

**National Institute of Open Schooling (NIOS)
Senior Secondary**

Worksheet-20

L-20 FINANCIAL STATEMENTS (NOT FOR PROFIT ORGANISATION)

1. "Income and Expenditure Account is the summary of Incomes and Expenditures of a Not for Profit Organization (NPO) of a particular year". Explain this statement while elaborating the need of preparing Income and Expenditure Account.
2. Your friend wants to prepare the income and expenditure account for his organisation. Suggest him the steps to be followed for preparing a income and expenditure account.
3. Subscription received during the year 2020- Rs.35, 000. Subscription outstanding as on 31st December 2020- Rs. 1,500. Subscription received in the year 2019 on account of year 2020- Rs.1200. Subscription received in the year 2020 for outstanding amount of the year 2019- Rs 500 Subscription received in the year 2020 for the year 2021-Rs. 800. Calculate the amount of subscription received to be shown in the Income and Expenditure Account for the year adding 31st Dec, 2020.
4. Discuss the accounting treatment of rent paid in the Income and Expenditure Account.
5. Distinguish between Receipts and Payments A/c and Income and Expenditure A/c.
6. Rent of Rs. 25,000 has been paid in the current year Rs. 30,000 is still to be paid. Rs. 8,500 was outstanding last year. Calculate the amount to be written as Rent paid in the current year.
7. Elaborate the various points one should kept in mind while preparing Balance Sheet of a Not for Profit organisations (NPOs).
8. Information as on 31st December, 2020 of 'Save the Girl Child' an NGO is given as under:

Details	Rs.
Cash in hand	2,400
Cash at Bank	54,000

Books	1,500
Subscription	30,000
Furniture	16,700
Computer	21,000
Subscription outstanding	6,500
Fixed deposit with Bank	80,000
Subscription Received for 2021	1,000
Rent outstanding	5,500
Building fund	50,000
Prepare Balance Sheet.	

9. What will be the accounting treatment of subscription received in the books of NPOs?

10. Do you agree that all adjustments such as outstanding, prepaid etc. are incorporated before arriving at the surplus or deficit? Also, List the various items of income and expenditure of a Not for Profit Organisations (NPOs).