

VIDYA BHAWAN BALIKA VIDYA PITH

शक्तिउत्थानआश्रमलखीसरायबिहार

Class 12 commerce Sub. ACT Date 15.05.2021

Teacher name – Ajay Kumar Sharma

Accounting for Not-for-Profit Organisation

Question 1:

From the following particulars taken from the Cash Book of a health club, prepare a Receipts and Payments Account.

Particulars	Rs
Opening balance:	
Cash in Hand	5,000
Cash at Bank	25,000
Subscriptions	1,65,000
Donations	35,000
Investment Purchased	80,000
Rent Paid	20,000
General Expenses	21,500
Postage and stationery	2,000
Courier charges	1,000
Sundry Expenses	2,500
Closing Cash in Hand	12,000

ANSWER:

Books of Health Club

Receipt and Payment Account

Dr.		Cr.	
Receipts	Amount Rs	Payments	Amount Rs
Balance b/d		Investment	80,000
Cash in Hand	5,000	Rent	20,000
Cash at Bank	25,000	General Expenses	21,500
Subscriptions	1,65,000	Postage and Stationery	2,000
Donations	35,000	Courier Charges	1,000
		Sundry Expenses	2,500

		Balance c/d		
		Cash in Hand	12,000	
		Cash at Bank	91,000	1,03,000
		(Balancing figure)		
	2,30,000			2,30,000

Question 2:

The Receipt and Payment Account of Harimohan charitable institution is given:

Receipt and Payment Account for the year ending March 31, 2015

Receipts	Amount Rs	Payments	Amount Rs
Balance b/d:		Furniture	3,000
Cash at Bank	22,000	Investments	55,000
Cash in Hand	8,800	Advance for building	20,000
Donations	32,000	Charities	60,000
Subscriptions	50,200	Salaries	10,400
Endowment Fund	60,000	Rent and Taxes	4,000
Legacies	24,000	Printing	1,000
Interest on Investment	3,800	Postage	300
Interest on Deposits	800	Advertisements	1,100
Sale of old newspapers	500	Insurance	4,800
		Balance c/d:	
		Cash at Bank	32,000
		Cash in Hand	10,500
	2,02,100		2,02,100

Prepare the Income and Expenditure Account for the Year ended on March 31, 2015 after considering the following:

- (i) It was decided to treat Fifty per cent of the amount received on account of Legacies and Donations as income.
- (ii) Liabilities to be provided for are:
Rent Rs 800; Salaries Rs 1,200; advertisement Rs 200.
- (iii) Rs 2,000 due for interest on investment was not actually received.

ANSWER:

Books of Harimohan Charitable Institution

Income and Expenditure Account

Dr.		Cr.	
Expenditure	Amount Rs	Income	Amount Rs
Rent and Taxes	4,000	Donations	16,000
<i>Add: Outstanding</i>	<u>800</u>	Legacies	12,000
	4,800	Subscriptions	50,200
Salaries	10,400	Interest on Investment	3,800
<i>Add: Outstanding</i>	<u>1,200</u>	<i>Add: Accrued Interest</i>	<u>2,000</u>
	11,600		5,800
Advertisement	1,100	Interest on Deposits	800
<i>Add: Outstanding</i>	<u>200</u>	Sale of Old Newspapers	500
	1,300		
Charities	60,000		
Printing	1,000		
Postage	300		
Insurance	4,800		
Surplus (<i>Excess of Income over Expenditure</i>)	1,500		
	<u>85,300</u>		<u>85,300</u>