

④ Tennis club of Mysore was started from 1/1/19. ⑦  
 Its Receipt & Payment a/c for the year ended 31/12/19 was as follows:-

| Receipts                  | Amt (₹)         | Payments                 | Amt (₹)         |
|---------------------------|-----------------|--------------------------|-----------------|
| To Endowment fund receipt | 20,000          | By Tournament expenses   | 7,600           |
| Donations                 | 40,000          | Furniture                | 12,800          |
| Tournament fund           | 10,000          | Sports Equipment         | 25,400          |
| Life membership fees      | 6,000           | <u>Function expenses</u> |                 |
| Entrance fees             | 600             | (a) Honorarium           | 14,000          |
| Fees for functions        | 24,000          | (b) Others               | 4,000           |
| Subscriptions             | 6,000           | Printing                 | 1,000           |
|                           |                 | Rent                     | 2,400           |
|                           |                 | Salaries                 | 7,200           |
|                           |                 | Postage                  | 300             |
|                           |                 | F.D in Bank              | 30,000          |
|                           |                 | Cash balance             | 19,000          |
|                           | <u>1,06,600</u> |                          | <u>1,06,600</u> |

Adjustments:-

- (1) Expenses o/s: Salaries ₹ 2,400, printing ₹ 100
- (2) Subscripts due for 2018 were ₹ 4,000
- (3) Sports equipment on 31/12/2018 were valued at ₹ 20,400 and postage stamps on hand ₹ 40.
- (4) Entrance fee & life membership fees are to be capitalised.

prepare income & expenditure a/c & Balance sheet as on 31/12/18.

| To Function expenses:                             |                 |       | By fees for functions |       |
|---|-----------------|-------|-----------------------|-------|
| Honorarium  | 14000           |       |                       | 24000 |
| Others  | 4000            | 18000 | 1) Subscriptions      | 6000  |
| 1) Printing                                       | 1000            |       | (+) O/S               | 4000  |
| (+) O/S   | 1000            | 2000  |                       | 10000 |
| 1) Rent   | <del>7000</del> | 2400  | 1) Deficit (Bal fig)  | 3260  |
| (+) Salaries                                      | 7200            |       |                       |       |
| (+) O/S   | 2400            | 9600  |                       |       |
| 1) Postage  | 300             |       |                       |       |
| (+) cl. stock of stamps                           | 40              | 260   |                       |       |
| 1) Depreciation on sports equipment (25400-20400) |                 | 5000  |                       |       |
|   |                 | 37260 |                       |       |

Balance sheet as on 31/12/2018

| Liabilities                           |        | Assets                      |        |
|---------------------------------------|--------|-----------------------------|--------|
|                                       | amt(₹) |                             | amt(₹) |
| <u>O/S :-</u>                         |        | <u>Cash</u>                 |        |
| O/S salaries                          | 2400   |                             | 1900   |
| O/S printing                          | 1000   | FD in Bank                  | 30000  |
|                                       | 3400   | cl. stock of postage stamps | 40     |
| Tournament fund                       | 10000  | O/S subscriptions           | 4000   |
| (-) Tournament exp                    | 7600   | Furniture                   | 12800  |
|                                       | 2400   | Sports Equipment            | 25400  |
| Endowment fund receipt                | 20000  | (-) Depn (25400-20400)      | 5000   |
| <u>Capital fund :-</u>                |        |                             | 20400  |
| Donations (assumed to be capitalised) | 40000  |                             |        |
| Life membership fee capitalised       | 6000   |                             |        |
| Entrance fees capitalised             | 600    |                             |        |
| Deficit                               | (3260) |                             |        |
|                                       | 69140  |                             | 69140  |



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problem no - 6 :-

Soln: Preparation of Income & Expenditure for the year 31-03  
manuthi Education Society :-

| Expenditure   |               | Amt(₹)         | Income                  |                | Amt(₹)         |
|---|---------------|----------------|-------------------------|----------------|----------------|
| To Salaries   | 80,000        |                | By Tuition fees         | 120,000        |                |
| (-) O/S for P.Y   | 3,000         |                | (+) O/S for P.Y         | 1,000          |                |
|   | <u>77,000</u> |                |                         | <u>119,000</u> |                |
| (+) O/S for C.Y   | 3,000         | 80,000         | (+) O/S for C.Y         | 2,000          |                |
| Repairs   | 5,000         | 5,000          |                         | <u>121,000</u> |                |
| Printing & stationery   | 5,400         | 5,400          | (-) Received in advance | 600            | 120,400        |
| Sports expenses   | 25,000        | 25,000         | Interest                |                | 1,000          |
| Unim day function   | 12,600        | 12,600         | Govt Grant              |                | 120,000        |
| Depn on Bkx (118000 + 64000)<br>(182000 × 5%)                     | 9,100         | 9,100          |                         |                |                |
| Depn on Furniture<br><del>Furniture</del> 50,000 × 10%<br>= 5,000 |               |                |                         |                |                |
| 14000 × 10% × 1/2 = 700   | 5,700         | 5,700          |                         |                |                |
| Depn on equipment   | 4,000         | 4,000          |                         |                |                |
| Excess of income over expenditure                                 |               | 94,600         |                         |                |                |
| (Bal. fig)  |               |                |                         |                |                |
|   |               | <u>241,400</u> |                         |                | <u>241,400</u> |

## Balance sheet as on 31-7-2019

| Liabilities                           | Amt (₹)          | Assets          | Amt (₹)        |
|---------------------------------------|------------------|-----------------|----------------|
| Salary due                            | 3000             | Cash in hand    | 17000          |
| Tuition fee received in advance       | 600              | Library books   | 118.000        |
|                                       |                  | (+) Addition    | <u>64000</u>   |
|                                       |                  |                 | 182000         |
| Building fund                         | 60.000           | (-) Dep'n       | <u>9100</u>    |
| (+) Addition                          | <u>40.000</u>    |                 | 172900         |
|                                       | 1,00,000         | Furniture       | 50.000         |
| Capital fund                          | 166.000          | (+) Addition    | <u>14000</u>   |
| (+) Excess of income over expenditure | <del>94000</del> |                 | <u>64000</u>   |
|                                       | <del>94000</del> | (-) Dep'n       | <u>5700</u>    |
|                                       | 94600            |                 | 58300          |
|                                       |                  | Investments     | 46000          |
|                                       |                  | (+) Addition    | <u>50000</u>   |
|                                       |                  |                 | 96000          |
|                                       |                  | Equipments      | 14000          |
|                                       |                  | (+) Addition    | <u>8000</u>    |
|                                       |                  |                 | 22000          |
|                                       |                  | (-) Dep'n       | <u>4000</u>    |
|                                       |                  |                 | 18000          |
|                                       |                  | Tuition fee due | 2000           |
|                                       |                  |                 |                |
|                                       | <u>364200</u>    |                 | <u>364,200</u> |