

Securities and Exchange Commission

§ 256.154

cash investments. This account shall not be used for advances to associate companies. The account shall be maintained in such manner as to show by subaccounts, or otherwise, the nature and amount of each investment.

3. CURRENT AND ACCRUED ASSETS

§ 256.131 Cash.

This account shall include the amount of current cash funds except working funds.

§ 256.134 Special deposits.

This account shall include deposits with fiscal agents or others for special purposes. Entries to this account shall specify the purpose for which the deposit is made.

§ 256.135 Working funds.

This account shall include cash advanced to officers, agents, employees and others as petty cash or working funds.

§ 256.136 Temporary cash investments.

This account shall include the cost of investments, such as demand and time loans, bankers' acceptances, United States Treasury obligations, marketable securities, and other similar investments, acquired for the purpose of temporarily investing cash.

§ 256.141 Notes receivable.

This account shall include the cost of all notes receivable and similar evidences of amounts due within one year from persons other than associate companies. The account shall be so maintained as to show separately amounts due from officers, directors, employees and others.

§ 256.143 Accounts receivable.

This account shall include amounts due on open accounts, other than amounts due from associate companies.

§ 256.144 Accumulated provision for uncollectable accounts.

This account shall be credited with amounts provided for losses on notes and accounts receivable which may become uncollectable, and also with collections on accounts previously charged hereto.

§ 256.146 Accounts receivable from associate companies.

This account shall include notes and balances in open accounts due from associate companies which are expected to be paid in full within one year.

NOTE: Occasional payments to accommodate an associate company for emergency purposes or where obvious increased cost or time problems would be incurred shall be included in this account, but shall be segregated in a subaccount. Expenditures which do not pertain to performance of services by the service company shall be paid directly by the associate company.

§ 256.152 Fuel stock expenses undistributed.

The service company shall utilize this account, where appropriate, to include the cost of service company labor and of office supplies used and operating expenses incurred with respect to the review, analysis and management of fuel supply contracts or agreements, the accumulation of fuel information and its interpretation, the logistics and handling of fuel, and other related support functions, as a service to the associate company engaged in the procurement and transportation of fuel. This account shall be maintained to show the expenses attributable to each associate company through the use of work orders. All expenses of a service company's fuel department or functions shall be cleared through this account.

§ 256.154 Materials and supplies.

(a) The service company may utilize this account, where appropriate, to include the costs of materials and supplies held for use by the service company in performing its services. The cost of material and supplies attributable to work orders for service company property in process of construction shall be charged to account 107, Construction work in progress.

(b) Materials and supplies issued shall be credited hereto and charged to the appropriate expense or other accounts on the basis of a unit price determined by the use of cumulative average, first-in-first-out, or such other method of inventory accounting as conforms with generally accepted accounting standards consistently applied.