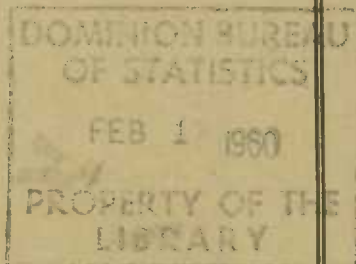


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Classification of Accounts for Motor Carriers in Canada

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Prescribed by the
Dominion Bureau of Statistics
1947



OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
KING'S PRINTER AND CONTROLLER OF STATIONERY
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CLASSIFICATION OF ACCOUNTS FOR MOTOR CARRIERS

PREFACE

1. The account numbers used in this classification are suitable for a punch card system of accounting.

2. If a carrier is engaged in both passenger and freight business it is recommended that operating expenses be kept separately for each type of service as far as it is feasible.

3. Any subdivision of the primary accounts in the classification may be made by the accounting company. These subdivisions should be arranged so that the total for the primary account is readily available.

4. It is essential that a standard classification of accounts be drawn up in such a manner that it takes care of all accounts necessary for the accounting of the largest operating companies. Some of these accounts do not apply to smaller companies and will be disregarded by them.

Class II and Class III motor carriers may combine general balance sheet accounts and operating expense accounts if they so desire, but the condensation should not be greater than is provided for in the "Condensed" Classification on page 88 and following pages, nor should any other combinations be made than therein provided.

The text of the accounts for Class I carriers will explain all items which should be included in each of the condensed accounts for Class II and Class III carriers. Property accounts, operating revenue accounts and income accounts for Class I carriers should be used by Class II and Class III carriers without combining any of these accounts.

5. This Classification of accounts is based on the classification of accounts for Transit Systems compiled by the Canadian Transit Association, 1946. Accounts have been revised and added for freight accounts where required and a condensed General Balance Sheet has been added.

CLASSIFICATION OF ACCOUNTS FOR MOTOR CARRIERS
METHOD OF ALLOTING ACCOUNT NUMBERS

Series	Type of Account
1000.	Assets
81200.	Operating Property
2000.	Liabilities, Reserves, and Capital
83000.	Operating Revenue
84000.	Operation and Maintenance Expenses
85000.	Depreciation and Amortization Expenses
85200.	Operating Taxes and Licences
85300.	Operating Rents
85400.	Rent for Lease of Motor Carrier Property
85500.	Income from Lease of Motor Carrier Property
6000.	Income Account—Credits
7000.	Income Account—Debits
8000.	Income Tax Accounts

CLASSIFICATION OF ACCOUNTS FOR MOTOR CARRIERS

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DEFINITIONS

The following definitions are submitted as a means of clarifying words used throughout this classification:

1. "Accounts" means the accounts prescribed in this system of accounts.
2. "Actually issued," as applied to securities, means those which have been sold for a valuable consideration (including those issued in exchange for other securities or other property) so that the purchasers secured them free from control by the issuing company, also securities issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking and other funds.
3. "Actually outstanding," as applied to securities, means those which have been actually issued and are neither retired nor held by or for the company; provided, however, that securities held by trustees shall be considered as actually outstanding.
4. "Addition" means structures, facilities, or equipment added to those in service and not taking the place of anything previously existing.
5. "Amortization" means the gradual extinguishment of an amount in an account by prorating the amount over either a fixed period dependent on the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.
6. (a) "Associated companies" means companies or persons that directly or indirectly, through one or more intermediaries, control or are controlled by, or are under common control with the reporting company.
(b) "Control" (including the terms "controlling," "controlled by" and "under common control") as used herein, means the possession, directly or indirectly of the power to direct or cause the direction of the management and policies of a person, firm or corporation, whether through the ownership of voting securities, by contract or otherwise.
7. "Betterments" are physical changes in roadway, structures, facilities or equipment the object of which is to make the properties affected more useful or of greater capacity than they were at the time of installation or acquisition.
8. "Book cost" means the amount at which property is recorded on the books of the company without deduction of related reserves.
9. "Bureau" means the Dominion Bureau of Statistics.
10. "Motor Carrier operating property" means the property which is used (see definition 39) by the reporting company in the conduct of its transportation operations or leased to others for such operations, and which has an expectation of life in service of more than one year from date of installation. This includes land, structures, equipment, and facilities necessary for such operation and services incidental thereto.
11. "Company" means any individual; firm; copartnership; corporation; Federal, Provincial or Municipal Government or Commission; association; or joint stock association; and includes any trustee, receiver, assignee, or personal representative thereof.
12. "Contingent Assets" means a possible source of value to the reporting company dependent upon the fulfilment of conditions regarded as uncertain.
13. "Contingent Liabilities" means items which may under certain conditions become obligations of the reporting company but which are neither direct nor assumed liabilities at the date of the balance sheet.

14. "Cost" means the amount of money actually paid for property or services, or the cash value at the time of the transaction of any consideration other than money.

15. "Cost of removal" means the cost demolishing, dismantling, tearing down, or otherwise removing operating property, including the cost of transportation and handling incident thereto.

16. "Current Assets" means cash as well as those assets that are readily convertible into cash or are held for current use in operations or construction; current claims against others, payment of which is reasonably assured; and other amounts accruing to the company which are subject to settlement within one year from the date of the balance sheet.

17. "Current Liabilities" means those obligations the amount of which is definitely determined or closely estimated which are either matured at the date of the balance sheet or become due within one year from date of issuance or assumption.

18. "Date of retirement", as applied to operating property, means the date at which the property is permanently withdrawn from service.

19. "Debt expense" means all expenses of the issuance and sale of evidence of long-term debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt, cost of engraving and printing bonds, certificates of indebtedness, and other evidences of debt; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen for marketing evidences of debt; fees and expenses of listing on exchanges; and other like costs.

20. "Delayed items" means items relating to transactions which occurred before the current calendar year. It includes adjustments or errors in the income, operating revenue, and operating expense accounts of prior years.

21. "Depreciation," as applied to depreciable operating property means the loss in service value (see definition 36) incurred in the consumption or prospective retirement of property. Among the causes to be given consideration are wear and tear, decay, action of the elements, etc.

NOTE A.—"Unit Plan" means the plan under which depreciation charges are computed and the records maintained so that the total amount of depreciation accrued applicable to each unit can be determined.

NOTE B.—"Group Plan" means the plan under which depreciation charges are accrued upon the basis of the total of the book cost balances of all property included in each account or sub-division thereof, at rates determined from the average service life of the property included therein.

22. "Discount," as applied to securities issued or assumed by the reporting company, means the excess of the par or face value of the securities, plus interest accrued at the date of the sale over the cash value of the consideration received from the sale.

23. "Distinct Operating Unit" means all or any portion of a route or routes covered by a certificate of convenience and necessity, operating permit or franchise and operated as a separate entity, including the physical property used in the operation.

24. "Joint facility" means any property occupied or used jointly by the reporting company and one or more other carrier companies under a definite arrangement whereby the costs are shared between the parties to the joint agreement. Portions of a structure or other property used exclusively by each of two or more carrier companies are not joint facilities.

25. "Long-term obligations" means obligations having a life of more than one year from date of creation or assumption, and all unmatured bonds and receivers' or trustees' certificates.

26. "Mileage method," as applied to depreciation of vehicles, means the plan under which the service value is charged to depreciation expenses and credited to depreciation reserves at a fixed rate per mile run.

27. "Minor items," as applied to carrier operating property (see definition 10), means the associated parts or elements of which units of property (see definition 38) are composed. (See instruction 18 C.)

28. "Net book cost," when applied to property, means the book cost (see definition 8) less related depreciation and amortization reserves.

29. "Net salvage value" means the salvage value (see definition 34) of property retired after deducting the cost of removal.

30. "Nominally issued," as applied to securities issued or assumed by the reporting company, means those which have been signed, certified, or otherwise executed and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the company, but which have not been sold or issued direct to trustees of sinking funds in accordance with contractual requirements.

31. "Premium", as applied to securities issued or assumed by the reporting company, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no-par stocks) or face value of the securities plus interest or dividends accrued at the date of sale.

32. "Property retired," as applied to operating property, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

33. "Replacing" or "replacement," when not otherwise indicated in the context, means the acquisition, construction, or installation of property in place of property of like purpose retired, together with the removal of the property retired.

34. "Salvage value" means the amount received for property retired, less any expenses incurred in the sale or in preparing the property for sale; or, if retained, the amount at which the material recovered is chargeable to account 1180, Material and Supplies, or other appropriate account.

35. "Service life" means the period between the date when carrier operating property (see definition 10) is placed in service and the date of its retirement (see definition 32).

36. "Service value" means the difference between the book cost (see definition 8) and the net salvage value (see definition 29) of carrier operating property.

37. "Straight-line method," as applied to depreciation accounting, means the plan under which the service value (see definition 36) of property is charged to depreciation expenses or other appropriate accounts and credited to the depreciation reserves through equal periodic charges as nearly as may be during its service life.

38. "Unit of Property," for the purpose of this system of accounts, means any item of property which on sale, abandonment, disposal or replacement is written out of the property accounts as provided for in instruction 18.

39. "Used," as applied to operating property, means actually and necessarily in current service or ready for and reasonably required to be currently held for future service.

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INSTRUCTIONS

1. Classification of Carriers

A. For the purpose of having Uniform Systems of Accounts for motor carriers, it is recommended that companies group themselves into the following 3 classes:—

Class I.—Motor carriers having average gross operating revenues of \$100,000 or over annually, from carrier operations.

Class II.—Motor carriers having average gross operating revenues of \$25,000 or over, but under \$100,000 annually, from carrier operations.

Class III.—Motor carriers having average gross operating revenues of less than \$25,000 annually, from carrier operations.

B. It is further recommended that Class I motor carriers keep all the accounts suggested herein, where applicable.

C. In order to prevent frequent changes, it is recommended that the class to which any reporting company belongs will be determined by the average of its annual gross operating revenues for the 3 years immediately preceding the effective date of this system of accounts. If, at the end of any calendar year following, the average of its annual gross operating revenues for the 3 preceding years is greater than the maximum for the class in which the company has been grouped, it shall automatically be grouped in the higher class in which it falls because of such increased annual revenues. Any company engaged in new undertakings, the annual revenue from which is not known in advance, shall be classed in accordance with a reasonable estimate of its prospective revenues.

D. Any company may, at its option, place itself in any group higher than the one in which it falls on the basis of its average annual gross operating revenues.

2. Records

A. All the accounts defined in this system of accounts should be kept by the double-entry method. Each company should keep its general accounting books and all other books, records, and memoranda which support in any way the entries to such accounting books and analyses of general ledger account balances so that it can furnish at any time full information as to any account. Moreover, it should support each entry to each account with such detailed information as will provide a ready analysis and verification of the facts recorded therein. All expenditures should be definitely supported by vouchers, pay rolls, receipted bills, cancelled cheques, receipts for petty cash payments, or other evidences of the expenditures incurred.

B. The books referred to herein include not only books of account in a limited technical sense but all other records such as minute books, stock books, reports, correspondence, memoranda, etc., which will be useful in developing the history of or facts regarding any transaction.

C. Subdivisions of any account in this system of accounts may be kept, provided that such subdivisions do not impair the integrity of the accounts prescribed. The title of each subdivision shall clearly indicate the account of which it is a part. When an account is subdivided in the general ledger, an account need not be maintained for the total of the subdivisions. When such subdivisions are carried in subsidiary ledgers, however, the general ledger should contain the controlling accounts therefor so that a complete general ledger trial balance may be obtained.

3. Submission of Questions

To maintain uniformity of accounting, reporting companies should submit all questions of doubtful interpretation to the Transportation Branch, Dominion Bureau of Statistics, Ottawa.

4. Item Lists, Interpretation of

Lists of items appearing in the texts of the several accounts are given for the purpose of indicating the applications of accounting in specific cases. The lists are not to be considered as comprising all items includible in the several accounts, but merely as representative of them. On the other hand, the appearance of an item in a list warrants the inclusion of such item in the account concerned only when the text of the account also indicates inclusion, since the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts.

5. Delayed Items

A. Delayed items (see definition 20) should be charged or credited to the same accounts which should have been charged or credited if the items had been taken up or adjusted in the period to which they pertain. When the amount of a delayed item is relatively so large that its inclusion in the accounts for a single period would seriously distort those accounts, it may be distributed in equal amounts to the accounts for the current and remaining periods of the calendar year.

B. If the amount of any delayed item is relatively so large that its inclusion in the accounts for a single year would seriously distort those accounts, the amount should be distributed to the appropriate surplus account.

6. Unaudited Items

When the amount of any item affecting these accounts cannot be accurately determined in time for inclusion in the accounts of the calendar year in which the transaction occurs, the amount of the item should be estimated and included in the proper accounts. When the item is audited the necessary adjustments shall be made through the accounts in which the estimate was recorded. If, during the interval between the date of inclusion of the item in the accounts and the date on which it is audited, a substantial difference from the initial estimate is determined, appropriate adjustments should be made in the current accounts to cover such difference. The reporting company is not required to anticipate small items which would not appreciably affect these accounts.

7. Spreading of Unusual Income, Revenue, and Expense Items

When the amount of any unusual item includible in an income, operating revenue, or operating expense account for a single period is relatively so large that its inclusion in the accounts for that period would seriously distort those accounts it may be included in account 1890—Other Deferred Debits, or account 2450—Other Deferred Credits, as appropriate, and distributed in equal amounts to the accounts for the current and remaining periods of the year. Such items should be spread beyond the accounts of the current year only in exceptional cases.

8. Current Assets

A. In the group of accounts designated as Current Assets (accounts 1000 to 1190, inclusive), there should not be included any item the amount or collectibility of which is not reasonably assured or for which provision has not been made in a reserve. Items of current character but of doubtful value may be carried in these accounts at a nominal value or included in account 1890—Other Deferred Debits, at book cost or nominal value, or written off, as may be appropriate.

B. Adjustments to accomplish the writing down of items of doubtful value not covered by reserves shall be made through account 84680—Uncollectible Revenues, account 7500—Other Deductions, account 2946—Other Debits to Surplus, or other appropriate income or surplus account.

9. Discount or Premium on Securities of Other Companies

See instruction 13.

10. Expense, and Premium on Capital Stock

A. This system of accounts provides an account for commissions and expenses on capital stock and another account for premium on capital stock. These accounts should be subdivided for each class and series of capital stock issued by the reporting company. Commission and expenses applicable to capital stock issues should be included in the commission and expense account and should not be deducted from premium on capital stock.

B. General levies or assessments against stockholders of par or stated value shares should be credited to the premium account for the particular class and series of capital stock so assessed.

C. Expenses on capital stock may be amortized by charges to account 2900—Unearned Surplus. However, in no event shall net debits exceed the accumulated net credits in unearned surplus. Any excess of debits may be retained in account 1910—Commission and Expense on Capital Stock, until the stock is reacquired or retired, or the excess debits may be charged to account 2946—Other Debits to Surplus.

11. Discount, Expense, and Premium on Long-Term Obligations

A. A separate subdivision should be maintained in account 1880—Unamortized Debt Discount and Expense, for the excess of discount and debt expense over any premium related to each class of long-term debt issued or assumed by the reporting company. (See definitions 19, 22 and 31.)

B. Corresponding subdivisions should be maintained in account 2400—Unamortized Premium on Debt, for the excess of the premium over any discount and debt expense related to each class of long-term debt issued or assumed by the company.

C. Each period there should be credited to each subdivision of account 1880—Unamortized Debt Discount and Expense, the amount applicable to such period under a plan of amortization, the application of which will equitably distribute the balance therein over the life of the security. Amounts thus credited should be concurrently charged to account 7300—Amortization of Debt Discount and Expense.

D. Correspondingly, each period there should be charged to each subdivision of account 2400—Unamortized Premium on Debt, the portion of such credit balance which is applicable to that period. Amounts thus charged shall be concurrently credited to account 7400—Amortization of Premium on Debt-Credit.

E. Except as provided in paragraph C and D of this instruction the balances in each of these accounts or subdivisions thereof shall be carried until the reacquisition of the securities to which it relates. At that time a portion of the balances in these accounts, or subdivision for the particular class of long-term debt reacquired, should be transferred to account 2933—Other Credits to Surplus, or account 2946—Other Debits to Surplus, as may be appropriate. Such portion should be based on the relation of the amount of the particular issue of long-term debt reacquired to the total outstanding before the reacquisition. This provision shall also apply to securities held alive in sinking or other funds under instruction 12.

F. Except for such discount or expense as may be applicable to the construction period, no discount or expense on long-term debt should be included in any account as a part of the cost of acquiring any property or as a part of the cost of operation.

12. Company Securities Owned

Equipment and long-term obligations.—1. Equipment and other long term obligations reacquired by the reporting company should be entered in account 1920—Reacquired Securities, at face value. The difference between the face value and the amounts actually paid for the reacquired obligations should be debited or credited as appropriate to account 2946—Other Debits to Surplus, or account 2933—Other Credits to Surplus. Likewise, any unamortized debt discount, expense or premium, applicable to the reacquired obligations, should be adjusted through account 2946 or 2933, as appropriate.

2. When reacquired equipment and other long-term obligations are resold by the reporting company, the amount included in account 1920—Reacquired Securities, should be credited thereto and the accounting for any premiums realized, discounts, commissions, or expenses incurred should be the same as provided for in original sales of such obligations.

13. Book Cost of Securities Owned

A. Securities of others acquired by the reporting company should be recorded in these accounts at cost at the time of acquisition. Cost does not include any amount paid for accrued interest or dividends.

B. The reporting company may write down the book cost of any security in recognition of a decline in the value thereof. Securities should be written off or written down to a nominal value if there be no reasonable prospect of substantial value. Fluctuations in market value should not be recorded, but a permanent impairment in the value of the securities should be recognized in the accounts. A reserve may be provided against such declines in value by charges to account 2946—Other Debits to Surplus.

C. When securities with a fixed maturity date are purchased at a discount (that is when the total cost including brokerage fees, taxes, commissions, etc., is less than par), such discount may be amortized over the remaining life of the securities through periodic debits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and credits to the same account in which the interest revenue is credited. No debits should be made in respect to discount upon securities held as investments or in special funds if there is reason to believe that such securities will be disposed of by redemption or otherwise at less than par or will not be paid at date of maturity.

D. When securities with a fixed maturity date are purchased at a premium (that is when the total cost including brokerage fees, taxes, commissions, etc., is in excess of par), such premiums may be amortized over the remaining life of the securities through periodic credits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and debits to the same account in which the interest revenue is recorded.

14. Clearing Accounts, Purpose of

A. Clearing accounts, designed to facilitate the distribution of certain expenditures which may affect both construction and operation or which may affect transportation and other operations, may be kept when necessary to make the proper distribution of items to the appropriate accounts.

B. Balances in clearing accounts should be fully cleared not later than the end of the calendar year unless items held therein unquestionably relate to future periods. Items carried over should be included in account 1890—Other Deferred Debits, or account 2450—Other Deferred Credits.

15. Contingent Assets and Liabilities

The balance sheet of a company should clearly state by adequate notes contingent assets or liabilities not reflected in the balance sheet accounts, including any arrears in cumulative dividends, stating the amount per share of each class of stock and in total and the facts and amounts with respect to any default in principal, interest, or sinking fund provisions if not shown in the balance sheet accounts.

16. Operating Property to be Recorded at Cost

A. Amounts chargeable to the accounts numbered 1200 and 1300, designated as Carrier Operating Property accounts, should be the actual cost to the company of the items properly includible therein, also including the excess cost of improvements over the estimated cost (at current prices) of the property removed and replaced, and should be exclusive of any cost for intangible items includible in any of the subdivisions of account 1500—Organization, Franchises, and Permits, or account 1550—Other Intangible Property. (See however, instruction 17.)

When some operating property is improved or replaced, the book cost of the property improved or replaced may be retired (see instruction 18) and the cost of the new work may be closed to accounts 1200 or 1300.

B. The book cost of the construction or acquisition of property chargeable to the carrier operating property accounts 1200 and 1300 should include the cost of direct labour, indirect labour, materials, transportation, contract work, rent of construction facilities, taxes, and simple interest during construction; also such portion of engineering, supervision, law expenditures, injuries and damages, compensation and other insurance, as is applicable to the construction period; and other analogous elements applicable to the construction and acquisition of property.

C. When operating property is purchased under any plan involving deferred payment, no charges should be made to operating property accounts for interest, insurance, or other expenditures occasioned by such form of payment.

D. When the consideration given for property is anything other than cash, the cash value of such consideration should be used, except that where physical property is received in exchange for physical property, such property should be recorded at the net book cost of the property given in exchange. In the journal entry recording such a transaction the actual consideration should be described with identifying particulars and the company should be prepared to substantiate the cash valuation of any consideration other than cash.

17. Property Purchased

A. When any transportation system or portion thereof constituting a distinct operating unit (see definition 23) is purchased, the constituent elements thereof that are chargeable to carrier operating property accounts 1200 and 1300 and to any subdivision of account 1500—Organization, Franchises, and Permits, may be recorded in these accounts at their book cost as reflected by the records of the vendor (see definition 8) with concurrent credits to the depreciation and amortization reserves for accrued depreciation and amortization to date of purchase, otherwise such purchases shall be recorded in the books of the reporting company at cost. If the costs of the various elements of property are not separable in the purchase agreement, estimated values should be used in charging the accounts appropriate for the property. In no event should the amounts charged to accounts 1200 and 1300 exceed the actual amount paid therefor, or the current cost new of similar property.

B. The journal entry allocating the property purchased to the operating property accounts and setting up the accrued depreciation and amortization thereon should also cover any additional assets acquired or liabilities assumed and any incidental expenses

incurred in the transaction. Full supporting details, showing the purchase price, the principal from whom it was acquired, the agents who represented such principal, the basis of determining the book cost of constituent elements in the property purchased and when recorded at book cost as reflected by the records of the vendor, the accrued depreciation and amortization thereon at date of purchase should be stated in the journal entry recording the purchased property.

C. Any undistributed portion of the purchase cost not includible in specific accounts provided for assets acquired or liabilities assumed shall be charged to account 1550—Other Intangible Property.

D. In a transaction involving the acquisition of any transportation system or portion thereof constituting a distinct operating unit (see definition 23) from another company, the purchaser should obtain from the vendor all available records and other evidence (or certified copies thereof) relating to the acquisition, construction, and improvement of the property acquired.

18. Operating Property Retired

When carrier operating property (see definition 10) ceases to be used (see definition 40) it should be retired. If not dismantled or otherwise disposed of, it should be transferred to account 1400—Non-Carrier Operating Property, or account 1450—Non-Operating Property, as appropriate. (See instruction 20.)

A. PROPERTY UNDER "UNIT PLAN" OF DEPRECIATION.—When a unit of property on which depreciation charges were accrued under the unit plan (see definition 21), is retired from service, the book cost of such property should be credited to the appropriate property account and concurrently charged, together with the cost of removal, to the depreciation reserve account. Any salvage or insurance recovered, including amounts provided for in any insurance or other reserve with respect to the retired property when such reserve covers the cause of retirement, should be credited to the depreciation reserve. Any difference remaining in the depreciation reserve after the above entries, should be charged or credited as appropriate to account 5091—Depreciation Adjustment.

B. PROPERTY UNDER "GROUP PLAN" OF DEPRECIATION.—When a unit of property, on which depreciation charges were accrued under the group plan (see definition 21), is retired from service, the book cost thereof should be credited to the appropriate property account and concurrently charged together with the cost of removal, to the depreciation reserve account. Any salvage or insurance recovered, including amounts provided for in any insurance or other reserve with respect to the retired property, when such reserve covers the cause of retirement, should be credited to the depreciation reserve account.

C. MINOR ITEMS.—When the property retired constitutes a minor item (see definition 27), the book cost of which has been or will be accounted for by its inclusion in the unit of property of which it is a part when such unit of property is retired, no adjustment of the operating property account or depreciation reserve is required therefor. When a minor item is retired and replaced, with property of like purpose, the entire cost of replacement should be charged to the account appropriate for the cost of repairs of the property retired, except that if the replacement effects a betterment (see definition 7), there should be charged to the property account, the excess cost of the replacement over the estimated cost at current prices of the items retired, provided that property bettered is not carried in excess of the current cost new of equivalent property.

D. **LAND.**—When land is sold, the book cost should be credited to the land account and any difference between the book cost and the sales price, less commissions and expenses, on the sale should be adjusted through account 2933—Other Credits to Surplus, or account 2946—Other Debits to Surplus, as appropriate. (See instruction 16E.)

E. **DETERMINATION OF BOOK COST.**—The book cost of operating property retired should be the amount at which such property is included in the operating property accounts including all items set forth in instruction 16. Such costs should be determined from the reporting company's records when this can be done, as in the case of land, way and structures, revenue equipment, service equipment, furniture, and other items of operating property for which individual cost records are available. When the actual book cost cannot be determined from the records, it should be estimated. When it is impracticable to determine the book cost of each item due to the relatively large number and/or small cost of such items, the average book costs of all the items, with due allowance for differences in size or character, should be used as the book cost of the items retired. The latter method may be applied in retirement of such items as spare parts, tools, etc.

F. **INTANGIBLES.**—The accounting for the retirement of items included in account 1511—Franchises and account 1541—Patents, should be as provided in the texts of account 2600—Reserve for Amortization—Carrier Operating Property, and account 5110—Amortization of Carrier Operating Property.

G. **SALE OF PROPERTY.**—When operating property used in transportation operations is sold together with the transportation business associated therewith, the book cost of the property should be credited to the appropriate operating property accounts and the amounts carried with respect thereto in the depreciation and amortization reserve accounts estimated if necessary, shall be charged to such reserves. The difference, if any, between (1) the net amount of such debit and credit items, and (2) the consideration received for the property, should be included in account 2946—Other Debits to Surplus, or account 2933—Other Credits to Surplus, as appropriate.

H. **EXTRAORDINARY LOSSES.**—If the cause of retirement of depreciable operating property is one for which provision has not been made in the depreciation reserve and the loss is not covered by insurance, the accounting for the necessary adjustment should be made in accordance with instructions under account 1890—Other Deferred Debits (which provides for the distribution of losses too large to be absorbed in the current year).

NOTE.—See also account 1200 about the retirement of property so rebuilt as to create an expectation of life comparable with new property.

19. Leased Property, Expenditures on

A. Except as provided in paragraph B following, the cost of initial improvements, including rearrangements, additions, and betterments, to property leased from others made in the course of preparing the property for transit operations and the cost of any subsequent additions to and betterments of such leased property, not including replacements, should be charged to the operating property account 81271—Improvements to Leasehold Property. Amortization and depreciation on such expenditures should be provided for in the manner set forth in instruction 22.

B. When the cost of alterations to leased transportation property otherwise chargeable to account 81271—Improvement to Leasehold Property is small and the period of the lease is less than 1 year, the cost may be charged to the accounts chargeable with the cost of repairs to such property.

20. Transfer of Property

Property transferred between accounts 1200—Carrier Operating Property, 1300—Carrier Operating Property Leased to Others, and accounts 1400—Non-Carrier Operating Property, 1450—Non-Operating Property, should be charged or credited, as appropriate, to the carrier operating property accounts 1200 and 1300 at its book cost with the debits or credits to the appropriate accounts for the accrued depreciation and amortization to date of transfer.

21. Common Property

A. If the reporting company is engaged in forms of enterprise other than carrier operations and any of its carrier operating property is used in common for two or more purposes to such an extent and in such manner that it is otherwise impracticable to segregate it in the accounts, an allocation of the book cost thereof should be made and the portion so ascertained to be assignable to carrier operations should be recorded in the carrier operating property accounts 1200 and 1300. The remainder should be recorded in accounts 1400 or 1450 as appropriate. It is not contemplated that minor or temporary changes in conditions shall necessitate frequent re-allocations of common property.

B. The company should be prepared to show at any time by carrier operating property accounts 1200 and 1300 the following:

1. The book cost of common property.
2. The allocation of such cost to carrier operations and other purposes for which the jointly-operated property is used, and
3. The basis of the allocation.

C. The expenses of operation, maintenance, depreciation and amortization of common property should be recorded in the accounts prescribed herein and the allocation of such expenses to the carrier operations shall be supported in the same manner as the allocation of the cost of such property.

22. Depreciation Accounting

A. There should be charged each month to account 85000—Depreciation Expenses, and credited to account 2500—Reserve for Depreciation—Carrier Operating Property, during the service life of depreciable property included in account 1200—Carrier Operating Property, amounts which will approximate the loss in service value, the effect of which can be forecast with a reasonable approach to accuracy.

Reporting companies engaged in seasonal operations may apportion the estimated annual depreciation charge over the months in which operations are actually conducted.

B. Depreciation charges on any unit of property which is depreciated under the unit plan should cease when the estimated service value shall have been credited to the depreciation reserve.

C. If the group plan is used, the current depreciation charge should be determined by applying the applicable portion of the annual percentage rate to the total of the book cost balances of the property included in each account, or subdivisions thereof, at the rates determined from weighted averages of service lives of the property included therein.

D. Depreciation charges upon property included in account 81271—Improvements to Leasehold Property, should be made upon the same basis as for owned depreciable property. Such depreciation should be charged to account 85071—Depreciation of Improvements to Leasehold Property. Any additional reserve required to meet losses expected to be incurred through reversion of such property to the lessor

prior to the expiration of its service life should be provided through charges to account 85110—Amortization of Carrier Operating Property, and credits to account 2600—Reserve for Amortization—Carrier Operating Property.

E. Depreciation charges upon operating property constituting a distinct operating unit (see definition 23) leased from others under terms whereby the reporting company has exclusive possession, should be made on the same basis as for owned depreciable property (see instruction 27). Records should be maintained similar to those for owned property showing the cost, service life, and salvage value for each unit of depreciable operating property leased from others.

F. Depreciation charges on operating property constituting a distinct operating unit (see definition 23) leased to others for transportation operations, when the lessee has exclusive possession, should be charged to account 85500—Income from lease of Carrier Property—Credit, with concurrent credits to account 2500—Reserve for Depreciation—Carrier Operating Property.

G. Depreciation expenses on Non-Carrier Operating Property and Non-Operating Property should be charged to the appropriate Other Income account and credited to account 2610—Reserve for Depreciation and Amortization—Other Property.

23. Repairs, Cost of

A. The cost of repairs chargeable to the various operation and maintenance expenses accounts includes labour employed, materials used, and expenses incurred in all current maintenance (not including depreciation and amortization), such as:

- (1) Inspecting, testing, and reporting on the condition of operating property specifically to determine the need for repairs, minor replacements, rearrangements, and changes.
- (2) Testing for, locating, and clearing trouble.
- (3) Routine work to prevent trouble, such as general overhauling, cleaning or adjusting motors or engines, brakes, shock-absorbers, etc.
- (4) Replacing minor items of operating property. (See also instruction 18C.)
- (5) Rearranging and changing the location of property not retired.
- (6) Restoring the condition of property damaged by wear and tear, storms, breakage, floods, fire, accident, or other casualties if not recoverable through insurance. (See also paragraph B.)
- (7) Training employees for repair work.
- (8) Inspecting and testing after repairs have been made.

B. Material recovered in making repairs to property should be credited to the same account to which the repair cost was charged.

C. If employees engaged in transportation, station, or terminal service are also required to make repairs, an equitable proportion of their pay and expenses should be charged to the account appropriate for the cost of such repairs. (See instruction 25.)

D. If the book cost of any property is carried in account 81281—Undistributed Property, the repairs to such property should be charged to the accounts provided for repairs to property of the same nature and use, the book cost of which is carried in other operating property accounts. Repairs to property leased from others should be treated in like manner.

24. Insurance

A. Provision has been made under Operation and Maintenance Expenses for recording amount of premiums paid outside insurance companies in accounts as follows:

- 84520. Public Liability and Property Damage Insurance.
- 84541. Workmen's Compensation—Insurance.
- 84550. Freight Baggage and Express Insurance.
- 84570. Fire and Theft Insurance.
- 84580. Other Insurance.

Premiums paid in advance should be charged to account 1800—Prepayments, and equitably distributed to the appropriate accounts over the period for which the premiums have been paid, except minor premiums which may be charged direct and premiums chargeable to construction.

B. Reporting companies that self-insure for public liability, property damage liability, or other liability should record periodic charges to the appropriate expense accounts in amounts sufficient to cover estimated losses based on experience.

C. The following accounts have been provided under Operation and Maintenance Expenses for the purpose of creating reserves for losses not covered by outside insurance and for losses incurred in excess of outside insurance coverage:

- 84530. Public Liability and Property Damage.
- 84546. Workmen's Compensation.
- 84560. Freight, Baggage and Express Loss and Damage.
- 84570. Fire and Theft Insurance
- 84580. Other Insurance.

Reserves created for self-insurance of injuries and damages, workmen's compensation, and baggage and express loss and damage should be included in account 2680—Public Liability and Property Damage Reserve or 2685—Workmen's Compensation Reserve. Reserves created for self-insurance of all other risks shall be included in account 2660—Insurance Reserves.

25. Distribution of Pay and Expenses of Employees

The charges to construction, operation and maintenance expenses, and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, should be based upon the actual time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the time actually engaged during a representative period. The pay and expenses of an employee of one department who occasionally performs incidental services involving but small expense for another department may be included in the expense of the department in which the employee is regularly employed.

26. Joint Expenses

Where the reporting company owns the joint facility, any amounts received as reimbursement of operation and maintenance costs should be credited to the appropriate joint facilities—credit account in the operation and maintenance expense group of accounts. Any amounts received for depreciation, taxes, and return on the joint facility should be credited to account 85390—Joint Facility Rents—Credit. Similarly, any amounts paid by the company under joint facility arrangements for operating and maintenance costs should be charged to the appropriate joint facilities—debit account in the operation and maintenance expense group of accounts and any amounts paid for depreciation, taxes, and return on the joint facility, should be charged to account 85340—Joint Facility Rents—Debit.

27. Rent and Lease of Carrier Property

A. Provision is made in the several accounts in the 85300 series—Operating Rents—net, for rents receivable and payable for use of property other than that constituting a distinct operating unit or system. (See definition 23.)

B. Taxes payable by the lessee upon property rented or leased should be included in account 85200—Operating Taxes and Licences, by the lessee.

C. Other expenses payable by the lessee should be included in the appropriate accounts on the books of the lessee.

D. Amounts payable for use of operating property constituting a distinct operating unit (see definition 23) leased from others under terms whereby the reporting company has exclusive possession should be apportioned between rent and depreciation. The portion covering rent should be included in account 85400—Rent for Lease of Carrier Property—Debit and the portion covering depreciation should be included in a subdivision account of 85000—Depreciation Expense. (See instruction 22.)

E. The lessor should credit the amount receivable for use of the property leased to account 85500—Income from Lease of Carrier Property—Credit. The lessor should charge the estimated depreciation accrual to account 85500 and credit account 2500—Reserve for Depreciation—Carrier Operating Property.

F. If settlement for either rent or depreciation is not made currently the amounts thereof should be accrued by both lessor and lessee in harmony with the instructions in paragraphs C and D. The amounts accrued receivable, and payable should be included in appropriate accounts classified under accounts 1890—Other Deferred Debits, and 2450—Other Deferred Credits, by the lessor and lessee, respectively.

28. Deferred Maintenance

Accounts have been set up in the operation and maintenance groups to take care of the charges representing an equitable proportion of the amount estimated as necessary to provide for the cost of repairs which the company finds itself unable to undertake or complete during any calendar year due to inability to obtain material and supplies because of priority or adverse labour conditions; also to provide major repairs to equipment usually made at intervals of several years. The amounts included in these accounts should be concurrently credited to Maintenance Reserves. The cost of such repairs when made should be charged to the appropriate primary maintenance accounts and the provision that has been made in Maintenance Reserves should be reversed through the primary accounts originally charged.

FORM OF BALANCE SHEET STATEMENT

CLASS I.—MOTOR CARRIERS

(See Instruction 15)

ASSET SIDE

Current Assets:

1000.	Cash		\$.....
1020.	Working Funds .....		.....
1040.	Special Deposits .....		.....
1060.	Temporary Cash Investments		
	(a) Pledged	\$.....	
	(b) Unpledged	\$.....	
1080.	Notes Receivable	\$.....	
1100.	Receivables from Associated companies	\$.....	
1120.	Accounts Receivable	\$.....	
	Less: Reserve for Uncollectible Accounts....		.....
1140.	Subscribers to Capital Stock .....		.....
1160.	Interest and Dividends Receivable .....		.....
1180.	Material and Supplies .....		.....
1190.	Other Current Assets .....		.....
	Total Current Assets		\$.....

Tangible Property:

1200.	Motor Carrier Operating Property.....		\$.....
	Less: Reserve for Depreciation and Amortization		\$.....
1300.	Motor Carrier Operating Property Leased to Others	\$.....	
	Less: Reserve for Depreciation and Amortization .....		.....
1400.	Non-Motor Carrier Operating Property....	\$.....	
	Less: Reserve for Depreciation and Amortization .....		.....
1450.	Non-Operating Property	\$.....	
	Less: Reserve for Depreciation and Amortization .....		.....
	Total Tangible Property		\$.....

ASSET SIDE—Concluded

Intangible Property:

1500. Organization, Franchises and Permits	\$.....	
Less: Reserve for Amortization .....	.....	\$.....
		<hr/>
1550. Other Intangible Property	\$.....	
Less: Reserve for Amortization .....	.....	.....
		<hr/>
Total Intangible Property		\$.....
		<hr/> <hr/>

Investment Securities and Advances:

1600. Investments and Advances-Associated Companies .....	.....
1650. Other Investments and Advances .....	.....	.....
		<hr/>
Total Investment Securities and Advances		\$.....
		<hr/> <hr/>

Special Funds:

1701. Sinking Funds		\$.....
1751. Depreciation Funds .....	.....	.....
1781. Miscellaneous Special Funds .....	.....	.....
		<hr/>
Total Special Funds		\$.....
		<hr/> <hr/>

Deferred Debits:

1800. Prepayments		\$.....
1880. Unamortized Debt Discount and Expense .....	.....	.....
1890. Other Deferred Debits .....	.....	.....
1895. Dominion of Canada-Refundable Portion of Excess Profits Tax .....	.....	.....
		<hr/>
Total Deferred Debits		\$.....
		<hr/> <hr/>

Miscellaneous Debit Items:

1910. Commission and Expense on Capital Stock		\$.....
1920. Reacquired Securities .....	.....	.....
1990. Nominally Issued Securities—		
(a) Pledged .....	\$.....	.....
(b) Unpledged .....	\$.....	.....
		<hr/>
Total Miscellaneous Debits		\$.....
		<hr/> <hr/>
Total Assets		\$.....
		<hr/> <hr/>

Contingent Assets (not included above) \$.....

LIABILITY SIDE

Current Liabilities:

2000.	Notes Payable	\$.....
2020.	Matured Equipment and Long-Term Obligations.....	\$.....
2030.	Payables to Associated Companies	\$.....
2050.	Accounts Payable	\$.....
2070.	Wages Payable	\$.....
2080.	Unredeemed Tickets	\$.....
2090.	C.O.D.'s Unremitted	\$.....
2100.	Dividends Declared	\$.....
2120.	Taxes Accrued	\$.....
2150.	Interest Accrued	\$.....
2160.	Matured Interest	\$.....
2190.	Other Current Liabilities	\$.....
	Total Current Liabilities	\$.....

Advances Payable:

2200.	Advances Payable—Associated Companies	\$.....
2250.	Other Advances Payable	\$.....
	Total Advances Payable	\$.....

Equipment and Other Long-Term Obligations:

2300.	Equipment Obligations	\$.....
	Less: Reacquired and Nominally Issued..	\$.....
		\$.....
2330.	Bonds	\$.....
	Less: Reacquired and Nominally Issued.	\$.....
		\$.....
2360.	Other Long-Term Obligations	\$.....
	Less: Reacquired and Nominally Issued.	\$.....
		\$.....
	Total Equipment and Other Long-Term Obligations	\$.....

Deferred Credit:

2400.	Unamortized Premium on Debt	\$.....
2450.	Other Deferred Credits	\$.....
	Total Deferred Credits	\$.....

Reserves:

2660.	Insurance Reserves	\$.....
2680.	Public Liability and Property Damage Reserve.....	\$.....
2685.	Workmen's Compensation Reserve	\$.....
2690.	Other Reserves	\$.....
2699.	Maintenance Reserves	\$.....
	Total Reserves	\$.....

LIABILITY SIDE—Concluded

Capital Stock:

2700.	Preferred Capital Stock	\$.....	
	Less: Reacquired and Nominally Issued. ....	.....
2710.	Common Capital Stock .....	.....
	Less: Nominally Issued .....	.....	\$.....
		<hr/>	
2720.	Premiums and Assessments on Capital Stock.....	.....
2730.	Capital Stock Subscribed .....	.....
		<hr/>	
	Total Capital Stock	\$.....	<hr/> <hr/>

Non-Corporate Capital:

2800.	Sole Proprietorship Capital .....	.....
2810.	Partnership Capital .....	.....
		<hr/>	
	Total Non-Corporate Capital	\$.....	<hr/> <hr/>

Unappropriated Surplus:

2900.	Unearned Surplus	\$.....	
2930.	Earned Surplus (Deficit in red) .....	.....
2935.	Dominion of Canada—Refundable Portion of Excess Profits Tax .....	.....
		<hr/>	
	Total Unappropriated Surplus	\$.....	<hr/> <hr/>
	Total Liabilities	\$.....	<hr/> <hr/>

Contingent Liabilities (not included above) \$.....

FORM OF BALANCE SHEET STATEMENT
CLASS II.—MOTOR CARRIERS

(See instruction 15)

ASSET SIDE

Current Assets:

1000.	Cash		\$.....
1020.	Working Funds .....		.....
1040.	Special Deposits .....		.....
1080.	Notes Receivable .....	\$.....	.....
1100.	Received from Associated companies.....	\$.....	.....
1120.	Accounts Receivable .....	\$.....	.....
1180.	Materials and Supplies .....		.....
1190.	Other Current Assets .....		.....
	Total Current Assets		\$..... =====

Tangible Property:

1200.	Motor Carrier Operating Property.....	\$.....	
	Less: Reserve for Depreciation, Structures and Equipment		\$..... -----
1300.	Motor Carrier Operating Property leased to Others .....	\$.....	.....
1400.	Non-Motor Carrier Operating Property.....		.....
1450.	Non-Operating Property .....		.....
		\$.....	
	Less: Reserve for Depreciation, Other Property	\$..... -----
	Total Tangible Property -----

Other Assets:

1500.	Intangible Property		\$.....
1600.	Investment Securities and Advances.....		.....
1700.	Special Funds .....		.....
1800.	Deferred Debits .....		.....
1900.	Miscellaneous Debit Items .....		.....
	Total Other Assets		\$..... =====
	Total Assets		\$..... =====

Contingent Assets not included above \$.....

LIABILITY SIDE

Current Liabilities:

2000. Notes Payable	\$.....
2020. Matured Equipment and Long-Term Obligations .....	.....
2030. Payables to Associated Companies.....	.....
2050. Accounts Payable .....	.....
2070. Wages Payable .....	.....
2080. Unredeemed Tickets .....	.....
2090. C.O.D.'s Unremitted .....	.....
2190. Other Current Liabilities .....	.....

Total Current Liabilities \$.....

Advances Payable:

2200. Advances Payable—Associated Companies ..	\$.....
2250. Other Advances Payable .....	.....

Equipment and Other Long-Term Obligations:

2300. Equipment Obligations	\$.....
2330. Bonds .....	.....
2360. Other Long-Term Obligations

Deferred Credits:

2450. Deferred Credits	\$.....
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Reserves:

2690. Other Reserves	\$.....
----------------------------	---------

Capital Stock:

2700. Preferred Capital Stock	\$.....
2710. Common Capital Stock .....	.....
2720. Premiums and Assessments on Capital Stock .....	.....
2730. Capital Stock Subscribed .....	.....

Total Capital Stock \$.....

Non-Corporate Capital:

2800. Sole Proprietorship Capital	\$.....
2810. Partnership Capital .....	.....

Total Non-Corporate Capital \$.....

Unappropriated Surplus:

2900. Unearned Surplus	\$.....
2930. Earned Surplus .....	.....
2935. Dominion of Canada—Refundable Portion of Excess Profits Tax .....	.....

Total Unappropriated Surplus \$.....

Total Liabilities and Capital..... \$.....

Contingent Liabilities (not Included above)\$.....

FORM OF BALANCE SHEET STATEMENT
CLASS III.—MOTOR CARRIERS

(See instruction 15)

ASSET SIDE

Current Assets:

1000. Cash		\$.....
1020. Working Funds .....		.....
1040. Special Deposits .....		.....
1120. Notes and Accounts Receivable .....		.....
1180. Materials and Supplies .....		.....
1190. Other Current Assets .....		.....
	
Total Current Assets		\$.....
	

Tangible Property:

1200. Motor Carrier Operating Property.....		\$.....
1300. Motor Carrier Operating Property leased to Others .....		.....
1400. Non-Motor Carrier Operating Property.....		.....
1450. Non-Operating Property .....		.....
	
		\$.....
Less Reserve for Depreciation.....		\$.....
	
Total Tangible Property		\$.....
	

Other Assets:

1600. Investment Securities and Advances, Special Funds		\$.....
1900. Intangible Property, Deferred Debits and Miscellaneous Debits .....		.....
	
Total Other Assets		\$.....
	
Total Assets		\$.....
	
Contingent Assets (not included above)		\$.....

LIABILITY SIDE

Current Liabilities:

2000. Notes Payable	\$.....	
2020. Matured Equipment and Long-Term Obligations		
2030. Accounts Payable		
2070. Wages Payable		
2190. Other Current Liabilities		

Total Current Liabilities	\$.....	
---------------------------------	---------	--

2250. Advances Payable	\$.....	
2360. Equipment and Long-Term Obligations		
2450. Deferred Credits		
2690. Reserves, other than Depreciation		

Capital Stock:

2700. Preferred Capital Stock	\$.....	
2710. Common Capital Stock		
2720. Premiums and Assessments on Capital Stock		
2730. Capital Stock Subscribed		

Total Capital Stock	\$.....	
---------------------------	---------	--

Non-Corporate Capital:

2800. Sole Proprietorship Capital	\$.....	
2810. Partnership Capital		

Total Non-Corporate Capital	\$.....	
-----------------------------------	---------	--

2930. Unappropriated Surplus	\$.....	
------------------------------------	---------	--

Total Liabilities and Capital.....	\$.....	
------------------------------------	---------	--

Contingent Liabilities (not included above)	\$.....	
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FORM OF INCOME STATEMENT

Motor Carrier Operating Income:

REVENUES:

83000. Operating Revenues \$.....

EXPENSES:

84000. Operation and Maintenance Expenses \$.....

85000. Depreciation Expense

85100. Amortization Chargeable to Operations

85200. Operating Taxes and Licences

85300. Operating Rents—Net

Total Expenses \$.....

Net Operating Revenue \$.....

85400. Rent for Lease of Motor Carrier Property—Debit..... ..

85500. Income from Lease of Motor Carrier Property—Credit..... ..

Net Motor Carrier Operating Income..... \$.....

Other Income:

6000. Net Income from Non-Motor Carrier Operations..... \$.....

6100. Net Income from Non-Operating Property

6200. Interest Income

6300. Dividend Income

6400. Income from Sinking and Other Funds

5500. Other Non-Operating Income

Total Other Income \$.....

Gross Income \$.....

Income Deductions:

7000. Interest on Long-Term Obligations \$.....

7100. Other Interest Deductions

7300. Amortization of Debt Discount and Expense..... ..

7400. Amortization of Premium on Debt—Credit

7500. Other Deductions

Total Income Deductions \$.....

Net Income before Income Taxes \$.....

8000. Provision for Income Taxes \$.....

Net Income (or Loss) Transferred to Earned Surplus.. \$.....

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BALANCE SHEET ACCOUNTS**ASSETS****I. CURRENT ASSETS****1000. Cash**

This account should include the amount of current funds available for use on demand in the hands of financial officers and deposits in banks or trust companies; also cash in transit for which agents or drivers have received credit.

This account should be credited with the amount of cheques or drafts transmitted to payees.

1020. Working Funds

This account should include amounts advanced to officers, agents, employees, and others as petty cash or working funds from which certain expenditures are to be made and accounted for.

1040. Special Deposits

This account should include the balance of the amounts included in accounts 1041, 1042 and 1043 for short-term deposits.

1041. Interest Special Deposits

This account should include moneys and bank credits specially deposited in the hands of fiscal agents or others for the payment of interest on behalf of the company. When interest is paid from such deposits, it shall be credited to this account and charged to the appropriate accrued or matured interest account. Payments to trustees or other agents of the holders of the bonds or other securities of the interest accrued thereon, which operate, under the term of the securities, or of mortgages supporting such securities, as a release of the paying company from further liability for such interest, shall be charged to the appropriate interest accrual account.

1042. Dividend Special Deposits

This account should include moneys and bank credits in the hands of fiscal agents or others, for the payment of dividends on behalf of the company. When dividends are paid from such deposits, they should be credited to this account and charged to the appropriate dividend account.

1043. Miscellaneous Special Deposits

This account should include moneys and bank credits in the hands of fiscal agents or others, for special purposes other than the payment of interest or dividends. This includes cash or securities deposited with Dominion, Provincial, or Municipal Authorities, Public Utilities or others, as a guarantee for the fulfilment of obligations. Entries to this account should specify the purpose for which the deposit is made. When such purposes are satisfied and the deposit is released, this account should be credited with the amount deposited.

This account should not include any assets available for general company purposes.

1060. Temporary Cash Investments

This account should include the book cost (see instruction 13) of loans and notes receivable, marketable securities, etc., acquired for the temporary investment of cash. Any securities included in this account must be readily convertible into cash at substantially the book value.

This account should be subdivided to show separately:

- (1) Temporary Cash Investments—Associated Companies.
- (2) Temporary Cash Investments—Other.

Amounts carried in this account as pledged should be shown separately from amounts unpledged.

This account should not include amounts properly includible in accounts 1600—Investments and Advances—Associated Companies or 1650—Other Investments and Advances.

1080. Notes Receivable

This account should include the book cost, not includible elsewhere, of all collectible obligations in the form of notes receivable, contracts receivable and similar evidences (except interest coupons) of money receivable on demand or within a time not exceeding one year from the date of issue.

Amounts carried in this account which are pledged should be shown separately from the amounts unpledged.

This amount should be subdivided to show separately:

- (1) Notes Receivable—Officers, Stockholders and Employees.
- (2) Notes Receivable—Others.

1100. Receivables from Associated Companies

This account should include the amount receivable from associated companies (see definition 6a) which are subject to current settlement (see definition 16), such as balances in open accounts for services rendered, material furnished, traffic or interline accounts, claims, rent for use of property, and similar items; interest and dividends due from associated companies; and loans, notes, and drafts for which associated companies are liable.

This account should be subdivided to show separately:

- (1) Loans and Notes Receivable—Associated Companies.
- (2) Interest and Dividends Receivable—Associated Companies.
- (3) Accounts Receivable—Associated Companies.

On the balance sheet, accounts receivable from associated companies should be offset against accounts payable to the same companies.

No amounts representing Dividends Receivable should be included in this account unless they have been declared or guaranteed.

Items which are not subject to current settlement should be included in account 1600—Investments and Advances—Associated Companies.

1120. Accounts Receivable

This account should include the amount due from Others (except Associated Companies) for materials and supplies furnished and services rendered, including transportation and storage charges, use of property, other matured rents, amounts owing by public authorities, amounts of collectible judgments, current accounts with officers and employees, and other accounts and claims for which responsibility is acknowledged by solvent debtors.

This account should also include the balances due from other carrier companies (except Associated Companies) also the amounts due from these companies for net debit balances of traffic and interline accounts; also the net balance in current accounts due from agents, and employees charged with the collection or custody of current revenues.

Where the company's moneys arising from the collection of revenue are held in trust by bonded agents, drivers, and employees of the company, then these balances should be included in account 1000—Cash.

This account should be divided to show separately:

- (1) Accounts Receivable—Officers, Stockholders and Employees.
- (2) Traffic or Interline Account Balances.
- (3) Accounts Receivable—Others.

Amounts advanced to officers, employees, or others as working funds, should be included in account 1020—Working Funds.

Accounts with other carriers representing traffic and interline accounts which contain net credit balances should be included in account 2050—Accounts Payable.

1140. Subscribers to Capital Stock

This account should include the balance due from subscribers upon legally enforceable subscriptions to capital stock.

The amount of each subscription should be charged to this account at the time the subscription is accepted. Concurrently there should be credited to account 2730—Capital Stock Subscribed, the par or nominal value of the stock subscribed, or the agreed purchase price in the case of no par value stock. Appropriate entries should be made with respect to any premium on capital stock.

The records supporting the entries to this account should be kept so that the corporation can furnish the name and address of each subscriber, the amount and kind of capital stock subscribed, the date of subscription, the date that each payment is due, and the date that each is paid, the nature of each payment (whether cash or other consideration) and any other information that is necessary to make the history of the subscription complete.

1160. Interest and Dividends Receivable

This account should include the amount of current interest accrued to the date of the balance sheet on bonds, mortgages, notes and other commercial paper owned; on loans made; open accounts; bank deposits, etc., and the amount of dividends receivable on stocks owned (see instruction 8).

Interest and dividends receivable from associated companies should be included in account 1100—Receivables from Associated Companies.

Interest which is not subject to current settlement should be included in the account in which is carried the principal on which the interest is accrued.

No amounts representing dividends receivable should be included in this account unless they have been declared or guaranteed.

1180. Material and Supplies

This account should include the cost (less cash or other discounts when these can be determined) of all unapplied material and supplies, including tools, repair parts, fuel, car wheels, tires and tubes, etc. The cost should include all specifically assignable transportation charges incurred in obtaining the delivery of such material and supplies upon the company's premises, including loading and unloading, and at the option of the Company, it may include a suitable proportion of purchasing and store expenses with corresponding credits made to the appropriate account. The cost should include sales tax on material purchases, other than gasoline and motor fuels.

When any materials or supplies, the cost of which has been charged to this account, are issued for use, the amount at which they stand charged should be credited to this account, and charged to the appropriate construction, operation or maintenance expense, or other account. This amount may be based upon the average cost of all the items of the given type included in this account at the beginning of the period.

Materials recovered from work on the construction, maintenance, or the retirement of property should be charged to this account as follows:

- (1) Re-usable materials should be included in this account at amounts not to exceed cost, estimated if not known.
- (2) Scrap and non-usable materials should be carried at the estimated salvage value. So far as practicable the difference between the amount realized from the sale or disposal, and the amounts at which the materials are carried in this account, should be adjusted in the depreciation reserves, repair accounts, or other accounts which were credited when the materials were charged to this account.

Interest charged on material bills, the payment of which is delayed, should be charged to Account 7100—Other Interest Deductions.

Inventories of materials and supplies should be taken at intervals of 1 year or less, and the necessary adjustment should be made to bring this account into harmony with the actual physical inventory. In making this adjustment, differences which may **practically be assigned to important classes of materials** should be equitably distributed among the accounts to which such classes of materials are ordinarily chargeable.

Other differences should be equitably apportioned among the operation and maintenance accounts to which materials have been charged since the last inventory. Such differences as cannot be allocated to the operation and maintenance accounts should be included in account 84655—Purchasing and Stores Expenses.

Federal Excise and Provincial taxes on gasoline and other motor fuels should be included in account 85200—Operating Taxes and Licences.

1190. Other Current Assets

This account should include the amounts of all current assets not includible in any of the foregoing current asset accounts (see definition 16).

II. TANGIBLE PROPERTY

1200. Motor Carrier Operating Property

This account should include the total of the amounts representing the cost (see instructions 10 and 16) of carrier operating property owned and used by the company in its carrier operations, and which has an expected life in service of more than 1 year including property owned by the company but held by nominees.

Records should be kept to show separately the cost and date of acquisition of property jointly owned and property operated under joint agreement; also the cost, and date of acquisition of each structure, unit of equipment, or other major items of property (or at the option of the company into major parts of a structure or units of equipment). When a major part of a unit of property or portion of a structure has been replaced by either a new or rebuilt one, details should appear in the supporting records showing the cost of the property removed, the cost of replacement, and the date of removal or replacement. If property such as a structure or unit of equipment is constructed new, or rebuilt by the company to increase its capacity or otherwise add to its usefulness in transit operations, or if parts are purchased and assembled by the company, the cost records for construction and assembly should be maintained in a sufficiently complete manner to show the cost of labour, materials and other expenses of such work.

When a structure, unit of equipment or other property is so rebuilt or remodelled as to create an expectation of service life fairly comparable with new property, the old property should be retired. (See instruction 18). Charges to this account for the rebuilt or remodelled property should be based upon the appraised value of the re-used parts, or the net book cost at the time of retirement of the retired unit, whichever is lower, plus the cost of rebuilding, rehabilitation or remodelling, provided, however, that in no event shall the amount charged exceed the cost of similar new property.

The cost of removing old appliances and replacing them with new appliances should be charged to the proper account under operation and maintenance expenses.

The cost of additions and betterments of property leased from others should be recorded in account 81271—Improvements to Leasehold Property. (See instruction 19)

1300. Motor Carrier Operating Property Leased to Others

This account should include the cost of carrier operating property owned by the company but leased to others as distinct operating units or systems (see definition 23) for use in carrier operations where the lessee has exclusive possession.

This account should be subdivided to show separately the investments in each class of Carrier Operating Property Accounts.

1400. Non-Carrier Operating Property

This account should include the book cost of land, structures and equipment owned by the company and used in other than Carrier Operations and not provided for in accounts 1200—Carrier Operating Property and account 1300—Carrier Operating Property Leased to Others.

1450. Non-Operating Property

This account should include the book cost of land, structures, and equipment owned by the company but not used in any of its operating activities.

III. INTANGIBLE PROPERTY

1500. Organization, Franchises and Permits

This account should include the balance of the amounts included in accounts 1501 to 1541 inclusive.

1501. Organization

This account should include fees paid to Provincial or other governmental authority for the privilege of incorporation and expenditures incident to organizing the corporation, partnership, or other enterprise, and putting it in readiness to do business.

This account should not include any discounts upon securities issued or assumed; nor should it include any costs incident to negotiating loans, selling bonds or other evidences of debt, or expenses of the authorization, issuance or sale of stock. (See instructions 10 and 11 and account 1910—Commission and Expense on Capital Stock).

Exclude from this account and include in account 84620—Law Expenses, the cost of preparing and filing papers for the extension of the term of incorporation unless the first organization expenses have been written off.

When charges are made to this account for expenses incurred in mergers, consolidations, acquisitions or reorganizations, amounts previously included herein on the books of the retiring companies should not be carried over. If such items represent part of the assets acquired they should be included in account 1550—Other Intangible Property. (See instruction 17).

ITEMS

- Fees and expenses for incorporations.
- Fees and expenses for consolidations.
- Office expenses incident to organizing the business.
- Stock and minute books and corporate seal.

1511. Franchises

This account should include the amounts paid in consideration of franchises, permits, consents or certificates together with the necessary reasonable expenses incident to procuring such franchises, permits, consents or certificates of convenience and necessity.

Regularly recurring payments made to any political subdivision for the right to operate within its boundaries should be charged to account 85200—Operating Taxes and Licences.

1541. Patents

This account should include the cost (see instruction 16) of patent rights, licences and privileges necessary or valuable to the economical conduct of carrier operations.

1550. Other Intangible Property

This account should include any intangibles not provided for elsewhere.

The company may amortize the balances carried in this account by credits hereto and concurrent charges to account 7500—Other Deductions, or the amount carried herein for any item may be written off to account 2946—Other Debits to Surplus.

IV. INVESTMENT SECURITIES AND ADVANCES**1600. Investments and Advances—Associated Companies**

This account should include the book cost (see instruction 13) of the company's investment in securities issued or assumed by associated companies; notes of associated companies maturing later than 1 year from the date of issue, and the amount of advances to Associated Companies not subject to current settlement. Exclude from this account securities held in special funds or as temporary cash investments. (See definitions 6 and 8, account 1060—Temporary Cash Investments and instruction 13).

This account may be subdivided to show separately:

- (1) Common Stocks.
- (2) Preferred Stocks.
- (3) Bonds.
- (4) Notes.
- (5) Other Investments.
- (6) Advances.

Balances in associated companies open accounts, which are subject to current settlement should be included in account 1100—Receivables from Associated Companies.

Securities pledged should be shown separately from securities unpledged.

Securities borrowed by the company and pledged should not be included in this account. A memorandum should be kept.

1650. Other Investments and Advances

This account should include the book cost (see instruction 13) of the company's investments in securities issued or assumed by other than associated companies; Dominion, Provincial and Municipal Bonds, companies' and persons' notes maturing later than 1 year from the date of issue; the cash surrender value of insurance policies carried on the lives of officers and employees when the company is the beneficiary of such policies; advances to other companies and individuals not subject to current settlement, including any accrued interest on such advances when not subject to current settlement.

This account may be subdivided to show separately:

- (1) Common Stocks.
- (2) Preferred Stocks.
- (3) Bonds (a) Dominion (b) Provincial (c) Municipal (d) Other Bonds.
- (4) Notes.
- (5) Other Investments.
- (6) Advances.

Balances with other companies and individuals in open accounts which are subject to current settlement should be included in account 1120—Accounts Receivable.

Securities pledged should be shown separately from securities unpledged.

Securities borrowed by the company and pledged should not be included in this account. A memorandum record should be kept.

V. SPECIAL FUNDS

1701. Sinking Funds

This account should include the amount of cash or other items when held by trustees or other fiscal agents in charge of sinking funds, or by the company itself, when they are segregated in a distinct fund, for the purpose of redeeming outstanding obligations. (See instruction 13).

ITEMS

Cash

Securities of other companies or other assets, at cost except as otherwise provided herein.

Live securities, issued or assumed by the company, at face value. (For conditions under which such securities may be kept alive see instruction 12).

Amounts deposited with trustees or other fiscal agents on account of mortgaged property sold, when held for the redemption of securities.

Securities of the company issued to trustees without intervening sale, at face value.

A separate subdivision should be kept for each fund, the title of which should designate the obligation in support of which the fund was created.

1751. Depreciation Funds

This account should include the amount of cash and the cost (see instruction 13) of securities of other companies, and other assets which have been specifically set aside for the purpose of providing a fund for the replacement of units of depreciable property.

1781. Miscellaneous Special Funds

This account should include the amount of cash and the cost (see instruction 13) of securities of other companies and other assets in insurance, employees' pension, savings, relief, hospital and other funds which have been raised and specifically set aside or invested for purposes not provided for elsewhere; and the face value of securities issued or assumed by the company which may be held alive under instruction 12. Also include in this account deposits in lieu of mortgaged property sold and other trust deposits, pending their refund when equivalent property is acquired or pending their transfer under mortgage provision to account 1701—Sinking Funds. A separate subdivision should be provided for each fund.

VI. DEFERRED DEBITS

1800. Prepayments

This account should include the balances representing payment of items in advance of their accrual, the benefit of which is to be realized subsequently to the time of the payment. Entries should be made each period, transferring from this account to the appropriate account the portion of each prepayment which is applicable to that period. The account should be kept so that there can be readily determined the amounts applicable to the following:

- (1) Taxes and Licences.
- (2) Insurance.
- (3) Interest.
- (4) Rents.
- (5) Miscellaneous.

1880. Unamortized Debt Discount and Expense

This account should include the total of the net debit balances representing the excess of the discount and expense over the premium in the issuance of each class of the company's outstanding long term or equipment obligations. Separate subdivisions should be maintained in respect of each issue of these obligations. (See instruction 11).

1890. Other Deferred Debits

This account should include all debit balances in suspense accounts which cannot be entirely cleared and disposed of until further information is received; also items of a deferred nature (except items chargeable to account 1800—Prepayments, or account 1880—Unamortized Debt Discount and Expense) which are subsequently to be amortized to the appropriate operation and maintenance or other accounts. This includes the amounts paid for options, pending final disposition, which are not recoverable; expenditures for plans and investigations made for determining the feasibility of projects under contemplation, pending further disposition; and expenditures for valuations, inventories, and appraisals made for the contemplated purchase or sale of property. (See instruction 16). If projects for which such preliminary costs were incurred are abandoned, the expense should be charged to account 2946—Other Debits to Surplus.

This account may also include large losses in service value of property retired for causes for which provision has not been made in the depreciation reserve and large losses from retirements which could not reasonably have been foreseen and provided for. (See instruction 18 and account 5120—Property Loss Chargeable to Operations).

No item should be included in this account unless its inclusion in the expense accounts of a single year would unduly increase these accounts.

This account may also include other debit items which must be amortized.

This account should also include the balances in clearing accounts maintained to carry temporarily the costs of operating and maintaining facilities, where these costs are being redistributed, also such overhead costs as it is desirable to apportion to the construction, operating and other accounts involved. (See instruction 14).

1895. Dominion of Canada—Refundable Portion of Excess Profits Tax

This account should be charged with the amount refundable by the Dominion of Canada under the Excess Profits Tax Act. A concurrent credit should be made to account 2935—Dominion of Canada—Refundable Portion of Excess Profits Tax.

VII. Miscellaneous Debit Items**1910. Commission and Expense on Capital Stock**

This account should include all expenses incurred in the issuance and sale of capital stock (see instruction 10).

ITEMS

Fees and expenses in obtaining permission from regulatory bodies for the issuance of stock and in filing papers of notification thereunder.

Fees paid to promoters.

Listing stock on exchanges.

Preparation and distribution of prospectuses.

Preparation and issuance of stock certificates.

Soliciting subscriptions for stock, including fees, commissions, advertising and printing.

Taxes paid on stock issues.

1920. Reacquired Securities

This account should include in subdivisions for each class, the face, par, or stated value of bonds, and other forms of securities which have been actually issued or assumed by the company, and reacquired and are neither retired nor properly includible in sinking or other funds.

The accounting for the acquisition of securities and resales thereof should be in accordance with instruction 12.

This account should be kept to show separately securities pledged and unpledged.

In preparing a balance sheet this account should be deducted from the securities accounts on the liability side, thereby extending into the money column the amounts of the actually outstanding securities.

1990. Nominally Issued Securities

This account should include in subdivisions for each class, the face value of capital stock, bonds, and other forms of securities which have been nominally but not actually issued by the company. (See definitions 2 and 30).

When stock without par value is nominally issued, a memorandum entry should be made to this account showing the number of shares thus issued.

This account should be kept so as to show separately the securities pledged and unpledged.

In preparing a balance sheet, the balance in this account should be deducted from the securities accounts on the liability side, thereby extending into the money column the amounts of the actually outstanding securities.

LIABILITIES, RESERVES AND CAPITAL

VIII. CURRENT LIABILITIES

2000. Notes Payable

This account should include the face value of outstanding obligations in the form of notes, drafts, acceptances, and similar evidences of indebtedness, which by their terms do not run for a period in excess of 1 year.

Subdivisions should be kept to show separately obligations maturing upon demand from obligations bearing a specified maturity date.

Notes Payable to associated companies should be included in account 2030—Payables to Associated Companies.

Unmatured equipment obligations irrespective of maturity should be included in account 2300—Equipment Obligations.

2020. Matured Equipment and Long-Term Obligations

This account should include the amount (including obligation for premiums) of equipment obligations, long-term obligations and receivers' certificates matured and unpaid without any specific agreement for extension of maturity, including unrepresented bonds called for redemption.

2030. Payables to Associated Companies

This account should include the total of the amounts payable to associated companies (see definition 6) which are subject to current settlement (see definition 17) such as credit balances in open accounts for services rendered, material furnished, traffic or interline accounts, claims, rent for use of property and similar items; interest and dividends due to associated companies; and loans, notes and drafts which are payable to associated companies.

This account should be subdivided to show separately:

- (1) Loans and Notes Payable—Associated Companies.
- (2) Interest and Dividends Payable—Associated Companies.
- (3) Accounts Payable—Associated Companies.

On the balance sheet Accounts Payable to associated companies should be set off against accounts receivable from the same companies.

No amount representing dividends payable should be included in this account unless they have been declared or guaranteed.

Items which are not subject to current settlement should be included in account 2200—Advances Payable—Associated Companies.

2050. Accounts Payable

This account should include amounts payable to others (except associated companies) for materials and supplies and services received, including the use of property, other matured rents, amounts due to public authorities, amounts of payable judgments, current accounts with officers and employees, personal injury and property damage claims, and similar items.

This account should include the balances due to other transit companies (except associated companies) in favour of which there is a net credit balance representing traffic and interline accounts.

This account should be subdivided to show separately:

- (1) Accounts Payable—Officers, Stockholders, and Employees.
- (2) Traffic and Interline Balances.
- (3) Accounts Payable—Others.

Other transit companies' accounts representing traffic or interline debit balances should be included in account 1120—Accounts Receivable.

2070. Wages Payable

This account should include the amount of wages payable or accrued pay rolls at the date of the balance sheet. Unclaimed wages should be transferred to account 2190—Other Current Liabilities.

2080. Unredeemed Tickets

Companies using the ticket lift basis in recording revenues should credit this account with the amounts received from the sale of mileage books, scrip books, tokens, strip or coupon tickets, commutation or other forms of tickets which are valid for transportation. This account should be charged and the appropriate revenue accounts credited as tickets, tokens, or coupons are honoured for transportation. This account should also be charged with unused portions of tickets, tokens, or coupons refunded and the appropriate revenue account credited with the portion not refunded or refundable.

A separate subdivision of this account should show the total amount of accrued liability to other transit companies for their proportion of interline ticket sales which is held against their reclaim bills.

Transit companies using ticket sales basis in recording revenues should credit account 3101—Passenger Revenue, with their proportion received from the sale of tickets etc.

2090. C.O.D.'s Unremitted

This account should be credited with amounts of C.O.D.'s collected from consignees for shippers on freight or express delivered.

This account should be charged when remittances of amounts of C.O.D.'s are made to shippers.

Fees for handling C.O.D.'s should be credited to the freight or express revenue account.

2100. Dividends Declared

This account should include the amount of dividends declared but not paid on any issue of stock of the company. Dividends should be credited to this account as of the day they become a liability of the company.

Dividends declared and payable to associated companies should be included in account 2030—Payables to Associated Companies.

2120. Taxes Accrued

This account should be credited each period with the amount of taxes accrued during the period, with concurrent debits to the appropriate accounts for taxation. As credits to this account will necessarily be based upon estimates, they should be adjusted from time to time during the year so that the taxation accounts may show as nearly as possible, the taxes applicable to the year. Payments of taxes for which accruals have been made should be debited to this account. Amounts representing prepayment of taxes at the date of the balance sheet should be included in account 1800—Prepayments.

The records supporting the entries to this account should be kept so that the company can furnish the amount and basis of each tax accrual, the kinds of taxes paid, the amount of each, and the accounts charged with the tax accruals.

2150. Interest Accrued

This account should include the amount of interest accrued to date of the balance sheet, but not payable until after that date, on all indebtedness of the company except interest which is added to principal.

When interest matures without being paid, it should be charged to this account and credited to account 2030—Payables to Associated Companies, or to account 2160—Matured Interest, as appropriate. Payments to trustees or other agents of the holders of bonds or securities, of the accrued interest thereon, which operate under the terms of the securities (or of mortgages supporting the securities) as a release of the company from further liability for such interest, should be accounted for in the same manner as payments of interest made directly to bondholders.

Interest accrued upon any judgment against the company should be credited to the account in which the judgment stands credited.

2160. Matured Interest

This account should include the amount of matured and unpaid interest on obligations of the accounting company whether the cause of failure to pay the interest is on the part of the creditor or for other reasons, except where such interest is added to the principal of the obligation.

Interest payable to associated companies should be included in account 2030—Payables to Associated Companies.

2190. Other Current Liabilities

This account should include all current and accrued liabilities not includible in any of the foregoing accounts. This account includes unmatured rent accrued, and unclaimed wages.

IX. ADVANCES PAYABLE**2200. Advances Payable—Associated Companies**

This account should include the amount of advances from associated companies, whether evidenced by notes or open accounts, which are not subject to current settlement, including interest accrued thereon, when this interest is not subject to current settlement.

This account should be subdivided to show for each creditor:

- (1) Notes Payable.
- (2) Open accounts not subject to current settlement.
- (3) Interest accrued on amounts included in this account, when not subject to current settlement.

Amounts of temporary advances which are subject to current settlement such as charges for materials and supplies currently furnished, charges for repairs to equipment, etc., should be included in account 2030—Payable to Associated Companies.

2250. Other Advances Payable

This account should include the amount of advances from individuals and companies other than associated companies, whether evidenced by notes or open accounts, which are not subject to current settlement, including interest accrued thereon when such interest is not subject to current settlement.

This account should be subdivided to show for each creditor:

- (1) Notes Payable.
- (2) Open accounts not subject to current settlement.
- (3) Interest accrued on amounts included in this account when not subject to current settlement.

Amounts of temporary advances which are subject to current settlement such as charges for materials and supplies currently furnished, charges for repairs to equipment, etc., should be included in account 2050—Accounts Payable.

X. EQUIPMENT AND OTHER LONG-TERM OBLIGATIONS**2300. Equipment Obligations**

This account should include the face value of unmatured equipment obligations, issued by the company and not retired or cancelled. This includes equipment bonds, equipment notes, chattel mortgages, and other obligations for which equipment is pledged as a security or is held under a conditional sales agreement; also the face value of equipment obligations issued by others, the payment of which has been assumed by the company, and of equipment obligations so issued or assumed, the maturity of which has been extended by specific agreement.

This account should be kept so as to show the face value of equipment obligations:

- (1) Nominally issued.
- (2) Actually outstanding.

(See definitions 3 and 30).

A separate subdivision should be kept for each class of equipment obligation and no issues should be considered to be of the same class unless identical as to liability and nature of property covered.

Equipment obligations matured and unpaid without specific agreement for extension of time of payment, including unrepresented equipment obligations called for redemption should be included in account 2020—Matured Equipment and Long-Term Obligations.

On the balance sheet, obligations maturing within 1 year should be shown separately from those maturing later than 1 year from the date of the balance sheet.

2330. Bonds

This account should include the face value of the unmatured bonds which have not been retired or cancelled (except equipment bonds—see account 2300—Equipment Obligations); also the face value of bonds issued by others, the payment of which has been assumed by the company.

This account should be kept to show the face value of the bonds:

- (1) Nominally issued.
- (2) Actually outstanding.

(See definitions 3 and 30).

A separate subdivision should be kept for each class and series of bonds, and no issue should be considered to be of the same class unless identical as to liability and nature of the property covered.

Bonds matured and unpaid without specific agreement for extension of time of payment, including unrepresented bonds called for redemption should be included in account 2020—Matured Equipment and Long-Term Obligations.

On the balance sheet obligations maturing within 1 year should be shown separately from those maturing later than 1 year from the date of the balance sheet.

2360. Other Long-Term Obligations

This account should include all other long-term obligations not otherwise provided for. This covers such items executed or assumed, as real estate mortgages; assessments for public improvements, receipts outstanding for long-term obligations, and other obligations maturing more than 1 year from the date of issue.

This account should also include the face value of certificates of indebtedness issued upon the property by receivers in possession of the property acting under the order of a court.

Separate subdivisions should be kept for each class of obligation included herein, and records should be kept to show separately for each issue all details as to date of issue, date of maturity, interest date and rates, security for obligations, etc.

On the balance sheet, obligations maturing within 1 year should be shown separately from those maturing later than 1 year from the date of the balance sheet.

Matured obligations which are unpaid should be included in account 2020—Matured Equipment and Long Term Obligations.

XI. DEFERRED CREDITS**2400. Unamortized Premium on Debt**

This account should include the total of all credit balances representing the excess of premium over discount and expense arising from the issuance of each class of the company's long-term or equipment obligations. Separate subdivisions should be kept in respect of each issue of obligations. (See instruction 11).

2450. Other Deferred Credits

This account should include the credit balances in suspense accounts that cannot be entirely cleared and disposed of until additional information is received, and other items of a deferred nature. (See instruction 14).

XII. RESERVES**2500. Reserve for Depreciation—Motor Carrier Operating Property**

This account should be credited with the following:

(1) Amounts charged to account 85000—Depreciation Expense, account 5500—Income from Lease of Carrier Property—Credit, or other accounts for currently accruing depreciation (see definition 21) of carrier operating property as provided in instruction 22.

(2) Amounts which the company may charge to account 2946—Other Debits to Surplus, or transfer to this account for depreciation accrued but not provided for in prior years.

(3) The amount of depreciation accrued to the date of transfer applicable to carrier operating property acquired as distinct units when the company elects to set up the book cost of such property as provided in instruction 17.

(4) The amount of depreciation accrued to date of transfer, applicable to property transferred from account 1400—Non-Carrier Operating Property or 1450—Non-Operating Property, to accounts 1200—Carrier Operating Property or 1300—Carrier Operating Property Leased to others. (See instruction 20).

Charges to this account for carrier operating property retired should be made in accordance with instruction 18. Also this account should be charged with the amount of depreciation accrued to date, applicable to property transferred from account 1200—Carrier Operating property, or 1300—Carrier Operating Property Leased to Others to accounts 1400—or—1450.

This account should be subdivided to show the balances applicable to each class of property as follows:

- 2511. Structures.
- 2521. Revenue Equipment.
- 2531. Service Cars and Equipment.
- 2535. Shop and Garage Equipment.
- 2551. Furniture and Office Equipment.
- 2561. Miscellaneous Office Equipment.
- 2571. Improvements to Leasehold Property.
- 2581. Undistributed Property.
- 2591. Carrier Operating Property Leased to Others.

2600. Reserve for Amortization—Motor Carrier Operating Property

This account should be credited with amounts charged to account 85110—Amortization of Carrier Operating Property, or other appropriate account, for the amortization of leaseholds, franchises, consents, privileges, patents and other intangible property having a fixed term life, and for losses expected to be incurred through the reversion of improvements on leased property prior to the expiration of their service lives. (See instruction 22).

When any leasehold, franchise, permit, consent, privilege or patent expires, is sold, or relinquished, or is otherwise retired from service, this account should be charged with the amount previously credited to it for the property. The difference between the proceeds realized and the net book cost (see definition 28 and instruction 22) of the property retired shall be included in account 85110—Amortization of Carrier Operating Property, or the appropriate account.

Records should be maintained to show separately the balances applicable to each item of intangible property being amortized.

This account should be credited with the amounts which are necessary to show, the expired portion of the life of franchises, permits, consents, patent rights, leaseholds, easements, other interest in land, or other intangible property which has a fixed term life, the cost of which is included in the operating property accounts 1200 and 1300 and intangible property accounts 1500 and 1550. To the extent that provision has not been previously made the amounts credited to this reserve shall be concurrently debited to account 2946—Other Debits to Surplus.

2610. Reserve for Depreciation and Amortization—Other Property

This account should include amounts provided for depreciation and amortization of properties carried in accounts 1400—Non-Transit Operating Property and 1450—Non-Operating Property.

2650. Reserve for Uncollectible Accounts

This account should be credited with amounts reserved for receivables which may become uncollectible.

Charges applicable to receivables for carrier operating revenues should be included in account 84680—Uncollectible Revenues.

Charges applicable to other than carrier operating revenues should be included in account 7500—Other Deductions.

Charges for items not applicable to carrier operations should be included in account 6000—Net Income from Non-Carrier Operations or account 6100—Net Income from Non-Operating Property, as appropriate.

2660. Insurance Reserves

This account should be credited with the amounts charged to account 84570—Fire and Theft Insurance, account 84580—Other Insurance, to provide a reserve for losses through collision, accident, flood, fire, or other hazards to the company's own property or to property leased from others, when these hazards are not covered by outside insurance (see instruction 24). A schedule of risks covered by this reserve should be kept, giving a description of the property involved, the character of the risks covered, and the rates used.

The cost to the company of repairing damaged property owned or leased from others, and of replacing damaged or destroyed property leased from others, when the risk is specifically provided for in the schedule applicable to this account, should be charged to this account. These charges should not exceed the amount of risk provided for in the schedule. When carrier operating property is destroyed or so badly damaged as to require retirement, the amount provided for it, in the schedule of risks applicable to this account should be charged hereto and credited to account 2500—Reserve for Depreciation—Carrier Operating Property.

2680. Public Liability and Property Damage Reserve

This account should be credited with amounts charged to account 84530—Public Liability and Property Damages, account 84560—Freight, Baggage and Express Loss and Damage, to provide a reserve against claims arising from the deaths of, or injuries to, passengers or others, for damages to property not owned or held under lease by the company, and for loss, destruction, damage or delays to property entrusted to the company for transportation or storage, when these hazards are not covered by outside insurance. (See instruction 24). A schedule of risks covered by this reserve should be kept in sufficient detail to indicate the character of the risks covered and the rates used.

This account should be charged with claims, paid for injuries to persons and damages to the property of others, when the risk is specifically provided for in the schedules applicable to this account.

When liability for any injury or damage to the public is admitted by the company either voluntarily or because of a decision of a court or other lawful authority the amount should be charged to this account. The amount of such a liability should be credited to account 2030—Payables to Associated Companies, account 2050—Accounts Payable or account 2450—Other deferred Credits, as appropriate, until paid or liquidated.

This account should be subdivided to show:

- (1) Reserve for personal injuries and property damage.
- (2) Reserve for freight, baggage and express loss and damages.

NOTE.—The accounting for repairs and replacements of property owned, or leased from others, should be as provided in account 2660.

2685. Workmen's Compensation Reserve

This account should be credited with the amounts charged to account 84546—Workmen's Compensation—to provide a reserve against claims arising out of the deaths of or injuries to employees.

This account should be charged with claims payable for injuries to employees when the risk is specifically provided for in the schedule applicable to this account.

2690. Other Reserves

This account should include amounts reserved by the company for purposes which are not provided for in any of the preceding reserves. This includes such accounts as sinking fund reserves, contingency reserves, and other reserves created by charges to income or surplus.

This account should be kept so as to show the amount of each separate reserve and the nature and the amounts of the debits and credits.

2699. Maintenance Reserves

This account should be credited with the amounts charged to accounts 84197, 84380, to cover the amounts estimated as necessary to take care of expenses for work which the company finds itself unable to complete because of the inability to obtain materials and supplies owing to priority, or because of labour conditions.

The cost of these repairs when made should be charged to the appropriate primary operation and maintenance accounts and the provision in this reserve should be reversed through the deferred maintenance accounts listed above.

XIII. CAPITAL STOCK**2700. Preferred Capital Stock****2710. Common Capital Stock**

These accounts should include the par value of stocks with par value; and the cash value of the consideration received, including assessments, for no par value stocks, which have been nominally or actually issued.

Separate accounts should be provided for each class of stock, and the title of each account shall clearly identify the class of stock covered. Issues of stock should not be considered to be of the same class unless identical in all provisions, nor should there be carried any undivided item which pertains to more than one class of stock.

When stock is issued for cash the fact should be stated; if for consideration other than cash, the person to whom it was issued should be designated and the consideration for which it was issued should be described with sufficient particulars to identify it. If such issuance is to the treasurer or other agent of the corporation, for the purpose of sale, that fact and the name of such agent should be shown; and the agent should show like details of the consideration realized for the stock in his account of its disposition, which when accepted by the corporation, should be preserved as a corporate record.

When capital stock is retired and cancelled these accounts should be charged with the amount at which such stock is carried in these accounts.

For each class of stock the records should show the number of shares nominally issued; actually outstanding, and nominally outstanding. (See definitions 3 and 30). When no par stock is nominally issued, a memorandum should be made showing only the number of shares so issued.

When no par stock is issued in exchange for par stock, the amounts included in account 2720—Premiums and Assessments on Capital Stock, for the retired stock, should be treated as part of the consideration received for the no par stock.

2720. Premiums and Assessments on Capital Stock

This account should include the excess of actual cash value (at the time of the sale of the stock) of the consideration received over the par or nominal value of the stock issued plus accrued dividends, if any; and subsequent assessments against stockholders representing payments required in excess of par value.

A separate subdivision should be kept for premiums on each class and series of stock.

When capital stock is retired and cancelled the amount in this account pertaining to the shares retired and cancelled should be debited to this account.

2730. Capital Stock Subscribed

This account should include the amount of legally enforceable subscriptions to capital stock of the company. It should be credited with the par value, or with the subscription price when stock has no par value. Accrued dividends should be excluded. Concurrently a debit should be made to account 1140—Subscribers to Capital Stock for the agreed purchase price and any premium credited to account 2720—Premiums and Assessments on Capital Stock. When properly executed stock certificates have been issued representing the stock subscribed, this account should be debited and the appropriate Capital Stock account credited with the par value of the stock, or with the consideration received for no par stock.

XIV. NON-CORPORATE CAPITAL

2800. Sole Proprietorship Capital

This account should include the investment in an unincorporated carrier business by its proprietor, and should be charged with all the proprietor's withdrawals from the business. At the end of each calendar year the net income for the year as developed in the income account should be transferred to this account. There should also be entered in this account such items as in corporate organizations are handled through earned surplus accounts 2930 to 2946. (See optional accounting procedure hereunder).

Amounts payable to the proprietor as fair and reasonable compensation for services performed should be charged to the appropriate operation and maintenance expense and other accounts.

This account may be restricted to the amount considered by the proprietor to be the permanent investment in the business, subject to change only by additional investment by the proprietor or the withdrawal of portions thereof not representing net income. When this option is taken surplus accounts should be kept and entries should be made in them in accordance with their text.

2810. Partnership Capital

This account should be credited, where the business is conducted by an unincorporated firm, partnership or any style other than an incorporated company or a sole proprietorship; with the respective amounts paid into the business by its partners, and should be charged with all withdrawals from the business by each partner. At the end of each calendar year the net income for the year as developed in the income accounts should be transferred to this account. There should also be entered in this account such items as in corporate organizations are handled through earned surplus accounts 2930 to 2946. (See optional accounting procedure provided hereunder).

Amounts payable to partners as fair and reasonable compensation for services performed should be charged to the appropriate operation and maintenance or other accounts.

Separate accounts should be kept to show the net equity of each member of the partnership and the transactions affecting the interests of each partner. The total of the balances in these accounts should be shown as one account in the balance sheet.

This account may be restricted to the amount considered by the members of the partnership to be their permanent investment in the business, subject to change only by additional investments by the partners or the withdrawals of portions of the investment not representing net income. When this option is taken the surplus accounts should be kept and entries should be made in them in accordance with their texts.

XV. UNAPPROPRIATED SURPLUS**2900. Unearned Surplus**

This account should include all surplus not classified herein as earned surplus. It shall include donations; surplus arising out of reorganization or recapitalization, amortization of expense on capital stock (see instruction 10).

This account should be subdivided into accounts to show each source of unearned surplus.

2930. Earned Surplus

This account should include the balance of the amounts included in accounts 2931 to 2946 inclusive, either debit or credit, of unappropriated surplus arising from earnings. It should not include surplus properly includible in accounts 2800—Sole Proprietorship Capital, 2810—Partnership Capital or 2900—Unearned Surplus.

The balances of all earned surplus accounts (2931 to 2946, inclusive) should be closed into this account at the end of each calendar year.

2935. Dominion of Canada—Refundable Portion of Excess Profits Tax

This account should be credited with the amount refundable by the Dominion of Canada under the Excess Profits Tax Act. A concurrent charge shall be made to account 1895—Dominion of Canada—Refundable Portion of Excess Profits Tax.

EARNED SURPLUS ACCOUNTS**I. CREDITS****2931. Surplus Credits Applicable to Prior Years**

This account should include major items which are directly applicable to prior years' operations and which, if credited to the income, operating revenue, or operating expense accounts of the current year would seriously distort those accounts. (See instruction 5).

2932. Credit Balance Transferred from Income Account

This account should include the net credit balance brought forward from the income account for the current calendar year.

2933. Other Credits to Surplus

This account should include all credits affecting the company's surplus or deficit and not elsewhere provided for, such as

- (1) Cancellation of balance sheet accounts representing unclaimed wages or other liabilities written off because of inability to locate the creditor.
- (2) Profit derived from the sale of investments or property, not provided for elsewhere.
- (3) Credits arising from the cost of debt obligations reacquired and the amount chargeable to account 1920—Reacquired Securities.
- (4) Credits not provided for elsewhere.

II. DEBITS**2941. Surplus Debits Applicable to Prior Years**

This account should include major items which are directly applicable to prior years' operations, and which, if charged to the income, operating revenue, or operating expense accounts of the current year, would seriously distort those accounts (see instruction 5).

2942. Debit Balance Transferred from Income Account

This account should include the net debit balance brought forward from the income account for the current calendar year.

2943. Dividend Appropriations

This account should include amounts declared as dividends on capital stock, actually outstanding.

This account should be subdivided to show separately the dividends on each class of stock. If a dividend is not payable in cash, the consideration should be described in the entry with sufficient particulars to identify it.

Dividend charges should be restricted to actually outstanding stock.

2944. Appropriations to Reserves

This account should include appropriations from surplus for sinking fund and other reserves and allotments of surplus, or transfers of definite amounts from surplus into sinking fund and other reserves under the terms of mortgages, deeds of trust, or under contracts, and such other appropriations of surplus set aside in special reserve accounts as the accounting company may make.

2945. Other Appropriations

This account should include appropriations of surplus not includible elsewhere.

2946. Other Debits to Surplus

This account should include all debits affecting the company's surplus or deficit not elsewhere provided for, such as:

- (1) Losses resulting from the sale of investments or property, including any provision for declines in values of investments, not provided for elsewhere (see instruction 13).
- (2) Net debits resulting from the difference between the cost of debt obligations reacquired and the amount chargeable to account 1920—Reacquired Securities. (See instructions 11 and 12).
- (3) Adjustment and cancellation of balance sheet accounts representing assets other than uncollectible accounts and other receivables for services rendered and material and supplies furnished.
- (4) Debits not provided for elsewhere.

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INCOME ACCOUNTS

I. OTHER INCOME

6000. Net Income from Non-Motor Carrier Operations

This account should include the revenues from and the expenses incurred in the operation of property, the investment in which is carried in account 1400—Non-Carrier Operating Property.

This account should be subdivided to show:

- (1) The total revenues derived from non-carrier operating property operations.
- (2) The total expenses incurred in non-carrier operating property operations.

The expenses referred to include every element of cost incurred in such operations including depreciation, rent, taxes, and insurance.

Each company may adopt its own classification of revenue and expenses for this account. The classification should be such, however, as to permit ready analysis of the revenue and expense.

6100. Net Income from Non-Operating Property

This account should include all rent revenues from land, buildings, and other property not devoted to carrier or any operating activity, the book cost of which is included in account 1450—Non-Operating Property.

This account should include as a deduction from rent revenue, expenses such as repairs, depreciation, amortization, taxes, uncollectable rents, insurance, etc., for the property leased.

This account should be subdivided to show separately for each lease the following:

- (1) Rent Revenue.
- (2) Expenses.
- (3) Depreciation and amortization.
- (4) Taxes.
- (5) Uncollectible rents.

6200. Interest Income

This account should include interest accruing to the accounting company upon securities of other companies and Dominion, Provincial, of municipal governments, on loans, notes and advances; special deposits and all other interest bearing assets. Interest accrued should not be credited to this account unless its payment is reasonably assured; in other cases credits to this account should be based upon the interest actually collected.

This account should be kept to show separately the income from each investment and from each associated company.

No interest upon reacquired securities issued or assumed by the accounting company should be credited to this account.

Interest accrued on securities of other companies held in sinking or other special funds should be credited to account 6400—Income from Sinking and other Funds.

6300. Dividend Income

This account should include revenue derived by the accounting company from the dividends on stocks of other companies held by it. Accruals of guaranteed dividends may be included in this account if payment is reasonably assured.

This account should be kept to show separately the dividend income from each investment and from each associated company.

6400. Income from Sinking and Other Funds

This account should include all revenues (whether interest or dividends) accrued on cash, securities (not issued or assumed by the accounting company) or other assets held in sinking or other special funds.

This account covers all income from investment of special funds, whether required to be retained in the fund or not. If such income is required to be retained in the fund and the fund required to be represented by a reserve, the amount of such accretions to the fund should be concurrently credited to the appropriate reserve, and debited to account 2944—Appropriations to Reserves.

6500. Other Non-Operating Income

This account should include all income accrued to the accounting company in accordance with the terms of any contracts by which the company is entitled to participate in the profits from the operations of others and all other non-operating income not provided for in the foregoing accounts.

Profits from the operations of others do not include any dividends on stocks. Revenue from dividends should be included in account 6300—Dividend Income or account 6400—Income from Sinking and Other Funds, as appropriate.

II. INCOME DEDUCTIONS**7000. Interest on Long-Term Obligations**

This account should include all interest accrued on unmatured outstanding long-term obligations issued or assumed by the accounting company; this account does not include interest on securities held by the accounting company in its treasury, in sinking or other special funds, or pledged as collateral.

This account should be kept so as to show the interest expense (accrual) on each of the following classes or subdivision of long-term obligations.

- (1) Equipment obligations.
- (2) Advances.
- (3) Bonds.
- (4) Other Long-term obligations.

7100. Other Interest Deductions

This account should include interest on all short-term obligations of the accounting company such as notes or loans for terms of not more than 1 year, unpaid taxes, or other accounts payable, etc., and also interest on matured long-term obligations.

7300. Amortization of Debt Discount and Expense

This account should include for any period that proportion of the unamortized discount and expense on outstanding long-term debt which is applicable to that period. This proportion should be determined according to a rule, the uniform application of which during the interval between the issuance and the maturity of any debt, will completely amortize the discount at which such debt was issued and the debt expense connected therewith. Amounts charged to this account should be concurrently credited to 1880—Unamortized Debt Discount and Expense. (See instruction 11.)

7400. Amortization of Premium on Debt—Credit

This account should include the proportion of the premium at which outstanding long-term debt was issued, which is applicable to each period. This proportion should be determined according to a rule, the uniform application of which during the interval between the issuance and the maturity of any debt will completely amortize the premium at which such debt was issued.

Amounts credited to this account should be concurrently debited to account 2400—Unamortized Premium on Debt. (See instruction 11.)

7500. Other Deductions

This account should include all deductions from gross income not provided for in any of the foregoing accounts, such as:—

(1) Unsecured accruals on obligations arising under contracts whereby the accounting company has guaranteed the annual or more frequent periodic payment of money or the performance of other obligations on the part of another corporation or person, and because of the default of such other corporation or person, the liability of the accounting company has become actual.

(2) Losses resulting from the operations of others, which in accordance with the terms of any contract, the accounting company is bound to contribute toward reimbursement for those losses.

(3) Losses on receivables, notes or claims, which are not includible in account 84680—Uncollectible Revenues.

(4) Amortization charges of the book value of property included in account 1550—Other Intangible Property and other items carried among its assets.

(5) Contributions for charitable, social, or community welfare purposes which do not have a direct or intimate relation to the protection of the property development of the business or the welfare of employees. (See account 84656, Other General Expenses.)

(6) Penalties and fines for violations of the law not provided for in account 84264—Other Transportation Expenses.

(7) Premiums for life insurance carried on the lives of officers and employees when the company is the beneficiary.

INCOME TAX ACCOUNTS**8000. Provision for Income Taxes**

This account should include charges for the year classifiable in accounts 8010 to 8060, inclusive.

8010. Dominion Income Taxes

Charge to this account each period, on an estimated basis, the amount accrued for the Dominion of Canada Income Tax, at the same time crediting account 2120—Taxes Accrued.

8020. Dominion of Canada Excess Profits Tax

Charge to this account each period, on an estimated basis, the amount accrued for the Dominion of Canada Excess Profits Tax, at the same time crediting account 2120—Taxes Accrued.

The refundable portion of this tax should be set up in account 1895—Dominion of Canada—Refundable Portion of Excess Profits Tax, concurrently crediting account 2935—Dominion of Canada—Refundable Portion of Excess Profits Tax.

8050. Provincial Income Taxes

Charge to this account each period on an estimated basis the amount accrued for Provincial Income Taxes, concurrently crediting account 2120—Taxes Accrued.

8060. Other Income Taxes

Charge to this account on an estimated basis the amount for Other Income Taxes not provided for in the foregoing accounts, concurrently crediting account 2120—Taxes Accrued.

MOTOR CARRIER OPERATING PROPERTY ACCOUNTS

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MOTOR CARRIER OPERATING PROPERTY ACCOUNTS

81201. Land and Land Rights

This account should include the cost (see instruction 16) including the amount of mortgages or other liens assumed, of land or interest in land, having a life of more than one year, for use directly in the motor carrier operations of the company for such purposes as general office buildings, shops, garages, stations, terminals, waiting rooms, shelters, loading platforms, warehouses, and the like. This includes the first cost of acquiring leaseholds of lands, easements, but not rents payable periodically in consideration of rights so obtained.

The cost of buildings and other improvements (other than public improvements) should not be included in the land accounts. If at the time of acquisition of an interest in land this interest extends to buildings or other improvements (other than public improvements), which are then devoted to motor carrier operations, the land and improvements should be separately appraised and the cost allocated to land and buildings or improvements on the basis of the appraisals. If the improvements are removed or wrecked without being used in motor carrier operations, the cost of removing or wrecking should be charged and the salvage credited to the account in which the cost of the land is recorded.

Companies should keep their records so as to show separately the cost of each parcel of land or interest therein and the purpose or purposes for which used in motor bus operations.

When land is acquired in excess of that required for motor carrier operations, or for which there is not a definite plan for its use in such service within one year, the cost of such land should be charged to account 1400—Non-Carrier Operating Property, or to account 1450—Non-Operating Property, as appropriate. If land originally charged to either of these accounts is later used for motor carrier operations, it should be charged to Motor Carrier Operating Property in service at its cost when acquired. (See instruction 20).

Assessments for public improvements upon which payments are deferred should be charged to this account in full and the unpaid balance carried in the appropriate liability account. Interest on unpaid balances should be charged to the appropriate income deduction account.

ITEMS

- Clearing land of brush, trees, and debris (first cost of).
- Condemnation proceedings, including court costs and special counsel fees.
- Consents and abutting damages, payment for.
- Conveyancers' and notaries' fees.
- Easements, cost of, and expenses of acquisition.
- Fees and commissions to brokers and agents.
- Grading.
- Land, cost of.
- Leases having a life of more than one year, costs of and expenses incidental to acquiring.
- Leases, voiding, to secure possession of land.
- Relocating property of others.
- Sidewalks on public streets abutting company's property.
- Special assessments on the basis of benefits for new roads, new bridges, new pavements, new sewers, and other public improvements (but not any taxes levied to provide for maintenance of such improvements).
- Surveys.
- Taxes assumed, accrued prior to date of transfer of title.
- Title, examining, registering, clearing, insuring, and defending against claims relating to period prior to purchase.

81211. Structures

This account should include the cost in place (see instruction 16) of structures used in motor carrier operations. This includes buildings or constructions to house, support, or safeguard property or persons, with all appurtenant fixtures permanently attached thereto, and improvements to land, and other structures or constructions.

Companies should keep their records so as to show separately the cost of each structure included in this account and the purpose or purposes for which used in motor bus operations.

The cost of specially provided foundations not expected to outlast the machinery or apparatus for which they are provided, and the cost of angle irons, castings, etc., installed at the base of an item of equipment should be charged to the same account as the cost of the machinery or equipment.

When part of a structure is removed in order to build an extension thereto, the accounting therefor should be in accordance with instruction 18.

ITEMS

Architect's plans.	Lease, voiding, to secure possession of structures.
Ash pits.	Outside lighting systems.
Awnings.	Partitions, including movable.
Boilers, furnaces, piping, wiring, fixtures, and machinery for heating, lighting, signalling, ventilating, and plumbing.	Painting first.
Bridges and culverts.	Permits and privileges, building.
Chimneys.	Platforms, railing and gratings, when constructed as part of structure.
Commissions and fees to brokers, agents, architects, and others.	Power boards for service to a building.
Conduits (not to be removed).	Refrigerating systems.
Damages to abutting property during construction.	Retaining walls.
Door checks and door stops.	Scales, connected to and forming part of the structure.
Drainage and sewerage systems.	Screens.
Elevators, cranes, hoists, etc., and the machinery for operating them.	Sidewalks, pavements, and driveways on building grounds.
Excavation, including shoring, bracing bridging, refill and disposal of excess excavated material.	Sprinkling systems.
Fences and hedges.	Storage facilities constituting part of building.
Fire protection systems.	Storage tanks.
Floor covering (permanently attached)	Storm doors and windows
Foundations and piers for machinery constructed as a permanent part of building or other unit listed herein.	Structures, cost of.
Grading and preparing grounds for buildings, including landscaping of grounds after construction.	Subways, areaways, and tunnels, directly connected to and forming part of the structure.
	Vaults, constructed as part of the building.
	Water-supply system for building of general company purposes.
	Window shades and ventilators.

81221. Revenue Equipment

This account should include the cost (see instruction 16) of all units of Motor Carrier revenue equipment, and the cost of the first set of accessory equipment necessary to fit them for service. The term Motor Carrier revenue equipment includes body and chassis and all fixtures inside of or attached to the body or chassis.

If revenue equipment is purchased in a condition ready for service, the cost should include the invoice or contract price, less discount, if any, plus freight, excise taxes, insurance in transit, unloading costs, and other expenses in obtaining delivery of the vehicles upon the premises of the company such as drive-away charges, and the cost of any additions or attachments made after delivery.

This account may also include the cost of spare engines and other major units carried on hand for the purpose of temporarily replacing such units taken into the shop for overhauling, repairing or any other reason.

ITEMS

Automobiles used in revenue service.	Semi-trailers.
Motor buses.	Tractors.
Combination buses.	Trailers.
Containers and lift vans.	Trucks.
Road dollies.	Wagons.

81231. Service Cars and Equipment

This account should include the cost (see instruction 16) of automotive vehicles used in keeping revenue vehicles in operation, including automobiles and trucks used for servicing revenue vehicles on the road. This account should also include the cost of the first set of appliances or accessory equipment, including tires and tubes, necessary to fit such vehicles for service, such as cranes, hoists, and other appliances, devices, and tools forming the equipment of service cars.

ITEMS

Emergency repair vehicles and appliances.	Spare units for service vehicles, on hand in shop (optional).
Refueling cars.	Tow cars and appliances.
Sand and salt cars.	Vehicles used by officials, starters, and inspectors.
Snow-fighting vehicles and equipment.	

81241. Shop and Garage Equipment

This account should include the cost installed (see instruction 16) of machinery and equipment used in shops and garages when this machinery and equipment is not an integral part of the housing structure, together with specially provided foundations and settings not expected to outlast the machinery mounted on them. Records should be kept so as to show separately the cost of each major item of equipment.

If the company has shops or garages at more than one location, the records should be maintained to reflect the company's investment at each location.

The cost of small portable tools and implements of slight value or short life should be charged to the appropriate expense account.

The cost of cranes, hoists, and other appliances, devices, and tools forming the equipment of service cars and trucks should be charged to account 81231—Service Cars and Equipment.

ITEMS

Air compressors and hose, gauges and tanks.	Lockers.
Anvils.	Machine tools.
Arbor presses.	Motor-driven hand tools.
Battery-charging outfits.	Motor starters.
Belts, shafts and countershafts.	Oil reclaiming machines.
Boring or reaming machines.	Paint sprayers.
Car washing equipment.	Pneumatic tools.
Cranes and hoists (portable).	Storage bins and shelving (movable).
Creepers.	Storeroom equipment (except office equipment).
Drill presses.	Stoves.
Electric equipment.	Testing apparatus.
Engines and boilers.	Tire-changing equipment.
Forges.	Tool racks.
Gasoline and oil pumps and portable tanks.	Vices.
Greasing racks and pumps.	Vulcanizing equipment.
Grinders.	Weighing devices.
Jacks.	Welding apparatus.
Lathes.	Wheel pullers.
	Work benches.

81251. Furniture and Office Equipment

This account should include the cost (see instruction 16) installed of furniture and appliances used in general offices, garage offices, stations, terminals, warehouses, and waiting rooms, when such equipment is not an integral part of the housing structure.

If the company has equipment included in this account at more than one location, the records should be maintained to reflect the company's investment at each location.

If the company operates or owns auxiliary station facilities such as restaurants and news stands, the cost of equipment therein should be charged to this account and carried under a special subdivision entitled Furniture and Office Equipment—Special Facilities.

The cost of small articles of slight value or of short life should be charged to the appropriate expense accounts.

ITEMS

Book cases.	News stand equipment.
Cash registers.	Office equipment (mechanical).
Chairs, stools and benches.	Parcel room equipment.
Clocks.	Partitions and railings.
Counters.	Restaurant equipment.
Desks.	Safes (movable).
Equipment in rest, dining, recreation and medical rooms.	Show cases and shelves.
Fans, electric.	Tables and counters.
Filing cabinets.	Teletypewriters.
Fire extinguisher equipment.	Ticket cases.
Floor coverings.	Ticket machines.
Heaters and lamps (movable).	Time clocks.
Kitchen equipment.	Time-table racks.
Lighting fixtures (movable).	Typewriters.
Lockers.	Vacuum cleaners.
Loud speaker systems.	Water coolers.

81261. Miscellaneous Equipment

This account should include the cost (see instruction 16) of other equipment used in motor carrier operations such as miscellaneous wheeled equipment used at warehouses, stations, terminals, and loading platforms for handling traffic.

ITEMS

Blocks and falls.	Ropes and cables.
Canvas covers (tarpaulins).	Scales.
Carts.	Signal equipment.
Chain hoists.	Signs (electric and portable).
Dollies (platform).	Skidboards.
Electric motor trucks.	Warehouse trucks.
Hamper trucks.	Weighing devices.
Platform trucks.	Van equipment.
Rigging equipment.	
Rollers.	

81271. Improvements to Leasehold Property

This account should include, except as provided in paragraph following, the cost of initial improvements (including rearrangements, additions, and betterments) to property used for motor carrier operations and held under lease or through control of the company owning the property, and in existence at the date of the balance sheet; and the cost of any subsequent additions to and betterments of such leased or controlled property, but not including replacements of other than the company's improvements. Amortization and depreciation on such expenditures should be provided for in the manner set forth in instruction 22.

When the cost of alterations to leased property used in motor carrier operations otherwise chargeable to this account is small or the period of the lease is less than one year, the cost may be charged to the accounts chargeable with the cost of repairs to such property.

81281. Undistributed Property

When a company purchases or sells any property constituting a distinct operating unit (see definition 23) or otherwise finds it necessary because of incomplete financial records to make a general readjustment of operating property records, temporary charges or credits to this account may be made and the redistribution of the amounts involved should be made as promptly as possible.

81291. Unfinished Construction

This account should include the cost of construction projects not ready for service at the date of the balance sheet. It should include all elements of cost as set forth in instruction 19.

This account is intended to include only charges for new construction not involving any replacement. If, however, at the beginning of a job involving the replacement or retirement of any operating property, the accounting company makes full credits therefore to the appropriate property accounts, the cost of installing new property in substitution or replacement may be carried in this account pending completion of the work. (See also account 1890—Other Deferred Debits).

MOTOR CARRIER OPERATING REVENUE

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I. TRANSPORTATION REVENUE

83100. Freight Revenue—

A. This account shall include revenue earned by the company from the transportation of freight.

This includes:

- (1) Revenues upon the basis of local freight tariff rates.
- (2) Carrier's proportion of revenue from joint-tariff rates.
- (3) Fees for handling C.O.D. shipments.

B. This account shall be charged with:

- (1) Company's proportion of overcharges resulting from use of erroneous rates, weights, classifications or computations.
- (2) Uncollected earnings on freight destroyed in transit and on short and lost freight.
- (3) The carrier's proportion of uncollected tariff charges on damaged shipments for which charges neither shipper nor consignee is liable.

83200. Passenger Revenue—Motor Buses

This account should include all revenue accrued from the transportation of passengers by motor bus or auxiliary revenue equipment, over regularly operated routes.

This includes:

- (1) Revenues upon the basis of local tariff fares.
- (2) The company's proportion of revenue from joint-tariff fares.

This account should be charged with:

- (1) Redemptions of unused or partially used local passenger tickets.
- (2) The company's proportion of redemption of unused and partially used through or interline passenger tickets.
- (3) The company's proportion of overcharges resulting from the applications, in error, of fares in excess of tariffs.

The foregoing is based upon the practice of accounting on a ticket sales basis and not on a ticket lift basis. Companies using the ticket lift basis should credit this account with the revenue earned from the transportation of passengers as determined by the ticket lift concurrently charging account 2080—Unredeemed Tickets.

By "regularly operated routes" is meant routes or portions thereof covered by operating permits, franchises or certificates of convenience and necessity.

Revenue from transportation of passengers on special buses at fares based on special rates should be credited to account 83210—Special Bus Revenue.

Payments to other companies for transportation of passengers, their baggage and personal effects to complete any portion of the reporting company's haul should be charged to account 84250—Purchased Transportation, or account 84370—Purchased Collection and Delivery as appropriate.

Divisions of tariff rates due other companies should be included in the appropriate accounts payable account.

Revenue derived from sleeping accommodations furnished passengers should be included in account 83900—Other Operating Revenue.

83210. Special Bus Revenue

This account should include the amounts earned by the company from buses chartered for special passenger and other special contract service.

This account should be charged with the amounts of all special bus refunds.

83220. Baggage Revenue

This account should include the revenue earned from the transportation of baggage in excess of free authorized allowances and for the transportation of packages, articles, dogs, etc., as baggage.

This account should be charged with the amounts of all baggage refunds.

83300. Mail Revenue

This account should include revenue earned from the transportation of mails and from bonuses for special mail transportation.

This account should be charged with fines and penalties, imposed by the Government in connection with the transportation of mail, which are not collectible from agents or employees.

NOTE.—Revenue from the transportation of postmen should be credited to Account No. 83200.

83400. Express Revenue

This account should include the amounts earned by the company from the transportation of express matter (including milk and cream) at specified tariff rates and the fees for handling express C.O.D.'s.

This account should be charged with:

- (1) The company's proportion of overcharges resulting from use of erroneous rates, weights, classifications, or computations.
- (2) Uncollected earnings on express destroyed in transit and on short and lost express.

83500. Newspaper Revenue

This account should include the revenue earned from the transportation of newspapers at specified tariff rates.

This account should be charged with the amounts of all refunds on newspaper revenue billing resulting from overcharges, etc.

83550. Other Transportation Revenue

This account should include all amounts earned from transportation not provided for elsewhere.

II. OTHER MOTOR BUS OPERATING REVENUE**83600. Miscellaneous Station Revenue**

This account should include the revenue earned by the company from:

- (1) Weighing, vending, and other automatic machines located at stations.
- (2) Advertising cards at stations.
- (3) Companies or others for the privilege of operating news stands, lunch counters, soda fountains, etc., at stations, and selling papers, periodicals, pillows and pillow service, tobacco, etc., on buses.
- (4) Telephone companies for the privilege of installing and operating commercial telephones and coinbox telephones at stations.
- (5) Taxicab companies for the privilege of operating taxicab stands at stations.
- (6) Operation of parcel rooms.
- (7) Parcel room privileges in stations and terminals of the company and leased to others.
- (8) Storage of baggage.
- (9) Operation of restaurants, cafes, lunchrooms, lunch counters, cafeterias and soda fountains.
- (10) Operation of all other miscellaneous station concessions, not provided for elsewhere.

83900. Other Operating Revenue

This account should include revenues not provided for in account 83600, derived from the operation of property, the investment in which is included in account 1200—Transit Operating Property, including snowplough work, and revenue from display of advertising in and on revenue motor buses.

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MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSE

I. EQUIPMENT MAINTENANCE AND GARAGE EXPENSE

84110. Supervision of Shop and Garage

This account should include the pay and expenses (including cost of operating automobiles) of officials and employees engaged in supervising and directing the repairs to revenue automotive equipment and shop and garage property used in providing motor carrier service, including superintendents, foremen (except working foremen), inspectors, shop and garage clerks, and timekeepers. (See instruction 25).

84121. Repairs to Shop and Garage Equipment

This account should include the cost of repairs (see instructions 23 and 25) to tools, equipment, and permanently located machinery used in shops and garages. (For list of equipment, see account 81241—Shop and Garage Equipment).

The cost of repairs to portable tools should be included in account 84132—Other Shop and Garage expenses.

84122. Fuelling, Servicing and Maintenance of Service Equipment

This account should include the cost of labour, fuel, tires, and supplies for the operation and the cost of repairs to service equipment, such as trouble cars, wreckers, repair trucks, snow-ploughs, sweepers, scrapers, refueling cars, automobiles, motorcycles, or other equipment included under account 81231—Service Cars and Equipment. (See instructions 23 and 25).

The pay of employees and expenses incurred in operating snow-ploughs, sand and salt cars, and other service equipment used in cleaning and safeguarding roads, should be charged to account 84261—Road Expense.

When any service equipment is used in a particular operation other than maintenance, such as automobiles or motorcycles used in advertising, the cost of operation of such service equipment should be charged to the account provided for expenses of that character.

84123. Repairs to Shop and Garage Buildings and Grounds

This account should include the cost of repairs to shop and garage structures used in motor carrier operations such as shops, garages, and service stations, together with fixtures, grounds and approaches. (See instructions 23 and 25).

ITEMS

- Changing location of partitions.
- Maintaining public improvements, including assessments covering such work.
- Maintaining yards and grounds, including fences, shrubbery, driveways, sidewalks, platforms, and sewers.
- Minor improvements to leased buildings and grounds. (See also instruction 19).
- Repainting buildings, including redecorating interiors of buildings.
- Repairing building machinery, fixtures, appurtenances and appliances, such as elevators, plumbing, and equipment for heating, lighting, and ventilating.
- Repairing rented buildings and grounds.
- Replacing and repairing awnings, screens, window shades and ventilators, storm doors, storm windows, movable partitions, and similar movable minor items of buildings.
- Replacing minor items of buildings including labour and material used and the cost of removal and recovery of the items retired less salvage recovered. (See also instruction 18).
- Restoring conditions of buildings or grounds damaged or otherwise altered in the course of repairs, replacements, additions, or betterments. (See also account 2660—Insurance Reserves).
- The cost of any substantial increase or decrease in partitions should be charged or credited, as appropriate, to account 81211.

**MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSE
EQUIPMENT MAINTENANCE AND GARAGE**

ITEMS

Structures. When partitions of a movable type are replaced by partitions of a permanent type or vice versa, the costs involved should be accounted for through the operating property and the depreciation reserve accounts.

The cost of initial improvements (including repairs and rearrangements in the preparation for service of purchased buildings or grounds) should be charged to account 81201—Land and Land Rights, or account 81211—Structures, as appropriate. The accounting for expenditures on property leased from others should be as provided in instruction 19.

84131. Light, Heat, Power, and Water for Shops and Garages

This account should include the cost of light, heat, power and water used at each shop and garage; the cost of fuel used for heating, lighting, or power; also include pay and expenses of employees engaged in producing light, heat and power. (See instruction 25).

ITEMS

Fuel for heating, lighting or power used in shops and garages.

Heat purchased for shops and garages.

Light for shops and garages.

Power for battery charging or for other uses than repairs.

Wages and expenses of employees engaged in producing light, heat and power for shops and garages.

Water.

84132. Other Shop and Garage Expenses

This account should include the cost of miscellaneous shop and garage expenses, including the replacement cost (see instruction 18) of small tools, such as reamers, taps, files, hammers, and all small tools of like nature; labour and material used in the repair of small tools; pay of employees engaged in receiving, issuing, and distributing parts and supplies; pay of gas and oil attendants; transportation, loading and unloading charges on parts and supplies handled in shops and garages, when not specifically assignable to such parts and supplies; and other miscellaneous labour and expenses not provided for elsewhere. (See instruction 14).

ITEMS

Ice and other refrigerants.

Lubricants for shop and garage machinery.

Portable hand tools of short life.

Small tools used in repairs or for general shop and garage purposes.

Snow and dust removal—Shop and garage yards.

Supplies used in cleaning and for general shop and garage purposes, such as lamps, grease, oil, waste, brushes, brooms, etc.

Other expenses in shops and garages.

84140. Repairs to Revenue Equipment

This account should include cost of repairs to revenue automotive equipment used in transportation service. (For list of equipment see accounting 81221—Revenue Equipment). This account should be maintained so as to reflect separately the cost of repairs to revenue automotive equipment involved in accidents. (See instructions 23 and 25).

An accident for the purpose of this account is damage caused through the collision of a vehicle with either a stationary or moving object, or through tire failure or fire.

The accounting for expenditures on motor vehicles leased from others should be as provided in instruction 19.

The cost of repairs to equipment used in collection and delivery service if determinable should be included in account 84360—Collection and Delivery.

84150. Servicing of Revenue Equipment

This account should include the pay of employees (see instruction 25) engaged in preparing revenue automotive equipment for service and of garage and shop employees other than those engaged in making repairs; the cost of supplies used and miscellaneous expenses incurred in washing, cleaning, greasing, and otherwise keeping equipment ready for service; and amounts paid to public garages for storage or servicing (including towing) of revenue automotive equipment.

ITEMS

<p>Garage Employees: Cleaners Oilers and Greasers Washers Garage expenses: Battery charging (labour and dis- tilled water) Cleaning supplies, such as soap, sponges, brooms, brushes, cloths, rubber clothing, etc.</p>	<p>Garage expenses—<i>Continued</i> Graphite Grease Public garage storage charges Public garage servicing charges, including washing, greasing, cleaning, etc., but not repairs Washing vehicles</p>
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84160. Tires and Tubes—Revenue Equipment

This account should include the cost of labour and material used in repairing and renewing (setting up or mounting) tires on revenue automotive equipment, including shoes, inner tubes, valves, flaps, and caps. (See instruction 25).

Credit to this account any revenues derived from the sale of used tires and tubes and any adjustments on defective tires and tubes, the cost of which has previously been debited hereto.

The cost of tires and tubes used by service cars should be charged to account 84122—Operation and Maintenance of Service Equipment.

The cost of tires and tubes for collection and delivery equipment, if determinable, should be included in account 84360—Collection and Delivery.

84191. Joint Garage Expense—Debit

This account should include the Company's proportion of costs incurred by others in maintaining and operating joint shop and garage equipment and facilities, including overhead costs, except items chargeable to account 85340—Joint Facility Rents—Debit. (See definition 24 and instruction 26).

84196. Joint Garage Expense—Credit

This account should include the amounts chargeable to others as their proportion of the costs incurred in maintaining and operating joint shop and garage equipment and facilities, including overhead costs, except items creditable to account 85390—Joint Facility Rents—Credit. (See definition 24 and instruction 26).

84197. Deferred Maintenance—Motor Carrier Equipment and Garage

This account should include the estimated cost of repairs to motor carrier equipment and garages which cannot be made during the current year owing to priorities for materials and supplies, or shortage of labour.

The cost of these repairs when made should be charged to the primary Motor Carrier Equipment Maintenance and Garage Expense accounts and the provision in Maintenance Reserves should be reversed through a credit to this account.

II. TRANSPORTATION EXPENSE**84210. Supervision of Transportation**

This account should include the pay and expense (including cost of operating automobiles) of officials and employees engaged in supervising and directing transportation service, including superintendents, dispatchers, starters, inspectors, and employees engaged in furnishing supplies to drivers of all vehicles and tickets to drivers of passenger vehicles, or in receiving remittances, etc.; cost of light, heat, water and refrigeration for the transportation department; and the cost of schedule or service clerks. (See instruction 25).

84220. Drivers' Wages and Bonuses

This account should include the wages and bonuses of drivers of vehicles engaged in transportation service, including wages paid for time during which they are required to be on duty in readiness for active service. The wages of drivers on special trips for hire should also be charged to this account.

Charge to account 84360—Collection and Delivery, the wages of employees engaged in collecting freight or express from consignors and delivering to consignee, and local pick-up and delivery service provided for inter-city passengers, when such wages can be separated from those applicable to regular operation between terminals. (See instruction 25).

84230. Fuel for Revenue Equipment

This account should include the cost of gasoline, other fuel and enriching materials used by freight and passenger equipment. Include in this account the cost of storing and handling fuel and amounts payable to others for the cost of transportation.

Taxes on fuel should be charged to account 85200—Operating Taxes and Licences.

Fuel used by service cars should be charged to account 84122—Fuelling, Servicing and Maintenance of Service Equipment.

The cost of fuel used by equipment in collection and delivery service, if determinable, should be included in account 84360—Collection and Delivery.

84240. Oil for Revenue Equipment

This account should include the cost of lubricating oils used in lubricating passenger equipment. Include in this account the cost of storing and handling lubricating oil and amounts payable to others for the cost of transportation.

Taxes on lubricating oil should be charged to account 85200—Taxes and Licences.

The cost of lubricating oil used by service cars should be charged to account 84122—Fuelling, Servicing and Maintenance of Service Equipment.

The cost of lubricating oil used by equipment in collection and delivery service, if determinable, should be included in account 84360—Collection and Delivery.

84250. Purchased Transportation

This account should include amounts payable to others for performing any portion of the company's inter-city tariff haul under contractual arrangements whereby the agreement for the compensation is based on other than actual division of tariff rates, and under arrangements whereby the expenses of the operation are borne by the hired carrier.

Include also payments to other carriers for transportation charges on trailers or other revenue equipment either loaded or empty or for transportation of freight when such transportation is purchased by the reporting carrier to complete any portion of its intercity tariff haul.

84261. Road Expense

This account should include the cost to the company of labour and material used in sanding roadways, spreading ashes, or the removal of snow and ice, and otherwise cleaning and safeguarding roads, whether done by the company or otherwise. This includes the cost of tools and materials used in this work, including the cost of delivering such materials; wages of men operating snow-ploughs, sweepers, tractors, scrapers, etc.; amounts paid to others for removing snow and ice; and other supplies and expenses, such as meals for crews engaged in removing snow and ice. (See instruction 25).

The cost of repairs to equipment used in snow removal should be included in account 84122—Operation and Maintenance of Service Equipment.

84262. Bridge, Tunnel, and Ferry Tolls

This account should include tolls or rates per passenger, per ton, per vehicle, or other basis for the use of bridges, tunnels, and ferries by revenue automotive equipment in transportation service.

84263. Wages of Miscellaneous Employees

This account should include the wages of co-operators (conductors), hostesses (conductorettes), lecturers and guides on buses, porters and stewards on buses, secret service inspectors, and other employees performing similar service.

84264. Other Transportation Expenses

This account should include carrier transportation expenses not provided for in other accounts in the transportation group.

ITEMS

Alcohol and other non-freeze preparations.	Lodging for drivers and miscellaneous transportation employees.
All expenses incidental to the comfort of passengers when there are breakdowns on the road.	Meals for drivers and miscellaneous transportation employees.
Badges for employees.	Notices.
Conductors' books, punches, etc.	Secret service inspections by other than employees.
Fines for traffic violations.	Signs (paper and cardboard).
Fire extinguisher supplies for automotive equipment).	Tire chains.
Hat checks.	Uniforms, including their care.
Head rest covers, including laundry.	Pads.
Ice and other refrigerants (for automotive equipment).	Poles.
Lamps, bulbs, and carbon (for automotive equipment).	Ropes.
	Stakes.
	Tarpaulins.

III. STATION EXPENSE

84311. Salaries and Commissions

This account should include the wages and salaries of station and terminal employees; amounts paid to station or ticket agents in commission or bonuses in lieu of salary; and the wages of express and mail handlers and clerks in passenger stations and freight terminals. (See instruction 25).

Commission paid to other than the accounting company's employees for the sale of tickets, handling of freight, express, baggage, newspapers, etc., should be included in account 84331—Commissions Paid.

MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSE
STATION

ITEMS

Announcers	Platform men
Baggage agents	Porters
Baggagemen	Station agents
Checkers.	Station gatemen
Clerks	Station masters
Commission or bonuses to employees in lieu of wages	Supervisors.
Express agents	Telephone and information operators
Express handlers	Ticket agents
Janitors	Watchmen.
Mail handlers	Yardmen.

84314. Supplies and Expenses

This account should include the expenses incurred (exclusive of salaries and wages of station and terminal employees) in the operation of passenger terminals, waiting rooms, shelter sheds, freight sheds and freight warehouses, and other similar property used by the transportation department for passenger or freight traffic, such as the cost of light, heat, water, and ice; cost of uniforms and badges for station employees, cost of hand tools and implements used in handling freight, express and mail; cost of operation and maintenance or upkeep of permanent signs designating a station, depot or passenger terminal; and the cost of supplies used and amount of other expenses incurred in operating passenger stations and freight terminals.

ITEMS

Ash removal.	Power costs for station machinery.
Badges for employees.	Snow and dust removal on station and terminal grounds.
Cleaning supplies.	Sprinkling station grounds.
Heating or cooling, including supplies.	Tools and supplies for station use.
Laundry service, including lighting.	Tools and supplies for station and terminal use.
Mail, baggage, and express handling costs, including baggage room expenses (exclusive of labour).	

84319. Repairs to Station and Terminal Buildings and Equipment

This account should include the cost of repairs to company stations, passenger and freight terminals, freight warehouses, waiting rooms, platforms, and other structures, together with fixtures, grounds, and approaches, used in transportation services; also include the cost of repairs to station furniture and equipment (but not equipment used in general offices) and carts, electric motor trucks, platform trucks, scales and loading platforms, in connection with revenue freight, baggage, mail and express.

84331. Commissions Paid

This account should include the amounts paid to others (except to the Company's employees and to interline transit companies on a commission or guaranteed basis) for the sale of tickets, handling of express, baggage, newspapers, and for the solicitation and handling of freight.

84332. Other Expenses Allowed

This account should include the amounts allowed to the operators of commission stations and terminals for expenses such as advertising, rent, light, heat, power and water, telephone, telegraph, and messenger service, etc.

84340. Interline Commissions Paid

This account should include all commissions paid to interline transit companies.

84350. Interline Commissions Earned—Credit

This account should include all commissions earned on interline tickets and transportation sold.

84360. Collection and Delivery

This account should include the wages of drivers and helpers and other expenses of equipment used in collecting freight and express from consignors and delivering freight and express to consignees and local pick-up and delivery service provided for inter-city passengers when such local service is included in the inter-city tariff rate. (See instruction 25).

This account is intended to be used only when the expenses incurred in such local collection and delivery service can be separated from those incurred in regular operation between terminals.

This account should be subdivided to reflect separately:

- (1) Wages of drivers and helpers.
- (2) Gasoline and oil expense (not including taxes).
- (3) Tires and tubes.
- (4) Repairs and servicing of equipment.
- (5) Other assignable operations and maintenance expenses.

84370. Purchased Collection, Delivery and Local Cartage

This account should include amounts payable for collection, delivery, and transfer service performed by others under contractual arrangements, whereby the amount payable is based on other than actual division of tariff rates.

84380. Deferred Maintenance—Motor Carrier Station and Terminal Buildings and Equipment

This account should include the estimated cost of repairs to motor carrier station and terminal buildings and equipment which cannot be made during the current year owing to priorities for materials and supplies, or shortage of labour.

The cost of these repairs when made should be charged to the primary Motor Carrier Station Building and Equipment Maintenance accounts and the provision in Maintenance Reserves reversed through a credit to this account.

84391. Joint Station and Terminal Facilities—Debit

This account should include the company's proportion of costs incurred by others in maintaining and operating joint station and terminal equipment and facilities, including overhead costs, except items chargeable to account 85340—Joint Facility Rents—Debit. (See definition 24 and instruction 26).

84396. Joint Station and Terminal Facilities—Credit

This account should include the amounts chargeable to others as their proportion of the costs incurred by the company in maintaining and operating joint station and terminal equipment and facilities, including overhead costs, except items creditable to account 85390—Joint Facility Rents—Credit. (See definition 24 and instruction 26).

IV. TRAFFIC, SOLICITATION AND ADVERTISING EXPENSE

84410. Salaries and Expenses

This account should include all salaries and expenses paid in the promotion and solicitation of traffic. This includes the salaries of officers and their assistants who are directly in charge of traffic promotion and solicitation, including salaries of the traffic manager, general express and passenger agents; general commercial, city, general district and excursion agents, and their clerks and assistants.

This account should also include the cost of supplies used and the amounts of expenses incurred and cost of operating automobiles by officers and their assistants who are directly in charge of traffic promotion and solicitation.

When officers and employees whose pay is chargeable to this account are engaged in work not chargeable to traffic promotion, or have jurisdiction over this and other departments, their salaries and expenses should be allocated to the accounts appropriate. (See instruction 25).

84430. Tariffs and Schedules

This account should include the salaries and expenses of officers and employees engaged in the preparation of tariffs, schedules and time tables, the cost of printing and other expenses incurred in the preparation of tariffs, schedules and time tables, including postage and transportation charges. (See instruction 25).

84440. Tickets and Baggage Checks

This account should include the salaries and expenses of employees engaged in receiving and distributing tickets, baggage checks, etc., together with the cost of manufacturing tokens and of printing tickets, baggage checks, milk checks, cash-fare receipts, prepaid orders, identification checks, passes, and other items of a similar nature, including their transportation charges. (See instruction 25.)

84450. Other Traffic Expenses

This account should include the company's proportion of expenses of traffic associations, including membership fees and all other traffic expenses not provided for elsewhere.

84470. Advertising

This account should include the salaries and expenses of advertising for the purpose of securing traffic, such as may be incurred in the preparation, printing, and distribution of strictly advertising matter (not time tables).

This account should also include the salaries and expenses of employees preparing advertising copy; the commissions paid outside advertising agents; cost of printing and publishing, and of other advertising matter; the cost of advertising space in newspapers and periodicals; expenses incurred for radio broadcasting for the purpose of securing traffic; electric, neon, and display signs (permanent or portable) for attracting traffic, bulletin boards, cards, cases, display cards, and photographs; postage and express charges on advertising matter; cost of bill posting and similar expense. (See instruction 25).

Cost of operation and maintenance of permanent signs designating a station or terminal should be included in account 84314—Supplies and Expenses.

V. INSURANCE AND SAFETY EXPENSES

84510. Salaries and Expenses—Insurance and Safety

This account should include the following items:

- (1) Salaries and wages, travelling and office expenses of officers, clerks and other employees of the insurance department, and special costs incurred in procuring insurance, such as brokerage fees (not included in premiums), notarial fees, and insurance inspection service.
- (2) Salaries and expenses of safety department, cost of safety first and other campaigns among employees or the public for the purpose of preventing accidents and damages.
- (3) Salaries and expenses of officers and employees engaged regularly in claim department work; payments for the service of employees and others called in consultation in relation to claim adjustments; pay and expenses of employees while engaged as witnesses at inquests and law suits.

- (4) Salaries and expenses of officers and employees of the law department when specifically assigned to and engaged in injury and damage cases, and expenses of such officers and employees incurred on such cases when incidentally so engaged.
- (5) Payment to attorneys, investigators, adjusters, etc., who are not regular employees of the company and expenses of injury and damage cases.
- (6) Cost of operating automobiles used by employees whose pay is charged to this account.

Reimbursement from insurance companies or others for expenses charged to this account on account of injuries and damages should be credited to this account.

No part of the salaries of officers and employees of the law department should be included in this account for merely incidental service in connection with injury and damage claims.

84520. Public Liability and Property Damage Insurance

This account should include premiums payable to outside insurance companies for protection against liability to the public for injuries to persons and damages to the property of others, resulting from the operation of owned and leased vehicles in motor carrier service. (See instruction 24).

Premiums for insurance on property entrusted to the company for transportation or storage should be included in account 84550—Baggage and Express Insurance.

Amounts payable in settlement of claims for bodily injury or property damage which are not recoverable from insurance companies and for which the carrier has not provided self-insurance should be charged to account 84530—Public Liability and Property Damage.

84530. Public Liability and Property Damage

This account should be charged each period with amounts sufficient to meet the probable liability, not covered by outside insurance, for deaths of or injuries to persons (other than employees—see account 84546—Workmen's Compensation) and damages to the property of others (except property entrusted to the Company for transportation or storage—see account 84560—Baggage and Express Loss and Damage) resulting from operation of owned and leased vehicles in motor carrier service. (See instruction 24). This account should also be charged with amounts payable in settlement of claims for injuries to persons and damage to property of others which are not recoverable from insurance companies or for which self insurance has not been provided.

Payments to or on behalf of employees other than those covered by Workmen's Compensation insurance, including accident and death benefits; salaries; hospital expenses; medical supplies; also salaries, fees, and expenses of surgeons, doctors, nurses, etc., when provided for through a plan for employees' benefits, should be charged to account 84652—Employees' Welfare Expenses.

84541. Workmen's Compensation—Insurance

This account should include premiums payable to outside insurance companies for protection against liability for injuries to or deaths of employees under the provision of Workmen's Compensation Acts. (See instruction 24).

Amounts payable in settlement of claims under the provisions of Workmen's Compensation Acts which are not recoverable from insurance companies should be charged to account 84546—Workmen's Compensation.

84546. Workmen's Compensation

This account should be charged each period with amounts sufficient to meet the probable liability not covered by outside insurance, on account of claims for injuries to and deaths of employees arising under the Workmen's Compensation Acts. (See instruction 24). This account should also be charged with amounts payable in settlement of claims which are not recoverable from insurance companies or for which self-insurance has not been provided.

Payments to or on behalf of employees other than those covered by Workmen's Compensation insurance; including accident and death benefits; salaries; hospital expenses; medical supplies; also salaries, fees, and expenses of surgeons, doctors, nurses, etc., when provided for through a plan for employees' benefits, should be charged to account 84652—Employees' Welfare Expenses.

84550. Freight, Baggage and Express Insurance

This account should include premiums payable to outside insurance companies to indemnify the company against costs and expenses incurred through loss of and damage to freight, express and baggage entrusted to the company for transportation or storage. (See instruction 24).

Amounts payable in settlement of claims for loss of or damage to property entrusted to the company for transportation or storage which are not recoverable from insurance companies, and for which the carrier has not provided self-insurance should be included in account 84560—Freight, Baggage and Express Loss and Damage.

84560. Freight, Baggage and Express Loss and Damage

This account should be charged each period with amounts sufficient to meet the probable liability, not covered by outside insurance, on account of loss, destruction, damage or delay to freight, express, baggage, parcels, etc., entrusted to the company for transportation or storage. (See instruction 24).

This account should also be charged with amounts payable in settlement of claims which are not recoverable from insurance companies or on which self-insurance has not been provided.

Amounts payable on account of damage to the property of others not entrusted to the company for transportation or storage should be included in account 84530—Public Liability and Property Damage.

84570. Fire and Theft Insurance

This account should include premiums payable to outside insurance companies for fire and theft insurance on owned and leased vehicles and for fire insurance on structures, machinery, and equipment used in motor carrier operations. (See instruction 24).

In case a company should carry its own fire and theft insurance risks, it should charge to this account each period an amount sufficient to meet the probable loss, and should credit the amount so charged to account 2660—Insurance Reserves.

This account should be charged with losses arising under the classes of risks enumerated above, which are not recoverable from insurance companies and for which the company has not provided self-insurance.

84580. Other Insurance

This account should include premiums paid to outside insurance companies for boiler; burglar; fidelity; holdup; lightning; plate glass; owners, landlords, and tenants liability; and other forms of insurance coverage not elsewhere provided for. (See instruction 24.)

In case a carrier should carry its own insurance risks for the classes of coverage enumerated above, it should charge to this account each period an amount sufficient to meet the probable loss and should credit the amount so charged to account 2660—Insurance Reserves.

This account should be charged with losses arising under the classes of risks enumerated above, which are not recoverable from insurance companies and for which the company has not provided self-insurance.

The cost of life insurance on the lives of officers and other employees of the company whereunder the company is the beneficiary should be charged to account 7500—Other Deductions. Cash surrender value of such policies shall be carried in account 1650—Other Investments and Advances.

VI. ADMINISTRATION AND GENERAL EXPENSE

84611. Salaries of General Officers

This account should include the salaries, bonuses and other form of consideration for services of general officers whose jurisdiction extends over the entire motor bus transportation system of the company; and fees payable to receivers. As here used, the term "General Officers" would ordinarily include the following:

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| Chairman of the Board. | Secretary. |
| President. | Comptroller. |
| Vice President. | General auditor. |
| Treasurer. | General manager. |

Do not include in this account amounts payable to organizations for services chargeable to account 84660—Management and Supervision Fees and Expenses.

If officers and assistants supervise particular departments of company operations, or other operations, or are engaged in specific work other than supervision of the entire transportation system, their pay and expenses should be apportioned to the appropriate accounts for transit operations or other operations. (See instruction 25.)

84612. Expenses of General Officers

This account should include expenses incurred, including cost of operating automobiles, for the benefit of motor carrier operations by administrative officers (as defined in account 84611) such as travel and other incidental expenses.

Expenses of operating the general offices of the motor carrier company should be included in account 84630—General Office Supplies and Expenses.

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| Hotel. | Membership fees and dues in trade, technical and professional associations. |
| Meals. | Travelling Expenses. |

84613. Salaries of General Office Employees

This account should include the salaries (see instruction 25) bonuses and other forms of consideration for services of employees who are engaged in the general administrative offices of the company and whose services are not chargeable to any other department or to other operations, including the following:

Accountants	Statisticians	Engineers
Bookkeepers	Stenographers	Janitors
Cashiers	Travelling auditors	Messengers
Clerks		Paymasters

84616. Expenses of General Office Employees

This account should include the expense incurred, including cost of operating automobiles, for the benefit of motor carrier operations by employees whose salaries are included in account 84613—Salaries of General Office Employees.

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Hotel	Membership fees and dues in trade,
Meals, including those paid for overtime work.	technical and professional associations.
	Travelling expenses.

84620. Law Expenses

This account should include, except as provided for elsewhere, the pay and expenses of officers, assistants, office forces, and other employees of the law department; fees and retainers, supplies, and expenses of attorneys not regularly employed; court costs; and supplies and expenses of the law office.

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Salaries:	Law expenses of receivers.
Attorneys and Assistants.	Legal forms and law office supplies, postage and stationery.
Clerks.	Meals including those paid for overtime work.
Counsel.	Payments to attorneys who are not regular employees.
Law clerks.	Premiums on court and other bonds.
Special Counsel.	Printing.
Other employees of law department.	Tax reports, claims, etc., when handled by legal staff.
Expenses:	Transcripts of testimony, copies of exhibits, etc.
Building service.	Travelling expenses of attorneys, witnesses, etc.
Cost of lawsuits.	Witness fees.
Cost of operating automobiles.	
Cost of preparing and printing agreements, briefs, reports, etc.	
Court costs.	
Court fees.	
Law books, periodicals, and subscriptions to special services.	

The pay of law department officers and employees engaged in formal cases before regulatory commissions, or in cases in which such a commission is a party, or when specifically assigned to injury and damage cases, should be charged to account 84673—Other Regulatory Board or Commission Expenses, account 84510—Salaries and Expenses—Insurance and Safety, or any other appropriate account. (See instruction 25.)

Law expenses incident to the purchase and construction of transit operating property or the acquisition of certificates from Dominion or Provincial Commissions or securing from local authorities franchises or consents with a life of more than 1 year should be charged to the appropriate subdivision of account 1500—Organization, Franchises, Permits and Law expenses incident to the issuance of long-term debt or capital stock should be charged to account 1880—Unamortized Debt Discount and Expense, account 2400—Unamortized Premium on Debt, or account 1910—Commission and Expense on Capital Stock, as appropriate.

84630. General Office Supplies and Expenses

This account should include the cost of office supplies and the office expense of the general administration of the company's motor carrier operations.

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Books.	Printing forms for office use.
Cleaning office.	Repairs to general office buildings, furniture, fixtures, and equipment.
Drinking water and refrigeration.	Stationery and office supplies.
Heat and light.	Subscriptions to newspapers, periodicals, and clipping bureaus.
Janitor service.	Towels.
Letterheads and envelopes.	Typewriter supplies.
Paper.	Wastebaskets.
Pens, pencils, ink, fasteners, and office supplies.	
Postage.	

84640. Outside Communication Service

This account should include the cost of all communication service payable to outside companies, such as telephone, teletypewriter, telegraph, radio, etc.

Taxes on telegrams and telephone tolls should be charged to account 5200—Operating Taxes and Licences.

84651. Outside Auditing Expenses

This account should include amounts paid as fees for auditing and accounting services rendered by individuals or firms other than the company's employees.

The fees of independent auditors and accountants in preparing financial and other statements incident to the issuance of long term debt or capital stock should be charged to account 1880—Unamortized Debt Discount and Expense, account 2400—Unamortized Premium on Debt, or account 1910—Commission and Expense on Capital Stock, as appropriate.

84652. Employees' Welfare Expenses

This account should include pensions or other benefits paid to active and retired employees, their representatives or beneficiaries and salaries and expenses incurred in conducting relief, benefit and general medical departments. It should include payments to or on behalf of employees on account of injuries or accidental death when such payments come within the scope of a company's general provision for employees' benefits.

If the company definitely undertakes by contract to pay pensions to employees when regularly retired for superannuation or disability and has established a fund to be held in trust for such pension purposes, the company should charge to this account periodic amounts determined through the application of equitable actuarial factors to the current pay rolls, which, together with interest accruals on trust funds, will, as nearly as may be practicable, provide for the purchase of corresponding annuities. The amounts so charged should be concurrently credited to a separate subdivision of account 2690—Other Reserves. The total of actual payments and accruals for future payments charged to this account for pensions, should not exceed the amounts determined as hereinbefore prescribed. The company should maintain a complete record of the actuarial computations through which the accrual each period of its pension liabilities is established.

Upon the adoption of the actual plan of accounting, pension payments to employees retired before the adoption of such plan should be charged to an existing

pension reserve or to account 2946—Other Debits to Surplus. If a company pays into its pension trust fund the amount of its existing pension reserve, any such amounts in excess of provision for pensions granted prior to the adoption of the accrual plan may be applied in whole or in part to the adjustment of future accrual charges.

No charges should be made to this account in anticipation of discretionary pension payments in the future.

The cost of life or other insurance whereunder the company is the beneficiary should be charged to account 7500—Other Deductions. Cash surrender value of such policies should be carried in account 1650—Other Investments and Advances.

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Accident, sickness, death, and other disability benefits to employees, their representatives or beneficiaries.

Employees of relief, benefit, and general medical departments, pay and expenses of. Expenses of employees' disability cases, such as hospital, nursing, and medical attendance.

Fees and retainers for medical and similar services incurred by relief benefit, and general medical departments.

Medical service.

Office supplies.

Postage, printing, and stationery.

Premiums paid for group insurance for the benefit of employees or their beneficiaries.

Travelling expenses.

84655. Purchasing and Stores Expenses

This account should include salaries and expenses of purchasing agents, and their assistants, whose jurisdiction extends over all purchases such as parts, gasoline and other fuel, stationery supplies, etc.

This account should include credits for cash and other discounts when it is not practicable to apply such discounts directly to the cost of materials to which they relate.

This account should include such difference from inventory adjustments which have not been otherwise apportioned in accordance with account 1180—Material and Supplies.

Suitable proportions of items included in this account may be allocated to the cost of materials and supplies. (See instruction 16).

See also instruction 14 with reference to clearing accounts which may be maintained.

84656. Other General Expenses

This account should include all general expenses connected with motor carrier operations not provided for elsewhere including fees and expenses payable to directors and trustees; expenses of publishing and mailing reports and notices to stockholders, etc.; cash overages and shortages and fees for filing annual reports and other documents not specifically related to certificates or applications for issuance of securities.

This account should also include contributions for charitable, social, or community welfare purposes which have a direct or intimate relationship to the protection of the property of the company, the development of its business or the welfare of its employees. (See account 7500—Other Deductions.)

Direct contributions to employees' Welfare associations should be included in account 84652—Employees' Welfare Expenses.

84660. Management and Supervision Fees and Expenses

This account should include fees and expenses payable to any corporation, firm, or individual, other than officers and employees of the company, for continuously rendered supervision and management.

This amount should be subdivided to reflect:

- (1) Management and supervision fees and expenses of associated companies.
- (2) Management and supervision fees and expenses of other companies.

Records supporting this account should be kept so as to show:

- (1) The basis of the fees, i.e., the gross or net earnings of the company, if such is the basis,
- (2) The percentage applied in determining the fee,
- (3) The amount of the fee, and
- (4) The amount of the expenses.

84671. Franchise Requirements—Debit

This account should include the total cost to the company of payments to governmental authorities in compliance with franchises, ordinances, or similar requirements, except taxes and licences, provided that when the franchise requirements include free transportation the company may charge this account with amounts based on regular tariff rates.

When no direct outlay is involved, concurrent credit for such charges should be made to account 84672—Franchise Requirements—Credit.

84672. Franchise Requirements—Credit

This account should include concurrent credits for charges which are made to account 84671—Franchise Requirements—Debit, to the extent that such charges do not represent direct outlays.

84673. Other Regulatory Board or Commission Expenses

This account should include expenses incurred by the company in formal cases before Dominion or Provincial regulatory bodies or cases in which such a body is a party; also include payments made to a regulatory commission or board for fees or amounts assessed against the accounting company for pay and expenses of the regulatory commission, its officers, agents, and employees, other than those incurred in securing certificates of convenience and necessity and authority for issuance of securities.

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Fees, retainers, and expenses of counsel, solicitors, attorneys, clerks, attendants, witnesses, and others whose services are secured for the defence or prosecution of petitions or complaints presented to regulatory bodies. The pay of officers and employees specifically assigned to or engaged in the valuation of property owned or used by the company, for these cases, and the cost of similar work performed by others. Amounts assessed by Dominion and Provincial regulatory boards for pay and expenses of their officers, agents, and employees, office and travelling expenses; stationery, printing, and engineering supplies; and other expenses and supplies including expenses of officers and employees upon matters covered by this account even though no portion of their pay is assignable hereto.

Expenses incurred for the improvement of service, for additional inspection, or rendering reports which are made necessary by the rules and regulations, or orders, of regulatory bodies, should be charged to the appropriate operation and maintenance expenses accounts.

Expenses incident to securing certificates of convenience and necessity should be charged to the appropriate subdivision of account 1500—Organization, Franchises and Permits. Expenditures incident to securing authorization for issuance of long-term debt or capital stock should be charged to account 1880—Unamortized Debt Discount and Expense, account 2400—Unamortized Premium on Debt, or account 1910—Commission and Expense on Capital Stock, as appropriate.

84680. Uncollectible Revenues

This account should include charges for receivables for motor carrier operating revenues which, after a reasonably diligent effort to collect, have proved impracticable of collection. If accounts which have been so written off are afterwards collected, the amount received should be credited to this account; provided, however, that such recoveries are from accounts charged off against this account.

Charges to this account may be made on the basis of the estimated average loss due to uncollectible accounts in which case the concurrent credit should be to account 2650—Reserve for Uncollectible Accounts. To the reserve thus established should be charged such amounts as are determined to be uncollectible; amounts written off and subsequently collected should be credited to the reserve. When charges to such accounts are thus made by estimate the estimate should be adjusted at the end of each calendar year to conform to the experience of the accounting company as determined by analysis of its accounts receivable.

Losses on receivables for other than operating revenues, and losses on notes or claims, should be included in account 7500—Other Deductions.

84691. Joint Operating Expense—Debit

This account should include amounts payable to others representing the cost of operation and maintenance of joint facilities used for general purposes, such as a general office, or where amounts payable cannot be segregated between the functional groups of expense accounts provided herein. (See instruction 26.)

84696. Joint Operating Expense—Credit

This account should include amounts received by the accounting company as reimbursement for operating and maintenance costs incurred by it in connection with a joint facility used for general purposes such as a general office, or when the amounts received cannot be segregated between the functional groups of expense accounts provided herein. (See instruction 26.)

DEPRECIATION EXPENSE**85000. Depreciation Expense**

This account should include the amount of depreciation charges applicable to the accounting period for all classes of depreciable motor carrier operating property, including improvements to leased property, if any, as provided in instruction 22. The amounts charged to this account should be concurrently credited to account 2500—Reserve for Depreciation—Motor Carrier Operating Property.

The following subdivisions of this account should be maintained to reflect the amount of depreciation charges on each class of property and the necessary depreciation adjustment on company operating property at the time it is retired from service as provided in instruction 18 (see definition 32):

- 85011. Depreciation of Structures.
- 85021. Depreciation of Revenue Equipment.
- 85031. Depreciation of Service Cars and Equipment.
- 85041. Depreciation of Shop and Garage Equipment.
- 85051. Depreciation of Furniture and Office Equipment.
- 85061. Depreciation of Miscellaneous Equipment.
- 85071. Depreciation of Improvements to Leasehold Property.
- 85081. Depreciation of Undistributed Property.
- 85091. Depreciation Adjustment.

85110. Amortization of Motor Carrier Operating Property

This account should include the amount of the amortization charges applicable to the accounting period for amounts carried in account 1501—Organization, account 1511—Franchises, and account 1541—Patents, for fixed-term franchises, licences, and patent rights; for fixed-term interest in land and land rights (account 81201), for losses incurred or expected to be incurred through the reversion of improvements on leased property to the lessor prior to the expiration of their service lives (account 81271), and for losses expected to be incurred through reversion of property to a Province, municipality, or other governmental body, or otherwise, at no compensation to the company, before the expiration of the service lives of such property. Such charges should be computed so as to distribute the book cost of each item evenly throughout its service life to the company. (See also account 2600—Reserve for Amortization—Motor Carrier Operating Property.)

85120. Property Loss Chargeable to Operations

This account should be concurrently charged with amounts credited to account 1890—Other Deferred Debits, for the amortization of property abandoned or for extraordinary property losses carried in that account, when such amounts are authorized to be amortized from that account by charges to operations. This account should also be charged with losses on abandoned property and extraordinary property losses from motor carrier operations which are charged off at the time of their occurrence.

TAXES AND LICENCES**85200. Operating Taxes and Licences**

This account should include the amount of Dominion, Provincial, county, municipal, and other taxing-district taxes (except as provided for in account 8000—Provision for Income Taxes) which relate to motor carrier property, operation, and privileges for the period covered by the income account.

When it is not possible to determine the actual taxes, suitable estimates should be made and the proportion of the amount estimated, which is applicable to the accounting period, should be charged to this account and concurrently credited to account 2120—Taxes Accrued, or account 1800—Prepayments, as appropriate. When the actual tax levies become known, the amounts included in this account on an estimated basis should be adjusted.

Taxes on property leased from others for use in motor carrier operations, when the lessee is obligated under the terms of the lease to pay such taxes in addition to stipulated rent, should be included in this account.

The record should be kept so as to show separately the amount of each class of tax included in this account, and the basis on which it is levied, as follows:

1. Gasoline and Motor Fuel Taxes.
2. Road Taxes.
3. Vehicle Licences.
4. Public Utility Taxes.
5. Other Licences.
6. Corporation Taxes.

7. Real Estate and Other Municipal Taxes.
8. Unemployment Insurance and Social Security Taxes.
9. Dominion and Provincial Capital Stock Transfer Taxes.
10. Dominion Excise Taxes.
11. Other Operating Taxes.

Filing fees accompanying applications to regulatory bodies for certificates should be charged to the appropriate subdivision of account 1500—Organization, Franchises, and Permits. (See also account 84656.)

Special assessments for street or other improvements and fees or charges, sometimes called taxes, such as water taxes, street sprinkling and sidewalk repairs, which are payments for some specific service rendered by the government, should be charged to the appropriate property investment or maintenance accounts. (See account 81201—Land and Land Rights).

Taxes on non-operating property should be charged to the account to which the revenue of such property is credited.

Taxes on property leased to others should be charged to the account to which the rent revenue is credited.

Taxes received in the sale of gasoline and fuel oil should be credited to this account.

Taxes paid on original issues of capital stock should be included in account 1910—Commission and Expense on Capital Stock.

Amounts received by the company in reimbursement of taxes on property operated as a joint facility (see definition 24) should be credited to account 85390—Joint facility Rents—Credit. Payments to other companies for a portion of taxes on joint facilities should be charged to account 85340—Joint Facility Rents—Debit.

Sales taxes on material purchases, except gasoline and other motor fuel taxes should be included in the cost of material.

MOTOR CARRIER OPERATING RENTS

(See instruction 27.)

85310. Equipment Rents—Debit

This account should include the amounts payable for use of motor carrier equipment on whatever basis such rent may be determined. All expenses incurred in the operation of leased equipment which the lessee is obligated to assume in addition to the amount stipulated as rent, should be included in the operation and maintenance or other accounts as appropriate.

Amounts payable for rental of equipment included in the lease of a distinct operating unit should be charged to account 85400—Rent for Lease of Motor Carrier Property—Debit.

85320. Other Operating Rents—Debit

This account should include all rental payments for the use of property employed in motor carrier operations not provided for elsewhere, such as:

- (1) Rent for shop and garage space.
- (2) Rents paid for use of property by the transportation department.
- (3) Rents paid for use of terminals and stations.
- (4) Rents paid for use of property by the traffic and solicitation department.
- (5) Rents paid for use of the general office.

Rental payments for property not used in transportation operations should be charged to the appropriate Other Income account.

85340. Joint Facility Rents—Debit

This account should include amounts payable to other transit companies as their proportion of rent, including taxes and depreciation, for the use of property under a joint facility arrangement. (See definition 24 and instruction 26.)

85350. Equipment Rents—Credit

This account should include amounts receivable for use of automotive equipment on whatever basis such rent may be determined.

Amounts receivable for rental of equipment included in the lease of a distinct operating unit should be credited to account 85500—Income from Lease of Motor Carrier Property—Credit.

85360. Rent from Owned Land and Structures

This account should include the rent from motor carrier land and structures, the cost of which is included in accounts 1200—Motor Carrier Operating Property, and 1300—Motor Carrier Operating Property Leased to Others, except joint facilities.

Rent from subleases of property rented from others should be included in account 85370—Sublease Rental Income.

85370. Sublease Rental Income

This account should include rents receivable from subleases of motor carrier operation property rented from others.

85390. Joint Facility Rents—Credit

This account should include amounts receivable from other carrier companies as their proportion of rent, including taxes and depreciation for the use of property under a joint facility arrangement. (See definition 24 and instruction 26).

LEASE OF MOTOR CARRIER PROPERTY

85400. Rent for Lease of Motor Carrier Property—Debit

This account should include amounts payable, for rent of property constituting a distinct operating unit (see definition 23 and instruction 27) or system leased from others for use in motor carrier operations when the company has exclusive possession.

Taxes payable upon leased property, assumed by the lessee, should be included in account 85200—Operating Taxes and Licences.

85500. Income from Lease of Motor Carrier Property—Credit

This account should include amounts receivable for rent of property constituting a distinct operating unit (see definition 23 and instruction 27) or system leased by the company to others for motor carrier operations where the lessee has exclusive possession.

This account should include as a deduction from rent revenue, expenses such as repairs, depreciation, insurance, and taxes assumed by the lessor; uncollectible rents, etc., in connection with the property leased.

This account should be divided to show separately for each lease the following:

- (1) Rent revenue.
- (2) Expenses.
- (3) Depreciation and amortization.
- (4) Taxes.
- (5) Uncollectible rents.

CONDENSED CLASSIFICATION OF BALANCE SHEET ACCOUNTS

ACCOUNTS FOR CLASS II MOTOR CARRIERS	ACCOUNTS FOR CLASS I MOTOR CARRIERS	PAGE	ACCOUNTS FOR CLASS III MOTOR CARRIERS
I. Current Assets:	I. Current Assets:		I. Current Assets:
1000. Cash.....	1000. Cash.....	32	1000. Cash
1020. Working Funds.....	1020. Working Funds.....	32	1020. Working Funds
1040. Special Deposits.....	{ 1041. Special Interest Deposits.....	32	} 1040. Special Deposits
	{ 1042. Dividend Special Deposits.....	32	
	{ 1043. Miscellaneous Special Deposits.....	32	
	1060. Temporary Cash Investments.....	32	2
1080. Notes Receivable.....	1080. Notes Receivable.....	33	} 1120. Receivables
1100. Receivables from Associated Companies....	1100. Receivables from Associated Companies.	33	
1120. Accounts Receivable.....	1120. Accounts Receivable.....	33	
1	1140. Subscribers to Capital Stock.....	34		2
1	1160. Interest and Dividends Receivable.....	34	2
1180. Materials and Supplies.....	1180. Materials and Supplies.....	34	1180. Material and Supplies
1190. Other Current Assets.....	1190. Other Current Assets.....	35	1190. Other Current Assets
II. Tangible Property	II. Tangible Property:		II. Tangible Property:
1200. Motor Carrier Operating Property.....	1200. Motor Carrier Operating Property.....	35	1200. Motor Carrier Operating Property
1300. Motor Carrier Operating Property leased to Others.....	1300. Motor Carrier Operating Property leased to Others.....	36	1300. Motor Carrier Operating Property leased to Others
1400. Non-Motor Carrier Operating Property.....	1400. Non-Motor Carrier Operating Property..	36	1400. Non-Motor Carrier Operating Property
1450. Non-Operating Property.....	1450. Non-Operating Property.....	36	1450. Non-Operating Property
III. Intangible Property:	III. Intangible Property:		III. Intangible Property:
1500. Intangible Property.....	{ 1501. Organization.....	36	} Include in Account 1900
	{ 1511. Franchises.....	36	
	{ 1541. Patents.....	37	
	{ 1550. Other Intangible Property.....	37	

¹Included in Other Current Assets, Class II Carriers.
²Included in Other Current Assets, Class III Carriers.

IV. Investment Securities and Advances:

1600. Investment Securities and Advances.....

IV. Investment Securities and Advances:

1600. Investments and Advances—Associated Companies.....	37
1650. Other Investments and Advances.....	37

IV. Investment Securities and Advances:

1600. Investment Securities and Special Funds

V. Special Funds:

1700. Special Funds.....

V. Special Funds:

1701. Sinking Funds.....	38
1751. Depreciation Funds.....	38
1781. Miscellaneous Special Funds.....	38

V. Special Funds:

} Include in Account 1600

VI. Deferred Debits:

1800. Deferred Debits.....

VI. Deferred Debits:

1800. Prepayments.....	38
1880. Unamortized Debt Discount and Expense	38
1890. Other Deferred Debits.....	39
1895. Dominion of Canada—Refundable Portion of Excess Profits Tax.....	39

VI. Deferred Debits:

} Include in Account 1900

VII. Miscellaneous Debit Items:

1900. Miscellaneous Debit Items.....

VII. Miscellaneous Debit Items:

1910. Commission and Expense on Capital Stock	39
1920. Reacquired Securities.....	39
1990. Nominally Issued Securities.....	40

VII. Miscellaneous Debit Items:

} 1900. Miscellaneous Debit Items

VIII. Current Liabilities:

2000. Notes Payable.....	
2020. Matured Equipment and Long-term Obligations.....	
2030. Payables to Associated Companies.....	

VIII. Current Liabilities:

2000. Notes Payable.....	40
2020. Matured Equipment and Long-term Obligations.....	40
2030. Payables to Associated Companies:	
(1) Loans and Notes Payable—Associated Companies.....	40
(2) Interest and Dividends—Associated Companies.....	40
(3) Accounts Payable—Associated Companies.....	40
2050. Accounts Payable:	
(1) Accounts Payable—Offices, Stockholders and Employees.....	41
(2) Traffic and Interline Balances.....	41
(3) Other Accounts Payable.....	41

VIII. Current Liabilities:

2000. Notes Payable	
2020. Matured Equipment and Long-term Obligations	

} 2030. Accounts Payable

2070. Wages Payable.....

2070. Wages Payable..... 41

2070. Wages Payable

**ACCOUNTS FOR CLASS II
MOTOR CARRIERS—Con.**

**ACCOUNTS FOR CLASS I
MOTOR CARRIERS—Con.**

**ACCOUNTS FOR CLASS III
MOTOR CARRIERS—Con.**

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2080. Unredeemed Tickets.....	2080. Unredeemed Tickets.....	41	} 2190. Other Current Liabilities
2090. C.O.D's Unremitted.....	2090. C.O.D's Unremitted.....	41	
	2100. Dividends Declared.....	41	
	2120. Taxes Accrued.....	42	
2190. Other Current Liabilities.....	2150. Interest Accrued.....	42	
	2160. Matured Interest.....	42	
	2190. Other Current Liabilities.....	42	

IX. Advances Payable:

IX. Advances Payable:

IX. Advances Payable:

2200. Advances Payable—Associated Companies.....	} 2200. Advances Payable—Associated Companies:	(1) Notes Payable.....	42	} 2250. Advances Payable
		(2) Open Accounts and subject to current settlement.....	42	
		(3) Interest accrued on amounts included in this account and not subject to current settlement....	42	
2250. Other Advances Payable.....	} 2250. Other Advances Payable:	(1) Notes Payable.....	43	
		(2) Open Accounts and subject to current settlement.....	43	
		(3) Interest accrued on amounts included in this account when not subject to current settlement....	43	

X. Equipment and Other Long-term Obligations:

X. Equipment and Other Long-term Obligations:

X. Equipment and Other Long-term Obligations:

2300. Equipment Obligations.....	2300. Equipment Obligations.....	43	} 2360. Equipment and Other Long-term Obligations.
2330. Bonds.....	2330. Bonds.....	43	
2360. Other Long-term Obligations.....	2360. Other Long-term Obligations.....	44	

XI. Deferred Credits:

XI. Deferred Credits:

XI. Deferred Credits:

2450. Deferred Credits.....	2400. Unamortized Premium on Debt.....	44	} 2450. Deferred Credits
	2450. Other Deferred Credits.....	44	

XII. Reserves:

2511. Reserve for Depreciation—Structures.....	}
2520. Reserve for Depreciation—Equipment.....	
2571.	}
2610. Reserve for Depreciation—Other Property..	
2690. Other Reserves.....	}

XII. Reserves:

2500. Reserve for Depreciation—Operating Property.....	44
2511. Reserve for Depreciation—Structures....	45
2521. Reserve for Depreciation—Revenue Equipment.....	45
2531. Reserve for Depreciation—Service Cars and Equipment.....	45
2535. Reserve for Depreciation—Shop and Garage Equipment.....	45
2551. Reserve for Depreciation—Furniture and Office Equipment.....	45
2561. Reserve for Depreciation—Miscellaneous Equipment.....	45
2571. Reserve for Depreciation—Improvements to Leasehold Property.....	45
2581. Reserve for Depreciation—Undistributed Property.....	45
2591. Reserve for Depreciation—Motor Carrier Operating Property Leased to Others..	45
2600. Reserve for Amortization—Motor Carrier Operating Property.....	45
2610. Reserve for Depreciation and Amortization—Other Property.....	45
2650. Reserve for Uncollectible Accounts.....	45
2660. Insurance Reserves.....	46
2680. Public Liability and Property Damage Reserve.....	46
2685. Workmen's Compensation Reserve.....	46
2690. Other Reserves.....	47
2699. Maintenance Reserves.....	47

XII. Reserves:

2500. Reserve for Depreciation—Operating Property	}
2690. Other Reserves	

XIII. Capital Stock:

2700. Preferred Capital Stock.....
2710. Common Capital Stock.....
2720. Premiums and Assessments on Capital Stock
2730. Capital Stock Subscribed.....

XIII. Capital Stock:

2700. Preferred Capital Stock.....	47
2710. Common Capital Stock.....	47
2720. Premiums and Assessments on Capital Stock.....	47
2730. Capital Stock Subscribed.....	48

XIII. Capital Stock:

2700. Preferred Capital Stock
2710. Common Capital Stock
2720. Premiums and Assessments on Capital Stock
2730. Capital Stock Subscribed

¹Included in Reserve for Depreciation—Structures.

**ACCOUNTS FOR CLASS II
MOTOR CARRIERS—Conc.**

**ACCOUNTS FOR CLASS I
MOTOR CARRIERS—Conc.**

**ACCOUNTS FOR CLASS III
MOTOR CARRIERS—Conc.**

XIV. Non-Corporate Capital:

XIV. Non-Corporate Capital:

XIV. Non-Corporate Capital:

2800. Sole Proprietorship Capital.....
2810. Partnership Capital.....

2800. Sole Proprietorship Capital.....
2810. Partnership Capital.....

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48 2800. Sole Proprietorship Capital
48 2810. Partnership Capital

XV. Unappropriated Surplus:

XV. Unappropriated Surplus:

XV. Unappropriated Surplus:

2900. Unearned Surplus.....
2930. Earned Surplus.....
2935. Dominion of Canada—Refundable Portion
of Excess Profits Tax.....

2900. Unearned Surplus.....
2930. Earned Surplus.....
2935. Dominion of Canada—Refundable Portion
of Excess Profits Tax.....

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49 } 2950. Surplus

CONDENSED CLASSIFICATION OF OPERATING EXPENSE

Accounts for Class I Motor Carriers Accounts for Class II Motor Carriers Accounts for Class III Motor Carriers

MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSES ACCOUNTS	MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSES ACCOUNTS	MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSES ACCOUNTS
I. Equipment Maintenance and Garage Expense:	I. Equipment Maintenance and Garage Expense:	I. Equipment Maintenance and Garage Expense:
84110. Supervision of Shop and Garage.....	84110. Supervision of Shop and Garage.....	69
84121. Repairs to Shop and Garage Equipment..	84121. Repairs to Shop and Garage Equipment..	69
84122. Fuelling, Servicing and Maintenance of Service Equipment.....	84122. Fuelling, Servicing and Maintenance of Service Equipment.....	69
84128. Repairs to Shop and Garage Buildings and Grounds.....	84128. Repairs to Shop and Garage Buildings and Grounds.....	69
84131. Shop and Garage Expenses.....	84131. Light, Heat, Power and Water for Shops and Garages.....	70
	84132. Other Shop and Garage Expenses.....	70
84140. Repairs to Revenue Equipment.....	84140. Repairs to Revenue Equipment.....	70
84150. Servicing of Revenue Equipment.....	84150. Servicing of Revenue Equipment.....	71
84160. Tires and Tubes—Revenue Equipment..	84160. Tires and Tubes—Revenue Equipment..	71
84191. Joint Garage Expense—Debit.....	84191. Joint Garage Expense—Debit.....	71
84196. Joint Garage Expense—Credit.....	84196. Joint Garage Expense—Credit.....	71
84197. Deferred Maintenance—Motor Carrier Equipment and Garage.....	84197. Deferred Maintenance—Motor Carrier Equipment and Garage.....	71
II. Transportation Expense:	II. Transportation Expense:	II. Transportation Expense:
84210. Supervision of Transportation.....	84210. Supervision of Transportation.....	72
84220. Drivers' Wages and Bonuses.....	84220. Drivers' Wages and Bonuses.....	72
84230. Fuel and Oil for Revenue Equipment...	84230. Fuel for Revenue Equipment.....	72
	84240. Oil for Revenue Equipment.....	72
84250. Purchased Transportation.....	84250. Purchased Transportation.....	72
84261. Other Transportation Expenses.....	84261. Road Expense.....	73
	84262. Bridge, Tunnel and Ferry Tolls.....	73
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	84264. Other Transportation Expenses.....	73
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	84140. Repairs to Revenue Equipment	
	84150. Servicing of Revenue Equipment	
	84160. Tires and Tubes—Revenue Equipment	
	84191. Joint Garage Expense—Debit	
	84196. Joint Garage Expense—Credit	
	84197. Deferred Maintenance—Motor Carrier Equipment and Garage	
	84210. Supervision of Transportation	
	84220. Drivers' Wages and Bonuses	
	84230. Fuel and Oil for Revenue Equipment	
	84250. Purchased Transportation	
	84261. Other Transportation Expense	

MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSES ACCOUNTS

MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSES ACCOUNTS

MOTOR CARRIER OPERATION AND MAINTENANCE EXPENSES ACCOUNTS

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III. Station and Terminal Expense:

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III. Station and Terminal Expense:

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	{ 84314. Supplies and Expenses.....	74
84319. Repairs to Station and Terminal Buildings and Equipment.....	84319. Repairs to Station and Terminal Buildings and Equipment.....	74
84331. Commissions Paid and Expenses allowed..	{ 84331. Commissions Paid.....	74
	{ 84332. Other Expenses Allowed.....	74
84340. Interline Commissions Paid.....	84340. Interline Commissions Paid.....	74
84350. Interline Commissions Earned—Credit...	84350. Interline Commissions Earned—Credit.	74
84360. Collection and Delivery.....	{ 84360. Collection and Delivery.....	75
	{ 84370. Purchased Collection and Delivery....	75
84380. Deferred Maintenance—Motor Carrier Station and Terminal Buildings and Equipment.....	84380. Deferred Maintenance—Motor Carrier Station and Terminal Buildings and Equipment.....	75
84391. Joint Station and Terminal Facilities—Debit.....	84391. Joint Station and Terminal Facilities—Debit.....	75
84396. Joint Station and Terminal Facilities—Credit.....	84396. Joint Station and Terminal Facilities—Credit.....	75

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IV. Traffic, Solicitation and Advertising Expense:

IV. Traffic, Solicitation and Advertising Expense:

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	{ 84430. Tariffs and Schedules.....	76
	{ 84440. Tickets and Baggage Checks.....	76
	{ 84450. Other Traffic Expenses.....	76
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V. Insurance and Safety Expense:

V. Insurance and Safety Expense:

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84520. Public Liability and Property Damage..	{ 84520. Public Liability and Property Damage Insurance.....	77
	{ 84530. Public Liability and Property Damage..	77

84541. Workmen's Compensation.....	{ 84541. Workmen's Compensation Insurance....	77
	{ 84546. Workmen's Compensation.....	78
84550. Freight Baggage and Express—Loss and Damage.....	{ 84550. Freight Baggage and Express Insurance	78
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84500. Insurance and Safety

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84652. Employees' Welfare Expenses.....
84655. Purchasing and Stores Expenses.....
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84660. Management and Supervision Fees and Expenses.....
84671. Franchise Requirements—Debit.....
84672. Franchise Requirements—Credit.....
84673. Other Regulatory Board or Commission Expenses.....
84680. Uncollectible Revenues.....
84691. Joint Operating Expense—Debit.....
84696. Joint Operating Expense—Credit.....

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{ 84630. General Office Supplies and Expenses....	81
{ 84640. Outside Communication Service.....	81
{ 84651. Outside Auditing Expense.....	81
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84656. Other General Expenses.....	82
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84672. Franchise Requirements—Credit.....	83
84673. Other Regulatory Board or Commission Expenses.....	83
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84691. Joint Operating Expense—Debit.....	84
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VI. Administration and General Expense:

84600. Salaries and Expenses of General Officer

84656. Other General Expenses

**MOTOR CARRIER DEPRECIATION,
AMORTIZATION AND TAXES AND
LICENCE ACCOUNTS**

**MOTOR CARRIER DEPRECIATION
AMORTIZATION AND TAXES AND
LICENCE ACCOUNTS**

**MOTOR CARRIER DEPRECIATION,
AMORTIZATION AND TAXES AND
LICENCE ACCOUNTS**

Depreciation Expense:

85000. Depreciation Expense

**Amortization Expense Chargeable to
Operation:**

85110. Amortization of Motor Carrier Oper-
ating Property

85120. Property Loss Chargeable to Operation..

Taxes and Licences:

85200. Operating Taxes and Licences

**MOTOR CARRIER OPERATING RENTS
AND LEASE OF TRANSIT PROPERTY
ACCOUNTS**

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Debit

85340. Joint Facility Rents—Debit

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85021. Depreciation of Revenue Equipment...	84
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85041. Depreciation of Shop and Garage Equipment	84
85051. Depreciation of Furniture and Office Equipment	84
85061. Depreciation of Miscellaneous Equip- ment	84
85071. Depreciation of Improvements to Leasehold Property	84
85081. Depreciation of Undistributed Property	84
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Operation:**

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85120. Property Loss Chargeable to Operation..	85

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85200. Operating Taxes and Licences	85
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**MOTOR CARRIER OPERATING RENTS
AND LEASE OF TRANSIT PROPERTY
ACCOUNTS**

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85320. Other Operating Rents—Debit	86
85340. Joint Facility Rents—Debit	87

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Depreciation Expense:

85000. Depreciation Expense

**Amortization Expense Chargeable to
Operation:**

85110. Amortization of Motor Carrier Oper-
ating Property

85120. Property Loss Chargeable to Operation

Taxes and Licences:

85200. Operating Taxes and Licences

**MOTOR CARRIER OPERATING RENTS
AND LEASE OF TRANSIT PROPERTY
ACCOUNTS**

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85350. Equipment and other Operating Rents—	85350. Equipment Rents—Credit.....	87	} 85350. Operating Rents—Credit
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85390. Joint Facility Rents—Credit.....	85390. Joint Facility Rents—Credit.....	87	
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85400. Rent for Lease of Motor Carrier	85400. Rent for Lease of Motor Carrier		85400. Rent for Lease of Motor Carrier
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85500. Income from Lease of Motor Carrier	85500. Income from Lease of Motor Carrier		85500. Income from Lease of Motor Carrier
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