

# Zakat Guide

Fiscal Year Ended 31 December 2010

الَّذِينَ يَتَّقُونَ أَصْلَابَهُ وَيُؤْتُونَ  
الزَّكَاةَ وَهُمْ بِالْآخِرَةِ هُمْ يُوقِنُونَ

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الَّذِينَ يُقِيمُونَ الصَّلَاةَ وَيُؤْتُونَ  
الزَّكَاةَ وَهُمْ بِالْآخِرَةِ هُمْ يُوقِنُونَ

الحمد لله والصلوة والسلام على سيدنا  
محمد وعلى آله وصحبه أجمعين

## Introduction

**Allah (SWT) has proclaimed in Qur'an: ((And they who are observant for Zakat)).** (Surat Al-Mu`minun – verse : 4).

In an authentic hadith, the Prophet (peace be upon him) said to his Companion Mu`az Bin Jabal, when he was sent to Yemen as governor, "...*Tell them that Allah has made Zakah obligatory for them, that it should be collected from the rich and distributed among the poor...*".

One of the most important principles of Islam is that all things belong to God, and that wealth is therefore held by human beings in trust. Zakat is an obligation on Muslims to pay 2.5% of their wealth ( other than livestock and crops) which exceeds a minimum level (*nisab*) to specified categories in the society.

Zakat is a kind of an obligatory worship in the wealth of Muslims that is liable for growth, it is linked to prayer (*Salat*) in various instances in Qur'an for its importance in fulfilling certain social and economical objectives in the Muslim society.

### **Sharia'ah Supervisory Board Opinion**

Capital Management House (CMH) is very keen to facilitate payment of Zakat and to explain the process of computing it to its shareholders. This Zakat Guide is based on the decision issued by the Sharia'ah Supervisory Board of CMH at its meeting No: 3 on 15<sup>th</sup> November 2007. The Sharia'ah Supervisory Board of CMH resolved in the said meeting that CMH shall calculate Zakat at the end of each fiscal year and make such calculations available to its shareholders in a form of a Zakat Guide for them to use.

This Zakat guide and calculation of Zakat for fiscal year ended 31 December 2010 contained herein have been reviewed and approved by CMH Sharia'ah Supervisory Board at its meeting No: 9 on 6<sup>th</sup> February 2011.

We glorify Allah the Almighty and seek that Allah (*SWT*) accepts from us, for He is the All-Hearing, the All-Knowing and to bless every believer who pays Compulsory charity for the needy and other classes mentioned in Qur'an.

**Sheikh Nizam Mohamed Saleh Yaqouby**  
Chairman & Executive Member of the  
Sharia'ah Supervisory Board  
Capital Management House BSC (c)

06 February 2011  
02 Rabea'a Al Awal 1432



## General Controls & Guidelines

1. Zakat has been calculated in conformity with Sharia'ah rules set forth in the AAOIFI standards regarding Zakat calculation.
2. The calculation of Zakat contained in this guide is based on the balance sheet for the period ended 31<sup>st</sup> December, 2010.
3. The rate of Zakat has been adjusted from 2.5% to 2.57775% due to the difference in the number of days in a lunar (*Hijri*) year and a solar (Gregorian) year since the balance sheet has been prepared based on the Gregorian year.
4. We have calculated the Zakat pool amount, and then divided the result (Zakat amount) by the number of shares issued by the bank to establish Zakat amount for each share.
5. Zakat has been calculated using the currency of the balance sheet which is the US Dollar, therefore, a shareholder who intends to pay Zakat in a different currency should observe the rate of exchange at the time the Zakat is due.

## Zakat Calculation

### 1. How to calculate Zakat:

Net Zakat pool which has been derived from the consolidated balance sheet for the bank for the period from 1<sup>st</sup> January to 31<sup>st</sup> December 2010 is USD33,850,931 for the shareholders and USD2,743,062 for CMH ( payable on behalf of shareholders.)

The amount of Zakat payable on the above Zakat pool is USD872,508 for the shareholders and USD70,702 for CMH,( payable on behalf of shareholders.)

The Zakat net pool has been divided by the number of shares in the bank, and the result is 0.00868 US Dollar which is the amount of Zakat for each share payable by shareholders.

### 2. How a shareholder would calculate Zakat on his shares in the bank:

For the purpose of calculating Zakat, the shareholder should multiply the Zakat amount for each share (0,00868 US Dollar) by the total number of shares the shareholder owns in the bank, and the result should be the amount of Zakat payable by that shareholder.

## Capital Management House B.S.C.(c)

### Zakat Calculations for fiscal year 2010

	CMH USD	Shareholders USD
Zakat Total Pool	2,743,062	33,850,931
Zakat for the period at 2.5775%	70,702	872,508
No of shares outstanding	100,568,108	100,568,108
Zakat (USD per share)	0.0007	0.00868