

Departmental Profit & Loss Account

For the Year Ended 31st March 2024

Department: Electronics

Description	Amount (â,')
Income	
Sales	14,50,000
Other Operating Income	25,000
Total Income	14,75,000
Less: Expenses	
Cost of Goods Sold	10,80,000
Staff Salaries	1,50,000
Rent & Utilities	35,000
Depreciation	20,000
Other Departmental Expenses	18,000
Total Expenses	13,03,000
Net Profit Before Allocation	1,72,000

Head Office Expenses Allocated: â,122,000
Net Departmental Profit: â,11,50,000

Important Notes:

- This statement isolates departmental performance for internal reporting and analysis.
- Allocations of common expenses (e.g., head office, shared utilities) must be clearly disclosed and justifiable.
- Helps management assess the profitability and efficiency of each department separately.
- Expenses and income must be assigned to the correct department for accurate results.
- Supports budgeting, forecasting, and inter-departmental performance comparison.