

# Departmental Profit and Loss Account

For the Year Ended 31 March 2024

## Department: Electronics

Description	Amount (\$)
<strong>Income</strong>	
Sales Revenue	250,000
Other Income	5,000
<strong>Less: Direct Expenses</strong>	
Purchases	160,000
Wages	20,000
Departmental Electricity	2,000
<strong>Gross Profit</strong>	
<strong>Less: Indirect Expenses</strong>	
Rent & Rates (Allocated)	6,000
Administrative Expenses	3,500
Depreciation	1,200
<strong>Net Profit for the Department</strong>	<strong>62,300</strong>

## Important Notes

- This account separately shows the revenues and expenses related to a single department.
- Direct incomes and expenses are booked to relevant departments; indirect costs are apportioned by rational basis.
- Helps in evaluating individual departmental performance within an organization.
- The structure can vary based on the nature of business and internal reporting needs.
- Accurate allocation and apportionment are critical for meaningful departmental results.