Segment Reporting  
  
Finney Company's condensed income statement is presented below:  
  
Revenues $1,900,000  
Expenses  
Cost of goods sold $400,000  
Operating and administrative expenses 200,000  
Depreciation expense 40,000 640,000  
Income before taxes 260,000  
Income tax expenses 78,000  
Net income $ 182,000  
Earnings per share (100,000 shares) $1.82  
  
The following data is compiled relative to Finney's operating segments:  
Percent Identified with Segment  
 Hotels Grains candy   
Revenues 42% 50% 8%  
Cost of goods sold 48 49 3  
Operating and administrative expense 35 50 15   
Depreciation expense 46 42 12  
  
Included in the amounts allocated to each segment on the above percentages are the following expenses which relate to general corporate activities:  
  
Operating Segment Hotels Grains Candy Totals  
Operating and administrative expense $12,000 $9,000 $3,000 $24,000  
Depreciation expense 3,500 4,000 2,500 10,000  
  
Instructions  
(a) Prepare a schedule showing the amounts distributed to each segment.  
(b) Based only on the above information, which segments must be reported and why?