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**SCIENTIFIC AND METHODOLOGICAL APPROACHES TO THE FORMATION OF THE
FINANCIAL STRUCTURE OF ENTERPRISES IN THE HOSPITALITY INDUSTRY**

The financial structure of a tourism industry enterprise is a set of economic and (or) other spheres of financial responsibility (for income and expenses, only for expenses, for certain financial indicators, etc.), distributed among the structural divisions of the enterprise or firm, which are the objects of budgeting and management accounting. In the financial structure, it is customary to distinguish different types of accounting centers: profit centers, loss centers, income and expense centers, cost centers, venture centers, investment centers, etc. The purpose of the article is the analysis and substantiation of scientific and methodological approaches to the formation of the financial structure of enterprises in the hospitality industry. The article substantiates the basis of the use of capital in the hospitality industry, which is aimed at meeting the social needs of consumers and should develop on the basis of state management of economically separate subjects of this sphere of the national economy, the formation of the financial structure of hospitality industry enterprises, which is vectorially aimed at maximizing the economic efficiency of economic entities, is considered tourism and the hotel and restaurant industry. It was determined that the following three parts can be distinguished in the capital of the hospitality industry: working capital advanced for the purchase of goods (fixed and variable capital) necessary for the provision of services in the hospitality industry; capital advanced for additional costs of providing services in the hospitality industry; capital advanced for the net costs of providing services in the hospitality industry. The need to assess the effectiveness of the budgeting system based on the analysis of the financial condition of hospitality industry enterprises is substantiated. Methodical approaches for evaluating the efficiency of economic processes and identifying the strengths and weaknesses of enterprises in the hospitality industry are substantiated.

Keywords: *budgeting; hospitality industry; enterprises of the hotel and restaurant industry; tourism; financial support of the hospitality industry; economic efficiency.*

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**НАУКОВО-МЕТОДИЧНІ ПІДХОДИ ДО ФОРМУВАННЯ ФІНАНСОВОЇ
СТРУКТУРИ ПІДПРИЄМСТВ ІНДУСТРІЇ ГОСТИННОСТІ**

Фінансова структура підприємства туристичної індустрії є сукупністю господарських та (або) інших сфер фінансової відповідальності (за доходами і витратами, тільки за витратами, за певними фінансовими показниками тощо), розподілених між структурними підрозділами підприємства або фірми, що виступають об'єктами бюджетування та управлінського обліку. У фінансовій структурі прийнято виділяти різні типи облікових центрів: центри прибутку, центри збитків, центри доходів і витрат,

центри витрат, венчурні центри, інвестиційні центри тощо. Метою статті є аналіз та обґрунтування науково-методичних підходів до формування фінансової структури підприємств індустрії гостинності. У статті обґрунтовано базис використання капіталу індустрії гостинності, яка направлена на задоволення соціальних потреб споживачів і повинна розвиватися на основі державного управління економічно відособленими суб'єктами цієї сфери національної економіки, розглянуто формування фінансової структури підприємств індустрії гостинності, що векторіально спрямовано на максимізацію економічної ефективності суб'єктів господарювання туризму та готельно-ресторанної індустрії. Визначено, що в капіталі індустрії гостинності можна виділити такі три частини: капітал обороту, що авансується на покупку товарів (основний та змінний капітал), необхідних для надання послуг в індустрії гостинності; капітал, що авансується на додаткові витрати надання послуг в індустрії гостинності; капітал, що авансується на чисті витрати надання послуг в індустрії гостинності. Обґрунтовано необхідність оцінки ефективності системи бюджетування на підставі аналізу фінансового стану підприємств індустрії гостинності. Обґрунтовано методичні підходи для оцінювання ефективності економічних процесів та виявлення сильних та слабких сторін підприємств індустрії гостинності.

Ключові слова: бюджетування; індустрія гостинності; підприємства готельно-ресторанної індустрії; туризм; фінансове забезпечення індустрії гостинності; економічна ефективність.

Formulation of the problem. The first step in practical activities to organize a budgeting system for a tourism enterprise is the creation of a financial structure. The financial structure of a tourism industry enterprise is a set of businesses and (or) other areas of financial responsibility (for income and expenses, only for expenses, for certain financial indicators, etc.), distributed between the structural divisions of the enterprise or firm, acting as objects budgeting and management accounting.

As a rule, in the financial structure it is customary to distinguish various types of accounting centers: profit centers, loss centers, income and expense centers, cost centers, venture centers, investment centers, etc. [3; 6].

Analysis of recent publications on this problem The experience of foreign enterprises indicates that most often responsibility centers are classified according to the scope of powers and responsibilities of the corresponding managers, as well as by the functions performed by each center. Based on the first criterion, responsibility centers are divided into cost, sales and profit centers. Based on the functions performed, there are main and servicing responsibility centers. In our opinion, when forming the financial structure of enterprises in the tourism industry, centers of financial responsibility should be identified according to the scope of powers and responsibilities of the relevant managers. A cost center is a division within an enterprise whose head is responsible only for costs. As a rule, the center of responsibility for costs is associated with the performance of certain functions that do not have a clearly defined measure of the volume of activity.

Revenue centers include divisions of marketing and sales activities, whose managers are responsible only for revenue from the sale of goods, services and costs associated with their sales.

Profit centers are departments whose managers are responsible not only for costs, but also for the financial results of their activities. Typically, profit centers include several cost locations. Total expenses and the results of their activities are reflected in the accounting system.

Thus, the first stage of work to create a budgeting system should be to conduct a management analysis, including an assessment of the organizational and functional structure, the study and analysis of basic business processes, and the scheme of existing financial and

management reporting. When formulating the tasks of management analysis, it is necessary to proceed from the fact that the financial structure must, on the one hand, correspond to the goals set for the organization, and on the other, be based on the technological process of providing the service. As J.R. Walker notes, "the organizational structure of an enterprise and the planning system, i.e., the organizational and planning pyramids, when superimposed on one another, must coincide in structure and contours" [3]. The type and number of divisions are determined by the organizational structure of the company.

The purpose of the article is analysis and substantiation of scientific and methodical approaches to the formation of the financial structure of enterprises in the hospitality industry

Presentation of the main results of the study The result of the management analysis is the development of recommendations for building the financial structure of the enterprise.

When forming a financial structure, four main methods are used [7].

The most commonly used method is analogy, the essence of which is to develop a structure based on an analysis of the best practices of typical management structures of firms operating in similar conditions (areas of activity, market size, suppliers and consumers, products). The method of structuring goals is also widely used, when a tree of organizational goals is developed, with which the designed structure is combined. As a result, the financial structure fully meets the goals of the organization and is effective in terms of achieving goals and economical in terms of the costs of its maintenance.

Within the framework of the organizational modeling method, formalized mathematical descriptions of the distribution of powers and responsibilities of organizational managers are developed, then an analysis (modeling) of various options for organizational decisions is carried out based on their clear formalization. This method is labor-intensive to implement and does not allow formalizing and mathematically describing all aspects of the administration's activities with the required accuracy, and therefore it is used to a limited extent.

The expert method consists of studying the existing management structure of an organization, basic business processes, developing expert recommendations and their implementation. Moreover, in a number of cases, changing the existing structure is quite a difficult task, despite the understanding of the need for such a change by the organization's managers. This state of affairs is most often encountered in privatized hotel enterprises and only a few large tourism organizations. Only a few from the first group of enterprises adapted their organizational structure to market conditions.

Considering the critical importance of correctly identifying centers of responsibility for the effective functioning of the budgeting system, the author proposes the following principles for their identification:

1. Separation in the organizational structure.
2. Possibility of control by the head of the department over income and/or expenses.
3. Granting the head of a structural unit the powers necessary to regulate the activities of the unit.
4. Assigning responsibility for budget execution to the head of the department.
5. Responsibility centers are allocated based on the organizational structure of the enterprise.

A study of the activities of tourism industry enterprises showed that the hotel complex, as a rule, includes: a room service, a catering service, a conference room, maintenance services, and technical support.

When forming the financial structure of a hotel enterprise, profit centers, income centers, and cost centers can be identified. Profit centers are a sales service, accommodation and maintenance of rooms, and a catering service. Depending on the availability of a conference room, a wellness center, they can also be included in profit centers. In our opinion, the financial structure of

a hotel can be represented by both profit centers – the food service, and income centers – the sales and reception service, which is responsible for the sales volume and costs associated with the promotion of hotel services. In this case, the room service will be included in the cost center. The choice of one option or another is based on the functioning organizational structure of hotel management.

Cost centers include the administrative apparatus, financial service, technical support service, and transport service.

It should be noted that in practice it is very difficult to identify divisions that would receive only income without being responsible for costs, and, conversely, whose activities involve only costs. A hotel company provides many different services and, in our opinion, it is not worth assigning a separate responsibility center for each service, as this will lead to a loss of controllability.

The author proposes the following typical financial structure of a hotel enterprise (Table 1).

Table 1

Typical financial structure of a hotel enterprise

Indicators	Revenue centers	Profit centers	Cost centers
Structural units	Sales and Marketing Service	Catering service	Room service
Main income items	Sales of hotel services, rental, services for organizing organizational events	Sales of catering services, banquets, additional services	Administrative apparatus
Main expense items	Staff payments, marketing expenses, communication services, etc.	Product costs, appliances, depreciation, energy costs, labor costs, overhead costs	Technical Services

Cost center – departments or divisions, as a rule, providing support and maintenance of the functioning of other tourism departments, and do not directly generate profit or income.

Profit centers are departments in areas, whose managers are responsible not only for costs, but also for the financial results of their activities. The department or department of air transportation should also be considered a profit center, since this division not only participates in the formation of tourism products, but also sells air tickets.

After the financial structure of the enterprise has been formed, it is necessary, based on the target indicators of the enterprise's financial strategy, to determine a system of benchmark indicators, which are target values, the implementation of which is mandatory for responsibility centers.

Benchmarks are used to evaluate the performance of responsibility centers based on the results of the budget period. They can be presented both in physical terms, for example, hotel occupancy, estimates for repairs and reconstruction, and in cost terms. The developed system of target indicators for the travel agency is presented in Table 2.

When introducing budgeting at tourism industry enterprises, special attention should be paid to determining the composition, structure and form of budgets.

In this regard, the budget of income and expenses corresponds to the profit and loss statement (form No. 2 of the above statements) and determines the results of the enterprise. It is necessary to take into account that the formation of budget items for income and expenses is significantly influenced by the provisions of the enterprise's accounting policies.

Table 2

System of target indicators for the activities of a travel agency for the budget period

Indicators	Management level Indicators
Enterprise as a whole	Return on equity Net profit, parameters of net profit distribution Operating cash flow amount Asset and capital structure Revenue from the provision of tourism services Costs incurred by the organization Number of vouchers sold
Centers	Revenue from the provision of tourism services by type and directions Average price of a trip Profit per trip Expenses for promoting tourism products Expenses for purchasing third party services Labor costs Losses on air tickets, hotel rooms Information support costs Administrative expenses

Depending on how the cash flow budget is formed (direct or indirect method), it is advisable to organize financial planning according to one of the following schemes:

budget of income and expenses => cash flow budget (direct method) => budget according to the balance sheet;

budget of income and expenses => budget according to the balance sheet => cash flow budget (indirect method).

Regardless of the accepted calculation scheme, budgeting begins with planning the income and expenses of the enterprise.

Since the financial position of an enterprise is recorded in the format of three main reports (balance sheet, profit and loss statement, cash flow statement), which define the coordinate system for the economic assessment of the enterprise's performance, the most effective financial management is possible only on the basis of budgeting the economic activities of the enterprise, allowing to link together all these reporting forms.

Based on the research conducted and taking into account our own practical experience in the work, the following list and procedure for drawing up budgets is proposed. Based on the profit centers of the hotel enterprise, budgets of income and expenses and a cash flow budget are drawn up. For separate accounting of the receipt of funds in terms of settlements through the cash register or non-cash payments with legal entities, it is advisable to allocate separate sub-accounts for profit centers in management accounting. Receipts for acquiring coverage must be calculated based on the results of the budget period (month, week) in proportion to the turnover on authorized customer credit cards minus payments for additional services.

Cost centers develop budgets for wages, overhead, purchasing, commercial and administrative expenses.

Based on the consolidation of the listed budgets within the entire hotel enterprise, a budget of income and expenses, a cash flow budget and a forecast balance are drawn up.

Based on the tour operator's profit centers, sales budgets, direct expenses budgets, wages and overhead budgets are developed. Based on cost centers, budgets for wages, overhead costs, and

a budget for marketing costs are drawn up. Next, based on the consolidation of the above types of budgets for the enterprise as a whole, main budgets are drawn up.

Traditionally, the budget period is set to a year, broken down by quarters and months. Taking into account the specifics of tourism activities, it is not the calendar year (the period from January to December) that is proposed as the income planning period, but the period of the seasonal cycle, which includes the coming summer and winter seasons – that is, 2 seasons:

- October – March – season A;
- March – October – season B.

These periods can be further detailed with a monthly and ten-day breakdown, and a breakdown into high, middle and low seasons. At the same time, income and expense budgets and cash flows are developed with a breakdown of the income and expense budget by month, and the cash flow budget by week.

This approach, relevant primarily for tourism organizers, seems more justified for the following reasons:

- the calendar year includes two seasons at once. Therefore, planning for a calendar year requires a much larger physical volume of initial data without any positive effect in terms of the reliability of the final planned indicators. At the same time, the quality of the initial information will be quite low: since the majority of contracts for the purchase of services included in tour packages are concluded no earlier than a month or two before the start of the summer or winter season, when planning for the calendar year, the proportion of probabilistic ones that have no factual basis increases data;

- income and losses associated with the seasonal cycle of tourism activities should mutually balance each other. Planning for a calendar year goes against this principle, as a result of which the financial assessment of the prospects for the coming winter seasons will be incomplete, which will lead to possible bias in the established plans for sales and income. Moreover, the assessment of the planned results of the summer season will also be unreliable: the company cannot be sure of the adequacy of the planned income from the summer season without having an estimate of the losses awaiting the company in the winter (or vice versa) season.

On the other hand, it should be noted that our proposed approach to determining the time frame for current planning is not the only correct one for any tour operator or hotel enterprise. So, if a tour operator operates exclusively on year-round destinations that are in stable demand throughout the year, it may well build a financial planning system based on the calendar year. This work examines a more common and at the same time more complex case, when the range of main activities of a tour operator includes both year-round and seasonal destinations. At the same time, the system of financial plans we offer is equally suitable for both types of tour operators, only the principle and level of complexity of the procedure for determining the seasonal cycle differs.

It is necessary to dwell on an important point regarding the features of taking into account the seasonal factor during the organization of the planning process of a travel company. In general, it is in the detailed development of various aspects of this problem that the most significant contribution of this study to improving the financial management of tourism companies lies.

Seasonality of demand is typical for most enterprises in a wide variety of industries, and it can be determined not only by their industry, but also by location, quality characteristics of buyers, etc. However, for planning the activities of tour operators, it is of fundamental importance not only to assign the sales date (the tourist's departure date) to one or another seasonal cycle, but also to assign the services consumed by him to one or another seasonal cycle. Despite the fact that the dates of accrual of income and direct costs for a specific tour coincide from an accounting point of view, in essence they may relate to different seasonal cycles. Thus, a situation is possible when two tourists who went abroad on the same day (the same sales date) and even living in the same hotel

room will belong to different seasonal cycles, since the first of them took off on a flight, a long-term (seasonal) agreement to provide the tour operator block of places on which refers to the ending seasonal cycle, and the second – to the beginning. Accordingly, income and expenses for the first tourist should be taken into account when assessing the results of the previous seasonal cycle, and for the second – the subsequent one. In this case, the criterion for classifying a tourist as a seasonal cycle will be that the direct costs incurred by this tourist belong to this cycle. This type of seasonality – the seasonality of the production process – is characteristic of a much smaller number of industries (for example, agriculture), and it is not typical for travel agency activities as a purely sales activity. The dual production and sales nature of tour operator activities determines the combination of two criteria for classifying a product as a seasonal cycle: the date of its sale and the date of its production, and the latter, in our opinion, is a priority.

Research conclusions and perspectives. The general financial plan is formed by consolidating and coordinating the received financial plans for individual areas and includes a budget of income and expenses and a forecast balance, as well as accrual plans for income tax and indirect taxes. In addition to the general annual financial plan, it is intended to create a monthly cash flow budget for the coming summer/winter season.

Based on the budget of income and expenses and the cash flow budget, a forecast balance is drawn up.

For the effective functioning of the budgeting system, it is necessary to create a unified accounting system, both operational and financial. This problem is solved using a comprehensive automated program, which allows for a comprehensive analysis of the enterprise's activities, as well as making it possible to build forecasts for its development.

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