

## **DISCLOSURE OF CORPORATE ZAKAT AMONG MUSLIM-OWNED COMPANIES IN MALAYSIA**

Mazni Abdullah<sup>i</sup>, Noor Sharoja Sapiei<sup>ii</sup> & Siti Noraiysah Rohim<sup>iii</sup>

<sup>i</sup> (*Corresponding author*). Associate Professor, Faculty of Business and Economics, University of Malaya. mazni@um.edu.my

<sup>ii</sup> Senior Lecturer, Faculty of Business and Economics, University of Malaya. noorsharoja@um.edu.my

<sup>iii</sup> Research Assistant, Faculty of Business and Economics, University of Malaya. noraiysahrohim@gmail.com

<b>Abstract</b>	<p><i>The objective of this study is to examine the disclosure of corporate zakat in the annual reports of Muslim-owned companies in Malaysia. A total of 180 annual reports of Muslim-owned companies have been analysed, spanning a five-year period from 2014 to 2018. This study used a content analysis approach where a zakat disclosure checklist was developed. The findings show that only 34% of Muslim-owned companies disclosed their corporate zakat in their annual reports. The level of zakat disclosure is poor, and from 2014 to 2018, there was little progress in zakat disclosure. The findings imply that either Muslim-owned companies place less importance on the disclosure of corporate zakat or the contribution of corporate zakat among Muslim-owned companies is still low. The results of this study may provide zakat institutions and other relevant parties with some information about corporate zakat and its disclosure in Muslim-owned companies' annual reports.</i></p> <p><i>Keywords: Corporate, Zakat, Disclosure, Muslim-owned, Companies.</i></p>
-----------------	---

### **INTRODUCTION**

Zakat is not only obligatory to individual Muslims but also to the business owned by Muslims. The obligation of business zakat covers all types of entities like sole proprietorships, partnerships, cooperatives, private companies, and public companies if it fulfills the zakatable conditions. It is important to note that zakat is payable on the value of all goods which are intended to be sold, and it is due regardless the business is making a profit or not (Abu Bakar et al., 2014). In Malaysia, the National Fatwa Committee in December 1992 decided that a company is compulsory to pay zakat when it fulfills the following conditions: the company is owned by Muslims, the company is owned by independent Muslims, complete ownership, there is sufficient nisab and the intention of doing business is to gain profit (Abd Samad & Said, 2016). Apart from these conditions, Abu Bakar et al. (2014) also add the following conditions that are subjected to business zakat: a business must be valid and legal based on Islamic principles; business includes only *halal* assets, business fulfills the conditions of *hawl*; business has productive assets (i.e. assets with growth potential); the source of business assets is through contracts of exchange or purchase and the outcome of business is not meant for personal consumption. In view of this, it is expected that Muslim-owned companies in Malaysia will follow the fatwa, and disclose zakat information in their annual reports. Furthermore, in Islam, transparency or full disclosure is emphasized and demanded to ensure that the business transaction is free from any form of exploitation and unethical behaviour. The importance of transparency or full disclosure in Islam is mentioned in Quran:

﴿يَا أَيُّهَا الَّذِينَ ءَامَنُوا إِذَا تَدَايْتُمْ بِدَيْنٍ إِلَىٰ آجَلٍ مُّسَمًّى فَاكْتُبُوهُ ؕ وَلْيَكْتُب بَيْنَكُمْ كَاتِبٌ بِالْعَدْلِ ؕ وَلَا يَأْبَ كَاتِبٌ أَنْ يَكْتُبَ كَمَا عَلَّمَهُ اللَّهُ ؕ فَلْيَكْتُبْ...﴾

Meaning: "O you who have believed, when you contract (i.e. when you have or contract a debt) a debt one upon another for a stated term, then write it down. And let a writer write it down between you with justice, and let not any writer refuse to write it down, as Allah has taught him. So let him write..." (al-Quran. al-Baqarah: 282).

Transparency and accountability are in fact intertwined in Islam. Muslim-owned companies are expected to be transparent about zakat, and to disclose more information about it in order to demonstrate accountability and adherence to Islamic teaching or Shariah principles. Disclosure of zakat information in annual reports not only demonstrates their accountability to Allah but can also increase stakeholders' confidence in the company and increase the company's reputation, which helps the company to remain competitive in the industry indirectly. Though there are many studies on zakat, the majority of these prior studies are related to zakat on employment income or individual zakat (e.g. Abdullah & Sapiei, 2018), business zakat payment (e.g. Abdul Wahab & Borhan, 2015), the management of zakat, the effectiveness of zakat collection and zakat distribution and disclosure of zakat information by zakat institutions (see Johari et al., 2014). To the knowledge of researchers, only a few studies have focused on corporate zakat disclosure by business entities (e.g. Mohd Ariffin & Osman (2022); Muhammad & Mohd Hanefah, 2020; Zaaba and Mohd Ariffin (2018); Hamat and Hanafi (2016); Abd Samad & Said, 2016; Md Noor et al., 2011). These prior studies have documented that corporate zakat disclosure by Islamic banks and Shariah-compliant companies in Malaysia is still low with very limited information disclosed and some explanatory notes missing. Md Noor et al. (2011) for example, documented that from 830 Shariah-compliant companies, only 15 companies have disclosed zakat information in the annual reports (for the years 2009 and 2010). Muhammad and Mohd Hanefah (2020) who examined the annual reports of 82 Shariah-compliant companies for the year 2011 found that those Shariah-compliant companies have not disclosed zakat information as required by Islamic law. Mohd Ariffin and Osman (2022) examined the disclosure of corporate zakat of Islamic banks in Malaysia, and they noted that most of the information disclosed is required by Bank Negara Malaysia. They also found that some banks had disclosed more zakat information in the Shariah Committee report and in the Notes to the Financial Statements.

In light of this, this study aims to add to the extant literature on zakat by providing new empirical evidence on corporate zakat disclosure by Muslim-owned companies in Malaysia. This study specifically seeks to answer the following research question: How do Muslim-owned companies disclose corporate zakat in their annual reports?

### Meaning of Zakat

Zakat is the third pillar of Islam. It has been mentioned several times in the Holy Quran and Hadith, suggesting the importance of Zakat in Islamic teachings besides regular prayers (Htay & Salman, 2014; Adnan & Abu Bakar, 2009). According to Wahab and Rahman (2011), the meaning of zakat is a purification of something from dirt or filth. In Quran, zakat is meant to purify the wealth of the payers because in part of their wealth lies some portion which is the right of others, and thus needs to be delivered to the latter (al-Quran. al-Isra': 26; al-Tawbah: 104). In light of this, Qardhawi (2000) defines zakat as the share of wealth prescribed by God to be distributed among deserving categories (*asnaf*) which consist of: the poor, the need, the administrator of zakat (*aamil*), those whose hearts are inclined towards Islam (including new muslim), the slaves, debtors (debts due to real needs), *fii sabilillah* (in the cause of Allah) and *ibnu sabil* (the wayfarers). Zakat is also defined as *al barakatu* (blessing), *al namaa* (rise and growth), and *ash shalahu* (praise) (Hafidhuddin, 2002). According to MASB Technical Release (TR) i-1 *Accounting for Zakat on Business*,

zakat is one of the fundamental obligations in Islam with the objectives to develop balanced socio-economic growth and purify one's soul and wealth.

In Quran, it has been described that the multiplier effect of wealth paid according to His way (al-Quran. al-Baqarah: 261). In this regard, Muslim scholars argue that zakat has a multiplier effect on the economy, where it can gradually eliminate poverty and unemployment, and consequently increase the community's standard of living. Muslim scholars also argue that zakat payers will get Allah's blessings in many aspects including spiritual, psychological, and financial, and the zakat payer's assets or wealth will increase or grow significantly (Abd Samad & Said, 2016; Adnan & Abu Bakar, 2009). Zakat payers can give zakat directly to the poor and needy, although there are zakat agencies or zakat authorities that are responsible for zakat collection and distribution (Owoyemi, 2020).

### **Zakat Disclosure and Accountability from Islamic Perspectives**

It has been argued that zakat and accounting are related because the main source to assess the quantum of corporate zakat is derived from accounting information (Abdul Kadir et al., 2018). A well-known accounting standard for zakat is the Financial Accounting Standard (FAS) 9 issued by the Accounting and Auditing Organisation of Islamic Financial Institutions (AAOIFI). FAS 9 prescribes the recognition, measurements, and disclosures of zakat in financial reporting. However, the applicability of FAS 9 in Malaysia is limited because the standard is only applicable to Islamic Financial Institutions (IFI) and the standard has not taken into account the unique features of Malaysia's society and legal framework (Abdul Rahman, 2007). In Malaysia, the Malaysia Accounting Standard Board (MASB) has issued the accounting pronouncement on business zakat namely MASB Technical Release (TR) i-1 *Accounting for Zakat on Business*.

The objective of MASB TR i-1 is to provide guidance on the accounting treatment and disclosure for zakat on business. Under the MASB TR i-1, there are two methods for determining zakat on business: 1) adjusted working capital method; and 2) adjusted growth method. Under the adjusted working capital method, the zakat is based on the adjusted net current assets where the formula can be stated as follows:  $\text{Net Current Assets} = \text{Current Assets with complete ownership} - \text{Current Operating Liabilities}$ . Under the adjusted growth method, the formula is  $\text{Total Equities} = \text{Owner's equity} + \text{long-term financing} + \text{current year profit} - \text{fixed assets} - \text{other non-current assets}$ . These two methods were named 'adjusted' due to some adjustments needed to fulfil the *Shariah* requirement, and the methods have been proposed by Jabatan Kemajuan Islam Malaysia (JAKIM) (Abdul Kadir et al., 2018). Under the MASB TR i-1 (paragraph 16), the disclosure for business zakat is proposed as follows:

*"An entity shall disclose in the notes accompanying the financial statements the method used in the determination of zakat base, its responsibility towards payment of zakat on business and major components of zakat such as current zakat expense, zakat payment, zakat liability and any adjustments recognised in the period for zakat of prior periods."*

Nevertheless, the MASB TR i-1 is only a technical guideline with no compliance enforcement as accounting standards. As a result, there is currently no specific accounting standard for business zakat in Malaysia, and regulators have not made disclosure of business zakat mandatory. From the Islamic perspective, the main objectives of accounting and reporting are to ensure that accountability to Allah and societies are fulfilled (Baydoun & Willet, 2000). Accounting is perceived as an assurance function that seeks to establish *al-adi* (socioeconomic justice) and *al-falah* (success in this world and hereafter) through its formalised procedures, routines, objective measurement, control, and reporting that follow *Shariah* principles (Haniffa & Hudaib, 2002). As such, full disclosure is emphasized because the public has the right to know whether the business organization is compliant with Islamic principles (Baydoun & Willett, 1997), to show how the operations of the business

organization had affected the public, and to help Muslims to perform their religious duties (Maali et al., 2006). Lack of disclosure can be implied as denying the rights of stakeholders to access accurate information (Zulkepli, 2013), which contradicts with accountability concept and Shariah principles. According to Swift (2001), accountability refers to the requirement or duty to provide an account or justification for one's actions to whomever one is answerable.

In essence, accountability is about the provision of information between two parties where the one who is accountable, explains or justifies actions to the one to whom the account is owed. In Islam, accountability is seen from a wider perspective that involves one's relationship with Allah and with other human beings. Being accountable to Allah implies accountability to society as well. In Islam, the rights and obligations of individuals and organisations with respect to each other are clearly defined. The accountability duty of each party has been clearly mentioned in Quran and Sunnah. Swift (2001) asserts that true accountability is fundamentally about the disclosure of public information to those with the right to know. Essentially, financial reporting serves as a vital instrument in discharging accountability (Hooks, Coy & Daves, 2002; Kilcullen, Hancock, & Izan, 2007; Saxton & Guo, 2011; Saunah et al., 2012).

While we expect Muslim-owned businesses to be more accountable and transparent (provide full disclosure), prior research has revealed that there is little information on zakat in the annual reports of Malaysian Islamic banks and Shariah-compliant companies, leading us to conclude that the companies have not followed the principle of full disclosure (Zaaba & Mohd Ariffin, 2018; Abd Samad & Said, 2016; Md Noor et al., 2011). According to Zaaba and Mohd Ariffin (2018), the lack of zakat disclosure is due to a lack of exposure to corporate zakat standards and guidelines.

## METHODOLOGY

This study relied on secondary data, which was extracted from companies' annual reports over a five-year period (2014-2018). Purposive sampling is used where companies are selected based on the following criteria:

1. Categorized as Shariah-compliance securities<sup>1</sup> and,
2. Owned by Muslims (where the majority of shareholdings are owned by Muslims).

As of 30 November 2018, a total of 689 companies were listed under the Shariah compliance securities. Of these 689 Shariah compliance companies, 105 companies are identified as Muslim-owned companies. In this study, we defined a company as a Muslim-owned company when the majority of shareholdings (cut off at 30% and above) are owned by Muslims<sup>2</sup>. Table 1 shows the sample selection process of the study.

Table 1: Sample Selection Process

Total companies under Shariah compliance securities in 2018	689
Less: Companies with Muslims' shareholdings <30%	(584)
Total companies owned by Muslims	105

This study used a content analysis approach in order to examine the corporate zakat disclosure in the annual reports. A zakat disclosure index was developed based on prior studies and MASB *Technical Release i-1 Accounting for Zakat on Business* issued by the Malaysian Accounting Standards Board (MASB). To ensure the validity of zakat disclosure checklist, we have consulted two academics who are experts in disclosure studies. After taking into account all suggestions and comments from these two experts, our final

<sup>1</sup> Shariah-compliant securities are securities of a Bursa Malaysia-listed company, which have been classified as Shariah permissible for investment based on the company's compliance with Shariah principles in terms of its primary business and investment activities.

<sup>2</sup> The same measurement was used by Abdul Wahab and Borhan (2015) to classify Muslim-owned companies.

disclosure checklist consists of 8 disclosure items<sup>3</sup>. Companies' annual reports were reviewed, and the companies scored 1 if they disclosed the information and 0 otherwise. To check the reliability of this disclosure checklist, a pilot study was carried out whereby two researchers examined and scored the annual reports of ten companies. The scores results were compared, and the results showed that there was substantial agreement between the scores. Hence the disclosure checklist used in this study can be considered reliable.

## RESULTS

As previously stated, of 689 Shariah compliance companies, 105 companies are identified or classified as Muslim-owned companies. According to our analysis, only 36 (or 34 percent) of the 105 Muslim-owned companies disclosed their corporate zakat in the annual reports. Therefore, our subsequent analysis of corporate zakat disclosure is based on the annual reports of these 36 companies, with a total of 180 companies' annual reports examined from 2014 to 2018. Table 2 shows the number of companies that disclosed or mentioned corporate zakat in their annual reports (by sector).

Table 2: Number of Muslim owned-companies that disclosed corporate zakat

No.	Industrial Sectors	No. of Muslim-owned companies	Companies that disclosed corporate zakat	
			Number	Percentage
1	Consumer products & services	10	5	50%
2	Industrial products & services	19	3	15.8%
3	Energy	15	3	20%
4	Transportation & logistics	10	3	30%
5	Property	10	2	20%
6	Plantation	7	2	28.6%
7	Technology	8	3	37.5%
8	Utilities	6	5	83.3%
9	Financial services	2	2	100%
10	Health care	3	2	66.7%
11	Telecommunications & media	6	3	50%
13	Construction	9	3	33.3%
	<b>Total</b>	<b>105</b>	<b>36</b>	<b>34%</b>

This study found that 28 of the 36 companies that disclosed their corporate zakat contribution had recorded their zakat payment and zakat obligation in the financial statements (income statement and statement of financial position). The remaining eight companies did not record their corporate zakat in their financial statements, but rather mentioned it in their annual reports as a donation or as part of a corporate social responsibility (CSR) programme. The following are some examples of zakat disclosure mentioned in the CSR programme:

*"...under CSR, the company made zakat contribution worth RM 500, 000 to Pusat Zakat Negeri Sembilan. Our CSR initiatives enabled us to provide both monetary and in-kind contributions to various charitable organizations, education centres, and communities". (Annual report Company M)*

*"Under Corporate Responsibility, the Group's wholly-owned subsidiary ...contributed RM 350,000 in business tithe (zakat) to Majlis Agama Islam Johor to help the poor and needy in the state". (Annual report Company Z)*

<sup>3</sup> Initial checklist consists of 13 disclosure items.

"Our CSR initiatives enabled us to provide both monetary and in-kind contributions to various charitable organizations, education centres and communities. .... also made zakat contributions across all 14 state religious departments amounting to RM1 million." (Annual report Company T)

Table 2 presents the results of 36 companies' zakat disclosure items from 2014 to 2018. It reveals that in 2014 and 2015, only 25% of companies (i.e., 9 out of 36 companies) disclosed the method used in the determination of zakat based. Since 2016, the percentage of companies that disclosed this information has increased to 28 percent, representing a minor increase in disclosure. We also discovered that the adjusted working capital method is the most commonly used method by Muslim-owned companies in determining zakat based.

Table 3: Disclosure of Zakat Items by Companies for 5 years (in percentage)

No	Disclosure items	2014	2015	2016	2017	2018
1	Method used in the determination of zakat base.	25%	25%	28%	28%	28%
2	Its responsibility towards payment of zakat on business	39%	39%	44%	47%	44%
3	Current zakat expense	69%	69%	67%	67%	61%
4	Zakat payment	58%	56%	56%	58%	56%
5	Zakat liability	28%	28%	25%	28%	25%
6	Zakat computation	39%	36%	39%	39%	39%
7	Statement of uses of zakat	33%	31%	28%	28%	39%
8	Beneficiaries or <i>Asnaf</i> of zakat	22%	19%	19%	22%	33%

As shown in Table 3, the majority of Muslim-owned businesses reported current zakat expense (i.e. more than 60%) and zakat payment (more than 50%) in their annual reports. Regarding the statement of zakat uses, it is observed that from 2014 to 2018, an average of 32% of companies stated the uses and amount of zakat contribution. On average, 23% of the companies in this group mentioned zakat beneficiaries in their annual reports, with the majority of their corporate zakat going to *Baitul Mal*, orphanages, and poor people. We also examined the extent of corporate zakat disclosure by 36 Muslim-owned companies over a 5-year period. We discovered that the majority of companies scored less than 50% on zakat disclosure items. The findings of this study could imply that the majority of Muslim-owned companies consider zakat disclosure to be less important. It can also be construed that the disclosure of corporate zakat is regarded as voluntary and less demanded by stakeholders.

Overall, our findings show that there has been no significant improvement in corporate zakat disclosure from 2014 to 2018, and surprisingly some disclosures, such as current zakat expense, have decreased from 69 percent in 2014 to 61 percent in 2018. We also found that zakat information in annual reports of Muslim-owned companies is either brief or general in nature. This result is in line with earlier research that found inadequate zakat disclosure in Shariah-compliant companies' annual reports (e.g. Muhammad & Mohd Hanefah, 2020; Md Noor et al., 2011).

It has been argued that a business organisation should disclose the zakat information in its annual report once it has fulfilled its zakat obligation (Ahmed Samer & Mohammed, 2021; Noor et al., 2011). This is to adhere to Islam's demands for accountability and transparency. Additionally, the Prophet Muhammad (SAW) and his successors have demonstrated a commitment to transparency, particularly in relation to the handling of zakat (Ahmed Samer & Mohammed, 2021). The results of this study, however, may indicate

that the majority of Muslim-owned companies have not adhered to the principles of accountability and transparency when disclosing zakat information in their annual reports.

## CONCLUSION

This study examined the disclosure of corporate zakat in Muslim-owned companies' annual reports from 2014 to 2018. In summary, this study found that only 36 of 105 Muslim-owned businesses (or 34 percent) disclosed their corporate zakat in their annual reports. It has been discovered that some companies have not disclosed their zakat payment in the financial statements or notes to financial statements, as proposed by MASB TR i-1 *Accounting for Zakat on Business*. Their zakat contribution was instead mentioned in the CSR programme section. Hence, it is unclear whether the companies are aware of the existence of MASB TR i-1, which provides disclosure guidelines for corporate zakat. It is also found that zakat information in the companies' annual report is both general and insufficient. The findings imply that Muslim-owned companies place less emphasis on corporate zakat disclosure and the principles of accountability and transparency are not adhered by the majority of Muslim-owned companies. Non-disclosure of corporate zakat in the financial statements may also indicate that the companies have not paid the corporate zakat. Hence, this can be construed that Muslim-owned companies have neglected their obligation to pay corporate zakat. The owners perhaps believe it is less important to comply with zakat laws than income tax because Muslims are not punished by Malaysian authorities for failing to pay zakat (Abdullah & Sapiei, 2018). In this regard, this study concurs with Abdul Kadir et al. (2018), who contended that the increase in Malaysia's zakat collection was not the result of the corporate zakat share. Zakat institutions in fact persist to face challenges in increasing corporate zakat collection. Although corporations that paid zakat received a tax rebate, it doesn't seem that this served as a strong incentive for them to do so.

The findings of this study may provide some insights into the corporate zakat contribution made by Muslim-owned companies in Malaysia. Zakat authorities and regulators should be concerned about the low contribution of business zakat by Muslim-owned companies and the poor zakat disclosures in annual reports. In this regard, zakat authorities and the MASB should play a role in encouraging more corporate zakat disclosures by Muslim-owned or Shariah-compliant companies. This study is not without limitations. The findings and discussion of this study are based on the disclosure in the annual reports from 2014 to 2018. Future research can expand this study by examining the recent annual reports; whether or not there is an improvement in zakat disclosure among Muslim-owned companies. It should be interesting also if future research examines the reasons or factors that contribute to poor corporate zakat disclosure in the annual reports by interviewing CEOs or board members of Muslim-owned businesses in Malaysia.

## ACKNOWLEDGEMENT

The authors would like to acknowledge the financial support provided by the University of Malaya (Grant No: GPF0061-2019).

## REFERENCES

### Book

- Abdul Kadir, M.R., Syed Adwam Wafa, S.M, Ibrahim, A. & Abdullah, A. 2018. *Accounting for Business Zakat-A Guide for Zakat Assessment and Accounting Disclosure in Financial Reporting*. Penerbit Universiti Sultan Zainal Abidin: Terengganu.
- Abu Bakar, A., Ibrahim, M. & Md Noh, S. 2014. *Zakat Management and Taxation*. IBFIM: Kuala Lumpur.
- Hafidhuddin, D. 2002. *Zakat dalam Perekonomian Modern*. Gema Insani Press, Jakarta, Indonesia.
- Qardhawi, Y. 2000. *Fiqh Al Zakah*. Unpublised Manuscript, King Abdul Aziz University. Translated into english by Dr. Monzer Kahf.

Zaaba, Nurul Iffah M A, & Mohd Ariffin. N. 2018. *Zakat Computation and Disclosure by Malaysian Islamic Banks*. In: E-Book of Masjid, Zakat and Waqf Management 2018, 4, 1-11. Bangi, Selangor, Malaysia.

### Journal

- Abd Samad, K. & Said, R. 2016. *Zakat Disclosure by Malaysian Islamic Banks*. International Business Management, 10(20), 4737-4742.
- Abdul Rahman, A.R. 2007. *Pre-requisites for effective integration of zakah into mainstream Islamic financial system in Malaysia*. Islamic Economic Studies, 14(1), 91-107
- Abdul Wahab, A. & Borhan, J. T. 2015. *Kepatuhan Zakat Oleh Syarikat Tersenarai Awam Di Malaysia*. The Journal of Muamalat and Islamic Finance Research 12, 69-85.
- Abdullah, M. & Sapiei, N. 2018. *Do religiosity, gender and educational background influence zakat compliance? The case of Malaysia*. International Journal of Social Economics, 45 (8), 1250-1264
- Adnan, M.A. & Abu Bakar, N.B. 2009. *Accounting treatment for corporate zakat: a critical review*. International Journal of Islamic and Middle Eastern Finance and Management, 2(1), 32-45.
- Ahmed Sawmer, A. & Mohammed, M. O. 2021. *Enhancing zakat compliance through good governance: a conceptual framework*. ISRA International Journal of Islamic Finance, 13 (1), 136-154.
- Baydoun, N., & Willett, R. 1997. *Islam and Accounting: Ethical Issues in the Presentation of Financial Information*. Accounting, Commerce & Finance: The Islamic Perspective, 1(1), 1-25
- Baydoun, N., & Willett, R. 2000. *Islamic Corporate Reports*. ABACUS, 36(1), 71-90.
- Haniffa, R. & Hudaib, M. A. 2002. *A theoretical framework for the development of the Islamic perspective of accounting*. Accounting, Commerce and Finance: The Islamic Perspective Journal, 6, 1-71.
- Hooks, J., Coy, D., & Daves, H. 2002. *The information gap in annual reports*. Accounting, Auditing & Accountability Journal, 15 (4), 501-522.
- Htay, S.N. & Salman, S.A. 2014. *Proposed Best Practices of Financial Information Disclosure for Zakat Institutions. A Case Study of Malaysia*. World Applied Science Journal, 30, 288-294.
- Johari, Ab. Aziz, M.R. & Mohd Ali, A.F. 2014. *A Review on Literatures of Zakat Between 2003-2013*. Library Philosophy and Practice (e-journal), paper 1175.
- Kilcullen, L., Hancock, P., & Izan H. Y. 2007. *User requirements for not-for-profit entity Financial reporting: An international comparison*. Australian Accounting Review, 17 (1), 26-37.
- Maali, B., Casson, P. & Napier, C. 2006. *Social Reporting by Islamic Banks*. ABACUS, 42(2), 266-289.
- Mohd Ariffin, Noraini & Osman, Ahmad Zamri. 2022. *Zakat Computation And Disclosure Practice In Malaysian Islamic Banks*. Asian Journal of Accounting Perspectives. Vol. 15, No. 2, 44-65.
- Muhammad, F. & Mohd Hanefah, M. 2020. *Zakat Disclosure by Malaysian Shariah-Compliant Companies*. International Journal of Zakat and Islamic Philanthropy, 2(1), 210-217.
- Owoyemi, M. Y. 2020. *Zakat management: The crisis of confidence in zakat agencies and the legality of giving zakat directly to the poor*. Journal of Islamic Accounting and Business Research, 11(2), 498-510.
- Ram Al Jaffri Saad, Norazita & Norfaezah 2014. *Islamic accountability framework in the zakat funds management*. Procedia-Social and Behavioral Sciences 164, 508-515.
- Sarea, A. M., & Hanefah, M. M. 2013. *Adoption of AAOIFI accounting standards by Islamic banks of Bahrain*. Journal of Financial Reporting and Accounting, 11(2), 131-142.
- Saxton, G. D. & Guo, C. 2011. *Accountability online: Understanding the web based accountability practices of nonprofit organizations*. Nonprofit and Voluntary Sector Quarterly, 40 (2), 270-95.



Swift, T. 2001. *Trust, reputation and corporate accountability to stakeholders*. Business Ethics: A European Review, 10(1), 16-26

### **Colloquium & Conference**

Hamat, Z. 2009. *Business zakat accounting and taxation in Malaysia*. A paper presented at the conference on Islamic perspectives on management and finance. University of Leicester, United Kingdom, 2 nd – 3 rd July 2009.

Md Noor, R., Nik Mohd Rashid, N.M.F, & Mastuki, N. 2011. *Zakat and Tax Reporting: Disclosure Practices of Shariah Compliance Companies*. Paper presented at Colloquium on Humanities, Science & Engineering Research, 5-6 December, 2011, Penang, Malaysia.

### **Thesis**

Zulkepli, S. Z. 2013. *Voluntary Financial and Non-Financial Disclosure on Zakat in the Financial Reports of Islamic Banks in Malaysia*. Unpublished master's degree dissertation. International Islamic University Malaysia. <https://lib.iium.edu.my/mom/services/mom/document/getFile/wEV0Pklp4gey4BAePIBGgJ2QgRbH283420140228115428316>

### **Disclaimer**

*Opinions expressed in this article are the opinions of the author(s). Al-Qanatir: International Journal of Islamic Studies shall not be responsible or answerable for any loss, damage or liability etc. caused in relation to/arising out of the use of the content.*