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Zurri Waqf: Implementation and Accounting Procedures in Malaysia

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ABSTRACT

The challenge of managing dormant wealth in Malaysia traces back to the era of Prophet Muhammad SAW, where zurri waqf emerged as a mechanism to allocate assets to heirs excluded from inheritance laws. This study endeavours to evaluate the implementation of zurri waqf in Malaysia, scrutinize its accounting protocols, and advocate for accounting standards harmonized with zurri waqf principles. Conducted through qualitative means, this research involved interviews and content analysis with 18 participants representing waqf management units, Shariah scholars, and academic experts. It revealed that zurri waqf management in Malaysia is consolidated within four State Islamic Religious Councils (SIRC) exclusively, encompassing Kelantan, Terengganu, Penang, and Kedah. While these entities adhere to prevailing accounting standards, comprehensive disclosure of zurri waqf data in financial statements remains inadequate due to the absence of standardized accounting methodologies. The proposed accounting standards encompass recognition, measurement, and disclosure tailored to the unique characteristics of zurri waqf. Furthermore, the study identifies a correlation between zurri waqf implementation and social exchange theory, positing mutual benefits for trustees. Theoretical frameworks such as positive accounting theory and decision usefulness theory serve to rationalize the disclosure of pertinent information in zurri waqf reporting. The implications underscore the necessity for enhanced management practices and asset stewardship to optimize zurri waqf's efficacy as a wealth management instrument while upholding equity. Moreover, the advocated accounting standards aspire to augment financial reporting practices, thereby fortifying the accountability of Islamic institutions within the broader third-sector landscape.

1. Introduction

In Islamic tradition, zurri waqf serves as a strategic tool for property planning and familial inheritance. Its primary objective is to safeguard the welfare of families facing vulnerability due to the absence of parental support. Under Islamic jurisprudence, individuals intending to establish a waqf are encouraged to prioritize the well-being of their immediate family members. Effective wealth

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management becomes paramount following the demise of a parent or guardian, aiming to ensure sustained and enduring benefits for the family and future generations. This distinctive feature distinguishes zurri waqf from other conventional property management mechanisms.

Islamic law outlines various methods for property management and distribution, including farai'd (as stipulated in the Quran), wills, and hibah (gift-giving). However, the suitability of these approaches varies based on the specific circumstances and challenges encountered. Moreover, if one seeks to offer assistance, directing zurri waqf towards those in need is recommended. As stated in a hadith,

"Leaving behind wealth for children and spouses is preferable to subjecting them to hardship."

Prophet Muhammad emphasized the importance of providing financial stability to family members even after one's passing. By ensuring an inheritance of wealth, the family can sustain themselves without resorting to external assistance. Thus, zurri waqf emerges as a practical instrument in such scenarios, as the endowed wealth can be utilized to generate income and support the livelihoods of the family and descendants.

Table 1
Narration of Al-Quran regarding deeds among families

Name of surah / hadith	Narration
Ali Imran :92	You will never achieve righteousness until you donate some of what you cherish. And whatever you give is certainly well known to Allah.
Al-Maidah : 2	Cooperate with one another in goodness and righteousness, and do not cooperate in sin and transgression. And be mindful of Allah. Surely Allah is severe in punishment.
Abi 'Abdullah Muhammad bin Ismail, (2002). Sahih al-Bukhari	Leaving children and wives in luxury are

Based on the Table 1 above, it is proved that Islam advocates for compassion and generosity within families, relatives, and society, encouraging individuals to share their wealth through zurri waqf. When zurri waqf assets are effectively utilized to generate income, it becomes incumbent to distribute rewards and shield families from poverty. Furthermore, leaving behind wealth for heirs ensures a better quality of life compared to relying on the charity of others during challenging times.

The foundation of zurri waqf lays the groundwork for expanding property interests, allowing beneficiaries to perpetually benefit from the proceeds. These benefits extend beyond one's immediate family and descendants to encompass the wider Muslim community. The success of zurri waqf in various countries such as Singapore, Kuwait, Turkey, and Syria underscore its enduring value in asset preservation and sustainable revenue generation. This noble practice is poised to endure due to its unique capacity to provide ongoing benefits to both beneficiaries and society at large.

Reporting serves as a critical mechanism for non-profit organizations to transparently communicate how funds are utilized and the achievements attained thus far [4]. It acts as a means of accountability to society, showcasing the organization's management of funds and resulting outcomes. By consistently reporting, non-profit organizations reinforce positive attitudes and actions from donors, fostering ongoing support and trust [1].

Scholarly discourse emphasizes the significance of non-profit or charity reporting in reflecting the values of funders and nurturing the relationship between funders and the charitable entity [2-4]. Annual reports, in particular, are recognized as essential tools for organizations, both profit and non-profit, to fulfill their reporting responsibilities and demonstrate accountability and stewardship [5,6].

Moreover, effective charity reporting plays a crucial role in engaging and motivating external stakeholders, such as donors, by fostering strong bonds, showcasing value to funders, and attracting new support [2]. Particularly in challenging economic climates, transparency in reporting and performance can significantly influence stakeholders' perceptions and decisions. Transparency, viewed through the lens of stakeholder theory, underscores the importance of disclosing information and providing data on organizational performance.

Furthermore, adherence to the trusts principle encourages charities to communicate openly and effectively with stakeholders, delivering relevant and accessible data. Research suggests that transparent reporting in non-profit organizations can lead to increased funding, reduced agency costs, and positive social outcomes [3]. Thus, active engagement in transparent reporting not only benefits the organization but also contributes to its sustainability and impact in achieving its mission.

A substantial body of empirical research on transparency and disclosures in non-profit organizations underscores the importance of transparency in annual reports as a vital tool for managers to communicate their organization's activities and outcomes to stakeholders [7,8]. Latridis [9] further emphasizes the significance of disclosure, noting that managers are typically held responsible for achieving specific business and financial objectives.

Given the emphasis on transparency in reporting, it is evident that zurri waqf reporting holds considerable importance and merits completion. While its primary aim may not be solely for this purpose, the practice aligns with the principles of accountability and transparency essential in organizational governance.

When the individual responsible for zurri waqf reporting leaves their position, the existing reports serve as crucial documentation. These reports enable the new incumbent to seamlessly continue the zurri waqf reporting process. Without such documentation, tracking previous transactions related to waqf zurri assets becomes challenging. Lack of proper reporting impedes the ability to monitor the inflow and outflow of transactions accurately, resulting in potential discrepancies in the allocation of asset yields and misleading financial transactions. Effective reporting, therefore, plays a pivotal role in tracking past, present, and future outcomes, as well as assessing returns on asset utilization or property projects.

The adequacy of information disclosed in the annual report concerning zurri waqf matters raises questions about its relevance to various stakeholders. Who precisely is interested in reviewing this data? Is it the management of the Special Institution for Religious Charity (SIRC)? Or perhaps the family heirs or descendants are the beneficiaries? Alternatively, could it be other stakeholders with indirect interests in the development and performance of waqf zurri assets? To date, inconsistencies in the data presented by SIRC persist due to the absence of specific standards governing zurri waqf matters, a topic to be explored further in the results section.

Moreover, accountability remains a significant concern between the endower party and the administration party. According to Shariah principles, individuals entrusted with monetary assets are obligated to provide an account of their stewardship, irrespective of whether the transactions and assets in question are managed by governments, commercial enterprises, or non-profit organizations. Regardless of the transaction's nature and assets, be it profit or non-profit entities, anyone involved in financial assets must prepare an account or document to fulfill their stewardship duty.

The accounting requirements for non-profit institutions such as zurri waqf are yet to be fully addressed. As highlighted in verse 282 of Al Baqarah, Muslims are instructed to meticulously record contractual agreements, emphasizing the importance of accountability and transparency in financial matters. This duty of stewardship extends to the administration of zurri waqf, where individuals are accountable for their actions and decisions regarding the utilization of assets.

On the Day of Judgment, individuals will be held accountable for their stewardship responsibilities, including their management of zurri waqf deeds and the allocation of benefits to beneficiaries. While the accounting standards may not be as stringent as International Financial Reporting Standards (IFRS), it is imperative that relevant information is accurately disclosed to fulfil this duty of stewardship.

The ability to accurately represent the status of assigned assets is crucial for assessing the effectiveness of asset utilization and determining the surplus generated for distribution to beneficiaries. However, there has been a notable lack of comprehensive disclosure regarding waqf assets, liabilities, revenues, and expenses by councils in Malaysia [10]. Previous studies have identified various shortcomings in waqf accounting practices, including outdated data and lengthy preparation times for financial reports [11,12].

The absence of standardized accounting and reporting practices for waqf management has exacerbated these challenges [12]. With the increasing number of waqfs and their potential to contribute significantly to socioeconomic development, there is a pressing need for robust accounting and reporting standards [13]. Therefore, this paper aims to address these issues by:

i. to evaluate the implementation of zurri waqf in Malaysia
ii. to analyze accounting procedures in zurri waqf

2. Methodology

This article adopts a qualitative approach, employing interviews with identified respondents, as well as observations and analysis of the Special Institution for Religious Charity's (SIRC) annual reports over a five-year period. The focus is on elucidating the accounting practices related to zurri waqf within SIRC. The study selects three SIRC entities using purposive sampling.

Data collection involves content analysis of SIRC financial statements from 2014 to 2018, representing the most recent annual reports available. This timeframe encompasses the transition from Malaysian Private Entities Reporting Standard (MPERS) compliance in 2014 to the adoption of Malaysian Public Sector Accounting Standards (MPSAS) in 2017, making it suitable for assessing accounting practices.

Content analysis was employed to analyze the efficiency information presented in the annual reports and websites. To ensure a systematic and reliable analysis of diverse data sources, a detailed checklist and analysis guidance were developed, complete with clear examples and instructions for categorizing the data [14]. This approach facilitated the categorization and encoding of all collected materials, enabling the identification of patterns within the reports.

Each sentence, headline, table, and diagram was systematically categorized based on whether it included framework measures or not, using the predefined checklist. This method allowed for a comprehensive examination of the data, ensuring that all relevant information was captured and analyzed effectively [14].

Given the limited prevalence of zurri waqf practices in Malaysia, data availability is constrained. However, the significance of zurri assets development, especially in relation to future generations, justifies the study's focus. Data saturation, where no new findings emerge from additional data collection, is achieved.

The sample size is determined based on factors such as the research question's scope, the issue's complexity, and data richness. While the sample size is small, it is deemed adequate for guiding future research endeavours.

Table 2
List of respondent

Respondent	Institution	Position
R – A	SIRC - X	Head unit of waqf
R – B	SIRC - Y	Head unit of waqf
R – C	SIRC - W	Accountant assistant
R – D	SIRC - Z	Head unit of waqf
R – E	SIRC - Z	Accountant

Based on Table 2 above, it listed all the selected respondents for the interview. After conducting the interviews, the data were transcribed for analysis. The first step involved identifying categories relevant to the research objectives. These categories were then linked to form themes that encompassed key information from the case study. The data were carefully reviewed, edited to remove redundancies, and organized to derive meaningful results.

Patton suggests that there is no precise endpoint for data analysis, as ideas for analysis and interpretation emerge throughout the data collection process. However, it is common practice to separate the analysis and interpretation stages.

3. Result

3.1 Development of the Zurri Waqf Items for Disclosure and Presentation

The disclosure indexes adopted in this study is from Vinnicombe [15], whereby the compliance is not merely looking at standard line by line basis. This study measures conformity largely in relation to Manual Pengurusan Perakaunan Wakaf (MPPW) (2009) which contrary to many studies that complies with the IASB's reporting norms, in which compliance is measured by standard to a large extent and with most or all of the standards contained in the index. This manual has been developed by particular authorities' body that held accountability on waqf management in Malaysia. MPPW has given a guide on waqf accounting in which each of SIRC shall prepare:

i. Statement of financial position
ii. Statement of comprehensive income
iii. Statement of changes in equity
iv. Statement of cash flow
v. Notes to the account

According to Table 3, it consists of the detailed checklist for the items which shall be included in the financial statements or notes to the accounts. These are deemed significant for the stakeholders to look at in making any decision on the financial impact. Figure 1 below is the diagram on the checklist highlighted.

Table 3
Checklist of items analysed [16,17]

Num.	Checklist
1.	Waqf zurri assets development
2.	Revenues on waqf zurri
3.	Allocation to beneficiaries
4.	Types of zurri waqf assets

Fig. 1. Items for zurri waqf reporting disclosure

The discussion continues the procedure for content analysis. The effectiveness of information related to each sentence, headline, table, and diagram in the annual reports and websites was assessed manually, following the methodology outlined by Beattie and Thomson [18]. Each element was classified as efficiency-related or not, based on its relevance to indicators of efficiency.

During the data collection phase, information containing efficiency-related content was identified and documented. Subsequently, the annual reports of four SIRCs were meticulously reviewed and analyzed to align with the four elements outlined in the index. Throughout this process, rigorous checks were conducted to prevent any omissions and ensure the significance of each element was accurately captured.

The preliminary analysis of the annual reports from four SIRCs managing zurri waqf, spanning from 2014 to 2018, has been conducted. Due to the preliminary nature of this analysis, the most recent available annual reports were utilized. While all accounts must undergo auditing and adhere to established standards, the lack of specific guidelines for zurri waqf results in inconsistent reporting practices.

Table 4 illustrates the accounting practices in terms of recognition, measurement, and disclosure for the four SIRCs. It was found that recognition for zurri waqf assets is placed under the category of intangible assets, justified by the registration of these assets under the SIRCs' names, transitioning from the endower's name to the SIRCs' names, giving the SIRCs control to manage these assets to fulfill the endowment's intentions. However, they are recognized under the equity or capital of the SIRCs, indicating the SIRCs' ownership rights over the waqf as trustees when recognized as equity. Equity represents the residual interest in the entity after deducting all liabilities.

Table 4
Recognition, measurement, and disclosure for zurri waqf in SIRC Kelantan, Terengganu, and Kedah

Item	SIRC			
	W	**X**	**Y**	**Z**
Recognition				
Land and building	The notes to the accounts provide categories for asset details, including a section for waqf assets,	There is no separation of waqf asset categories	-	Recorded at the token value of RM10.
Unassessed			-	Recorded at the

buildings	yet there is no segregation between general waqf and specific waqf.			token value of RM10.
Assessed buildings			-	General Reserve (market value)
Equity – Waqf Fund Group(WFG)	Consolidated in WFG	Consolidated in WFG	-	Consolidated in WFG
Revenues	Unavailable	Unavailable	-	Transaction exchange proceeds not yet received.
Measurement				
Zurri waqf assets	Fair value	Fair value	-	Fair value
Revenues	Accrued	Accrued	-	Accrued
Disclosure				
Number of units and market value of zurri waqf assets.	-	The explanation notes for waqf assets include a category for specific waqf; units and market value from 2014 to 2016. Whereas from 2017 to 2018, the explanation notes for waqf assets include a category for specific/ zurri waqf / zurri waqf benefits; units and market value	-	Statement of Financial Position - Land under zurri waqf is categorized under specific waqf.
Consolidation of waqf groups	Waqf fund group	Waqf fund group	-	Trust fund group

Next, the measurement of zurri waqf assets is at fair value. The last aspect is disclosure. Disclosure of zurri waqf assets is stated in the financial position statement showing that these assets are under the responsibility of the SIRCs. It slightly differs with SIRC Z as zurri waqf is classified under the special waqf category in the financial note details. However, it does not specify the number of endowers and other types of special waqf. The proceeds from managing zurri waqf assets are recognized as revenue, considering a 15% fee allocated to the SIRCs for managing zurri waqf.

Regarding disclosure for the cash flow of zurri waqf, SIRC W and X disclose it under the waqf fund group (KWW) referring to special waqf, while SIRC Z adopts the name trust fund group (KWA) to indicate the cash flow of zurri waqf alongside other special waqfs. As for the number and value of zurri waqf assets managed by the SIRCs, it was found that only SIRC X provides a financial note explanation of waqf assets to show the number and amount of zurri waqf assets. The establishment of the Waqf Fund Group is in line with the Best Financial Management Practices of the SIRCs and the Wakaf Management Manual. Therefore, the KWW has been implemented in all SIRCs.

Based on Table 5 above, the study participants, who are waqf officers and SIRC accountants, confirm that the details of zurri waqf are not emphasized because the managed zurri waqf is a continuation from hundreds of years ago, and the descendants of the family still exist today as beneficiaries. Furthermore, since the beneficiaries consist only of their descendants', detailed reporting is not a priority for SIRC because not all beneficiaries review the reported financial statements. Most beneficiaries only care about the amount of distribution they will receive for that year but do not focus on financial reporting, asset development, and other matters.

Table 5
Recognition and disclosure of zurri waqf

Respondent	Theme	Statement
R-A	Asset recognition	“The zurri waqf item is categorized under other deposits, and there is no accounting note recorded, making it unclear. ".
R-D	Asset recognition	"Typically, we present everything by combining it all in the Trust account; we don't specifically isolate it. “
R-C	Asset recognition	“Each waqf land has an initial capital of RM 10 per token. Rental proceeds will be distributed to the heirs, with a 15% fee charged by MAIK." "Capital of RM 10 per lot ".
R-C	Equity recognition	“When constructing a building, for example, along Jalan Putra, the company's commercial business premises will be given a certain amount, RM20 million for a 99-year lease. This money is recognized as MAIk's liability for investment purposes”.
R-A	Disclosure	“Annual report consisting of budget only.”
R-B	Disclosure	“The heirs requested a statement, but none was available.”
R-D	Disclosure	"Present it to others as well. The heirs already know because when they want to take over, they'll need that statement. We usually provide it to them during financial meetings, which are held three times a year. That's quarterly reporting, right? So, we present it three times a year".

Specifically, the recognition of zurri waqf assets is recognized as assets and equity. Asset recognition is not separated according to different waqf. All waqf assets are consolidated into the waqf fund. This makes it difficult to identify the current value of these zurri waqf assets and their potential in the future. As for disclosure, it is also not comprehensive, where, for example, SIRC (Terengganu) discloses the types of zurri waqf assets along with their values in the notes, but the other three SIRCs do not do so. Disclosure of zurri waqf assets is found in the financial statements of SIRC (Terengganu) and (Kedah), while the flow of zurri waqf funds is consolidated under the waqf fund.

This study suggests that improvements can be made in the future so that the implementation of zurri waqf can be clearly seen in the SIRC financial statements, allowing the performance of these waqf assets to be specifically seen by affected trustees. For the Islamic community intending to engage in zurri waqf, they can consider it through the information disclosed in the financial statements.

In essence, the interviews aimed to gather insights into the current state of recognition and disclosure regarding zurri waqf practices, particularly in terms of reporting. Respondents confirmed that the intricate details of zurri waqf have not received adequate emphasis, despite its management spanning centuries, largely due to the continued existence of descendants as beneficiaries. For instance, specific aspects such as the acquisition and recognition of zurri waqf transactions lack detailed elaboration and are often subsumed within broader categories of waqf, thus overshadowing the distinct nature of zurri waqf.

Moreover, since the beneficiaries primarily consist of the descendants of the endower, comprehensive reporting is not considered a priority for SIRC, as not all beneficiaries actively engage with financial statements. Instead, their focus tends to center on the expected distribution amounts, with less attention given to financial reporting, asset development, and related matters. Given that zurri waqf initiatives originate from various endowers, families, and assets, they warrant dedicated reporting to provide stakeholders with clear insights into zurri waqf practices. This view is supported by Mahamood [19], who emphasizes the importance of disclosing zurri waqf reporting to empower beneficiaries to take legal action against trustees if necessary. Therefore, the current practices surrounding zurri waqf reporting demand review and enhancement to address their long-term financial implications on revenue generation. As highlighted in Al-Anfaal verse 8:27:

"O believers! Do not betray Allah and the Messenger, nor betray your trusts knowingly."

This verse underscores the accountability of individuals entrusted with responsibilities, emphasizing the need for zurri waqf reporting to be meticulously prepared to ensure the disclosed information serves the interests of stakeholders effectively. The discussion on the justification for zurri waqf reporting continues in the subsequent sections.

4. Theoretical underpinnings and discussion

Organizations often adopt stakeholder theory as a foundational framework to justify their voluntary disclosures [20]. However, this discussion delved into the realms of active accounting theory and decision usefulness theory, which are integral to transactions involving both profit-making and non-profit entities. In the case of zurri waqf, categorized as a non-profit activity when prepared by SIRC, adherence to basic accounting theory principles in report preparation is essential. Accounting theory aims to establish a framework of principles and relationships that not only describe observed practices but also predict unobserved practices. Essentially, it should elucidate why certain accounting methods are favoured by companies and enable users to anticipate the characteristics of companies opting for different accounting methods. However, normative accounting theory, which prescribes how things should be, is subject to agreement among accountants based on shared assumptions. Conversely, positive theory seeks to explain observed phenomena through description, explanation, and prediction, without prescribing ideal outcomes. Given the diverse array of accounting methods and implementations, constructing comprehensive accounting frameworks becomes challenging. Yet, for a theory to be viable, it must provide explanatory value. For instance, it's not sufficient to merely study the use of historical costs; the underlying principles driving such practices must also be elucidated. Decision-relevant information is deemed useful if it meets criteria such as relevance, reliability, timeliness, and comparability.

Financial statements serve to incorporate business realities, aiding consumers, particularly investors, in making informed decisions. When financial reporting fulfils these criteria, it enhances stakeholders' ability to make decisions effectively. For example, disclosed rental income classified as accrued rental income informs stakeholders about potential actions against tenants if the income remains consistently high. Similarly, zurri waqf reporting must adhere to these principles to ensure the steady growth of properties, ultimately benefiting beneficiaries and the nation. Positive accounting theory and decision usefulness theory are intertwined in financial reporting across all transactions, whether profit-oriented or not. Despite zurri waqf's perceived lesser importance, disclosure of monetary transactions and property values is imperative. For instance, land valued at RM200,000 should be subject to fair value measurement, considering its impact on future income distribution to family members and their generations, aligning with the tenets of positive accounting theory.

Figure 2 below depicted the accounting theories linked to the zurri waqf reporting whereas Figure 3 depicted the interconnection of selected theories toward zurri waqf reporting. Table 6 showed the brief objectives of the study and the findings derived.

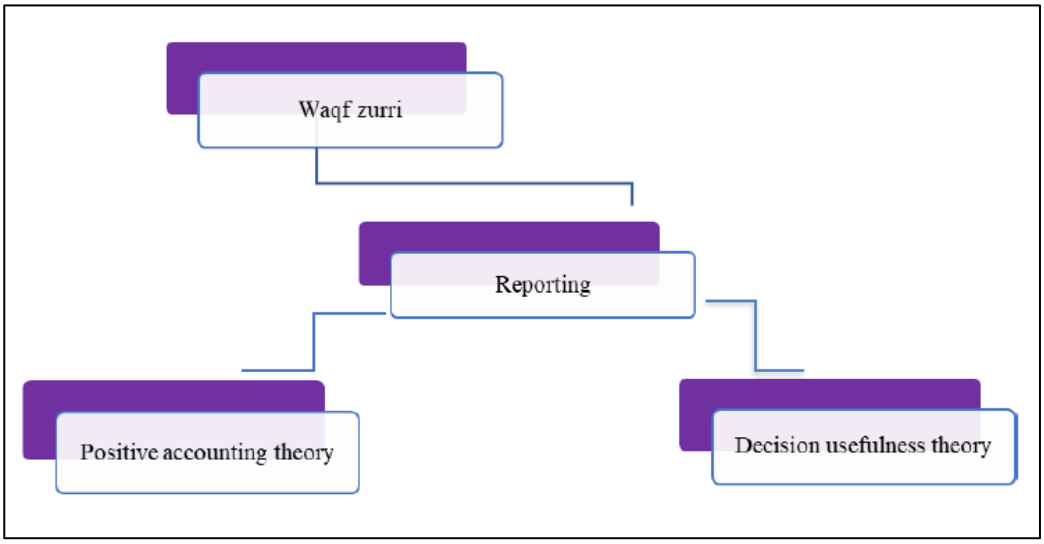

Fig. 2. Accounting theories embedded in zurri waqf reporting

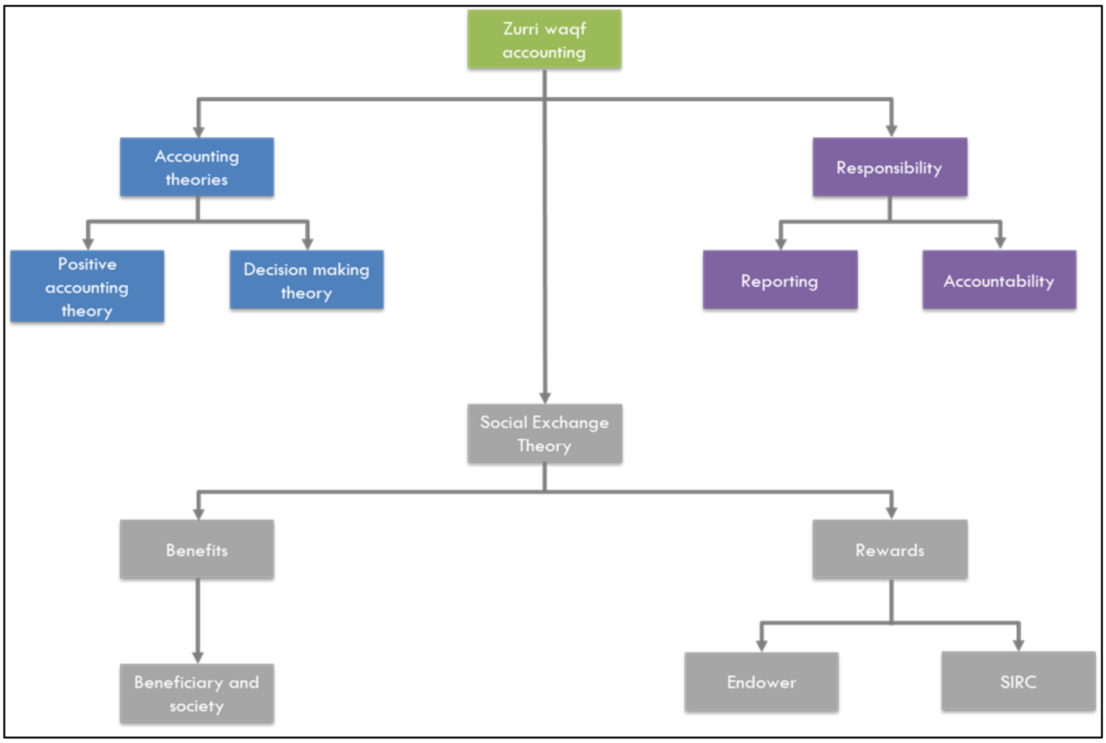

Fig. 3. Interconnection of selected theories toward zurri waqf reporting

Table 6
Objectives and findings

Objectives of the study	Justification	Findings
to evaluate the implementation of zurri waqf in Malaysia	1. Accountability (Greiling, 2010; Gandia, 2011; (Benjamin, 2012; Connolly and Hyndman, 2013b; Ortega-Rodríguez,2020).	There is no consistency in the accounting treatment particularly on the recognition and disclosure of zurri waqf implementation in 3 SIRCs.

to analyze accounting procedures in zurri waqf .	2. Justice (An-nisa verse 135)	1. There are 4 elements of minimum disclosure: a. waqf zurri assets development b. revenues on waqf zurri c. allocation of waqf zurri d.disclosure of assets. (Md Salleh *et al*., 2016; Gandia, 2011; MPSAS, 2013, Author, 2021) 2. Zurri waqf shall be treated as a single unit per se based on trust deed rather than consolidation in a single waqf fund.

5. Conclusions

The reporting and compliance with accounting theory roots are inevitable for profit and non-profit entities, encompassing resources, monetary assets, expenses, and more. Despite the relatively limited practice of zurri waqf in Malaysia, reporting issues become imperative due to its unique nature involving permanent returns to unlimited heirs and a family. Active accounting theory and decision-making useful theory serve as guiding principles for zurri waqf reporting methods, ensuring accurate information disclosure and aiding stakeholders' decision-making processes. This article aims to shed light on the role of annual reports in zurri waqf reporting, highlighting their flexibility in fulfilling the principle of multiple accountabilities and providing a formal role in public accounting. However, findings reveal that existing disclosures do not meet the minimum requirements, emphasizing the need for improvement to uphold justice and transparency.

This is crucial for the sustainability of zurri waqf properties and ensuring continuous income distribution to beneficiaries in accordance with the deed provisions. Moreover, managing funds for "charity," particularly for Muslims, necessitates a focus on reporting and accountability to ensure accountability for actions in the afterlife. While there is no perfect theory applicable as a practical guide for zurri waqf, other theoretical ideas in accounting and behavioral aspects are welcomed and should be considered when formulating relevant guiding theories. As zurri waqf has historically contributed to economic growth, its active promotion in Malaysia is warranted. However, current reporting practices still lack information on major projects, which is pertinent to stakeholders interested in zurri waqf. With no specific framework for zurri waqf reporting, the paper underscores the importance of SIRC and serves as a valuable resource for understanding waqf zurri information and effective reporting practices. Recommendations for minimum requirements in zurri waqf reporting can enrich the information available to relevant stakeholders and enhance social participation in zurri waqf practices. Given the limited literature available, this article contributes to enriching the knowledge system, particularly in zurri waqf reporting, and raises awareness among Muslims about alternative wealth instruments. Further examination of the best guidelines for zurri waqf reporting is necessary, requiring collaboration among various stakeholders. These recommendations can aid SIRC administrators in improving accounting treatments for zurri waqf and establishing standard reporting guidelines to uphold its practices as an Islamic wealth instrument, preserving the equity of families, communities, and countries alike.

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