

Staff Report

From: Michelle Hayes

RE: January 2020 Liquor Operations Financial Statements

Please find attached the January 2020 financial statements.

Items highlighted in PURPLE on the P&L's are areas I am noting. Please note, per the request of the council, the bond payments were moved into the normal net income/loss section. The bond payments are a true cost of doing business and should be noted here for realistic numbers.

On Sale – Net loss of \$420.89. The discount reporting issue we had with the POS system/daily reports has been corrected for January which fixed the cash over/short. Once we audit back to the start of the issue, we will make that adjustment in February financials. Our advertising expenses were slightly higher this month due to the remaining Viking's promo days and some static advertising renewals. We also had some legal fees included in our professional fees causing a slightly higher number. We are continuing with general repairs, maintenance and upgrades in the bar so our maintenance account is more than usual as well. Looking at January 2019 vs January 2020, our sales were up just over \$10K over 2019 sales! When we remove the depreciation from the numbers, the bar made a profit in January!

Off Sale – Net income of \$7,917.90. We had some checks that had previously been returned to us get collected and deposited which is reflected in the bad debt expense category. Revenue was just above \$189,000 for the month. Sales are up just over \$16,500 from January 2019. January is usually a softer month for the store, but they remained pulling a profit for the month.

Net Income After Depreciation add back:

	<u>Month</u>	<u>Year-to-Date</u>
On Sale	2,697.12	2,697.12
Off Sale	10,289.66	10,289.66