

3rd Annual Report

1st April 2016 – 31st March 2017



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LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)



1. Membership

The membership numbers are shown in the summary table below:

Subscription Year	Opening Total	New Members	Cancelled Members	Closing Total	% Change
2014/15	0	83	0	83	
2015/16	83	14	4	93	+ 12.0%
2016/17	93	6	4	95	+ 2.2%
2017/18	95	2	2	95	0%

Membership Subscription Overview

- All 95 Members have paid the annual membership in full for 2017/18.
- The membership fees for households with more than one person increased to £115.00 from £100.00.
- Single person households the fee remained at £100.00 for the 4th consecutive year.
- The membership fee was raised to cover the continued rising burial costs and to take action to reduce the scheme projected shortfall, as detailed in the financial modelling.

2. Trustees

The LBS continues to be administered by five trustees of which one is a current serving MKSI Management Committee Member. The current trustees are:

Mr Hussain Lester (Treasurer/Head of Trustees)
Mr Imtiaz Jakhara
Mrs Sukaina Fazal
Mrs Zainab Lester
Mr Sajjad Karim (LBS Trustee & Management Committee Representative)

3. Scheme Structure

LBS continues to be a semi sub-committee of MKSI Leicester as per the agreement signed in June 2015. The agreement provides protection to the burial scheme and protection for all of the scheme's member's funds. The following undertakings have been agreed between LBS and the MC:

- 1) LBS Funds are to be banked separately in LBS bank account
- 2) LBS Funds are treated as restricted funds
- 3) Any proposed purchases by LBS Trustees must obtain MC approval
- 4) Any proposed LBS rule changes must be approved by the MC

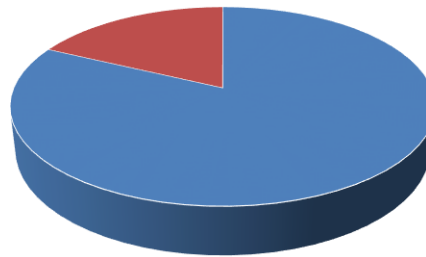
The assets and liabilities of LBS were transferred to the MC on 10th June 2015. The running of LBS has been delegated by the MC to the LBS Trustees. The LBS structure remains unchanged and comprises of 5 Trustees that all have an equal voting right. LBS Trustees term is fixed for 10 years and outgoing trustees are eligible to stand for additional terms. In the event of one of the schemes trustees retiring the remaining trustees will propose another trustee from the Jamaat. Any proposed trustees must be approved by the MC.

4. Membership Analysis

4.1 MKSI Membership

LBS Members = 95: MKSI Members = 78 & Non MKSI Members =17

LBS Members who hold MKSI Membership

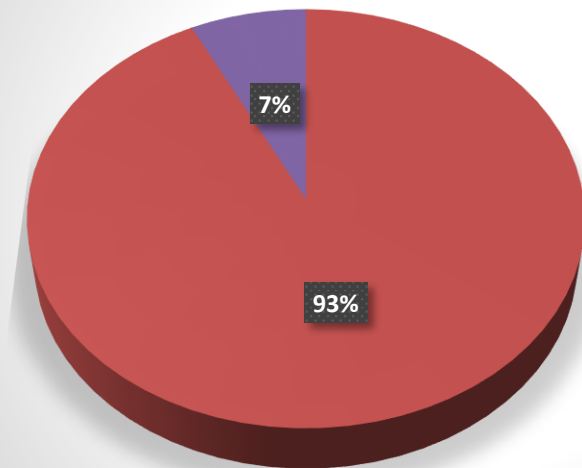


■ Members ■ Non Members

4.2 Members Residency

LBS Members = 95: Number City Residents = 88 & Non City Residents =7

LBS Residency



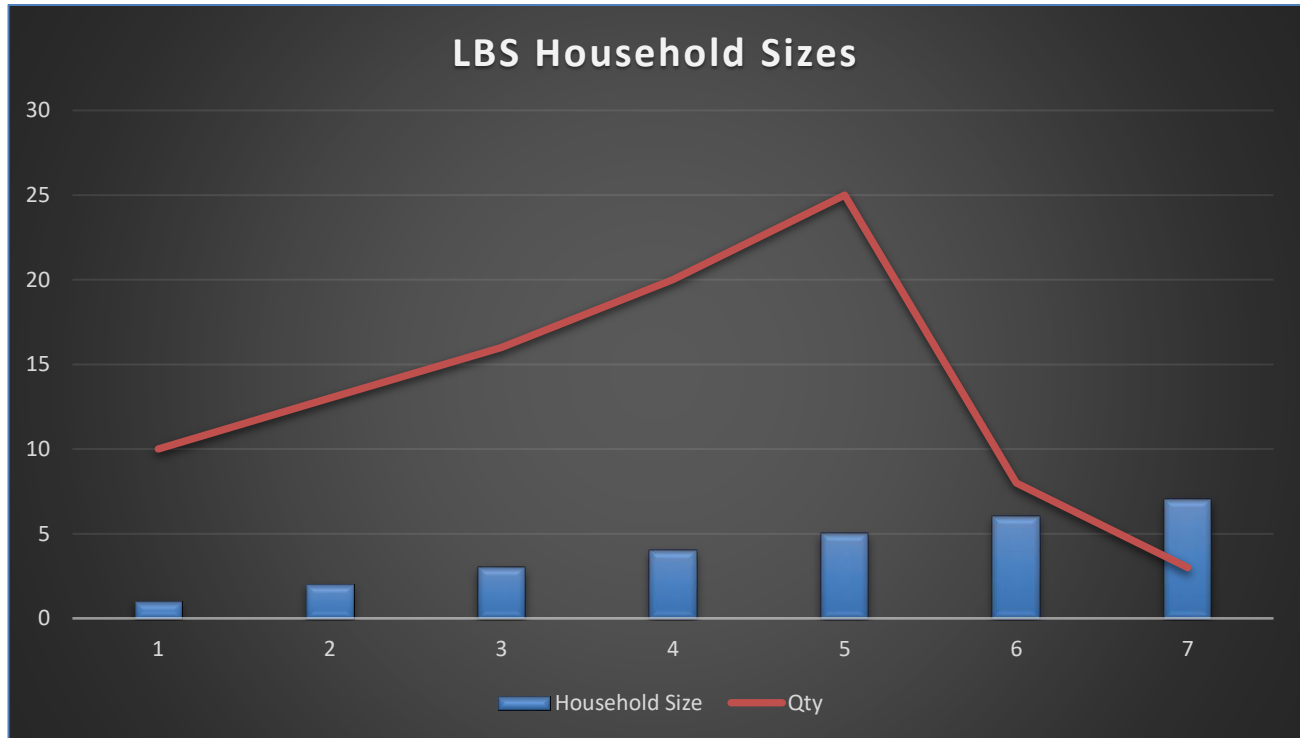
■ City Residents
■ Non City Residents

LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)

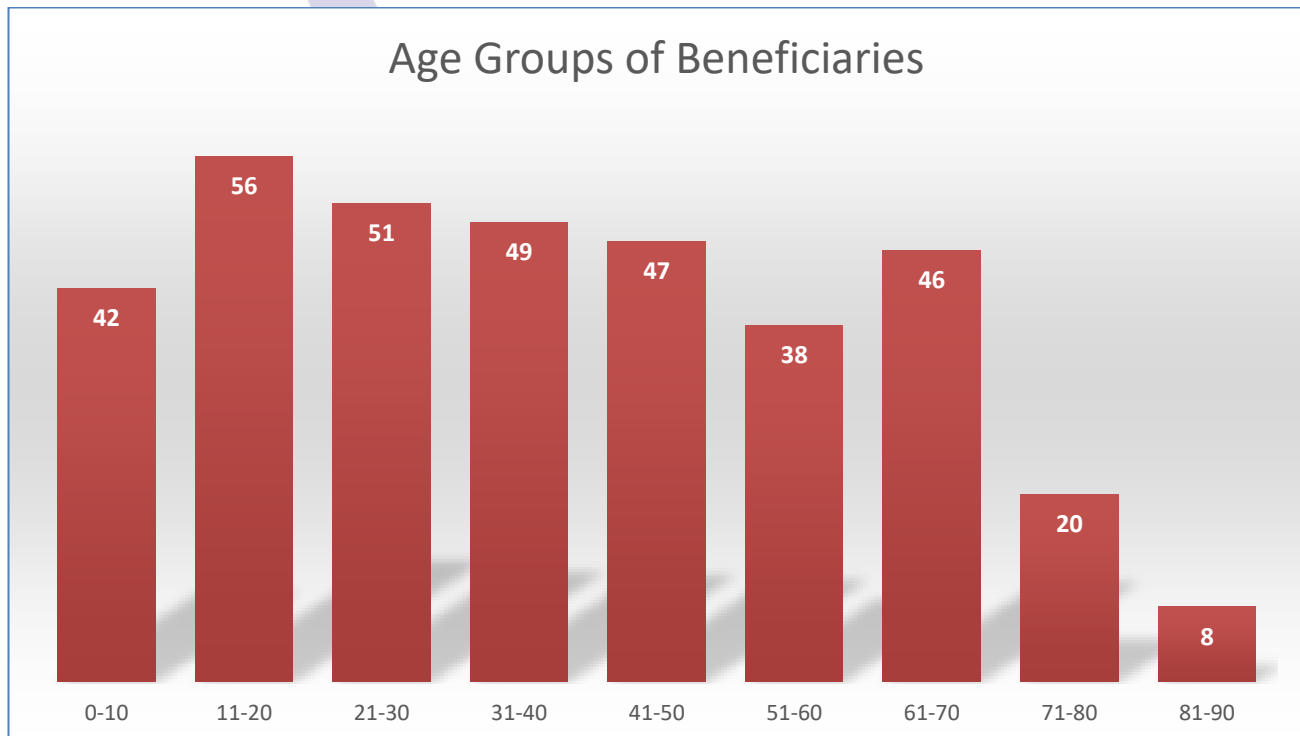
4.3 LBS Household Sizes

Average LBS Member Household size is 3.8



4.4 LBS Beneficiaries Ages

Total household beneficiaries 357



LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)

5. Scheme Financial Modelling as at 09/02/2017

The trustees carried out financial modelling before determining the membership prices for 2017/18. The purpose of the model was to predict the membership income, burial costs liability for all household beneficiaries and calculate the overall scheme contribution.

Model Assumptions

- Life expectancy age used is the UK 2016 published average of 81.
- Annual Subscriptions fees remain fixed at £100.00 per annum (2016/17 fees)
- Burial Costs remain fixed at £1,970.00 per claimant (2016/17 current burial costs)
- All 94 household members remain in the scheme until they reach the life expectancy age of 81
- No new household members join the scheme
- Current bank balance of £21,676.00 is not included in the income and contribution calculations
- 6 lawned burial plots owned by LBS have not been used in the burial cost projections

Scheme Assets

- Cash at bank as at 09/02/2017 £21,676.00
- 6 lawned burial plots £ 6,474.00
- Total Assets **£28,150.00**

5.1 Scheme Model Highlights

Scheme Net Worth

Projected income from 94 members	£529,900.00
Projected burial claims	<u>£709,200.00</u>
Projected scheme deficit	<u>(£179,300.00)</u>

The scheme has a total of 360 beneficiaries.

17 of the **94** members (**18%**) are projected to return a scheme surplus

77 of the **94** members (**82%**) are projected to return a scheme deficit

Projected Scheme Cash Flow

Year 1: 7 beneficiaries have reached the life expectancy age and an estimated scheme liability of £13,790.00. Year 1 expected contribution loss of £4,390.00.

Year 12: Next expected in year contribution deficit of £850.00 with an expected 5 claims. By year 12 the expected cumulative contribution is £56,540.00.

Year 57: The projected point where the cumulative contribution becomes negative and at that stage number of members have reduced from 94 to 62.

LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)



5.2 Income & Expenditure Annual Predictive Cash Flows

Year No	No	Members Income	Cummulative Income	No Claims	Claim Cost	Cummulative Cost	Year Contribution	Cummulative Contribution
1	94	£9,400.00	£9,400.00	7	£13,790.00	£13,790.00	-£4,390.00	-£4,390.00
2	94	£9,400.00	£18,800.00	1	£1,970.00	£15,760.00	£7,430.00	£3,040.00
3	94	£9,400.00	£28,200.00	1	£1,970.00	£17,730.00	£7,430.00	£10,470.00
4	94	£9,400.00	£37,600.00	1	£1,970.00	£19,700.00	£7,430.00	£17,900.00
5	94	£9,400.00	£47,000.00	4	£7,880.00	£27,580.00	£1,520.00	£19,420.00
6	94	£9,400.00	£56,400.00	0	£0.00	£27,580.00	£9,400.00	£28,820.00
7	94	£9,400.00	£65,800.00	1	£1,970.00	£29,550.00	£7,430.00	£36,250.00
8	93	£9,300.00	£75,100.00	1	£1,970.00	£31,520.00	£7,330.00	£43,580.00
9	93	£9,300.00	£84,400.00	3	£5,910.00	£37,430.00	£3,390.00	£46,970.00
10	92	£9,200.00	£93,600.00	2	£3,940.00	£41,370.00	£5,260.00	£52,230.00
11	91	£9,100.00	£102,700.00	2	£3,940.00	£45,310.00	£5,160.00	£57,390.00
12	90	£9,000.00	£111,700.00	5	£9,850.00	£55,160.00	-£850.00	£56,540.00
13	89	£8,900.00	£120,600.00	3	£5,910.00	£61,070.00	£2,990.00	£59,530.00
14	88	£8,800.00	£129,400.00	5	£9,850.00	£70,920.00	-£1,050.00	£58,480.00
15	88	£8,800.00	£138,200.00	5	£9,850.00	£80,770.00	-£1,050.00	£57,430.00
16	86	£8,600.00	£146,800.00	3	£5,910.00	£86,680.00	£2,690.00	£60,120.00
17	85	£8,500.00	£155,300.00	5	£9,850.00	£96,530.00	-£1,350.00	£58,770.00
18	83	£8,300.00	£163,600.00	5	£9,850.00	£106,380.00	-£1,550.00	£57,220.00
19	82	£8,200.00	£171,800.00	7	£13,790.00	£120,170.00	-£5,590.00	£51,630.00
20	79	£7,900.00	£179,700.00	2	£3,940.00	£124,110.00	£3,960.00	£55,590.00
21	79	£7,900.00	£187,600.00	5	£9,850.00	£133,960.00	-£1,950.00	£53,640.00
22	79	£7,900.00	£195,500.00	5	£9,850.00	£143,810.00	-£1,950.00	£51,690.00
23	78	£7,800.00	£203,300.00	5	£9,850.00	£153,660.00	-£2,050.00	£49,640.00
24	78	£7,800.00	£211,100.00	2	£3,940.00	£157,600.00	£3,860.00	£53,500.00
25	77	£7,700.00	£218,800.00	5	£9,850.00	£167,450.00	-£2,150.00	£51,350.00
26	77	£7,700.00	£226,500.00	4	£7,880.00	£175,330.00	-£180.00	£51,170.00
27	76	£7,600.00	£234,100.00	3	£5,910.00	£181,240.00	£1,690.00	£52,860.00
28	76	£7,600.00	£241,700.00	4	£7,880.00	£189,120.00	-£280.00	£52,580.00
29	76	£7,600.00	£249,300.00	6	£11,820.00	£200,940.00	-£4,220.00	£48,360.00
30	76	£7,600.00	£256,900.00	2	£3,940.00	£204,880.00	£3,660.00	£52,020.00
31	76	£7,600.00	£264,500.00	3	£5,910.00	£210,790.00	£1,690.00	£53,710.00
32	76	£7,600.00	£272,100.00	4	£7,880.00	£218,670.00	-£280.00	£53,430.00
33	76	£7,600.00	£279,700.00	3	£5,910.00	£224,580.00	£1,690.00	£55,120.00
34	76	£7,600.00	£287,300.00	4	£7,880.00	£232,460.00	-£280.00	£54,840.00
35	75	£7,500.00	£294,800.00	7	£13,790.00	£246,250.00	-£6,290.00	£48,550.00
36	75	£7,500.00	£302,300.00	6	£11,820.00	£258,070.00	-£4,320.00	£44,230.00
37	74	£7,400.00	£309,700.00	9	£17,730.00	£275,800.00	-£10,330.00	£33,900.00
38	74	£7,400.00	£317,100.00	3	£5,910.00	£281,710.00	£1,490.00	£35,390.00
39	74	£7,400.00	£324,500.00	2	£3,940.00	£285,650.00	£3,460.00	£38,850.00
40	74	£7,400.00	£331,900.00	5	£9,850.00	£295,500.00	-£2,450.00	£36,400.00

LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)



Year No	No	Members Income	Cummulative Income	No Claims	Claim Cost	Cummulative Cost	Year Contribution	Cummulative Contribution
41	74	£7,400.00	£339,300.00	4	£7,880.00	£303,380.00	-£480.00	£35,920.00
42	73	£7,300.00	£346,600.00	4	£7,880.00	£311,260.00	-£580.00	£35,340.00
43	73	£7,300.00	£353,900.00	3	£5,910.00	£317,170.00	£1,390.00	£36,730.00
44	73	£7,300.00	£361,200.00	4	£7,880.00	£325,050.00	-£580.00	£36,150.00
45	73	£7,300.00	£368,500.00	4	£7,880.00	£332,930.00	-£580.00	£35,570.00
46	73	£7,300.00	£375,800.00	8	£15,760.00	£348,690.00	-£8,460.00	£27,110.00
47	73	£7,300.00	£383,100.00	4	£7,880.00	£356,570.00	-£580.00	£26,530.00
48	73	£7,300.00	£390,400.00	3	£5,910.00	£362,480.00	£1,390.00	£27,920.00
49	73	£7,300.00	£397,700.00	5	£9,850.00	£372,330.00	-£2,550.00	£25,370.00
50	71	£7,100.00	£404,800.00	6	£11,820.00	£384,150.00	-£4,720.00	£20,650.00
51	71	£7,100.00	£411,900.00	6	£11,820.00	£395,970.00	-£4,720.00	£15,930.00
52	68	£6,800.00	£418,700.00	6	£11,820.00	£407,790.00	-£5,020.00	£10,910.00
53	67	£6,700.00	£425,400.00	4	£7,880.00	£415,670.00	-£1,180.00	£9,730.00
54	66	£6,600.00	£432,000.00	3	£5,910.00	£421,580.00	£690.00	£10,420.00
55	65	£6,500.00	£438,500.00	5	£9,850.00	£431,430.00	-£3,350.00	£7,070.00
56	64	£6,400.00	£444,900.00	5	£9,850.00	£441,280.00	-£3,450.00	£3,620.00
57	62	£6,200.00	£451,100.00	7	£13,790.00	£455,070.00	-£7,590.00	-£3,970.00
58	61	£6,100.00	£457,200.00	14	£27,580.00	£482,650.00	-£21,480.00	-£25,450.00
59	54	£5,400.00	£462,600.00	4	£7,880.00	£490,530.00	-£2,480.00	-£27,930.00
60	53	£5,300.00	£467,900.00	6	£11,820.00	£502,350.00	-£6,520.00	-£34,450.00
61	50	£5,000.00	£472,900.00	5	£9,850.00	£512,200.00	-£4,850.00	-£39,300.00
62	47	£4,700.00	£477,600.00	3	£5,910.00	£518,110.00	-£1,210.00	-£40,510.00
63	45	£4,500.00	£482,100.00	5	£9,850.00	£527,960.00	-£5,350.00	-£45,860.00
64	44	£4,400.00	£486,500.00	7	£13,790.00	£541,750.00	-£9,390.00	-£55,250.00
65	42	£4,200.00	£490,700.00	5	£9,850.00	£551,600.00	-£5,650.00	-£60,900.00
66	39	£3,900.00	£494,600.00	7	£13,790.00	£565,390.00	-£9,890.00	-£70,790.00
67	38	£3,800.00	£498,400.00	5	£9,850.00	£575,240.00	-£6,050.00	-£76,840.00
68	36	£3,600.00	£502,000.00	3	£5,910.00	£581,150.00	-£2,310.00	-£79,150.00
69	35	£3,500.00	£505,500.00	9	£17,730.00	£598,880.00	-£14,230.00	-£93,380.00
70	33	£3,300.00	£508,800.00	6	£11,820.00	£610,700.00	-£8,520.00	-£101,900.00
71	29	£2,900.00	£511,700.00	6	£11,820.00	£622,520.00	-£8,920.00	-£110,820.00
72	27	£2,700.00	£514,400.00	3	£5,910.00	£628,430.00	-£3,210.00	-£114,030.00
73	26	£2,600.00	£517,000.00	3	£5,910.00	£634,340.00	-£3,310.00	-£117,340.00
74	24	£2,400.00	£519,400.00	7	£13,790.00	£648,130.00	-£11,390.00	-£128,730.00
75	21	£2,100.00	£521,500.00	3	£5,910.00	£654,040.00	-£3,810.00	-£132,540.00
76	20	£2,000.00	£523,500.00	2	£3,940.00	£657,980.00	-£1,940.00	-£134,480.00
77	20	£2,000.00	£525,500.00	8	£15,760.00	£673,740.00	-£13,760.00	-£148,240.00
78	16	£1,600.00	£527,100.00	3	£5,910.00	£679,650.00	-£4,310.00	-£152,550.00
79	14	£1,400.00	£528,500.00	4	£7,880.00	£687,530.00	-£6,480.00	-£159,030.00
80	10	£1,000.00	£529,500.00	7	£13,790.00	£701,320.00	-£12,790.00	-£171,820.00
81	4	£400.00	£529,900.00	4	£7,880.00	£709,200.00	-£7,480.00	-£179,300.00

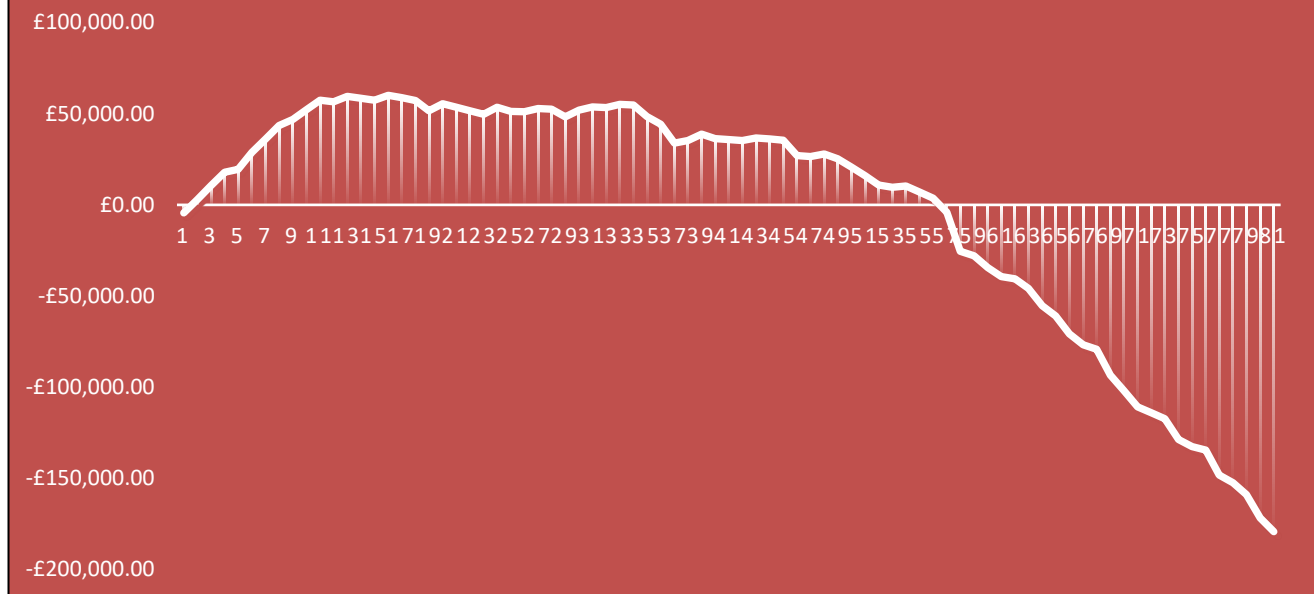
5.3 Annual Cost, Income and Contributions



LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)

5.4 CUMULATIVE CONTRIBUTION PER YEAR



5.5 Projected Contributions with Price Increases

Fee	Incr %	Income	Costs	Contribution	%
£100.00		£529,900.00	£734,400.00	-£204,500.00	-38.6%
£110.00	10%	£582,890.00	£734,400.00	-£151,510.00	-26.0%
£115.00	15%	£609,385.00	£734,400.00	-£125,015.00	-20.5%
£120.00	20%	£635,880.00	£734,400.00	-£98,520.00	-15.5%
£125.00	25%	£662,375.00	£734,400.00	-£72,025.00	-10.9%
£130.00	30%	£688,870.00	£734,400.00	-£45,530.00	-6.6%
£135.00	35%	£715,365.00	£734,400.00	-£19,035.00	-2.7%
£140.00	40%	£741,860.00	£734,400.00	£7,460.00	1.0%
£145.00	45%	£768,355.00	£734,400.00	£33,955.00	4.4%
£150.00	50%	£794,850.00	£734,400.00	£60,450.00	7.6%

5.6 Projected Contributions with Inflated Fees and Burial Costs

Fee %	Burial %	Income	Costs	Contribution	%
2.50%	2.50%	£1,537,641.00	£2,501,386.00	-£963,745.00	-62.7%
2.50%	3.00%	£1,537,641.00	£3,283,627.00	-£1,745,986.00	-113.5%
3.00%	3.00%	£1,904,282.00	£3,283,627.00	-£1,379,345.00	-72.4%
4.00%	3.00%	£2,996,441.00	£3,283,627.00	-£287,186.00	-9.6%
4.50%	3.00%	£3,803,027.00	£3,283,627.00	£519,400.00	13.7%
5.00%	3.00%	£4,860,785.00	£3,283,627.00	£1,577,158.00	32.4%

LBS – Leicester Burial Scheme

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6. Burial Fund: Receipts and Payments Account

For the period 1st April 2016 to 31st March 2017

<u>Receipts</u>	<u>Information</u>	<u>£</u>	<u>£</u>
Donations	General	0.00	
Loan Repayment	MKSI Mobiles	11,000.00	
Subscriptions 16/17 (New Members)	3 @ £100	300.00	
Subscriptions 17/18 (Multi Households)	85 @ £115	9,775.00	
Subscriptions 17/18 (Single Households)	10 @ £100	1,000.00	
Overpayment from MKSI Leicester	1 @ £5	5.00	
			22,080.00
Payments			
1 Burials	1 @ £1995.00	1,995.00	
Refund Overpayment to MKSI	1 @ £5	5.00	
Expenses	See Below	0	
			2,000.00
Operating Surplus/Deficit			20,080.00
Bank Balance Brought Forward			10,276.00
Bank Balance Carried Forward			30,356.00
Expenses	£		
Stationery (Donation)	0		
Postage (Donation)	0		
Printing (Donation)	0		
Total	0		
<u>Scheme Assets at 31/03/2017</u>			
Lawned burial plots MXL1 30 - MXL1 36 (Purchased 2015/16)		£6,474.00	
Cash at bank		<u>£30,356.00</u>	
Total		<u>£36,830.00</u>	

LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)

7. Burial Fund: Receipts and Payments Account

For the period 1st February 2015 to 31st March 2016

(Note the financial statement has been extended to the 31/03/2016 to fall in line with MKSIC Leicester's year-end).

<u>Receipts</u>	<u>Information</u>	<u>£</u>	<u>£</u>
Donations	General	100.00	
Loans		0.00	
Subscriptions 15/16 (Full)	36 @ £100	3,600.00	
Subscriptions 15/16 (Partial)	1	20.00	
Subscriptions 15/16 Discount	6 @£50	300.00	
Subscriptions 16/17 (Full)	92 @ £100	9,200.00	
Pre payments		0.00	
			13,220.00
Payments			
0 Burials		0	
Purchase Burial Plots	6 * Lawned Plots	6,474.00	
Loan to MSKI Leicester	See Below	10,000.00	
Expenses	See Below	0	
			16,474.00
Operating Surplus/Deficit			-3,254.00
Bank Balance Brought Forward			13,530.00
Bank Balance Carried Forward			10,276.00
Expenses	£		
Stationery (Donation)	0		
Postage (Donation)	0		
Printing (Donation)	0		
Total	0		

Loan to MKSI Leicester Jamaat

On 19th January a loan agreement was made with MKSIC Leicester for the purposes of a mobile home investment. The loan repayment will be paid in full on 31/01/2017 with a net return of 10%, the total agreed repayment sum is £11,000.00.

LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)

8. Burial Fund: Receipts and Payments Account

For the period 1st February 2014 to 31st January 2015

<u>Receipts</u>	<u>Information</u>	<u>£</u>	<u>£</u>
Donations	General	305.00	
Loan	MKSI Leicester	5,000.00	
Subscriptions (Full)	82 @ £100	8,200.00	
Subscriptions (Partial)	1	25.00	
Pre payments	50 * Subscription 15/16	<u>5,000.00</u>	
			18,530.00
Payments			
0 Burials		0	
Loan Repayment	MKSI Leicester	5,000.00	
Expenses	See Below	<u>0</u>	
			5,000.00
Operating Surplus/Deficit			13,530.00
Bank Balance Brought Forward			0
Bank Balance Carried Forward			13,530.00
Expenses	£		
Stationery (Donation)	0		
Postage (Donation)	0		
Printing (Donation)	<u>0</u>		
Total	<u>0</u>		

LBS – Leicester Burial Scheme

"Every Soul Shall Taste Death" (Holy Qur'an)

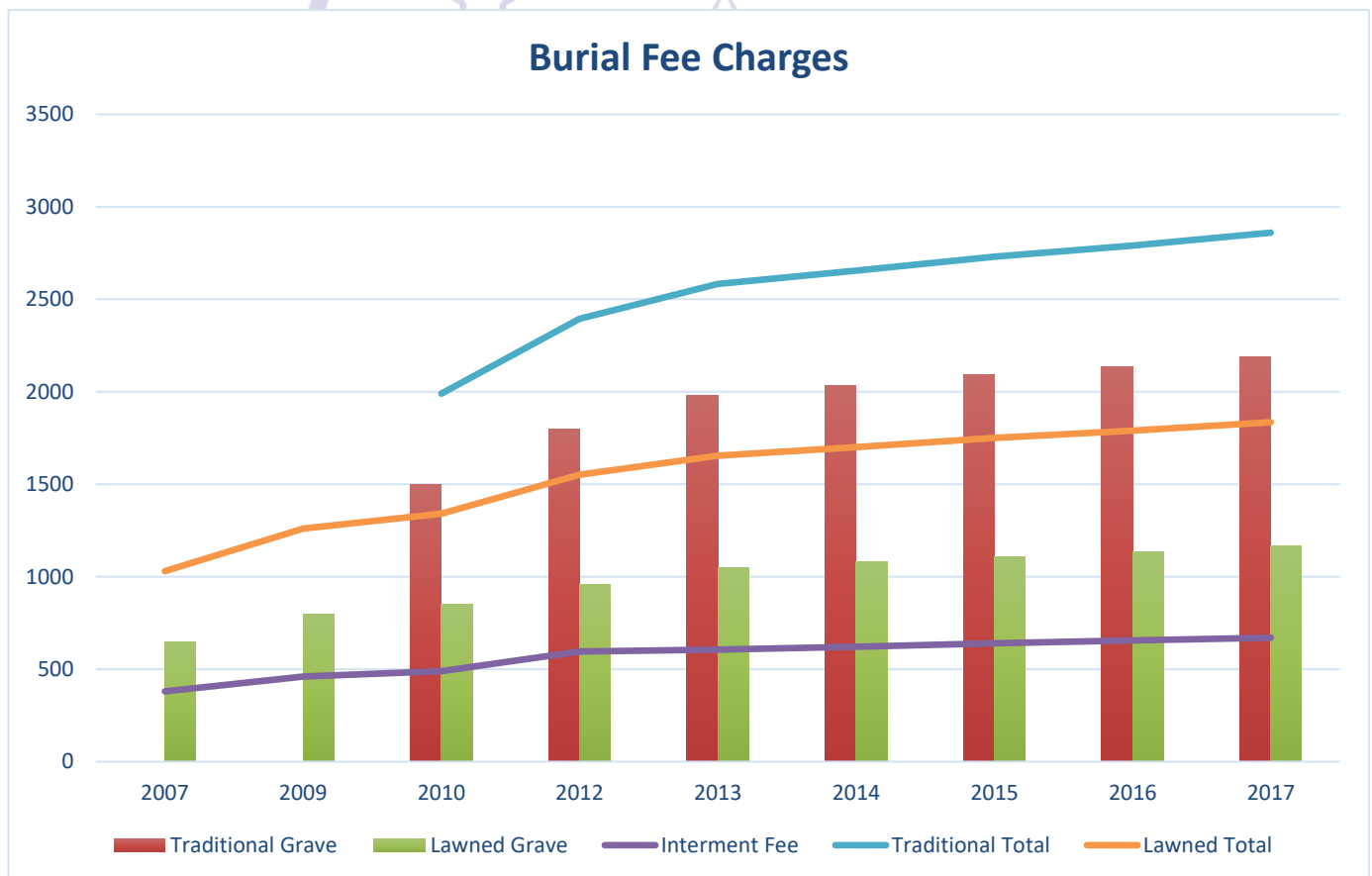
9. Purchase of Burial Plots

The Trustees have purchased six consecutive Lawned burial plots MXL1 30 - MXL1 36. The purpose of acquiring these plots is for the use of scheme members. The decision to purchase plots is to protect the scheme, to a certain extent, from the rising prices of burial plots. The tables and graph below shows the rising prices of Leicester City Council burial plots 2007 to 2017:

Burial Fee Charges

Year	2007	2009	2010	2012	2013	2014	2015	2016	2017
Traditional Grave			£1,500	£1,800	£1,978	£2,033	£2,090	£2,135	£2,190
Lawned Grave	£650	£800	£850	£956	£1,050	£1,079	£1,110	£1,135	£1,165
Interment Fee	£380	£460	£490	£595	£605	£622	£640	£655	£670
Traditional Total			£1,990	£2,395	£2,583	£2,655	£2,730	£2,790	£2,860
Lawned Total	£1,030	£1,260	£1,340	£1,551	£1,655	£1,701	£1,750	£1,790	£1,835

Source: <http://www.leicester.gov.uk>



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Burial Fee Increase Percentages

Year	2009	2010	2012	2013	2014	2015	2016	2017
Traditional Grave			20.0%	9.9%	2.8%	2.8%	2.2%	2.6%
Lawned Grave	23.1%	6.3%	12.5%	9.8%	2.8%	2.9%	2.3%	2.6%
Interment Fee	21.1%	6.5%	21.4%	1.7%	2.8%	2.9%	2.3%	2.3%
Total	22.3%	6.3%	15.7%	6.7%	2.8%	2.9%	2.3%	2.5%
Cummulative	22.3%	30.1%	50.6%	60.7%	65.1%	69.9%	73.8%	78.2%

