



# Nalanda College – Colombo 10

## Unit Evaluation

Grade 11

Business & Accounting studies

Unit 06

### Not for profit organisation

#### Part I

01) Which of the following is an example for a not for profit organisation

- |                  |                                |
|------------------|--------------------------------|
| 1. Nimal stores  | 2. Red Cross organisation      |
| 3. Milco company | 4. Pharmaceuticals corporation |

02) When the income exceeds expenses in a not for profit organisation it is known as;

- |            |                 |               |            |
|------------|-----------------|---------------|------------|
| 1. Surplus | 2. Gross profit | 3. Net profit | 4. Deficit |
|------------|-----------------|---------------|------------|

03) No. Of members in united youth club was 120, and annual membership per member was Rs.200/-. Hundred members have paid their subscription for the year ending 31.03.2019. What is the amount to be recognised in receipt payment account for the year ending 31.03.2019?

- |              |              |              |             |
|--------------|--------------|--------------|-------------|
| 1. Rs.20 000 | 2. Rs.44 000 | 3. Rs.24 000 | 4. Rs.4 000 |
|--------------|--------------|--------------|-------------|

04) What is the amount to be recognised in the statement of financial position as subscription income for the year ending 31.03.2019?

- |             |             |              |              |
|-------------|-------------|--------------|--------------|
| 1 Rs.20 000 | 2. Rs.4 000 | 3. Rs.24 000 | 4. Rs.12 000 |
|-------------|-------------|--------------|--------------|

#### Part II

01) What are the sources of cash flows ( sources of income) of not for profit organisations?

02) Differentiate between receipt and payment account and income and expenditure account of a not for profit organisation.

03) Following transactions have been extracted from Thurusevana club for the year ending 31.12.2019

Donation received	Rs.25 000	Stationery expense	Rs.1 200
Administration Salaries	Rs.8 000	Payment of water bill	Rs. 550
Receipt from selling flags	Rs.2 000	Postal charges	Rs. 500
Receipt from selling magazines	Rs.15 000	Donation given	Rs. 3 500
Building maintenance expenses	Rs.8 000	Cash balance as at 01.01.2019	Rs.8 000

Additional information:

- No.of members was 100 and annual membership fee Rs.500. 10 members have not paid their subscription
- Pre paid electricity and accrued telephone charges were respectively Rs.400 and Rs.450
- Composition of Assets

	2019.12.31 (Rs)	2019.01.01(Rs)
Furniture	15 200	16 100
Equipments	18 500	20 500

Required :

- (a) Income statement for the year ending 31.12.2019
- (b) Receipt and payment account