

Sample Inn Income Statement - "YOUR INN BUSINESS – WHAT IS IT WORTH?"
The Sample Inn is a 6 Room Bed & Breakfast Inn

| Revenues: | 2009 | 2009 | |
|--------------------------------|-------------------|-------------------|---|
| Rooms | 150,237.00 | 150,237.00 | |
| Food & Bev | 1,841.00 | 1,841.00 | |
| Meeting Room Rental | 2,278.00 | 2,278.00 | |
| Gift Shop | 2,564.00 | 2,564.00 | |
| Other | 4,986.00 | 4,986.00 | |
| | ===== | ===== | |
| Total Revenue | 161,906.00 | 161,906.00 | (Does not include sales or room tax) |
| Operating Expenses: | | | |
| Wages | 35,623.00 | 25,623.00 | Was owner's salary included? YES \$10,000 IRA contribution |
| Employee Benefits | 2,091.00 | 2,091.00 | |
| Employee Taxes | 4,433.00 | 3,683.00 | Was owner's SS tax included? YES |
| Auto | 4,570.00 | 1,570.00 | Did Inn pay for owner's vehicle lease? YES \$3000 |
| Bank fees | 3,292.00 | 3,292.00 | |
| Real Estate Tax | 606.00 | 6,340.00 | After excluding mortgage, real estate taxes are added back in |
| Donations | 1,596.00 | 606.00 | |
| Dues & Subscriptions | 191.00 | 1,596.00 | |
| Equipment Rental | 191.00 | 191.00 | |
| Food & Bev | 19,232.00 | 11,232.00 | Were owner's groceries included? YES \$8000 |
| Gift Shop expense | 1,413.00 | 1,413.00 | |
| Property Insurance | 6,373.00 | 4,973.00 | Insurance on owner's Florida condo - \$1400 |
| non-Mortgage Interest | 1,814.00 | 1,814.00 | |
| Legal & accounting | 4,007.00 | 1,807.00 | Inn paid for a personal legal consultation - \$2200 |
| Advertisizing | 7,596.00 | 7,596.00 | |
| Maintenance | 9,179.00 | 9,179.00 | |
| Office Supplies | 1,554.00 | 1,554.00 | |
| Outside Services | 4,564.00 | 4,564.00 | |
| Housekeeping Supplies | 4,001.00 | 4,001.00 | |
| Telephone | 4,479.00 | 3,279.00 | Owner's personal cell phone - \$1200 |
| Textiles/Linens | 1,690.00 | 1,690.00 | |
| Professional Education | 373.00 | 373.00 | |
| Travel | 2,765.00 | 1,265.00 | Vacation added to innkeepers' conference - \$1500 |
| Utilities | 10,802.00 | 9,842.00 | Inn paid electric bill on owner's cottage - \$960 |
| Miscellaneous | 7,156.00 | 7,156.00 | |
| Rent (Mortgage) | 36,000.00 | | Mortgage is not an operating expense |
| Personal Draw | 9,800.00 | | Owner's compensation - not an operating expense |
| | ===== | ===== | |
| Total Expenses | 185,200.00 | 116,730.00 | |
| | ===== | ===== | |
| Net Income | -23,294.00 | 45,176.00 | Net Operating Income after adjustments |

THIS HYPOTHETICAL INFORMATION IS FOR DISCUSSION PURPOSES ONLY