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An Investigation of the Financial Management Practices of the Mosques In The Special Region of Yogyakarta Province, Indonesia

M. A. Adnan ¹,

¹ *Department of Accounting, Faculty of Economics, Universitas Muhammadiyah Yogyakarta, Jalan Lingkar Selatan, Taman Tirto, Kasihan, Bantul, D. I. Yogyakarta, Indonesia.*

Abstract

This study is trying to investigate the financial management of the Masjid (Mosques) in the Special Region of Yogyakarta Province. Three main issues were focused: the amount of cash flow which include the balances on hand; the application of transparency and accountability principles in financial matters, and sound practice of financial management which include budgeting, strategic formulation and performance evaluation. The study is an exploratory in nature. There are 287 Mosques as listed weekly by Kedaulatan Rakyat Newspaper. 50 Mosques have been selected as the samples. Each county /city is represented by 10 Mosques, selected using purposive sampling method. The simple descriptive analysis is conducted on the data collected. Based on the data analysis, the study found that there is a significant cash flow of those selected samples, dominated by Infaq / Sodaqoh. Few Mosques recognized that they also receive the Zakat and Waqaf fund. The study also found that generally the Mosque Management have applied the principles of transparency and accountability in the form recording, although their skill in doing so needs to be improved. However, a significant number of Mosques Management have not yet set the periodic budget, as well as strategic formulation to realize the budget and its evaluation.

Keywords

Financial Management, Mosque, Masjid, Special Region Yogyakarta, Indonesia, Cash Flow

Background

The "Masjid" or Mosque is one of the most important institutions for Muslims. It is not only a place where Muslims used to perform their daily prayers, but also plays the role as a centre of many other activities, either directly related to worship or non-worship activities. Having various roles and activities, the mosque cannot avoid the need of fund and cash flow to guarantee all those activities can be managed well. The fund is needed from the establishment of the masjid itself, until to cover various expenses for a routine activities either daily, weekly, monthly or yearly. These include the bills of electricity, water and telecommunications; wages of cleaning service employees, purchase of certain supporting tools and maintenance expenses and so on.

In the case of Indonesia generally, the fund is collected by the Masjid Management from the *jamaah*, or Muslims who used to perform their activities there, or donations from other Muslims who were approached to donate the charities which may include the sadaqah, infaq, waqf or awqaf, zakat and so forth. It is hardly found that the Government donate routinely, except for the 'official' masjid which is established and managed directly by certain Government institutions.

The most common way to get fund is through charity (zakat, infaq, sadaqah and waqf – used to be abbreviated as ZISWAF) collected either routinely in every Friday worship, or other Islamic gathering held accordingly. However, perhaps not many have paid attention on, either how much the fund have been collected, or how are they managed. It is hard to find the study on the issue of how much the fund collected either for individual masjid, or in aggregate within a city, regency, provincial zone, or nationally.

This study is inspired by the author's observation on Masjid KHA Dahlan, located in the Universitas Muhammadiyah Campus, in Southern West of Yogyakarta city, Indonesia.

Just like any other masjid in the world, Masjid KHA Dahlan organizes the daily and weekly Friday prayers. All Muslim men are obligated to attend the Friday prayer. It is why a Friday prayer become an important weekly agenda. In this occasion, the masjid is fully occupied by around 2000 – 3000 Muslim men in performing their worship. This opportunity is utilised by the Management of masjid to report the summary of financial information like the amount collected in the previous week, the expenses due or paid, and how much the accumulated balance to date. At the same time they also collect the charity for that day.

On average, according to the information announced, the average collected fund is around 2 – 3 million rupiah, or equivalent with USD \$200 – \$300 per Friday gathering prayer. It is about Rp.12 million per month, or Rp.144 million per year, or equivalent with US \$16,000.

As alluded earlier, the masjid also has to pay some routine expenses for electricity, water and telephone bills and other expenses. The total routine expenses is about Rp.2 million per month. This means that the masjid has a significant surplus periodically. For example, on Friday 30 December 2011, the Management announced that the surplus was more than Rp.61 million or equivalent to US \$6,800. Obviously, this is very significant balance.

Almost all established masjid have the same experience. The amount of surplus depends on the size of the masjid, or the number of jamaah who perform prayer regularly there. Because of this, the surplus keeps increasing week by week. Indonesia is known as the country with the biggest Muslims population in the world. It is not surprising if the number of masjid is also big in the country.

The above phenomenon is interesting to be reviewed carefully. If the municipality of Yogyakarta has – for example – one hundred masjids, and every masjid is assumed to maintain the surplus – let say – on average is just Rp.10 million, which is much smaller than the case of Masjid KHA Dahlan as discussed above, then hypothetically the amount of idle cash can be predicted approximately Rp.1 billion. If then the Special Region of Yogyakarta has 1 municipality and 4 counties which are assumed that each has the same condition with Yogyakarta municipality, the aggregate amount of surplus scattered in about 500 masjid is counted approximately Rp.5 billion, which is equivalent with US \$555,556.

The assumption above can be extended to – for instance – neighbouring province of Middle Java, which has much wider area of geographic, number of Masjid and Muslims. Further, the extension can also be broadened to Java Island which has 6 provinces, or the Indonesia at large which has 34 provinces.

One thing for sure, as the case of Masjid KHA Dahlan, those funds are basically idle. Ironically, if one masjid is being established or renovated, the Management should be struggle to get the fund within a long period of time. It is why there is a need to study on the issue of how is financial management among the Management of the masjid.

This paper is organized as follows. Some sections will follow this introduction. The next is the research questions and followed by the research objectives. Then the literature review is presented. It is then followed by research method, data analysis and discussions. The paper is concluded with the research findings, limitation, and further research suggestions.

Research questions

Based on the above discussion, the author is interested to study to following issues:

- a. How much the aggregate surplus of the fund has been collected and not being utilised by those masjids?
- b. How do the Masjid Management manage their fund collected periodically?
- c. To what extent the possibility of introducing the new and integrative concept of financial management among the Masjid Management within certain region or zone.

Research Objectives

The study is aimed at answering the above research questions as follows:

- a. To investigate and predict the aggregate surplus of the fund has been collected and not being utilised by those masjids in the Province of Special Region of Yogyakarta
- b. To study the financial management practices of Masjid in the Province of Special Region of Yogyakarta
- c. To study the possibility of introducing the new and integrative concept of financial management among the Masjid Management in the Province of Special Region of Yogyakarta

Literature Review

The issue of financial management generally used to be related with the business, or profit oriented activities. A lot of textbooks and studies on the related issues have been published so far (See: Pandey, 1979; Husnan, 1982; Brealey and Myers, 1988, just to name few of them). Many theories have also been developed especially in the area of business finance. The theories of portfolio, Capital Asset Pricing Model (CAPM), are just some examples that can be pointed.

The financial management includes how the particular entity or company might get a source of finance to be utilised to support the business operations. The financial aspect is of the most important aspects in business. It is perhaps the only tool utilised in measuring the successfulness of the business. The fund, or especially cash in the entity is sometimes analogue with the blood in the body of human being, just to indicate how important it is. It is why it has to be managed well so that the health of the entity can also be well maintained.

The essence of financial management is simply how the fund of a particular entity being managed so that it provides a maximum return within a reasonable cost.

Unlike the financial management in the business sector, the discourse about financial management in the non-profit oriented organization is very limited. In the case of Masjid organisation, it is even much more restricted. The author's effort only find several publications like Hidayat (2004), Nasar (undated), Ayub, et al (2007), Pipietdiptyana (2009), and Al-Faruq (2010).

All those limited publications discuss a general, simple, normative issues and prescriptive in nature. For example Hidayat (2004), discusses a financial matter for the masjid referring to Baridwan (1997) which is based on the concept of commercial approach. Although he has tried to adjust with the Masjid environment, it is hard to deny that what he prescribed is closely related to the concept of conventional and commercial entities.

Pipietdiptyana (2009) naturally proposes the training modul for Masjid budgeting. Just like Hidayat, she prescribes a prescriptive module to be used as a budgeting manual for the Masjid management.

The effort to review a literature has been extended to other countries beyond Indonesia. Some publications are found like the publications by Sheikh Abod et al (1992), Al-Harran (1995), Vogel and Hayes (1998), Iqbal (2001), Abdel Karim (2002), Taqi Usmani (2002), Suharto (2004).

However, only three of them [i.e. Vogel and Hayes (1998) Taqi Usmani (2002), Suharto (2004)] are the books or papers written by their authors. The rest are simply a collection of papers. There are some articles or papers written by various authors, edited and republished. Yet, none of them has written and focused specifically on the issue of financial management of the Masjids. This is another proof, that this discipline needs to be given more attention, so that the issue of financial management for the masjids can be developed as those in the commercial sectors, or other non-profit oriented institutions.

It is imperative because of at least three important reasons. First: there are thousands of Masjids, particularly in the area where Muslims are majority. Second, the Management of Masjid have the full authority in managing the financial matters. Having no theory or guidance in doing so, may lead to a financial mismanagement, or abuse of opportunity for certain group of people (see Sulaiman, 2007).

Third, as alluded earlier, each particular masjid (like in the case of Masjid KHA Dahlan) used to manage the big amount of fund periodically. Collectively in one region, the amount of fund will be really huge. When these funds are not well managed, then they will be idle and wasteful. It is totally opposite with the Islamic tenet (Qur'an 17:26-27) which strongly reminds that every one should avoid the wastefulness, as being wasteful is closer to the Satan, the enemy of Muslims.

Beyond the previous discussions, there is the paper found and written by Sulaiman (2007). She studied the internal control applied in Malaysian Mosques (Masjid). It seems that Sulaiman was inspired by the case of fraud in some Churches in certain countries. Her research found that the internal control in the Masjids of Malaysia are generally good. It is perhaps the involvement of the government power is significant. The official state religion is Islam, that is why the Government [of Malaysia] is taking care of Masjid management seriously.

The above discussion indicates that there are very limited publication on this issue. That is why there is no any theory that can be referred, nor any previous research can be used to develop a kind of hypothesis. The option of having an exploratory cannot be avoided (Sekaran, 2003).

The study is then focused on three main issues: First, to investigate the amount of cash in flow, cash outflow and the balances of fund or cash in several selected masjid, so that it can be used to predict the balances of fund either provincial or national level.

Second, to identify how far the management of masjid have paid attention to two fundamental aspects in financial management, i.e. accountability and transparency. This in turn will indicate how good the management of masjid in recording the financial matters, and reporting the related information periodically.

Third, to know whether the management of masjid have prepared such annual plan and budget, and choose any kind of strategy, and to evaluate the chosen strategy accordingly.

No hypothesis is generated, except there is a kind of proposition held as follows: First, there are a significant balance of cash or fund maintained of each masjid, so that it can be huge in aggregate, either regionally or provincially. Second, although the accounting system applied is still in very fundamental level, yet the management of masjid understand and apply the principles of accountability and transparency. Third, the management still apply the simple management approach, where there is no comprehensive modern management function principles are applied. It means that there is no such clear and well designed vision, mission, objectives, strategy, budgeting process and so forth.

Research Method

Due to very limited previous publication available and no related theory found, this research basically applies the exploratory approach. This in line with Sekaran who says:

An exploratory study is undertaken when not much is known about the situation at hand, or no information on how similar problems or research issues have been solved in the past. In such cases, extensive preliminary work needs to be done to gain familiarity with the phenomena in the situation, and understand what is occurring, before we develop a model and set up a rigorous design for comprehensive investigation.

In essence, exploratory studies are undertaken to better comprehend the nature of the problem since very few studies might have been conducted in that area.(2003, p. 119).

Zikmund (1988, p. 72-3) also supports the same view, that the most appropriate method in such situation is to apply the exploratory method. Unlike the quantitative method, this [exploratory] method does not need any kind of hypothesis which is normally needed to be examined with some data and related analysis.

Research object and Population

The objects of research are the masjids (mosques) located in Yogyakarta Special Province. It is the smallest Province in Indonesia, either in terms of geographical area and number of population. It has only 1,114.16 km² (430.18 sq mile) wide and 2,389,200 populations.

The province is divided into one city of Yogyakarta and four regencies: Sleman, Bantul, Kulon Progo and Wonosari. Most of population are Muslims. Therefore, there are a big number of Masjid. According to data issued by Ministry of Religious Affairs in 2009, there are 6,401 Masjid in Yogyakarta Province. They are spread 440 in the city of Yogyakarta, 1484 in Bantul, 959 in Kulon Progo, and 1888 in Sleman regencies respectively. However, the data issued by the Ministry of Religious Affairs do not classify further the Masjid in terms of sizes, number of jamaah, as well as the the Management personnel of the Masjid.

Sampling and Data Collection

It is not easy to collect data for all Masjids in the Yogyakarta Special Province, not only due to the big number of them, but also because of lack of clear addresses. More importantly, the research is strictly limited by time and funding available. Because of this reason, the sampling process is unavoidable. The researcher decided to take 50 samples only. 10 Masjids are selected to present the population of the Masjid in the city and each regency.

The samples are chosen purposively by considering following aspects: (a) the number of jamaah (the Muslims who used to utilise the Masjid in their worship activities); (b) the physical size of the Masjid, and (c) their locations. the easiness of access, the size of the masjid.

The data are collected by distributing the questionnaires to the Management of selected Masjid. There are three main parts of questions, they are (i) the main questions about the financial aspects of Masjid (12 questions), and (ii) the information of the Masjid (7 questions), and (iii) the information background of the person who fill in the questionnaire.

Technique of Analysis

The collected data were first verified to avoid the false and invalid data. Then they are tabulated using a simple method utilising the Excel software.

This research basically applies the simple descriptive method. Because it is an exploratory in nature. The analysis is based generally on the percentage of questions answered. They are used to indicate the trends.

Ideally, some, if not all respondents were re-visited and interviewed, not only to confirm the collected information, but also to get more deeper a related information. But again, due to some unavoidable limitations, this cannot be done. Because of that, the analysis is fully based on the collected data through questionnaires.

Data, Analysis and Discussion

Three kinds of data are presented and analysed, they are (a) the background of respondents, or those who have filled in the questionnaire. (b) The related information about the Masjid, and (c) the data pertaining with the financial aspects of Masjid. All data are analyzed using a simple and descriptive method of statistic. After being verified, only 49 samples were valid to be further processed.

Four main data related the respondents are their age, gender, level of education and their main work or business.

a. Age

Table 1 below shows the distribution of respondents in terms of ages, as follows:

Table1. Age of Respondents

Less than 20 years	1	2%
Between 21-30 years	8	16%
Between 31-40 years	8	16%
Between 41-50 years	12	24%
Between 51-60 years	14	29%
More than 60 years	6	12%

As can be seen, 29% or most of them are in between 51 – 60 years old, 24% are between 41 – 50 years old. However, when it is reviewed generally, the distributions are fairly or normally divided.

b. Gender

Table 2. Gender of Respondents

Male	49	100%
Female	0	0%

Table 2 clearly shows that all respondents are male, and none of them is female. Culturally, it is understandable although there is no prohibition for woman to participate in the Masjid management. However, this practice (the domination of male over female in the Masjid management) have been widely accepted, perhaps since the inception of the Masjid inception.

c. Education level

Tabel 3. Education Level of Respondents

Primary schools graduates	1	2%
Junior High School graduates	1	2%
Senior High School graduates	26	53%
Diploma graduates	4	8%
Bachelor degree graduates	13	27%
Master degree graduates	3	6%
Doctorate degree graduate	1	2%

Eventually, most of them are graduates of Senior High School (53%), although the second majorities are the Bachelor degree graduates (27%). Yet, 2% are graduates of Primary and Junior High Schools respectively; 6% are Master degree graduate and 2% are Ph D. degree holders.

d. Employment background

Table 4. Type of employment background

Unemployed	1	2%
Civil Servants (Government employees)	12	24%
Employees of State Owned Companies	0	0%
Business Owners / Entrepreneurs	16	33%
Farmer	3	6%
Retired	8	16%
Others	9	18%

The above table indicates that most of personnel who are in charge of Masjid Management are the entrepreneurs, and then followed by the Civil Servants. However, 18% indicate 'others' which might be understood that they have other kind of job beyond the list of the table, or they are not willing to be known.

There are three relevant information can be presented in regard with Masjid information. They are:

a. The age of the Masjid.

In terms of age of Masjid, they can be seen as follows.

Tabel 5. The age of the Masjid

Less than 10 years	4	9%
Between 10 – 50 years	32	71%
More than 50 years	9	20%

Most of the selected Masjids as respondents have been established between 10 – 50 years ago. Only four of them were established less than 10 years, 20% were established longer, more than 50 years ago.

b. The size of the Masjid

Tabel 6. The Size of the Masjid:

Small	Less than 80m ²	0	0%
Medium	80 - 160m ²	4	8%
Big	More than 160m ²	44	92%

Although there was a scenario to get data from three different sizes of Masjid, yet it is not easy in practice. The more accessible Masjid are the big ones. The small Masjids used to be located in more remote areas where they are hard to be reached by research assistants. Moreover, the management of small Masjids is relatively less open.

c. Average number of *Jamaah*

Table 7. Average number of *Jamaah*¹⁰⁷:

Less than 50 people	0	0%
51 - 100 people	6	12%
101 - 200 people	11	22%
201 – 300 people	7	14%
More than 300 people	25	51%

The above table also confirms that most of respondents are classified as the big Masjid, since they have average number of *jamaah* more than 300 people. This is in line with the Table 6 which describes that 92% of them have more than 160 square meters.

In relation with the main issue of the study, i.e. the financial management of the Masjid there are 11 tables that can be presented, based on the data collected. They as follows:

a. Source of fund

In this regard, the respondents are required to indicate the sources of fund received. The results are as follows:

¹⁰⁷ The number of *jamaah* is meant that the number of prayer participant during the weekly Friday prayers. This is believed as the best representative of the real number, and the same time strongly related with financial matters. It is commonly known that Friday prayer is also the main event where most of charity or donation received.

Tabel 8. Source of fund received

Sodaqoh / Infaq	49
Zakat	11
Waqaf	4
Others	5

All masjids recognize that each of them receives the sodaqoh / infaq. 11 also receive zakat. 4 also receive the waqaf, while 5 receive others. The data clearly show that the Sodaqoh / Infaq are the main source of the fund.

b. The main source of fund

Tabel 9. The main source of fund

Sodaqoh / Infaq	1
Zakat	2
Waqf	3
Others	4

In line with the Table 8, the respondents also recognize that the main source of fund is sodaqoh/infaq. It is reasonable because the character of each type of donation is different. Sodaqoh/infaq is a charity, paid voluntarily anytime by Muslims. There is no rigid rule on how it should be paid. Zakat is mandatory in nature, but there are several types of zakat, besides some conditions that must be fulfilled before it is paid. Among others are the minimum amounts to be owned (nisab), the period of time to be passed (haul), and the parties who can only receive the zakat, and so forth. Because of that, in many cases, Muslims used to pay zakat once in a year. They normally pay the zakat to the zakat committee ('amil). The 'amil can be located in certain masjid, or somewhere else. Not every masjid has such 'amil of zakat.

Waqf, in the other side is also a kind of donation provided by Muslims. It is also a volunteer in nature with no so many conditions applied. However, in many cases, it is donated in the form of land or building or as such, although the cash waqf is started to be introduced in the last decade in some Muslim community.

c. Monthly average receipt

Table 10. Monthly Total Receipts and average per masjid

Type of donation	Monthly Total Received	Average per masjid	
Sodaqoh/Infaq	188,780,000	3,852,653	n = 49
Zakat	10,525,000	1,052,500	n=10
Waqaf			
Lain-lain	100,000	100,000	n=1

The total monthly amount of cash received by all respondents which filled in the questionnaire were Rp. 188,780,000. If this amount is divided into 49 (n=49), the average is Rp.3,852,653. For the zakat type of donation, the total amount is Rp. 10,525.000. The average is Rp. 1,052,500. (n = 10).

d. Monthly average expenditure and zakat distribution**Table 11.** Average expenditure and zakat distribution

Type of donation	Monthly Total Disbursed	Average	
Sodaqoh/Infaq	115,292,000	2,401,917	n=48
Zakat	10,075,000	1,679,167	n=6
Waqaf	-		
Others	-		

Pertaining to expenditure, only 48 Masjid stated openly. The monthly total amount were Rp. 115,292,000. The average is Rp.2,401,917 (n = 48). The total distribution of zakat were Rp.10,075,000. The average were Rp.1,676,167 per masjid (n = 6). Four masjids did not disclose the amount of zakat distributed.

e. Monthly average balance

Since the cash inflow is higher than cash outflow, there is always the balance held. The amount can be seen in the following table.

Table 12. The total and average balances

Type of donation	Total amount	Average	
Sodaqoh/Infaq	2,023,639,237	42,159,151	n=48
Zakat			
Waqf			
Other			

Again, only 48 out of 49 masjids declared the amount of average balance held in each masjid. The balance is simply the surplus between cash receipt and cash expenditure. The total balance recorded while the data being collected were Rp.2,023,639,237. The average was Rp. 42,159,151. In addition, no masjid discloses any balance held for the zakat fund.

f. Budget preparation

The budget is one of important tools in financial management. The budget is actually the plan which is expressed in number or currency. It is always prepared by any good and modern management of an entity.

When this is asked in the questionnaire, the result is as follows:

Table 13. Budget Preparation

Always	12	24%
Sometimes	30	61%
Never	7	14%

About 24% of respondents recognize that they always prepare the budget. 61%, or most of them prepared it sometimes, and 14% said that they never prepared it at all. It is actually interesting to follow up this kind of information, since the budget process is not the easy practices for some organizations. However, due to time and budget limitation of the research, it finally could not be done.

g. Strategy formulation

Strategy formulation is another important tool in modern and healthy management of any entity. It is strongly related with the budget as well. The summary of results for related question is as follows:

Table 14. Strategy Formulation

Always	13	28%
Sometimes	25	53%
Never	9	19%

As indicated above, most of masjid management recognizes that they sometimes formulate the strategy. 28% always formulate strategy, and 19% never done it at all. Strategy formulation is perhaps understood differently by different people. It is why it is also interesting to follow up this early finding. However, it might be possible to be done in the next research, due to some limitation in the current research.

h. Evaluation

An integral part of a good and sound management practice is an evaluation process of either strategy implemented and or budget. The evaluation will lead to the strengths and weaknesses, and finally these can be used for the improvement in the future period. The summary result of this question is seen below:

Table 15. Evaluation

Always	21	44%
Sometimes	17	35%
Never	10	21%

Unlike the strategy formulation and budgeting process, the evaluation process is recognized by majority respondents (44%) to have been always done. 35% of respondents said that they sometimes do it, but 21% never done it at all.

i. Book keeping / recording process

Bookkeeping or recording process of any transaction is very fundamental aspect of financial management, accountability and transparency. When this particular activity is asked to respondent, 94% of them have done it, although 4% still maintain it sometimes, and 1% never done it at all. The table below, shows it clearly.

Table 16. Bookkeeping or recording

Always	46	94%
Sometimes	2	4%
Never	1	2%

j. Financial reporting**Table 17.** Periodic Financial Reporting

Always	44	92%
Sometimes	4	8%
Never	0	0%

The bookkeeping processes will normally end at the financial preparation and reporting. The book keeping will be meaningless if no report is financially prepared. The summary result shows that 92% of respondents have always reported their financial aspect. It is good in nature, although there is a need to review some other aspects like the format, content, uniformity and timeliness of the financial report.

k. Reporting period

Last, but not least is the question about reporting period or frequent of reporting.

Table 18. Reporting period

Weekly	7	15%
Monthly	33	69%
Yearly	8	17%

As it is shown in the above table, 69% of respondents prepare the financial report monthly, 17% prepare it yearly, yet 15% report it weekly. There is no accounting standard for the Masjid so far which set the frequent of financial reporting. However, the community will generally be happy with relatively frequent report, as long as it is done economically

Discussions

The questionnaire is basically divided into three main groups: the profile of Masjid management who manage the financial matters, the profile of the masjids themselves and the survey about financial aspects of Masjid management.

As indicated earlier, most of Masjid management who are in charge of financial aspects is about 51 – 60 years old. Most of them are the graduates of senior high school, dominated fully by male, and work generally as the business entrepreneurs. This profile perhaps represents the most common practice of Masjid management generally, not only locally in Yogyakarta Special Region Province, but also nationally.

There are three aspects pertaining to Masjids profile being selected as respondents, they are the age of the masjids, physical size and the number of *jamaah*. As also indicated above, most of selected masjids have been established since 10 – 50 years. Only 9% were established less than 10 years, 20% even established more than 50 years ago. It can be said that this is an ideal distribution of samples. A minor problem may be seen from the size aspect, as no small masjid was selected. However, most masjid recently built is having about medium size. The smaller size of worship house in the Muslim community used to be known and classified as *Musolla*. The Musalla is obviously has some different aspect as compared to the Masjid. Musolla is also generally less transparent than Masjid.

In terms of financial aspects, many interesting points can be noted. First is that most of Masjid have been recording the financial transactions well. They have also reported the financial statement regularly, weekly, monthly, or yearly. Most of them report the financial aspects monthly, perhaps this is the best practice, although no rule or accounting standard has been promulgated for the Masjid generally and this particular aspect especially.

The most interesting finding is that the information of cash flow. As predicted earlier based on the case of Masjid KHA Dahlan, there are actually a huge cash flow periodically. As reported above the

total amount of monthly cash inflow was Rp.188,780,000. It is equivalent to average of Rp.3,852,653 per masjid. The monthly expenditure of total respondent were Rp.115,292,000. It is equivalent to average of Rp.2,401,912 per masjid. As also reported, the total balance on the date of data collection were Rp.2,023,639,257 (around US\$225,000). If divided into all respondents it is equal to Rp.42,159,151 (approximately US\$4,485) per Masjid.

Based on the data issued by the Ministry of Religious Affairs in 2009, in the Yogyakarta Special Region Province there are 6,401 Masjid. Then, it can be predicted that the aggregate balance of fund will be US \$30,000,000. This big amount of cash is idle in nature. Should the prediction be extended nationally, the aggregate fund will be really fantastic. Assume that the balance in each province is simply equal to Yogyakarta Special Region (YSP) Province (although YSP is the smallest province in the country) then the total balance will really unimaginable, it is about US\$ 1,020,000,000, or Rp. 9,180,000,000,000. This is what should be understood by Muslims generally. They have actually abundance of wealth which are idle or not well managed in nature.

When this reality is seen from economic point of view, many economic and social problems of can be solved. The prosperity of the Muslim society can also be improved significantly.

In relation to financial management generally, as indicated by the tables above, most of them are aware fully of accountability and transparency. This is proven by the good practice that they maintain the bookkeeping or recording transactions regularly (94%). They also used to prepare the financial report periodically, either weekly (15%), monthly (69%) or yearly (17%). This should be appreciated and maintained continuously.

In terms of strategy formulation, budget preparation and routine evaluation, most of the Masjid management have practiced them sometimes. Some other recognized that they have always done so, while the rest never done them at all. Perhaps, two points to be noted here. First, the need to extend these practices to more masjids, and secondly, the need to review how well they are done. As commonly understood, there is a certain skill to be able to do so. Not every one can do this managerial job satisfactorily, the need to provide them such a training is somehow considerable.

However, this research is not intended to reach those points. Although they are also interesting to be studied further, as it is very possible that the financial reports prepared vary in terms of format and contents, also the variations in the area of strategy formulation, budget and evaluation.

Conclusions

The research has successfully answered the main propositions proposed earlier. First, to investigate the amount of cash inflow, cash outflow and the balances of fund or cash in several selected masjids. The research finds that there are a huge balance of surplus. From the respondents only there were Rp.2,023,639,257 (around US\$225,000). If divided into all respondents it is equal to Rp.42,159,151 (approximately US\$4,485) per Masjid. Using this to forecast all possible balances in all Masjids around the Yogyakarta Special Region Province, the research predicts the amount of US\$30,000,000. It is very unfortunate that it seems many parties are not aware of this reality.

Second, to identify how far the management of masjid have paid attention to two fundamental aspects in financial management, i.e. accountability and transparency. The study finds that the Masjid management generally are fully aware of this. It is indicated by the good practice of bookkeeping and reporting the financial matters regularly. However, there is a need to review, both format and content of the report so that they can fulfil the conditions of uniformity, timeliness and other important concepts in accounting generally.

Third, to know whether the management of masjid have prepared such annual plan and budget, and choose any kind of strategy, and to evaluate the chosen strategy accordingly. The research finds that few masjid management have always formulated strategies, prepared the budgets and evaluated them. However, most of them did these sometimes only, and some others never done them at all.

Research Implications and Recommendations

Perhaps the most important finding of this research is that fact that there are a huge funds or surplus scattered in many masjids in Yogyakarta Special Region Province. It is plausible if the same situation is also happening in other provinces in Indonesia. This means that there are really

unimaginable amount of fund available. However, due to lack of awareness and good coordination, those economic potential are not giving any benefit so far.

Because of that, the researcher strongly recommends that – under the Board of Masjid – for example, there is a need to strengthen the networking among the masjid management so that, the reality [of huge available fund] can be better mapped and coordinated. Having done this, many projects to improve the ummatic prosperity can also be applied. In turn, this will be fortify the maqasid of sharia.

In addition, the practice of good financial management should be improved by providing the masjid management with some sort of training, so that they will be better and consistent in record keeping, preparing financial statements, formulating strategy, budgeting and evaluation.

Limitations and Further Research Suggestion

The researcher humbly recognizes that this is an early study. As indicated previously, there is also very limited research done and sources available on this particular issue. The application of exploratory method cannot be avoided. Because of this, some limitations are also must be recognized. They are, more or less as follows:

1. The research was done in a tiny province of Yogyakarta Special Region. The result cannot be simply used to predict all Masjid in Indonesia.
2. The samples are relatively small. There is a need to extend the sample so that it can provide more representative figure to the total population.
3. All data collected were simply tabulated and analysed using simple descriptive approach. No any sophisticated test or examination was done. without any rigorous process accordingly.
4. No interview so far could be done to follow up the questionnaire distributed. It might be much better, if the interview was done, at least to particular respondents, and some documents (financial reports, budget, strategy formulation and evaluation) were reviewed accordingly.

By improving all those limitations, surely the better results can be obtained. More importantly, the new knowledge about this particular issue (sub-branch of knowledge) can be better developed.

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