

The Registered Company Number is:- 5567478

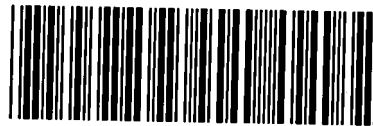
The Charity Registration Number is :- 1119977

## The Muslim Research and Development Foundation

### Report and Accounts

31 December 2017

THURSDAY



A38 \*A7FCIWD6\* #292  
27/09/2018  
COMPANIES HOUSE

# **The Muslim Research and Development Foundation**

## **Report and accounts**

### **Contents**

	<b>Page</b>
<b>Trustees' Annual Report</b>	<b>1</b>
<b>Statement of directors' responsibilities</b>	<b>8</b>
<b>Accountants' report</b>	<b>10</b>
<b><i>Funds Statements:-</i></b>	
Statement of Financial Activities	11
Statement of Financial Activities - Prior Year statement	12
Statement of total recognised gains and losses	13
Movements in funds	14
Income and Expenditure account	15
<b>Balance sheet</b>	<b>16</b>
<b>Notes to the accounts</b>	<b>17</b>

## **The Muslim Research and Development Foundation**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

The Trustees present their Report and Accounts for the year ended 31 December 2017, which also comprises the Directors' Report required by the Companies Act 2006.

#### **Reference and administrative details**

Muslim Research and Development Foundation.

The legal name of the charity is 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 and Wales with charity number 1119977.

#### ***Legal structure of the charity***

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

Governing document is dated 19 January 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 020 346 0072

[enquiries@mrdf.co.uk](mailto:enquiries@mrdf.co.uk)

[www.mrdf.co.uk](http://www.mrdf.co.uk)

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

## **The Muslim Research and Development Foundation**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

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

M Khalid  
Y Patel  
F Haibatan

#### **The Trustees in office during the year were:-**

The trustees who served as a trustee in the reporting period are as shown below. There were no changes in the period between the year end and the approval of the accounts.

M Khalid  
Y Patel  
F Haibatan

All the trustees are also members of the charity.

### **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.***

- a. To work with our partner organisations to deliver the Sabeel development programs in Europe.
- b. To be debt free and have enough working balance for the first quarter of 2018.
- c. To be financially sound and not in deficit at the end of the financial year.
- d. To solidify our fundraising department with committed donors for the coming year.
- e. To re-align our vision and mission following our mitigation of risks from the previous year.

## **The Muslim Research and Development Foundation**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

#### **An explanation of the charity's strategies for achieving its stated objectives**

- a. To further develop our relationship with appropriate charities and organisations that can help fulfil our charitable objectives.
- b. To assess and re-affirm the agreements (MOUs) with charities and non-charity organisations for the purpose of furthering MRDF's charitable purpose.
- c. To make financial plans for each activity/service carried out by MRDF to show any expected deficiencies in funds.
- d. To develop a leaner strategic plan for developing existing donors to the charity.
- e. To streamline the work flows for all educational curriculum for all internal and supported projects.
- f. To carry out risk assessments on all main projects considering our charitable objects.

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

- a. The provision of over 35 Sabeel residential retreats in the year.
- b. To be the educational partner to key charities and non-charitable organisations for the purpose of fulfilling MRDF's charitable objectives.

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

- 1) Operating 3 cycles of the Sabeel development programme in the UK.
- 2) Operating 1 cycle of Sabeel Retreats in each of three European countries.
- 3) Providing educational services to the following supported projects:
  - a. Muslim Youth Initiative – Youth educational services
  - b. Family Events Retreats – Family educational services
  - c. Islamic Council of Europe – Sharia Advisory Services
- 4) 'Fatwa line', national call in Sharia advisory service.

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**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

As in previous years and upon its charitable objectives MRDF's activities are aimed specifically for the Muslim community but open to the general public to attend and benefit. Our activities aim to strengthen the Muslim 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.

MRDF's activities are generally offered throughout the country. In 2017 our main educational project, Sabeel, carried out some of its activities in Europe with its European partners.

As with previous years Prophetictimeline.com was available to anyone who has an internet connection. In 2015, the Office for National Statistics showed 90%+ of UK households having access to the internet.

Regarding restricting those unable to afford the fees to some of the charity's activities and services, the charity has setup clear guidelines preventing any such individual from not-benefiting from its services. The charity aims to provide benefit in a material way that is related to the charity's aims for those who cannot afford its activity/service fees, including those in poverty.

MRDF believes there should be no barriers between a member of the community wanting to benefit from the charity's services/activities and their personal financial situation. To further this belief MRDF has put into place the following:

1. Fees for any service/activity must follow the MRDF fees policy. The policy has at its core the aim of charging an appropriate entry level cost for all the services offered. The charity aims to provide these services at a minimum cost, even though some services generate a marginal profit, they do so following a policy of proportional discounts. Fees are always approved by the trustees in line with the policy.
2. The policy provides students and those on low income with set discounts within each service/activity.
3. The policy also includes provisions for instalments for those unable to meet the fees of an activity/service. This provision is there for any participant who is unable to attend an activity/service due to financial difficulties, the participant will be allowed to pay in instalments following an agreed payment plan. This payment plan is set up by the administration department, they will additionally oversee any request for cancelation of fees if the hardship of returning the fees is overburdening on the participant. This provision needs a direct approval from the trustees and the finance manager before its execution.

## **The Muslim Research and Development Foundation**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

MRDF will not prevent those on low income or those in financial difficulties from having the opportunity to benefit from its activities/services. MRDF carries out regular checks to make sure there are no private benefits that are especially given to members of the charity or its trustees. All such benefits (whether material or not) are the same as provided to the general public and in those cases where benefits are gained these are incidental.

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

#### ***How the activities undertaken during the year contributed to the achievement of the aims and objectives.***

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

- 1) Sabeel Retreats programme carrying out 5 European retreats with its partners.
- 2) Sabeel Development Programme provided over 35 weekend retreats in the UK and Europe.
- 3) Sabeel Development Programme UK had a total of 240 students for all cycles.
- 4) MRDF was the key educational partner to two Family Event retreat weekends.
- 5) MRDF educational resources furnished 6 retreats run by Muslim Youth Initiative.
- 6) Provided guidance to over 10 national UK based charities/organisations.
- 7) Fatwa line, answering questions from Muslims and non-Muslims alike about aspects of Islam that affect their daily lives. Helping over 1150 people in 2017.
- 8) iProgress department provided 4 Sharia advisors to help in arbitration for the Islamic Council of Europe.

##### **Factors relevant to the achievement of the charity's objectives**

To stabilise the charity's finances and to make sure the European retreats with our partner organisations operated correctly following our agreed outcomes, were amongst two of the main objectives for 2017. In 2017 as with 2016 our work with partner organisations was emphasised by the support and guidance we gave to over 10 organisations throughout the UK. We further developed our strategic plan and made sure our vision and mission were re-aligned following the mitigated risks taken in the previous year. The charity worked hard in marketing its work throughout the UK so that beneficiaries were aware of the services which were on offer. This was evident with the amount of activities carried out outside of the London, especially in the area of educational support and guidance, a core objective of the charity.

## **The Muslim Research and Development Foundation**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

#### **The contribution of volunteers**

Volunteers are the major backbone of the Muslim Research & Development Foundation. They are the real providers of the charities objectives and without them the charity could not deliver the activities and services it does. The charity has 55 registered volunteers and over 200 event-based non-permanent volunteers. Registered volunteers work throughout the year in carrying out and managing our projects. MRDF has many event-based volunteers who contribute to the main activities it carries out yearly. We thank them whole heartedly for their efforts and look forward to them being permanent volunteers for the coming years.

#### **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

#### ***The trustees' bankers and advisors***

Bankers	HSBC 126 High Road Ilford, IG1 1DA
Solicitors	Saracens Solicitors, Sentinel House, 16 Harcourt Street, London

#### **Financial review**

#### ***The charity's financial position at the end of the year ended 31 December 2017***

The financial position of the charity at 31 December 2017 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Net (expenditure)/income</b>	<b>(464)</b>	<b>1,419</b>
Unrestricted Revenue Funds available for the general purposes of the charity	28,591	29,055
Restricted Revenue Funds	5,339	5,339
<b>Total Funds</b>	<b>33,930</b>	<b>34,394</b>



## **The Muslim Research and Development Foundation**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

#### ***Financial review of the position at the reporting date, 31 December 2017 .***

The Trustees consider the financial performance by the charity during the year to have been satisfactory. The current year has seen a deficit of £464 whereas in the prior year had a surplus of £1,419. The Trustees are continually evaluating its performance in the light of the challenges faced by the charity - financial and others - which impact the Charity's ability to carry out its objective. The net reserves at 31 December 2017 are £33,930 (2016: £34,394) of which unrestricted funds are £28,591 (2016:£29,055). Changes in the fixed assets are shown in the notes to the account. In the period there were no additional assets acquired.

#### ***Policies on reserves.***

The Trustees have reviewed the requirement to maintain a minimum reserve, in 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.

#### ***Plans For the Future***

The Trustees are continuing to focus on ensuring that the Charity continues its work and recognises the need to increase its resources , both from voluntary donations as well as direct charitable events.

#### ***Details of The Independent Examiner***

S Issadeen

Member of Institute of Chartered Accountants England and Wales

Honest Advisory

1 Tylecroft Road

London

SW16 4BL

## **The Muslim Research and Development Foundation**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

#### **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 FRS 102 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**

Registered company number:- 5567478

### **Trustees' Annual Report for the year ended 31 December 2017**

#### **Method of preparation of accounts - Small company provisions**

The financial statements are set out on pages 11 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 FRS 102.

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 18 September 2018.



Y Patel  
Director and Trustee

## **The Muslim Research and Development Foundation**

### **Report of the Independent Examiner to the Trustees of the Charitable Company accounts for the year ended 31 December 2017**

I report on the accounts of The Muslim Research and Development Foundation for the year ended 31 December 2017, which are set out on pages 11 to 27.

#### **Respective Responsibilities of Trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act 2011, and
- to state whether particular matters have come to my attention

#### **Basis of independent examiners statement**

My examination was carried out in accordance with the 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 examiners statement**

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011,
- have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



S Issadeen

Institute of Chartered Accountants in England and Wales  
Honest Advisory  
1 Tylecroft Road  
London  
SW16 4BL

18 September 2018

**The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2017**

**Statement of Financial Activities for the year ended 31 December 2017**

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2017 £	2017 £	2017 £	2016 £
<b>Income</b>					
Donations & Legacies	A1	209,766	-	209,766	251,014
Charitable activities	A2	100,065	-	100,065	89,197
Investments	A4	1	-	1	4
Other	A5	14,600	-	14,600	2,500
<b>Total income</b>	<b>A</b>	<b>324,432</b>	<b>-</b>	<b>324,432</b>	<b>342,715</b>
<b>Expenditure on:</b>					
Raising funds	B1	-	-	-	-
Charitable activities	B2	324,896	-	324,896	341,140
Other	B3	-	-	-	156
<b>Total expenditure</b>	<b>B</b>	<b>324,896</b>	<b>-</b>	<b>324,896</b>	<b>341,296</b>
Net gains on investments	B4	-	-	-	-
<b>Net (expenditure)/income for the year</b>		<b>(464)</b>	<b>-</b>	<b>(464)</b>	<b>1,419</b>
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>(464)</b>	<b>-</b>	<b>(464)</b>	<b>1,419</b>
<b>Net movement in funds</b>		<b>(464)</b>	<b>-</b>	<b>(464)</b>	<b>1,419</b>
<b>Reconciliation of funds:-</b>					
	<b>E</b>				
<b>Total funds brought forward</b>		<b>29,055</b>	<b>5,339</b>	<b>34,394</b>	<b>32,975</b>
<b>Total funds carried forward</b>		<b>28,591</b>	<b>5,339</b>	<b>33,930</b>	<b>34,394</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

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 2017**

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 2016 £	Prior Year Restricted Funds 2016 £	Prior Year Total Funds 2016 £
<b>Income</b>				
Donations & Legacies	A1	251,014	-	251,014
Charitable activities	A2	89,197	-	89,197
Investments	A4	4	-	4
Other	A5	2,500	-	2,500
		-	-	-
<b>Total income</b>	<b>A</b>	<b>342,715</b>	<b>-</b>	<b>342,715</b>
<b>Expenditure on:</b>				
Raising funds	B1	-	-	-
Charitable activities	B2	341,140	-	341,140
Other	B3	156	-	156
		-	-	-
<b>Total expenditure</b>	<b>B</b>	<b>341,296</b>	<b>-</b>	<b>341,296</b>
Net gains on investments	B4	-	-	-
<b>Net income for the year</b>		<b>1,419</b>	<b>-</b>	<b>1,419</b>
<b>Transfers between funds</b>	<b>C</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income after transfers</b>		<b>1,419</b>	<b>-</b>	<b>1,419</b>
<b>Other recognised gains/(losses)</b>				
<b>Net movement in funds</b>		<b>1,419</b>	<b>-</b>	<b>1,419</b>
<b>Reconciliation of funds:-</b>	<b>E</b>			
<b>Total funds brought forward</b>		<b>27,636</b>	<b>5,339</b>	<b>32,975</b>
<b>Total funds carried forward</b>		<b>29,055</b>	<b>5,339</b>	<b>34,394</b>

All activities derive from continuing operations

**The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2017**

**Statement of Total Recognised Gains and Losses for the year ended 31 December 2017**

	2017 £	2016 £
(Deficit)/surplus for the year :-		
Net excess of expenditure over income from operations before tax	(464)	1,575
Realised losses on the disposal of tangible fixed assets	-	(156)
<b>Income from operations before tax in the Statement of Financial Activities</b>	<b>(464)</b>	<b>1,419</b>
<b>(Deficit)/surplus as shown in the Income and Expenditure account</b>	<b>(464)</b>	<b>1,419</b>
<b>Net Movement in funds before taxation</b>	<b>(464)</b>	<b>1,419</b>
<b>Funds generated in the year as shown on Statement of Financial Activities</b>	<b>(464)</b>	<b>1,419</b>

**The Muslim Research and Development Foundation - Resources applied in the year ended 31 December 2017 towards fixed assets for Charity use:-**

	2017 £	2016 £
Funds generated/(used) in the year as detailed in the SOFA	(464)	1,419
Resources applied on functional fixed assets	-	-
<b>Net resources available to fund charitable activities</b>	<b>(464)</b>	<b>1,419</b>

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

**The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2017**

**Movements in revenue and capital funds for the year ended 31 December 2017**

**Revenue accumulated funds**

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Last year Total Funds 2016 £
Accumulated funds brought forward	29,055	5,339	34,394	32,975
Recognised gains and losses before transfers	(464)	-	(464)	1,419
	<b>28,591</b>	<b>5,339</b>	<b>33,930</b>	<b>34,394</b>
 Closing revenue funds	 <b>28,591</b>	 <b>5,339</b>	 <b>33,930</b>	 <b>34,394</b>



**The Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2017**

**The Muslim Research and Development Foundation  
Income and Expenditure Account for the year ended 31 December 2017 as required by the Companies Act 2006**

	2017 £	2016 £
<b>Income</b>		
Income from operations	309,831	340,211
Investment income		
Interest receivable	1	4
Other operating income	14,600	2,500
<b>Gross income in the year before exceptional items</b>	<b>324,432</b>	<b>342,715</b>
Charitable expenditure, excluding depreciation and amortisation	322,711	337,573
Depreciation and amortisation	2,185	3,567
Governance costs	-	-
Realised losses on disposals of social investments which are programme related	-	-
Realised losses on disposals of tangible fixed assets held for the charity's own use	-	156
<b>Total expenditure in the year</b>	<b>324,896</b>	<b>341,296</b>
 Net income before tax in the financial year	 (464)	 1,419
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b>(464)</b>	<b>1,419</b>
<b>Retained surplus for the financial year</b>	<b>(464)</b>	<b>1,419</b>

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 2017**

	Note	SORP Ref	2017 £	2016 £
<b>Fixed assets</b>		A		
Tangible assets	9	A2	606	2,791
<b>Current assets</b>		B		
Debtors	10	B2	33,267	34,510
Cash at bank and in hand		B4	14,412	13,156
<b>Total current assets</b>			<u>47,679</u>	<u>47,666</u>
<b>Creditors: amounts falling due within one year</b>	11	C1	<u>(14,355)</u>	<u>(16,063)</u>
<b>Net current assets</b>			<u>33,324</u>	<u>31,603</u>
<b>The total net assets of the charity</b>			<u>33,930</u>	<u>34,394</u>

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

<b>Restricted funds</b>				
Restricted Revenue Funds	16	D2	5,339	5,339
<b>Unrestricted Funds</b>				
Unrestricted Revenue Funds	16	D3	<u>28,591</u>	<u>29,055</u>
<b>Total charity funds</b>			<u>33,930</u>	<u>34,394</u>

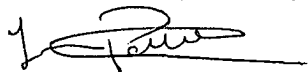
The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

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 charity is subject to Independent Examination under charity legislation, and the report of the examiner is on page 10.

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 18 September 2018

**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 2017

### 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 102 (effective January 2015) and 'The FRS102 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 FRS 102 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.

The adoption of FRS102 did not result in any restatement or adjustment to the prior year numbers.

##### **Risks and future assumptions**

The charity is a public benefit organisation whose key aim is to benefit the public. However as such it is highly dependent on donations and the general public attending educational seminars and outreach programmes it hosts. The Trustees are aware of the financial and economic risk faced by the uncertainty of the UK economy. However the Trustees are confident that the charity will be able to attract the public and raise awareness to the objectives.

#### *Policies relating to categories of income and income recognition.*

##### **Nature of income**

Gross income represents donations and income from charitable events.

##### **Categories of Income**

Income is categorised as income from exchange transactions and income from non-exchange transactions (donations and 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.

## **The Muslim Research and Development Foundation**

### **Notes to the Accounts for the year ended 31 December 2017**

#### **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.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

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.

#### ***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.

# **The Muslim Research and Development Foundation**

## **Notes to the Accounts for the year ended 31 December 2017**

Cost of generating funds include the direct costs of holding the charitable event, direct fund raising and marketing costs. All other costs relate to the general running of the charity and are accounted for as administrative costs

Governance costs are costs related to the governance of the charity and include the costs of the independent review, costs of trustees meetings and any legal advice to the trustees on the issues of governance and constitutional matters.

### **Allocating costs to activities**

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

**Staffing** - on the basis of time spent in connection with any particular activity.

**Premises related costs** - on the proportion of floor area occupied by a particular activity.

**Non specific support costs** - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

### **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.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 5.

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

#### ***Tangible fixed assets***

Tangible fixed assets are measured at their original cost value, or if donated, as described above. 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 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 market value and recognised in the period to which the benefit is consumed by the charity. Provisions are recognised if the value incurred or consumed and the value is certain and liability is probable.

### **Leasing and hire purchase contracts and commitments**

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

# The Muslim Research and Development Foundation

## Notes to the Accounts for the year ended 31 December 2017

### Pensions - defined contribution schemes

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

### 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 (deficit)/surplus before tax in the financial year

2017	2016
£	£

The net (deficit)/surplus before tax in the financial year is stated after charging:-

Depreciation of owned fixed assets	2,185	3,567
------------------------------------	-------	-------

### 5 The contribution of volunteers

Volunteers are the major backbone of the Muslim Research & Development Foundation. They are the real providers of the charities objectives and without them the charity would and could not deliver the activities and services it does. The charity has 55 registered volunteers and over 200 event-based non-permanent volunteers. Registered volunteers work throughout the year in carrying out and managing our projects. MRDF has many event based volunteers who contribute to the main activities it carries out yearly. We thank them whole heartedly for their efforts and look forward to them being permanent volunteers for the coming years.

### 6 Staff costs and emoluments

Salary costs	2017	2016
	£	£
Gross Salaries excluding trustees and key management personnel	87,471	66,217
Employer's National Insurance for all staff	1,499	3,027
Employer's contribution to defined benefit pension schemes	-	-
Employer's operating costs of defined contribution pension schemes	46	-
<b>Total salaries, wages and related costs</b>	<b>89,016</b>	<b>69,244</b>

Numbers of full time employees or full time equivalents	2017	2016
The average number of total staff employed in the year was	5	6

## The Muslim Research and Development Foundation

### Notes to the Accounts for the year ended 31 December 2017

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

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

#### 7 Defined contribution pension schemes

The charity operates a defined contribution pension scheme, the costs of which are shown

The defined benefit contribution in the year were £46 (2016:£103.72). This contributions are recognised as they become due.

Any liabilities and assets associated with the scheme are shown under debtors and creditors.

#### 8 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.

#### 9 Tangible fixed assets

	Land and Buildings	Plant & Machinery	Fixtures and Fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2017	-	10,369	1,528	11,897
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At 31 December 2017</b>	<b>-</b>	<b>10,369</b>	<b>1,528</b>	<b>11,897</b>
<b>Depreciation</b>				
At 1 January 2017	-	7,578	1,528	9,106
Charge for the year	-	2,185	-	2,185
On disposals	-	-	-	-
<b>At 31 December 2017</b>	<b>-</b>	<b>9,763</b>	<b>1,528</b>	<b>11,291</b>
<b>Net book value</b>				
At 31 December 2017	-	606	-	606
At 31 December 2016	-	2,791	-	2,791

#### 10 Debtors

	2017	2016
	£	£
Other debtors	33,267	34,510

# The Muslim Research and Development Foundation

## Notes to the Accounts for the year ended 31 December 2017

<b>11 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	7,306	9,148
Accruals	1,250	1,150
PAYE, NIC VAT and other taxes	5,390	-
Other creditors	409	5,765
	<b>14,355</b>	<b>16,063</b>

<b>12 Income and Expenditure account summary</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
At 1 January 2017	34,394	32,975
(Loss)/surplus after tax for the year	(464)	1,419
At 31 December 2017	<b>33,930</b>	<b>34,394</b>

### 13 Post balance sheet events

There were no post balance sheet events

### 14 No related party transactions

There were no related party transactions

### 15 Particulars of how particular funds are represented by assets and liabilities

<b>At 31 December 2017</b>	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Endowment funds</b>	<b>Restricted funds</b>	<b>Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	606	-	-	-	606
Investments at valuation:-					
Current Assets	42,340	-	-	5,339	47,679
Current Liabilities	(14,355)	-	-	-	(14,355)
	<b>28,591</b>	<b>-</b>	<b>-</b>	<b>5,339</b>	<b>33,930</b>
<b>At 1 January 2017</b>	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Endowment funds</b>	<b>Restricted funds</b>	<b>Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	2,791	-	-	-	2,791
Investments at valuation:-					
Current Assets	42,327	-	-	5,339	47,666
Current Liabilities	(16,063)	-	-	-	(16,063)
	<b>29,055</b>	<b>-</b>	<b>-</b>	<b>5,339</b>	<b>34,394</b>



# The Muslim Research and Development Foundation

## Notes to the Accounts for the year ended 31 December 2017

### 16 Change in total funds over the year as shown in Note 15, analysed by individual funds

	Funds brought forward from 2016	Movement in funds in 2017 See Note 17	Transfers between funds in 2017	Funds carried forward to 2018
	£	£	£	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	29,055	(464)	-	28,591
<b>Total unrestricted and designated funds</b>	<b>29,055</b>	<b>(464)</b>	<b>-</b>	<b>28,591</b>
<b>Restricted funds:-</b>				
Seerah Timeline	4,626	-	-	4,626
Dua book	713	-	-	713
<b>Total restricted funds</b>	<b>5,339</b>	<b>-</b>	<b>-</b>	<b>5,339</b>
<b>Total charity funds</b>	<b>34,394</b>	<b>(464)</b>	<b>-</b>	<b>33,930</b>

### 17 Analysis of movements in funds over the year as shown in Note 16

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2017	2017	2017	2017
	£	£	£	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	324,432	(324,896)	-	(464)
<b>Endowment funds:-</b>				
	<b>324,432</b>	<b>(324,896)</b>	<b>-</b>	<b>(464)</b>

### 18 The purposes for which the funds as detailed in note 16 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 fixed asset funds

The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

### 19 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 2017 as required by the SORP 2015

*This analysis is classsified by conventional nominal descriptions and not by activity.*

### 20 Donations and Legacies

	Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Endowment Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Donations and gifts from individuals					
Donations and gifts	209,766	-	-	209,766	251,014
<b>Total donations and gifts from individuals</b>	<b>209,766</b>	<b>-</b>	<b>-</b>	<b>209,766</b>	<b>251,014</b>
<b>Total Donations and Legacies A1</b>	<b>209,766</b>	<b>-</b>	<b>-</b>	<b>209,766</b>	<b>251,014</b>

### 21 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Endowment Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Primary purpose and ancillary trading					
Sale of goods and services in accordance with the charity's objects	100,065	-	-	100,065	89,197
<b>Total Primary purpose and ancillary trading</b>	<b>100,065</b>	<b>-</b>	<b>-</b>	<b>100,065</b>	<b>89,197</b>

### 22 Total Income from charitable activities

	Current year Unrestricted Funds £ 2017	Current year Restricted Funds £ 2017	Current year Endowment Funds £ 2017	Current year Total Funds £ 2017	Prior Year Total Funds £ 2016
Total income from charitable trading	100,065	-	-	100,065	89,197
<b>Total from charitable activities A2</b>	<b>100,065</b>	<b>-</b>	<b>-</b>	<b>100,065</b>	<b>89,197</b>

## The Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2017 as required by the SORP 2015

### 23 Investment income

		Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Endowment Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Bank Interest Receivable		1	-	-	1	4
<b>Total investment income</b>	<b>A4</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>4</b>

### 24 Other income and gains

		Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Endowment Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Sundry other income		14,600	-	-	14,600	2,500
<b>Total other income</b>	<b>A5</b>	<b>14,600</b>	<b>-</b>	<b>-</b>	<b>14,600</b>	<b>2,500</b>

### 25 Expenditure on charitable activities - Direct spending

		Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Endowment Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Gross wages and salaries - charitable activities		78,016	-	-	78,016	51,059
Employers' NI - Charitable activities		1,319	-	-	1,319	2,427
Defined contribution pension costs - charitable activities		46	-	-	46	-
Temporary Staff - Charitable Activities		-	-	-	-	-
Marketing and advertising of charitable services		23,292	-	-	23,292	64,116
<b>Total direct spending</b>	<b>B2a</b>	<b>102,673</b>	<b>-</b>	<b>-</b>	<b>102,673</b>	<b>117,602</b>

### 26 Expenditure on charitable activities - Charitable trading

		Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Endowment Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Cost of goods for primary purpose trading		166,856	-	-	166,856	157,728
<b>Total charitable trading costs</b>	<b>B2b</b>	<b>166,856</b>	<b>-</b>	<b>-</b>	<b>166,856</b>	<b>157,728</b>

## The Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2017 as required by the SORP 2015

### 27 Support costs for charitable activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Endowment Funds	Current year Total Funds	Prior Year Total Funds
	2017	2017	2017	2017	2016
	£	£	£	£	£
<b><i>Employee costs not included in direct costs</i></b>					
Salaries - Administrative staff	9,455	-	-	9,455	15,158
Employers' NI - Administrative staff	180	-	-	180	600
<b><i>Premises Expenses</i></b>					
Licence fees payable	31,900	-	-	31,900	27,202
Rates and water charges	2,704	-	-	2,704	446
Light heat and power	2,223	-	-	2,223	2,271
Office consumables	-	-	-	-	-
<b><i>Administrative overheads</i></b>					
Telephone, fax and internet	1,778	-	-	1,778	370
Postage	178	-	-	178	-
Stationery and printing	168	-	-	168	30
Software licences and expenses	699	-	-	699	1,341
Sundry expenses	250	-	-	250	2,104
Storage	2,284	-	-	2,284	906
<b><i>Professional fees paid to advisors other than the auditor or examiner</i></b>					
Accountancy fees other than examination or audit fees	1,350	-	-	1,350	1,000
Legal fees	-	-	-	-	5,700
Consultancy fees	-	-	-	-	5,115
Other legal and professional	13	-	-	13	-
<b><i>Financial costs</i></b>					
Depreciation & Amortisation in total	2,185	-	-	2,185	3,567
<b>Support costs before reallocation</b>	<b>55,367</b>	<b>-</b>	<b>-</b>	<b>55,367</b>	<b>65,810</b>
<b>Total support costs</b>	<b>55,367</b>	<b>-</b>	<b>-</b>	<b>55,367</b>	<b>65,810</b>

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

### 28 Other Expenditure - Governance costs

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Endowment Funds	Current year Total Funds	Prior Year Total Funds
	2017	2017	2017	2017	2016
	£	£	£	£	£
Independent Examiner's fees	-	-	-	-	-

## The Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2017 as required by the SORP 2015

### 29 Total Charitable expenditure

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Endowment Funds	Current year Total Funds	Prior Year Total Funds
		2017	2017	2017	2017	2016
		£	£	£	£	£
Total direct spending	<b>B2a</b>	102,673	-	-	<b>102,673</b>	117,602
Total charitable trading costs	<b>B2b</b>	166,856	-	-	<b>166,856</b>	157,728
Total support costs	<b>B2d</b>	55,367	-	-	<b>55,367</b>	65,810
Total Governance costs	<b>B2e</b>	-	-	-	-	-
<i>Total charitable expenditure</i>	<b>B2</b>	<b>324,896</b>	-	-	<b>324,896</b>	<b>341,140</b>

### 30 Gains and losses on fixed asset disposals and summary of impairments

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Endowment Funds	Current year Total Funds	Prior Year Total Funds
		2017	2017	2017	2017	2016
		£	£	£	£	£
Realised losses on disposals of tangible fixed assets held for the charity's own use		-	-	-	-	156
<b>Total losses</b>	<b>B3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>156</b>