9.6

The departmental income statements given below correspond to the month of March for a 310-room hotel in Costa Mesa, California. The first statement is for the rooms division, and the second for the F&B division of the establishment. In the interest of space, the expense categories have been, in some cases, combined.

Rooms Division Report

Actual Budgeted

Rooms Revenue $473,979 $541,800

Total Payroll and Related

Front office 28,219 33,605

Housekeeping 48,833 57,283

Other Expenses

Front office 16,754 18,411

Housekeeping 9,396 15,600

Departmental Income 370,777 416,901

F&B Report

F&B Revenue

Food $220,728 $210,095

Beverage 70,578 78,706

Other income 10,882 12,000

Cost of Sales

Food 85,840 68,481

Beverage 16,177 17,709

Total F&B Payroll and Related 113,439 122,692

Other Expenses 20,076 30,052

Departmental Income 66,656 61,867

ASSIGNMENT: Tom Vallen, assistant manager of the hotel, has been asked to calculate and interpret the following ratios: occupancy percentage; cost of labor percentage for rooms and F&B; cost of food sold percentage; cost of beverage sold percentage; average daily rate; profit margin for rooms and F&B; total revenue change from budget for rooms and F&B; housekeeping cost per occupied room; rooms sales to total sales; total rooms division payroll per occupied room. What will be the results? The number of rooms sold for the month was 7,755.