

28.4.2020

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Ravindra Bengali School,
C.R. Park
Class - XII, Commerce

Sub - Accountancy, Chapter - 01, Non profit organisation.

watch the video link sent on 28.4.20
sincerely and repeatedly.

Ready learners: -

① Final accounts of non-profit organisation are :-

- (a) Income & Expenditure Account (Income Statement)
- (b) Balance Sheet (Position Statement.)

② The final accounts are prepared on accrual concept of accounting.

③ Every items (either income or expenditure) to be considered from current year's point of view.

④ Receipts and payments account is not exactly a Cash book. It is the summary of all Cash transactions of the different heads of accounts during the year.

⑤ From Receipts and payment Accounts: -

- All Revenue items carry to Income and Expenditure A/c
- All Capital items carry to Balance Sheet.

⑥ For fixed assets: -

- (a) Add last year's balance
- (b) deduct current year's sale (Book Value)
- (c) profit or loss due to sale, carry forward to Income & Exp. A/c
- (d) deduct depreciation and show the same in the Income & Exp. A/c.

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- ⑦ Carry forward (show) the closing Cash and bank balance from Receipts and Payments account to Balance Sheet.
- ⑧ To find Capital Fund, prepare "Statement of Affairs" inputs are available in the Receipts and Payments account and additional information in the Question.

Home work

01. Subscription received during 2017-18 - 50,000
Subscription outstanding on 31-3-18 - 8,000
Subscription outstanding on 01-4-17 - 6,000
Subscription received in advance on 31-3-18 - 3,000
Subscription received in advance on 31-3-17 - 5,000

Calculate the amount of Subscription to be considered / credited to Income and Expenditure account for the year 2017-18.

Ans: - 54,000

- 02 Ascertain the amount of Salary chargeable to Income & Expenditure Account for 2016-17:-

- Total Salaries paid in 2016-17 - 10,200
prepaid Salaries paid on 31-3-16 - 1,200
prepaid Salaries paid on 31-3-17 - 600
outstanding Salaries on 31-3-16 - 900
outstanding Salaries on 31-3-17 - 750

Ans: - 10,650

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