

VIDYA BHAWAN BALIKA VIDYA PITH

शक्तिउत्थानआश्रमलखीसरायबिहार

Class 12 commerce Sub. ACT Date 26.04.2021

Teacher name – Ajay Kumar Sharma

Accounting for Not-for-Profit Organisation

Illustration 15

Following balances have been extracted from the books of Pleasant Club for the year ended on March 31, 2007:

<i>Details</i>	<i>Amount (Rs.)</i>
Capital Fund as on March 31, 2006	2,05,000
Furniture as on March 31, 2006	21,000
Additions of furniture during the year	23,500
Billiard Table and other accessories as on March 31, 2006	22,250
China glass and cutlery and Linen as on March 31, 2006	6,250
Restaurant receipts during the year	9,68,000
Restaurant stock as on March 31, 2006	9,750
Receipts from billiard Room during the year	86,000
Subscription received during the year	88,750
Interest on deposit received during the year	6,000
Honorarium paid to Secretary	80,000
Purchases for restaurant	5,59,500
Rent and Rates	87,250
Wages (restaurant 1,25,000)	2,30,750
Repairs and Renewals	44,750
Lighting	44,250
Fuel	33,500
Sundry expenses	8,000
Cash in hand as on March 31, 2006	4,375
Bank balance as on March 31, 2006	36,875
Bank deposit @10% as on March 31, 2006	1,00,000

Payment for purchases included Rs.7,500 for the year ended on March 31, 2006. Restaurant stock as on March 31, 2007 were Rs. 11,250. Amount of Subscription received included Rs. 12,000 for the previous year and Rs. 3,000 for the next year. Subscription outstanding as on March 31, 2007 were Rs. 12,500.

Depreciation should be provided as per following rate Structure:

(a) Furniture @ 10 %; (b) Billiard Table and other accessories@ 12%; (c) China glass and cutlery @ 20%.

Cost of boarding expenses of the staff is estimated at Rs. 68,750 of which Rs. 50,000 is to be charged to Restaurant.

Prepare the Receipt and Payment Account; Income and Expenditure Account and the Balance Sheet showing the working of the Restaurant separately. Cash in hand on March 31, 2007 was Rs. 8,500.

Solution

**Books of Pleasant Club
Receipt and Payment Account
for the year ending on March 31, 2007**

<i>Dr.</i>	<i>Amount (Rs.)</i>	<i>Cr.</i>	<i>Amount (Rs.)</i>
<i>Receipts</i>		<i>Payments</i>	
Opening Balance:		Rent and Rates	87,250
Cash in hand 4,375		Wages:	
Cash at Bank <u>36,875</u>	41,250	Restaurant 1,25,000	
Subscriptions	88,750	Others <u>1,05,750</u>	2,30,750
Interest on deposit	6,000	Repairs and Renewals	44,750
Restaurant receipts	9,68,000	Furniture purchased	23,500
Billiard receipts	86,000	Honorarium of Secretary	80,000
		Purchases for restaurant	5,59,500
		Lighting	44,250
		Fuel	33,500
		Sundry expenses	8,000
		Closing balance:	
		Cash in hand 8,500	
		Cash at bank <u>70,000</u>	78,500
		(balancing figure)	
	11,90,000		11,90,000

**Trading Account
for the year ending on March 31, 2007**

<i>Dr.</i>	<i>Amount (Rs.)</i>	<i>Cr.</i>	<i>Amount (Rs.)</i>
<i>Details</i>		<i>Details</i>	
Opening stock	9,750	Restaurant receipts	9,68,000
Purchases 5,59,500		Cost of boarding expenses	68,750
Less: Previous year <u>7,500</u>	5,52,000	of the staff	
Wages	1,25,000	Closing stock	11,250
Depreciation of china	1,250		
glass cutlery			
Cost of boarding expenses	50,000		
of the staff			
Fuel	33,500		
Profit transferred to	2,76,500		
Income and Expenditure			
	10,48,000		10,48,000

**Income and Expenditure Account
for the year ending on March 31, 2007**

<i>Expenditure</i>	<i>Amount (Rs.)</i>	<i>Income</i>	<i>Amount (Rs.)</i>
Wages	1,05,750	Subscription Received	88,750
Repairs and Renewals	44,750	Add: Outstanding	<u>12,500</u>
Honorarium of Secretary	80,000	this year	1,01,250
Lighting	44,250	Less: Outstanding	<u>12,000</u>
Rent and Rates	87,250	previous year	89,250
Cost of boarding		Less: Advance for	<u>3,000</u>
expenses of the staff	18,750	Next year	86,250
Sundry expenses	8,000	Interest received	6,000
Depreciation on:		Add: Accrued	<u>4,000</u>
Furniture	4,450	Billiard receipts	86,000
Billiard table	<u>2,670</u>	Profit transferred	2,76,500
Surplus: (Excess of Income		from trading Account	
over Expenditure)	62,880		
	4,58,750		4,58,750

Balance Sheet of Pleasant Club as on March 31, 2007

<i>Liabilities</i>	<i>Amount (Rs.)</i>	<i>Assets</i>	<i>Amount (Rs.)</i>
Capital Fund	2,05,000	Furniture:	
Add: Surplus	<u>62,880</u>	Opening Balance	21,000
Subscription received	3,000	Add: Additions	<u>23,500</u>
in Advance			44,500
		Less: Depreciation	<u>4,450</u>
		Billiard Table	22,250
		Less: Depreciation	<u>2,670</u>
		China glass and cutlery	6,250
		Less: Depreciation	<u>1,250</u>
		Restaurant stock	5,000
		Subscription Outstanding	11,250
		Interest Accrued	12,500
		Bank deposit	4,000
		Cash in hand	1,00,000
		Cash at bank	8,500
			70,000
	2,70,880		2,70,880