

# YOUR ZAKAT COULD BE AT RISK

## AVOID THESE 10 COMMON MISTAKES

01



### DONATING TO FAKE OR FRAUDULENT CHARITIES

Scams are common online, with fake charities collecting funds under false pretenses. **Always verify a charity's legitimacy through multiple sources, check their registration, and confirm a reliable track record before donating.**

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### MISLEADING USE OF FUNDS

Some charities might misrepresent how they use Zakat funds, allocating them to projects or expenses not aligned with Islamic guidelines. **Ensure the charity's projects are explicitly Zakat-eligible and that funds are not diverted to non-compliant uses.**

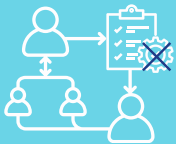
03



### PERSONAL GAIN

Be cautious of those who might exploit Zakat funds, such as inflating needs of recipients or misreporting the number of beneficiaries. **Check the charity's governance and accountability to avoid misuse.**

04



### INADEQUATE VERIFICATION OF RECIPIENTS

Some charities may overlook proper verification of Zakat recipients, leading to funds going to those who don't meet the Quranic criteria. **Make sure the charity has a robust verification process to assess recipients' financial needs and eligibility.**

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### EXCESSIVE FUNDRAISING COSTS

Although administrative costs are sometimes needed, excessive spending on fundraising can divert significant funds away from actual Zakat distribution. **Check that the charity maintains a balanced approach, prioritizing direct allocation of Zakat to eligible recipients.**

### INCOMPLETE OR OUTDATED REPORTING

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Charities should provide complete and timely reports on their activities. Outdated or incomplete reporting can indicate poor management and potential issues in fund allocation. **Regular updates are essential for maintaining transparency and donor trust.**

### LACK OF SHARIAH ADVISORY BOARD

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Organizations lacking a Shariah advisory board may not have sufficient oversight to ensure Zakat funds are used according to Islamic principles. **A reputable advisory board offers crucial guidance and helps ensure religious compliance.**

### HIGH SALARIES FOR EXECUTIVES

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While it's important for charities to attract skilled leaders, excessively high salaries for executives can be a red flag. **Ensure that the charity's leadership compensation is reasonable and in line with industry standards, focusing the majority of funds on those in need.**

### EMERGENCY FUND MISMANAGEMENT

09



In times of crisis, some charities might misuse the urgency to collect Zakat quickly without a clear plan for effective distribution. **Ensure that the organization has a history of managing emergency funds responsibly and can provide clear, actionable plans for Zakat use during crises.**

### POOR COMMUNITY ENGAGEMENT

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Charities that lack engagement with the communities they serve might not accurately understand or address the most pressing needs. **Effective Zakat distribution requires close collaboration with local communities to identify and assist the most deserving individuals.**