

Q(2)

The NSS club provides the following receipt & payment A/c for the year ending 31 dec 2007. prepare income and Expenditure A/c & Balance sheet as on 31-12-2007

Receipts	Amounts	Payments	Amounts
To opening balance	2,50,000	by telephone expenses	8,500
To Subscription 2006 - 10,000 2007 - 90,000 2008 - 6,000	1,06,000	by postage expenses	8,000
To Donation	1,20,000	by purc of book	35,000
To Sale proceeds	4,350	by Salaries	20,000
To hall rent	15,000	by entertain Expenses	16,750
To bank interest	25,000	by purc of national rentie	80,000
To admission fee.	20,000	by misc exp.	15,000
(10% to be Capitalized)	1,00,000	by closing balance	2,30,000
		Cash -	15,000
		bank	2,30,000
	4,18,250		4,18,250

The following additional information is also given by the club regarding outstanding exp. and income as on 31 dec 2007.

- 1- Salary/s - 15000; 2- misc exp o/s - 4,000
- 3- entertainment exp o/s - 8000, 4- bank int - 4500

Solution

Income & Expenditure A/c

31-Dec-2007

Expenditure	₹	Income	₹
To telephone Expense	8,500	by Subscription	90,000
To postage expense	8,000	by donation	20,000
To purchase of book	35,000	by Sale proceeds of waste material	4,750
To Salaries	20,000 20,000	by hall Rent	15,000
Adj: o/s + 15,000	35,000	by bank interest 2500 + (45000/5)	7,000
To entertainment Exp	16,750	by Admission fee of New mem (20,000 10%)	2,000
Adj: o/s + 8,000	10,750	Loss - 2,000	18,000
To Miscellaneous Exp	15,000		
Adj: o/s + 4,000	19,000		
To Surplus	69,500		
	1,54,750		1,54,750

Balance sheet

as 31-12-2007

Liabilities	₹	Assets	₹
Adm of New member	2,000	Purchase of book	35,000
o/s Salary	15,000	Purchase of National Certificate	80,000
o/s Miss Exp	4,000	Cash	15,000
o/s Entertainment	8,000	bank	2,30,000
		bank interest	7,000
			2,74,000

Capital fund			
bal	2,50,000		
	+ 10,000		
Surplus	+ 69,500	3,29,500	
Subscription		6,000	
A			
		3,64,500	3,64,500