

Departmental Profit and Loss Account

For the Year Ended 31st March 2024

Particulars	Dept. A (₹)	Dept. B (₹)	Total (₹)
Income			
Sales	1,25,000	90,000	2,15,000
Other Income	5,000	4,000	9,000
Total Income	1,30,000	94,000	2,24,000
Expenses			
Cost of Goods Sold	78,000	57,000	1,35,000
Direct Expenses	10,000	7,000	17,000
Allocated Overheads	18,000	14,000	32,000
Total Expenses	1,06,000	78,000	1,84,000
Net Profit/(Loss)	24,000	16,000	40,000

Summary: The above account summarizes the income and expenses for each department, allowing assessment of departmental profitability.

Important Notes

- This document helps in measuring the performance of individual departments.
- Ensure fair and consistent allocation of indirect expenses (overheads).
- Accurate record keeping is essential for reliable departmental results.
- Review internal transactions between departments to avoid double counting.
- Useful for management decisions regarding resource allocation and cost control.