300

All of the expenditure was unrestricted.

### 5 Grantmaking

The Trustees have exercised their right under section 132 of the Charities Act 2011.

### 6 Analysis of governance costs

	<b>2023 £</b>	<b>2022 £</b>
Independent examiner fees	-	1,800
	-	1,800

### 7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

No remuneration was paid to the Trustees for their services to the Foundation.

The charity trustees were not paid or received any other benefits from employment with the charity in the year neither were they reimbursed expenses during the year. No charity trustee received payment for professional or other services supplied to the charity.

There were no employees during the year.

# MOSTAFAVI FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

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### 8 Taxation

The charity is exempt from tax as all its income is charitable and is applied for charitable purposes.

### 9 Investments

	Investment properties £
<b>Cost / Valuation</b>	
At the start of the year	9,433,221
Additions	9,765
Revaluations	-
Disposals	-
At end of the year	<u><b>9,442,986</b></u>

The trustees believe the fair value of the above properties at 5 April 2023 is as stated above.

### 10 Debtors

	2023 £	2022 £
Other debtors	33,753	32,406
	<u><b>33,753</b></u>	<u><b>32,406</b></u>

### 11 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	20,461	16,368
	<u><b>20,461</b></u>	<u><b>16,368</b></u>

**MOSTAFAVI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023****12 Creditors: amounts falling due after one year**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Other creditors	4,478,674	4,510,727
	<b>4,478,674</b>	<b>4,510,727</b>

**13 Analysis of cash**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Cash at bank and in hand	404,456	317,738
	<b>404,456</b>	<b>317,738</b>

**14 Movements in funds**

	<b>At the start of the year £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Gains and losses £</b>	<b>At the end of the year £</b>
Endowment funds	5,104,210	96,749	-	-	-	<b>5,200,959</b>
Unrestricted funds	152,060	169,041	140,000	-	-	<b>181,101</b>
<b>Total funds</b>	<b>5,256,270</b>	<b>265,790</b>	<b>140,000</b>	<b>-</b>	<b>-</b>	<b>5,382,060</b>