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XII Acc

NPO

By: Rohin Gupta

(Q.1) Life membership fee received by a club are shown in _____

- (a) Balance sheet (b) Profit and Loss account
(c) Income and expenditure account (d) None of these

(Q.2) Receipts and payments account is a

- (a) Personal account (b) Nominal account
(c) Real Account (d) None

(Q.3) The receipts and payments accounts begin with

- (a) Debit Balance (b) Credit Balance
(c) No Balance (d) None of these

(Q.4) The following information is provided by a cultural club

Stock of sports goods Rs.20000

Purchase of sports goods Rs.8000

During the accounting period

Sports goods sold as scrap Rs.500

Closing balance Rs.30,000

Find amount to be charged to income & expenditure account

- (a) 69500 (b) 20000 (c) 20,500 (d) 80,000 (e)None

(Q.5) Sale of old material must be shown on the credit side of (if book value is not given)

- (a) Cash Book (b) Income and expenditure account
(c) Balance sheet (d) None

(Q.6) Opening balance sheet is prepared:

- (a) To ascertain the opening capital fund (b) To ascertain the Closing capital fund
(c) To ascertain the value of assets & liabilities (d) To calculate the opening cash & bank balance

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(Q.7) Receipts and payments accounts record receipts and payments of

- (a) Revenue nature only (b) Capital nature only
(c) Both capital and revenue nature (d) None of these

(Q.8) Which of the following is incorrect about income and expenditure account?

- (a) It is a nominal account (b) It has a opening balance
(c) Closing balance is shown by surplus or deficit
(d) It is prepared on the basis of accrual basis of accounting

(Q.9) Subscription for special purpose is to be

- (a) Capitalised (b) Shown as income in income and expenditure account
(c) Shown on asset side (d) None

(Q.10) Non trading institutions prepare

- (a) Income and expenditure account (b) Trading and profit - loss account
(c) Only trading account (d) None

(Q.11) Subscription received in advance by club is shown on the ____ side of balance sheet

- (a) Liabilities (b) Credit (c) Assets (d) None of these

(Q.12) Excess of income over expenditure is shown on the ____ side of income & expenditure account.

- (a) Credit (b) Debit (c) Upper (d) None

(Q.13) Income and expenditure account is prepared by ____ concerns.

- (a) Non Trading (b) Trading (c) Partnership (d) Sole proprietor

(Q.14) In a receipt and payment account the payments are recorded on which side?

- (a) Credit (b) Debit (c) Upper (d) None

(Q.15) On what basis of accounting is the income and expenditure account prepared?

- (a) Basic (b) Main (c) Cash (d) Mercantile or accrual

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(Q.16) Amount received towards endowment fund is:

- (a) Ordinary (b) Special (c) Revenue (d) Capital

(Q.17) Interest received on special fund investment will be added to _____ fund in balance sheet.

- (a) Investment fund (b) Bank fund (c) General (d) Special

(Q.18) If a receipt of Rs 200 from Rajesh has not been recorded in the books the profit would show

- (a) Increase of Rs 200 (b) Decrease of RS200
(c) Neither an increase nor a decrease (d) None of these

(Q.19) Subscription amounting to Rs.7500 appear on the credit side of Income & Expenditure account after adjusting subscriptions outstanding Rs.600 and subscripton received in advance Rs.450.The amount of subscription that will be shown in the receipts and payments account for the same year will be

- (a) Rs.6450 (b) Rs.7350 (c) Rs.7650 (d) Rs.8550 (e)None

(Q.20) While preparing income & expenditure account what points should be borne in mind?

- (a) Opening and closing balance of cash are not entered in income and expenditure account.
(b) Capital receipts and capital payments is not to be entered in the income & expenditure account.
(c) Only revenue receipts & payments relating to the period is entered in income and expenditure account whether they are paid or not and received or not.
(d) All the above

(Q.21) A debit balance in the income & expenditure account denotes excess of ___ over ___

- (a) Income, expenditure (b) Assets, liabilities
(c) Liabilities, assets (d) Expenditure, income

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(Q.22) Which of the following is the feature of receipts and payments account?

- (a) It is a summary of cash book.
- (b) It shows opening and closing balance of both cash and bank.
- (c) It records transaction of both capital and revenue nature.
- (d) All of the above

(Q.23) What do you mean by not-for-profit organizations?

- (a) Rendering services
- (b) Earning profits
- (c) Selling goods
- (d) Rehabilitating refugees

(Q.24) How many types of Aid are present?

- (a) General Aid
- (b) Special Aid
- (c) Both
- (d) None

(Q.25) Amount received as per the will of a deceased person are termed as

- (a) Gift
- (b) Legacy
- (c) Liability
- (d) All of the above

(Q.26) The balance of Income and Expenditure account is called

- (a) Excess
- (b) Surplus
- (c) More
- (d) Over balance

(Q.27) Extract of a Receipt and Payment Account for the year ended on March 31,2006:

Payments:

Stationery Rs.15,000

Additional information:

	April 1,2005	March 31,2006
Stock of Stationery	5,000	3,000
Creditors for Stationery	9,000	3000

- (a) 17,500
- (b) 18,000
- (c) 9,000
- (d) 19,500
- (e) None

(Q.28) Extract of a Receipt and Payment Account for the year ended on March 31,2006:

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Payments: Stationery Rs.25,000

Additional information:

	April 1,2005	March 31,2006
Stock of Stationery	5,000	3,000
Creditors for Stationery	9,000	3000

(a) 17,500 (b) 18,000 (c) 19,000 (d) 19,500 (e) None

(Q.29) Amount paid to the person who is not the regular employee of the institution

(a) Uranium (b) Honorarium (c) Payment (d) None

(Q.30) Donation is recorded on which side of the Income and Expenditure Account?

(a) Debited (b) Credited (c) No change (d) None

(Q.31) The owners fund of not-for-profit organisation is called

(a) Capital Fund (b) Current Fund (c) General fund (d) Special Fund

(Q.32) SENIOR Club operates a restaurant, which has earned a profit. The accountant of the club has prepared a restaurant Trading Account & has shown the profit in the Income and Expenditure Account. A member of the Governing Committee has an opinion that the expenditure & income should be shown separately and Trading Account should not be prepared. The management has referred it to you for your opinion. How do you propose to resolve the issue?

(Q.33) How will you treat 'sale of used Sports Materials?'

(Q.34) Give treatment for Entrance Fee.

(Q.35) Give treatment for Donation.

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(Q.36) Define Income and Expenditure Account.

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(Q.37) What do you mean by Fund income and Fund Expenditure?

(Q.38) What is the meaning of receipts and payments Accounts?

(Q.39) How will you define Payments of Honorarium ?

(Q.40) Extract of a Receipt and Payment Account for the year ended on March 31, 2006:

Payments: Stationery Rs.23,000

Additional information:

	April 1, 2005	March 31, 2006
Stock of Stationery	4,000	3,000
Creditors for Stationery	9,000	2,500

(Q.41) Define the meaning of 'Legacies'.

(Q.42) Miscellaneous expenses paid during the year ended March 31, 2007 amount to Rs 16,500. Information about prepaid and outstanding expenses is as under:

Prepaid expenses on March 31, 2006 1,500

Expenses paid on March 31, 2006 2,300

Expenses unpaid on March 31, 2007 2,500

Prepaid expenses on March 31, 2007 1,400

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Ascertain the expenses to be debited to the Income and Expenditure Account for the year ended March 31,2007.

(Q.43) Classify those items which appear in the Receipts and Payments Account but are not shown in the Income and expenditure Account.

(Q.44) How many types of aids are there and what is the accounting treatment for them?

(Q.45) How will you deal with the given items while preparing the final accounts of a club for the year ended on 31st March,2007:

Particulars	31.3.2006	31.3.2007
Outstanding Locker Rent	Rs.	Rs.
Advance Locker Rent	920	1,250
	600	800

Locker rent received during the year 2006-07Rs. 6,400

(Q.46) How many types of accounts are maintained by Not-for-Profit organizations?

(Q.47) Give the distinction between Not for Profit Organization & Profit Earning Organization.

(Q.48) From the information given below, draft receipts and Payments Account of Friends club, Delhi, for the year ended March 31, 2004:

Cash on April 1 2003 Rs. 3,600, Subscriptions Rs 37,600, donations Rs-8000, Entrance Fees Rs. 4,300, Rent Realized from club Hall Rs. 5,250, Electric charges Rs 3,440, Taxes Rs 500, Salaries and wages Rs. 21,500, Honorarium to secretary Rs 2,500, Interest Received on Investments Rs 2,950, Printing and Stationery Rs 350, Petty cash Payments, Rs 100, Insurance Premium Paid Rs.310

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(Q.49) Difference between Income & Expenditure account & Profit & Loss Account.

(Q.50) Following is the summary of cash transactions of Friends club for the year ended 31st March 2007. Prepare the Income and Expenditure Account for the year ended 31st March 2007 and also the Balance Sheet as on that date:

Receipts	Rs	Payments	Rs.
Cash in Hand (1 April)	14,130	Rent and Taxes	8,610
Entrance Fees	5,520	Salaries	9,400
Subscriptions	22,000	Electricity Charges	420
Donations	10,610	General Expenses	1,250
Interests	410	Books	3,120
Profit from Entertainment	820	Office Expenses	4,500
		Investments	14,000
		Cash at Bank	6,190
		Cash in Hand	6,000

At the beginning of the year the club had books worth Rs. 30,000 and Furniture worth Rs 5,800.

Subscriptions in Arrear on 1st April, 2006 were

Rs. 600 and 700 on 31st march, 2007. Rs 1,800 were due by way of rent in the beginning as well as at the end of the year. Write off Rs.500 march, 2007 Salaries, Rs1,500 and Electric charges Rs. 200 were outstanding.