

**SUMMARY OPERATING STATEMENT
THE COUGAR HOTEL
FOR THE YEAR ENDING DECEMBER 31, 20X2**

| | Current Period | | | | | | Variance to Budget | | Variance to Prior Year | |
|--|-------------------|---------------|-------------------|---------------|-------------------|---------------|--------------------|--------------|------------------------|--------------|
| | 20X2 | | Budget | | 20X1 | | | | | |
| | \$ | % | \$ | % | \$ | % | \$ | % | \$ | % |
| Operating Revenue | | | | | | | | | | |
| Rooms | 19,958,251 | 77.0% | 18,879,474 | 76.3% | 18,470,604 | 77.7% | 1,078,777 | 5.7% | 1,487,647 | 8.1% |
| Food and Beverage | 5,677,614 | 21.9% | 5,640,399 | 22.8% | 5,076,057 | 21.4% | 37,215 | 0.7% | 601,557 | 11.9% |
| Other Operated Departments | 106,100 | 0.4% | 138,470 | 0.6% | 135,796 | 0.6% | (32,370) | -23.4% | (29,696) | -21.9% |
| Miscellaneous Income | 185,589 | 0.7% | 93,853 | 0.4% | 91,125 | 0.4% | 91,736 | 97.7% | 94,464 | 103.7% |
| Total Operating Revenue | 25,927,554 | 100.0% | 24,752,196 | 100.0% | 23,773,582 | 100.0% | 1,175,358 | 4.7% | 2,153,972 | 9.1% |
| Departmental Expenses | | | | | | | | | | |
| Rooms | 5,037,457 | 25.2% | 4,905,025 | 26.0% | 5,038,514 | 27.3% | 132,432 | 2.7% | (1,057) | 0.0% |
| Food and Beverage | 4,461,045 | 78.6% | 4,161,598 | 73.8% | 3,895,485 | 76.7% | 299,447 | 7.2% | 565,560 | 14.5% |
| Other Operated Departments | 129,225 | 121.8% | 126,876 | 91.6% | 127,176 | 93.7% | 2,349 | 1.9% | 2,049 | 1.6% |
| Total Departmental Expenses | 9,627,727 | 37.1% | 9,193,499 | 37.1% | 9,061,175 | 38.1% | 434,228 | 4.7% | 566,552 | 6.3% |
| Total Departmental Profit | 16,299,827 | 62.9% | 15,558,697 | 62.9% | 14,712,407 | 61.9% | 741,130 | 4.8% | 1,587,420 | 10.8% |
| Undistributed Operating Expenses | | | | | | | | | | |
| Administrative and General | 2,454,200 | 9.5% | 2,496,341 | 10.1% | 2,465,743 | 10.4% | (42,141) | -1.7% | (11,543) | -0.5% |
| Information and Telecommunications Systems | 364,727 | 1.4% | 325,237 | 1.3% | 343,898 | 1.4% | 39,490 | 12.1% | 20,829 | 6.1% |
| Sales and Marketing | 2,668,313 | 10.3% | 2,235,674 | 9.0% | 2,467,249 | 10.4% | 432,639 | 19.4% | 201,064 | 8.1% |
| Property Operation and Maintenance | 1,170,052 | 4.5% | 916,335 | 3.7% | 1,340,849 | 5.6% | 253,717 | 27.7% | (170,797) | -12.7% |
| Utilities | 633,321 | 2.4% | 650,826 | 2.6% | 642,275 | 2.7% | (17,505) | -2.7% | (8,954) | -1.4% |
| Total Undistributed Expenses | 7,290,613 | 28.1% | 6,624,413 | 26.8% | 7,260,014 | 30.5% | 666,200 | 10.1% | 30,599 | 0.4% |
| Gross Operating Profit | 9,009,214 | 34.7% | 8,934,284 | 36.1% | 7,452,393 | 31.3% | 74,930 | 0.8% | 1,556,821 | 20.9% |
| Management Fees | 777,827 | 3.0% | 745,266 | 3.0% | 713,207 | 3.0% | 32,561 | 4.4% | 64,620 | 9.1% |
| Income Before Non-Operating Income and Expenses | 8,231,387 | 31.7% | 8,189,018 | 33.1% | 6,739,186 | 28.3% | 42,369 | 0.5% | 1,492,201 | 22.1% |
| Non-Operating Income and Expenses | | | | | | | | | | |
| Income | (1,500) | 0.0% | (1,500) | 0.0% | (1,500) | 0.0% | - | 0.0% | - | 0.0% |
| Rent | 255,124 | 1.0% | 332,289 | 1.3% | 321,213 | 1.4% | (77,165) | -23.2% | (66,089) | -20.6% |
| Property and Other Taxes | 532,321 | 2.1% | 514,463 | 2.1% | 489,939 | 2.1% | 17,858 | 3.5% | 42,382 | 8.7% |
| Insurance | 120,140 | 0.5% | 174,824 | 0.7% | 150,190 | 0.6% | (54,684) | -31.3% | (30,050) | -20.0% |
| Other | 42,864 | 0.2% | - | 0.0% | 49,680 | 0.2% | 42,864 | 0.0% | (6,816) | -13.7% |
| Total Non-Operating Income and Expenses | 948,949 | 3.7% | 1,020,076 | 4.1% | 1,009,522 | 4.2% | (71,127) | -7.0% | (60,573) | -6.0% |
| Earnings Before Interest, Taxes, Depreciation, and Amortization | 7,282,438 | 28.1% | 7,168,942 | 29.0% | 5,729,664 | 24.1% | 113,496 | 1.6% | 1,552,774 | 27.1% |
| Replacement Reserve | 1,296,378 | 5.0% | 1,237,610 | 5.0% | 1,156,787 | 4.9% | 58,768 | 4.7% | 139,591 | 12.1% |
| EBITDA Less Replacement Reserve | 5,986,060 | 23.1% | 5,931,332 | 24.0% | 4,572,877 | 19.2% | 54,728 | 0.9% | 1,413,183 | 30.9% |

**ROOMS DEPARTMENT SCHEDULE
THE COUGAR HOTEL
FOR THE YEAR ENDING DECEMBER 31, 20X2**

| | Current Period | | | | | | Variance to Budget | | Variance to Prior Year | |
|--|-------------------|---------------|-------------------|---------------|-------------------|---------------|--------------------|--------------|------------------------|--------------|
| | 20X2 | | BUDGET | | 20X1 | | \$ | % | \$ | % |
| | \$ | % | \$ | % | \$ | % | | | | |
| Revenue | | | | | | | | | | |
| Transient Rooms Revenue | | | | | | | | | | |
| Retail | 6,626,139 | 33.2% | 5,786,824 | 30.7% | 7,231,329 | 39.2% | 839,315 | 14.5% | (605,190) | -8.4% |
| Discount | 1,995,825 | 10.0% | 1,285,959 | 6.8% | 625,452 | 3.4% | 709,866 | 55.2% | 1,370,373 | 219.1% |
| Negotiated | 3,327,040 | 16.7% | 3,857,877 | 20.4% | 2,501,710 | 13.5% | (530,837) | -13.8% | 825,330 | 33.0% |
| Wholesale | 1,317,245 | 6.6% | 1,928,947 | 10.2% | 1,876,340 | 10.2% | (611,702) | -31.7% | (559,095) | -29.8% |
| Total Transient Rooms Revenue | 13,266,249 | 66.5% | 12,859,607 | 68.1% | 12,234,831 | 66.2% | 406,642 | 3.2% | 1,031,418 | 8.4% |
| Group Rooms Revenue | | | | | | | | | | |
| Corporate | 2,414,948 | 12.1% | 2,363,905 | 12.5% | 2,105,981 | 11.4% | 51,043 | 2.2% | 308,967 | 14.7% |
| Association/Convention | 1,337,203 | 6.7% | 1,654,735 | 8.8% | 1,545,861 | 8.4% | (317,532) | -19.2% | (208,658) | -13.5% |
| SMERF | 1,596,660 | 8.0% | 709,170 | 3.8% | 940,974 | 5.1% | 887,490 | 125.1% | 655,686 | 69.7% |
| Total Group Rooms Revenue | 5,348,811 | 26.8% | 4,727,810 | 25.0% | 4,592,816 | 24.9% | 621,001 | 13.1% | 755,995 | 16.5% |
| Contract Rooms Revenue | 1,237,412 | 6.2% | 945,565 | 5.0% | 1,344,239 | 7.3% | 291,847 | 30.9% | (106,827) | -7.9% |
| Other Rooms Revenue | 205,570 | 1.0% | 378,325 | 2.0% | 336,051 | 1.8% | (172,755) | -45.7% | (130,481) | -38.8% |
| Less: Allowances | (99,791) | -0.5% | (31,733) | -0.2% | (37,333) | -0.2% | (68,058) | 214.5% | (62,458) | 167.3% |
| Total Rooms Revenue | 19,958,251 | 100.0% | 18,879,574 | 100.0% | 18,470,604 | 100.0% | 1,078,677 | 5.7% | 1,487,647 | 8.1% |
| Expenses | | | | | | | | | | |
| Labor Costs and Related Expenses | | | | | | | | | | |
| Salaries, Wages, Service Charges, Contracted Labor and Bonuses | | | | | | | | | | |
| Salaries and Wages | | | | | | | | | | |
| Management | 222,143 | 1.1% | 212,919 | 1.1% | 245,249 | 1.3% | 9,224 | 4.3% | (23,106) | -9.4% |
| Non-Management | | | | | | | | | | |
| Front Office | 354,228 | 1.8% | 452,462 | 2.4% | 380,285 | 2.1% | (98,234) | -21.7% | (26,057) | -6.9% |
| Guest Services | 159,102 | 0.8% | 133,083 | 0.7% | 103,434 | 0.6% | 26,019 | 19.6% | 55,668 | 53.8% |
| Housekeeping | 855,551 | 4.3% | 1,064,632 | 5.6% | 957,617 | 5.2% | (209,081) | -19.6% | (102,066) | -10.7% |
| Laundry | 450,290 | 2.3% | 485,546 | 2.6% | 537,207 | 2.9% | (35,256) | -7.3% | (86,917) | -16.2% |
| Reservations | 66,043 | 0.3% | 79,856 | 0.4% | 58,398 | 0.3% | (13,813) | -17.3% | 7,645 | 13.1% |
| Sub-Total: Salaries and Wages | 2,107,357 | 10.6% | 2,428,498 | 12.9% | 2,282,190 | 12.4% | (321,141) | -13.2% | (174,833) | -7.7% |
| Contracted, Leased and Outsourced Labor | 154,600 | 0.8% | 59,386 | 0.3% | 93,434 | 0.5% | 95,214 | 160.3% | 61,166 | 65.5% |
| Bonuses and Incentives | 100,134 | 0.5% | 53,230 | 0.3% | 70,071 | 0.4% | 46,904 | 88.1% | 30,063 | 42.9% |
| Total Salaries, Wages, Service Charges, Contracted Labor and Bonuses | 2,362,091 | 11.8% | 2,541,114 | 13.5% | 2,445,695 | 13.2% | (179,023) | -7.0% | (83,604) | -3.4% |
| Payroll-Related Expenses | | | | | | | | | | |
| Payroll Taxes | 234,151 | 1.2% | 171,771 | 0.9% | 198,381 | 1.1% | 62,380 | 36.3% | 35,770 | 18.0% |
| Supplemental Pay | 78,050 | 0.4% | 92,020 | 0.5% | 87,195 | 0.5% | (13,970) | -15.2% | (9,145) | -10.5% |
| Employee Benefits | 327,641 | 1.6% | 349,672 | 1.9% | 344,356 | 1.9% | (22,031) | -6.3% | (16,715) | -4.9% |
| Total Payroll-Related Expenses | 639,842 | 3.2% | 613,463 | 3.2% | 629,932 | 3.4% | 26,379 | 4.3% | 9,910 | 1.6% |
| Total Labor Costs and Related Expenses | 3,001,933 | 15.0% | 3,154,577 | 16.7% | 3,075,627 | 16.7% | (152,644) | -4.8% | (73,694) | -2.4% |
| Other Expenses | | | | | | | | | | |
| Cleaning Supplies | 431,531 | 2.2% | 374,695 | 2.0% | 420,340 | 2.3% | 56,836 | 15.2% | 11,191 | 2.7% |
| Cluster Services | 93,634 | 0.5% | 41,390 | 0.2% | 33,112 | 0.2% | 52,244 | 126.2% | 60,522 | 182.8% |
| Commissions | 140,451 | 0.7% | 25,596 | 0.1% | 24,900 | 0.1% | 114,855 | 448.7% | 115,551 | 464.1% |
| Commissions and Fees--Group | 61,066 | 0.3% | 94,088 | 0.5% | 222,943 | 1.2% | (33,022) | -35.1% | (161,877) | -72.6% |
| Complimentary Food and Beverage | 16,284 | 0.1% | 11,589 | 0.1% | 13,245 | 0.1% | 4,695 | 40.5% | 3,039 | 22.9% |
| Complimentary Services and Gifts | 7,124 | 0.0% | 6,622 | 0.0% | 8,824 | 0.0% | 502 | 7.6% | (1,700) | -19.3% |
| Contract Services | 20,355 | 0.1% | 51,655 | 0.3% | 66,224 | 0.4% | (31,300) | -60.6% | (45,869) | -69.3% |
| Corporate Office Reimbursables | 6,107 | 0.0% | 4,967 | 0.0% | 10,679 | 0.1% | 1,140 | 23.0% | (4,572) | -42.8% |
| Equipment Rental | 2,036 | 0.0% | 2,483 | 0.0% | 1,365 | 0.0% | (447) | -18.0% | 671 | 49.2% |
| Guest Supplies | 431,531 | 2.2% | 468,369 | 2.5% | 468,369 | 2.5% | (36,838) | -7.9% | (36,838) | -7.9% |
| Laundry and Dry Cleaning | 173,019 | 0.9% | 234,184 | 1.2% | 281,021 | 1.5% | (61,165) | -26.1% | (108,002) | -38.4% |
| Licenses and Permits | 2,036 | 0.0% | 1,242 | 0.0% | 1,656 | 0.0% | 794 | 63.9% | 380 | 22.9% |
| Linen | 36,639 | 0.2% | 42,152 | 0.2% | 51,522 | 0.3% | (5,513) | -13.1% | (14,883) | -28.9% |
| Miscellaneous | 1,832 | 0.0% | 1,656 | 0.0% | 3,526 | 0.0% | 176 | 10.6% | (1,694) | -48.0% |
| Operating Supplies | 50,888 | 0.3% | 23,427 | 0.1% | 28,096 | 0.2% | 27,461 | 117.2% | 22,792 | 81.1% |
| Postage and Overnight Delivery Charges | 1,527 | 0.0% | 2,069 | 0.0% | 3,725 | 0.0% | (542) | -26.2% | (2,198) | -59.0% |
| Printing and Stationery | 14,249 | 0.1% | 18,741 | 0.1% | 23,427 | 0.1% | (4,492) | -24.0% | (9,178) | -39.2% |
| Reservations | 405,069 | 2.0% | 234,184 | 1.2% | 187,348 | 1.0% | 170,885 | 73.0% | 217,721 | 116.2% |
| Training | - | 0.0% | 82,780 | 0.4% | 77,946 | 0.4% | (82,780) | -100.0% | (77,946) | -100.0% |
| Travel--Meals and Entertainment | 10,178 | 0.1% | 4,139 | 0.0% | 3,030 | 0.0% | 6,039 | 145.9% | 7,148 | 235.9% |
| Travel--Other | 44,782 | 0.2% | 8,278 | 0.0% | 10,761 | 0.1% | 36,504 | 441.0% | 34,021 | 316.2% |
| Uniform Costs | 81,420 | 0.4% | 11,589 | 0.1% | 14,073 | 0.1% | 69,831 | 602.6% | 67,347 | 478.6% |
| Uniform Laundry | 3,766 | 0.0% | 4,553 | 0.0% | 6,755 | 0.0% | (787) | -17.3% | (2,989) | -44.2% |
| Total Other Expenses | 2,035,524 | 10.2% | 1,750,448 | 9.3% | 1,962,887 | 10.6% | 285,076 | 16.3% | 72,637 | 3.7% |
| Total Expenses | 5,037,457 | 25.2% | 4,905,025 | 26.0% | 5,038,514 | 27.3% | 132,432 | 2.7% | (1,057) | 0.0% |
| Departmental Profit | 14,920,794 | 74.8% | 13,974,549 | 74.0% | 13,432,090 | 72.7% | 946,245 | 6.8% | 1,488,704 | 11.1% |

**ADMINISTRATIVE AND GENERAL SCHEDULE
THE COUGAR HOTEL
FOR THE YEAR ENDING DECEMBER 31, 20X2**

| | Period Of | | | | | | | | | | Variance to Budget | | Variance to Prior Year | | |
|--|----------------|------|-----------|-------|-----------|-------|----------|---------|----------|---------|--------------------|---|------------------------|--|--|
| | Current Period | | | | | | | | | | | | | | |
| | 20X2 | | BUDGET | | 20X1 | | | | | | | | | | |
| | \$ | % | \$ | % | \$ | % | \$ | % | \$ | % | \$ | % | | | |
| Expenses | | | | | | | | | | | | | | | |
| Labor Costs and Related Expenses | | | | | | | | | | | | | | | |
| Salaries, Wages, Service Charges, Contracted Labor and Bonuses | | | | | | | | | | | | | | | |
| Salaries and Wages | | | | | | | | | | | | | | | |
| Management | 576,448 | 2.2% | 547,746 | 2.2% | 541,550 | 2.3% | 28,702 | 5.2% | 34,898 | 6.4% | | | | | |
| Non-Management | | | | | | | | | | | | | | | |
| Accounting | 131,910 | 0.5% | 224,155 | 0.9% | 192,174 | 0.8% | (92,245) | -41.2% | (60,264) | -31.4% | | | | | |
| General Support | 52,761 | 0.2% | 56,365 | 0.2% | 47,847 | 0.2% | (3,604) | -6.4% | 4,914 | 10.3% | | | | | |
| Human Resources | 87,000 | 0.3% | 80,664 | 0.3% | 78,910 | 0.3% | 6,336 | 7.9% | 8,090 | 10.3% | | | | | |
| Purchasing/Receiving | 61,841 | 0.2% | 64,882 | 0.3% | 57,467 | 0.2% | (3,041) | -4.7% | 4,374 | 7.6% | | | | | |
| Security | 70,036 | 0.3% | 89,565 | 0.4% | 68,305 | 0.3% | (19,529) | -21.8% | 1,731 | 2.5% | | | | | |
| Sub-Total: Salaries and Wages | 979,996 | 3.8% | 1,063,377 | 4.3% | 986,254 | 4.0% | (83,381) | -7.8% | (6,258) | -0.6% | | | | | |
| Contracted, Leased and Outsourced Labor | 52,236 | 0.2% | 16,701 | 0.1% | 38,278 | 0.2% | 35,535 | 212.8% | 13,958 | 36.5% | | | | | |
| Bonuses and Incentives | 31,366 | 0.1% | 25,051 | 0.1% | 16,701 | 0.1% | 6,315 | 25.2% | 14,665 | 87.8% | | | | | |
| Total Salaries, Wages, Service Charges, Contracted Labor and Bonuses | 1,063,598 | 4.1% | 1,105,129 | 4.5% | 1,041,232 | 4.2% | (41,531) | -3.8% | 22,366 | 2.1% | | | | | |
| Payroll-Related Expenses | | | | | | | | | | | | | | | |
| Payroll Taxes | 100,391 | 0.4% | 104,859 | 0.4% | 95,842 | 0.4% | (4,468) | -4.3% | 4,549 | 4.7% | | | | | |
| Supplemental Pay | 58,120 | 0.2% | 62,912 | 0.3% | 56,320 | 0.2% | (4,792) | -7.6% | 1,800 | 3.2% | | | | | |
| Employee Benefits | 233,125 | 0.9% | 251,680 | 1.0% | 258,859 | 1.0% | (18,555) | -7.4% | (25,734) | -9.9% | | | | | |
| Total Payroll-Related Expenses | 391,636 | 1.5% | 419,451 | 1.7% | 411,021 | 1.7% | (27,815) | -6.6% | (19,385) | -4.7% | | | | | |
| Total Labor Costs and Related Expenses | 1,455,234 | 5.6% | 1,524,580 | 6.2% | 1,452,253 | 5.9% | (69,346) | -4.5% | 2,981 | 0.2% | | | | | |
| Other Expenses | | | | | | | | | | | | | | | |
| Audit Charges | 13,680 | 0.1% | 15,125 | 0.1% | 11,344 | 0.0% | (1,445) | -9.6% | 2,336 | 20.6% | | | | | |
| Bank Charges | 8,413 | 0.0% | 7,562 | 0.0% | 8,954 | 0.0% | 851 | 11.2% | (541) | -6.0% | | | | | |
| Contract Services | 40,355 | 0.2% | 52,936 | 0.2% | 49,155 | 0.2% | (12,581) | -23.8% | (8,800) | -17.9% | | | | | |
| Corporate Office Reimbursables | 5,485 | 0.0% | 4,159 | 0.0% | 15,503 | 0.1% | 1,326 | 31.9% | (10,018) | -64.6% | | | | | |
| Credit and Collection | 13,543 | 0.1% | 12,402 | 0.1% | 14,701 | 0.1% | 1,141 | 9.2% | (1,158) | -7.9% | | | | | |
| Credit Card Commissions | 598,039 | 2.3% | 634,753 | 2.6% | 608,315 | 2.5% | (36,714) | -5.8% | (10,276) | -1.7% | | | | | |
| Donations | 3,420 | 0.0% | - | 0.0% | 7,562 | 0.0% | 3,420 | #DIV/0! | (4,142) | -54.8% | | | | | |
| Dues and Subscriptions | 1,025 | 0.0% | 1,512 | 0.0% | 2,692 | 0.0% | (487) | -32.2% | (1,667) | -61.9% | | | | | |
| Entertainment—In-House | 10,342 | 0.0% | 9,453 | 0.0% | 7,880 | 0.0% | 889 | 9.4% | 2,462 | 31.2% | | | | | |
| Equipment Rental | 10,287 | 0.0% | 18,860 | 0.1% | 17,711 | 0.1% | (8,573) | -45.5% | (7,424) | -41.9% | | | | | |
| Human Resources | 30,711 | 0.1% | 37,812 | 0.2% | 29,826 | 0.1% | (7,101) | -18.8% | 885 | 3.0% | | | | | |
| Legal Services | 51,217 | 0.2% | 15,125 | 0.1% | 21,961 | 0.1% | 36,092 | 238.6% | 29,256 | 133.2% | | | | | |
| Licenses and Permits | 6,498 | 0.0% | 9,831 | 0.0% | 9,831 | 0.0% | (3,333) | -33.9% | (3,333) | -33.9% | | | | | |
| Loss and Damage | 2,846 | 0.0% | 500 | 0.0% | 1,618 | 0.0% | 2,346 | 469.2% | 1,228 | 75.9% | | | | | |
| Operating Supplies | 10,232 | 0.0% | 7,562 | 0.0% | 7,986 | 0.0% | 2,670 | 35.3% | 2,246 | 28.1% | | | | | |
| Payroll Processing | 16,539 | 0.1% | 16,637 | 0.1% | 16,304 | 0.1% | (98) | -0.6% | 235 | 1.4% | | | | | |
| Postage and Overnight Delivery Charges | (1,915) | 0.0% | 3,025 | 0.0% | 7,850 | 0.0% | (4,940) | -163.3% | (9,765) | -124.4% | | | | | |
| Professional Fees | 20,520 | 0.1% | 5,672 | 0.0% | 62,526 | 0.3% | 14,848 | 261.8% | (42,006) | -67.2% | | | | | |
| Provision for Doubtful Accounts | 69,274 | 0.3% | 20,000 | 0.1% | - | 0.0% | 49,274 | 246.4% | 69,274 | #DIV/0! | | | | | |
| Security | 52,995 | 0.2% | 53,163 | 0.2% | 57,852 | 0.2% | (168) | -0.3% | (4,857) | -8.4% | | | | | |
| Staff Transportation | 17,059 | 0.1% | - | 0.0% | - | 0.0% | 17,059 | #DIV/0! | 17,059 | #DIV/0! | | | | | |
| Training | 4,652 | 0.0% | 15,000 | 0.1% | 18,906 | 0.1% | (10,348) | -69.0% | (14,254) | -75.4% | | | | | |
| Travel—Meals and Entertainment | - | 0.0% | 10,000 | 0.0% | 9,967 | 0.0% | (10,000) | -100.0% | (9,967) | -100.0% | | | | | |
| Travel—Other | - | 0.0% | 9,831 | 0.0% | 9,090 | 0.0% | (9,831) | -100.0% | (9,090) | -100.0% | | | | | |
| Uniform Costs | 7,497 | 0.0% | 5,168 | 0.0% | 8,863 | 0.0% | 2,329 | 45.1% | (1,366) | -15.4% | | | | | |
| Uniform Laundry | 6,252 | 0.0% | 5,672 | 0.0% | 7,093 | 0.0% | 580 | 10.2% | (841) | -11.9% | | | | | |
| Total Other Expenses | 998,966 | 3.9% | 971,761 | 3.9% | 1,013,491 | 4.1% | 27,205 | 2.8% | (14,525) | -1.4% | | | | | |
| Total Expenses | 2,454,200 | 9.5% | 2,496,341 | 10.1% | 2,465,743 | 10.0% | (42,141) | -1.7% | (11,543) | -0.5% | | | | | |

BALANCE SHEET
THE COUGAR HOTEL
DECEMBER 31, 20X2

| | 20X2 | | 20X1 | | Variance to Prior Year | |
|---|-------------------|----------------|-------------------|----------------|------------------------|---------------|
| | \$ | % | \$ | % | \$ | % |
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Cash | 2,098,000 | 7.5% | 1,905,456 | 6.8% | 192,544 | 10.1% |
| Accounts Receivable | 488,000 | 1.7% | 600,000 | 2.1% | (112,000) | -18.7% |
| Inventories | 105,000 | 0.4% | 95,000 | 0.3% | 10,000 | 10.5% |
| Prepays | 45,000 | 0.2% | 50,000 | 0.2% | (5,000) | -10.0% |
| Total Current Assets | 2,736,000 | 9.7% | 2,650,456 | 9.5% | 85,544 | 3.2% |
| Investments | | | | | | |
| Land | 8,500,000 | 30.2% | 8,500,000 | 30.5% | - | 0.0% |
| Building | 12,500,000 | 44.4% | 12,500,000 | 44.8% | - | 0.0% |
| Furniture, Fixtures and Equipment | 9,548,354 | 33.9% | 9,348,554 | 33.5% | 199,800 | 2.1% |
| Accumulated Depreciation | (6,085,468) | -21.6% | (5,854,358) | -21.0% | (231,110) | 3.9% |
| Total Non-Current Assets | 25,392,886 | 90.3% | 25,259,196 | 90.5% | 133,690 | 0.5% |
| TOTAL ASSETS | 28,128,886 | 100.00% | 27,909,652 | 100.00% | 219,234 | 0.8% |
| LIABILITIES | | | | | | |
| Current Liabilities | | | | | | |
| Accounts Payable | 513,500 | 1.8% | 700,000 | 2.5% | (186,500) | -26.6% |
| Wages Payable | 315,000 | 1.1% | 390,000 | 1.4% | (75,000) | -19.2% |
| Dividends Payable | 10,000 | 0.0% | 30,000 | 0.1% | (20,000) | -66.7% |
| Mortgage Payable (Current) | 800,000 | 2.8% | 800,000 | 2.9% | - | 0.0% |
| Total Current Liabilities | 1,638,500 | 5.8% | 1,920,000 | 6.9% | (281,500) | -14.7% |
| Non Current Liabilities | | | | | | |
| Mortgage | 2,054,000 | 7.3% | 2,080,000 | 7.5% | (26,000) | -1.3% |
| TOTAL LIABILITIES | 3,692,500 | 13.1% | 4,000,000 | 14.3% | (307,500) | -7.7% |
| OWNER'S EQUITY | | | | | | |
| Common Stock | 13,000,000 | 46.2% | 14,819,604 | 53.1% | (1,819,604) | -12.3% |
| Retained Earnings | 11,436,386 | 40.7% | 9,090,048 | 32.6% | 2,346,338 | 25.8% |
| TOTAL OWNER'S EQUITY | 24,436,386 | 86.9% | 23,909,652 | 85.7% | 526,734 | 2.2% |
| TOTAL LIABILITIES AND OWNER'S EQUITY | 28,128,886 | 100.0% | 27,909,652 | 100.0% | 219,234 | 0.8% |

Answer the following questions, show all your work.

1. How much debt was paid in 20X2?

Response:

Current liabilities have to be paid in one year or less. The Mortgage Payable--Current represents the amount of debt due in 12 months or less. The amount of debt in 20X1 that was current, needs to be paid in 20X2. The total debt paid was \$800,000

2. The Cougar Hotel sold some old equipment with a book value of \$500,000 and accumulated depreciation of \$136,000 for \$315,000. Use this information to determine how much equipment The Cougar Hotel purchased in in 20X2?

Response:

The change in the equipment account is \$199,800 which is the net affect of the increases and decreases. So set up a formala that reads: $199,800 = \text{Purchases} - \text{Sale of Assets}$, taking that further it would be $199,800 = \text{Purchases} - 500,000$. Focus on the equipment account only ignore the rest of the additional information provided, the question is on the equipment account only. Continuing the formula changes to $199,800 + 500,000 = X$ (or the purchases made) so the answer of how much equiment was purchased is 699,800.

3. The Cougar Hotel declared dividends of \$20,000 in 20X2. How much cash did The Cougar Hotel pay out in dividens in 20X2?

Response:

The dividends payable account, like all the other current liabilities need to be paid within 12 months or less. the dividends due from 20X1 will be paid in 20X2 and that is a total of \$30,000. There were \$20,000 declared in 20X2 but the liability account only reflects \$10,000. This means that \$10,000 must have already been paid out. Therefore, the total dividends paid = \$30,000 owed form 20X1 and \$10,000 paid from what was declaredin 20X2 for a total of \$40,000.

4. The Cougar Hotel sold \$65,000 worth of Investments for \$65,000 in 20X2. Use this information to determine how much was the total of investments purchased in 20X2?

Response:

The investment account changed by \$165,000. Recall the change in the account is the next of any increaes or decreases. The additional information provided states that \$65,000 of investments were sold. Again the formula wold be $165,000 = \text{purchased} - \text{sold}$ or $165,000 = X - 65,000$ or $X = 230,000$. Therefore, \$230,000 of investments were purchased.

**SELECTED ROOM STATISTICS
THE COUGAR HOTEL
FOR THE YEAR ENDING DECEMBER 31, 20X2**

| | 20X2 | BUDGET | 20X1 |
|----------------------------|---------|---------|---------|
| Rooms Available | 600 | 600 | 600 |
| Total Rooms Sold | 171,110 | 168,105 | 171,969 |
| Total Transient Rooms Sold | 110,973 | 113,584 | 111,587 |
| Total Group Rooms Sold | 45,637 | 42,398 | 42,985 |
| Total Contract Rooms Sold | 14,500 | 12,123 | 17,397 |

INFORMATION FROM TAB 1:

| | | | |
|---------------------|------------|------------|------------|
| Room Revenue | 19,958,251 | 18,879,474 | 18,470,604 |
| Total Hotel Revenue | 25,927,554 | 24,752,196 | 23,773,582 |

INFORMATION FROM TAB 2:

| | | | |
|------------------------|------------|------------|------------|
| Transient Room Revenue | 13,266,249 | 12,859,607 | 12,234,831 |
| Group Room Revenue | 5,348,811 | 4,727,810 | 4,592,816 |
| Contract Room Revenue | 1,237,412 | 945,565 | 1,344,239 |

Using the Rooms Schedule and the selected room statistics (table on the left) to calculate the ratios in the table below. Make sure to provide the formula used to calculate the ratio and also use those formulas to calculate them for the respective time periods.

| RATIO | FORMULA | 20X2 | BUDGET | 20X1 |
|---------------------|---|-----------|-----------|-----------|
| Average Daily Rate | Room Revenue / Rooms sold | \$ 116.64 | \$ 112.31 | \$ 107.41 |
| Transient Room Rate | Transient Room Revenue / Transient Rooms Sold | \$ 119.54 | \$ 113.22 | \$ 109.64 |
| Group Room Rate | Group Room Revenue / Group Rooms Sold | \$ 117.20 | \$ 111.51 | \$ 106.85 |
| Contract Room Rate | Contract Room Revenue / Contract Rooms Sold | \$ 85.34 | \$ 78.00 | \$ 77.27 |
| Occupancy % | Rooms Sold / (Rooms Available x Time Period) | 78.13% | 76.76% | 78.52% |
| RevPAR | Room Revenue / (Rooms Available X Time Period) | \$ 91.13 | \$ 86.21 | \$ 84.34 |
| Total RevPAR | Total Hotel Revenue / (Rooms Available X Time Period) | \$ 118.39 | \$ 113.02 | \$ 108.56 |

ANSWER THE FOLLOWING QUESTIONS:

- Using the ratio information above, how did the hotel perform compared to the budget and the prior year?

Response: (Minimum 4 sentences)

Some acceptable responses: Overall the hotel had a high average rate compared to the budget and last year. Using a horizontal analysis, the rate exceeded the budget and last year by \$4.33 and \$9.23 respectively. The most significant increase was experienced in the the contract segment, being over the budget by \$7.34. However group saw the biggest increase over the prior year at \$10.36. Occupancy was over the budget by almost 2 percentage points and flat to the prior year. RevPAR exceeded the budget and last year primarily due to the increases in the ADR that was experienced in all segments.

- If you combined this ratio information with the Summary Operating Statement and the Rooms Revenue Departmental statement, what additional insight do you have about the hotel's performance?

Response: (Minimum 4 sentences)

Some acceptable responses would be that it provided a better explanation of how revenues changed and why they increased. Also can provide more insight into the F&B numbers based on how the group rooms changed, etc. Overall what I was looking for is that you understand that ratios can enhance the understanding of the numbers.