

TYPICAL SOURCES OF INCOME FOR NON-PROFIT ORGANISATIONS

- (i) members' Subscriptions
- (ii) Fines on erring members
- (iii) Donations
- (iv) Special events such as annual fees, annual dinner, dance, raffle draw etc.

DIFFERENCES BETWEEN PROFIT ORIENTED ORGANISATIONS AND NON-PROFIT ORIENTED ORGANISATIONS

The differences between the two types of organisations are summarised below:

PROFIT ORIENTED	NON-PROFIT ORIENTED
(i) Profit & Loss Account	Income & Expenditure
(ii) Net Profit	"Surplus" or "Excess of Incomes over Expenditure"
(iii) Net Loss	"Deficit" or "Excess of Expenditure over Income"
(iv) Capital	Accumulated Fund
(v) Trading Account	Bar trading Account
(vi) Gross Profit	Bar trading
(vii) The objective is to maximize profit	No No profit motive

PROCEDURE FOR PREPARING THE FINAL ACCOUNTS OF NON-PROFIT ORGANISATIONS

Since the feature of a club accounts question are similar to those of a single-entry question, the procedures for preparing the final accounts in a single-entry question outlined also apply to non-profit organisations except that the ~~account~~ words concerning the profit oriented business organisations will be changed as appropriate.