current settlement are includable in account 146, Accounts receivable from associate companies (§ 367.1460).

(f) The service company must write down the cost of any security in recognition of a decline in the related value. Securities must be written off or written down to a nominal value if there is no reasonable prospect of substantial value. Fluctuations in market value must not be recorded but a permanent impairment in the value of securities must be recognized in the accounts. When securities are written off or written down, the amount of the adjustment must be charged to account 426.5, Other deductions (§ 367.4265), or to an appropriate account for accumulated provisions for loss in value established as a separate subdivision of this account.

§ 367.1240 Account 124, Other investments.

(a) This account must include the book cost of investments in securities issued or assumed by non-associate companies, investment advances to these companies, and any investments not accounted for elsewhere. This account must also include unrealized holding gains and losses on trading and available-for-sale types of security investments. Include also the offsetting entry to the recording of amortization of discount or premium on interest-bearing investments. (See account 419, Interest and dividend income (§ 367.4190).)

(b) The records must be maintained in a manner so as to show the amount of each investment and the investment advances to each person.

§ 367.1280 Account 128, Other special funds.

(a) This account must include the amount of cash and book cost of investments that have been segregated in special funds for insurance, employee pensions, savings, relief, hospital, and other purposes not provided for elsewhere. This account must also include unrealized holding gains and losses on trading and available-for-sale types of security investments. A separate account with appropriate title, must be kept for each fund.

(b) Amounts deposited with a trustee under the terms of an irrevocable trust agreement for pensions or other employee benefits must not be included in this account.

CURRENT AND ACCRUED ASSETS

§ 367.1310 Account 131, Cash.

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

§ 367.1340 Account 134, Other special deposits.

(a) This account must include deposits with fiscal agents or others for special purposes other than the payment of interest and dividends. The special deposits may include, among other things, cash deposited with federal, state, or municipal authorities as a guaranty for the fulfillment of obligations; cash deposited with trustees to be held until mortgaged property sold, destroyed, or otherwise disposed of is replaced; cash realized from the sale of the accounting service company's securities and deposited with trustees to be held until invested in property of the service company. Entries to this account must specify the purpose for which the deposit is made.

(b) Assets available for general corporate purposes must not be included in this account. Further, deposits for more than one year, that are not offset by current liabilities, must be charged to account 128, Other special funds (§ 367.1280).

§ 367.1350 Account 135, Working funds.

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

§ 367.1360 Account 136, Temporary cash investments.

(a) This account must include the book cost of investments, such as demand and time loans, bankers' acceptances, United States Treasury certificates, marketable securities, and other similar investments, acquired for the purpose of temporarily investing cash.

(b) This account must be maintained so as to show separately temporary