

## Chart of differences between the Non-Profit and Profit Organisation

Basis of Difference	Non-Profit Organisation	Profit Organisation
<b>Meaning</b>	They did not do their work for earning profit rather than its main objective is to do work to achieve a specific goal for the welfare of society or its members.	The profit Organisations is that Organisation which exists to make a profit for its owner(s)
<b>Main Objective</b>	To serve society for a better future.	To earn more profit to run the business because profit is the fuel of every business.
<b>Source of Revenue</b>	The main source of revenue for the NPO is Donations, grants, Membership fee, and entrance fee	The main source of revenue for the Profit Organisation is the amount received from selling its products and services.
<b>Financial Statement</b>	Financial Statements included the following statements 1. Receipts and payment A/c 2. Income and Expenditure A/c 3. Balance Sheet	Financial Statements included the following statements 1. Trading A/c 2. Profit/Loss A/c or Income statement 3. Balance Sheet 4. Cash flow Statement
<b>Managed By</b>	This type of business is managed by its trustees, committees or any one person whose authorised by the whole members.	It includes mainly three types of business. So it is managed as per the type of business: - 1. Sole Proprietorship - Managed by its Owner 2. Partnerships - Managed by its partners 3. Companies - Managed by its Directors
<b>Funded From</b>	It is started with funding received from donations.	It is started with initial capital investment by its owner(s).