

Question 1 of 3

For each of the independent transactions listed, indicate which accounts are needed to record the entry and whether the account will be debited or credited. If no entry is required, write "No entry required" in the box, being sure to leave no cell blank.

Independent Transaction	Debit	Credit
1. A local CPA firm donated their services to perform the regular annual financial statement audit and preparation of IRS Form 990 for a not-for-profit museum.	<input type="text"/>	<input type="text"/>
2. Several local rotary club members used their personal vehicles to deliver meals to senior citizens for Meals on Wheels.	<input type="text"/>	<input type="text"/>
3. A donor contributed \$2 million to a not-for-profit hospital.	<input type="text"/>	<input type="text"/>
4. A donor contributed \$4 million to a not-for-profit university to be permanently invested.	<input type="text"/>	<input type="text"/>
5. \$100,000 in earnings from a permanent scholarship endowment are released to fund scholarships (the scholarships have not been awarded yet).	<input type="text"/>	<input type="text"/>
6. A donor offers to donate \$500,000 to a local mental health clinic if the clinic can raise a matching amount in the next 60 days.	<input type="text"/>	<input type="text"/>
7. A psychiatrist volunteers ten hours each week at a not-for-profit counseling center to assist persons with drug and alcohol addiction.	<input type="text"/>	<input type="text"/>
8. A museum receives a Picasso painting to add to its modern art collection. The modern art collection is held for public exhibition, is protected and cared for, and is subject to a policy that requires the proceeds of items that are sold to be used to acquire other items for the collection.	<input type="text"/>	<input type="text"/>
9. A local chapter of United Way receives \$25,000 in cash from a donor who stipulates that the donation must go to a local drug rehabilitation half-way house.	<input type="text"/>	<input type="text"/>
10. A religious organization receives a donation of land valued at \$750,000. The donor does not indicate how the donated land should be used.	<input type="text"/>	<input type="text"/>

11. A museum receives \$150,000 in 20x1 from a donor who stipulates that the donated funds are to be used in 20x2 and 20x3.	<input type="text"/>	<input type="text"/>
12. A not-for-profit aquarium gift shop sells posters of Zelda, a popular sloth in its Caribbean exhibit.	<input type="text"/>	<input type="text"/>
13. A local art museum paid for television and radio announcements to request contributions.	<input type="text"/>	<input type="text"/>
14. A local art museum paid for brochures with general information about the museum's programs. The brochures were not printed as part of a fund drive.	<input type="text"/>	<input type="text"/>

Options for Account Names:

- A. No entry required
- B. Asset
- C. Revenue
- D. Bad debt expense
- E. Fundraising expense
- F. Program expense
- G. Contributions receivable
- H. Contributions payable
 - I. Contribution with donor restriction
 - J. Contribution without donor restriction
- K. Contribution—Unrestricted
- L. Contribution—Temporarily restricted
- M. Contribution—Permanently restricted
- N. Net assets released from donor restrictions out
- O. Net assets released from donor restrictions in
- P. Net assets with donor restrictions
- Q. Net assets without donor restrictions
- R. Allowance for uncollectible accounts
- S. Management and general expense
- T. Liability

Question 2 of 3

Scroll down to complete all parts of this task.

Metro Charity is a nongovernmental, not-for-profit entity that had the following transactions. For each transaction identified in the table below, write the letter of the appropriate effect on Metro's statement of financial position in the corresponding empty box. Consider the impact of each transaction independently of the others.

Transaction	Effect on total assets	Effect on total liabilities	Effect on net assets with donor restrictions	Effect on net assets without donor restrictions
A cash gift is received to establish a permanent endowment.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Metro receives a cash donation from a donor who specifies that the funds must be transferred to a specific animal shelter that is unrelated to Metro.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Metro receives a cash gift that is restricted to support of its health clinic.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
A donor advances Metro cash that is not restricted but is conditioned on Metro raising a matching amount within 90 days.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Metro receives a house that was donated to provide emergency shelter for orphans.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Metro's board of directors designates a portion of its cash balance to complete a construction project.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

<p>Metro received cash from a donor who made an unconditional contribution in the prior period.</p>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<p>Metro recorded an adjusting journal entry to recognize unpaid wages at the end of the year.</p>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<p>A lawyer on Metro's board of directors designed a new logo for the organization that saved Metro from hiring a design agency.</p>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>











Options for the effects:

- A. Increase
- B. Decrease
- C. No impact

Question 3 of 3

Chasing Stars is a not-for-profit (NFP) entity preparing their statement of cash flows for the current year. Help classify where the following items should appear in Chasing Stars' statement of cash flows (SCF) for financial reporting purposes in accordance with U.S. GAAP.

Write the letter of the best answer from the list provided in the empty box for each inflow or outflow activity described. Each answer may be used once, more than once, or not at all.

No.	Transaction	SCF Classification
1	Cash outflow for the repayment of principal amounts of debt	<input type="text"/> 
2	Cash inflow from the sale of a vehicle	<input type="text"/> 
3	Cash outflow for the purchase of computer equipment	<input type="text"/> 
4	Dividends restricted for long-term purposes	<input type="text"/> 
5	Cash inflow from the sale of a work of art	<input type="text"/> 
6	Cash inflow from a local supporter	<input type="text"/> 
7	Payment of staff wages	<input type="text"/> 
8	Donated piece of equipment	<input type="text"/> 
9	Cash inflow restricted for long-term purposes	<input type="text"/> 
10	Cash inflow from a government grant	<input type="text"/> 

Options for SCF Classification:

- A. Financing activity
- B. Investing activity
- C. Noncash investing and financing activity
- D. Operating activity
- E. Not applicable