

The Registered Company Number is:- 5567478

The Charity Registration Number is :- 1119977

The Muslim Research and Development Foundation

Report and Accounts

31 December 2015



**The Muslim Research and Development Foundation
Report and accounts**

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The Muslim Research and Development Foundation

Registered company number:- 5567478

Trustees' Annual Report for the year ended 31 December 2015

The Trustees present their Report and Accounts for the year ended 31 December 2015, which also comprises the Directors' Report required by the Companies Act 2006.

Reference and administrative details

The charity name.

The legal name of the charity is :-The Muslim Research and Development Foundation

The charity is also known by its operating name, MRDF

The charity's areas of operation and UK charitable registration.

The charity is registered in England & Wales with charity number 1119977

Legal structure of the charity

The charity is constituted as a company limited by guarantee, registered under the Companies Acts. and its governing document is a Memorandum and Articles of Association under company legislation.

The Governing Document is dated 19 September 2005

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

The principal operating address, telephone number and email and web addresses of the charity are:-

56 Greenfield Road
London E1 1EJ
Telephone 0203 246 0072
Email Address inquiries@mrdf.co.uk
Web address www.mrdf.co.uk

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

The Trustees in office on the date the report was approved were:-

Y Patel
F Haibatan
M Khalid

The trustees who served as a trustee in the reporting period, and, if applicable, their dates of appointment or resignation during the year.

Name	Resigned
Y Patel	
F Haibatan	
M Khalid	
J Rashid	31/08/2016

All the trustees are also members of the charity.

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Trustees' Annual Report for the year ended 31 December 2015

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

The charity's objects and principal activities as set out in the memorandum and articles of association continue to be that of :

- 1) To facilitate the development of leadership skills within the Muslim community.
- 2) The advancement of research into Islamic solutions to challenges faced by Muslim communities, as well as the general population, in the UK.
- 3) To Facilitate Muslims in furthering their knowledge.
- 4) To produce Islamic Media.
- 5) To undertake any charitable activity (in the pursuit of the above objectives).

The main activities undertaken in relation to those purposes during the year.

The charity's activities during the year took the form of numerous community events and educational seminars as well it utilising its website. This is detailed below in the section main achievements and performance in the year.

The main activities undertaken during the year to further the charity's purpose for the public benefit.

Throughout its activities MRDF aims to provide identifiable public benefit. These benefits are detailed below along with the activity they derive from.

1. Sabeel Residential Retreat Programme: better understanding of the faith in general, skills of Islamic deduction and interpretation of the sacred texts, the provision of solutions to challenges faced by Muslims residing in the West.
2. Family Residential Breaks & Retreats: providing a holistic approach to living Islam in the West, providing areas of growth for Muslims of all ages in their interaction with their faith and the wider society.
3. Islam21c.com: providing guidance for Muslims living in the West in all areas of their faith. Providing the wider society with an insight to the issues revolving around the Muslim minority communities in the West.
4. PropheticTimeLine.com: providing a highly interactive online resource on the life of the Prophet Muhammed (May God's Peace & Blessings Be Upon Him) to the whole of society.
5. iMedia: Capturing all the activities of the charity on recorded media, with the aim of providing resources for satellite & terrestrial stations in the production of suitable Islamic content programming.
6. 'Fatwa line' – support telephone line: providing answers to questions from Muslims and non-Muslims alike about aspects of Islam that affect their daily lives.

The charity regularly conducts risk assessments to make sure benefits created by an activity or service are not undermined due to any harm caused to the activity, the beneficiaries or the charity itself. If it is found greater harm or detriment is caused over the benefit of a particular activity or service, the trustees will seek guidance from professionals on how to protect both the activity and the charity.

The Muslim Research and Development Foundation

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Trustees' Annual Report for the year ended 31 December 2015

Benefits for the general public as a whole and a specific section of the general public

All of MRDF's activities are open to the general public to attend and benefit, some are more beneficial to the Muslim community as they aim to strengthen the faith of the community and give guidance to challenges it faces. There are no restrictions placed in the attendance or participation of any activity or service offered by the charity. The only exceptions are to those activities which refer to a practice of faith upheld by the Muslim community, such as leading prayers or other related acts of the Islamic faith.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

The main achievements and performance of the charity during the year.

- a. Operating two family retreat activities (Family Break & Family Retreat) with over 3000 participants from across the UK from a wide variety of backgrounds and ages.
- b. Increasing the numbers of students for the 'Sabeel' educational seminar programme throughout the UK.
- c. Making robust risk assessments that will provide a clear picture of the Charity's risks. We held the following events in 2015
- d. Sabeel residential retreat in Birmingham total attendance of 60 students.
- e. Sabeel residential retreats in London total of 180 students per retreat.
- f. Family Retreat, Family Break residential weekend retreats for the whole family with an excess of 3000 attendees.
- g. www.Islam21c.com, over 1.5 million unique visits to the website in 2015.
- h. Fatwa line, answering questions from Muslims and non-Muslims alike about aspects of Islam that affect their daily lives. Helping over 1000 people in 2015.

Factors relevant to the achievement of the charity's objectives

The finance and stability of the charity's programmes, events & services were at the forefront of the Trustees and management team in 2015. This was emphasised by the improved communication tools and practices that were used throughout the charity. We constantly try to evaluate our services to deliver improvement of activities aiming always to further the charity's purpose. As in the previous financial year the charity worked towards stabilising projects through better financial control, PR & marketing.

This year we worked hard to assess the risks carried by the activities of each of our main projects. We identified that both Islam21c and the Family Retreats brought different risks that needed to be mitigated for the safety of the charity. After considerable deliberation and legal help we decided to remove both Islam21c.com and the Family Retreats from our portfolio of projects. Islam21c.com was sold in September 2015, we came to a mutual agreement for sponsorship with the new owner but with the condition that the sponsorship will be removed if website would bring undue risks to the charity.

The Family Retreats were taken over by Family Events Ltd, the owners of this company were integral in the logistics of our previous Family Events and thus we were more than satisfied with allowing this company to take ownership of these events. We did make a substantial contents agreement with the company to provide all content for the programmes, thus still fulfilling some of the aims of our charitable objects

The Muslim Research and Development Foundation

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Trustees' Annual Report for the year ended 31 December 2015

Fundraising activities during the year.

The Charity continually seeks to increase the donations it receives, to further the Charity's ability to fulfil its objectives.

The difference the charity's performance during the year has made to the beneficiaries of the charity.

The Charity continues to benefit all its stakeholders, those that directly or indirectly interact with the charity. All of MRDF's activities are open to the general public to attend and benefit, some are more beneficial to the Muslim community as they aim to strengthen the faith of the community and give guidance to challenges it faces.

Structure, governance and management of the charity

The Muslim Research and Development Foundation is a company Limited by Guarantee and is governed by its Memorandum and Articles of Association dated 19 September 2005. It is a registered charity with the Charity Commission.

The methods used to recruit and appoint new charity trustees.

New Trustees are appointed based on experience in the areas pertinent to the Charities objectives and selected by the Board of Trustees. Each new Trustee undergoes an orientation day to brief them of their legal obligations under the Charity and company law. They are provided with the Charity commission guidance and a copy of the Memorandum and Articles of Association.

How the subsidiary undertaking(s) is/are constituted and managed.

The trustees' bankers and advisors

Bankers	HSBC 126 High road, Ilford, IG1 1DA
Solicitors	Saracens Solicitors, Sentinel House, 16 Harcourt Street, London W1H 4AD
Accountants	J A Associates, 2 Suffolk Road, Ilford, Essex IG3 8JF

Financial review

The charity's financial position at the end of the year ended 31 December 2015

The financial position of the charity at 31 December 2015 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2015	2014
	£	£
Net income/(expenditure)	16,366	(50,220)
Unrestricted Revenue Funds available for the general purposes of the charity	27,636	11,270
Restricted Revenue Funds	5,339	5,339
Total Funds	32,975	16,609

The Muslim Research and Development Foundation

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Trustees' Annual Report for the year ended 31 December 2015

Financial review of the position at the reporting date, 31 December 2015 .

The Trustees are satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

The Trustees consider the financial performance by the charity during the year to have been satisfactory. The Current year has seen a surplus of £16,366 whereas the prior year had a deficit of £50,220. The Trustees are continually evaluating its performance in the light of the challenges faced by the charity - financial and others - which impact the Charities ability to carry out its objective. The net reserves at 31 December 2015 are £32,975 (2014: £16,609) of which unrestricted funds are £27,636 (2014:£11,270).

Changes in the fixed assets are shown in the notes to the account. In the period office equipment to the value of £5,385 was acquired. A loss on disposal of £1,004 was incurred on assets which were old and too costly to repair and had to be scrapped.

Policies on reserves.

The Trustees having reviewed the requirement to maintain a minimum reserve, in the light of the main risks faced by the charity and established a reserve policy. It has established a policy that reserves should cover 3 months running costs of fixed costs. This target reserve level is £30,000. This will enable it to meet its fixed and unavoidable costs.

Availability and adequacy of assets of each of the funds

The Board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Details of The Independent Examiner

Jamal Arshad

Member of The Association of Chartered Certified Accountants (ACCA)

2 Suffolk Road

Ilford

Essex

IG3 8JF

The Muslim Research and Development Foundation

Registered company number:- 5567478

Trustees' Annual Report for the year ended 31 December 2015

Statement of Directors' and Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRSE SORP 2015.

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. 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 also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

The Muslim Research and Development Foundation

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Trustees' Annual Report for the year ended 31 December 2015

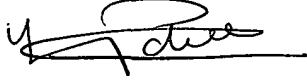
Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 10 to 27

The financial statements have been prepared implementing the Statement of Recommended Practice for Accounting and Reporting by Charities 2015 and in accordance with the Financial Reporting Standard for Smaller Entities 2015.

These accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 29 September 2016.



Y Patel
Director and Trustee

The Muslim Research and Development Foundation

Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 December 2015

I report on the financial statements of the charitable company on pages 10 to 27 for the year ended 31 December 2015 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard for Smaller Entities (FRSSE), effective January 2015, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales, effective January 2015 (The SORP), under the historical cost convention and the accounting policies set out on page 17.

Respective responsibilities of Trustees and Independent Examiner

As described on page 6, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, are responsible for the preparation of the financial statements.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the charity is not subject to audit under any legal provision, or otherwise, and is eligible for independent examination, it is my responsibility to:-

- a) examine the accounts under section 145 of the Act;
- b) follow the procedures in the General Directions given by the Charity Commission under section 145(5)(b) of the Act; and;
- c) state whether particular matters have come to my attention.

Basis of Examiner's Statement and scope of work undertaken

I conducted my examination in accordance with the General Directions issued by the Charity Commission for England & Wales, under section 145(5)(b) of the Act, setting out the duties of an Independent Examiner in relation to the conducting of an Independent Examination. An Independent Examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the Independent Examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Attention is drawn to the accounting policy stating that, notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, and in order to accord with current best practice, the Trustees have determined to prepare the financial statements in accordance with the FRSSE SORP 2015. I concur with this approach, and any references in my report to the regulations should be read subject to this comment.

The Muslim Research and Development Foundation

Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 December 2015

Subject to the limitations upon the scope of my work as detailed above, in connection with my examination, I can confirm that :-

In accordance with Regulation 31 of The Charities (Accounts and Reports) Regulations 2008, (The Regulations) the accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006;

The gross income of the charitable company in the year ended 31 December 2015 appears to exceed the sum specified in section 145(3) of the Act, namely £250000, and that I am qualified to act as Independent Examiner in accordance with that section by virtue of my being a qualified member of The Association of Chartered Certified Accountants (ACCA);

This is a report in respect of an examination carried out under section 145 of the Act and in accordance with any directions given by the Commission under subsection (5)(b) of that section which are applicable;

and that no matter has come to my attention in connection with my examination which gives me reasonable cause to believe that in any material respect the requirements :-

to keep accounting records in accordance with section 386 of the Companies Act 2006 and section 130 of the Charities Act 2011;

to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and The Charities Act 2011 and;

that the financial statements be prepared in accordance with the methods and principles set out in the Statement of Recommended Practice - Accounting and Reporting by Charities (effective January 2015)

have not been met or to which, in my opinion, attention should be drawn in my report in order to enable a proper understanding of the accounts to be reached;


Jamal Arshad - Independent Examiner

The Association of Chartered Certified Accountants (ACCA)

2 Suffolk Road
Ilford
Essex
IG3 8JF

This report was signed on 29 September 2016

The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2015

Statement of Financial Activities for the year ended 31 December 2015

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2015 £	2015 £	2015 £	2014 £
Income & Endowments					
Donations & Legacies	A1	167,581	13,679	181,260	156,110
Income from charitable activities	A2	227,693	-	227,693	435,800
Investment income	A4	2	-	2	24
Total income	A	395,276	13,679	408,955	591,934
Expenditure					
Expenditure on charitable activities	B2	372,573	19,012	391,585	642,154
Other expenditure	B3	1,004	-	1,004	-
Total expenditure	B	373,577	19,012	392,589	642,154
Net income/(expenditure) for the year	A-B	21,699	(5,333)	16,366	(50,220)
Transfers between funds	C	(5,333)	5,333	-	-
Net income after transfers	A-B-C	16,366	-	16,366	(50,220)
Net movement in funds		16,366	-	16,366	(50,220)
Reconciliation of funds:-					
Total funds brought forward	E	11,270	5,339	16,609	66,829
Total funds carried forward		27,636	5,339	32,975	16,609

A Statement of Total Recognised Gains and Losses is included in these accounts as a separate primary statement

All activities derive from continuing operations

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2015

The Muslim Research and Development Foundation - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	SORP Ref	Prior Year Unrestricted Funds 2014 £	Prior Year Restricted Funds 2014 £	Prior Year Total Funds 2014 £
Income & Endowments				
Donations & Legacies	A1	142,611	13,499	156,110
Income from charitable activities	A2	435,800	-	435,800
Income from other, non charitable, trading activities	A3	-	-	-
Investment income	A4	24	-	24
Other income	A5	-	-	-
		-	-	-
Total income	A	578,435	13,499	591,934
Expenditure				
Cost of raising funds	B1	-	-	-
Expenditure on charitable activities	B2	619,480	22,674	642,154
		-	-	-
Total expenditure	B	619,480	22,674	642,154
Net income/(expenditure) for the year	A-B	(41,045)	(9,175)	(50,220)
Transfers between funds	C	(8,895)	8,895	-
Net income after transfers		(49,940)	(280)	(50,220)
Other recognised gains/(losses)				
		-	-	-
Net movement in funds		(49,940)	(280)	(50,220)
Reconciliation of funds:-	E			
Total funds brought forward		61,210	5,619	66,829
Total funds carried forward		11,270	5,339	16,609
All activities derive from continuing operations				

The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2015

A Statement of Total Recognised Gains and Losses is included in these accounts as a separate primary statement

The notes attached on pages 17 to 27 form an integral part of these accounts.

Statement of Total Recognised Gains and Losses for the year ended 31 December 2015

	2015 £	2014 £
Surplus/(deficit) for the year :-		
Net excess of expenditure over income from operations before tax	17,371	(50,220)
Realised losses on the disposal of tangible fixed assets	(1,004)	-
Income from operations before tax in the Statement of Financial Activities	16,367	(50,220)
Surplus/(deficit) as shown in the Income and Expenditure account	16,367	(50,220)
Net Movement in funds before taxation	16,367	(50,220)
Funds generated in the year as shown on Statement of Financial Activities	16,367	(50,220)

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Muslim Research and Development Foundation - Resources applied in the year ended 31 December 2015 towards fixed assets for Charity use:-

	2015 £	2014 £
Funds generated in the year as detailed in the SOFA	16,366	(50,220)
Resources applied on functional fixed assets	(4,381)	(3,675)
Net resources available to fund charitable activities	11,985	(53,895)

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2015

Movements in revenue and capital funds for the year ended 31 December 2015

Revenue accumulated funds

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Last year Total Funds 2014 £
Accumulated funds brought forward	11,270	5,339	16,609	66,829
Recognised gains and losses before transfers	21,699	(5,333)	16,366	(50,220)
	32,969	6	32,975	16,609
Transfers between revenue funds	(5,333)	5,333	-	-
Closing revenue funds	27,636	5,339	32,975	16,609

The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2015

Summary of funds	Unrestricted Funds	Restricted Funds	Total Funds	Last Year Total Funds
	2015 £	2015 £	2015 £	2014 £
Revenue accumulated funds	27,636	5,339	32,975	16,609

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2015

The Muslim Research and Development Foundation
Income and Expenditure Account for the year ended 31 December 2015 as required by the Companies Act 2006

	2015 £	2014 £
Income		
Income from operations	408,953	591,910
Investment income		
Interest receivable	2	24
Gross income in the year before exceptional items	408,955	591,934
Gross income in the year including exceptional items	408,955	591,934
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	386,423	637,089
Depreciation and amortisation	3,161	2,065
Governance costs	2,000	3,000
Realised losses on disposals of tangible fixed assets held for the charity's own use	1,004	-
Total expenditure in the year	392,588	642,154
Net income before tax in the financial year	16,367	(50,220)
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	16,367	(50,220)
Retained surplus for the financial year	16,367	(50,220)
All activities derive from continuing operations		

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Muslim Research and Development Foundation - Balance Sheet as at 31 December 2015

	Notes	SORP Ref	2015 £	2014 £
Fixed assets		A		
Tangible assets	8	A2	4,907	3,687
Current assets		B		
Debtors	9	B2	2,010	7,438
Cash at bank and in hand		B4	37,150	48,074
			<u>39,160</u>	<u>55,512</u>
Creditors: amounts falling due within one year	10	C1	<u>(11,092)</u>	<u>(42,590)</u>
Net current assets			28,068	12,922
The total net assets of the charity			<u>32,975</u>	<u>16,609</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

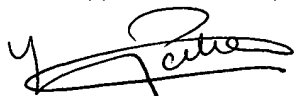
Restricted funds				
Restricted Revenue Funds	14	D2	5,339	5,339
Unrestricted Funds				
Unrestricted Revenue Funds	14	D3	27,636	11,270
Total charity funds			<u>32,975</u>	<u>16,609</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an 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 Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.



Y Patel
Trustee

Approved by the board of trustees on 29 September 2016

The notes attached on pages 17 to 27 form an integral part of these accounts.

The Muslim Research and Development Foundation

Notes to the Accounts for the year ended 31 December 2015

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities' (effective January 2015)) and 'The FRSSE Statement of Recommended Accounting Practice 2015', (The SORP 2015), and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRSSE SORP 2015 in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Following accounting policies in place prior to the SORP 2015

Under the SORP 2015, where there is no specific requirement to adopt a particular accounting requirement, a charity may follow their existing accounting policies provided that the policy and related disclosures made are consistent with accepted accounting practice. This charity has decided that where there is no specific guidance under SORP 2015 it will follow the FRSSE 2015.

Policies relating to categories of income and income recognition.

Nature of income

The Charity income derives from Donations to the Charity and revenue from Charitable events.

Categories of Income

Income is categorised as income from exchange transactions and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

The Muslim Research and Development Foundation

Notes to the Accounts for the year ended 31 December 2015

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

Policies relating to assets, liabilities and provisions and other matters.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Plant and machinery	33 % straight line
Fixtures and Fittings	20 % straight line

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Creditors are measured at their market value, and relate to costs consumed and incurred by the charity. Provision are recognised if the value is certain and the liability is more probable than not.

The Muslim Research and Development Foundation

Notes to the Accounts for the year ended 31 December 2015

2 Liability to taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Net surplus before tax in the financial year

	2015 £	2014 £
<i>The net surplus before tax in the financial year is stated after charging:-</i>		
Depreciation of owned fixed assets	3,161	2,065
Independent review	2,000	
Auditors' remuneration	-	3,000

5 Staff costs and emoluments

<i>Salary costs</i>	2015 £	2014 £
Gross Salaries excluding trustees	74,716	83,128
Employer's National Insurance	503	519

Total salaries, wages and related costs	75,219	83,647
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<i>Numbers of full time employees or full time equivalents</i>	2015	2014
The average number of total staff employed in the year was	6	8
The average number of part time staff employed in the year was	4	6
The average number of full time staff employed in the year was	3	4
The estimated full time equivalent number of all staff employed in the year was	6	8

The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	4	6
Engaged on management and administration	2	2

The estimated full time equivalent number of all staff employed as above	6	8
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Neither the trustees nor any persons connected with them have received any remuneration from the charity for the role as a Trustee. The provision of the governing document of the charity, permit the charity to pay Mr H Haddad for his services to the charity as the managing director of the charity and Mr J Rashid for his services to the charity as the office manager.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

The Muslim Research and Development Foundation

Notes to the Accounts for the year ended 31 December 2015

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

7 Deferred income - Unrestricted and Designated funds

	Opening Deferrals	Released from prior years	Received less released in year	Deferred at year end 2,015	Deferred at year end 2,014
	£	£	£	£	£
Sundry items under £1000	5,735	(5,735)	-	-	-
Total	5,735	(5,735)	-	-	-
				2015	2014
				£	£
These deferrals are included in creditors				-	5,735

The deferrals included in creditors relate to income that relate to specific periods and represent those parts of funds which relate to periods subsequent to the accounting year end and are treated deferred income.

8 Tangible fixed assets

	Plant & Machinery	Fixtures and Fittings	Total
	£	£	£
Cost			
At 1 January 2015	11,942	1,528	13,470
Additions	5,385	-	5,385
Disposals	(2,322)	-	(2,322)
At 31 December 2015	15,005	1,528	16,533
Depreciation			
At 1 January 2015	8,350	1,433	9,783
Charge for the year	3,066	95	3,161
On disposals	(1,318)	-	(1,318)
At 31 December 2015	10,098	1,528	11,626
Net book value			
At 31 December 2015	4,907	-	4,907
At 31 December 2014	3,592	95	3,687

The Muslim Research and Development Foundation

Notes to the Accounts for the year ended 31 December 2015

9 Debtors

	2015	2014
	£	£
Trade debtors	-	201
Prepayments and accrued income	-	4,927
Other debtors	2,010	2,310
	2,010	7,438

10 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	1,133	9,794
Accruals	3,000	18,735
Deferred Income - Unrestricted & designated funds	-	5,735
PAYE, NIC VAT and other taxes	1,224	271
Other creditors	5,735	8,055
	11,092	42,590

11 Income and Expenditure account summary

	2015	2014
	£	£
At 1 January 2015	16,609	66,829
Surplus/(loss) after tax for the year	16,367	(50,220)
At 31 December 2015	32,976	16,609

12 No related party transactions

There were no transactions with related parties in the year.

13 Particulars of how particular funds are represented by assets and liabilities

At 31 December 2015	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Tangible Fixed Assets	4,907	-	4,907
Investments at valuation:-	-	-	-
Current Assets	33,821	5,339	39,160
Current Liabilities	(11,092)	-	(11,092)
	27,636	5,339	32,975
At 1 January 2015	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Tangible Fixed Assets	3,687	-	3,687
Investments at valuation:-	-	-	-
Current Assets	50,173	5,339	55,512
Current Liabilities	(42,590)	-	(42,590)
	11,270	5,339	16,609

The Muslim Research and Development Foundation

Notes to the Accounts for the year ended 31 December 2015

14 Change in total funds over the year as shown in Note 13 , analysed by individual funds

	Funds brought forward from 2014	Movement in funds in 2015	Transfers between funds in 2015	Funds carried forward to 2016
	£	See Note 15 £	See Note 16 £	£
Unrestricted and designated funds:-				
Unrestricted revenue funds	11,270	21,699	(5,333)	27,636
Total unrestricted and designated funds	11,270	21,699	(5,333)	27,636
Restricted funds:-				
Islam21 c	-	(5,333)	5,333	-
Dua Book	713	-	-	713
Seerah Timeline	4,626	-	-	4,626
Total restricted funds	5,339	(5,333)	5,333	5,339
Total charity funds	16,609	16,366	-	32,975

15 Analysis of movements in funds over the year as shown in Note 14

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2015 £	2015 £	2015 £	2015 £
Unrestricted and designated funds:-				
Unrestricted revenue funds	395,276	(373,577)	-	21,699
Restricted funds:-				
Islam21 c	13,679	(19,012)	-	(5,333)
	408,955	(392,589)	-	16,366

16 Details of transfers between funds in the year as shown in Note 14

The transfers shown in note 14 above are:-

	2015 £
To/(from) unrestricted funds in accordance with the accounting policy 'Accounting for capital grants and fixed asset funds'.	(5,333)
Transfers to/(from) restricted funds	5,333
Net Transfers	-

The Muslim Research and Development Foundation

Notes to the Accounts for the year ended 31 December 2015

17 The purposes for which the funds as detailed in note 14 are held by the charity are:-

Unrestricted and designated funds:-

Unrestricted revenue funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

Restricted funds:-

Restricted funds:-

These funds are donated for specific projects and are only utilised in accordance with the intent for which they were donated.

18 Ultimate controlling party

The charity is under the control of its legal members.

The Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2015 as required by the SORP 2015

This analysis is classified by conventional nominal descriptions and not by activity.

28 Donations and Legacies

	Current year Unrestricted Funds 2015 £	Current year Restricted Funds 2015 £	Current year Total Funds 2015 £	Prior Year Total Funds 2014 £
Donations and gifts from individuals				
Small donations individually less than £1000	167,581	13,679	181,260	156,110
Total donations and gifts from individuals	167,581	13,679	181,260	156,110
Total Donations and Legacies	167,581	13,679	181,260	156,110

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29 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds 2015 £	Current year Restricted Funds 2015 £	Current year Total Funds 2015 £	Prior Year Total Funds 2014 £
Primary purpose and ancillary trading				
Sale of goods and services in accordance with the charity's objects	227,693	-	227,693	435,800
Total Primary purpose and ancillary trading	227,693	-	227,693	435,800

30 Total Income from charitable activities

	Current year Unrestricted Funds £ 2015	Current year Restricted Funds £ 2015	Current year Total Funds £ 2015	Prior Year Total Funds £ 2014
Total income from charitable trading	227,693	-	227,693	435,800
Total from charitable activities	227,693	-	227,693	435,800

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31 Investment income

	Current year Unrestricted Funds 2015 £	Current year Restricted Funds 2015 £	Current year Total Funds 2015 £	Prior Year Total Funds 2014 £
Bank Interest Receivable	2	-	2	24
Total investment income	2	-	2	24

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The Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2015 as required by the SORP 2015

32 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2015	2015	2015	2014
	£	£	£	£
Gross wages and salaries - charitable activities	47,288	5,413	52,701	60,803
Employers' NI - Charitable activities	-	-	-	519
Marketing and advertising of charitable services	13,628	1,015	14,643	43,564
Total direct spending	60,916	6,428	67,344	104,886

33 Expenditure on charitable activities - Charitable trading

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2015	2015	2015	2014
	£	£	£	£
Cost of goods for primary purpose trading	242,908	12,584	255,492	463,037
Total charitable trading costs	242,908	12,584	255,492	463,037

The Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2015 as required by the SORP 2015

34 Support costs for charitable activities

	Current year Unrestricted Funds 2015 £	Current year Restricted Funds 2015 £	Current year Total Funds 2015 £	Prior Year Total Funds 2014 £
<i>Employee costs not included in direct costs</i>				
Salaries - Administrative staff	22,015	-	22,015	22,325
Employers' NI - Administrative staff	503	-	503	-
<i>Premises Expenses</i>				
Licence fees payable	29,266	-	29,266	23,080
Rates and water charges	670	-	670	478
Room hire	-	-	-	503
Light heat and power	2,406	-	2,406	1,055
Premises repairs, renewals and	-	-	-	2,237
Office consumables	1,665	-	1,665	1,636
<i>Administrative overheads</i>				
Telephone, fax and internet	600	-	600	869
Stationery and printing	-	-	-	662
Software licences and expenses	1,184	-	1,184	2,016
Advertising and marketing	-	-	-	1,060
Sundry expenses	-	-	-	352
IT and Web costs	-	-	-	5,007
Storage	1,829	-	1,829	240
<i>Professional fees paid to advisors other than the auditor or examiner</i>				
Accountancy fees other than examination or audit fees	2,450	-	2,450	1,250
Legal fees	-	-	-	6,364
Consultancy fees	1,000	-	1,000	-
Other legal and professional	-	-	-	32
<i>Financial costs</i>				
Depreciation & Amortisation in total for the period	3,161	-	3,161	2,065
Support costs before reallocation	66,749	-	66,749	71,231
Total support costs	66,749	-	66,749	71,231

The basis of allocation of costs between activities is described under accounting policies

35 Other Expenditure - Governance costs

	Current year Unrestricted Funds 2015 £	Current year Restricted Funds 2015 £	Current year Total Funds 2015 £	Prior Year Total Funds 2014 £
Independent Examiner's fees	2,000	-	2,000	-
Auditor's fees	-	-	-	3,000
Total Governance costs	2,000	-	2,000	3,000

The Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2015 as required by the SORP 2015

36 Total Charitable expenditure

		Current year Unrestricted Funds 2015 £	Current year Restricted Funds 2015 £	Current year Total Funds 2015 £	Prior Year Total Funds 2014 £
Total direct spending	B2a	60,916	6,428	67,344	104,886
Total charitable trading costs	B2b	242,908	12,584	255,492	463,037
Total support costs	B2d	66,749	-	66,749	71,231
Total Governance costs	B2e	2,000	-	2,000	3,000
Total charitable expenditure	B2	372,573	19,012	391,585	642,154

37 Losses on fixed asset disposals

		Current year Unrestricted Funds 2015 £	Current year Restricted Funds 2015 £	Current year Total Funds 2015 £	Prior Year Total Funds 2014 £
Realised losses on disposals of tangible fixed assets held for the charity's own use		1,004	-	1,004	-
Total losses	B3	1,004	-	1,004	-

38 Total of other expenditure

		Current year Unrestricted Funds 2015 £	Current year Restricted Funds 2015 £	Current year Total Funds 2015 £	Prior Year Total Funds 2014 £
Total other expenses and costs		1,004	-	1,004	-
Total other expenditure	B3	1,004	-	1,004	-