

Continental Hotel budget planner.

Student: William Clayton Thorpe

Student No: 2018536

Module: BMIH 5007

Lecture: Dale Clarke

Executive Summary

The Fiscal is average the market is slowly picking up, especially after the pandemic but uncertain to predict the coming year 2023.

	Jan £	February £	March £	April £	May £	June £	July £	August £	Sept £	Oct £	Nov £	Dec £	Total £
Receipts :													
Payment on business accounts	85,000	66,000	85,000	40,000	42,000	49,000	56,500	66,900	74,000	49,000	50,900	50,800	715,100
Cash sales	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	81,600
Interest Received	180	2,547	4,415	6,910	8,029	9,299	10,729	12,505	14,636	17,032	18,815	20,718	125,815
Total Receipts	91,980	75,347	96,215	53,710	56,829	65,099	74,029	86,205	95,436	72,832	76,515	78,318	922,515
Payments :													
News Papers	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Magazines	250	250	250	250	250	250	250	250	250	250	250	250	3,000
TV Licences				3,000									3,000
Freehold													
Beverages				350		350		350		350		350	1,750
Mini Bar	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Fixtures and fittings					1,750	1,750	1,750	1,750					7,000
Entertainment/Sky	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Property expenses													
Utility Bill	700	700	700	700	700	700	700	700	700	700	700	700	8,400
Laundry													
Energy costs													
Fitness Cost	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Vehicles Valeted	140	140	140	140	140	140	140	140	140	140	140	140	1,680
Payments to suppliers													
Vehicles Insurance												4,000	4,000
Salaries	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
Vehicles	275	275	275	275	275	275	275	275	275	275	275	275	3,300
Van													
Petrol and diesel	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Rates	300	300	300	300		300	300	300	300	300	300	300	3,300
Building Insurance									2,500				2,500
Marketing													
Overdraft Interest													
Total payments	13,065	13,065	13,065	16,415	14,515	17,435	14,815	15,165	15,565	13,415	13,065	17,415	174,730
Balance b / f	6,000	84,915	147,197	230,347	267,642	309,956	357,620	416,834	487,874	567,745	627,162	690,612	751,515
Net cashflow in month	78,915	62,282	83,150	37,295	42,314	47,664	59,214	71,040	79,871	59,417	63,450	60,903	747,785
1,499,300	84,915	147,197	230,347	267,642	390,956	357,620	416,834	487,874	567,745	627,162	690,612	751,515	1,499,000

Introduction

The zero-base budget:

The Continental hotel report is implementing budgetary analyses, prepare as a traditional budget and a zero-base budget for the accounts Director. Therefore, budgetary planning producers and techniques, are the key indicators for communicating financial accounting plans. Budgets to aid short-term plans or co-ordinate the actual performance, however, the method that imposed the bottom-up approach, when comparing the expense versus profit for the current and future, fiscal analyse 2022 January to 2023 thereby, month-to-month analyses (Ashton *et al.*, 1995).

The Continental hotel's future budget, of the market predictions, will become the norm, however, perceiving environmental uncertainty. Whereby natural disasters or the aftermath of major events have a profound influence, on continuing tension border conflict, and between nations terrorist threats, therefore, which can lead to a decline in the tourist trade (McManus 2013).

Effective budgeting accounting information especially in an environment characterised, by increased competition is crucial for the Continental hotel. However, a competitor might hold correct cost information, and therefore hold the possession of profitable products. Moreover, in a competitive environment, quality accounting data is heavy and relied on whereby decisions are based on correct product costings supplying profitability competitiveness and stability (Parva *et al.*, 2013).

The key results write down the use of zero-base budgeting to evaluate performance and aid control, and financial plans. However, there are various uses of the budget that includes motivating managers in the short or long term and coordinating the operations and achieving strategic goals. Moreover, there is no one size to the budget type of establishment and the cost of structure to budget (Schmid gall R.1995).

The Traditional base budget:

The traditional base budget is based on customer satisfaction, however, reviewing social media is a powerful driver, with the customer ratings, on TripAdvisor being the best predictor for the continental hotel metrics. This practice helps hotel marketers and hotel revenue managers and hotel owners to decide, about their marketing budget allocation for the social media marketing strategy. Nevertheless, proving guest satisfaction is the main driver for hospitality, and therefore motivates hotel staff, and generates a healthy performance for the hotel (Chen *et al.*, 2011).

The continental hotel is a budget hotel and is a growing sector in the UK therefore the question stays about CFSs, there are factors the company's overall goal. They may derive from i.e., products, processes, people, and structures. Budget hotels or limited-service hotels or economic lodging are common and specific hospitality parlance, budget hotels appear as complex and difficult to define. However, there is substantial segmentation within one sector of the continental hotel, moreover, suggesting that the variation could be summarised by categorising budget hotels into new systems, traditional upper tier, suggesting that budget hotel is a brand purse design product. (Florentino 1995, 457).

changes found over the year have meant that the continental hotel management accounting technique altered and adapted to the characteristics, of the hotel this technique can be applied to the short and the long term according to the hotel manager's aims. In hotels, ratios are normally to measure performance. However, benchmarking is possible if the USALI I implemented and allows uniformity. For example, USALI has its budget, therefore this is extremely important in both theoretical and practical terms. Therefore, this has never been done before learning the practices

used and those that have the potential to be applied are relevant in the practical term. Moreover, helped the hotel to organise their management of the accounting systems and supply more accuracy. (Urquidi, A. and Repoll, V. 2013).

The changing nature of budget hotels by the end of 2010 shows a change in the pattern of strikingly one or two-star hotels and rapidly reducing 43.5% across the large parts of South Africa. Budget hotels disappearing, and however replaced by other forms of accommodation such as small-scale. Bed and breakfast, self-catering Chalets, guest lodges and farm stays. Although the disappearance of traditional budget hotels. These new forms of budget hotels targeted the emerging markets of business tourists in search of priced and quality accommodation (Rogerson, M. 2012).

The process of a zero-base budget and how can this be implemented.

The intention and aim are to explore the implementation of a strategic management approach in tourism and hospitality businesses during economic crises, running in turbulent environments and embracing novel aspects by linking the current economic crisis to the covid 19 pandemic. Therefore, the global monetary crisis of 2008 affected the Greek economy due to the amount of public debt that influence the Greek tourism industry. The cost of borrowing, and reduction of disposable income for tourism expenditure, therefore resulted, in Greek families' average income being reduced by 25%, moreover 20.8% of GDP comes from tourism. Therefore, the organisation requires to use new corporate governance, model, and strategic approach to gain customers and cope with the competition (Bierman, D. 2020).

Traditionally Businesses use financial data to assess and measure their performance, and overall strategy, however, given the technological changes businesses have searched for more efficient assessments. According to the theory these factors concern strategies in internal and external environments, and the definition of strategy is based on competition. However, a suitable number of businesses felt they were different from their competitors. But most importantly they identified their internal strengths and weaknesses as well as their external opportunities and threats (Pereira, J. and Claver, E. and Molina, F. (2010).

The budgeting practices focused on the preparation rather than the individual hotels. The initial question concern is the flow of information throughout the chain, a top-down approach consists of the opening budgets being developed at a cooperative level. And disseminated down through various levels, of the organisation. Whereas a bottom-up approach consists of an operating budget being developed at the individual hotels and then being rolled up through higher levels. Small levels use the top-down approach, while the majority use the bottom-up approach. The combination approach is part bottom-up and part top-down. An example a hotel chain at a regional level (two levels below cooperative) may develop operating budgets which are forced down on individual hotels. However, the budgets at the regional level within a division are consolidated to form the division-level budget. Then the division level budget was fairly similar for the US and Scandinavian hotels method used (Schmidgall, p. and Zahn, o.1996).

Can budget control support sustainability.

Hotels are asked to optimize their budgets toward green practices to sustain their goals to implement and communicate such as new energy systems, and a great recycling structure. A tendency to use less water, and product labels, packing, newsletters events, posters advertising or by operating on the place. However, sustainability has received greater attention, between different stakeholders' requirements and strict budgets, allocated to satisfy customers' needs. The

sustainability concept and new laws. Therefore, companies can no longer exempt themselves from facing these issues. However, technology such as social media leads individuals to adopt environmentally, responsible behavioural approaches. (Dodds *et al.* 2010).

Local government's activities they used to procure financial resources, for sustainability initiatives and the role of the stockholders in affecting financial capacity. However, the results indicate that the engagement of internal and external shareholders in the government may be the most influential factor in developing capacity for sustainability. Moreover, the role of economic development and the business community may be insignificant in influencing financial capacity to sustainability, suggesting the environment's need for economic growth and employment may take a high priority. Furthermore, businesses can be energized by sustainability initiatives that provide actions, to engage in learning. How to increase profits by greening their business practices, as well as opportunities to reduce the cost of operations, through energy efficiency measures (Temenos and McCann 2012).

Hospitality operations often involve the support of wide support, of physical components. And reliance on natural resources and states for instance that the U.S. Environmental Protection Agency calculates that one night's, stay in a hotel room generates an average of 29.53 kg of co₂. Moreover, a survey of twenty-eight Continental hotel properties in 2007 led to an extrapolated' estimate that at 59 kg per night the average hotel's room's carbon footprint is equal to that of the average U. S. home. Therefore, found a positive link between environmental, performance and economic performance, with industry growth moderating the relationship between market rewards and ecoefficiency. However, the financial performance found the smaller firms benefited more than the larger firms (Guenter *et al.* 2011).

Conclusion

SWAT analysis is applied to every performance measurement instrument to conduct internal and external analysis in order to identify business units analysed in the industry. From the internal and external analysis, the appropriate strategies can be formulated for internal and external analysis used in SWAT analysis. The internal analysis covers the analysis of the strength. Therefore the weakness, while environmental analysis includes opportunities and threats. Therefore the Continental hotel's fiscal predation for the coming year is uncertain, especially after the pandemic Wahidin, A. (2021).

References

- Dias, Á. (2021) 'Sustainability Practices in Hospitality: Case Study of a Luxury Hotel in Arrábida Natural Park', *Sustainability (Basel, Switzerland)*, 13(6), p. 3164-. doi:10.3390/su13063164.
- Fronza, G. *et al.* (2021) 'Paint it green: A neuroscientific approach to hotel sustainability and ecological tourism', *Environment, development and sustainability*, 23(10), pp. 15513–15528. doi:10.1007/s10668-021-01308-0.

Social media review rating versus traditional customer satisfaction

Kim, Woo Gon; Seo Ah Park.

- Chen et al. (2011). *International Journal of Contemporary Hospitality Management*; Bradford Vol. 29, Iss. 2, (2017): 784-802. DOI:10.1
- Florentino (1995 p 457). Critical success factors in UK budget hotel operations *International Journal of Operations & Production Management*; Bradford Vol. 24, Iss. 9/10, (2004): 944-969. DOI:10.1108/01443570410552135
- Urquidi, A. and Ripoll 2013. P65-82 51. Urquidi-Martin, A.; Ripoll Feliu, V. The choice of management accounting techniques in the hotel sector: The role of contextual factors. *J. Manag. Res.*; 2013; 5, pp. 65-82. [DOI: <https://dx.doi.org/10.5296/jmr.v5i2.2520>]
- Pereira, J. and Claver, E and Molina, F. (2010). Strategy and Performance in the Spanish Hotel Industry. *Cornell Hosp. Q.* 2010, 51, 513-528
- Schmidgall, P. and Zahl, O. (1996) 'Operations budgeting practices of lodging firms in the United states and Scandinavia', *International journal of hospitality management*, 15(2), pp. 189-203. doi: 10.1016/0278-4319(96)00008-4.
- Dodds Et, Al., (2010). 'Paint it green: A neuroscientific approach to hotel sustainability and ecological tourism', *Environment, Development and Sustainability*, 23(10), pp. 15513-15528. doi: 10.1007/s10668-021-01308-0
- Temenos, E. and McCann, B. (2012). 'Financing Sustainability and Stakeholder Engagement: Evidence from U.S. Cities', *Urban affairs review (Thousand Oaks, Calif.)*, 50(6), pp. 806-834. doi: 10.1177/1078087414522388.
- Guenster et al., (2011). 'Financial sustainability and intergenerational equity in local governments' Hershey, Pennsylvania: IGI Global.
- Blyth, F. (2013). 'No alternative to austerity: how BBC broadcast news reported the deficit debate', *Media, culture & society*, 38(6), pp. 844-863. doi: 10.1177/0163443715620931.
- Wahidin, A. (2021) 'INSTRUMENT DESIGN OF SMALL INDUSTRY PERFORMANCE MEASUREMENT IN SEMARANG CITY WITH BALANCED SCORECARD CONCEPT', *Academy of Accounting and Financial Studies Journal*, 25, pp. 1-9.
- Bierman, D. (2020). 'The Implementation of Strategic Management in Greek Hospitality Businesses in Times of Crisis', *Sustainability (Basel, Switzerland)*, 12(17), pp. 7211. doi: 10.3390/su12177211
- Ahidin, McManus L. (2013). Customer accounting and marketing performance measures in the hotel industry: Evidence from Australia McManus, Lisa. *International Journal of Hospitality Management* Vol. 33, (Jun 2013): 140-152.
- Schmidgall, R. (1995, *Hospitality Industry Managerial Accounting*, 3rd edition, Michigan, Educational Institute of the American Hotel and Motel Association

