

# SOME PECULIAR ITEMS

## ① DONATIONS

\* Sort of gift in cash or property received from some person/organisation

\* It appears on RECEIPTS SIDE OF RECEIPTS AND PAYMENTS ACCOUNT.

### SPECIFIC DONATIONS

\* to be utilised for some specified purpose.  
eg- extension of Building.

\* Capitalised and shown on LIABILITIES SIDE OF BALANCE SHEET.

### GENERAL DONATIONS

\* to be used for general purpose.

\* regular source  
\* shown on INCOME SIDE OF INCOME AND EXPENDITURE ACCOUNT

Note →

In case the Date.....

②

## LEGACIES

use if not specified, it is considered as revenue nature and credited to Income & Expenditure A/c

\* amount received as per the will of a deceased person.

\* appears on receipt side of RECEIPTS

## AND PAYMENT ACCOUNT.

\* not of securing nature

\* Added to Capital fund / general fund on the liabilities side of the BALANCE SHEET.

③

## LIFE MEMBERSHIP FEES

\* is the membership fees paid in lump sum by some members to become life members of non-profit organization

\* CAPITAL RECEIPT

\* ADDED TO CAPITAL / GENERAL FUND on liabilities side of the BALANCE SHEET.

## ④ ENTRANCE / ADMISSION FEES -

\* it is paid only once by the member at the time of becoming a member.

\* In case of organisations like clubs and some charitable institutions, the amount of entrance fees is quite high.

\* it is non-recurring item.

and added to capital / general fund on liabilities side of **BALANCE SHEET**

## ⑤ SALE OF OLD ASSET

\* Receipts from sale of old asset appears in RECEIPTS AND PAYMENTS ACCOUNT.

\* treated as CAPITAL RECEIPT and shown in the BALANCE SHEET as deduction from the ASSET.

\* GAIN / LOSS on sale of asset is taken to

**INCOME AND EXPENDITURE A/C**

LOSS → DEBIT SIDE

GAIN → CREDIT SIDE

⑥

Sale of Periodicals\* items of recurring nature\* shown on receipt side of  
RECEIPT AND PAYMENT ACCOUNT\* Then income side of INCOME &  
EXPENDITURE ACCOUNT.

⑦

SALE OF SPORTS MATERIALS\* Sale of sports materials  
eg - old bats, balls, nets etc. is  
regular feature with any Sports Club.\* shown on receipt side of  
RECEIPT AND PAYMENT ACCOUNT.\* Then income side of INCOME &  
EXPENDITURE ACCOUNT.

⑧

HONORARIUM\* amount paid to person who is not  
the regular employe of institution.\* payment side of RECEIPTS AND  
PAYMENT ACCOUNT.\* EXPENDITURE SIDE OF INCOME &  
EXPENDITURE ACCOUNT. *Spiral*

## 9. ENDOWMENT FUND

Date.....

\* Fund arising from a bequest or gift, income of which is devoted for a specific purpose.

\* CAPITAL RECEIPT and shown on Liabilities side of the BALANCE SHEET, as an item of specific purpose fund.

## 10. GOVERNMENT GRANT

\* Schools, colleges, public hospitals etc depend upon govt. grant for their activities.

\* shown on Receipt side of RECEIPT AND PAYMENT ACCOUNT.

\* Recurring grants shown as revenue receipt and shown as an income in the INCOME & EXPENDITURE ACCOUNT.

\* Grants such as building grant are treated as CAPITAL RECEIPT and transferred to the BUILDING FUND ACCOUNT.