

Conceptual point.

① Expense →

total payments (R & P)		xxx
(+) O/S expense at end		xx
(+) prepaid expense at beginning		x
(-) O/S expense at beginning		xx
(-) prepaid at end.		xx
		xxxx

Expense (I & E)
Dr.

② Income or Subscription Income →

Total receipts (R & P)		xxx
(+) O/S due subscription at end		xx
(+) Adv. subscription at beginning		xx
(-) O/S subscription at beginning		xx
(-) Adv. subscription at end		xx
		xxxx

Subscription Income
(I & E Cr.)

no. of members X fees per member



newspaper etc.

vii) Sale of old fixed ~~assets~~:

Revenue receipt

Dr. in R & P A/c
Cr. in I & E A/c

viii) Sale of old fixed assets.

Capital Receipt

Dr. in R & P A/c
Assets (-)

[When sale a asset there may be a gain or loss, that is transferred to I & E A/c]

③ Consumed ~~General~~ part of stock →

Opening stock
 Total purchase [(+) Cash purchase
 (+) Credit purchase
 (-) sale of stock (Book value)
 (-) closing stock

consumed part.
 (I & E. Dr)

xxx
xxx
xxx
(xxx)
xxx
xxx
xxx

④ Credit purchase →

opening balance
 (+) payment to creditors (R & P)
 (+) closing creditor balance
 (-) closing adv. balance
 (-) opening creditor balance

Credit purchase

xxx
xx
xx
xx
xx
xx
xxx
xxx

⑤ Items and their treatment →

- i) General donation : Revenue Receipt $\left\{ \begin{array}{l} \text{Dr. in R \& P A/c} \\ \text{Cr. in I \& E A/c} \end{array} \right.$
- ii) Specific donation : Capital Receipt $\left\{ \begin{array}{l} \text{Dr. in R \& P A/c} \\ \text{Liability in B/s} \end{array} \right.$
- iii) Life membership fee : Capital receipt
- iv) Legacy : Capital receipt
- v) Honorarium : Revenue expenditure $\left\{ \begin{array}{l} \text{Cr. in R \& P A/c} \\ \text{Dr. in I \& E A/c} \end{array} \right.$

[It is paid to someone for receiving any services, who are not the employee of NOP]