

INNSUITES HOSPITALITY TRUST
Form 10-Q
December 01, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED OCTOBER 31, 2009

Commission File Number 1-7062

INNSUITES HOSPITALITY TRUST
(Exact name of registrant as specified in its charter)

Ohio
(State or other jurisdiction of
incorporation or organization)

34-6647590
(I.R.S. Employer Identification Number)

InnSuites Hotels Centre
1625 E. Northern Avenue, Suite 105
Phoenix, AZ 85020
(Address of principal executive offices)

Registrant's telephone number, including area code: (602) 944-1500

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

Number of outstanding Shares of Beneficial Interest, without par value, as of November 20, 2009: 8,590,318

PART I
FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INNSUITES HOSPITALITY TRUST AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	OCTOBER 31, 2009 (UNAUDITED)	JANUARY 31, 2009 (AUDITED)
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 279,260	\$ 1,141,520
Restricted Cash	74,648	96,262
Accounts Receivable, including \$189,078 and \$32,295 from related parties and net of Allowance for Doubtful Accounts of \$42,000 and \$34,000, as of October 31, and January 31, 2009, respectively	531,427	510,942
Prepaid Expenses and Other Current Assets	555,811	577,767
Total Current Assets	1,441,146	2,326,491
Property, Plant and Equipment, net	195,651	209,896
Hotel Properties Held and Used, net	27,002,122	27,750,525
Long-Term Portion of Deferred Finance Costs	103,415	134,905
Long-Term Deposits	20,295	14,987
TOTAL ASSETS	\$ 28,762,629	\$ 30,436,804
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 1,252,765	\$ 1,769,735
Notes Payable to Banks	20,738	—
Current Portion of Mortgage Notes Payable	805,404	831,793
Current Portion of Other Notes Payable	155,287	20,201
Total Current Liabilities	2,234,194	2,621,729
Mortgage Notes Payable	21,291,071	21,238,772
Other Notes Payable	516,521	65,575
TOTAL LIABILITIES	24,041,786	23,926,076
SHAREHOLDERS' EQUITY		
Shares of Beneficial Interest, without par value; unlimited authorization; 8,593,220 and 9,015,536 shares issued and outstanding at October 31, and January 31, 2009, respectively	16,462,260	17,184,251
Treasury Stock, 8,193,528 and 7,771,212 shares held at October 31, and January 31, 2009, respectively	(11,388,728)	(10,800,563)
TOTAL TRUST SHAREHOLDERS' EQUITY	5,073,532	6,383,688
NON-CONTROLLING INTEREST	(352,689)	127,040
TOTAL SHAREHOLDERS' EQUITY	4,720,843	6,510,728

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	28,762,629	\$	30,436,804
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See accompanying notes to unaudited
consolidated financial statements

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INNSUITES HOSPITALITY TRUST AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE NINE MONTHS ENDED
OCTOBER 31,

	2009 (UNAUDITED)	2008 (UNAUDITED)
REVENUE		
Room	\$ 9,910,061	\$ 12,174,531
Food and Beverage	668,429	970,688
Telecommunications	11,109	18,184
Other	226,051	260,037
Management and Trademark Fees, including \$267,131 and \$306,898 from related parties, for the nine months ended October 31, 2009 and 2008, respectively	271,301	316,343
Payroll Reimbursements, Related Party	1,999,574	2,276,587
TOTAL REVENUE	13,086,525	16,016,370
OPERATING EXPENSES		
Room	2,607,857	3,216,838
Food and Beverage	577,441	774,783
Telecommunications	30,334	45,756
General and Administrative	2,240,594	2,528,593
Sales and Marketing	1,007,895	970,359
Repairs and Maintenance	891,619	1,129,404
Hospitality	558,857	628,611
Utilities	923,500	911,497
Hotel Property Depreciation	1,460,517	2,412,974
Real Estate and Personal Property Taxes, Insurance and Ground Rent	771,981	847,423
Other	6,373	15,035
Payroll Expenses, Related Party	1,999,574	2,276,587
TOTAL OPERATING EXPENSES	13,076,542	15,757,860
OPERATING INCOME	9,983	258,510
Interest Income	11,279	597
TOTAL OTHER INCOME	11,279	597
Interest on Mortgage Notes Payable	1,151,811	1,099,497
Interest on Notes Payable to Banks	9,040	August 18, 2016
* Lawrence E. Golub	Chairman of the Board of Directors	August 18, 2016
* John T. Bailly	Director	August 18, 2016
*	Director	August 18,

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Kenneth F. Bernstein
*

2016
August
18,
Director

Anita R. Rosenberg
*

2016
August
18,
Director

William M. Webster IV
*By:

/s/ David B. Golub

Name: David B. Golub
Title: Attorney-in-fact
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