

15 April 2022

Dear General Majlis members

RE: Financial irregularities within the MJC Treasury

السلام عليكم ورحمة الله وبركاته

It saddens me to have to address this letter to you, my honourable colleagues and teachers. In this correspondence I hope to detail a series of events that have led to my penning of this letter إن شاء الله.

I pray that Allah grants us sincerity in what we do and that we are able to be honest, just and fair in our articulation and appreciation of the magnanimity of the situation before us.

The integrity of our Muslim community and more so that of its religious leadership should be held to the highest levels of scrutiny. We should insist on transparency and accountability within our organisations by those whom the general majlis have elected into positions of service and leadership.

With this being said, there has been a series of events that have not been explained, neither was any clarity given to the extent required on possible financial irregularities within the treasury of the MJC.

What follows is a detailed explanation with evidences as to the cause for concern due to the lack of competence, transparency and accountability in the treasury of the MJC.

- Two weeks prior to the past elective AGM I was given a call by Mufti Taha Karaan(RA) asking as to whether I was aware as a sitting exco member about an esimated R900 000 given to Imaams for covid relief during that financial year.
- I had informed the Mufti that I was aware of R60 000 given to general majlis members for their attendance of a special AGM earlier in the year, but had no knowledge as an exco member of the amounts he was speaking of. I then suggested that he call Ml Abdul Khaliq as he was head of treasury. Not only did he call Ml Abdul Khaliq, but he took a drive to his house to discuss the matter.
- Mufti Taha had informed me that Ml Abdul Khaliq had denied any knowledge of the said amount, but only of the amount I had mentioned above ie. R60 000 - R90 000.
- Mufti Taha then called the auditor of the MJC (Mr Yusuf Mohamed) the next day to confirm the amounts and the auditor responded by sending a statement including dates and amounts of transactions made during that financial year (Addendum 1).

- What should be noted is that most of the transactions are cash withdrawals.
- According to the auditor, when the treasurer was requested clarification as to the use of the cash withdrawals, he answered that it was given to Sh Irafaan Abrahams.
- The auditor informed Mufti Taha that “as per standard practice”, a disclaimer was inserted into the audit report regarding the cash.
- After the final exco meeting of our 5year term I had requested clarity from the first deputy president, showing him the statement of withdrawals. He had a surprised look on his face and stated that he had no knowledge of cash withdrawals of this nature. I asked as to who had access to be able to do cash withdrawals and was informed by him that the treasurer is the only one with access to the accounts and can withdraw cash independently. I questioned him regarding this and he acknowledged that there has been poor oversight and the necessary proper process are not in place. Sh Irafaan Abrahams then entered the boardroom and I was suggested to ask Sh Irafaan about the withdrawals and he too admitted to have no knowledge of it. I informed him that the treasurer said to the auditor that the money was given to him, so how is it that he could have no knowledge of it. He responded by shrugging his shoulders indicating he did not know.
- I informed Mufti Taha(RA) of my personal engagement with the president and first deputy on this matter. This obviously raised a red flag.
- Mufti Taha(RA) had then requested clarification from the presidency regarding the use of the cash withdrawals in writing with evidence. A few days later the Mufti was called by the first deputy president and said that they asked the treasurer for an explanation and they were satisfied with his verbal answer.
- The Mufti(RA) was not satisfied with the verbal answer he received and thus penned the letter addressed to the president and first deputy attached (Addendum 2).
- There was absolutely no response to the Mufti on his correspondence. By this time the Mufti had taken ill with covid and was isolating at home. When his disease progression worsened and he was admitted to hospital, I had the privilege of being able to visit the Mufti(RA) in ICU and he expressed his deep disappointment and regret regarding this matter and how he had been responded to then ignored with regards to it.
- The Mufti later returned to the mercy of his Lord, but had forwarded myself all the correspondences he had, had with the various parties involved.
- At several general majlis meetings multiple members had requested a written report from the treasurer as to the breakdown of the estimated R900 000. The treasurer took 5 months and presented a verbal report stating no amounts. This was challenged at the general majlis meeting which was held over zoom by several members and a written report with it's a breakdown was expected to be presented but again was not forthcoming at the following General Majlis meeting.
- At the subsequent general majlis meeting a verbal report was once again tabled this time with a general breakdown of the funds stating that the majority was for Imaam covid relief assistance.

- At the following general majlis meeting I asked as to whether a written report was tabled and was informed that a written report was not shown to the members even though it was requested at previous meetings. I asked as to whether a written report exists. The first deputy and chairman of the meeting responded that one does exist and I was invited to see it at the MJC offices.
- I did indeed visit the offices 3days later and received it from the first deputy (Addendum 3). I also asked as to whether a record of the amounts given to the imaams for relief were documented. He mentioned that it is with the president and that we could request that information. I asked why these large amounts were not discussed and ratified by the exco of which no reasonable answer was offered.
- Upon inspection and correlation with the statement of withdrawals/payments received from the auditor and of that offered as an explanation by the treasurer, there were obvious discrepancies in relation to the date of the withdrawals, the amounts as well as no evidentiary proofs as to how the withdrawals were used.
- I sent a message to the first deputy requesting more clarity on the disbursements of the the amounts stated as covid Imaam assistance and received no reply to date. The following week I addressed the matter with the first deputy personally at his office and asked to see the amounts dates and persons that were provided assistance and I was asking as a previous exco member under whose term this happened. I was informed that I was not at liberty to ask for such information and that it would not be provided to me to protect the honour of the persons whom were provided relief.
- At the next general majlis meeting we were informed that Sh Riad Fataar had now been co-opted by the treasury to deal with this matter and will be discussing it with the auditor.
- I had then met with the auditor personally in February addressing my concerns. He too was surprised and felt it necessary to have a joint meeting where the information which would possibly bring clarity to the situation be presented. He subsequently had a meeting with the treasury in my absence, then informed me that the information requested will be presented to me for clarity.
- It is now April and we are on the eve of the next AGM and the requested information that should have been very easily presented if there was competence and due diligence, has not been presented. The question is why?
- I would thus like to propose that an independent panel constituting of the following:

2 x Exco members whom served under the term in question namely - Sh Faadil Latief and MI Abdul Fataag Carr

2 x current exco members with financial skills namely - Sh Muhammad West and MI Khalil Hendricks

That they investigate the matter thoroughly and present their findings to the General majlis. That the top 5 are suspended without pay until the results of the investigation has been presented and a conclusion drawn.

- This matter has been drawn out for far too long with no reasonable explanations offered in the least.
- It is our duty as general majlis members to hold our elected officials accountable to the highest of standards. If we do not do this then we have failed our organisation, our community and our roles as ulema.

May Allah guide us to that which best and most deserving of His pleasure.

اللهم ارنا الحق حقا

Yours in the service of Islam,
Yusuf Arieff

Addendum 1

Prepared by: A2A Kopano Inc						
GL Detailed Ledger by Entry Type 01/03/2020 to 28/02/2021						
	Date	Reference	Project	Contra Acc.	Description	Amount
Account : 3240/001 - Assistance - General						
	05/03/2020	withdrawal		8410/000	Daizaf - Zencor Funds	50000
	23/07/2020	withdrawal		8410/000	Motsepe Funds Red Cross Blanket Driv	50000
	03/09/2020	EFT 16		8410/000	Riad Fataar - Burial Assist	3900
	01/09/2020	withdrawal		8410/000	Burial Assist	25000
	13/10/2020	EFT 21		8410/000	Carbon Gear SA - Palestine	5400
	13/10/2020	EFT 22		8410/000	Public Service Academy PPE	14450
	23/10/2020	EFT 23		8410/000	Cape Legacy Funeral Serv. Burial Ass	3000
	19/11/2020	withdrawal		8410/000	New Brighton Muslim	5000
	01/12/2020	EFT 37		8410/000	MA Schroeder Burial Assistance	3000
	26/01/2021	EFT 43		8410/000	Chatz Connect Ottery - ICOMP	1824
	25/03/2020		14	9990/000	Br Faried Limba	500
	27/07/2020	Schedule		9990/000	Br Faried Limba	500
	25/08/2020	Schedule		9990/000	Br Faried Limba	500
	26/10/2020	Schedule		9990/000	Br Faried Limba	500
	13/11/2020	Schedule		9990/000	Burial Assist	25000
	25/02/2021	Schedule		9990/000	Br Faried Limba	500
	25/02/2021	Schedule		9990/000	Burial Assist	6450
	08/09/2020	etter 05		9990/000	Mleni Gas - Im A M Letlala	580
	20/11/2020	etter 07		9990/000	F Limba	500
	25/01/2021	etter 08		9990/000	F Limba	500
						197104
Account : 3240/003 - Assistance - Educational						
	01/03/2020	EFT 01		8410/000	DQA Hafith Competition	2500
	14/08/2020	EFT 11		8410/000	IPSA - Fees Shaykh Riad Fataar	10000
						12500
Account : 3240/005 - Assistance - Imaam project						
	20/05/2020	Transfer		8410/000	ITP Project to Albarkah Bank	100000
	16/05/2020	withdrawal		8410/000	Motsepe Imams Assist	75000
	21/05/2020	withdrawal		8410/000	Motsepe Imams Assist	45000
	25/06/2020	withdrawal		8410/000	Imam Assist	25000
	01/07/2020	withdrawal		8410/000	M Mathews Imams Assist	5000
	25/08/2020	withdrawal		8410/000	Motsepe Imams Assist	50000
	17/09/2020	EFT 17		8410/000	Masjid Al-Rawbie - Shaykh Ebrahim Ga	15000
	29/09/2020	withdrawal		8410/000	Motsepe Imams Assist	50000
	27/10/2020	withdrawal		8410/000	Motsepe Imams Assist	50000
	27/11/2020	withdrawal		8410/000	Imam Assist	25000
	10/12/2020	withdrawal		8410/000	Imam Assist	85000
	29/01/2021	Payment		8410/000	Imam Assist - Abbas Douglas Kawinga	1500
	29/01/2021	Payment		8410/000	Imam Assist - Idruss Uthman Wasili	1500
	25/01/2021	withdrawal		8410/000	Imam Assist	35000
	18/02/2021	withdrawal		8410/000	Imam Assist	125000
	22/04/2020	ail 0714		9990/000	Imams (Email Note from Treasurer)	30900
						718900
Total Assistance						928504

Addendum 2

28/5/2021

Sh Irafan Abrahams

President, MJC

MI Abdul Khaliq Allie

First Deputy President, MJC

Sh Riad Fataar

Second Deputy President, MJC

السلام عليكم ورحمة الله وبركاته

Re: Financial irregularities at Treasury

That I write to you on the very eve of the election, and at a time of considerable turmoil in my own family situation, should hopefully convey the acute importance I attach to the matter at hand.

The urgency of this matter compels me to omit, for the present moment, details as to how things unfolded. For now, let me suffice to say that I brought the matter to the Presidency's attention in as prudent a manner as possible, intending to thereby minimize harm to the MJC whilst still fulfilling the requirements of duty and responsibility.

What was needed was a thorough investigation leading to the presentation of a full report by the Treasurer on how, when and why funds in question were withdrawn, and spent. The fact that a non-detailed verbal report was considered sufficient by the Presidency can now only be construed as systemic failure of our highest officials, upon the back of an earlier systemic failure.

Under these circumstances, the Presidency's continued canvassing for the re-election of the Treasurer will go down as probably as one of the lowest points in this Presidency's term of office. As your brother and well-wisher I urge you at this eleventh hour **not to shirk your sacred fiduciary responsibility**. The funds of this organization are an amanah in your hands; Allah will hold you to account for every cent, as much as He will hold me to account if I don't urge you to do what is right.

The appointment of officials with fiduciary responsibilities carries both Shar'i and legal connotations. Do not bring our organization into disrepute by failing to practice what we preach and teach. Especially not at a time when we have an unprecedented amount of public attention riveted upon us, not to mention the optimism of a community hopeful for leadership that is worthy of admiration.

Your duty before Allah and your responsibility to provide just leadership supercede any notions of loyalty to a colleague. As fellow Ulama I see no need to remind you of Allah's command to stand up for justice even against our dearest and closest.

Earlier this morning I spoke to Sh Riad. The course of action which I told him I will follow was grounded in the deep sense of disappointment that was imparted by the Presidency's failure to address this matter with the seriousness it deserves. Upon reconsideration, I now withdraw that course. Instead, I propose the following options:

OPTION 1: **The present Treasurer in NOT ALLOWED to contest the election.**

The circumstances more than justify this route. It might even be argued that I have a duty in my capacity as member of the Electoral Committee to bring it to the notice of the other EC members, and have the Treasurer's candidacy dismissed, or at the very least insist that he be deemed eligible only after full clearance, even if that should mean delaying the election of this one post.

OPTION 2: **The present Treasurer is ALLOWED to contest the election.**

The only factor that would induce me to allow him to contest the election is the harm that would result from this matter becoming public knowledge.

Be that as it may, whether the present Treasurer succeeds in getting re-elected or not, the very first order of business for the Treasury would be to conduct a through investigation of this matter.

The rules of conflict of interest would preclude both the President and First Deputy President (if they are re-elected) to serve on the commission to be appointed for this investigation. I would therefore insist that only Sh Riad Fataar represent the Presidency. The other members would be myself and Yusuf Mohamed. This will keep the circle limited, and minimise harm.

I urge you to please understand the seriousness of this matter. You now literally hold the reputation of the MJC in your hands. Failure to act in a responsible manner this time, after having **failed twice: firstly**, in exercising due diligence in the job you were elected for, and **secondly**, in taking meaningful action when first apprised of irregularity, will constitute dereliction of duty serious enough for me to reconsider whether it is in the interests of anyone to elect into positions of leadership people who lack the moral mettle to do what faith, reason, good sense and wisdom dictate.

﴿إن أريد إلا الإصلاح ما استطعت، وما توفيقي إلا بالله، عليه توكلت وإليه أنيب﴾

اللهم هل بلغت؟

اللهم فاشهد!

Taha

Addendum 3

No	Description	Date	Amount
1	Zemcor Donation	03.03.20	50, 000.00
2	Imamat Assistance	16.05.20	75, 000.00
3	TIKA Ramadan Assist	18.05.20	208, 750.00
4	MJC Halaal Trust	03.06.20	87, 292.00
5	Imamat Assistance	20.07.20	50, 000.00
6	Hayrat Qurbaan Project	22.07.20	119, 375.00
7	Imamat Assistance	26.08.20	50, 000.00
8	Burial	01.09.20	25, 000.00
9	Imamat Assistance	29.09.20	50, 000.00
10	Women's Forum	27.11.20	25, 000.00
11	MJC Halal Trust	07.12.20	30, 000.00
12	Imamat Assistance	10.01.20	55, 000.00
13	MJC (SA) General Majlis	18.02.21	125, 000.00
Total			R 950, 417.00

ZEMCO – an external company introduced to the MJC by Sh Ismail Begg. They deposited the money for the intent that DIAZF distribute it however they felt fit. This was an “in & out”. Previously, a norm in the organisation, however, never happened often. The company no longer does the EFT as it assumed it would acquire an 18A certificate from the MJC (SA).

TIKA Ramadan Assist – this equated to 700 food parcels distributed among the Ulama, Mu`athins, madrasa teachers, etc. This project was driven in partnership with RIC's

Hayrat Qurbaan Project – this equated to 10 cattle being slaughtered, skinned, cut up and distributed. This project is physically overseen by members of the Hayrat Foundation who usually flies to Cape Town. Last year, they witnesses the qurbaan vitually.

MJC Halaal Trust – (point 4 & 11) this money, as per usual, was deposited to the MJC for the purpose of paying the MJC Halal Trust trustees their annual stipend.

MJC General Majlis: the money was paid out to members of the General Majlis at the AGM. This was received from the Motsepe foundation as the COVID19 Relief Fund. This was not unusual as it happened at the 2 previous MJC AGM's. Prior to that, the money was personally delivered by the President of the MJC (SA) to each region personally.

Imamat Assist = R280 000.00

- R 90 000.00 was disbursed to 4 Imarah members over a period of 12 months.

- R 125 000.00 disbursed in partnership with DIAZAF: 34 Ulama from the various regions
- R 55 000.00 as agreed upon by an independent panel within the non-employed members of the Exco, deciding that the 5 members who had worked during the entire lockdown levels received a monetary bonus.
- R 10 000.00 (of R30000.00) was given to ICOSS and ICOMP for projects running in their respective regions.