

Companies House

Company Number: 04600633
Charities Number: 1102521

**MTO COLLEGE
(LIMITED BY GUARANTEE)**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2009

MONDAY



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COMPANIES HOUSE

**MTO COLLEGE
(LIMITED BY GUARANTEE)**

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**MTO COLLEGE
(LIMITED BY GUARANTEE)**

Legal and Administrative Details

Chairman	Professor Nader Angha
Trustees	Ms Negah Angha Dr L Wilcox Dr A A Ahmadi Mr R Summerland Mr H Rahbari
Secretary	Mrs S Dundon
Company Number	04600633
Charity Number	1102521
Registered Office	23 Edison Road Crouch End London N8 8AE
Website	www.mtocollege.org
E-mail	college@lon.uk@mto.org
Bankers	HSBC Bank PLC 1 Woburn Place Russell Square London WC1H 0LQ
Accountants and Tax Advisors	Thurai & Co Chartered Certified Accountant 9A Arnold Road Oxford OX4 4BH

**MTO COLLEGE
(LIMITED BY GUARANTEE)**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2008

The Trustees present their report and the financial statements for the year ended 31 August 2009

Legal status

The College is a private company limited by guarantee incorporated under the Companies Act 1985 and a registered charity

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 Accounting and Reporting by Charities (SORP 2005) – issued by the Charity Commission in March 2005. The financial statements comply with the governing documents and the Charities Act 1993

Statement of Trustee's responsibilities

The Trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law 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 company and of the profit and loss of the company for that period. In preparing those 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,
- state whether applicable accounting standards and the Statement of Recommended Practice issued in March 2005 have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 company and to enable them to ensure that the financial statements comply with the Companies Act 1985 and the Statement of Recommended Practice for charities. The Trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Results

The surplus for the year amounted to £23,710 (2008 - £11,825)

At the year end, the charity had retained reserves of £93,282 (2008 - £69,572)

These funds are to be used in financing current and future developments

Principal activities, review of business and future developments

The principal activity during the year continues to be that of the advancement of education. The College had 93 (2008 – 83) pupils on the register at the year end and has had an encouraging year with good academic and sporting achievements. The Trustees expect the charity's position to be maintained during the following year

**MTO COLLEGE
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2008

The Trustees intend to increase the number of classes being run. In addition, the Trustees are looking to access larger premises in the future to permit the further expansion of the College's activities. Consequently, they intend to build up funds over time to facilitate this development.

Governing document

The governing document of the company is the memorandum and Articles of Association, which was incorporated on 26 November 2002.

The company registered as a charity on 8 March 2004.

Trustees

The Trustees, who are also governors, of the College during the year were as follows:

Ms Negah Angha
Dr L Wilcox
Dr A A Ahmadi
Mr R Summerland
Mr H Rahbari

None of the Trustees have been direct beneficiaries of the Charity during the year or preceding year. No Trustees received any remuneration from the Charity during the year (2008 – £nil) although the Trustees are reimbursed for costs incurred in respect of activities in pursuit of the Charity's objectives.

The day to day running of the College is delegated to Mrs S Dundon, the Headmistress. There are no Directors other than 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.

Method of Election of Trustees

A Trustee is appointed by the Chairman of the general meetings (the Chairman of Maktab Tanghat Oveyssi).

Guarantee

Each of the Trustees has guaranteed to contribute to the assets of the company a sum of £1 in the event of a deficiency on winding up.

Voluntary help

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

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.

**MTO COLLEGE
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2008

Reserves policy

The Charity's assets are being held to enable the College to meet its objectives. The Board considers that the current level of reserves should be maintained to cover overhead increase, in any given year and future developments. The College has 8 months free reserves of £21,937 (2008 - £18,026). Additional £20,000 (total £70,000) has been set aside to cover the cost of bringing into use new premises for the provision of full time as well as part time courses.

Risk assessment

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

Accountants

The accountants, Thurai & Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the Board on 13th May 2010



R. Summerland
Trustee

**MTO COLLEGE
(LIMITED BY GUARANTEE)**

**ACCOUNTANTS' REPORT TO THE BOARD OF TRUSTEES ON THE UNAUDITED
FINANCIAL STATEMENT OF MTO COLLEGE**

In accordance with your instructions, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled these financial statements set out on pages 5 to 13 from the accounting records and information and explanation supplied to us

This report is made to the Company's Board of Directors who also acts as trustees for the charitable activities of MTO College as a body. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, as a body, for our work or for this report

You have acknowledged on the balance sheet for the year ended 31 August 2009 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year

We have not been instructed to carry out an audit of the financial statements. For this reason we have not verified the accuracy or completeness of the accounting records or information and explanations supplied to us and we do not, therefore, express any opinion on the financial statements



Thurai & Co
Chartered Certified Accountants
9A Arnold Road
Oxford
OX4 4BH

MTO COLLEGE
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(Including an Income and Expenditure Account)
For the year ended 31 August 2009

	Page	Unrestricted funds 2009 £	Unrestricted designated funds 2009 £	Restricted funds 2009 £	Total funds 2009 £	Total funds 2008 £
INCOME & EXPENDITURE						
INCOMING RESOURCES						
Fee income		30,800	-	-	30,800	25,639
Grants			-	-		649
Voluntary income		1,775	-	11,213	12,988	11,266
Investment income		747	-	-	747	2,445
Incoming resources from charitable activities		639	-	-	639	618
Activities for generating funds		12,100	-	-	12,100	7,893
TOTAL INCOMING RESOURCES		46,062	-	11,213	57,275	48,510
RESOURCES EXPENDED						
Charitable activities costs	13	14,056	-	2,912	16,968	15,433
Fund raising and publicity	13	7,166	-	6,789	13,955	17,849
Governance costs	13	1,130	-	1,512	2,642	3,404
TOTAL RESOURCES EXPENDED		22,352	-	11,213	33,565	36,685
Net (outgoing) / Incoming resources for the year	11	23,710	-	-	23,710	11,825
Transfer		(20,000)	20,000	-	-	-
FUND BALANCES BROUGHT FORWARD	11	19,572	50,000	-	69,572	57,747
FUND BALANCES CARRIED FORWARD		23,282	70,000	-	93,282	69,572

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 all from cash investment assets and arises in the United Kingdom

The notes on pages 8 to 13 form part of these financial statements

**MTO COLLEGE
(LIMITED BY GUARANTEE)**

**BALANCE SHEET
As at 31 August 2009**

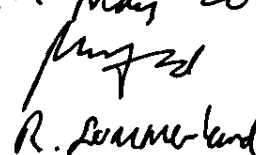
	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	5	1,344	1,446
CURRENT ASSETS			
Debtors	6	3,312	1,590
Cash at bank and in hand		<u>88,976</u>	<u>66,936</u>
		92,288	68,526
CREDITORS amounts falling due within one year	7	<u>(350)</u>	<u>(400)</u>
NET CURRENT ASSETS		91,938	68,126
NET ASSETS		<u>93,282</u>	<u>69,572</u>
RESERVES			
Restricted funds	8	-	-
Unrestricted designated funds	9	70,000	50,000
Unrestricted funds	10	23,282	19,572
		<u>93,282</u>	<u>69,572</u>

The notes on pages 8 to 13 form part of these financial statements

For the year ending 31/08/2009 the company was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. The accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

The financial statements were approved by the board on

Trustee

13th May 2010

 R. Sommerland

**MTO COLLEGE
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2009**

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities the Charities SORP 2005. The particular accounting policies adopted by the Trustees are described below.

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

1.2 Resources arising - income

Income represents fees, extras, receivable for the education of the pupils attending the College, and donations received by the College. All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt. The following other accounting policies are applied to income.

Voluntary income

Voluntary incomes are accounted for on a cash receivable basis.

Fund Accounting

The charity maintains various types of funds as follows:

Restricted funds

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

Unrestricted 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.

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

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	25% Reducing balance
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1.5 Taxation

The company is unable to recover the input VAT associated with the supply of goods and services as the provision of education is exempt from VAT. The irrecoverable VAT is included in the total cost applicable to each expense heading. Due to the company's charitable status there is no charge to corporation tax.

**MTO COLLEGE
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2009**

2 INCOME

The whole of the income is attributable to the one principal activity of the charity being the provision and promotion of education

3 STAFF COSTS

The average monthly number of employees, excluding Trustees, during the year was as follow

	2009	2008
Volunteers	<u>25</u>	<u>25</u>

No employees or trustees were paid in excess of £50,000 during the year(2008 - £Nil)

No Trustees incurred any expenses met by the charity(2008 - £Nil)

4 SUMMARY OF INCOME AND EXPENDITURE

	2009	2008
	£	£
Income	57,275	48,510
Expenditure	<u>(33,565)</u>	<u>(36,685)</u>
Surplus on ordinary activities	23,710	11,825

**MTO COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2009**

5 TANGIBLE ASSETS

	Office equipment £	Total £
Cost		
At 1 September 2008	4,855	4,855
Additions	340	340
At 31 August 2009	<u>5,195</u>	<u>5,195</u>
Depreciation		
At 1 September 2008	3,410	3,410
Charge for the year	441	441
At 31 August 2009	<u>3,850</u>	<u>3,850</u>
Net book value		
At 31 August 2009	<u>1,344</u>	<u>1,344</u>
<i>At 31 August 2008</i>	<u>1,446</u>	<u>1,446</u>

All assets are held for the benefit of the charity

6 DEBTORS

	2009 £	2008 £
Due within one year		
Trade debtors	3,312	1,590
	<u>3,312</u>	<u>1,590</u>

7 CREDITORS. Amounts falling due within one year

	2009 £	2008 £
Accruals	350	300
Deferred income		100
	<u>350</u>	<u>400</u>

**MTO COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2009**

8 MOVEMENT IN RESTRICTED FUNDS

Restricted funds comprise the following unexpended balances of donations given for specific purposes

	At 1 September 2008	Income	Expenditure	Transfers	At 31 August 2009
	£	£	£	£	£
Restricted funds					
In kind donations	-	11,213	(11,213)	-	-
Total restricted funds	<u>-</u>	<u>11,213</u>	<u>(11,213)</u>	<u>-</u>	<u>-</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 the donors which specified that the money was to be used for a specific purpose

9 MOVEMENT IN UNRESTRICTED DESIGNATED FUNDS

	At 1 September 2008	Income	Expenditure	Transfers	At 31 August 2009
	£	£	£	£	£
Premises	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>70,000</u>

The Trustees are actively looking for premises to lease so that the College can provide courses on a full time as well as part time basis. They have therefore designated funds in excess of the general reserves to cover the cost of bringing them into use and to meet rental payments as the number of students builds up

10 MOVEMENT IN UNRESTRICTED FUNDS

	At 1 September 2008	Income	Expenditure	Transfers	At 31 August 2009
	£	£	£	£	£
Total unrestricted funds	<u>19,572</u>	<u>46,062</u>	<u>(22,352)</u>	<u>(20,000)</u>	<u>23,282</u>

**MTO COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2009**

11 RELATED PARTIES

During the year MTO College had the use of part of the premises of a related charity, Maktab Tarighat Oveyssi Shahmaghsoudi, and was in addition included on their insurance and used their internet and web facilities. No charge has been made for the use of these premises or services as 1) the Related Charity believes that no material additional cost has been incurred by them in permitting such use and they would otherwise have been unused and 2) facilitating the development of MTO College falls within their charitable objects. Had the cost been allocated on the basis the proportion of the facilities used they estimated MTO College's share would be £11,213 (2008 - £11,213) per annum.

12 ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	Unrestricted funds 2009 £	Unrestricted designated fund 2009 £	Restricted funds 2009 £	Total Funds 2009 £
Tangible fixed assets	1,344	-	-	1,344
Cash at bank and in hand	38,976	50,000	-	88,976
Debtors	3,312	-	-	3,312
Current liabilities	(350)	-	-	(350)
Net Assets at 31 August 2009	43,282	50,000	-	93,282
<i>Net Assets at 31 August 2008</i>	<i>19,572</i>	<i>50,000</i>	<i>-</i>	<i>69,572</i>

The assets held in the restricted funds are represented by cash.

13 ULTIMATE CONTROL

The ultimate controlling party is the Trustees equally.

MTO COLLEGE
(LIMITED BY GUARANTEE)

DETAIL OF STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 August 2009

14 ANALYSIS OF THE RESOURCES EXPENDED

	Unrestricted funds 2009 £	Restricted funds 2009 £	Total Funds 2009 £	<i>Total Funds 2008 £</i>
DIRECT CHARITABLE EXPENDITURE				
Provision of education	14,056	2,912	16,968	15,433
	<u>14,056</u>	<u>2,912</u>	<u>16,968</u>	<u>15,433</u>
 FUNDRAISING AND PUBLICITY				
Advertising	2,533	5,277	7,810	8,784
Fundraising	4,633	1,512	6,145	9,065
	<u>7,166</u>	<u>6,789</u>	<u>13,955</u>	<u>17,849</u>
 MANAGEMENT AND ADMINISTRATION				
Administration cost	668	1,512	2,180	2,210
Professional fees	450	-	450	1,182
Finance costs	12	-	12	12
	<u>1,130</u>	<u>1,512</u>	<u>2,642</u>	<u>3,404</u>