



Charitable Funds

Human Appeal receives funds through individual donations given by individuals themselves, donations through fundraising events and activities and through partnerships from organisations, bodies, high net worth individuals and grants through institutions.

Funds given can include money, but can also include in-kind goods and services, as well as property and assets of any sort.

Often the funds given are for a specific purpose; as per the charitable theme (Emergency, Water, Health etc. for example) or specific country or specific project (example Plant Olive trees), in these case the funds must specifically be used for this purpose. The systems and accounting records of Human Appeal distinguishes between the different types of funds which are provided and the terms by which they are given.

The funds provided to Human Appeal will usually fall into two categories:

- Restricted funds
- Unrestricted funds

Within these categories Human Appeal has two faith-based categories of funds

- Zakat funds
- Sadaqah funds

Definitions

- Sadaqah Income funds

Sadaqah is a Islamic faith terminology literally meaning 'righteousness' and refers to the voluntary giving of charity and has been defined as Giving something to somebody without seeking a substitute in return and with the intention of pleasing God."

These funds will be spent in whichever way the charity sees fit, in accordance with the stated objectives, annual plans and budgets, these funds can cover direct and indirect costs.. For example; if a donor gives Sadaqah under the theme of Syria Emergency; it can contribute to the direct and indirect costs of the charitable projects for Syria.

- Zakat Income funds

Zakat is a religious obligation for all Muslims who meet the necessary criteria of wealth. It is a mandatory charitable contribution a right to the poor and needy and those falling within the categories of Zakat eligibility.



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The funds received as Zakat can be used for any purpose that meet the charitable objectives of Human Appeal that meet the criteria of zakat and as a collector of zakat as per the Islamic jurisprudence rules Human Appeal

Human Appeal has diligently obtained scholarly advice for Shaykh Judai clarifying the faith-based items in Saqdaqah, Zakah, and orphans. Based on expert advice thereafter developed its Islamic Policy (refer to Islamic Policy).

<https://www.leedsgrandmosque.com/about/our-team/sheikh-abdullah-al-judai>

Human Appeal informed by scholarly advice has the right to 12.5% deduction or more funds to meet budget and plans if required.

At the time of this brief Human Appeal has maintained the zakat deduction and 12.5% and presets rates into its systems as a long term goal to drive more funds to direct charitable purposes.

- Where most needed / General

Human Appeal utilizes marketing terminology where most needed to indicate general funds which are available for the general purposes of Human Appeal. These funds will be spent in whichever way the charity sees fit, in accordance with the stated objectives, annual plans and budgets.

These funds are not earmarked in any way of any specific purpose, meaning Human Appeal can set the priorities for the funds and how they are spent.

- Restricted Funds

Restricted funds can only be used for the specific purposes for which they are given. The purpose will be specified by the donor or in terms of a public appeal running at the time of the donation or the categorization in Human Appeal's website donation pages.

Human Appeal's restricted funds are generally categorized as follows:

- Emergency fund – these funds are applicable to humanitarian response, disaster risk reduction charitable activities (including indirect/support costs) globally.
- Syria or any specific country funds – these funds are applicable to beneficiaries (including indirect/support costs) of that country whether within their home country or as refugees or other categorisation.
- WASH (Water, Sanitation and Hygiene) – these funds are applicable to safe drinking, adequate sanitation and hygiene charitable activities (including indirect/support costs).



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- Food – these funds are applicable to food parcels, feed the fasting, food security, agriculture and such related charitable activities (including indirect/support costs).
- Livelihoods – these funds are applicable to any interventions to provide beneficiaries to transition from the dependency on aid (including indirect/support costs).
- Medical - these funds are applicable to any medical support to beneficiaries charitable activities (including indirect/support costs).
- Orphans and Children - – these funds are applicable to child beneficiaries including education (including indirect/support costs).