

VIDYA BHAWAN BALIKA VIDYA PITH

शक्तिउत्थानआश्रमलखीसरायबिहार

Class 12 commerce Sub. ACT Date 15.04.2021

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Accounting for Not-for-Profit Organisation

Illustration 4

From the following Receipt and Payment Account and additional information relating to Excellent Cricket Club, prepare Income and Expenditure Account for the year ended March 31, 2007 and Balance Sheet as on that date.

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
Balance b/d (Cash in Hand)	18,000	Balance b/d (bank overdraft)	16,000
Member's subscriptions	2,50,000	Upkeep of field and pavilion	1,15,000
Member's admission fee	15,000	Tournament expenses	40,000
Sale of old sports materials	2,500	Rates and Insurance	10,000
Hire of ground	28,000	Telephone	3,500
Subscription for tournament	60,000	Postage and Courier charges	4,000
Life membership fee	20,000	Printing and Stationery	26,000
Donations	6,00,000	Miscellaneous expenses	4,400

		Secretary's honorarium	30,000
		Grass seeds	2,600
		Investments	6,00,000
		Purchase of sports materials	68,000
		Balance c/d	74,000
	9,93,500		9,93,500

Assets at the beginning of the year were:

	<i>Rs.</i>
Play ground	5,00,000
Cash in hand	18,000
Stock of sports materials	85,000
Printing and Stationery	11,000
Subscriptions receivable	28,000

Donations and Surplus on account of tournament are to be kept in Reserve for a permanent pavilion. Subscriptions due on March 31, 2007 were Rs. 42,000. Write-off fifty per cent of sports materials and thirty per cent of printing and stationery.

Solution

Books of Excellent Cricket Club Income and Expenditure Account for the year ending on March 31 2007

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<i>Expenditure</i>	<i>Amount (Rs.)</i>	<i>Income</i>	<i>Amount (Rs.)</i>
Upkeep of field and pavilion	1,15,000	Subscriptions	2,50,000
Rates and Insurance	10,000	Add: Outstanding	
Telephone	3,500	(closing)	<u>42,000</u>
Postage and Courier charges	4,000		2,92,000
Printing & stationery	26,000	Less: Outstanding	
Add: Opening stock	<u>11,000</u>	(opening)	<u>28,000</u>
Available for use	37,000	Admission fees	15,000
Less: Closing stock	<u>25,900</u>	Sale of old sports material	2,500
Stationery consumed	4,400	Rent of hall	28,000
Miscellaneous expenses	30,000		
Secretary's honorarium	2,600		
Grass seeds			
Sports materials consumed:			
Opening stock	85,000		
Add: Purchases	<u>68,000</u>		
	1,53,000		
Less: Closing stock	<u>76,500</u>		
Surplus	52,400		
(Excess of income over expenditure)			
	3,09,500		3,09,500

Note: Since the opening balance is not given, the same has been ascertained by preparing opening balance sheet as follows.

Balance Sheet of Excellent Cricket Club as on March 31, 2007

<i>Liabilities</i>	<i>Amount (Rs.)</i>	<i>Assets</i>	<i>Amount (Rs.)</i>
Capital Fund	6,26,000	Cash in hand	74,000
Add: Surplus	<u>52,400</u>	Outstanding subscriptions	42,000
	6,78,400	Stock of sports materials	76,500
Add: Life membership fee	<u>20,000</u>	Stock of printing and stationery	25,900
	6,98,400	Investments	6,00,000
Pavilion Fund:		Play ground	5,00,000
Surplus from Tournament (Rs.60,000-40,000)	20,000		
Donation	<u>6,00,000</u>		
	6,20,000		
	13,18,400		13,18,400

Balance Sheet of Excellent Cricket Club as on March 31, 2006

<i>Liabilities</i>	<i>Amount (Rs.)</i>	<i>Assets</i>	<i>Amount (Rs.)</i>
Bank overdraft	16,000	Cash in hand	18,000
Capital/General fund (balancing figure)	6,26,000	Outstanding subscription	28,000
		Stock of sports materials	85,000
		Printing and Stationery	11,000
		Play ground	5,00,000
	6,42,000		6,42,000

