

MILTON KEYNES MUSLIM ASSOCIATION

Annual Report and Accounts

For the year ended
31 December 2018

**Annual report and accounts
For the year ended 31 December 2018**

Contents	Page
Trustees' annual report	2
Independent examiner's report to the Trustees of MKMA	9
Statement of financial activities	10
Balance sheet	Error! Bookmark not defined.
Notes to the accounts	12

Trustees' annual report For the year ended 31 December 2018

The Trustees present their annual report and accounts for the year ended 31 December 2018.

Objectives and activities

Aims and objectives

The aims and objectives of the MKMA are:

- a) to support Muslims living in the UK by providing access to facilities for religious worship;
- b) to promote educational opportunities for Muslims in religious and secular education;
- c) to promote facilities for leisure time, social and welfare events, to be run in an Islamic manner, with the object of improving quality of life and reducing inequalities within the community;
- d) to promote mutual understanding, harmony and social cohesion by engaging in just initiatives; by being proactive in promoting correct knowledge of Islam as a religion and Muslims as a diverse people; through the rightful treatment of all fellow citizens, regardless of their creed, gender or ethnicity.

Our Mission Statement

The MKMA will support Muslims living within Milton Keynes and the rest of the UK by promoting a sense of belonging to the communities in which we live and by encouraging better understanding of Islam and of Muslims across the UK.

Public benefit

The MKMA holds events, seminars, activities and classes which are open to all Muslims and non-Muslims. Invitations are regularly made to local non-Muslims to attend events with advertising being made by posters placed in prominent places, local media, via our Website and App.

Two Fun family days were held for Muslims and non-Muslims, both events were very well attended.

The MKMA has teamed up with partners such as Islamic Relief, Families Relief and Muslim Hands to offer help in fundraising for a wide range of charitable needs and humanitarian disasters.

In addition, the MKMA is a founding member of Citizens:MK; Citizens:MK is an alliance that brings together schools, local faith and community groups with widely divergent interests from the Milton Keynes area and forms to effect change in Milton Keynes for the betterment of the whole community.

As well as current benefits, the MKMA is continuously looking to increase future benefits with the Islamic Centre MK which will have both a benefit to the local Muslim population and the residents living close by, as well as to local schools, colleges and other community groups.

We believe that the breadth and accessibility of our activities and programmes will demonstrate without any doubt the public benefit that our work brings to the community.

In shaping our objectives for the year and our activities the MKMA have considered the Charity Commission's guidance on public benefit including the guidance 'public benefit: running a charity (PB2).

Activities

The MKMA is actively involved in all areas of local society and community affairs. Through its volunteers and paid staff, the MKMA runs a number of activities and projects within the Milton Keynes area.

Weekly activities which are conducted include Jumu'ah prayers on Fridays, Madrassah (Qur'an and Arabic school for children) four times a week, adult Islamic classes, Taraweeh prayers during Ramadan and Iftar gatherings (fast-breaking meals during Ramadan). When larger premises are required, as is the case for Eid prayers and celebrations, larger establishments such as local sports centres are used.

Trustees' annual report (continued) For the year ended 31 December 2018

Objectives and activities (continued)

Aims and objectives (continued)

Activities (continued)

The Jumu'ah prayers are well attended by the local community members and those within the Milton Keynes area on the day. The Madrassah is attended by an average of 60 children for 6 hours a week. The Iftar gatherings held on every Friday and Saturday evening of Ramadan were attended by more than 200 people.

Outside of this, the MKMA engages in interfaith dialogue (via membership of MK Interfaith and MK Council of Faiths) and local community interaction (via membership of Citizens:MK and regular attendance at Neighbourhood Action Group meetings for Campbell Parish Council). The annual occurrence of Ramadan FM (RFM), the first Ramadan Radio station in Milton Keynes is a key achievement of the MKMA. The whole community benefits from this service which is wholly provided by volunteers and supported financially by local businesses and individuals.

Our ethos

Our ethos is based on three principles:

Spirituality: Everything we do is for the sake of Allah. We are always mindful of the laws of Allah, as prescribed in the Qur'an and in the Sunnah of the Prophet Muhammad (Peace Be Upon Him), as well as being mindful of the laws of the country in which we live. We endeavour to represent our religion in the best possible way at all times.

Knowledge: It is our duty to seek knowledge and to share this with others, for the sake of Allah. We aim to further our own knowledge of Islam and to further the awareness of Islam within the UK, by showing it as the beautiful *deen* which we know it to be.

Community: We are members of the community, who work for the community. We do not work for individual gain, but for the pleasure of Allah, and to benefit the communities to which we belong.

Achievements and performance

During the year the Bereavement Fund, which was established in 2014, whose aims are to facilitate the observance of the last rites for members of the community and their families continued to gain prominence in the community. More subscriptions were made to this fund and support was provided to families that were in need of this service and support.

MKMA continued running of the Madrassah at the Islamic Centre, the maintenance of the websites - www.mkmuslims.org and www.ramadanfm.com, provision of Eid prayers for increased numbers of worshippers and Ramadan community Iftar gatherings.

Since Sheikh Mustafa has joined us as a headteacher, the MKMA has started adults quraan classes for tafseer and memorization.

For the second year running (sponsor a brick) continued as fundraising events.

In another year of the special Ramadan radio broadcast – Ramadan FM (RFM) MKMA engaged in outreach work with a mix of spiritual, factual and light entertainment programs. Through RFM MKMA strives to signpost local, national and international services or information to the community here in Milton Keynes as well as our listeners in towns and cities in the UK and abroad. The RFM project is delivered by volunteers continues to offer a unique platform for the young, youth and older members of the community to develop strong skills in planning, effective communication and time management.

HM Woodhill Prison in Milton Keynes and HM young offender institution make regular visits to the Centre as part of their staff training.

Trustees' annual report (continued) **For the year ended 31 December 2018**

Achievements and performance (continued)

MKMA is enormously grateful for all the time and resources that more than 100 people donated during the year and participated in the various fundraising events.

Financial review

The Trustees do not have a specific reserves policy that states the maximum or minimum reserves that should be held. Unrestricted funds reserves are maintained to cover operating costs and to ensure continuity of projects. Restricted funds have a specific purpose and are held in anticipation of expenditure in relation to that purpose.

The Statement of Financial Activities shows net incoming resources of £128,450 for the year ended 31 December 2018 (2017: £139,326). Of this total, £144,101 (2017: £139,010) is restricted in its use for the MKICC project, zakat-ul-Fitr, the Bereavement Fund and other designated restricted activities as they arise. The remaining deficit of £15,651 (2017: £316 surplus) is unrestricted and the Trustees consider that it is appropriate to hold the current level of cumulative reserves to be able to continue the Association's operations.

During the year, the voluntary donations to the MKICC fund were £214,432 (2017: £223,939).

MKMA did not undertake any grant-making activity directly but was able to assist other charities in their relief of poverty and suffering. Collections were made during the year for Zakat-ul-Fitr. These collections were handed to Families Relief. These funds are solely used for the relief of need and financial hardship of Muslims. The total collected was £4,580 (2017: £6,157).

Reserves

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the terms of a specific appeal or public collection of Zakat in accordance with the teachings of Islam.

Plans for the future

Having established the Islamic Centre, future plans of the MKMA cover the furtherance of the provision of services to and catering to the needs of the local community through the use of the Centre as a place of worship, learning and socialising. The MKMA is strengthening links with other community groups in order to improve and extend the services provided to the local community

Trustees' annual report (continued) **For the year ended 31 December 2018**

Structure, governance and management

Governing document

MKMA is governed by its Constitution and By-laws which were adopted on 28 February 2007 amended in June 2009 and amended again in February 2017; and is managed by its Trustees.

The structure of the MKMA comprises the Trustees and the Executive Committee. Throughout the year the Trustees have all been Executive Committee members and thus responsible for the governing of the MKMA. Other Executive Committee members hold the positions of Chairman, Secretary and Treasurer.

The Constitution and By-laws, as amended in February 2017 state that there shall be ten Trustees.

Appointment of Trustees

Additional persons may be appointed by the Trustees and Executive Committee, as deemed necessary in order to fulfil the aims and objectives of the MKMA. The duration of such appointments shall be determined by the Trustees and Executive Committee.

Organisation

The Board of Trustees often convenes meetings on short notice when required.

The Trustees have the power to convene a Shura (Advisory) Council; a body comprised of members of the community that provide support, advice and ideas for the work and development of the MKMA.

The work of the MKMA is undertaken by volunteers and supported by paid staff. Volunteers, including the Trustees and Executive Committee, all work for the MKMA voluntarily in their spare time and are requested to submit a Disclosure and Barring Service (DBS) check when they envisage helping the MKMA over a period of time. Such checks, however, are not always feasible for one-off events unless there is statutory regulation requiring them.

A complaints procedure was formalised as part of the changes which were made to the 2009 Constitution.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee of the Charity with a contracting party must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

The MKMA's main related party is MKMA Limited, a company that was incorporated to act as a contracting party of the Association.

Risk management

The Trustees have assessed the nature of the risks the Charity faces. The Trustees consider and review these risks on a regular basis. The Trustees are satisfied that systems are in place to manage the risks identified.

In particular, insurance cover is in place and the finances of the MKMA are kept under review. Appropriate DBS checks, supported by regularly reviewed policies, are made for all those who work with children within the activities of the MKMA.

Trustees' annual report (continued) For the year ended 31 December 2018

Structure, governance and management (continued)

Procedures and policies

The Trustees have put in place a number of controls over cash collections, banking, donations, approval of spending and expenses. They review these controls to ensure that they are effective and amend them when necessary to safeguard the assets of the charity.

Reporting

The Treasurer will endeavour to publish accounts regularly. Amounts collected at Jumu'ah prayers are announced at the following week's Jumu'ah prayers.

Cash collection

All donation collection boxes during events organised by the MKMA are placed in public view at all times. Once the collection is complete, it is counted by an authorised person in the presence of another committee member. A record is then kept of the amount collected, signed and dated by the counter and checker. For donations received, except those directly placed in collection boxes, a receipt is issued to the donor.

Banking

All donations are banked using the charity's bank account paying-in books on the same day, if possible.

Withdrawals

All cash withdrawals or payments made by cheque of up to £100 must be authorised by any two committee members and can be signed for by the same committee members. Any withdrawals of more than £100 must be authorised by more than two members and can be signed by any two committee members.

Expenses

Any expenses must be paid for using the MKMA cheque book. If members of the MKMA incur pre-authorised costs these are reimbursed using the cheque book on production of an expense claim form and till receipt or equivalent paperwork.

Other collections

Collections for zakat, sadaqah, and other donations and charitable causes are counted separately, and a receipt issued to the donor, where practicable.

Trustees' annual report (continued) For the year ended 31 December 2018

Reference and administrative details

Registered charity

The full name of the charity is Milton Keynes Muslim Association ("MKMA"). The charity was registered with the Charity Commission on 11 October 2007. The registration number is 1121142.

Registered Address

Islamic Centre, Trubys Garden, Coffee Hall, Milton Keynes MK6 5HA.

Property and services

MKMA Limited, a related party, was incorporated as a contracting party for the Association for the construction of the Islamic Centre and for the discharging of other obligations. Accordingly, MKMA Limited owns the Islamic Centre from which the Association undertakes its operations.

Our history

The Milton Keynes Muslim Association (the "MKMA") was created in February 2007, following on from the successful activities of the Milton Keynes Juma'a Society (the "MKJS").

On 11 October 2007 the MKMA was registered as a charity with the Charity Commission of England & Wales.

From the time of its inception, the envisaged role of the MKMA has been and continues to be charitable work. The MKMA fosters links between all members of society both Muslim and non-Muslim and engages both the youth and older members of Milton Keynes society physically and spiritually. The aims of the MKMA are wide enough to allow for plenty of growth whilst enabling scope for many ideas which are beneficial for the Muslim community of Milton Keynes.

Trustees

The following people acted as Trustees during the year and at the date of approval of this annual report:

A Abdullah
M Noor
M Sheikh
M M Ageli
S Ali
T Gueddar
M Hikal
A Labeeb
O Masuo
A Suleman

No trustee had any beneficial interest in the Association.

Trustees' annual report (continued)
For the year ended 31 December 2018

Statement of Trustees' responsibilities

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 the resources of the charity during the year. In preparing the 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 operational existence.

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. 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 corporate 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.

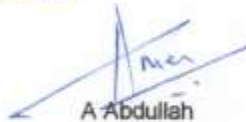
Independent Examiner

The Trustees asked Salman Maqbool to undertake the independent examination of the annual accounts.

September
Signed on behalf of the Trustees on 3rd October 2019.



M Hikal



A Abdullah

Independent examiner's report to the Trustees of MKMA

I report to the Trustees on my examination of the accounts of Milton Keynes Muslim Association (MKMA) charity number: 1121142 for the year ended 31 December 2018, which are set out on pages 10 to 21.

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts in accordance with the Charities Act 2011("the Act").

The charity's trustees consider that an audit is not required for this year under section 144 of the Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 order to enable a proper understanding of the accounts to be reached.



Salman Maqbool (FCA)
Adam Accounting Services Ltd
ICEAW
Milton Keynes
Dated: 3rd October 2019

Statement of financial activities
For the year ended 31 December 2018

	Note	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
Income					
Donations and legacies	3a	8,860	219,009	227,869	230,113
Charitable activities	3b	30,414	19,258	49,672	44,110
Other trading activities	3c	-	-	-	-
Investments	3d		4	4	-
Total incoming resources		39,274	238,271	277,545	274,223
Expenditure:					
Raising funds	4a	-	(1,162)	(1,162)	(560)
Charitable activities	4b	(25,046)	(69,045)	(94,091)	(93,719)
Other	4c	(29,879)	(23,963)	(53,842)	(40,618)
Total expenditure		(54,925)	(94,170)	(149,095)	(134,897)
Net income/(expenditure) and net movement in funds for the year		(15,651)	144,101	128,450	139,326
Reconciliation of funds:					
Total funds brought forward 01.01.17		9,404	1,832,163	1,841,567	1,702,241
Total funds carried forward 31.12.18		(6,247)	1,976,264	1,970,017	1,841,567

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

**Balance sheet
As at 31 December 2018**

	Note	2018 £	2017 £
Current assets			
Debtors	10	1,822,847	1,769,318
Cash at bank and in hand	11	159,546	115,520
		<u>1,982,393</u>	<u>1,884,838</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(12,376)	(43,271)
		<u>1,970,017</u>	<u>1,841,567</u>
		<u>1,970,017</u>	<u>1,841,567</u>
The funds of the charity:			
	13		
Unrestricted funds		(6,247)	9,404
Restricted funds		1,976,264	1,832,163
		<u>1,970,017</u>	<u>1,841,567</u>

The notes on pages 12 to 21 form part of these accounts.

Approved on behalf of all the Trustees on 3rd October 2019 by:



M Hikal



A Abdullah

Notes to the accounts
For the year ended 31 December 2018

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as summarised below. They have been applied consistently throughout the year and in the preceding year.

a) Basis of preparation and assessment of going concern

The financial statements have been prepared on the historic cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The presentation currency of these financial statements is sterling and all amounts have been rounded to the nearest £1.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. There was no difference in the previously reported net income under the previous GAAP and FRS 102.

c) Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the income;
- any performance conditions attached to the item(s) of income have been met;
- it is probable that the income will be received; and
- the monetary value can be measured with sufficient reliability.

d) Fund accounting

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the terms of a specific appeal or public collection of Zakat in accordance with the teachings of Islam.

Further details of each fund are disclosed in note 13.

e) Matching income with related expenditure

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the SoFA, when practicable.

Notes to the accounts (continued)
For the year ended 31 December 2018

1. Accounting policies (continued)

f) Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP). Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).

g) Donated services

Identified donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item 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. On receipt, donated services and 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.

h) Tax reclaims on donations

Gift Aid reclaimable on donations to the charity is included in accordance with the income recognition policy.

i) 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 the costs of donation website support services and fundraising costs.
- Expenditure on charitable activities includes the costs of Madrassah, Ramadan FM radio project, community support services and collections for specified activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

j) 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, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds, expenditure on charitable activities and other expenditure. The bases on which support costs have been allocated are set out in note 4.

k) Gifts in kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.

Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity.

Notes to the accounts (continued)
For the year ended 31 December 2018

1. Accounting policies (continued)

l) Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the Trustees' annual report.

m) Investment income

Investment income, which comprises bank interest, is included in the accounts when receivable; this is normally on notification of the interest paid by the bank.

n) Fixed assets

All assets costing more than £1,000 are capitalised. Depreciation on all equipment is charged on a straight line basis over 3 years. No items costing more than £1,000 have been purchased to date, and hence no fixed assets are shown or depreciated.

o) Debtors

Amounts owed by related parties are recognised at the settlement amount due. The debtor balance has not been amortised with interest rate as the effect of the amortisation has not been considered material and due to religious observation.

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash.

q) Creditors and provisions

Creditors 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 after allowing for any discounts due. The creditor balances have not been amortised with interest rate as the effect of the amortisation has not been considered material and due to religious observation.

r) Governance costs

Governance costs include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to Trustees on governance or constitutional matters.

s) Bad debt provision

A provision is made against debts that are judged to be doubtful.

2. Taxation

MKMA is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

Notes to the accounts (continued)
For the year ended 31 December 2018

3. Analysis of incoming resources

a) Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Donations	8,860	186,100	194,960	223,072
Gift aid received	-	28,328	28,328	884
Collections (Zakat-ul-Fitr)	-	4,580	4,580	6,157
Activity sponsorships	-	-	-	-
	8,860	219,008	227,868	230,113

b) Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Ramadan FM income	4,730	-	4,730	6,032
Madrassa fees	19,534	-	19,534	18,748
Bereavement fund	-	18,958	18,958	18,910
Other activities	6,150	-	6,150	-
Barakah food parcels	-	300	300	300
Nikkah	-	-	-	120
	30,414	19,258	49,672	44,110

d) Income from investments

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Bank interest	-	4	4	-

Notes to the accounts (continued)
For the year ended 31 December 2018

4. Analysis of expenditure

a) Raising funds

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Donation support services	-	1162	1162	560
	<hr/>	<hr/>	<hr/>	<hr/>

b) Charitable activities

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Madrasah				
Payments to teachers	11,202	-	11,202	11,625
Stationery and books	1,147	-	1,147	712
Madrassa - Other	962	-	962	-
Furniture	346	-	346	-
Training Cost	-	-	-	308
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	13,657	-	13,657	12,645

Ramadan FM radio project				
Ofcom licences	2,240	-	2,240	2,640
Broadcasting equipment hire	1,800	-	1,800	1,800
Equipment purchases and other	-	-	-	580
Portakabin hire and insurance	-	-	-	-
Bad debt write-off	-	-	-	-
Application fees	400	-	400	400
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	4,440	-	4,440	5,420

Hall hire	-	-	-	-
Bereavement and funeral expenses	-	7,931	7,931	13,398
Printing, stationery and books	-	32	32	-
Community and educational events	6,950	-	6,950	3,543
Payroll costs (note 8)	-	57,002	57,002	53,121
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	6,950	64,965	71,915	70,062

Notes to the accounts (continued)
For the year ended 31 December 2018

4. Analysis of expenditure (continued)

b) Charitable activities (continued)

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Expenditure for specified activities:				
Zakat-ul-Fitr	-	4,080	4,080	5,092
Tea Room	-	-	-	-
Other sponsorship grants	-	-	-	500
	<u>-</u>	<u>4,080</u>	<u>4,080</u>	<u>5,592</u>
Total Expenditure on Charitable activities	<u>25,047</u>	<u>69,045</u>	<u>94,092</u>	<u>93,719</u>

c) Other

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Public liability insurance	-	1,790	1,790	1,676
Utilities	-	9,043	9,043	11,202
Consumables	-	-	-	-
Webhosting and communications	4,294	174	4,468	436
Accounting software and services	451	-	451	1,260
Courses	2,912	-	2,912	-
Rates and council tax	-	5,185	5,185	5,780
Membership and subscriptions	-	1000	1000	47
Other costs	1,223	-	1,223	382
Building and grounds maintenance	-	5,131	5,131	18,967
Solicitors Fees	20,499	-	20,499	150
Equipment Centre	-	740	740	718
Subsistence	-	1,400	1,400	-
	<u>29,379</u>	<u>24,463</u>	<u>53,842</u>	<u>40,618</u>

5. Governance costs

In the year, included within other expenditure are fees for the independent examination of these accounts of £250 (2017: £250). No other costs were incurred in the current or prior year relating to the governance of the MKMA.

Notes to the accounts (continued)
For the year ended 31 December 2018

6. Trustees and other related party transactions

No Trustees received any remuneration in respect of their responsibilities as Trustees.

7. Fees for examination or audit of the accounts

2018	2017
£	£
253	350

8. Staff costs

The MKMA did not employ any staff during the year (2017: none). In discharging its charitable duties and obligations MKMA received people services through the employees of MKMA Limited, a related party of MKMA. During the year the services of 4 individuals (2017: 4) were received by the MKMA. These individuals provided services in cleaning and caretaking: 3 individuals (2017: 3); clerical and administrative services: 1 individual (2017: 1). The costs of these employees of MKMA Limited of £57,002 (2017: £53,121) were recharged to MKMA. These costs are disclosed in note 4b.

Payments were made to some teachers of the Madrassah during the year in recognition of the contribution they made amounting to £11,202 (2017: £11,625). No amounts were reimbursed specifically for travelling expenses (2017: £nil).

9. Donated services

MKMA receives free services from many members of the local community which are not recorded in the accounts on the grounds that it is not possible to value the services accurately. These services have not been paid for and are not material to the accounts of the charity. They include architectural, graphics, legal, accounting, religious leadership, consultancy, teaching, event organisation and catering services amongst others.

10. Debtors

	2018	2017
	£	£
Amounts owed by related parties	1,822,847	1,769,317

11. Cash at bank and in hand

	2018	2017
	£	£
Cash in hand	(627)	(611)
Cash at bank	160,173	116,131
	159,546	115,520

Notes to the accounts (continued)
For the year ended 31 December 2018

12. Creditors: amounts falling due within 1 year

	2018	2017
	£	£
Other loans	10,000	10,000
Accruals	2,376	33,271
	<u>12,376</u>	<u>43,271</u>

Other loans comprise amounts loaned to the MKMA under interest free, variable repayment term arrangements as *Qard Hasanat*.

13. Analysis of funds

Unrestricted funds

Unrestricted funds show the income and costs relating to the wide range of activities undertaken by MKMA. These are detailed in the Trustees' annual report and accounts.

The Madrassah, though not designated as a restricted fund, has its own bank account separate from that of the MKMA general funds and the MKICC restricted funds.

Restricted funds

Restricted funds are to be used only for the following specific purposes:

MKICC - donations have been received from members of the Muslim community in Milton Keynes and others. These donations are restricted in their use for the purpose of settling costs of the MKICC.

Collections made on behalf of other charities (including Zakat-ul-Fitr) - collections were handed to a chosen Muslim humanitarian charity. These funds are solely used for the relief of need and financial hardship of Muslims.

Funds raised for the Bereavement Fund are used solely for the purpose of observance of last rights for members and their families.

Notes to the accounts (continued)
For the year ended 31 December 2018

13. Analysis of funds (continued)

	1 January 2018 £	Income £	Expenditure £	31 December 2018 £
Unrestricted funds				
MKMA general fund	(6,475)	15,010	(36,329)	(27,794)
Madrasah	17,409	19,534	(13,656)	23,287
Ramadan FM radio project	(1,530)	4,730	(4,440)	(1,240)
	<u>9,404</u>	<u>39,274</u>	<u>(54,425)</u>	<u>(5,747)</u>
Restricted funds				
MKICC	1,807,658	214,432	(82,600)	1,939,490
Bereavement fund	22,993	18,958	(7,931)	34,020
Zakat-ul-Fitr and sadaqa	1,123	4,580	(4,138)	1,565
Other	389	300	-	689
	<u>1,832,163</u>	<u>238,270</u>	<u>(94,669)</u>	<u>1,975,764</u>
Total funds	<u>1,841,567</u>	<u>277,544</u>	<u>(149,094)</u>	<u>1,970,017</u>

Other restricted funds movements in the year were in respect of donations received for Barakah food parcels and grants

Details of material fund held and movements in the previous year

	1 January 2017 £	Income £	Expenditure £	31 December 2017 £
Unrestricted funds				
MKMA general fund	(59)	120	(6,537)	(6,476)
Madrasah	11,289	18,765	(12,644)	17,410
Ramadan FM radio project	(2,142)	6,032	(5,420)	(1,530)
	<u>9,088</u>	<u>24,917</u>	<u>(24,601)</u>	<u>9,404</u>
Restricted funds				
MKICC	1,675,023	223,939	(91,306)	1,807,658
Bereavement fund	17,481	18,910	(13,398)	22,993
Zakat-ul-Fitr and sadaqa	58	6,157	(5,092)	1,123
Other	589	300	(500)	389
	<u>1,693,153</u>	<u>249,306</u>	<u>(110,296)</u>	<u>1,832,163</u>
Total funds	<u>1,702,239</u>	<u>274,223</u>	<u>(134,897)</u>	<u>1,841,567</u>

Notes to the accounts (continued)
For the year ended 31 December 2018

14. Related party transactions

MKMA Limited

During the year the MKMA had transactions with MKMA Limited (the Company). The Company was incorporated and established as a contracting party for the MKMA for the construction of the MKICC and the furtherance of the charitable objectives of MKMA. The Company provided employee services to MKMA whilst MKMA collected rental income on behalf of the Company.

Donations from the public and the community are received by the MKMA, which then makes the funds available to the Company to settle the construction and other liabilities as they fall due.

The directors of the Company are appointed from and by the Trustees and Executive Committee of the Milton Keynes Muslim Association. As at 31 December 2018, the Association had made net payments to contractors and suppliers on behalf of the Company of £1,822,846 (2017: £1,774,317).

Madrassah

During the year Z Saleem, the spouse of one of the Trustees, received £nil (2017: £nil) for teaching services provided to Madrassah pupils.