



Department of Education, Sabaragamuwa/weekly school

week- March 2

Subject-Accounting

Grade-12

Prepared by -
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Competency 8.0 – Prepares financial statements of a “not for profit making” organization.

Competency Level 8.1 – Clarifies the need for the maintenance of accounts in a ‘not for profit’ organization.

- Name the accounts prepared by a ‘not for profit’ organization.
- Explain clearly the necessity for the maintenance of accounts in a ‘not for profit’ organization.
- Provide exercises as below.

2016/04/01	Membership fees receivable	Rs.6,000
	Membership fees received in advance	Rs.1,000
2017/03/31	Outstanding membership fees	Rs.4,000
	Membership fees received in advance	Rs.1,000
	Membership fees during the year	Rs.40,000

Prepare the Membership Fees account.

- State four differences between cash account and an Income statement prepared by a ‘not for profit’ organization.
- Explain what the ‘Accumulated Fund’ is and state the circumstances in which it will change.

