

Q.1 The basis of accounting of preparing 'Income and Expenditure Account' of a not-for-profit organisation is \_\_\_\_\_.  
 (Fill in the blank) 1 mark

Q.2 Following items are related to Aisko Club for the year ended 31 March, 2019.

Particulars	Debit Amount (₹)	Credit Amount (₹)
Tournament Fund	-	1,50,000
Tournament Fund Investments	1,50,000	-
Income from Tournament Fund Investments	-	18,000
Tournament Expenses	12,000	-
Prizes Paid	5,000	-

Additional Information: Interest Accrued on Tournament Fund Investments ₹6,000.

How much balance of Tournament Fund will be shown in the Balance Sheet of Aisko Club as on 31 March, 2019?

- (a) ₹1,56,000
  - (b) ₹1,62,000
  - (c) ₹1,51,000
  - (d) ₹1,57,000
- (Choose the correct alternative) 1 mark

Q.3 What is the treatment of the following items in the financial statements of a not-for-profit organisation?

- (a) Life Membership Fees
- (b) Subscriptions received in advance
- (c) Legacy

3 marks

Q.4 From the following information, calculate the amount of subscriptions due for the year ended 31.3.2020 if there are 1,000 members and each paying ₹300 p.a. as subscription.

3 marks

Particulars	Amount (₹)
Subscriptions received during the year 2019-20	3,00,000
Subscriptions received in advance as on 31.3.2020	36,800
Subscriptions outstanding as on 1.4.2019	32,000
Subscriptions received in advance as on 1.4.2019	25,000

Q.5 Calculate the amount of stationery to be debited to Income and Expenditure A/c for the year ending 31 March, 2020:

3 marks

Particulars	Amount (₹)
Cash purchases of stationery	10,000
Payment to creditors of stationery	61,000
Book value of stationery sold	20,000
Creditors for stationery on 1.4.2019	7,000
Creditors for stationery on 31.3.2020	14,750
Stationery on 1.4.2019	20,000
Stationery on 31.3.2020	25,000
Advance paid for stationery to creditors on 31.3.2020	11,000

Q.6 From the following extract of Receipts and Payments Account of Sonic club and the given additional information, show the Salaries items in the Income and Expenditure Account for the year ending 31st Dec. 2020 and the Balance Sheet as on 31st December, 2020.

**An Extract of Receipts and Payments Account for the year ending 31st December, 2020**

Receipts	Amount (₹)	Payments	Amount (₹)
		By Salaries	
		2019	20,000
		2020	2,80,000
		2021	18,000

*Additional Information:* Salaries outstanding on 31.12.2019 ₹25,000; Salaries outstanding on 31.12.2020 ₹45,000 and Salaries paid in advance on 31.12.2019 ₹10,000

3 marks

Q.7 Following Receipt and Payment Account was prepared from the cash book of Delhi Charitable Trust for the year ending December 31, 2020

**Dr. Receipt and Payment Account for the year ending December 31, 2020**

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Receipts	Amount (₹)	Payments	Amount (₹)
To Balance b/d		By Charity	11,500
Cash in hand	11,500	By Rent and taxes	3,200
Cash at bank	12,600	By Salary	6,000
To Donation	9,000	By Printing	600
To Subscription	42,800	By Postage	300
To Legacies	18,000	By Advertisements	4,500
To Interest on investment	4,500	By Insurance	2,000
To Sale of old newspapers	200	By Furniture	21,600
		By Investment	23,000
		By Balance c/d:	
		Cash in hand	9,900
		Cash at bank	16,000
	<b>98,600</b>		<b>98,600</b>

Prepare Income and expenditure account for the year ended December 31, 2020, and a balance sheet as on that date after the following adjustments:

- It was decided to treat one-third of the amount received on account of donation as income.
- Insurance premium was paid in advance for three months.
- Interest on investment ₹1,100 accrued was not received.
- Rent ₹600; salary ₹900 and advertisement expenses ₹1,000 outstanding as on December 31, 2020.

6 marks