

PENANG SANGAM HIGH SCHOOL

P. O BOX 44, RAKIRAKI

LESSON NOTES WEEK 8

SUBJECT: ACCOUNTING

YEAR/LEVEL: 12

Strand 4: ACCOUNTING REPORTS

Sub-strand 4.2: Non- Profit Organisations

Content Learning Outcome: Explore Non-profit organisations and their financial Reporting.

ACTIVITY: Income and Expenditure Statement

Refer to the notes and example provided in week 7 notes and solve the following questions.

1. Which of the following is to be recorded in an income and expenditure statement?

- A. Purchase of a fixed asset. B. Capital expenditure incurred on a fixed asset.
C. Profit on the sale of a fixed asset. D. Sale of a fixed asset. Activity

2. The extract of Financial Position of Yasawa Social Club as at 1st January, 2015 is given below: (*Ref: MOE Text Year 12 Accounting pg.131 Q.3*)

	\$
Cash at bank	680
Subscription in advance	100
Furniture	2 400
Debentures	140

Record of Receipts and Payments:

<u>Receipts for the year:</u>	\$
Subscription	2 680
Tournament fees	630
Sale of Furniture	200
Donations	240
<u>Payments:</u>	
Rent	750
Debentures repaid	100
Repairs	140
Stationery	60
Tournament prizes	270
New Equipment	420
Catering	820

Additional information as at 31/12/15:

1. Subscription in arrears \$220
2. Rent owing \$50
3. Depreciation on furniture and equipment \$200
4. Furniture was sold, had a book value of \$230

Required:

Prepare an Income and Expenditure statement of Yasawa Social Club for the year ended 31st December

We will discuss the activities in our later lessons so use the notes and illustrative example to prepare the relevant accounts.