

Chapter 15 Outline

Budget Planning and Preparation
 Budgeting Fixed Costs
Budget Reports
 Budget Variances
Master and Flexible Budgets
Variance Analysis
 Manager's Budgetary Working Papers
 Analyzing Variances to Ascertain Causes
Capital Budgeting Synopsis

Competencies

1. Identify various kinds of budgets and the role they play in planning and operating a hospitality operation. (pp. 401–402, 414–415)
2. Describe the kinds of information used in preparing a budget and how this information varies depending on whether revenues, expenses, or fixed costs are being budgeted. (pp. 402–403)
3. Create budget reports and determine budget variances. (pp. 404–405)
4. Distinguish between master budgets and flexible budgets and use each appropriately. (pp. 405–409)
5. Analyze sales and expense variances to determine their causes. (pp. 409–414)