

**FINANCIAL MANAGEMENT OF MOSQUES IN KOTA SETAR DISTRICT :  
ISSUES AND CHALLENGES**

**A thesis submitted to the College of Bussiness in partial fulfillment  
of the requirements for the degree of Masters of Science ( Finance)  
Universiti Utara Malaysia**

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**I certify that any help received in preparing this thesis and all sources used are acknowledged in this thesis.**

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## **ABSTRACT**

Mosque is one of the most important institutions in the Islamic community. Financial management of mosques is one of the main issues that has come to the forefront, and caught attention of many people. Good financial management practices not only be valued in terms of recording and reporting financial transactions but also how to obtain and to manage funds effectively. The main objective of this study is to find out the management practices of 40 mosques in Kota Setar district in terms of their collection system, source of fund, recording and reporting system. The study also identifies their strengths and weaknesses in financial management. 160 questionnaires were distributed to the mosques committee in 40 mosques to identify their opinions toward the uses of funds collected and the quality of financial management in their mosques. 97 questionnaire (60.6%) were received and have been analyzed. Findings indicate that the main sources of funds for mosques is collection from the public. The collection on Friday contribute major income for mosque as well as from other sources such as from wakaf property. In terms of recording and reporting financial transactions, mosques in Kota Setar appear to have strong internal control procedures for the receipt of income. However, they need to improve the internal control procedures in the areas of reporting of financial information with regard to the mosque funds. The findings also show that all the selected demographic characteristics (age, level of education, employment, position of mosque committees, and location of mosques - urban/rural areas) did not significantly differ from one mosque to another. In terms of their perception or opinion on financial management practices in the mosques. The study has identified that the major issue faced by the mosques is the lack of efforts to invest the mosques's funds into more economic and productive activities. Hence, future challenges are immense. In this thesis, we contribute several suggestions (based on our findings) to further improve the financial management of funds in mosques.

## **ABSTRAK**

Masjid merupakan satu institusi penting dalam komuniti muslim. Pengurusan kewangan di masjid merupakan antara isu penting yang mendapat perhatian banyak pihak. Amalan pengurusan kewangan yang baik tidak hanya dilihat dari sudut pencatatan urus niaga kewangan dan pelaporan sahaja tetapi juga dilihat dari sudut bagaimana mendapat dan mengurus dana dengan berkesan. Objektif utama kajian ini adalah bertujuan untuk mengkaji amalan pengurusan kewangan di 40 buah masjid di daerah Kota Setar dari sudut sistem kutipan yang dijalankan, sumber dana, sistem merekod dan melaporkan urusniaga kewangan. Kajian ini juga bertujuan mengenalpasti kekuatan dan kelemahan dalam pengurusan kewangan di masjid-masjid tersebut. Sejumlah 160 borang soal selidik telah diedar kepada Ahli Jawatankuasa Masjid di 40 buah masjid tersebut untuk mengenalpasti pandangan Ahli Jawatankuasa Masjid terhadap penggunaan dana dan kualiti pengurusan kewangan di masjid mereka. Sebanyak 97 borang soal selidik (60.6 %) telah dipulangkan untuk dianalisa. Hasil penemuan menunjukkan bahawa sumber utama perolehan kepada masjid adalah melalui kutipan dari orang ramai. Tabung jumaat menyumbang pendapatan terbesar kepada masjid di samping sumber-sumber lain seperti harta wakaf dan sebagainya. Dari sudut pencatatan dan pelaporan urus niaga kewangan, masjid melaksanakan prosedur kawalan dalaman dengan baik. Walau bagaimanapun masjid-masjid perlu membuat penambahbaikan dari sudut pelaporan maklumat kewangan tentang dana masjid. Dapatan kajian juga menunjukkan bahawa kesemua ciri-ciri demografik terpilih iaitu umur, tahap pendidikan, pekerjaan, jawatan dan lokasi masjid ( bandar/luar bandar) tidak mempengaruhi dan menunjukkan perbezaan secara signifikan antara masjid-masjid tersebut. Dari sudut persepsi atau pandangan responden terhadap amalan pengurusan kewangan di masjid-masjid, kajian menunjukkan bahawa isu utama yang dihadapi oleh masjid ialah kekurangan usaha untuk melabur dana masjid dalam aktiviti-aktiviti yang lebih ekonomik dan produktif. Oleh itu, cabaran pada masa hadapan adalah besar. Dalam tesis, ini kami telah mengemukakan beberapa cadangan ( berdasarkan dapatan kajian) untuk penambahbaikan pengurusan dana kewangan di masjid-masjid.

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## **CHAPTER 1**

### **INTRODUCTION**

#### **1.0 Introduction**

This chapter presents the background to the business research, research problem, research objective, significance of the study, scope and limitation and organization of the research.

#### **1.1 Background of the Study**

Mosque is one of the most important institutions that exist in the Islamic community of today. It serves many purposes other than as a place of worship. It is also a place for communal gathering of the Islamic community members, as well as a place for holding various religious ceremonies and rituals, such as the *akad nikah* (wedding ceremony). Mosques are also places where religious studies take place, and where the younger generation of Muslim children would go for their religious training.

However, a mosque was used for even more activities in the past. It dates back to the era of the Prophet Muhammad (Peace Be Upon Him – S.A.W.) where it functioned as a place of worship, centre of governance, centre of public relations, a place for conducting court sessions, and many other functions (Lokman Abd Rahman, Musa Ahmad 1996). Its importance is paramount in Islam, and this was clearly illustrated by the first action of the Prophet Muhammad (S.A.W.) when he

first arrived in the city of Madinah, which was to construct a mosque (Ibnu Hisyam, 1971). So important is the mosque that the Prophet Muhammad (S.A.W.) built two mosques in quick succession; the first one is the Quba Mosque in the outskirts of Madinah, and a week later, the construction of the Nabawi Mosque had commenced (Al Ghadhban, 1989). From then onwards, mosques have not only functioned as religious places, but also as community centers. During the Prophet's (P.B.U.H) time, the mosque served as the state administration center as well ( Muhd Fadli 2003).

A mosque represents many things from many perspectives. From the language or linguistic perspective, the word mosque is actually a term to represent the place for *sujud* (lying in a submissive prone-like position with the forehead touching the ground). From a cultural standpoint, the mosque represents a place for performing *solat* (prayers).

However, from the *syarak* (religious law) perspective, all places on this earth are considered to be a mosque (Mansur al Rafaiyy al Ubayd, 1978, p. 23). This definition from the *syarak* point of view is based on the *hadith* by the Prophet Muhammad (S.A.W.), as narrated by Jabir bin Abdullah, the Prophet had said, *"the earth has been made for me (and my followers) a place for praying and a thing to perform tayammum. Therefore, anyone of my followers can pray whenever the time of prayer is due"* ( Sabeq 1988).

The word *masjid* or mosque has evolved from the root word *sajada* (*sujud*) meaning devoted, loyal, and with bowed heads in full respect and reverence (Al Mukjam al Wasit, 1985:432). Thus, in essence, when a devout performs the *sujud* by placing his forehead onto the surface of the earth, he actually bowing in reverence and worship to the Almighty Allah (S.W.T.) Therefore, a mosque is a construct or a building that is made as a place for Muslims to perform their *solat* or prayers, and thus it also serves as a place for performing any activities that have the meaning of reverence and worship to Allah (S.W.T.) The mosque is no longer just a place for performing the prayers but also a place of reflecting the loyalty and worship of the Islamic people to Allah (S.W.T.).

In this respect, the approach by the Prophet Muhammad (S.A.W.) in building and establishing the institution of the mosque as a place of worship, education, social gathering, economic development, and the like needs to be made an example so that the real function of the mosque can be restored to its original purposes, as was witnessed during the golden age of Islam.

Much research has shown that the role of many mosques in Malaysia is still for prayer place and in the form of a host place for ceremonies. Even so, these religious activities are mainly limited to the monthly and annual activities as established by the Islamic calendar. These activities are characteristically linked to the significant events that had occurred previously in the Islamic months, such as the Maal Hijrah, Nuzul Quran, and others, and this often construes the

perception of the general public about mosques as being dimensionally limited and constrained (Khairudin Mohd Zain, 2006). According to Asmak Haji Ali and Cik Hasyim Mat Said (2007), even though some of the mosques in Malaysia have become active and have put in the effort to diversify their functions in the community, much of these efforts is still not sufficient. The Islamic community should establish the mosque as the focal point or the main pulse of the community, and thus most, if not all, activities should originate from the mosque.

Therefore, in the modern world of today, the function of the mosque should be restored to a state where it is prominent in the community, as was the case during the era of the Prophet Muhammad (S.A.W.), when the mosque was the centre for various functions without denying its main function for being a place of worship. The following sections describe the various functions of mosques.

#### **1.1.1 Mosque as a Place of Worship**

Undeniably, the main function of mosque is being a place of worship. During the era of the Prophet Muhammad (S.A.W.), the main function of the mosque as a place of worship has been clarified by the Almighty Allah (S.W.T.) in the Al Quran:

*“There is a mosque whose foundation was laid from the first day on piety ; it is more worthy on the standing forth ( for prayer) therein, In it are men who love to be purified, and Allah loves those who make themselves pure. (At Taubah: 108)”.*

*“ The mosques of Allah shall be visited and maintained by those who believe in Allah and the Last Day, establish regular prayers , and practice regular charity , and fear none (at all) except Allah. It is they who are expected to be on true guidance. ”.*

(At Taubah: 18).

The position of a mosque as a place of worship has been described in greater clarity in a hadith as told by Anas bin Malik, which was, “while we were in the mosque with Allah’s messenger (peace be upon him), a desert Arab came and urinated in the mosque. The companions shouted at him to stop but the Prophet forbade them and waited until the desert Arab finished urinating. When he had finished, the Prophet called him and said *“These mosques are not the place for urine and filth but are only for the remembrance of Allah, prayer, and recitation of the Quran”*. He then poured water over the urine”.

In another hadith, the Prophet Muhammad (S.A.W.) had stated that,

*“Would you desire that I show you all the matters that will cleanse your sins and increase your standing? The companions had answered, Yes, O Prophet. The Prophet had answered: Complete your wuduk (ablution) even during masyaqqah, frequent the mosque, and wait to perform the solat and after performing it. That is what is called al Ribat, which is to steel oneself in showing one’s loyalty to Allah”.* ( An Nawawi, 1991)



Based on the above, it is clear that the basic function of a mosque is as a place for the Islamic community to gather for performing specific types of worship, like solat, reading the Al Quran, ikhtikaf, zikir, and others related to Islam religion.

### **1.1.2 Mosque as a Place for Education**

A mosque is the first institution for education in the world of Islam. The role of a mosque as an educational institution is paramount because is it here that the Islamic education of a nation commences. Mosques are also the origins of the schools and *kuttab*. During the early era of Islam, the Prophet Muhammad (S.A.W.) taught and educated the companions of the Prophet in the mosques. According to the writings of *Humam ibnu Maniah*, the number of mosques that was built during the life of the Prophet was nine mosques, and most of them became centres of education (Mahmud, 1992). The teaching and learning processes in the mosque took place through *khutbah* (sermon) given from the mosque mimbar (podium) to the masses or within small groups that are scattered throughout the mosque where discussions abound. The companions of the great Prophet had explained about how the Prophet had given the Islamic teachings in the mosque:

*The Prophet Muhammad S.A.W. had given sermons to us and had clarified the sunnah and taught us how to pray. After performing the subuh prayer, the Prophet would retreat to a pillar in the Nabawi mosque, known as the Abu Lubabah and the Prophet would give lectures until sunrise (Al Bashir, 1980).*

The Prophet Muhammad (S.A.W.) would also allow women to attend knowledge and educational activities that were held in mosques. The Prophet (S.A.W) had asked the companions not to impede or discourage their wives from visiting the mosque.

During the start of the reign of Islam, the contents that were taught in mosques were more towards matters that were associated with the Islamic religion, among others like *fekah* and *qiraat* knowledge, *tafsir* and *tajwid*. As Islam continued to grow and spread, other subjects that were characteristically academic had started to be taught in a mosque, such as chemistry, physics, engineering, medicine, and others (Qutb,M 1978:49-50).

The role of a mosque as an educational institution can also be observed in many other locations like Southeast Asia. According to Abdul Halim Nasir ( 2004), many of the old mosques in Indonesia and Malaysia had verandahs built at both sides of the mosque. At certain times, these verandahs include usage by the Islamic academicians to disseminate the basic principles of Islam (*fardhu ain*) as well as to teach how to recite the Al Quran.

When the states that were conquered by Islam widened, the number of mosques that were constructed had also increased. Some of the mosques that were established as centres of information and knowledge dissemination include the Nabawi mosque, Masjidil Haram, Kufah mosque and Basrah mosque. It was

during this time that the mosques had established their own respective libraries, and some of these knowledge centres and libraries have survived and are still in use today, like the Al Azhar Library.

### **1.1.3 Mosque as an Economic Centre**

Another important function of a mosque besides being a centre of education is a centre for economy. During the era of the Prophet Muhammad S.A.W., the Madinah market was built adjacent to the Nabawi mosque. The merchants who were spent after a hard days worth of trading would retire and recuperate in the Nabawi mosque (Abdullah Shihab, 2007). During the era of Saidina Umar al Khattab, he observed that many people discussed the issues of entrepreneurship and business in the mosque until these commerce-based issues became more prominent than the issues of the hereafter. Thus, he had constructed buildings and facilities in the vicinity of the mosque for the general masses to discuss matters more related to the worldly issues. From the annals of Islamic history, it is through this effort that markets were often found next or very close to mosques (Aminudin 2007).

## **1.2 Problem Statement**

Based on the scenario above, a mosque does have wider functions. During the lifetime of the Prophet Muhammad (peace be upon him), the mosque was a place of prayer as well as a social, economic and political centre. Muslims used mosques as a place to perform religious rituals, administrative centre, public

relation, court and others. The Prophet is reported to have settled legal questions in the mosque at Medina ( Bukhari, Ahkam; chapters 19 and 29, Khusumat, chapter 4). However many Previous research has found that the roles of mosques becoming less important because presently, They serves more as prayer centers and their functions as centers of economic activities are less emphasized (Roslan , 1993 ). Although general observations of mosques activities tend to concur with this opinion, there is no empirical research conducted to trace other economic functions play by mosques in Malaysia, in particular with respect to the management of mosques fund or collections.

Based on this premise the researcher will investigate the financial management of surrounding mosques in Kota Setar area , document and compare the prevailing system with the financial management practices. This identification of financial management in mosques in district areas has not been done before and the status of their financial management is not known. The district of Kota Setar is chosen because of many mosques (121 mosques) in the area and it is close to the researcher's residence. This proximity enables the researcher to conduct this research better as he is known to the mosques communities.

Like other mosques in Malaysia, mosques in Kota Setar are generally categorized as public sector organizations and operate for not-for-profit purposes. These mosques again can be further divided into state mosque, district mosque, qaryah mosques and private mosque. Each of these types of mosques has unique nature

of the administration and different financial management style. For example; for a state mosque, the state government governs their activities as well as provide funds to finance their operations (Hassan Bahrom 2007), but for district mosque, qaryah mosques and private mosque, the primary source of finance come from donations from members of the qaryah and the public. Most financial programs of mosques are overseen by volunteer treasurers or finance committee chairs. These individuals may lack skills in internal control design and information system development. For those larger mosques that do have a full-time accounting staff, these individuals are often act like bookkeepers (with little accounting training outside of how to do daily accounting routine).

Most donations for mosques are general receipts of cash with little specific follow up or specific expectations by the donor. Research by Sanep (2000) suggest that almost 50% of mosques's gross total income come from charity collection every Friday while the rest come from "other sources" such as public donation and other assets from wakaf.

In this study, the sample of 73 mosques also reveal that an average annually gross income for mosques is RM 75,000. Hence, without specific expectations or accountability regarding this cash, volunteers may have a tendency to be less diligent about the control and use of this cash.

### **1.3 Objectives of the Study**

This study aims to accomplish the following objectives:

- i. To identify the collection system adopted by the mosques in the district of Kota Setar.
- ii. To find out the sources of fund collected
- iii. To find out the prevailing recording and reporting system.
- iv. To find out the opinion of mosque operators towards financial management in mosques.
- v. To identify strengths and weaknesses of the present financial management of mosques in the area.
- vi. To recommend ways to improve the weaknesses for effective utilization of the funds.

### **1.4 Significance of the study**

There is a lack of empirical and systematic studies on financial management practices in the religious environment. The limited research on financial and management aspects in religious organizations only applies to Islamic organizations in Malaysia such as Baitul Mal, Wakaf and zakat. As such the findings of this research will provide some useful and pertinent information for Board of Management of the mosques and muslim community to improve financial management in their respective mosques .This effort coupled with better

understanding of a more effective way of administrating mosques should be of great help to the Board of Management and state policy makers to develop more precise systems and strategies to improve financial management quality at mosques. The researcher hopes that the mosques can be transformed from just a worshiping place to a more dynamic, progressive economic center. It is also expected that the results of this study will be of assistance to future researchers in the financial and managerial accounting aspects of Islamic organizations in Malaysia bearing in mind mosque and collections are important source of wealth.

### **1.5 Scope and limitation of study**

The scope of this study is confined to financial management of mosques in Kota Setar District in the state of Kedah. This study considers the existing funding system for collection, financial recording and reporting adopted by the Board of Management of the mosques in this district. It is limited to only district and qaryah mosque. Although the state mosque falls within this district, the researcher does not include it in the sample because financial management of this mosque has been studied. ( Siti Alawiyah, Shahul Hamid and Maliah 2007).

### **1.6 Organization of the Dissertation**

The research is reported in five chapters. The organization of the dissertation is as follows:

Chapter 1 is on introduction. This chapter forms the introductory part of the dissertation, and highlights the nature, objectives and significance of the study. It

also describes in brief the methodology used in the study. This is followed by chapter 2 on Literature Review. This chapter provides the foundation of the study : financial management concept, financial management in religious organization, financial management of selected mosques in Malaysia and organizational background of mosques in Kota Setar District. Chapter 3 describes the methods used for the data collection and the technique for analyzing the data as well as justifications for using such methods and techniques. Chapter Four discusses the findings and the results of the study. Chapter 5 concludes the report. Issues that are discussed in this chapter are the limitations and the contribution of the study as well as proposals for the improvement of financial management practices of mosques in Kota setar. Possible future research areas are also discussed here.



## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.0 Chapter Overview**

This chapter reviews literature relating to 2.1) financial management of mosques in Malaysia, 2.2) financial management and customer satisfaction concept, 2.3) financial management in religious organisations – wakaf , 2.4) financial management of selected mosques in Malaysia, and 2.5) organisational background of mosques in Kota Setar district.

#### **2.1 Introduction to financial management of mosques in Malaysia.**

Quality financial management in mosques has come to the forefront recently, being noticed by both the general public, and more importantly, by the officials and individuals higher up in the administrative echelon. There have been many steps taken to fortify and improve the financial management procedures in mosques. Among the earliest efforts to increase the level of management quality in mosques including financial management are; i) the seminars organised by Yayasan Umami Malaysia in 1986, ii) the *muzakarah* performed by the managing officers in mosques at the national level, coordinated by the Islamic Affairs Division of the Prime Minister's Department in 1994, and iii) the mosque convention in 2006 ( Hassan Bahrom, 2007).

Issues related to the financial management quality in mosques have also been highlighted by the Deputy Prime Minister, Datuk Seri Najib Tun Razak. He had called for the professional community to take the initiative in leading a committee for mosques to be able to improve their function as a centre for generating economy, knowledge excellence, and community service (see Berita Harian, 11 December 2006). An article in Utusan Malaysia dated 16 June 2007 once again reported the vision of the Deputy Prime Minister, which was highlighted during the closing ceremonies of the national level muzakarah of imam in 2007 at UKM. Deputy Prime Minister wanted to see all the mosques in Malaysia to be able to move forward and become more active and function as institutions that can generate their own income by carrying out many economic activities, like opening a barber shop, grocery shop, and coffee shop.

In order to come closer in achieving this dream, many efforts have been undertaken, one of which includes forming committees at all the different levels, such as the national, state, and district levels. These committees are responsible for preparing the guidelines and plans of action that will be used by the mosques all over the country. This endeavour is hoped to help mosques to become established as organisations that can generate their own income (see Utusan Malaysia, 16 June 2007).

The government has also set aside a large amount of money in order to realise the efforts in increasing the quality of financial management in mosques. This fund

has been used to perform many beneficial activities like entrepreneurial motivation programmes, human resource management practical sessions, and also financial management practical sessions. For example, the Selangor state government has budgeted millions of ringgit for this purpose (Berita Harian, 27 February 2007).

Short-term and long-term courses that are related to financial management in mosques are also organised by various government agencies and also the public institutions of higher education. For example, JAKIM has organised a mosque management course for four days, 5 to 8 February 2007, to *imams* and officers of state and district level mosques, all over the country (<http://www.islam.gov.>). Universiti Sains Islam Malaysia (USIM) has also organised a certificate level course called “Financial Management in Mosques” for six weeks totaling 36 credit hours (6 weekly hours for 6 weeks). This course was specially designed for officers in the Islamic Departments, mosque *nazir*, bursars, treasurers, and mosque committee members, but those interested from the general public were also invited to participate (<http://www.usim.edu.my>). The central government had also organised a *muzakarah* for *imams* at the national level from 13 to 15 June 2007 at the Tun Abdul Razak Chancellor Hall (DECTAR), in UKM and has approved four elements:

- 1) to make the mosque as an economic hub for Muslims,
- 2) to reinforce the mosque management system,
- 3) to strengthen the position of the mosque as a knowledge institution, and
- 4) to make the mosque as a community centre.

## **2.2 Financial Management Concept**

### **2.2.1 Wealth Investment**

From the Islamic economics perspective, the richness of wealth and income is a fortune that is bestowed by Allah S.W.T. to His Almighty's followers. The Islamic community encourages its members to gather wealth from permitted or *halal* sources. Islam has never glorified poverty with the excuse of using wealth to cause the loyal Muslim to forget Allah S.W.T., but rather, the chosen religion (Islam) has used wealth as one of the basis for *syarak* (religious law) where the wealth will bring prosperity to the world as well as for preparation for the world hereafter. This is because proper management of wealth can bring oneself closer to Allah S.W.T. through the aid and benefit that can be given to other Islamic community members. This concept is illustrated *Firman Allah S.W.T.* through the verse Al-Qashas, "*but seek, with the (wealth) which Allah has bestowed on you, the Home of the hereafter*" (Surah Al-Qashas: 77).

Richness and wealth is a responsibility that must be managed as well as possible in accordance to the rules of *syarak*. Ultimately, the sole owner of all property and wealth is Allah S.W.T. The wealth that is bestowed will be questioned upon in the hereafter regarding the source, expenditure, as well as its usage. The Prophet Muhammad S.A.W. had once said, as recorded by At-Tarmidzi, that, "*to each individual a test, and the test for my followers is the test of wealth*".

The ownership of wealth in Islam is often associated with the concept of responsibility. The concept of ownership in Islam is more like the responsibility given to an individual for the administration and management of the bestowed wealth, which adheres as closely as possible to the established *syariat* laws. This responsibility also includes the proper and systematic management of wealth so that the returns from the good management will be enjoyed and used for the betterment of the Muslims as a whole. Ultimately, it is hoped that the Islamic followers will use all resources that are available in order to achieve that vision. Therefore, the collective wealth, like the mosque funds, must be managed so that appropriate and permissible returns will be obtained.

According to Mustaffa Dakian (Dakian, 2005), Islam requires its followers to manage wealth wisely through their own creativity and thinking, not only relying on just the original resources themselves. This is in-line with Firman Allah S.W.T. in the verse Ar Ra ad 13.11:

*“Allah will not change the condition of a race unless they themselves change their own condition”.*

Wealth that is gathered without proper and permissible management, such as by investing in high risk and high return endeavours, will actually be detrimental to Islam itself. This wealth will decrease over time as a part of it will be used to pay for *zakat* (similar to alms, but for a specific purpose of cleansing wealth). It is

because of this, Saidina Umar Al Khattab had once said, "trade with orphans' wealth lest it be exhausted by (regular payment of) Zakat" (Al-Baihaqi in *As-sunan al-kubra*). According to Imam Malik, Aishah, wife of the Holy Prophet, give the orphans' wealth to the traders in order that they might trade with it and make profit for the orphans. Similarly Umar, Othman and Ali, during their respective periods of Caliphate, invested orphans' wealth in trade (and other business). ". (<http://islamic-world.net/economics/capital>)

Thus, the *mudharabah* system, an investment system based on the principles of Islam where the investor and entrepreneur share in both the profits and losses, is quite encouraged by the chosen religion. The Prophet's uncle, Abbas ibn Abdul Mutalib, had invested his wealth while establishing conditional requirements to the entrepreneur. This matter was later discovered by the Prophet Muhammad S.A.W. and it was well liked and accepted. Another of the Prophet's companions, Umar Al Khattab, understood the importance of investing the gathered wealth in order to obtain profit. It was recorded that the Prophet Muhammad S.A.W. had used the collective wealth of orphaned children for investment purposes in Iraq (Dakian, 2005: 50).

The importance of generating high profits from the starting capital can also be seen in the well known hadith narrated by Ibn Abi Al-Dunya , "*nine out of ten of fortunes are obtained through business*"

One of the institution in Islam that are used for wealth management is mosques. In the early of the Islamic era, Baitulmal is placed in a mosques . All of the state's income and donation will be brought to Baitulmal. So,even though the revenues from trading and others were saved in baitulmal, actually they were used for all communities.The evidence in several studies ( MA. Sabzuari1984; M. Nejatullah Siddiqi 1996) prove the baitulmal collect the money from the local and redistributed that public money from local to the local.

The fund that is owned by the mosques in Malaysia is obtained through the donations and other sources, and it is quite substantial. A study by Sanep (2000) had revealed that the mosque fund was quite large, but most of it is tied up in trading banks, and the return that is obtained is quite low. Other than this, most mosques have put their funds in current accounts with the minimum returns obtained, whereas other mosques have opened up investment accounts in similar banks. However, the returns from these investment accounts were also relatively low.

Sanep (2000) had revealed in their research that the total savings of 73 mosques was RM4.3 million. This would mean that the average savings of a mosque would be close to RM60,000. Therefore, the savings fund that is owned by these mosques can be utilised in order to increase the mosque fund. We can assume that if the number of mosques throughout Malaysia is estimated at 6000 organisations, then the rough estimation of savings of a mosque invested in trading accounts or

financial institutions would be about RM360 million. If only one percent (1%) from the entire total of the gathered savings, which is RM3.6 million, is put into a single fund or account, and it is managed professionally and systematically, then the returns of this single account would undoubtedly be much higher than currently observed (Hassan Bahrom 2007).

In other words, the mosque needs to design a strategic plan and form smart collaborations between the mosque institutions so that the large fund can be benefited by the Islamic community as a whole ( Hassan Bahrom 2007). The mosque management team needs to be cooperating closely together and have high values of trust in order to ensure that the financial donations can be utilised by a skilled and experienced investment company or managed by a visionary fund manager. The Islamic Department can be the catalyst and driving force in developing a mosque investment scheme that is appropriately suitable based on the *syariat* laws and also electing a fund manager who is respectable and trustworthy. This author is in view that with the establishment of a clear and organised mechanism , the largely static and enormous mosques fund can be used to better manage the mosque institutions.

### **2.2.2 Customer Satisfaction**

The mosque institution is a *wakaf* institution, whereby it is an institution that is owned by everyone. Anyone can come to the mosque without any barriers. The wealth of mosques whether it is movable or not, is owned by the public and not



by certain individuals. Its ownership can be described as being co-owned by the Islamic community members within the area of coverage. Elected individuals are given the responsibility to manage and administrate the mosque so that this institution becomes a quality institution that can be the pride of the Islamic community. When investigated from the financial management perspective, these elected individuals should focus their attention toward the needs and requirements of the whole Islamic community members, who are *qaryah* members of the mosques. All these Islamic community members are considered the customers to the mosque institution. If in corporate management the customer satisfaction is given priority in forming strategic plans, then the management of mosques should also consider adopting similar strategic activities by placing importance on the customer satisfaction. As Lele, Milind M and Jagdish (1991) stated :

*“ Firms that consistently rank high on customer satisfaction also rank high in profitability as shown by on examples of Winners IBM, Mercedes Benz, Xerox corporation and others ”.*

This is because customer satisfaction is closely related to the success and profit of an organisation. If an organisation can win the trust of its customers, then the customer will undoubtedly pay higher prices in order to get high quality products and services that are in-line with their needs and wants. For example, customers of the Mercedes Benz group will pay high prices for quality and satisfaction.

In this matter, the jemaah members, either individual, agency, or corporate contributors, will give a large donation to the mosque if they are satisfied with the quality of financial management of the mosque. Proper financial management can reflect the efficiency of the mosque, and ultimately gain the trust of the contributors. High quality financial management can be seen if the mosque is able to find additional funds other than the donation by the general public, and thus the gathered funds can be utilised until higher profit returns can be generated for the mosque institution, and ultimately for the betterment and benefit of the Islamic community as a whole.

### **2.3 Financial management in religious organization**

In this section, several issues regarding financial management in religious organisations will be discussed. The organisations that will be selected are the wakaf (endowment) institution and non-Islamic institution, which is the church. The researcher has selected the wakaf institution because it has a very close relationship with the mosques. Many mosques have assets in the form of wakaf capital or wealth that is donated by certain individuals. The extent of how the wakaf wealth is utilised by the mosque is one of the issues that often surfaces.

#### **2.3.1 Islamic Endowment (Wakaf Institution)**

Wakaf is defined as:

- i) To give or present a property for general use without voiding the rights of the giver on the given property. Based on this view, the giver has bestowed the

beneficial use of the land only, but the ownership of the land is still within the rights of the owner and he or she has the right to reclaim the given property or to sell the given property just like any other normal property. This is the view of Imam Abu Hanifah (<http://www.islam-qa.com>)

ii) To give or present a property for general use and the rights of the giver on the said property or goods that have been endowed is voided. The property or goods has come under the ownership of Allah S.W.T. and it is no longer owned by the giver or by the receiver of the *wakaf* property. The receiver only receives the benefits or results of the *wakaf*, meanwhile, the giver has no rights to sell, mortgage, and others forevermore (Raudhah Talibin ).

Wakaf institution is among the religious institutions that play an important role in the development of the economy of the *ummah* (pious followers). Endowment is in part a form of *amal jariyah* (charitable act) that can be performed by an Islamic individual where the benefits can be obtained together in continuous fashion by the individual giving the endowment as well as the community that receives the endowment. The giver can obtain benefits in the form of *pahala* (blessing) that is bestowed by Allah S.W.T. and the community can receive benefits through the utilisation of the endowment that has been given.

From the economic perspective, the *wakaf* assets are capable of assuring the wealth and large profits in the development of a country. This endowment can

become a valued asset, which can be invested or developed for increasing the returns that can be profitable for the *wakaf* institution itself. For example, the chain of An-Nur clinics that is based on the concept of endowment has been successful in establishing five health centres that consist of a hospital and four clinics that have dialysis treatment. Two from the four clinics have been built within the compounds of mosques, namely Masjid Jamek Sultan Ismail in Batu Pahat, and Masjid Jamek Bandar Baru Sungai Buloh in Selangor.

(see table 2.1)

**Table 2.1: List of An Nur Clinics**

	Name	Locations
1.	Klinik Waqaf An – Nur Kotaraya	Plaza Kotaraya , Johor Baharu
2.	Klinik Waqaf An-Nur Masjid Jamek Sultan Ismail	Masjid Jamek Sultan Ismail, Batu Pahat.
3.	Klinik Waqaf An – Nur MAINS	Taman Komersil Senawang, Seremban
4.	Klinik Waqaf An – Nur Sungai Buluh	Masjid Jamek Bandar Baru Sungai Buluh
5.	Hospital Waqaf An-Nur Pasir Gudang	Balai masjid Jamek Pasir Gudang

According to Datuk Dr. Abdullah Mat Zain, a Minister in the Prime Minister's Department, *wakaf* assets in the whole country has been estimated to be worth billions of ringgit and Pulau Pinang is one of the richer states that have endowment assets that have to potential of being high in value (Utusan Malaysia, 9 October 2006). The assets mentioned here include the *wakaf* wealth that is wholly owned by the mosques throughout the country. These assets, if developed correctly, can be used as capital that can grow and bring higher returns.

Abu Zahrah (1997) had previously mentioned that the construction of Masjid al-Haram and Masjid al-Aqsa is the result of the adoption of the *wakaf* method. This was also the case for the construction of Masjid al-Nabawi, yet another example where the *wakaf* institution was successfully adopted. Another example of a *wakaf* asset that has been built by the Islamic followers that has survived the test of time and is in use until today is the University of al-Azhar, which was constructed more than 1000 years ago.

Even so, there are some gaps related to the management of endowment wealth that need to be addressed first. The management of endowment wealth in Malaysia has been placed under the responsibility of the *Majlis Agama Islam Negeri* (State Islamic Council) where there is a committee for each state, which is the representative of the Sultan who is the religious leader of that particular state. According to Professor Madya Baharudin Sayin from UiTM, that matter has been clearly stated in the Federal Constitution, under the ninth table, second list, where *wakaf*, *zakat*, and Islamic affairs are under the authority of the state government (Buletin Milenia Muslim, 2007 pg. 32).

In this matter, he also reiterated that there are also *wakaf* enactments for each state, and these enactments are not uniform, which does give rise to several problems. The advancement of the *wakaf* wealth development, including those owned by the mosques, is very closely related to the proficient management at the

state level. According to Ahmad (2002), Selangor is among the states that have administered the *wakaf* assets relatively well, for example, the Selangor state government through the *Dana Saham Wakaf Selangor* (Selangor Endowment Share Fund) was successful in developing several projects, such as the construction of the Tengku Kelana Jaya Petra mosque in Taman Bandaran Kelana Jaya that is estimated to be valued at RM8 million, purchase of premises amounting to five units in Bandar Bukit Puchong totalling RM1.05 million, and now in the process of constructing the Kolej Universiti Islam Antarabangsa Selangor library, amounting to RM13.3 million .

The issue of not having a clear and transparent record relating to the *wakaf* assets is also a particularly hot subject that is often highlighted. The absence of clear information regarding *wakaf* real estate has been voiced once before by Professor Madya Dr. Megat Ghazali Megat Abdul Rahman. He was a lecturer from the Land Administration Department, Faculty of Geoinformation Science and Engineering, Universiti Teknologi Malaysia and had stated the lack of clear information, along with the legal issue of owner registration, as being one of the main issues that have retarded the smooth development of *wakaf* land. Until the present, there is not a single information data base system that has been developed to display the latest data about the location and physical condition of *wakaf* land, the actual spread of the land, and also the surrounding development. In this matter, if an information data base system such as this existed, it would not only function as a record keeper to store the latest information related to the *wakaf*

lands, but it would also be able to aid the administrative agencies to help and cooperate with the management of mosques in identifying the lands that are potentially viable for development and also to be able to plan effective development projects (Berita Harian, 16 September 2006).

### iii) Legal Gaps

Other than those mentioned, legal issues relating to the *Kanun Tanah Negara* and the procedures for performing land endowment has also contributed to the retardation of the development of *wakaf* lands that are owned by mosques throughout. There have been cases where the wealth that has been bestowed to the mosques has ended up in the hands of other individuals. As examples, two cases of how *wakaf* wealth can end up in other places are presented here.

First case: When an individual has given a *wakaf* land for religious purposes, then the District Council that hold the majority of the land grants in the related area will vacate the ownership for that land and it will be announced that the said land would be used for religious purposes. When the officer that manages the that land is changed, the history related to that land will not be known to the new officer and he or she would offer the land for sale to the public. Even though records regarding this matter may exist, it would not be stated in the land grant, and thus the *wakaf* land would eventually end up in other people's ownership.

Second case: The giver has bestowed the land in secret, without making it known to the general public. When the giver, witness, and the mosque committee members that have been given the responsibility to manage the *wakaf* land have passed away, then the land may be reclaimed by the heir of the *wakaf* giver. (Buletin Milenia Muslim 2007 pg. 33).

#### iv) Understanding the Endowment Concept

The adoption of *wakaf* is not limited to the construction of mosques, but rather, it covers the endowment of other forms of wealth, such as goods, land, shares, and others. Currently, the type of endowment has changed into the easiest form, which is in the form of monetary units, for example an amount of money for the purpose of purchasing land, the goods and items needed for constructing the *wakaf* building, and others. When the ringgit is given as endowment, thus it would be easier for the receiver of the endowment to manage it and the use of the endowment is more versatile, just as long as the usage is within the boundaries of the intention or purpose for the *wakaf*.

Presently, the two different perspectives from the *ulama* (Islamic scholars and authority) in defining the meaning of *wakaf* are given. The clarification is important because it is very closely related to the understanding of the Malaysian Islamic community about *wakaf*, where part of the community understands *wakaf*



from the perspective that results in the *wakaf* assets not being developed appropriately.

#### **2.4 Financial management of selected mosques in Malaysia.**

There are also mosques in Malaysia that have well established, effective, systematic, and unified management system. The cooperation from various parties and the involvement of the professional body within the mosque committee have contributed to the increase in quality management of those mosques, as well as help to make more characteristically corporate and professional activities a success. The effort in strengthening the quality of financial management in mosques has been increased at various levels. Various competitions have been organised to select the best mosque with the element of financial management being placed as one of the criteria to be measured in evaluating the performance or achievement of a mosque.

According to the speech of one of the evaluating panel members of mosques and *surau* in Johor, Ustaz Khairuddin Salimin, the evaluation of the level of financial management in mosques and *surau* in Johor include the neatness of managing the *money-in* and *money-out* records, and the money savings in the bank, but also how the funds is managed until it brings profit to the mosque.

Here, the writer presents two examples of mosques that were selected having achieved or met the standard of excellence from the perspective of financial management.

These mosques include:

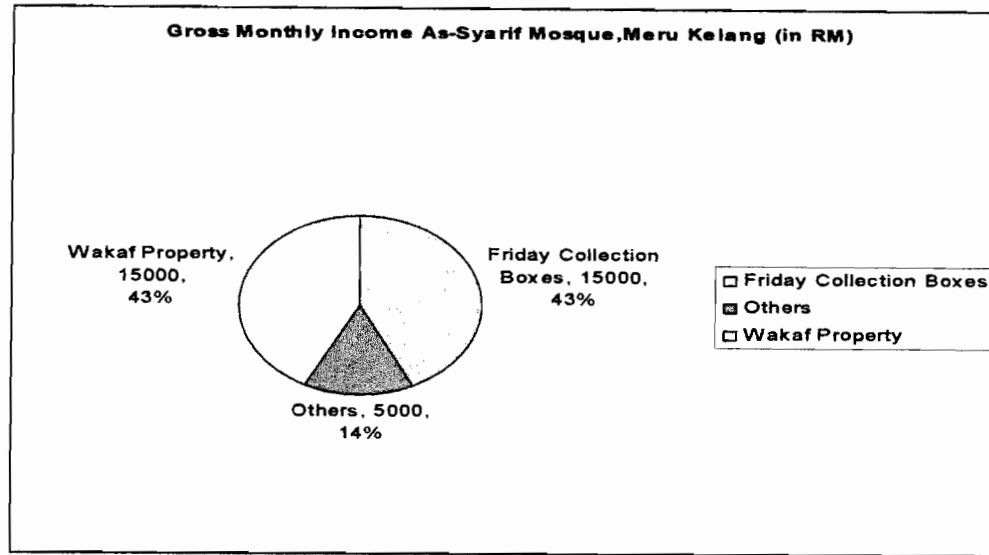
- 1) Masjid As-Syarif in Meru, Kelang, Selangor. This mosque was decorated as the best mosque in the state of Selangor by JAIS.
- 2) Masjid Jamek Bandar Baru Uda in Johor Baharu, Johor. This mosque was chosen as the exemplary mosque in Johor (Buletin Masjid Johor 2007,pg. 21).

**a) Masjid As-Syarif in Meru, Kelang, Selangor.**

Through a report in the Harian Metro dated 25 June 2004, Masjid As-Syarif in Meru, Kelang, was decorated as the best mosque in the state of Selangor by JAIS, based on five criteria, namely financial management, landscaping, cleanliness, administration, and residential participation.

The income generated by this mosque is approximately RM35,000 a month. Almost half of this is obtained through *wakaf* assets that are managed and generated until returns are obtained for the mosque (see Figure 2.1)

**Figure 2.1: Monthly Income for As- syarif Mosque, Meru Kelang ,Selangor.**



(Source : Mosque Management Division, JAIS)

The assets and *wakaf* real estates that are owned by the As-Syarif mosque is shown in the following Table 2.2:

**Table 2.2: Assets owned by As-Syarif mosque**

Asset/ <i>Wakaf</i> land	Area
Rental houses	18 lots
Housing lots	200 lots (each lot 60 x 40 feet)
Shops	8 lots
Wakaf land	55 acres

The *wakaf* land that is owned by the As-Syarif mosque has been developed to become rubber estates and palm oil plantations, as well as developing housing lots for the local residents. The projects carried out by As- Syarif mosque required the

residents to sign and certify an agreement, whereby within a period of 25 years, houses shall be built on the *wakaf* real estate (the *wakaf* land is permanently owned by the mosque). The residents who are the owners of these houses would only have to pay a rental fee of RM 50 a month. This rental rate will be researched and perhaps revised every 10 years. Just this project alone has produced a RM10,000 monthly income for the mosque. The following is a table of *wakaf* land use owned by As-Syarif mosque. (See table 2.3)

**Table 2.3: As-Syarif land usage**

Use	Area
Rubber estate	7 acres
Palm oil plantation	15.5 acres
Housing lots	15 acres
Mosque/ <i>Musollah</i>	6 acres
Burial grounds	5 acres
Under development	6.5 acres
Total	55 acres

(Source : Mosque Management Division, JAIS)

**b) Masjid Jamek Bandar Baru Uda in Johor Baharu, Johor.**

Masjid Jamek Bandar Baru Uda is categorised as a *Kariah* mosque because this mosque was constructed using the donations of the residents of Bandar Baru Uda (Buletin Al Bayan 2007 pg. 9). According to the records, the residents of Bandar

Baru Uda had donated as much as RM1.55 million towards the construction of this mosque, which is a considerable fraction from the overall cost of RM4.2 million. The rest of the construction costs were donated by Bandar baru Uda (BBU) company (RM2 million), as well as from the Federal Government and Johor State Government, both donating RM400,000 and RM250,000 respectively. During its ten years of operation from the opening date (3 January 1997), this mosque has achieved a level of management that can be proud of. This mosque also has been successful in establishing health centres that has dialysis treatment (eleven dialysis treatment machine, see apendix E). The close cooperation from all parties together with the creativity of the mosque committee have enabled this mosque to collect a relatively large fund which can be utilised prudently productive.

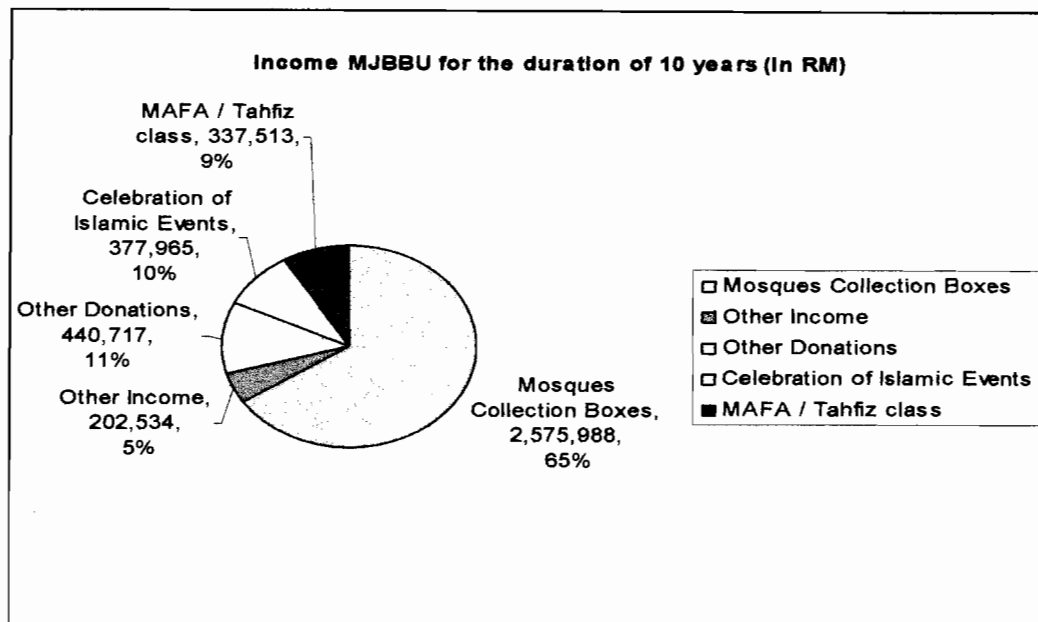
During those 10 years (1997 to 2006), the expenditure for managing Masjid Jamek Bandar Baru Uda amounted to RM3,826,047.00, and the total for income was RM3,934,717.00. The amount that has been kept was RM108,670.00.(refer to Table 2.4).

**Table 2.4. Income and Expenditure Statement MJBBU for the Duration of 10 Years.**

Income	RM3,934,717
Expenditure	RM3,826 ,047
Excess Savings/profit	RM108,670

Figure 2.2 shows that for the large part, the income obtained by the mosque from the Mosque Collection Boxes (*Tabung Derma Masjid*) was RM2,575,988.00, that is, 65 percent from the overall income. Other sources included donations (11 percent), celebration of Islamic events (10 percent), MAFA I *Tahfiz* Class (9 percent), and other income (5 percent) (refer to Figure 2.2).

**Figure 2.2 : Income for Masjid Jamek Bandar Baru Uda ( MJBBU),Johor Bahru For the Duration of 10 years.**



The mosque collection boxes are the main source of income for Masjid Jamek Bandar Baru Uda each year. Based on the Friday Prayer Collection (*Kutipan Tabung Jumaat*), which is the weekly mosque collection, the total weekly collection has increased from RM168,139.00 during the first week of 1997, to RM294,258.00 a week in 2002. However, during the start of 2003, the weekly collection had begun to decline and had not varied much until 2006 .

This temporary and unstable income has forced the mosque managing party to take several steps in order to overcome this problem. Some of these include short term and long term programmes. In order to collect instant funds, the mosque committee through the Bureau of Social Work and Culture (*Biro Kebajikan Sosial dan Kebudayaan*) had planned and organised activities that were able to generate income that would ultimately contribute toward the Masjid Jamek Bandar Baru Uda fund. Three programmes that have been planned include providing catering services, opening up a restaurant, and organising *Hadrah* groups among the *kariah* youths.

Catering based on the concept of donations (*sedekah*) and charitable deeds (*amal jariah*) can lead to the service of preparing food for social events to become more affordable by many. The workers are from the bureau members and they will be given some incentives when orders are received.

The mosque kitchen has been renovated to become a food stall during lunch time, offering cheap food packages. This plan is to help the school pupils as well as the factory workers to be able to afford cheap food and at the same time to attract them to pray at the mosque.

The *Hadrah* groups would be established amongst the *kariah* youths. A qualified *Hadrah* teacher will be elected to train these groups, which will be invited to social gatherings like wedding and religious ceremonies for a nominal fee.

For the long term plan in generating income, the Administrative Committee for Masjid Jamek Bandar Baru has established the Yayasan Masjid Jamek Bandar Baru UDA Johor Bahru (YAYASAN) under the Companies Act on 4 May 1998. This organisation will attempt to find and manage funds for aiding the implementation of activities to liven up the mosques again.

Here, the financial management of *surau* needs to be highlighted since they are in actual fact a miniature or small version of mosques. According to Al-Zarkasyi and Al-Zajaj, in Islam, all places of worship are called mosques (Mokhtar, 1997) Two *surau* in Johor were chosen as *surau* of excellence because they perform economic activities that are able to generate returns to the respective institutions. Surau An Nur in Taman Saga, Batu Pahat was selected as the winners at the Johor state level for 2005 because it owns a co-op shop that is managed well and it is also well received by the local community ((Buletin Masjid Johor ,Januari 2007,pg. 17)). Surau Kampung Solok in Tangkak, Muar, was chosen as the winners for 2006 because it owns five stall units, a fruit orchard, and clustered vegetable gardens (<http://www.jaj.gov.my/masjid/utama.html>).

## **2.5 Organizational Background of Mosques in Kota Setar District**

The general administration of mosques in Malaysia varies from one state to another due to the variations in the administration of Islamic affairs and Malay customs . Since Kedah is known as Non-Federated Malay States , it was headed by Sultan ( the Ruler). . According to Article 3(2) of the Federal Constitution, the



Ruler of the Malay States of Perlis, Kedah, Perak, Selangor, Negri Sembilan, Johore, Pahang, Terengganu, and Kelantan is proclaimed as the head of the religion of Islam.

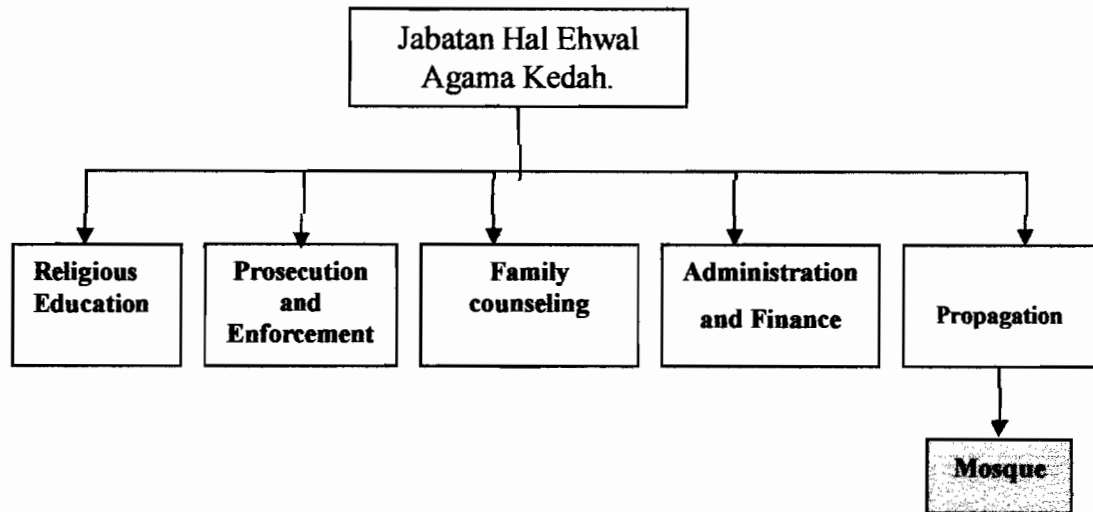
Being the head of Islam, rulers of each State are responsible for the administration of Islamic affairs as well as the development and advancement of Islam. In performing their duties, the rulers are assisted by the Islamic Religious Council (IRC) of each state. The IRC assists and advises the rulers in making policies and procedures pertaining to the administration of Islamic affairs in the state. While the IRC assists in the policy making, the Islamic Religious Department (IRD) is responsible for the execution of policies and procedures for the development and advancement of Islam in each state. Generally, the administration of the IRD comprises divisions that are responsible for religious education, propagating Islamic teachings, the *Shari'ah* court, mosques as well as research and development.

In term of Kedah IRC is Majlis Agama Islam Kedah (MAIK) and IRD is Jabatan Hal Ehwal Agama Kedah (JHEAK). At the state level, Majlis Agama Islam Kedah (MAIK) is the highest authority with regards to policy-making relating to the administration of Islamic affairs. Jabatan Hal Ehwal Agama Kedah (JHEAK) is responsible for planning, coordinating and executing Islamic programs and activities for the development and advancement of Islam as outlined by Majlis Agama Islam Kedah (MAIK). In achieving its missions, JHEAK deploys its staff

to all districts in a state with the purpose of overseeing and coordinating the execution of Islamic programs and activities including those of the mosques.

Figure 2.3 illustrates the organizational structure of JHEAK.

**Figure 2.3: Organisational Structure of JHEAK**



(Source: <http://jheak.kedah.gov.my>)

Generally, mosques in Kota Setar District can be categorized into four types: state mosque, district mosque, karyah mosque and private mosque. State mosques are managed by state governments through the relevant agencies. The state governments also finance both the staff and their operational costs. Any donations that are received from the public will be used to finance part of the religious and social activities conducted by the mosques. Zahir Mosques is a state mosque which is located in this area.

The second category of mosque is the district mosque. In contrast to state mosques, the primary source of finance for the district mosques is donations from

members of the *qaryah* as well as the general public. The operation of these mosques is funded by donations. Sultanah Bahiyah Mosques is a district mosques in this area( Kota Setar)

The third category of mosques is *qaryah* mosques. Generally, *qaryah* mosques exist within the district where district mosques are erected. Thus as a district may have more than one *qaryah*, it may also have more than one *qaryah* mosque. The main purpose of the *qaryah* mosques is to serve the people within the *qaryah*, which may be a distance away from the district mosque. As district mosque, the primary source of finance of these mosques is donations from members of the *qaryah* and the general public.

The fourth category of mosques is private mosques. These mosques are managed and financed by private organizations or individuals. As such, the activities and programs of these mosques are not subject to the policies of any State governments or Federal government. For instance, mosques that are managed and financed by Indian Muslim Associations (Nagore mosques , Alor Setar ) are in this category.

## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

#### **3.1 Chapter overview**

This chapter includes information concerning: 3.2 ) data 3.3) sampling process, 3.4) research design, 3.5) questionnaire design, 3.6) statistical analysis,

#### **3.2 Data**

Data is primary data. There are two types of data collection: qualitative and quantitative. The qualitative data is personal responses from the respondents and this information is obtained from interviews conducted by the researcher. The quantitative data is obtained from the collection of data on the financial management practices of mosques in Kota Setar. The questionnaire is developed based on the research questions of the study. All the information and data received will be analyzed and the result of analysis can provide explanation and answers to the research objectives.

#### **3.3 Sampling process**

A sample is a subset of the population. It comprises some members selected from the population. In other words, some, but not all elements of the population would form the sample. The population of this study comprises 121 mosques in The Kota Setar District. (see Appendix A). However, in this study, 40 mosques.

### **3.4 Research Design**

This research adopts both qualitative and quantitative methods. According to Sogunro (2001), these methods give a more comprehensive data and provides a rich interpretation of the data collected. The data collection involved two stages. The first is questionnaire, while the second stage focuses on observations and the structured interview with respondents. The respondents comprise Imām, the mosque administrators including the treasury. These respondents would be able to provide most of the information on the financial administration of the relevant mosques.

The first stage of data collection involved providing the questionnaire to all respondents. These questionnaires were provided to the respondents by visiting the mosques. The researcher personally collected the completed questionnaires during the visits. 160 questionnaires were distributed and 97 questionnaires fully answered were able to be collected. This represents 65.5 response rate.

The second stage involves personal interviews with either imam or the treasurer or both of them. The interviews are made after prayers based on structured questions. The responses from respondents are written at the time of the interviews.

### **3.5 Questionnaire Design**

The questions formulated in the questionnaire are based on the research objectives, and also based on the studies in state mosques by Alawiyah, Shahul,

Maliah ( 2007). The questions from their research are adapted for the purpose of obtaining information on recording and reporting system. The questionnaire is divided into five parts ( see Appendix B for details):

- Part 1 - Personel Characteristic
- Part 2 - Sources of Mosques Fund
- Part 3 - Recording and Reporting System
- Part 4 - Perception towards Financial Management in mosques.
- Part 5 - Perception towards Quality of Financial Management in mosques

### **3.6 Stastical Analysis**

The data obtained from the questionnaire were coded and edited before data analysis was done. Data were edited to ensure consistency across respondents and to locate emissions. In this way, the editing will reduce errors in the recording, improves legibility, and clarifies unclear and inappropriate responses. Edited quantitative data were then analysed using SPSS Version 15.0 using Descriptive, Inferential Statistics and Analysis procedures.

A descriptive analysis was used to obtain the percentage, mean and frequency for each factors, while Inferential Statistics are used for analyzing differences in means of perceptions towards financial management in mosques between two groups. Where there are three groups, ANOVA is used to statistically measure the mean difference.

## **CHAPTER FOUR**

### **RESULT AND DISCUSSION**

#### **4.1 INTRODUCTION**

This chapter reports the research findings of the study, which includes the profile of mosques and respondents, level of funds collection sources, level of financial reporting and recording, and the difference of financial management and quality of financial management among respondents.

#### **4.2 DESCRIPTIVE ANALYSIS**

##### **4.2.1 Profile of Mosques and Respondents**

The frequency and percentage distributions of mosques and respondents' profile are presented in subsequent sections. Table 4.1 shows that the mosques covered in this survey were located in urban areas, which totaled 16 mosques (40%), and rural areas contained 24 mosques (60%). The respondents of the survey were either holding the Imam post (25 respondents or 25.8%) or the non-Imam position (72 respondents or 74.2%). The majority of respondents were aged above 51 years old (74.2%) and below 50 years old were 25.8% of the total respondents. Of the surveyed respondents, 77 (80.2%) individuals do not have a degree qualification, while 19 respondents (19.8%) indicated that they currently hold a degree. Additionally, most of the respondents were pensioners (34%), and 30.9% are

working in the government sector, while self-employed respondents made up 29.9% of the sample, and finally, 5.2% of the respondents work in the private sector.

**Table 4.1: The distribution of mosques and respondents**

<b>Profile</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Mosque Location</b>		
Urban	16	40.0
Rural	24	60.0
<b>Post</b>		
Imam	25	25.8
Non-Imam	72	74.2
<b>Age</b>		
Below 50 years	25	25.8
51 years and above	72	74.2
<b>Education level</b>		
Degree	19	19.8
Non-Degree	77	80.2
<b>Job</b>		
Government	30	30.9
Private	5	5.2
Self-employed	29	29.9
Pensioner	33	34.0

#### **4.2.2 The Sources of Income**

##### **a) Source of Fund Collection**

Table 4.2 shows the sources of fund collection. The frequencies of mosque collections are gathered into the mosque fund weekly, yearly, and during



celebration of the holy days (65%). Most of the mosques get their source of funding through the Friday collection (that is during Friday prayers) and door-to-door collection (30.8%). Most of the mosques get less than RM500.00 (67.5%) for an average income from the Friday collection and get less than RM2000.00 for the average income during a monthly collection.

**Table 4.2: Sources of fund collection**

<b>Sources of Income</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Frequency of Collection</b>		
Weekly	6	15.0
Weekly and Yearly	3	7.5
Weekly, Monthly, and Yearly	1	2.5
Weekly and Celebration Days	2	5.0
Weekly, Yearly, and Celebration Days	26	65.0
Weekly, Monthly, Yearly, and Celebration Days	2	5.0
<b>Method of Collection</b>		
Friday Fund	8	20.5
Main Fund	1	2.6
Friday Fund and Main Fund	9	23.1
Friday Fund and Door-to-Door Collection	12	30.8
Friday Fund, Main Fund, and Door-to-Door Collection	8	20.5
Friday Fund, Main Fund, and Online	1	2.6
<b>Average of Friday Collection</b>		
Less than RM 500.00	27	67.5
More than RM 501.00	13	32.5
<b>Average of Monthly Collection</b>		
Less than RM 2000.00	26	68.4
More than RM 2001.00	12	31.6

**b) Source of Income from Private and Personal Collections**

Table 4.3 shows the frequencies and percentages of the sources of contributed collection. A total of 35 (87.5%) of the mosques do not have a fixed contribution. Funds are from private companies and personal contribution from individuals. Most of the donors contribute by donating cash (73.1%) to the mosques.

**Table 4.3: Sources of contribution collection**

Sources of Income	Frequency	Percentage
<b>Fixed Contribution from Private Company</b>		
Yes	5	12.5
No	35	87.5
<b>Fixed Contribution from Personal</b>		
Yes	5	12.5
No	35	87.5
<b>Types of Contribution</b>		
Cash	19	73.1
Cash and Maintenance	1	3.8
Cash, Mosque Activity, and others	1	3.8
Hardware and Maintenance	1	3.8
Cash, Hardware, and Maintenance	1	3.8
Cash, Hardware, Maintenance, and Mosque Activity	1	3.8
Others	2	7.7

**c) Source of Income from *Wakaf* property and Non- *Wakaf* Property**

Table 4.4 shows the frequencies and percentages of the sources of income generated from *Wakaf* and Non- *Wakaf* Property. A total of 27 (69.2%) of the

mosques in the survey have *Wakaf* Property, while the other 12 (30.8%) mosques do not have any *Wakaf* property. Most of the *Wakaf* properties are in the form of land (21 mosques or 80.8% of the sample survey). Most of these *Wakaf* properties do not provide or generate any income to the mosques (17 mosques or 73.9%). For those mosques that have income from *Wakaf* property, most of them get less than RM1000.00 (4 mosques or 17.4% of the respondents) for the average income generated from the *Wakaf* property and 4.3% get more than RM 1501.00.

**Table 4.4: Source of income from *Wakaf* and non- *Wakaf* property**

<b>Income</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Mosques has <i>Wakaf</i> Property</b>		
Yes	27	69.2
No	12	30.8
<b>Type of <i>Wakaf</i> Property</b>		
Land	21	80.8
Land and Rental	1	3.8
Land and Building	1	3.8
Others	3	11.5
<b>Average Income of <i>Wakaf</i> Property</b>		
No Income	17	73.9
Below RM 1000	4	17.4
RM 1001 to RM 1500	1	4.3
RM 1501 and above	1	4.3
<b>Has Non- <i>Wakaf</i> Property</b>		
No	13	56.5
Land	1	4.3
Building	6	26.1
Building and Investment Fund	2	8.7
Building, Investment Fund, and others	1	4.3

**d) Source of Income from Business Activity**

Table 4.5 shows the frequencies and percentages of the source of income from business activity. From the survey sample, it was observed that 31 (77.5%) of the mosques do not run any business activity, while the rest of the 9 (22.5%) mosques have implemented at least one type of business activity. Most of these activities involved rental (60%).

**Table 4.5: Source of income from business activity**

<b>Sources of Business Activity</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Run a Business Activity</b>		
Yes	9	22.5
No	31	77.5
<b>Income from a Business Activity</b>		
Rental (Stall, etc.)	3	60.0
Others	2	40.0
<b>Frequency of Income from Business Activity</b>		
Weekly	1	1.0
Monthly	2	2.1
Others	1	1.0

#### **4.2.3 Financial Reporting and Recording System**

Table 4.6 shows the frequencies and percentages of the financial reporting and recording system. From the questionnaires received, it was discovered that all 40 mosques in the sample (100%) record their financial transactions. From this, it was revealed that 35 mosques or (87.5%) record their financial transactions manually or by hand, while the rest of the 5 mosques (12.5%) record transactions by using a computerised system. A total of 22 mosques (62.9%) transport the

manually or by hand, while the rest of the 5 mosques (12.5%) record transactions by using a computerised system. A total of 22 mosques (62.9%) transport the money and donations received through collections to the bank on the next working day. Meanwhile, 38 (95.0%) of the mosques actually produce official receipts for every genuine donation that is given to the mosque. Furthermore, 11 (27.5%) of the mosques that participate in this survey prepared official financial reports every month and year, but there are 11 mosques that only prepare the yearly financial reports. Meanwhile, the rest of the mosques still generate official financial reports, but at different time intervals, such as quarterly reports and reports that cover other types of time periods.

A total of 38 (95.0%) of the mosques that were surveyed in this research effort had stated that the financial report that is produced is audited, and 87.2% of these audited mosques stated that they had performed internal auditing, while 10.3% of the mosques had audits performed by an external auditor. There was also a single mosque that actually performed both internal and external auditing.

A total of 34 (87.2%) of the mosques had revealed that the financial report that is produced would be distributed to the *kariah* members during the general meeting.

<b>Sources of Respondents' Information</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Record</b>		
Yes	40	100.0
<b>Types of record</b>		
Manual	35	87.5
Computer	5	12.5
<b>Send money to bank on next working day</b>		
Yes	22	62.9
No	13	37.1
<b>Provide a receipt</b>		
Yes	38	95.0
No	2	5.0
<b>Frequency of financial reports</b>		
Quarterly	1	2.6
Monthly	12	30.0
Yearly	11	27.5
Monthly and Yearly	11	27.5
Yearly and others	1	2.5
Others	4	10.0
<b>Audit and annual reports</b>		
Yes	38	95.0
No	2	5.0
<b>Types of auditor</b>		
Internal	34	87.2
External	4	10.3
Internal and External	1	2.6
<b>Distributed annual reports</b>		
Yes	34	87.2
No	5	12.8

#### **4.2.4 Perception towards Financial Management and Quality of Financial**

#### **4.2.4 Perception towards Financial Management and Quality of Financial Management**

The distribution of mean scores, and standard deviations are presented in Table 4.7. From the table, it is clear that the overall mean for Perception towards financial management was 2.73 (SD = 0.41) and this can be considered to be slightly above the midpoint on the 5-point Likert scale. This suggests that the respondents perceive the level of financial management at the mosques in Kota Setar is low. The mean and standard deviation for quality of financial management was 3.03 (SD = 0.47). This findings suggest that the respondents interviewed think that the quality of financial management in mosques is relatively good. This opinion is supported by another finding that reveals availability of audited statements being prepared on regular basis and transactions are backed by receipts. The low standard deviation indicates that there is no major variation in opinion between the respondents of one mosque to another mosque. In other words, they tend to agree that there exists some form of financial management of funds collected in the sample mosques. The quality of its management is fairly acceptable.

**Table 4.7: Level of Mosques Financial Management**

<b>Level of Variables</b>	<b>Means</b>	<b>Std. Dev.</b>
Financial Management	2.73	0.41
Financial Management Quality	3.03	0.47

## **4.3 ANALYSIS OF DIFFERENCES**

### **4.3.1 Differences of Perception between Groups of Respondents Regarding Fund/Financial Management**

#### **(a) Differences of Financial Management among Mosque Locations**

A t-test analysis was conducted to test the differences of perception related to financial management between the two mosque in different areas, and the results of which are shown in Table 4.8 below. This table shows that the means and standard deviations of the respondent mosques in urban areas is 2.68 (SD = 0.61), and in the rural areas is 2.78 (SD = 0.31). The results indicated that t value is -0.657 and this would be not significant at the 5% significance level ( $p > 0.05$ ). The result suggest that the respondents perceive that the financial management of mosques in urban areas does not differ significantly from that in rural areas. This appears to be valid because most of financial management activities are only catered to religion activities.

#### **(b) Differences of Financial Management Perception by Respondents' positions.**

A t-test analysis was conducted to test the differences of financial management perception between the two types of job position of respondents, in other words the imam and non-imam posts. The results of this analysis are shown in Table 4.8. This table shows that the mean and standard deviation of Imam post is



2.65 (SD =0.50), and for the non-imam post, it is 2.76 (SD =0.37). These results would indicate that t value is 0.997 and this is considered to be not significant at the 5% significance level ( $p > 0.05$ ).

Although there is no significant difference in perception of financial management between the imams and the non-imam groups, the mean score of 2.65 (for imams) and 2.76 ( for non-imam ) reflects that the latter more incline to agree on purpose financial management and also how the funds collected should be invested. However, the mean score of 2.65 (for imams) and 2.76 ( for non-imam ) also indicate that the respondents are not certain in what sort of investments ( such as unit trust,cooperation,grocery shops) should these funds be invested.

### **(c) Differences of Financial Management Perception among Age of Respondents**

An analysis using t-test was conducted to test the differences of financial management perception among the two age groups of below 50 years and 51 years and above (Table 4.8). The table shows that the means and standard deviation of age of respondents below 50 is 2.73 (SD =0.26), and above 50 is 2.74 (SD =0.45). The results indicated that t value is 0.135 and this is not significant at the 5% significance level ( $p > 0.05$ ). The researcher can infer from the result and from the interviews that both groups agree that not much have been done by the mosques in managing the funds collected besides recording and reporting.

**(d) Differences of Financial Management Perception based on Education Level of Respondents**

A t-test was conducted to test the differences of financial management perception among the different levels of education of respondents, namely the degree holders and above, and the non-degree holders (Table 4.8). The table shows that the means and standard deviation of respondents that have a degree is 2.79 (SD =0.38) and without a degree is 2.70 (SD =0.39). The results would indicate that the t value is 0.885 and this does not show any signs of significance at the 5% significance level ( $p > 0.05$ ).

The results show that both groups agree that their mosques have not utilized the funds to conduct more added value activities such as opening up computer center , library or tuition classes. In actual fact , there is only mosque out of 40 mosques that rent out the mosque's compound for shop and travel agency operations.

**(e) Differences of Financial Management Perception among Job of Respondents**

An analysis of variance (ANOVA) was conducted to test the differences of financial management perception among the job of respondents (Table 4.8). The table shows that the means and standard deviations of respondents working in the government sector is 2.80(SD =0.35), private sector is 2.93(SD =0.74), self-employed is 2.75(SD =0.29), and pensioner is 2.64(0.48). The results indicated that the t value is 1.264 and this is also insignificant at the 5% significance level ( $p > 0.05$ ). The ANOVA results show that the working committee that work in the

private sector score the highest mean (2.93) as compared to other groups. This finding appears to show that those working in the private sector are more inclined to mosques engaging in more productive management.

**Table 4.8: Results of t-test and ANOVA of financial management between mosque and respondent groups**

<b>Variables</b>	<b>Group</b>	<b>Means</b>	<b>Std Dev.</b>	<b>t/F value</b>	<b>sig.</b>
<b>Area</b>	Urban	2.68	0.61	- 0.657	0.515
	Rural	2.78	0.31		
<b>Post</b>	Imam	2.65	0.50	0.997	0.326
	Non-Imam	2.76	0.37		
<b>Age</b>	< 50 years	2.73	0.26	0.135	0.893
	> 51 years	2.74	0.45		
<b>Education</b>	Degree	2.79	0.38	0.885	0.384
	Non-Degree	2.70	0.39		
<b>Job</b>	Government	2.80	0.35	1.264	.291
	Private	2.93	0.74		
	Self-employed	2.75	0.29		
	Pensioner	2.64	0.48		

$p < 0.05$

### **4.3.2 Differences of Quality Financial Management Perception among Mosques and Respondents**

#### **a) Differences of Quality Financial Management Perception among Mosque Locations**

A t-test statistical analysis was conducted to test whether they exists the differences of perception of quality financial management among the different mosque location, namely the rural and urban located mosques, as shown in Table 4.9. The table shows that the means and standard deviations of mosques in urban areas is 2.99 (SD =0.53), and in rural areas, it is 3.02 (SD =0.41).The results indicated that the t value is -0.185 and this is not significant at the 5% significance level ( $p > 0.05$ ).

#### **b) Differences of Quality Financial Management Perception among Post of Respondents**

A t-test was conducted to test the differences of quality financial management perception among type of job position held by the respondents, namely the imam post and non-imam post, as shown in Table 4.9. The table shows that the means and standard deviations of the imam post group is 3.06 (SD = 0.59) and non-imam is 3.02 (SD = 0.42). The results indicated that the t value is 0.286 and this is not significant at the 5% significance level ( $p > 0.05$ ).

**c) Differences of Quality Financial Management Perception among Age of Respondents**

Another t-test was conducted to test the differences of quality financial management perception among the two age categories of respondents (see Table 4.9). The table shows that the means and standard deviations of the age of respondent below 50 years old is 3.09(SD = 0.36), and above 50 years is 3.01(SD = 0.50). The results indicated that the t value is 0.925 and this is insignificant ( $p > 0.05$ ).

**d) Differences of Quality Financial Management Perception among Education of Respondents**

The t-test was conducted to test the differences of quality financial management perception among the two levels of education of respondents (Table 4.9). The table shows that the means and standard deviations of the respondents that have a degree is 3.16(SD = 0.54) and the non-degree respondent is 2.98(SD = 0.41). The results show that those with degree holders ranked the quality of financial management.

**e) Differences of Quality Financial Management Perception among Job of Respondents**

An analysis of variance (ANOVA) was conducted to test the differences of quality financial management perception among the job of respondents (Table 4.9). The table shows that the means and standard deviations of respondent working in the government sector is 3.15(SD = 0.34), private sector is 3.06(SD =

0.91), self-employed 3.02(SD = 0.35), and pensioner is 2.92(SD = 0.55). The results indicated that the t value is 1.400 and this is not significant ( $p > 0.05$ ). This is an interesting finding. In term of financial management, the government officers working as committee of mosque has a mean of 2.80 but they record a higher mean of 3.15 for quality of management in mosques. This is in contrast with the findings from private sector, which record a mean score of 2.93 for financial management but only 3.06 mean for quality of financial management. Based on the interviews conducted, we can explain that government based mosques office bearers make more efforts to increase the quality of financial management in the mosques.

**Table 4.9: Results of t-test and ANOVA between quality financial management perception among mosque and respondents**

<b>Variables</b>	<b>Group</b>	<b>Means</b>	<b>Std Dev.</b>	<b>t/F value</b>	<b>sig.</b>
<b>Area</b>	Urban	2.99	0.53	- 0.185	0.854
	Rural	3.02	0.41		
<b>Post</b>	Imam	3.06	0.59	0.286	0.777
	Non-Imam	3.02	0.42		
<b>Age</b>	< 50 years	3.09	0.36	0.925	0.359
	> 51 years	3.01	0.50		
<b>Education</b>	Degree	3.16	0.54	1.360	0.187
	Non-Degree	2.98	0.41		
<b>Job</b>	Government	3.15	0.34	1.400	0.248
	Private	3.06	0.91		
	Self-employed	3.02	0.35		
	Pensioner	2.92	0.55		

$p < 0.05$

## **CHAPTER 5:**

### **CONCLUSION, IMPLICATION AND RECOMMENDATION**

#### **5.0 Introduction**

This chapter covers the summary, conclusion, implication as well as the recommendation that have been revealed after performing this present research effort. For the ensuing discussion, this chapter will be divided into the research summary, the implications of the research, the directions for future research, the limitations of the present research, the obstacles faced during this present research, as well as the recommendations that can be made for use by the organisation.

#### **5.1 Summary**

The first and second objective of the study that is; to find out the collection system and sources of funds of Kota Setar mosques, have been met. It is apparent that there exists some collection system in mosques, however there is no systematic fund collection system in the mosques while most of the funds are mostly derived from donations from the public. These funds are not re-invested, partly because the amount is small. On a weekly collection an average of RM 500, we have not ascertained the maintenance cost of mosque ,thus we are unable to assess the net proceed that could provide savings of a particular mosque. While

the main source of collection is from donations, it is noted that funds or profits also come from business activities conducted by some mosques.

As to the third objective with respect to recording and reporting system, it is encouraging to note that mosques in Kota Setar do maintain a regular recording and reporting system on their management. However most of the recording of accounts are done on manual basis. There is very little use of computers.

The forth objective is to find out the opinion of mosque operators towards financial management in mosques. The results of the study has revealed that all operators ( the most committee members) did not differ significantly in their opinion or perception on fund management in mosques either by age, level of education, employment, position, and location of the mosques (urban/rural areas). The same results is obtained for the quality of financial management in the mosques ( at  $p < 0.05$  significance level). These results appear to apply that most of the committee members tend to agree that the current management of mosque funds and its management quality in general, are very much the same in all 40 mosques surveyed. The involvement of the educated residents and the presence of younger committee members in the management of the mosques does not make much difference in the financial management of mosques with respect to making the mosques as a centre of economic activities as well as being a place of worship.



The fifth objective is to identify the strengths and weaknesses of the financial management of mosques in the area. After analyzing the results, we found the following strengths :

i) There is concerted efforts and unanimous agreement by the mosque members to invest the mosques' funds better by making the mosques as economic centers besides worshipping place, although not much efforts have been implemented currently.

ii) Strong support from various government agencies provide opportunities for mosques to participate in the economic activities as part of investment strategy. For example through Jabatan Hal Ehwal Agama Kedah (JHEAK) , a discussion was held between the representative of the telecommunication company and the committee members of the 20 selected mosque in Kedah (in 2008) whereby a *telecommunication receiver* will be built in the compound of the mosques. Each mosque will be paid RM 2000 per month as rental for the placement of the receiver if the committee members of the mosques agree with the proposals..

iii) There are many volunteers willing to donate their valuable time and resources in mosque activities .

On the other hand, the researcher identify several weaknesses .These are :

i) Little training and exposure regarding financial management for committee mosque members.

ii) The mosques have the money but these funds have not been used to invest in more productive activities.

iii) Little usage of IT since most of the recordings of funds received and used are done manually.

The sixth objective of this study is to recommend strategies to improve the weaknesses. The following paragraphs suggest the proposed recommendation.

#### **5.1.1 Location**

The results of the research have shown that the main source of income for the mosques in the area of Kota Setar is through the collections and that location is a factor that has influence on the final amount of the collection. A mosque that has more residential areas surrounding it would record a higher total collection than that of a mosque that is located within a rural districts, or in sparsely populated area. Thus, the location of the mosque can also be fully utilised by the mosque management.

Some of the mosques are located in strategic areas, such as in the middle of Alor Star or in a residential park. Several efforts by these mosques in Kota Setar can be used as an example by other mosques. For example, the Simpang Kuala Mosque located on Kuala Kedah Road (Aman Mosque) rents out lots within the mosque compound to open convenience stores. The duties of the mosque to increase its source of income is less complicated by receiving monthly rent from the lease of the lots compared to it actually having to manage a business, which

needs high levels of commitment and efforts. Managing these enterprises fairly difficult since the mosques have limited staff members (undermanned).

The Sultanah Bahiyah Mosque also utilises its position ( located in the middle of Alor setar) by creating several lots and leased them for RM 200 each. Business enthusiasts would be interested since the rental fee for shop lots would be more expensive that that offered by the mosques. The Sultanah Bahiyah Mosque also owns a travel (*musafir*) house that is rented to visitors at certain fixed rates. This type of economic activity may not be successfully implemented in the more rural and sparsely populated areas since the number of residents is quite low for it to have any significantly beneficial effect.

#### **5.1.2 The economics of wakaf**

This research has also shown that the mosques in the area of Kota Setar does not have much *wakaf* (donated) land. The amount of *wakaf* real estate that they own is in the form of empty lots that are kept for enlarging and renovating the mosque building, or these lots are reserved for conversion into a burial ground as part of the cemetery. The *wakaf* land that can be profited from is the lots that have been leased to the local residents to be converted into paddy fields, where the resulting rent is paid after each harvesting season (twice yearly).

Based on the interviews between the researcher and the representative of the mosque management that owns the *wakaf* land (paddy), the *wakaf* land is relatively small and does not exceed two acres. This *wakaf* land has been

registered under the name of Majlis Agama Islam Kedah, and the mosque management is the sole executor of this land. The rent obtained from leasing this land is paid to the mosque through Majlis Agama Islam Kedah. Therefore, it is pertinent that considerations should be made about how to benefit from the concept of *wakaf* until the mosque is able to transform the *wakaf* land into a potential source of income for the mosque.

### **5.1.3 Quality of financial management**

(Alawiyah, Shahul and Maliah, 2007) find that quality of management is important. This study also support their finding. Therefore Islamic community should move toward a high quality management of mosques since it would improve muslim confidence in this institution and thus would attract them to the mosque. In order to make the mosque institution a success, there should be various donations, not only in the form of money, but also in the form of physical energy or fruitful ideas. With this increased attention in wanting to improve the financial management of the mosque, it is thus appropriate that the related parties such as Kedah Islamic Affairs Department (*Jabatan Hal Ehwal Agama Islam Kedah*), specifically the division for mosque management, imam, and members of mosque committee understand this situation and increase their efforts in identifying management areas that are not up to standard or not satisfying, and continue to improve and strengthen the quality of management in the areas.

#### **5.1.4 Future role of mosque in education**

The respondents have identified that one of the areas that are not performed well by certain mosques is related to the role of the mosques in education. Events such as organising gatherings to celebrate the academic excellence of students of the *kariah* (area coverage) members, tuition centers are not frequently organized. In this aspect, there are only few mosques that organise these cheerful functions for celebrating excellent students in two-in-one package. For example, Excellent Award Day is organised in conjunction with the holy days of Islam like the celebration of the birth of the great Prophet Muhammad PBUH (*Maulidurrasul*). Therefore, it is recommended that the related parties should organise these types of programmes more as an effort to encourage acquisition of knowledge and excellence.

Additionally, the intention of the mosque committee to aid these students should be given appropriate attention. Many respondents that were interviewed about the assistance for these students had stated that their respective mosques do not provide aid for the poorer students or the students who are in need of fundings. There are also others that have stated that the mosque has played the part by channelling help in the form of *zakat fitrah*, wealth *zakat*, and the like. In order to overcome this problem, the researcher recommends that a special education collection or fund should be established where all proceeds are channelled into that fund and it is managed by a bureau that can be named as the education bureau.

### **5.1.5 Management of wakaf**

Also through the observations and interviews with the members of the mosque committee, the researcher found that there are contradicting opinions amongst these mosque committee members regarding the *wakaf* land. Some committee members had stated that the mosque owns the *wakaf* land in the form of paddy fields, while other had denied this fact. According to this second party, the mosque no longer owns the *wakaf* land.

This situation has occurred because the *wakaf* system that had been previously adopted is only based on trust without being accompanied with the required legal documents. When the donator of *wakaf* land passes away, the beneficiaries or heirs would state their claim on the land even though previously the resulting yield or harvest from this land has been given to the mosque for a certain period of time. Therefore, the researcher counsels that the state religious authorities should take the lead role of giving a clear understanding about the procedures for giving up land for *wakaf* to the public in general, and the mosque committee specifically. This effort can be facilitated by organising seminars, courses, or even through sermons (*khutbah*) during Friday prayers and other ways on *wakaf* management.

In actual fact, the process of giving land up for *wakaf* has been formally documented in order to avoid confusion such as this, but perhaps it is not well known by the public or not presented in a clear manner. These days, the procedure

of giving land for *wakaf* requires the donator to fill out a *wakaf* declaration form, which is then followed up by the relevant authorities by performing investigations into whether the land can be accepted as *wakaf* land or otherwise. After confirming the status of the land, several other procedures that have been established by *syarak*, State Religious Board (*Majlis Agama Islam Negeri – MAIN*), and also the land office, would also be carried out before completing the *wakaf* process.

Mosques which have *wakaf* land in the form of paddy fields would have a permanent source of income from the lease according to the season. Based on the interview between this researcher and the bursar and *imam* of the mosque, the income resulting from the lease of 1.2 acres of paddy land (two *relung*) is approximately RM1500 a year (two harvesting seasons). This researcher suggests that the management of the mosques should give their attention to how the *wakaf* land can be potentially used as a source of income to the mosque since the general Muslim community would not be reluctant in giving donations in the form of *wakaf* land to the mosque. One of the mosques in the Kota Setar district, which is Aman Mosque located on Kuala Kedah Road, has collected money in form of *wakaf* totalling RM 204,000 for a period of the past 12 years. This mosque owns two separate funds, which are the welfare fund and *wakaf* fund. The concept of *wakaf* that makes is easy for the donator and the party that manages the *wakaf* land (as discussed in chapter 2 previously) should be made known to the Islamic community so that the members of this community would be interested in giving

donations to the mosque. Relating to this matter, the easiest method is by giving a sum of *wakaf* money for the purpose of purchasing land and other purposes.

When this *wakaf* money is made, then it would enable the mosque management to fully benefit its use in implementing many activities, just as long as it is with good intention and within the boundaries of the intent and purpose of the *wakaf* money that given in the first place. Based on this matter, the *wakaf* institution should be strengthened so that the management of the *wakaf* money can be fully realised.

The contemporary *wakaf* system needs to be formed so that it is relevant with the change in time in order to give rise to a more professional, progressive, and effective *wakaf* adoption for spreading charity and improving welfare. The latest methods and systems should be constructed to make the *wakaf* adoption more attractive and able to gather more *wakaf* donators. With this, the source of income for funding charitable work would be more stable and constant.

#### **5.1.6 Increase awareness and training on financial management**

(i). Improve the level of awareness amongs the mosque officers and committee members about the importance of having a quality financial management system. The mosque management division of the Islamic Affairs Department (*Jabatan Hal Ehwal Agama Islam*) may also use the results of this study to look into the elements and factors that must be given attention based on the respondent's views. The mosque management division of the Islamic Affairs



Department is advised to send their officers and committee members to attend courses or seminars to strengthen and increase their understanding and application of financial management.

(ii). Studies and research related to mosque financial management quality from the perspectives of various parties, whether they are internal or external views from the institution, need to be continually performed from time to time so that the quality of management law always being improved.

(iii). Management teams of mosques can also get assistance, opinions, cooperation, and advice from quality experts as well as other professional bodies like universities to perform studies, research, programmes, and activities that can generate income and increase the income of the mosque.

## **5.2 Limitations**

In interpreting the results of this research study, the reader should consider several limitations of this study:

1) The instrument (questionnaire) was given to members of the Mosque Committee that manages the mosque. Perhaps the accuracy and validity of the data depends on their honesty in answering the questionnaire. This is because there may be a possibility of them wanting to hide or not disclose their personal or

organisational weaknesses. Therefore, in the effort to reduce this effect, observations were also performed by looking at bulletin boards that state the total weekly and monthly collection as well as the minutes from their general meetings that contain the financial report of the mosque. Hence , there exist some limitation. However, most of the mosques were cooperative in providing the required information for this research.

2) The results or findings of this study about collection was obtained during the time when the national economy is currently developing well, thus the outcome of this study may be different in different economic scenario.

3) The current research is basically limited to a survey performed on 40 mosques in the Kota Setar district only. A general conclusion from the results may not be possibly applied to represent the financial management status of other mosques.

4) The 1-5 scale was used in this study. The respondents were asked to state each level of perception and agreement toward the questions that were presented. The use of a 1-5 scale can lead to a polarised response, which is the trend of the respondent to answer automatically when presented a question or query without giving their full attention toward what is being questioned or queried. This problem arises from the differences in interpretation by each individual toward the scale that is given.

5) In performing this research, this researcher had faced several problems in obtaining the required information from the respondents, which are the mosque management members. Even though this problem only involved a small number of mosques, it had forced the researcher to search out for more mosques to visit and this research took more time than what was allocated. This situation arises because of the attitude of some mosque committee members who do not want to give their full cooperation. Some of them had viewed this research effort as a threat in revealing the problems that occur in their mosque management, especially if that particular mosque was facing problems in their financial management. For example, the mosque had not performed their general meetings and that their financial reports were not revealed nor presented to their *kariah* members.

### **5.3 Conclusion**

From the discussion of this chapter, it can be summarised that while considering certain limitations as discussed previously, this study has produced a meaningful findings from both the practical and theoretical aspects. Besides supporting the findings of previously performed cases, it has also revealed some new findings, among which is related to the total weekly collection and the position of the *wakaf* property that is owned by the mosque. It is hoped that the findings of this research would launch more studies related to quality management in mosques, specifically those related to financial management.

Directions for future research should include a widening of the research scope to a larger population so that it would better represent the actual picture about the financial management quality and system in other mosques. In this study, respondents are mosque committee, thus to enhance better outcomes perhaps more valid generalizations of the present results could be made relating to the perspective of the *kariah* members and other professional groups.

Future research could also be undertaken to gather additional information by making comparisons to other religious institutions, like the *Zakat* department, *Wakaf* department, Haji fund, and other mosques throughout Malaysia and in other Muslim countries in the world.

This study was static in type and examined the characteristic and perception of mosque committee at one point in time. Longitudinal types of study, which examine *karyah* members behaviour over a period of time (for example from the aspect of collecting money for the mosque fund during harvesting seasons and others) are hoped to be able to enrich this topic of research. To this end, it would also be very useful to find out what other factors that could arise in making mosques as equally active as worshipping place and economic centers to generate better wealth and economic value for the benefit of Islam Ummah.

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# **APPENDIX A**





# UNIVERSITI UTARA MALAYSIA

06010 UUM Sintok, Kedah Darul Aman, Malaysia. Tel: 604 - 928 4000

**"KEDAH GEMILANG"**

**UUM/KP/A-3 (86126)**

10 March 2008  
02 Rabiulawal 1429H

**TO WHOM IT MAY CONCERN**

Sir / Madam

**DATA COLLECTION FOR PROJECT PAPER/TESIS**

This is to certify that **Azhar bin Abdul Wahab** (Matric Number: **86126**) is a full-time graduate student in Master of Science (Finance) programme at University Utara Malaysia, Sintok, Kedah.

He needs to collect data for his project paper/thesis in order to fulfill the partial requirements of his thesis.

Duly we hope that your organization will be able to assist him in distributing questionnaires for his research.

Thank you

**"ILMU BUDI BAKTI"**

Yours faithfully

**(PROF. DR. ZAKARIA ABAS)**  
Dean (Research and Post Graduate)  
College of Business





قريه نكري قدح دارالامان

KERAJAAN NEGERI KEDAH DARUL AMAN

جياتن حال احوال اكمام اسلام  
نكري قدح دارالامان. الور ستر

JABATAN HAL EHWAL AGAMA ISLAM  
NEGERI KEDAH DARUL AMAN  
Bangunan Wan Mat Saman, Jalan Raja, 05676 Alor Star  
Tel : 04-7333 288 Fax : 04-733 8333



"KEDAH GEMILANG"

Bil.(84)dlm.AGAMA(K)A21 Jld.2

Tarikh : 13 Mac, 2008

05 Rabiulawwal, 1429

Yang Berbahagia,  
Tuan-tuan Imam Masjid  
Daerah Kota Setar.

Tuan,

**KEBENARAN MENJALANKAN KAJIAN DI MASJID-MASJID DAERAH  
KOTA SETAR BAGI IJAZAH SARJANA SAINS**

Dengan hormatnya perkara di atas dirujuk.

Adalah dimaklumkan bahawa pembawa surat ini – En. Azhar bin Abdul Wahab No. Matrik 86126 adalah seorang pelajar Sarjana Sains (Kewangan) secara sepenuh masa di Universiti Utara Malaysia, Sintok, Kedah.

2. Beliau ingin membuat kajian dengan tesisnya yang bertajuk "PENGURUSAN KEWANGAN MASJID-MASJID DI DAERAH KOTA SETAR, ISU DAN CABARAN" merujuk surat kebenaran dari Universiti Utara Malaysia, UUM/KP/A-3(86126) bertarikh 10 Mac 2008.

3. Jabatan ini tiada ketegahan dan membenarkan beliau untuk menjalankan kajian di masjid-masjid dalam daerah Kota Setar dan maklumat yang diperolehi daripada soal selidik ini akan dirahsiakan.

Di atas kerjasama tuan-tuan Imam diucapkan ribuan terima kasih.

Sekian.

**"BERKHIDMAT UNTUK AGAMA DAN NEGARA"**

Saya yang menurut perintah,

(HAJI MOHD. ZOEDI BIN HAJI SAAD.,AMK.,BCK.)

Setiausaha

Jabatan Hal Ehwal Agama Islam  
Negeri Kedah Darul Aman

s.k.

Tuan Pegawai Agama  
Daerah Kota Setar.



## **APPENDIX B**



**List of sample mosques in Kota Setar ( 40 mosques)**

No	Mosques	Location
1.	Masjid Akar Peluru	Jalan Pegawai, 05050 Alor Star, Kedah Darul Aman
2.	Masjid Alor Ibus	Mukim Tebengau, 06600 Kuala Kedah ,Alor Star. Kedah Darul Aman
3.	Masjid Alor Pak Ngah	Tajar, Langgar, 06500 Alor Star, Kedah Darul Aman
4.	Masjid Empa (Ridzwan)	Derang, Langgar, 06500 Alor Star , Kedah Darul Aman
5.	Masjid Gerigis (A1-Zakiah)	Jalan Dato'Kumbar, 06500 Alor Star, Kedah Darul Aman
6.	Masjid Alor Senibung (Al-Huda),	Langgar,06500 Alor Star, Kedah Darul Aman
7.	Masjid Gulau	Lesong, Langgar, 06500 Alor Star , Kedah Darul Aman
8.	Masjid Jabi (Fathul Ariffin)	Pokok Sena, 06400, Alor Setar , Kedah Darul Aman
9.	Masjid Hutan Kampung	Hutan Kampung, 05350, Alor Setar , Kedah Darul Aman
10.	Masjid Kampung Budi	Lesong, Pokok Sena, 06400 Alor Star Kedah Darul Aman
11.	Masjid Kampung Bukit	Derang, Pokok Sena, 06400 Alor Star, Kedah Darul Aman
12.	Masjid Kampung Hujung ( Aisyah)	Pengkalan Kundur, 06350 Alor Star, Kedah Darul Aman
13.	Masjid Kampung Kedundung	Derang, Pokok Sena, 06400 Alor Star , Kedah Darul Aman
14.	Masjid Kampung Kolam	Tualang, Pokok Sena, 06400 Alor Star, Kedah Darul Aman
15.	Masjid Kampung Teluk	Bukit Pinang, 06200 Alor Star, Kedah Darul Aman
16.	Masjid Kampong Tengah	Tualang, Pokok Sena,06400 Alor Star, Kedah Darul Aman
17.	Masjid Kampung Titi Baru	Kepala Batas, 06200 Alor Star,Kedah Darul Aman
18.	Masjid Kuala Lanjut	Lesong, pokok sena,06400 Alor Star, Kedah Darul Aman
19.	Masjid Mergong	Jalan Putera,05100 Alor Star,Kedah Darul Aman



No	Mosques	Location
20.	Masjid Padang Hasan	Lengkuas, Kepala Batas, 06200 Alor Star, Kedah Darul Aman
21.	Masjid Panchor	Derang, Pokok Sena, 06400 Alor Star, Kedah Darul Aman
22.	Masjid Pokok Pauh	Lesong, Pokok Sean, 06400 Alor Star, Kedah Darul Aman
23	Masjid Seberang Perak (Ehsan)	05050 Alor Star, Kedah Darul Aman
24	Masjid Simpang Kuala (Aman)	Jalan Kuala Kedah, 05400 Alor Star, Kedah Darul Aman
25	Masjid Simpang Tiga Cik Mat Zain,	Pokok Sena, 06400 Alor Star, Kedah Darul Aman
26	Masjid Sultanah Bahiyah	Jalan Sultanah, 05360 Alor Star, Kedah Darul Aman
27	Masjid Sungai Durian	Gajah Mati, Pokok Sena, 06400 Alor Star, Kedah Darul Aman
28	Masjid Sungai Mati	Langgar, 06500 Alor Star, Kedah Darul Aman
29	Masjid Tandop /	Tandop, 05400 Alor Star, Kedah Darul Aman
30	Masjid Tanjong Bendahara (Al-Aziz)	05400 Alor Star, Kedah Darul Aman
31	Masjid Tanjong Musang (Al-Maarif)	Jabi, 06400 Alor Star, Kedah Darul Aman
32	Masjid Telaga Mas	Jabi, Pokok Sena, 06400 Alor Star, Kedah Darul Aman
33	Masjid Telok Bagan (Al-Irsyad),	Tandop, 05400 Alor Star, Kedah Darul Aman
34	Masjid Telok Chengai	Jalan Kuala Kedah, 05400, Alor Star, Kedah Darul Aman
35	Masjid Telok Jamat (Al-Huda)	Tualang, 06400, Alor Star, Kedah Darul Aman
36	Masjid Telok Kechai (Huda)	06600 Alor Star, Kedah Darul Aman
37	Masjid Ampang Jajar	KM 4, Jalan Putera, 05150 Alor Star, Kedah Darul Aman
38	Masjid Kampong Baru	Mukim Telaga Mas, 06400 Alor Star, Kedah Darul Aman
39	Masjid Tambak Bunga (As-Salam)	Jalan Kuala Kedah, 05400 Alor Star, Kedah Darul Aman
40	Masjid Batu 2 1/2 (Mohd Iskandar)	Jalan Datok Kumbang, 05300 Alor Star, Kedah Darul Aman



## **APPENDIX C**

## BAHAGIAN A :

### MAKLUMAT MASJID

Sila tandakan ( ) pada ruang yang berkenaan.

#### 1. Kategori masjid :

Daerah

☐

Qaryah

☐

Mukim

☐

Persendirian

☐

#### 2. Usia masjid :

1 - 5 tahun

☐

6 - 10 tahun

☐

11 - 15 tahun

☐

Lebih dari 15 tahun

☐

#### 3. Jumlah AJK masjid : \_\_\_\_\_ orang

### MAKLUMAT RESPONDEN ( AJK MASJID)

#### 4. Jawatan :

Imam

☐

Bendahari

☐

Ketua Biro Ekonomi

☐

Lain-lain, nyatakan \_\_\_\_\_

☐

#### 5. Usia:

20 hingga 30 tahun

☐

31 hingga 40 tahun

☐

41 hingga 50 tahun

☐

50 tahun ke atas

☐

#### 6. Tahap pendidikan:

Master / PHD

☐

Ijazah

☐

Diploma / STPM

☐

Menengah

☐

Rendah

☐

#### 7. Pekerjaan :

Kerajaan

☐

Swasta

☐

Sendiri

☐

Pesara

☐

**8. Jenis pekerjaan :**

Pentadbiran	<input type="checkbox"/>	Profesional ( doktor, peguam, dll.)	<input type="checkbox"/>
Ahli akademik	<input type="checkbox"/>	Sendiri	<input type="checkbox"/>
Teknikal	<input type="checkbox"/>	Pesara	<input type="checkbox"/>
Ahli Perniagaan	<input type="checkbox"/>		

**BAHAGIAN B : SUMBER PENDAPATAN MASJID**

**PENDAPATAN DARI KUTIPAN TABUNG**

**1. Kekerapan kutipan :**

Mingguan (setiap jumaat)	<input type="checkbox"/>
Bulanan	<input type="checkbox"/>
Tahunan ( Bulan Ramadhan)	<input type="checkbox"/>
Sempena hari kebesaran Islam	<input type="checkbox"/>

**2. Kaedah kutipan dijalankan.**

Tabung bergerak (setiap jumaat)	<input type="checkbox"/>
Kutipan rumah ke rumah	<input type="checkbox"/>
Tabung utama di pintu masjid	<input type="checkbox"/>
Secara on - line	<input type="checkbox"/>

**3. Purata jumlah kutipan pada hari Jumaat.**

Kurang dari RM 500	<input type="checkbox"/>
RM 500 – RM 1000	<input type="checkbox"/>
RM 1000- RM 2000	<input type="checkbox"/>
RM 2000- RM 3000	<input type="checkbox"/>
Melebihi RM 3000	<input type="checkbox"/>

**4. Purata jumlah pendapatan bulanan**

Kurang dari RM 2000	<input type="checkbox"/>
RM 2001- RM 3000	<input type="checkbox"/>
RM 3001- RM 4000	<input type="checkbox"/>
RM 4001- RM 5000	<input type="checkbox"/>
Melebihi RM 5000	<input type="checkbox"/>



**SUMBER SELAIN DARI KUTIPAN TABUNG**

5. Adakah Masjid menerima sumbangan tetap dari mana-mana agensi/syarikat swasta ?

☐

Ya

☐

Tidak

6. Adakah Masjid menerima sumbangan tetap dari mana-mana individu ?

☐

Ya

☐

Tidak

7. Adakah Masjid mendapat peruntukan tetap dari kerajaan negeri?

☐

Ya

☐

Tidak

**Sekiranya TIDAK terus ke soalan no. 9**

8. Apakah bentuk peruntukan tersebut ?

Wang tunai

☐

Membekalkan peralatan

☐

Menanggung kos penyelenggaraan

☐

Menaja aktiviti-aktiviti masjid

☐

Lain-lain, nyatakan \_\_\_\_\_

☐

9. Adakah Masjid memiliki harta wakaf ?

☐

Ya

☐

Tidak

**Sekiranya TIDAK terus ke soalan no. 12**

10. Apakah bentuk harta wakaf tersebut ?

Tanah

☐

Bangunan

☐

Saham

☐

Hasil sewaan

☐

Lain-lain, nyatakan \_\_\_\_\_

☐

11. Berapakah purata pendapatan bulanan/tahunan harta wakaf tersebut?

Nyatakan, \_\_\_\_\_

12. Harta selain harta wakaf yang dimiliki oleh masjid ?

Tanah

Bangunan

Saham

Hasil sewaan

Lain-lain,nyatakan \_\_\_\_\_

☐☐☐☐

13. Adakah masjid menjalankan aktiviti ekonomi yang memberi pulangan kepada masjid?

Ya

Tidak

☐☐

Sekiranya TIDAK terus ke soalan no. 16

14. Apakah bentuk aktiviti tersebut ?

Memiliki kedai runcit

Menyewakan tapak \*

Ladang/kebun pertanian

Restoran

Lain-lain,nyatakan \_\_\_\_\_

☐☐☐☐☐

\*contoh: untuk gerai pasar malam atau untuk pembinaan pencawang syarikat Telekomunikasi atau TNB.

15. Kekerapan pendapatan dari aktiviti tersebut adalah secara :

Mingguan

Bulanan

Tahunan

Lain-lain,nyatakan \_\_\_\_\_

☐☐☐☐

**BAHAGIAN C :**

**SISTEM MEREKOD DAN MELAPORKAN WANG MASUK/WANG KELUAR**

16. Adakah masjid merekod semua wang yang diterima dalam bentuk tunai atau cek ?

☐

Ya

☐

Tidak

17. Jika ya, adakah ia dibuat secara :

☐

Manual

☐

Komputer

18. Adakah semua wang yang diterima dimasukkan kedalam bank sekurang-kurangnya pada hari berkerja yang berikutnya.

☐

Ya

☐

Tidak

19. Jika tidak nyatakan kekerapan wang tersebut dimasukkan kedalam bank

Seminggu sekali

☐

Sebulan sekali

☐

Kekerapan yang lain, \_\_\_\_\_

☐

20. Adakah pihak masjid mengeluarkan resit rasmi bagisetiap sumbangan atau dana yang diperolehi? .

☐

Ya

☐

Tidak

21. Adakah masjid menyediakan laporan kewangan?

Ya

☐

Tidak

☐

22. Adakah laporan kewangan mengandungi perkara-perkara berikut :

Penyata pendapatan dan perbelanjaan

☐

Wang tunai masuk dan keluar

☐

Lembaran imbalan

☐

Penerimaan dan pembayaran

☐

23. Kekerapan laporan kewangan ini dibuat :

Setiap bulan

☐

Setiap suku tahun (setiap empat bulan)

☐

Setiap tahun

☐

Lain-lain,nyatakan \_\_\_\_\_

☐

24. Adakah laporan kewangan diaudit ?

Ya

☐

Tidak

☐

25. Pihak yang mengaudit laporan kewangan tersebut :

Audit dalam

☐

Audit luar

☐

26. Adakah laporan kewangan diedarkan kepada Ahli karyah ?

Ya

☐

Tidak

☐

## PENGURUSAN DANA MASJID

Arahan : Tandakan ( ) pada ruang yang berkenaan tentang persepsi/pandangan anda mengenai apa yang **telah dilakukan** oleh masjid anda mengikut skala di bawah.

(1) STS – Sangat tidak setuju

(4) S –Setuju

(2) TS – Tidak setuju

(5) SS – Sangat setuju

(3) TP – Tidak pasti

BIL	ITEM	1 STS	2 TS	3 TP	4 S	5 SS
1.	Masjid menggunakan sebahagian dana yang dimiliki untuk membuat pelaburan contohnya dalam Unit saham amanah, koperasi dan sebagainya.					
2.	Pelaburan yang dibuat telah memberi pulangan kepada masjid.					
3.	Masjid terlibat dalam menjayakan projek –projek seperti industri kecil dan sederhana, membuka kedai runcit, pusat komputer dan sebagainya.					
4..	Masjid mengadakan pelan strategik dan kerjasama pintar dengan masjid yang lain bagi memanfaatkan dana yang dimiliki.					
5.	Penerapan nilai-nilai korporat dalam pengurusan kewangan masjid dilakukan oleh pihak pengurusan .					
6.	Dana yang diperolehi hanya digunakan untuk mengurus pentadbiran masjid sahaja.					
7.	Dana yang dimiliki oleh masjid digunakan untuk membina modal insan melalui kelas –kelas tafaquh, ceramah, seminar dan sebagainya.					
8.	Masjid memberikan peruntukan yang besar bagi tujuan tersebut.					
9	Masjid memiliki perpustakaan atau ruang bacaan yang selesa untuk kemudahan pelajar dan ahli jemaah.					
10	Masjid menganjurkan seminar motivasi, seminar menghadapi peperiksaan untuk para pelajar yang terdiri dari anak –anak ahli kariah					
11	Masjid menganjurkan kelas tuisyen akademik untuk para pelajar yang terdiri dari anak –anak ahli kariah					

12	Pihak masjid mengadakan majlis untuk meraikan dan memberi sumbangan kepada para pelajar cemerlang yang terdiri dari anak –anak ahli kariah.					
13	Pihak masjid pernah memberi bantuan tidak berkala kepada pelajar seperti menaja tiket penerbangan untuk pelajar persendirian yang menuntut di luar negara.					
14	Masjid memberikan sumbangan kepada pelajar-pelajar miskin.					
15.	Masjid membayar yuran pengajian pelajar yang tidak berkemampuan.					
16.	Pihak Masjid mempunyai tabung khusus untuk tujuan pendidikan .					

## KUALITI PENGURUSAN KEWANGAN

Arahan : Tandakan ( ) pada ruang yang berkenaan tentang persepsi/pandangan anda mengenai apa yang **telah dilakukan** oleh masjid anda mengikut skala di bawah.

- |                               |                        |
|-------------------------------|------------------------|
| (1) STS – Sangat tidak setuju | (4) S –Setuju          |
| (2) TS – Tidak setuju         | (5) SS – Sangat setuju |
| (3) TP – Tidak pasti          |                        |

BIL	ITEM	1 STS	2 TS	3 TP	4 S	5 SS
1.	Masjid memberi tempat kepada golongan profesional menganggotai Ahli jawatankuasa masjid					
2.	Masjid mengambilkira kelayakan dan pengalaman dalam bidang berkaitan ketika melantik Bendahari atau Ketua Biro Ekonomi masjid.					
3.	Pihak AJK Masjid mengmbil berat dan sering berbincang tentang usaha –usaha menambah dana masjid selain dari yang diperolehi melalui kutipan mingguan					
4.	Menjana pendapatan seperti membuka kedai ,bazar dan sebagainya tidak dianggap aktiviti sampingan kepada masjid.					
5.	Pihak AJK Masjid merancang menambah dana dengan membuka kedai runcit, restoran atau kedai gunting rambut dan sebagainya.					
6.	Seminar, kursus dan latihan tentang pengurusan kewangan sering diadakan untuk kakitangan masjid.					
7.	Penduduk setempat atau ahli kariah sering memberi buah fikiran dan cadangan untuk meningkatkan kualiti pengurusan terutama yang melibatkan kewangan.					
8	Pihak AJK masjid mendapat kerjasama erat dari seluruh ahli kariah					
9.	Masjid dilengkapi dengan sistem on-line yang membolehkan ahli jemaah menggunakan kemudahan internet untuk memberi sumbangan .					
10.	Masjid menerima banyak sumbangan kerana masyarakat setempat percaya dengan kredibiliti dan kualiti pengurusan.					



## **APPENDIX D**



# **T-TEST ANALYSIS BETWEEN FINANCIAL MANAGEMENT AND AGE**

## **Group Statistics**

	Age	N	Mean	Std. Deviation	Std. Error Mean
Financial Management	< 50 years old	25	2.7275	.25572	.05114
	> 51 years old	72	2.7375	.45240	.05332

## **Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means					
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference
F	M								
	Equal variances assumed	3.988	.049	-.105	95	.917	-.01000	.09557	-.19973 .17973
	Equal variances not assumed			-.135	74.692	.893	-.01000	.07388	-.15719 .13719

# **T-TEST ANALYSIS BETWEEN FINANCIAL MANAGEMENT AND POST**

## **Group Statistics**

	Post	N	Mean	Std. Deviation	Std. Error Mean
Financial Management	Imam	25	2.6537	.50343	.10069
	No-Imam	72	2.7631	.37148	.04378

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## **Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
				t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
		F	Sig.						Upper	Lower
<b>F</b>	Equal variances assumed	1.786	.185	-1.153	95	.252	-.10947	.09491	-.29789	.07895
<b>M</b>	Equal variances not assumed			-.997	33.527	.326	-.10947	.10979	-.33271	.11377

19

## T-TEST ANALYSIS BETWEEN FINANCIAL MANAGEMENT AND EDUCATION

### Group Statistics

	Education Degree	N	Mean	Std. Deviation	Std. Error Mean
Financial Management		19	2.7912	.37911	.08697
	Non-Degree	77	2.7046	.39377	.04487

### Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Upper	Lower
FM	Equal variances assumed	.005	.946	.865	94	.389	.08663	.10016	-.11224	.28550
	Equal variances not assumed			.885	28.383	.384	.08663	.09787	-.11372	.28698

## ANALYSIS OF ONE-WAY ANOVA BETWEEN FINANCIAL MANAGEMENT AND JOB

### Descriptives

FM	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Government	30	2.8007	.34527	.06304	2.6718	2.9296	2.25	3.75
Private	5	2.9250	.74136	.33154	2.0045	3.8455	2.56	4.25
Self-employed	29	2.7457	.29454	.05470	2.6337	2.8577	1.88	3.50
Pension	33	2.6369	.48046	.08364	2.4665	2.8072	1.87	4.00
Total	97	2.7349	.40956	.04158	2.6524	2.8175	1.87	4.25

### Test of Homogeneity of Variances

FM

Levene Statistic	df1	df2	Sig.
2.572	3	93	.059

### ANOVA

FM

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.631	3	.210	1.264	.291
Within Groups	15.472	93	.166		
Total	16.103	96			

## ANALYSIS OF T-TEST BETWEEN QUALITY OF FINANCIAL MANAGEMENT AND AGE

**Group Statistics**

	Age	N	Mean	Std. Deviation	Std. Error Mean
FMQ	< 50 years old	25	3.0924	.35700	.07140
	> 51 years old	72	3.0069	.49826	.05872

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Upper	Lower
FMQ	Equal variances assumed	.814	.369	.789	95	.432	.08550	.10832	-.12955	.30055
	Equal variances not assumed			.925	58.413	.359	.08550	.09244	-.09952	.27052

## TEST ANALYSIS BETWEEN QUALITY OF FINANCIAL MANAGEMENT AND POST

Group Statistics

	Post	N	Mean	Std. Deviation	Std. Error Mean
FMQ	Iman	25	3.0560	.58742	.11748
	Non-iman	72	3.0196	.41984	.04948

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Upper	Lower
FMQ	Equal variances assumed	1.569	.213	.335	95	.738	.03640	.10861	-.17922	.25202
	Equal variances not assumed			.286	32.918	.777	.03640	.12748	-.22298	.29578

## T-TEST ANALYSIS BETWEEN QUALITY OF FINANCIAL MANAGEMENT AND EDUCATION

**Group Statistics**

	Education	N	Mean	Std. Deviation	Std. Error Mean
FMQ	Degree	19	3.1579	.53884	.12362
	Non-Degree	77	2.9781	.41224	.04698

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Upper	Lower
FMQ	Equal variances assumed	.427	.515	1.598	94	.113	.17983	.11253	-.04361	.40327
	Equal variances not assumed			1.360	23.459	.187	.17983	.13224	-.09344	.45310

## ANALYSIS OF ONE-WAY ANOVA BETWEEN QUALITY OF FINANCIAL MANAGEMENT AND JOB

**Descriptives**

QFM								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Government	30	3.1537	.33905	.06190	3.0271	3.2803	2.10	3.80
Private	5	3.0600	.90995	.40694	1.9302	4.1898	2.10	4.50
Self-employed	29	3.0241	.35421	.06578	2.8894	3.1589	2.10	3.70
Pension	33	2.9152	.55234	.09615	2.7193	3.1110	2.10	4.70
Total	97	3.0290	.46571	.04729	2.9351	3.1228	2.10	4.70

**Test of Homogeneity of Variances**

QFM

Levene Statistic	df1	df2	Sig.
3.142	3	93	.029

**ANOVA**

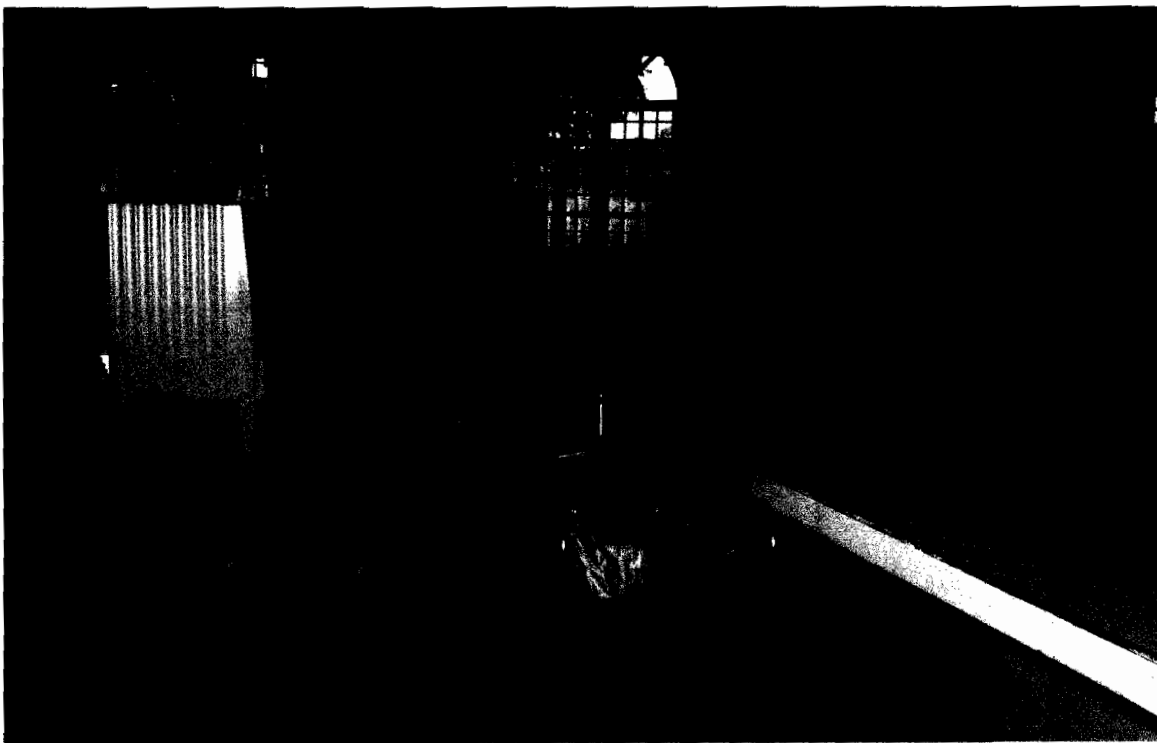
QFM

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.900	3	.300	1.400	.248
Within Groups	19.921	93	.214		
Total	20.821	96			



## **APPENDIX E**

**PHOTOS OF HOMODIALYSIS CENTER IN MJBBSU AND MASJID SULTAN ISMAIL, BATU PAHAT JOHOR.**



PUSAT BAHASA  
KURUN WAJAF AN HUK  
GALAN JAWAK SULTAN STIAL  
BANTU POKRA  
SAR CRYASI WAKIL STIAHA  
SHAS ROMATI 700pagi AND LAM  
SARTU DAN COTI  
KELEPASAN ART DI TUBA

# **APPENDIX F**

**DISTRICTS IN STATE OF KEDAH- (KOTA SETAR)**

