

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

Worksheet-19

L-19 NOT FOR PROFIT ORGANISATION - AN INTRODUCTION

1. “Some organization aim is not to make profits but to provide service”. In connection to this statement explain the concept of not for profit organization. Also explains its characteristics.
2. How do you explain the difference between receipt and payment account and cash book to your friend?
3. Subscription of Rs 3,500 has been received for 2019 and Rs.500 for 2020. How much amount will be shown as subscription received in the Receipts & Payments Account for 2019?
4. State the purpose for preparing receipts and payment account?
5. What do you understand by subscription?
6. What will be the accounting treatment of sale of old newspapers/periodicals and sports material in the financial statements of NPO.
7. Explain the concept of donation and its types to your friend with the help of an example.
8. Mr. Deepak is a businessman and his firm deals with a large number of transactions businesses. He wants to prepare the receipts and payment account. Suggest him the steps to be followed for preparing a receipts and payment account.
9. From the information given below prepare Receipts and Payments A/c of ‘Education foundation’ a Non-Government organisation (NGO) for the year ended 31st December, 2020.

Details	Rs.
Cash in hand on 1st Jan, 2020	6,500
Entrance fees	2,400
Donations	25,000
Subscription	30,000

Electricity charges	1,700
Salaries	6,800
Honorarium to Secretary	6,500
Petty Cash Payments	1,300
Grant from the Government	55,000
Stationery	1,500

10. Discuss the treatment of consumable items in the Receipt & Payment Account.