

Q.1 From the information given below, prepare Receipts and Payments A/c of Railway Club for the year ended March 31st, 2019:

| | ₹ | | ₹ |
|---------------------------------|--------|----------------------------------|--------|
| Cash in Hand on 1st April, 2018 | 4,390 | Salaries | 21,500 |
| Subscription | 37,600 | Honorarium to Secretary | 2,500 |
| Donations | 8,000 | Interest Received on Investments | 2,950 |
| Entrance Fees | 4,300 | Printing and Stationery | 350 |
| Rent Received for Club Halls | 5,250 | Petty Cash Expenses | 900 |
| Electricity Charges | 3,440 | Insurance Premium Paid | 310 |
| Taxes paid | 490 | | |

The solution for this question is as follows:

| Dr. | Receipts and Payments A/c. as on March 31st, 2019 | | Cr. |
|-------------------------------------|---|----------------------------|---------------|
| Receipts | ₹ | Payments | ₹ |
| To balance b/d | 4,390 | By Electricity Charges | 3,440 |
| To Subscriptions | 37,600 | By Taxes Paid | 490 |
| To Donations | 8,000 | By Salaries | 21,500 |
| To Entrance Fees | 4,300 | By Honorarium to Secretary | 2,500 |
| To Rent Received for Club Halls | 5,250 | By Printing and Stationery | 350 |
| To Interest Received on Investments | 2,950 | By Petty Cash Expenses | 900 |
| | | By Insurance Premium Paid | 310 |
| | | By balance c/d | 33,000 |
| | | | |
| | 62,490 | | 62,490 |

Q.2 Bengal Cricket Club was inaugurated on 1st April, 2018. It had the following Receipts and Payments during the year ended March 31st, 2019:

Receipts: Entrance Fees ₹ 10,000; Subscriptions ₹ 60,000; Donations ₹ 10,000.

Payments: Rent ₹ 15,000; Postages ₹ 1,000; Newspapers and Magazines ₹ 8,000; Investments ₹ 30,000; Stationery ₹ 4,000; Entertainment Expenses ₹ 3,000; Miscellaneous Expenses ₹ 2,000.

Show the Receipts and Payments A/c for the year ended March 31st, 2019

The solution for this question is as follows:

| Dr. | Receipts and Payments A/c. as on March 31st, 2019 | | Cr. |
|------------------|---|--|---------------|
| Receipts | ₹ | Payments | ₹ |
| To Entrance Fees | 10,000 | By Rent | 15,000 |
| To Subscriptions | 60,000 | By Postages | 1,000 |
| To Donations | 10,000 | By Newspapers and Magazines | 8,000 |
| | | By Investments | 30,000 |
| | | By Stationery | 4,000 |
| | | By Entertainment Expenses | 3,000 |
| | | By Miscellaneous Expenses | 2,000 |
| | | By balance c/d (as on March 31st, 2019) | 17,000 |
| | | | |
| | 80,000 | | 80,000 |

Q.3 The following information were obtained from the books of Delhi Club as on March 31st, 2019 at the end of the first year of the Club. Prepare Receipts and Payment A/c for the year ending March 31st, 2019:

| Receipts | ₹ | Payments | ₹ |
|--|----------|---------------------------------|----------|
| Donation for Building and Library Room | 2,00,000 | Purchase of Land | 10,000 |
| Entrance Fees | 17,000 | Purchase of Furniture | 1,30,000 |
| Subscription | 19,000 | Salaries | 4,800 |
| Lockers Rent | 1,660 | Maintenance of Playgrounds | 1,000 |
| Refreshment Receipts | 16,000 | Rent | 8,000 |
| Government Grant | 25,000 | Refreshment Payments | 8,000 |
| | | Library Books | 25,000 |
| | | Purchase of 9% Government Bonds | 1,60,000 |
| | | Term Deposit with Bank | 15,000 |

The solution for this question is as follows:

| Dr. | Receipts and Payments A/c. as on March 31st, 2019 | | Cr. |
|---|---|-------------------------------|----------|
| Receipts | ₹ | Payments | ₹ |
| To Donation for Building and Library Room | 2,00,000 | By Purchase of Land | 10,000 |
| To Entrance Fees | 17,000 | By Purchase of Furniture | 1,30,000 |
| To Subscription | 19,000 | By Salaries | 4,800 |
| To Lockers Rent | 1,660 | By Maintenance of Playgrounds | 1,000 |
| To Refreshment Receipts | 16,000 | By Rent | 8,000 |
| To Government Grant | 25,000 | By Refreshment Payments | 8,000 |
| To balance c/d | 83,140 | By Library Books | 25,000 |

| | | | |
|--|-----------------|---|-----------------|
| | | By Purchase of 9% Government Bonds @ 9% | 1,60,000 |
| | | By Term Deposit with Bank | 15,000 |
| | | | |
| | 3,61,800 | | 3,61,800 |

Q.4 From the following information, prepare Receipts and Payments A/c of Long-town Sports Club for the year ending March 31st, 2019:

| Particulars | ₹ | Particulars | ₹ |
|-------------------------------|----------|-----------------------------|--------|
| Opening Balance: | | Charity Given | 10,000 |
| Cash in Hand | 50,000 | Match Expenses | 30,000 |
| Cash at bank | 60,000 | Salaries | 63,600 |
| <i>Subscription Received:</i> | | Honorarium | 4,000 |
| 2017-18 | 4,000 | 12% Investment Purchased | 60,000 |
| 2018-19 | 1,40,000 | Entrance Fees | 4,000 |
| 2019-20 | 8,000 | Interest on 12% Investments | 6,000 |
| Furniture Purchased | 70,000 | <i>Closing Balance:</i> | |
| General Donations | 20,000 | Cash in Hand | 24,000 |
| Donations for Tournament | 40,000 | Cash at Bank | ? |

The solution for this question is as follows:

| Dr. | Receipts and Payments A/c. as on March 31st, 2019 | | Cr. |
|--------------------------------|---|--------------------------------|-----------------|
| Receipts | ₹ | Payments | ₹ |
| To Opening Balance: | | By Charity Given | 10,000 |
| Cash in Hand | 50,000 | By Match Expenses | 30,000 |
| Cash at Bank | 60,000 | By Salaries | 63,600 |
| To Subscriptions Received: | | By Honorarium | 4,000 |
| 2017-18 | 4,000 | By 12% Investment Purchased | 60,000 |
| 2018-19 | 1,40,000 | By Furniture Purchased | 70,000 |
| 2019-20 | 8,000 | By Closing Balance | |
| To Entrance Fees | 4,000 | Cash in Hand | 24,000 |
| To General Donations | 20,000 | Cash at Bank (WN1) (Bal. Fig.) | 70,400 |
| To Donations for Tournament | 40,000 | | |
| To Interest on 12% Investments | 6,000 | | |
| | | | |
| | 3,32,000 | | 3,32,000 |

Working Notes: Closing balance Evaluation

Total Receipts = ₹ 3,32,000

Total Payments = ₹ 2,37,600

Cash in Hand = ₹ 24,000

Cash at Bank = Total Receipts – (Total Payments + Closing Balance of Cash)

= ₹ [3,32,000 – 2,61,600]

= ₹ 70,400

Question 5 From the following particulars of Evergreen club, prepare Receipts and payments A/c for the year ending March 31st, 2019:

| | ₹ | | ₹ |
|---------------------------------|-----------|----------------------------------|----------|
| Cash in Hand on 1st April, 2018 | 50,000 | Newspaper and Magazines | 87,000 |
| Cash at Bank on 1st April, 2018 | 3,40,000 | Sale of Old Newspaper | 12,000 |
| Subscriptions Received | 15,70,000 | Books Purchased | 3,40,000 |
| Donations Received | 2,80,000 | Sports Materials Purchased | 4,70,000 |
| Investments purchased | 5,00,000 | Interest on Investments Received | 50,000 |
| Rent paid | 50,000 | Honorarium to coaches | 1,50,000 |
| General Expenses | 2,30,000 | Cash in Hand on March 31st, 2019 | 30,000 |
| Postage and stationery | 25,000 | Cash at Bank on March 31st, 2019 | ? |

The solution for this question is as follows:

| Receipts and Payments A/c as on March 31st, 2019 | | | | |
|---|----------|-----------|---------------------------|----------|
| Dr. | | | | Cr. |
| Receipts | | ₹ | Payments | ₹ |
| Balance b/d | | | Investments Purchased | 5,00,000 |
| Cash in Hand | 50,000 | | Rent Paid | 50,000 |
| Cash at Bank | 3,40,000 | 3,90,000 | General Expenses | 2,30,000 |
| Subscription Received | | 15,70,000 | Postage and Stationery | 25,000 |
| Donation Received | | 2,80,000 | Newspapers and Magazines | 87,000 |
| Sale of Old Newspapers | | 12,000 | Books Purchased | 3,40,000 |
| Interest on Investments Received | | 50,000 | Sports Material Purchased | 4,70,000 |
| | | | Honorarium to Coacher | 1,50,000 |
| | | | Balance c/d | |

| | | | | |
|--|------------------|--|---------|------------------|
| | | Cash in Hand | 30000 | |
| | | Cash at Bank (<i>Balancing Figure</i>) | 4,20000 | 4,50,000 |
| | 23,02,000 | | | 23,02,000 |

Q.6 How are the following items shown in the accounts of a Not-for-Profit Organisation?

| | |
|--------------------------|--------|
| | ₹ |
| Tournament Fund | 50,000 |
| Tournament Expenses | 15,000 |
| Receipts from Tournament | 20,000 |

The solution for this question is as follows:

| Balance Sheet | | | | |
|----------------------------------|----------|----------|---------------|----------|
| Liabilities | | ₹ | Assets | ₹ |
| Tournament Found | 50,000 | | | |
| <i>Add:</i> Tournament Receipts | 20,000 | | | |
| <i>Less:</i> Tournament Expenses | (15,000) | 55,000 | | |
| | | | | |

Q.7 How are the following dealt with in the accounts of a Not-for-Profit Organisation?

| Case I | Dr. ₹ | Cr. ₹ | Case II | Dr. ₹ | Cr. ₹ |
|----------------|--------|--------|---------------------------|--------|----------|
| Prize Fund | 12,000 | 50,000 | Match Fund | 35,000 | 1,00,000 |
| Prizes Paid | 15,000 | | Match Expenses | 60,000 | 3,000 |
| Match Expenses | | | Investments of Match Fund | 19,000 | |
| | | | Interest on Match Fund | | |
| | | | Investments | | |
| | | | Prizes Paid | | |

The solution for this question is as follows:

Case 1

| Balance Sheet | | | |
|------------------|--|----------|--------|
| Liabilities | | ₹ | Assets |
| Prize Fund | | 50,000 | |
| Less: Prize Paid | | (12,000) | |
| | | 38,000 | |

Note: Here, ₹15,000 match expenses will not be deducted from the prize fund as it is kept for the prizes. But, ₹15,000 match expenses will be debited to the Income and Expenditure Account as no particular fund is kept for such expenses.

Case 2

| Balance Sheet | | | |
|---|--|----------|------------------------|
| Liabilities | | ₹ | Assets |
| Match Fund | | 1,00,000 | Match Fund Investments |
| Less: Match Expenses | | (35,000) | |
| Add: Interest on Match Fund Investments | | 3,000 | |
| | | 68,000 | |

Note: Here, ₹19,000 prizes amount will not be deducted from the match fund as it is kept for the expenses relating to the Match. But, ₹19,000 prize amount will be debited to the Income and Expenditure Account as no particular fund is kept for distribution of prizes. Similarly, the Match Fund Investments interest will be added to the Match Fund as the income is linked to this particular fund.

Q.8 How are the following dealt with while preparing the final accounts of a club?

| Particulars | Dr. (₹) | Cr. (₹) |
|------------------------------------|---------|---------|
| Match Fund | | 80,000 |
| Match Fund Investments | 72,000 | |
| Match Fund Bank Balance | 3,500 | |
| Interest on Match Fund Investments | | 2,880 |
| Match Expenses | 5,500 | |

The solution for this question is as follows:

| Balance Sheet as at March 31st, 2019 | | | |
|---|----------|-------------------------|----------|
| Liabilities | ₹ | Assets | ₹ |
| Match Fund | 80,000 | Match Fund Investment | 72,000 |
| <i>Add:</i> Interest on Match Fund Investment | 2,880 | Match Fund Bank Balance | 3,500 |
| <i>Less:</i> Match Expenses | (5,500) | | |
| | 77,380 | | |
| | | | |

Q.9 From the following information of a club show the amounts of match expenses and match fund in the appropriate Financial Statements of the club for the year ended on 31st March, 2019:

| Particulars | ₹ |
|---|----------|
| Match expenses paid during the year ended 31st March, 2019 | 1,02,000 |
| Match Fund as on 31st March, 2019 | 24,000 |
| Donation for Match Fund (Received during the year ended 31st March, 2019) | 40,000 |
| Proceeds from the sale of match tickets (Received during the year ended 31st March, 2019) | 15,000 |
| | |

The solution for this question is as follows:

| Balance Sheet as at March 31st, 2019 | | | | |
|---|----------|----------|---------------|----------|
| Liabilities | | ₹ | Assets | ₹ |
| Match Fund | 24,000 | | | |
| <i>Add:</i> Donation for Match Fund | 40,000 | | | |
| <i>Add:</i> Proceed from Sale of Tickets | 15,000 | | | |
| <i>Less:</i> Match Expenses (<i>Note</i>) | (79,000) | NIL | | |
| | | | | |
| | | | | |

| Dr. | Income and Expenditure A/c as on March 31st, 2019 | | | | Cr. |
|--------------------------------|--|---------------|----------|--|-----|
| Expenditure | ₹ | Income | ₹ | | |
| Match Expenses (<i>Note</i>) | 23,000 | | | | |
| | | | | | |

Note: ₹1,02,000 is a total Match expenses, however, the available amount is ₹ 79,000 (i.e. ₹ 24,000 + ₹ 40,000 + ₹15,000). This indicates that only ₹ 79,000 is accessible through the fund while ₹ 23,000 (i.e. ₹ 1,02,000 – ₹ 79,000) the remaining amount is debited to the Income and Expenditure Account.

Q.10 Show how are the following items were dealt with while preparing the final accounts for the year ended 31st March, 2019 of a Not-for-profit Organisation:

Case I

Expenditure on construction of the Pavilion is ₹ 6,00,000. The construction work is in progress and has not yet been completed. Capital Fund as of 31st March, 2018 is ₹ 20,00,000.

Case II

Expenditure on construction of the Pavilion is ₹ 6,00,000. The construction work is in progress and has not yet been completed. Pavilion Fund as of 31st March, 2018 is ₹ 10,00,000 and Capital Fund as at 31st March, 2018 is ₹ 20,00,000.

Case III

Expenditure on construction of the Pavilion is ₹ 6,00,000. The construction work is in progress and has not yet been completed. Pavilion Fund as of 31st March, 2018 is ₹ 10,00,000, and Capital Fund as at 31st March, 2018 is ₹ 20,00,000. Donation Received for the Pavilion on 1st January, 2019 is ₹ 5,00,000.

The solution for this question is as follows:

Case 1

| Balance Sheet as on March 31st, 2019 | | | |
|---|-----------|---------------------------|----------|
| Liabilities | ₹ | Assets | ₹ |
| Capital Fund | 20,00,000 | Pavilion Work-in-Progress | 6,00,000 |
| | | | |

Case 2

| Balance Sheet as on March 31st, 2019 | | | | |
|---|------------|-----------|---------------------------|----------|
| Liabilities | | ₹ | Assets | ₹ |
| Pavilion Fund | 10,00,000 | | Pavilion Work-in-Progress | 6,00,000 |
| Less: Expenditure on Construction of Pavilion | (6,00,000) | 4,00,000 | | |
| Capital Fund | 20,00,000 | | | |
| Add: Pavilion Work-in-Progress | 6,00,000 | 26,00,000 | | |
| | | | | |

Case 3

| Balance Sheet as on March 31st, 2019 | | | | | |
|---|------------|-----------|---------------------------|--|----------|
| Liabilities | | ₹ | Assets | | ₹ |
| Pavilion Fund | 10,00,000 | | | | |
| Add: Donation | 5,00,000 | | Pavilion Work-in-Progress | | 6,00,000 |
| Less: Expenditure on Construction of Pavilion | (6,00,000) | 9,00,000 | | | |
| Capital Fund | 20,00,000 | | | | |
| Add: Pavilion Work-in-Progress | 6,00,000 | 26,00,000 | | | |
| | | | | | |

Q.11 How is Entrance Fees dealt with while preparing the final accounts for the year ended 31st March, 2019 in each of the following alternative cases?

Case I During the year ended 31st March, 2019, Entrance Fees received was ₹ 1,00,000.

Case II During the year ended 31st March, 2019, Entrance Fees received was ₹ 1,00,000. Out of this, ₹ 25,000 was received from individuals whose membership is not yet approved.

The solution for this question is as follows:

Case 1

| Income and Expenditure A/c as on March 31, 2019 | | | | |
|---|---|---------------|---|----------|
| Dr. | | | | Cr. |
| Expenditure | ₹ | Income | ₹ | |
| | | Entrance Fees | | 1,00,000 |
| | | | | |

Case 2

| Income and Expenditure A/c as on March 31, 2019 | | | |
|---|---|---------------------|--------|
| Dr. | | | Cr. |
| Expenditure | ₹ | Income | ₹ |
| | | Entrance Fees | 75,000 |
| | | (1,00,000 – 25,000) | |

Q.12 In the year ended 31st March, 2019, subscriptions received by the Jaipur Literary Society were ₹ 4,20,000. These subscriptions include ₹ 14,000 received for the year ended 31st March, 2018. On 31st March, 2019, subscriptions due but not received were ₹ 10,000. What amount should be credited to Income and Expenditure Account for the year ended 31st March, 2019 as subscription?

The solution for this question is as follows:

| Income and Expenditure A/c as on <i>March 31st, 2019</i> | | | |
|--|---|--------------------------------------|----------|
| Dr. | | | Cr. |
| Expenditure | ₹ | Income | ₹ |
| | | Subscription | 4,20,000 |
| | | <i>Less: Outstanding for 2017-18</i> | 14,000 |
| | | <i>Add: Outstanding for 218-19</i> | 10,000 |
| | | | 4,16,000 |

Q. 13

| | | |
|--|--------|--------|
| Subscriptions received during the year ended 31st March, 2019 are: | ₹ | ₹ |
| For the year ended 31st March, 2018 | 1,600 | |
| For the year ended 31st March, 2019 | 84,400 | |
| For the year ended 31st March, 2020 | 3,200 | 89,200 |

There are 450 members, each paying an annual subscription of ₹ 200; ₹ 1,800 were in arrears for the year ended 31st March, 2018.

Calculate amount of subscriptions to be credited to Income and Expenditure Account for the year ended 31st March, 2019.

The solution for this question is as follows:

| | | | |
|--|----------|-----------------------------|------------|
| Income and Expenditure A/c as on ended March 31st, 2019 | | | |
| Dr. | | | Cr. |
| Expenditure | ₹ | Income | ₹ |
| | | Subscription | |
| | | (450 Members × Rs 200 each) | 90,000 |
| | | | |

Q.14 In the year ended 31st March, 2019, subscriptions received by Kings Club, Delhi were ₹ 4,09,000 including ₹ 5,000 for the year ended 31st March, 2018 and ₹ 10,000 for the year ended 31st March, 2020. At the end of the year ended 31st March, 2019, subscriptions outstanding for the year ended 31st March, 2019 were ₹ 15,000. The subscriptions due but not received at the end of the previous year, *i.e.*, 31st March, 2018 were ₹ 8,000, while subscriptions received in advance on the same date were ₹ 18,000.

Calculate amount of subscriptions to be credited to Income and Expenditure Account for the year ended 31st March, 2019.

The solution for this question is as follows:

| Subscription as on March 31st, 2019 | |
|---|----------|
| Particulars | ₹ |
| Received subscription for the year 2018-19 | 4,09,000 |
| <i>Add:</i> Outstanding subscription for 2018-19 (present year) | 15,000 |
| <i>Less:</i> Received subscription for 2017-18 (Previous year) | (5,000) |
| <i>Add:</i> Received advanced subscription in 2017-18 (Previous year) | 18,000 |
| <i>Less:</i> Received advanced subscription for 2019-20 (Next year) | 10,000) |
| Credited subscription to Income and Expenditure Account | 4,27,000 |
| | |

Q.15 From the following information, calculate amount of subscriptions to be credited to the Income and Expenditure Account for the year ended 31st March, 2019:

| | | ₹ |
|------------------|-----------------------------------|----------|
| 1st April, 2018 | Subscriptions in Arrears | 50,000 |
| | Subscriptions Received in Advance | 30,000 |
| 31st March, 2019 | Subscriptions in Arrears | 25,000 |
| | Subscriptions Received in Advance | 70,000 |

Subscriptions received during the year ended 31st March, 2019 – ₹ 3,00,000

Subscription still in arrears for the year 2017 – 18 – ₹ 10,000.

The solution for this question is as follows:

| Particulars | ₹ |
|---|-----------------|
| Subscription received for the year 2018-19 | 3,00,000 |
| <i>Less:</i> Subscription-in-Arrears for the year 2017-18 | 50,000 |
| <i>Add:</i> Subscription-in-Arrears for the year 2018-19 | 25,000 |
| <i>Add:</i> Subscription-in Advance for the year 2018-19 | 30,000 |
| <i>Less:</i> Subscription-in Advance for the year 2019-20 | 70,000 |
| Credited subscription to Income and Expenditure Account | 2,35,000 |

Q.16 Calculate amount of subscriptions which will be treated as income for the year ended 31st March, 2019 for each of the following cases:

| | Particulars | ₹ |
|-----------|--|-----------------------------------|
| Case I. | (i) Subscriptions collected during the year ended 31st March, 2019 (ii) Subscriptions in arrears for the year ended 31st March, 2019 (iii) Subscriptions received in advance for the year ended 31st March, 2020 | 2,50,000 6,000 5,000 |
| Case II. | (i) Subscriptions collected during the year ended 31st March, 2019 (ii) Subscriptions for the year ended 31st March, 2019 collected in the year ended 31st March, 2018 (iii) Subscriptions unpaid for the year ended 31st March, 2019 | 49,000 3,000 2,000 |
| Case III. | (i) Subscriptions received during the year ended 31st March, 2019 (ii) Subscriptions outstanding in the beginning of the year ended 31st March, 2019 (iii) Subscriptions not yet collected for the year ended 31st March, 2019 | 25,000 3,000 5,000 |
| Case IV. | (i) Subscriptions received during the year ended 31st March, 2019 (ii) Subscriptions outstanding in the beginning of the year ended 31st March, 2019 (iii) Subscriptions not yet collected for the year ended 31st March, 2019 (iv) Subscriptions received in advance for the year ended 31st March, 2020 | 80,000 5,000 8,000 2,000 |
| Case V. | (i) Subscriptions received during the year ended 31st March, 2019 (ii) Subscriptions outstanding at the end of the year ended 31st March, 2018 (iii) Subscriptions received in advance on 31st March, 2018 | 90,000 5,000 3,000 |

| | | |
|--|---|-------|
| | (iv) Subscriptions received in advance on 31st March, 2019 | 4,000 |
| | (v) Subscriptions not yet collected for the year ended 31st March, 2019 | 6,000 |

The solution for this question is as follows:

Case 1

| Subscription statement as on March 31st, 2019 | |
|--|----------|
| Particulars | ₹ |
| Collected subscriptions in the year 2018-19 | 2,50,000 |
| <i>Add:</i> Subscriptions-in-arrears for the year 2018-19 | 6,000 |
| <i>Less:</i> Received advance subscriptions for the year 2019-20 | (5,000) |
| Subscriptions Income for the year 2018-19 | 2,51,000 |
| | |

Case 2

| Subscription statement as on March 31st, 2019 | |
|---|----------|
| Particulars | ₹ |
| Collected subscriptions in the year 2018-19 | 49,000 |
| <i>Add:</i> Collected subscriptions for the year 2018-19 in 2017-18 | 3,000 |
| <i>Add:</i> Unpaid subscriptions for the year 2018-19 | 2,000 |
| Subscriptions Income for the year 2018-19 | 54,000 |
| | |

Case 3

| Subscription statement as on March 31st, 2019 | |
|--|----------|
| Particulars | ₹ |
| Received subscriptions for the year 2018-19 | 25,000 |
| <i>Less:</i> Outstanding subscriptions in the starting of the year 2018-19 | (3,000) |
| <i>Add:</i> Subscriptions not collected for the year 2018-19 | 5,000 |
| Subscriptions Income for the year 2018-19 | 27,000 |
| | |

Case 4

| Subscription statement as on March 31st, 2019 | |
|--|----------|
| Particulars | ₹ |
| Received subscriptions for the year 2018-19 | 80,000 |
| <i>Less:</i> Outstanding subscriptions in the starting of the year 2018-19 | (5,000) |
| <i>Add:</i> Subscriptions not collected yet for the year 2018-19 | 8,000 |
| <i>Less:</i> Received advance subscriptions for the year 2019-20 | (2,000) |
| Subscriptions Income for the year 2018-19 | 81,000 |
| | |

Case 5

| Subscription statement as on March 31st, 2019 | |
|---|----------|
| Particulars | ₹ |
| Received subscriptions for the year 2018-19 | 90,000 |
| <i>Less:</i> Outstanding subscriptions at the year end 2017-18 | (5,000) |
| <i>Add:</i> Received advance subscriptions on March 31st, 2018 | 3,000 |
| <i>Less:</i> Received advance subscriptions on March 31st, 2019 | (4,000) |

| | |
|--|--------|
| <i>Add:</i> Subscriptions not collected yet for the year 2018-19 | 6,000 |
| Subscriptions Income for the year 2018-19 | 90,000 |
| | |

Q.17 From the following particulars, calculate amount of subscriptions to be credited to the Income and Expenditure Account for the year ended 31st March, 2019:

| | ₹ |
|--|--------|
| (a) Subscriptions in arrears on 31st March, 2018 | 500 |
| (b) Subscriptions received in advance on 31st March, 2018 for the year ended on 31st March, 2019 | 1,100 |
| (c) Total Subscriptions received during the year ended 31st March, 2019 (including ₹ 400 for the year ended 31st March, 2018, ₹ 1,200 for the year ended 31st March, 2020 and ₹ 300 for the year ended 31st March, 2021) | 35,400 |
| (d) Subscriptions outstanding for year ended 31st March, 2019 | 400 |

The solution for this question is as follows:

| Subscription statement as on March 31st, 2019 | |
|---|----------|
| Particulars | ₹ |
| Subscriptions received during 2018-19 | 35,400 |
| <i>Less:</i> Received subscriptions-in-arrears for the year 2017-18 | (400) |
| <i>Less:</i> Received-in-advance subscriptions for the year 2019-20 | (1,200) |
| <i>Less:</i> Received-in-advance subscriptions for the year 2017-18 | (300) |
| <i>Add:</i> Outstanding subscriptions for the year 2018-19 | 400 |
| <i>Add:</i> Received subscriptions in the year 2017-18 for 2018-19 | 1,100 |
| Credited subscriptions to Income and Expenditure Account | 35,000 |
| | |

Q.18 How are the following items of subscriptions shown in the Income and Expenditure Account for the year ended 31st March, 2019 and Balance Sheets as at 31st March, 2018 and 2019?

| | ₹ |
|---|----------|
| Subscriptions received during the year ended 31st March, 2019 | 3,58,500 |
| Subscriptions outstanding on 31st March, 2018 | 30,000 |
| Subscriptions received in Advance on 31st March, 2018 | 22,500 |
| Subscriptions received in Advance on 31st March, 2019 | 13,500 |
| Subscriptions outstanding on 31st March, 2019 | 37,500 |

(including ₹ 12,500 for the year ended 31st March, 2018)

The solution for this question is as follows:

| Income and Expenditure Account as on March 31, 2019 | | | | | |
|--|---|--|----------|--|----------|
| Dr. | | | | | Cr. |
| Expenditure | ₹ | Income | | | ₹ |
| | | Subscriptions | 3,58,500 | | |
| | | <i>Add:</i> Outstanding subscription at the end | 37,500 | | |
| | | <i>Add:</i> Advance subscription in the beginning | 22,500 | | |
| | | <i>Less:</i> Outstanding subscription in the beginning | 30,000 | | |
| | | <i>Less:</i> Advance subscription at the end | 13,500 | | 3,75,000 |
| | | | | | |
| | | | | | |

| Balance Sheet as on March 31, 2018 | | | |
|------------------------------------|-------|---------------------------|-------|
| Liabilities | ₹ | Assets | ₹ |
| Subscription received in Advance | 2,250 | Subscriptions Outstanding | 3,000 |

| Balance Sheet as on March 31, 2019 | | | |
|------------------------------------|-------|---------------------------|-------|
| Liabilities | ₹ | Assets | ₹ |
| Received advance subscription | 1,350 | Outstanding subscriptions | 3,750 |

Q.19 From the following information, calculate amount of subscriptions outstanding for the year ended 31st March, 2019:

A club has 200 members each paying an annual subscription of ₹ 1,000. The Receipts and Payments Account for the year showed a sum of ₹ 2,05,000 received as subscriptions. The following additional information is provided:

| | ₹ |
|---|--------|
| Subscriptions Outstanding on 31st March, 2018 | 30,000 |
| Subscriptions Received in Advance on 31st March, 2019 | 40,000 |
| Subscriptions Received in Advance on 31st March, 2018 | 14,000 |

The solution for this question is as follows:

| Dr. | Subscriptions A/c as on 31st March, 2019 | | Cr. |
|--|--|---|-----------------|
| Particulars | ₹ | Particulars | ₹ |
| Income & Expenditure (200 members × ₹ 100 each) | 2,00,000 | Bank (Received subscriptions) | 2,05,000 |
| In the beginning, outstanding Subscriptions | 30,000 | Received advance subscriptions | 14,000 |
| Received subscription in advance | 40,000 | At the end, outstanding subscriptions (<i>Balancing Figure</i>) | 51,000 |
| | 2,70,000 | | 2,70,000 |

Q.20 From the following information, prepare Subscription Account for the year ending 31st March, 2019:

| Particulars | 31st March, 2018 ₹ | 31st March, 2019 ₹ |
|-------------------------|-----------------------|-----------------------|
| Subscription in Arrears | 20,000 | 18,000 |
| Subscription in Advance | 13,000 | 11,000 |

In the year ending 31st March, 2019, subscription received were ₹ 2,10,000 (including ₹ 6,000 of arrears from previous year) and subscription arrears of previous year were written off ₹ 4,000.

The solution for this question is as follows:

| Dr. | Subscriptions A/c as on 31st March, 2019 | | | | Cr. |
|----------|--|-----------------|----------|--|-----------------|
| Date | Particulars | ₹ | Date | Particulars | ₹ |
| 2018 | | | 2018 | | |
| April 1 | To Outstanding Subscriptions A/c | 20,000 | April 1 | By Advance received subscriptions A/c | 13,000 |
| 2019 | | | 2019 | | |
| March 31 | To Advance received subscriptions e A/c | 11,000 | March 31 | By Subscriptions written off (Inc. & Exp. A/c) | 4,000 |
| March 31 | To Income & Expenditure A/c (Bal. Fig.) | 2,14,000 | March 31 | By Bank A/c | 2,10,000 |
| | | | March 31 | By Outstanding Subscriptions A/c | 18,000 |
| | | 2,45,000 | | | 2,45,000 |

Q.21 On the basis of information given below, calculate the amount of medicines to be debited to the Income and Expenditure Account of Good Health Hospital for the year ended 31st March, 2019:

| Particulars | 1st April, 2018 ₹ | 31st March, 2019 ₹ |
|-------------------------|----------------------|-----------------------|
| Stock of Medicines | 1,75,750 | 1,44,650 |
| Creditors for Medicines | 15,06,900 | 18,20,700 |

Medicines purchased during the year ended 31st March, 2019 were ₹ 60,80,700.

The solution for this question is as follows:

| Medicine Consumed statement as on 31st March, 2019 | |
|---|------------|
| Particulars | ₹ |
| Purchased medicine for the year 2018-19 | 60,80,700 |
| <i>Add:</i> Beginning stock as on April 1st, 2018 | 1,75,750 |
| <i>Less:</i> End Stock as on March 31st, 2019 | (1,44,650) |
| Debited medicine to Income and Expenditure Account | 61,11,800 |

Q.22

| | |
|--|----------|
| Calculate amount of medicines consumed during the year ended 31st March, 2019: | ₹ |
| Opening Stock of Medicines | 1,00,000 |
| Opening Creditors for Medicines | 90,000 |
| Cash purchases of Medicines during the year | 3,00,000 |
| Closing Stock of Medicines | 1,50,000 |
| Closing Creditors for Medicines | 1,30,000 |

The solution for this question is as follows:

| Medicine Consumed statement as on 31st March, 2019 | |
|---|----------|
| Particulars | ₹ |
| Medicine purchases in cash during the year 2018-19 | 3,00,000 |
| <i>Add:</i> Medicines Opening Stock | 1,00,000 |
| <i>Less:</i> Medicines Closing Stock | 1,50,000 |
| <i>Add:</i> Closing Creditors of Medicines | 1,30,000 |
| <i>Less:</i> Opening Creditors of Medicines | 90,000 |
| Medicines Consumed in the year 2018-19 | 2,90,000 |

Q. 23 Calculate amount to be posted to the Income and Expenditure Account for the year ended 31st March, 2019:

| | | |
|-------|--|-------|
| (i) | Amount paid for stationery during the year ended 31st March, 2019 – ₹5,400; Stock of Stationery in Hand on 31st March, 2019 – ₹ 250. | |
| (ii) | Stock of Stationery in Hand on 1st April, 2018 – ₹ 1,500; Payment made for Stationery during the year ended 31st March, 2019 – ₹ 5,400; Stock of Stationery in Hand on 31st March, 2019 – ₹ 250. | |
| | | ₹ |
| (iii) | Stock of Stationery on 1st April, 2018 | 1,500 |
| | Creditors for Stationery on 1st April, 2018 | 1,000 |
| | Amount paid for Stationery during the year | 5,400 |
| | Stock of Stationery on 31st March, 2019 | 250 |

The solution for this question is as follows:

(i)

| Stationery Consumed as on March 31st, 2019 | |
|--|----------|
| Particulars | ₹ |
| Paid stationery amount as on 31st March, 2019 | 5,400 |
| <i>Less:</i> Closing Stock as on March 31st, 2019 | 250 |
| Stationery amount to be posted to Income and Expenditure Account | 5,150 |

(ii)

| Stationery Consumed as on March 31st, 2019 | |
|--|----------|
| Particulars | ₹ |
| Stationery payment as on 31st March, 2019 | 5,400 |
| <i>Add:</i> Stock opening as on April 1st, 2018 | 1,500 |
| <i>Less:</i> Stock Closing as on March 31st, 2019 | 250 |
| Stationery amount to be recorded to Income and Expenditure Account | 6,650 |

(iii)

| Stationery Consumed as on March 31st, 2019 | |
|---|----------|
| Particulars | ₹ |
| Paid stationery amount as on 31st March, 2019 | 5,400 |
| <i>Add:</i> Stock opening as on April 1st, 2018 | 1,500 |
| <i>Less:</i> Stock Closing as on March 31st, 2019 | 250 |
| <i>Less:</i> Creditors for Stationery at the starting (i.e April 1st, 2018) | 1,000 |
| Stationery amount to be recorded to Income and Expenditure Account | 5,650 |

Q.24 On the basis of the following information, calculate amount that will appear against the term 'Stationery Used' in the Income and Expenditure Account for the year ended 31st March, 2019:

| | ₹ |
|---|----------|
| Stock of Stationery as at 1st April, 2018 | 12,000 |
| Creditors for Stationery as at 1st April, 2018 | 25,600 |
| Amount paid for Stationery during the year ended 31st March, 2019 | 1,40,000 |
| Stock of Stationery as at 31st March, 2019 | 23,200 |
| Creditors for Stationery as at 31st March, 2019 | 24,000 |

The solution for this question is as follows:

| Stationery Consumed as on March 31st, 2019 | |
|--|----------|
| Particulars | ₹ |
| Paid stationery amount for the year 2018-19 | 1,40,000 |
| <i>Add:</i> Stock opening as on April 1st, 2018 | 12,000 |
| <i>Less:</i> Stock Closing as on March 31st, 2019 | (23,200) |
| <i>Add:</i> Creditors at the end (i.e. March 31st, 2019) | 24,000 |
| <i>Less:</i> Creditors in the beginning (i.e. April 1st, 2018) | (25,600) |
| Stationery amount to be recorded to Income and Expenditure Account | 1,27,200 |

Q.25 Calculate the amount that will be posted to the Income and Expenditure Account for the year ended March 31st, 2019:

| | ₹ |
|--|----------|
| Stock of Stationery as at 1st April, 2018 | 30,000 |
| Creditors for Stationery on 1st April, 2018 | 20,000 |
| Advance paid for stationery carried forward from the year ended 31st March, 2018 | 2,000 |
| Amount paid for the stationary during the year ended 31st March, 2019 | 1,08,000 |
| Stock of stationery on 31st March, 2019 | 5,000 |
| Creditors for stationery on 31st March, 2019 | 13,000 |
| Advance paid for stationery on 31st March, 2019 | 3,000 |

The solution for this question is as follows:

| Stationery Consumed as on March 31st, 2019 | |
|--|----------|
| Particulars | ₹ |
| Paid stationery amount for year 2018-19 | 1,08,000 |
| <i>Add:</i> Stock opening as on April 1st, 2018 | 30,000 |
| <i>Less:</i> Stock Closing as on March 31st, 2019 | 5,000 |
| <i>Less:</i> Creditors in the beginning (i.e. April 1st, 2018) | 20,000 |
| <i>Add:</i> Creditors at the end (i.e. March 31st, 2019) | 13,000 |
| <i>Add:</i> Advance at the starting (i.e. April 1st, 2018) | 2,000 |
| <i>Less:</i> Advance at the end (i.e. March 31st, 2019) | 3,000 |
| Stationery amount to be recorded to Income and Expenditure Account | 1,25,000 |
| | |