Problem 1

a. Complete the following Monthly Operating Report for the Hilo Town Restaurant.

						Year-to-Date				Last Year (This Month)
Month	Revenue	Actual	Budget	Variance $	Variance %	Actual	Budget	Variance $	Variance %	Actual
Jan.	Food	124,000	130,250							133,400
Feb.	Food	131,000	125,400							129,250
March	Food	139,950	127,450							130,400

b. What is your analysis of the operation based upon the financial information in the Monthly Operating Report?

Problem 2

a. Given the following information, what is the Net Cost of Sales: Food during August 20XX for the Hilo Town Restaurant?

Value of ending food inventory, August 30, 20XX	$ 37,450
Value of ending food inventory, July 31, 20XX	$ 39,790
Value of purchases during August 20XX	$107,475
Value of transfers to kitchen	$ 6,470
Value of transfers from kitchen	$ 3,125
Cost of employee meals	$ 1,140
Value of complimentary meals	$ 990

b. What is the Hilo Town Restaurant's food cost percentage for August 20XX, if its food revenue for the month was $317,410?