

Financial Statements of non-Profit organisations

Q-1

From the following Receipt and Payments Account of Canara Club, prepare an Income and Expenditure Account for the year ended 31st December, 2019:

Receipts and Payments Account

| Receipts | Rs. | Payments | Rs. |
|----------------------------|--------|-------------------------|--------|
| To Op. Bal | | By Salaries | 9,000 |
| In hand | 400 | Rent | 1,200 |
| At Bank | 3,200 | Printing and Stationery | 300 |
| <u>Subscriptions</u> | | Govt. Bonds | 2,000 |
| 2018 | 2,000 | Help to poor students | 2,000 |
| 2019 | 10,000 | Prizes awarded | 4,000 |
| 2020 | 1,000 | Electricity Charges | 200 |
| | 13,000 | Sports materials | 2,000 |
| " Sale of old newspapers | 100 | Purchased | |
| " Sale of old furniture | 400 | " Telephone | 300 |
| (Book value Rs. 600) | | " Sundry expenses | 800 |
| " Interest on Investing | 600 | " Subscriptions to | 500 |
| " Legals | 5,000 | Periodicals | |
| " Life members fees | 3,000 | " Closing Balance | |
| " Donations for prize fund | 5,000 | In hand | 400 |
| " Grants from the | 3,000 | At Bank | 5,000 |
| Government | | | |
| | | | |
| | 33,700 | | 33,700 |

Subscriptions for 2019 still receivable were ₹ 800; Interest due on Investments ₹ 300; Rent unpaid ₹ 200; outstanding printing expenses ₹ 500.

Preparation of Income and Expenditure a/c for the year ended 31st December, 2019

| Particulars | Rs | Particulars | Rs |
|---|---------------|-----------------------------|---------------|
| To Salaries | 9,000 | By Subscriptions received | 10,000 |
| " Rent | 1,200 | (for the c/y 2019) | |
| <u>Add O/S</u> | <u>200</u> | <u>Add: O/S for the c/y</u> | <u>800</u> |
| " Printing and Stationery | 300 | " Sale of old newspapers | 100 |
| <u>Add O/S</u> | <u>200</u> | " Interest on Investments | 600 |
| " Help to poor students | 2,000 | <u>Add: O/S</u> | <u>300</u> |
| " Electricity Charges | 200 | " Grants from the Govt. | 3,000 |
| " Telephone | 300 | " Deficit (Bal. fig) | 100 |
| " Sundry expenses | 800 | | |
| " Subscriptions to periodicals | 500 | | |
| " Loss on sale of old furniture (600 - 400) | 200 | | |
| | <u>14,900</u> | | <u>14,900</u> |