

Departmental Profit and Loss Account

For the Year Ended 31 March 2024

Department: Electronics

Description	Amount (\$)
Income	
Sales Revenue	250,000
Other Income	5,000
Less: Direct Expenses	
Purchases	160,000
Wages	20,000
Departmental Electricity	2,000
Gross Profit	73,000
Less: Indirect Expenses	
Rent & Rates (Allocated)	6,000
Administrative Expenses	3,500
Depreciation	1,200
Net Profit for the Department	62,300

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.