

THE ACCOUNTING OF THE RESULT TO THE NON-PROFIT ORGANISATIONS

CONTABILITATEA REZULTATULUI LA ORGANIZAȚIILE NON-PROFIT

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Abstract. *The non-profit organisations can unfurl the activities objectless patrimonial, activities with special destination and economic activities. This article makes evident the fact that result of a period to not for profit entities is established yearly on kinds of activities and appears in the likeness of surplus or deficit. Also, the allocation of the surplus of the non-lucrative activities and the surplus concerning the economic activities achieved in the financial current exercise on the destinations foreseen of the legal in force or settlements the covering of the deficit of financial exercise finished subdued the approval annual general meeting. The surplus concerning the activities with special destination don't is distributed. When the surplus achieved in the current period don't is distributed on his destinations or the deficit don't is covered from financial viewpoint, result of the financial exercise finished remains in expectation. This is shall considered carried over for a subsequent period, when the general assembly shall decide the destination of the surplus leaved in stand-by, fractionally or total, either cover the deficit delayed, partial or total. These facts in accounting is distinguish through groups and different accounts with their help are shall consigned operations related to results on types of activities unfurled.*

Rezumat. *Organizațiile non-profit pot desfășura activități fără scop lucrativ, activități cu destinație specială și activități economice. Acest articol evidențiază faptul că rezultatul exercițiului unei persoane juridice fără scop lucrativ se stabilește anual pe feluri de activități și apare sub forma excedentului sau deficitului. De asemenea, repartizarea excedentului activităților fără scop lucrativ și a excedentului privind activitățile economice realizate în exercițiul financiar curent pe destinațiile prevăzute de reglementările legale în vigoare sau acoperirea deficitului exercițiului financiar încheiat se supun aprobării adunării generale. Excedentul privind activitățile cu destinație specială nu se repartizează. Când excedentul realizat în exercițiul financiar curent nu se repartizează pe destinațiile sale sau deficitul nu se acoperă din punct de vedere financiar, rezultatul exercițiului financiar încheiat rămâne în așteptare. Acesta se va considera reportat pentru o perioadă ulterioară, când tot adunarea generală va decide destinația excedentului lăsat, parțial sau total, în așteptare ori acoperirea deficitului amânat, total sau parțial. În contabilitate, aceste aspecte, sunt evidențiate prin grupe și conturi diferite cu ajutorul cărora se vor consemna operațiunile aferente rezultatelor pe tipuri de activități desfășurate.*

The non-profit juridical persons (such as: the associations, the foundations, the federations, unions, the politic parties, employers, the Mutual Aid Fund and so

on) can be carried on many types of activities: activities tied of purpose for which were set up (the one non-profit), which activities lead to the formation of what funds shall be used to the realization propose object (the one economically) and which activities can unfurl to certain entities (the one with special destination).

MATERIAL AND METHODS

The result of activities carried on of the non-profit entities appears in accounting through closing of the expenditures and incomes accounts.

The non-profit activities and one with special destination can have in result either the surplus or the deficit, and the result of economic activities can be either profits or loss. All the same of the type of result, this is established cumulatively from beginning of financial exercise, but finally result of financial exercise is established to this closing and represents final balance of the result account.

RESULTS AND DISCUSSIONS

Closing of the expenditures and incomes accounts of same periods represent the result of financial exercise. **Income** is increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in increases in equity. **Expenses** are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrences of liabilities that result in decreases in equity (3, art. 185).

The result of exercise is established to ending of the period and appears under the form of surplus or profit (in the case of economic activities), if income of the period are more greater than the expenses of the same periods, or under the form of deficit or loss (in the case of economic activities), when expenses of the period exceed the incomes of the same periods (1, 52). *In case of carried on of the economic activities, the non-profit juridical persons applies the accounting settlements for economic agents.*

Distribution of the surplus (from non-profit activities) or **the profit** (from economic activities) is registered in accounting on destinations, in accordance with the legal in force settlements, after the approval of annual financial statements. To closing of financial exercise is distributed just those amounts which represents reserve constituted from the surplus/profit of current financial exercise, on the basis of a legal settlements, through article 129 “Distribution of the surplus/profit” = 106 “Reserve”. These legal settlements are referred to legal reserve (registered in accounting with help of the account 1061 “Legal reserve”) and possible statutory or contractual reserve (registered with help of the account 1063). *Surplus regarding to the activities with special destination don't is distributed.*

The possible surplus or profit that has remained after this distribution is taken over in beginning next financial exercise for which drawn up the annual financial statements in the account 117 “Carried forward result”, subsequently

were distributed on another legal destinations, after the approval repartition of the result by the general assembly (3, art. 194, alin. (4)).

The surplus or the profit obtained in prior financial exercises can be distributed, as per decision of general assembly, for:

- increasing social patrimony;
- formation of the reserve;
- recompense worker for the realization of the profit (if only the entity carried on the economic activities.
- cover the loss or the deficits; and so on.

The deficit/the loss achieved by a non-profit juridical person can be covered from previous formats reserve or are left at stand-by, in the conditions when they don't there are the risk cessation activity, were covered from the favorable results of the next years. Cover the deficit or the loss is done from surplus or profit of financial exercise and from one carried over, from reserve or through the diminution social patrimony, as per decision of general addition or advisory body.

The accounts 121 and 129 are closed in the beginning next one period for which drawn up the annual financial statements and accordingly both accounts appear with appropriate balance accounts in the balance-sheet drawn up for the financial exercise which refers the annual financial statements.

With help of the **121 “Surplus/profit or the deficit/loss” account** is held the evidence of the result achieved during financial exercise and is developed into synthetic second degree accounts (1211 “Surplus or deficit concerning the non-profit activities” and 1212 “Profit or loss concerning the economic activities”). Analytical accounting of the result from non-profit activities is held separately for the non-profit activities and the activities with special destination.

The 121 account is credited through the debit of the accounts:

- 117 “Carried forward result” with deficits or loss achieved in prior financial exercise, transfered about the carried forward result;
- from the class 7 “Incomes accounts” to closeness period - with the credit balance of the accounts from class 7th, in view close these and the settlement of the results.

The 121 account is debited through the trust of the accounts:

- 117 “Carried forward result” with the surplus or the profit achieved in prior financial exercise, nedistributed;
- 129 “Distribution of the surplus/profit” - with the surplus or the profit achieved in prior financial which were distributed on the legal destinations (exclusive the activities with special destination);
- from the class 6 “Expenses account” to closeness period - with the debit balance of the accounts from class 6th, in the sight close these and the settlement of the results;
- 711 “Variation of the stocks” to closeness period - with debit balance of the account in the sight close this and the settlement of the results.

The credit balance of the account represents the surplus/the profits achieved, if income exceed expenses, and the debit balance represents the deficits/the loss achieved, if expenses exceed the incomes.

The evidence repartition of the surplus or the profit achieved in the current financial exercise is kept with help of the **129 “Distribution of the surplus/profit” account**, distinctly for the non-profit activities (exclusive the activities with special destination) and for the economic activities. Accounting is kept distinctly on the synthetic second degree accounts (1291 “Distribution of the surplus concerning the non-profit activities” and 1292 “Distribution of the profit concerning the economic activities”), agreed with the plan of accounts.

The 129 account is debited through the trust of the accounts:

- 106 “Reserve” to closing the financial exercise - with the surplus/the profit achieved in the current financial exercise distributed to reserve, agreed the legal settlements (exclusive the activities with special destination);

- 113 “Social Fund of members of the Mutual Aid Fund (MAF)” - with the results achieved in the current financial exercise to the Mutual Aid Fund (MAF) distributed to the social fund of these members;

- 114 – “Fund for help in case of decease of members of the Mutual Aid Fund (MAF)” - with the results achieved in the current financial exercise to the Mutual Aid Fund (MAF) distributed to the fund for help of decease of these members;

- 116 “Another funds concerning the non-profit activities” - with amounts destined to constitute another funds concerning the non-profit activities (exclusive the activities with special destination) from the surplus achieved in the current financial exercise.

The 129 account is credited through the debit of the 121 “Surplus/profit or the deficit/loss” account - with the surplus or the profit achieved in the financial exercise which were distributed on the legal destinations (exclusive the activities with special destination).

The debit balance of the account represents the distributed surplus, respectively distributed profits afferent current financial exercise (exclusive the activities with special destination).

When the surplus or the profit achieved in the current period don't is distributed on his destinations or the deficit, respectively the loss don't is covered from financial viewpoint, the result of the financial exercise finished remains in expectation. This is shall considered carried over for a subsequent period, when the general assembly shall decide the destination of the surplus/profit leaved in stand-by, fractionally or total, either cover the delaied deficit/loss, partial or total.

The result or the part of result from the previous financial exercise which don't distributed or covered is accounting with help of the **117 “Carried forward result” account**, develops into three synthetic second degree accounts (1171 “Carried forward result representing the nedistributed surplus or the uncovered deficit concerning the non-profit activities”, 1172 “Carried forward result representing the nedistributed profit or the uncovered loss concerning the

economic activities” and 1174 “Carried forward result appeared from the correction accounting errors”). Accounting of the carried forward result is kept distinctly for the non-profit activities and for the economic activities. Analytical accounting of the carried forward result from non-profit activities is kept distinct for the non-profit activities and for the activities with special destination.

The 117 account (with the exception of the 1174 account) is debited through credit of the accounts:

- 101 “Capitals” - with the surplus/the profits achieved in the prior financial exercises, used-up as the source of increase the capital (exclusive the activities with special destination);

- 106 “Reserve” - with the surplus/the profits achieved in the prior financial exercises (exclusive the activities with special destination) distributed to reserve (valid correspondence, as a rule, for the 1068 “Another reserve” account);

- 116 “Another funds concerning the non-profit activities” - with amounts destined to constitute another funds concerning the non-profit activities (exclusive the activities with special destination) from the surplus achieved in the prior financial exercise (valid correspondence for 1171 account);

- 121 “Surplus/profit or the deficit/loss” - with the deficits or the loss achieved in the prior financial exercise, transferred on the carry forward result;

- 424 “Bonus representing the personal share to profit” - with amounts offered staff from the net profit achieved in the prior financial exercises from economic activities, distributed for staff participation to profit, after the approval by the general assembly (valid correspondence for 1172 account).

The 117 account (with the exception of the 1174 account) is credited through the debit of the accounts:

- 101 “Capitals” - with the deficits/the loss achieved in the prior financial exercises, in the case in which can't covered up for another way foreseed of law (exclusive the activities with special destination);

- 106 “Reserve” - with the used-up reserve for the covering of deficits or loss achieved in the prior financial exercises (exclusive the activities with special destination);

- 121 “Surplus/profit or the deficit/loss” - with the nedistributed surplus/profits achieved in the prior financial exercise;

- the accounts of current liabilities - with amounts representing afferent liabilities from the prior financial exercises, prescribed or cancelled.

The debit balance of the account represents the uncovered deficits, respectively uncovered loss, and the credit balance represents the nedistributed surplus/profit.

CONCLUSIONS

In accordance with the in force fiscal settlements, the non-profit juridical persons carried on, by virtue of law, economic activities, have the organization and manage accounting obligation, analytically distinct, for the non-profit

activities, inclusively the activities with special destination, by virtue of law, and the economic activities from their structure.

In the explanatory notes to the annual financial statements must be presented informations concerning the incomes and expenses of the financial exercise, grouped after their nature on kinds of activities, respectively non-profit activities, activities with special destination and economic activities, as well as informations concerning the constitute and the utilization of the funds from the non-profit activities. Also, in the explanatory notes are due to presented separately the propose of distribute the surplus of the net profit on destinations: amounts distributed to reserve; amounts distributed for the covering accounting deficits/loss from prior years; as well as another allocations.

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