

# **Zambia Chartered Institute of Logistics and Transport**

## **Accounting policies**

### **financial statements for the year ended 31 December 2015**

#### **1 Significant accounting policies**

##### ***Basis of accounts***

The accounts are prepared under historical cost convention and have been prepared in accordance with applicable accountancy standards.

##### ***Depreciation***

Depreciation is charged to write off the cost of tangible fixed assets over their expected useful lives on a reducing balance basis at the following rates:-

Office Equipment	25%
Furniture and fittings	25%
Office Software	33%
Library Books	0%
Land & Buildings	2%

#### **2 Statement of National Council' Responsibilities**

The National Council are responsible for preparing accounts for each financial period which give a true and fair view of the state of affairs of the Institute and of the Income and Expenditure and cashflows for that period. In preparing those accounts, the National Council have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed applicable standards.

The National Council are responsible for ensuring that the Institute keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institute. They are also responsible for safeguarding the assets of the Institute and taking reasonable steps for the prevention and detection of fraud and other irregularities.

##### ***Statement of the reporting accountant's responsibilities***

The reporting accountants have a statutory responsibilities to report to the National Council of the Institution whether in their opinion:-

- (a) The accounts are in agreement with the accounting records kept by the Institute, and
- (b) Having regard only to, and on the basis of, the information contained in those accounting records, the accounts have been drawn up in a manner consistent with the accounting requirements.

#### **3 Income**

Income represents the amount invoiced.

#### **4 Income and Expenditure**

The surplus is stated after charging the following:-

Audit fees	12,500	12,500
Depreciation	59,750	58,577

#### **5 Income tax**

The organisation falls in the non profit organisation and it is therefore exempted from paying Income tax.