Doggy world operates a chain of pair store in the Midwest. The manager of each store reports to the regional manager, who, in turn, reports to the headquarters in the Milwaukee, Wisconsin. The actual income statements for the Dayton store, the Ohio region (include the Dayton store), and the company as a whole (including the Ohio region) for July 2011 are as follows:

|  |
| --- |
| DOGGY WORLDIncome statementFor the month ended July 31, 2011 |
|  | Dayton | Ohio | Companywide |
| Revenue | $158,400 | $1,760,000 | $4,400,000 |
| Expense: |  |  |  |
|  Regional manager/headquarters office | $ ---- | $58,000 | $122,000 |
|  Cost of materials | 85,536 | 880,000 | 1,760,000 |
|  Salary expense | 41,184 | 440,000 | 1,100,000 |
|  Depreciation expense | 7,800 | 91,000 | 439,000 |
|  Utility expense | 4,000 | 46,600 | 264,000 |
|  Rent expense | 2,500 | 34,500 | 178,000 |
| Total expenses | 141,020 | 1,550,100 | 3,863,000 |
| Operating income | $17,380 | $209,900 | $537,000 |

Budgeted amounts for July were as follows:

|  |
| --- |
| DOGGY WORLDIncome statementFor the month ended July 31, 2011 |
|  | Dayton | Ohio | Companywide |
| Revenue | 173,400 | 1,883,000 | 4,650,000 |
| Expense: |  |  |  |
|  Regional manager/headquarters office | ---- | 64,600 | 124,000 |
|  Cost of materials | 91,902 | 1,035,650 | 2,092,500 |
|  Salary expense | 41,616 | 470,750 | 1,162,500 |
|  Depreciation expense | 7,800 | 87,500 | 446,000 |
|  Utility expense | 4,900 | 54,600 | 274,000 |
|  Rent expense | 3,400 | 32,700 | 169,000 |
| Total expenses | 149,618 | 1,745,800 | 4,268,000 |
| Operating income | 23,782 | 137,200 | 382,000 |

Requirement

1. Prepare a report for July 2011 that shows the performance of the Dayton store, the Ohio region, and the company as a whole.