

MILTON KEYNES MUSLIM ASSOCIATION

Annual Report and Accounts

For the year ended
31 December 2022

**Annual report and accounts
For the year ended 31 December 2022**

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Trustees' annual report For the year ended 31 December 2022

The Trustees present their annual report and accounts for the year ended 31 December 2022.

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.

Usually family days are held for Muslims and non-Muslims, including Family BBQs, open day café with food and drinks to fundraising

The MKMA has teamed up with partners such as Islamic Relief, Families, Muslim Hands and one Umma 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. This has been reflected in the time taken to reopen the mosque and continue with activities; ensuring all guidelines are implemented and followed once opened.

Trustees' annual report (continued) For the year ended 31 December 2022

Objectives and activities (continued)

Activities (continued)

In previous years our weekly activities 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. The Jumu'ah prayers were 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. Iftar gatherings were held on every Saturday evening of Ramadan were attended by more than 200 people including members of the local community.

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 FCA intruded new guidance to all funeral providers, we conducted and was agreed by bereavement subcommittee that the best way to serve our community is to offer the service free of charge at the posit of use and that grave cost would directly be passed onto the deceased family. All members were informed and were giving the option to receive a refund or their contribution to be retained in the fund to be used for other funerals, some of the members requested t a refund which was paid back

MKMA continued running of the Madrassah at the Islamic Centre, Monday to Thursday 5.30pm to 7.00pm.

The maintenance of the websites - www.mkmuslims.org and www.ramadanfm.com, provision of Eid prayers and Ramadan community Iftar gatherings took place as usual.

Trustees' annual report (continued) **For the year ended 31 December 2022**

Achievements and performance (continued)

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.

Usually, HM Woodhill Prison in Milton Keynes and HM young offender institution make regular visits to the Centre as part of their staff training. Our centre Manger visited many primary and secondary schools to give talk on Islam.

MKMA is enormously grateful for all the time and resources that more than 100 people donated during the year especially in making it possible to restart activities after lockdown.

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 £39,736 for the year ended 31 December 2022 (2021: £40,827). Of this total, £16,620 (2021: £33,640) 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 amount of £23,116 (2021: £7,187) 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 £147,850 (2021: £76,732).

MKMA did not undertake any grant-making activity directly but was able to assist other charities in their relief of poverty and suffering 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 £2,754 (2021: £0).

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 2022

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 2022

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 2022**

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.

Going Concern

In the year there was no uncertainty in relation to the charity being a going concern.

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 (Resigned 5th August 2022)

No trustee had any beneficial interest in the Association.

Trustees' annual report (continued) **For the year ended 31 December 2022**

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.

Signed on behalf of the Trustees on 27th November 2023.

M Sheikh

M Hikal

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 2022, which are set out on pages 10 to 21.

Responsibilities and basis of report

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

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities 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 Charities Act, and

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. the accounting records were not kept in accordance with section 130 of the Charities Act; or
2. the accounts did not accord with the accounting records; or
3. 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: 27th November 2023

**Statement of financial activities – Charity No 1121142
For the year ended 31 December 2022**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income resources					
Donations and legacies	3a	144,033	3,817	147,850	76,732
Charitable activities	3b	200	38,767	38,967	46,431
Other incoming resources - Corona Virus Job Retention Scheme Grant		-	-	-	21,407
Total incoming resources		144,233	42,584	186,817	144,570
Resources expended					
Raising funds	4a	0	0	0	-2,062
Charitable activities	4b	-85,355	-24,531	-109,886	-87,198
Other	4c	-35,761	-1,433	-37,194	-14,484
Total resources expended		-121,116	-25,964	-147,080	-103,744
Net income/(expenditure) and net movement in funds for the year		23,117	16,619	39,736	40,827
Reconciliation of funds:					
Total funds b/f 01.01.2022	14	146,262	2,165,345	2,311,607	2,270,780
Reconciliation of Funds Total	14	-	-	-	-
Total funds c/f 31.12.2022		146,262	2,165,345	2,311,607	2,270,780

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

In this year's accounts we have transferred funds from the MKICC Restricted Account to our General Unrestricted Account. The accounts SOFA has been reconciled to reflect the Funds Analysis Note 14 after these changes have been made.

For further detail please refer to Accounting Policy 1(d) in regard to Fund Accounting, Note 14 in regard restated Restricted Funds and Note 15 in regard to MKMA Ltd related party.

Balance sheet – Charity No 1121142
As at 31 December 2022

	Note	2022 £	Restated 2021 £
Current assets			
Fixed Assets	10	10,509	7616
Debtors	11	2,076,474	2,076,474
Cash at bank and in hand	12	264,577	227,734
		2,351,560	2,311,823
Current liabilities			
Creditors: amounts falling due within one year	13	216	216
		2,351,344	2,311,607
		2,351,344	2,311,607
The funds of the charity:			
	14		
Unrestricted funds		169,379	146,262
Restricted funds		2,181,965	2,165,345
		2,351,344	2,311,607

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

Approved on behalf of all the Trustees on 27th November 2023 by:

M Sheikh

M Hikal

Notes to the accounts
For the year ended 31 December 2022

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 14. In this year's accounts we have transferred funds from the MKICC Restricted Account to our General Unrestricted Account. For further detail please refer to Note 14 in regard to the Restricted Funds and Note 15 in regard to MKMA Ltd related party.

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 2022

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 2022

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 £500 are capitalised. Depreciation on all equipment is charged on a straight line basis over 5 years.

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 2022

3. Analysis of incoming resources

a) Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Donations	144,033	-	144,033	75,812
Gift aid received *	-	-	0	0
Collections (Zakat-ul-Fitr)	-	3,092	3,092	215
Zakat-ul Mal & Sadaqa	-	725	725	705
	144,033	3,817	147,850	76,732

* Expected in 2024 accounts is an amount for £4,728.00 in relation to 2021 HMRC Gift aid claim.
The exact amount is not known and as a result we cannot be virtually certain of amount due to the charity.
As such a descriptive note is included here for reference.

b) Income from charitable activities

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Ramadan FM income	-	500	500	3,400
Madrassa fees	-	13,937	13,937	12,743
Bereavement fund	-	15,429	15,429	28,305
Other activities	-	5603	5,603	-
Food Parcel/Bank Donations	-	3,298	3,298	1,983
Nikkah	200	-	200	-
	200	38,767	38,967	46,431

d) Income from investments

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Other Income *	-	-	-	21,407
	-	-	-	21,407

* This is income received from the Corona Virus Job Retention Scheme Grant Received

Notes to the accounts (continued)
For the year ended 31 December 2022

4. Analysis of expenditure

a) Raising funds

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Donation support services	-	-	-	2,062
	<hr/>	<hr/>	<hr/>	<hr/>

b) Charitable activities

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Madrassah				
Payments to teachers	-	7,988	7,988	7,440
Stationery and books	-	993	993	0
	<hr/>	<hr/>	<hr/>	<hr/>
	0	8,981	8,981	7,440

Ramadan FM radio project				
Ofcom licences	-	2,240	2,240	2,240
Broadcasting equipment hire	-	1,800	1,800	1,800
	<hr/>	<hr/>	<hr/>	<hr/>
	0	4,040	4,040	4,040

Bereavement and funeral expenses	-	2,106	2,106	1,688
Community and educational events	-	3,650	3,650	-
Payroll costs (note 8)	85,355	-	85,355	72,234
	<hr/>	<hr/>	<hr/>	<hr/>
	85,355	5,756	91,111	73,922

Notes to the accounts (continued)
For the year ended 31 December 2022

4. Analysis of expenditure (continued)

b) Charitable activities (continued)

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Expenditure for specified activities:				
Zakat-ul-Fitr	-	2,754	2,754	-
Food Parcels/Bank	-	3,000	3,000	1796
	<u>-</u>	<u>5,754</u>	<u>5,754</u>	<u>1,796</u>
Total Expenditure on Charitable activities	<u>85,355</u>	<u>24,531</u>	<u>109,886</u>	<u>89,260</u>

c) Other

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Public liability insurance	1992	-	1,992	2,010
Utilities	29171	-	29,171	6,849
Webhosting and communications	1,239	335	1,574	461
Accounting software and services	750	-	750	1046
Membership and subscriptions	-	-	0	450
Other costs	60	61	121	752
Building and grounds maintenance	1223	-	1,223	962
Legal & Professional	440	-	440	772
Subsistence	516	-	516	649
Depreciation Expense	370	1037	1,407	533
	<u>35,761</u>	<u>1,433</u>	<u>37,194</u>	<u>14,484</u>

5. Governance costs

In the year, included within other expenditure are fees for the independent examination of these accounts of £250 (2021: £250). No other costs were incurred in the current or prior year relating to the governance of the MKMA.

6. Trustees and other related party transactions

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

Notes to the accounts (continued)
For the year ended 31 December 2022

7. Fees for examination or audit of the accounts

2022	2021
£	£
363	363

8. Staff costs

The MKMA did not employ any staff during the year (2021: 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 5 individuals (2021: 5) were received by the MKMA. These individuals provided services in cleaning and caretaking: 3 individuals (2021: 3); clerical and administrative services: 2 individuals (2021: 2). The costs of these employees of MKMA Limited of £85,355 (2021: £72,234) were recharged to MKMA. These costs are disclosed in note 4b. This year the Coronavirus Job Retention Scheme (CJRS) grant is no longer available to claim. In 2021 the amount claimed was £21,407; this was recorded as Other Income.

Payments were made to some teachers of the Madrassah during the year in recognition of the contribution they made amounting to £7,988 (2021: £7,440). No amounts were reimbursed specifically for travelling expenses (2021: £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.

Notes to the accounts (continued)
For the year ended 31 December 2022

10.	Mosque Equipment £	Restricted Motor Vehicles £
Cost		
As at 01.01.2022	1850	6500
Additions	-	10800
Disposals	-	-6500
At 31.12.2022	<u>1850</u>	<u>10800</u>
Depreciation		
As at 01.01.2022	572	162
Depreciation for year	370	1516
Disposals	-	-479
At 31.12.2022	<u>942</u>	<u>1199</u>
Net Book Value		
At 31.12.2022	<u>908</u>	<u>9601</u>
At 31.12.2021	<u>1278</u>	<u>6338</u>

11. Debtors

	2022 £	2021 £
Amounts owed by related parties	2,076,474	2,076,474
	<u>2,076,474</u>	<u>2,076,474</u>

12. Cash at bank and in hand

	2022 £	2021 £
Cash in hand	540	540
Cash at bank	264,037	227,194
	<u>264,577</u>	<u>227,734</u>

Notes to the accounts (continued)
For the year ended 31 December 2022

13. Creditors: amounts falling due within 1 year

	2022	2021
	£	£
Historical Adjustments	<u>216</u>	<u>216</u>
	<u>216</u>	<u>216</u>

14. 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 in the past were restricted in their use for the purpose of settling costs of the MKICC which was mainly the land and buildings cost through the Related Party. In 2021 these costs were settled so any donations made by the community that were in the fund have now been transferred to Unrestricted Funds.

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 2022

14. Analysis of funds (continued)

	1 January 2022	Income	Expenditure	31 Dec 2022
	£	£	£	£
Unrestricted funds				
MKMA general fund	146,262	144,233	-121,116	169,379
Restricted funds				
MKICC	2,076,474	-	-	2,076,474
Bereavement fund	71,317	15,429	-3,143	83,603
Madrassah	12,874	13,937	-9,378	17,433
Ramadan FM radio project	-3,960	500	-4,040	-7,500
Zakat-ul-Fitr	4,937	3,092	-2,754	5,275
Zakat-ul Mal & Other	3,704	9,626	-6,650	6,680
	<u>2,165,345</u>	<u>42,585</u>	<u>-25,965</u>	<u>2,181,965</u>
Total funds	<u>2,311,607</u>	<u>186,818</u>	<u>-147,081</u>	<u>2,351,344</u>

Other restricted funds movements in the year were in respect of donations received for Zakat-ul Mal and Iftar/Food Bank Donations

	1 January 2021	Income	Expenditure	31 Dec 2021
	£	£	£	£
Unrestricted funds				
MKMA general fund	-5,785	97,219	-88,616	2,818
MKICC	80,960	62,484		143,444
	<u>75,175</u>	<u>159,703</u>	<u>-88,616</u>	<u>146,262</u>
Restricted funds				
MKICC	2,138,958	-62,484		2,076,474
Bereavement fund	44,863	28,305	-1,851	71,317
Madrassah	7,571	12,743	-7,440	12,874
Ramadan FM radio project	-3,320	3,400	-4,040	-3,960
Zakat-ul-Fitr	4,722	215	-	4,937
Zakat-ul Mal & Other	2,812	2,688	-1,796	3,704
	<u>2,195,605</u>	<u>-15,133</u>	<u>-15,127</u>	<u>2,165,345</u>
Total funds	<u>2,270,780</u>	<u>144,570</u>	<u>-103,743</u>	<u>2,311,607</u>

Notes to the accounts (continued)
For the year ended 31 December 2022

15. 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 were received by the MKMA, which then makes the funds available to the Company to settle the construction and other liabilities as they fell due. These were all settled in 2021.

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 2022, the Association had made net payments to contractors and suppliers on behalf of the Company of £2,076,474 (2021: £2,076,474).

Madrassah

During the year Z Saleem, the spouse of one of the Trustees, received £nil (2021: £nil) for teaching services provided to Madrassah pupils.