

# *HENNESSEY INN & SUITES, INC*

## FINANCIAL STATEMENTS

For the period ended

June 30, 2023

# DAVID E. CLAMPITT, CPA, INC., P.C.

1401 S DOUGLAS BLVD, STE R MIDWEST CITY, OK 73130 (405)736-1099 FAX (405)265-9605

Management is responsible for the accompanying financial statements of Hennessey Inn & Suites, Inc. which comprise the balance sheet-income tax basis as of June 30, 2023 and the related statement of income-income tax basis, and for determining that the tax-basis of accounting is an acceptable financial reporting framework. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the tax-basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Hennessey Inn & Suites, Inc.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Clampitt', with a stylized flourish at the end.

David E. Clampitt, CPA

Midwest City, Oklahoma

July 12, 2023

Hennessey Inn & Suites Inc.  
Balance Sheet  
June 30, 2023

Assets

Current Assets

Cash in ATM	\$	7,000.00
Cash in Bank		38,428.19
ATM Account		2,434.60
Accounts Receivable		3,912.84
Prepaid Expenses		<u>3,136.28</u>

Total Current Assets \$ 54,911.91

Fixed Assets

Furniture & Fixtures	15,379.86
Equipment	16,607.74
Automobiles & Trucks	26,000.00
Leasehold Improvements	5,560.00
Accumulated Depreciation	<u>(59,665.35)</u>

Total Fixed Assets 3,882.25

Other Assets 42,701.00

Total Assets \$ 101,495.16

Draft for discussion purpose Only

Hennessey Inn & Suites Inc.  
Balance Sheet  
June 30, 2023

Liabilities and Equity

Current Liabilities		
State Withholding Payable	188.00	
Sales Tax Payable	3,708.87	
Transient Tax	<u>2,344.19</u>	
Total Current Liabilities		\$ 6,241.06
Long Term Liabilities		
Note Payable-SBA	<u>149,169.00</u>	
Total Long Term Liabilities		149,169.00
Equity		
Common Stock	1,000.00	
Retained Earnings	75,522.37	
Current Income (Loss)	<u>(130,437.27)</u>	
Total Equity		<u>(53,914.90)</u>
Total Liabilities & Equity		\$ <u><u>101,495.16</u></u>

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Hennessey Inn & Suites Inc.  
Income Statement  
For the Period Ended June 30, 2023

	6 Months Ended		6 Months Ended	
	Jun. 30, 2023	Pct	Jun. 30, 2023	Pct
Revenue				
Sales	\$ 281,438.29	100.88	\$ 281,438.29	100.88
Bankcard Discounts	<u>(2,441.61)</u>	<u>(0.88)</u>	<u>(2,441.61)</u>	<u>(0.88)</u>
Total Revenue	278,996.68	100.00	278,996.68	100.00
Cost of Sales				
Total Cost of Sales	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Gross Profit	278,996.68	100.00	278,996.68	100.00
Operating Expenses				
Accounting & Legal	4,310.20	1.54	4,310.20	1.54
Advertising	11,625.71	4.17	11,625.71	4.17
Bank Service Charges	53.55	0.02	53.55	0.02
Contract Labor	2,340.00	0.84	2,340.00	0.84
Contributions	100.00	0.04	100.00	0.04
Dues & Subscriptions	67.78	0.02	67.78	0.02
Franchise Fees	51,655.28	18.51	51,655.28	18.51
Insurance - General	24,747.32	8.87	24,747.32	8.87
Insurance - Health	21,828.83	7.82	21,828.83	7.82
Insurance-Employees Life	2,285.46	0.82	2,285.46	0.82
Office Expense	939.35	0.34	939.35	0.34
Officers' Salaries	14,999.92	5.38	14,999.92	5.38
Rent Expense	60,300.00	21.61	60,300.00	21.61
Repairs & Maintenance	26,975.81	9.67	26,975.81	9.67
Salaries	91,438.14	32.77	91,438.14	32.77
Security Service	168.00	0.06	168.00	0.06
Supplies	44,155.45	15.83	44,155.45	15.83
Taxes - Payroll	8,677.16	3.11	8,677.16	3.11
Telephone	16,963.07	6.08	16,963.07	6.08
Utilities	<u>25,802.92</u>	<u>9.25</u>	<u>25,802.92</u>	<u>9.25</u>
Total Expenses	<u>409,433.95</u>	<u>146.75</u>	<u>409,433.95</u>	<u>146.75</u>
Operating Income	<u>(130,437.27)</u>	<u>(46.75)</u>	<u>(130,437.27)</u>	<u>(46.75)</u>
Total Other Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Income (Loss)	<u>\$ (130,437.27)</u>	<u>(46.75)</u>	<u>\$ (130,437.27)</u>	<u>(46.75)</u>