



## Zakat Report for 2012

Zakath Collection and Disbursement has been the Principal Welfare Activity carried out by the WMO since inception and it continues to play a Central Role in the activities of the WMO to the present day.

Over the past 10 years it is estimated that the WMO has disbursed over US\$ 25M for various Zakath projects across India, Pakistan, Sri Lanka and parts of Africa. During the past 4-5 years the Zakath Collection has seen a mark decline due to the Global Economic Crises but on a positive note the last 2 years has witnessed a gradual year on year increase in the contribution levels and Insha Allah this trend is poised to continue in the future.

### **ZAKATH POLICY**

At the Board of Trustees meeting held on 21<sup>st</sup> June 2012 in London the following resolution was adopted

“Only Zakath given to the WMO CF is to be considered as part of the Chapter Zakath Commitment. WMOCF must have the absolute discretion on how the money is used. In case the Zakath is given direct to a Chapter, then the prior consent of the WMOCF must be obtained as to how it is to be spent and the amount must be first credited to WMOCF in the Accounts of the Chapter”

Thereafter at the Board of Trustee Meeting held on 23<sup>rd</sup> June 2012 the following Zakath Policy was adopted

1. Zakath distribution will be on need/priority basis. The policy of 50/50 distribution of Zakath between India and Pakistan will not apply in future. Regions other than India and Pakistan also to be considered for allocation.
2. Each year the allocation will be based on merit only and not on past practices. Previous allocations WILL NOT be considered as a precedent for future allocations.
3. The present policy of allocating 60% of the available funds for Education will continue. However, NO major educational projects will be considered for funding in India at this time
4. Disbursement of Zakath should be carried out immediately once funds are available without any bureaucracy or red tape. Once allocation is agreed, COO should coordinate with the WMO CF Office Bearers and disburse the amount available as per the decision of WMO CF.
5. Each year’s collection should be disbursed within the year as much as possible
6. In future allocation will be made only after the WMO Annual Plans are formulated and approved by the WMO and WMO CF

## ZAKATH COLLECTIONS

A total of US\$ 2,150,000/ was committed by the 6 Chapters for 2012 at the BOT Meeting held on 23<sup>rd</sup> June 2012. The total actual collection was US\$ 2,409,000/, 12% above the target and a YOY increase of 41% (2011 Collection – US\$ 1,705,000/). Only Middle East Chapter was unable to meet its full commitment with the rest of the 5 chapters meeting or exceeding their commitments. The Africa Chapter was the biggest donor, contributing just over US\$ 800,000, a 60% over target with 3 Donors contributing US\$ 100,000 or more and one Single First Time Anonymous Donor making a substantial contribution with a condition, the majority of his Zakath is to be used for projects in India.

Chapter	Commitment	Rcvd
Africa	\$ 500,000.00	\$ 811,602.70
Europe	\$ 300,000.00	\$ 300,000.00
Far East	\$ 150,000.00	\$ 159,437.74
India	\$ 300,000.00	\$ 335,435.84
Middle East	\$ 400,000.00	\$ 302,160.39
Pakistan	\$ 500,000.00	\$ 500,655.00
<b>TOTAL</b>	<b>\$ 2,150,000.00</b>	<b>\$ 2,409,291.67</b>

**112.1%**



## ZAKATH DISBURSMENTS

The following allocations were agreed at the same meeting

1. **India** - US\$ 650,000 was allocated for Rehabilitation (housing). However, the Chapter was required to submit the proposal for housing before the release of funds.
2. **Pakistan** - US\$ 1,300,000 was for Education. However, in case there is any saving, the Chapter was authorised to use the same for rehabilitation as no allocation were made for rehabilitation for Pakistan.
3. **Women Empowerment** - US\$ 100,000. The actual allocation to be considered upon the specific request by the Chapters.
4. **Youth Development** - US\$ 50,000. To be disbursed upon the specific request by the Chapters.
5. **Reserves/Specific Projects** - US\$ 200,000 was reserved for the projects / schemes of respective Chapters other than above allocations.

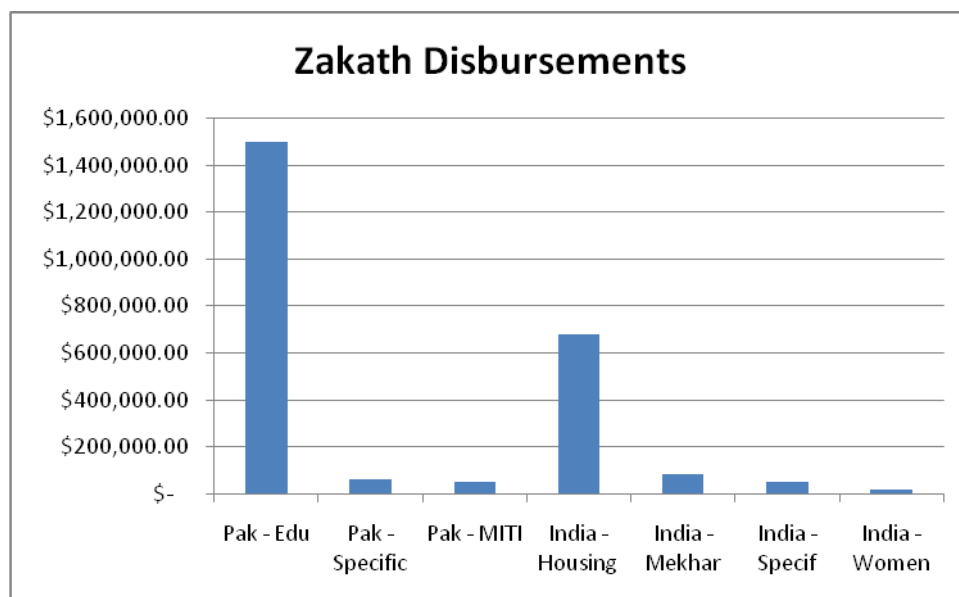
The India and Pakistan allocations included the total collections of the Chapters and Central Body contribution of US\$ 350,000 and US\$ 600,000 respectively

Although it was decided to disburse the years collection during the same Calendar year this was not possible due to

1. Part of the collections coming in after the end of the Calendar year with the final payments coming upto June'13
2. Delay in India Chapter submitting Housing Proposals resulting in part of the funds finally getting allocated to Pakistan for Education Projects
3. Delay in Balance Confirmation and Fund Transfers from UK

The 2012 Zakath disbursements breakdown by different projects

<b>Project</b>	<b>Amounts</b>
Pak – Education	\$ 1,498,155.00
Pak – Specific	\$ 62,186.96
Pak – MITI	\$ 48,000.00
India – Housing	\$ 679,435.84
India – Mekhar	\$ 80,000.00
India - Specific	\$ 50,000.00
India - Women	\$ 15,000.00
<b>TOTAL</b>	<b>\$ 2,432,777.80</b>



### ZAKATH COMMITMENTS FOR 2013

At the BOT Meeting held on 23<sup>rd</sup> Feb 2013 in Colombo the following Zakath Commitments were made by the Chapters

Chapter	Commitment	Rcvd (31 <sup>st</sup> July'13)	Bal
Africa	\$ 500,000.00	\$ 90,000.00	\$ 410,000.00
Europe	\$ 300,000.00	\$ -	\$ 300,000.00
Far East	\$ 200,000.00	\$ -	\$ 200,000.00
India	\$ 600,000.00	\$ 331,995.86	\$ 268,004.14
Middle East	\$ 400,000.00	\$ 23,083.59	\$ 376,916.41
Pakistan	\$ 600,000.00	\$ 305,188.20	\$ 294,811.80
<b>TOTAL</b>	<b>\$ 2,600,000.00</b>	<b>\$ 750,267.65</b>	<b>\$ 1,849,732.35</b>

**28.9%**

The disbursements of these funds are yet to be decided and the allocations are to be agreed during the AGM meetings in Dubai

*A The Example of those who spend their wealth in Allah's way is similar to that of a grain which has sprouted seven stalks and in each stalk are a hundred grains, and Allah may increase it still more than this for whomever he wills, and Allah is Most Capable, All Knowing (Surah Baqarah 2:261)*