

INNSUITES HOSPITALITY TRUST  
Form 10-Q  
December 10, 2014  
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, 2014

Commission File Number 1-7062

INNSUITES HOSPITALITY TRUST

(Exact name of registrant as specified in its charter)

Ohio 34-6647590  
(State or other jurisdiction of (I.R.S. Employer Identification Number)  
incorporation or organization)

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

Edgar Filing: INNSUITES HOSPITALITY TRUST - Form 10-Q

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

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 December 5, 2014: 8,279,458

---

## PART I

## FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## INNSUITES HOSPITALITY TRUST AND SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

	<b>OCTOBER 31, 2014</b>	<b>JANUARY 31, 2014</b>
	(UNAUDITED)	
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 445,791	\$ 395,903
Restricted Cash	5,589	114,337
Accounts Receivable, including \$47,989 and \$55,873 from related parties and net of Allowance for Doubtful Accounts of \$30,058 and \$23,593, as of October 31, 2014 and January 31, 2014, respectively	362,901	644,566
Advances to Affiliates - Related Party	70,259	-
Prepaid Expenses and Other Current Assets	200,532	384,059
Total Current Assets	1,085,072	1,538,865
Hotel Properties, net	23,427,012	23,672,715
Property, Plant and Equipment, net	79,701	89,348
Deferred Finance Costs and Other Assets	76,673	107,575
<b>TOTAL ASSETS</b>	<b>\$ 24,668,458</b>	<b>\$ 25,408,503</b>

## LIABILITIES AND EQUITY

## LIABILITIES

## Current Liabilities:

Accounts Payable and Accrued Expenses	\$ 2,057,545	\$ 2,221,638
Current Portion of Mortgage Notes Payable	5,736,923	11,753,088
Current Portion of Notes Payable to Banks, net of Discount of \$93,321 and \$24,453 as of October 31, 2014 and January 31, 2014, respectively	1,947,415	1,018,925
Line of Credit - Related Party	1,400,187	331,390
Current Portion of Other Notes Payable	73,297	81,461
Total Current Liabilities	11,215,367	15,406,502
Mortgage Notes Payable	10,840,750	6,993,483
Other Notes Payable	71,575	106,106
<b>TOTAL LIABILITIES</b>	<b>22,127,692</b>	<b>22,506,091</b>

## COMMITMENTS AND CONTINGENCIES (SEE NOTE 11)

Edgar Filing: INNSUITES HOSPITALITY TRUST - Form 10-Q

SHAREHOLDERS' EQUITY

Shares of Beneficial Interest, without par value, unlimited authorization; 16,845,846 and 16,822,746 shares issued and 8,281,970 and 8,341,899 shares outstanding at October 31, 2014 and January 31, 2014, respectively	12,863,924	14,024,668
Treasury Stock, 8,563,876 and 8,480,847 shares held at October 31, 2014 and January 31, 2014, respectively	(12,150,105 )	(11,973,459)
TOTAL TRUST SHAREHOLDERS' EQUITY	713,819	2,051,209
NON-CONTROLLING INTEREST	1,826,947	851,203
TOTAL EQUITY	2,540,766	2,902,412
TOTAL LIABILITIES AND EQUITY	\$ 24,668,458	\$ 25,408,503

See accompanying notes to unaudited

condensed consolidated financial statements

INNSUITES HOSPITALITY TRUST AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	<b>FOR THE NINE MONTHS ENDED OCTOBER 31, 2014                      2013 (UNAUDITED)(UNAUDITED)</b>	
<b>REVENUE</b>		
Room	\$10,106,908	\$ 10,185,717
Food and Beverage	757,034	746,485
Management and Trademark Fees	208,967	143,976
Other	162,348	186,136
<b>TOTAL REVENUE</b>	<b>11,235,257</b>	<b>11,262,314</b>
<b>OPERATING EXPENSES</b>		
Room	2,918,412	2,834,218
Food and Beverage	663,869	690,870
Telecommunications	23,061	23,249
General and Administrative	2,646,074	2,459,796
Sales and Marketing	947,097	804,916
Repairs and Maintenance	912,000	923,115
Hospitality	671,197	624,062
Utilities	1,014,034	925,906
Hotel Property Depreciation	1,332,530	1,333,765
Real Estate and Personal Property Taxes, Insurance and Ground Rent	728,189	678,106
Other	14,157	6,990
<b>TOTAL OPERATING EXPENSES</b>	<b>11,870,620</b>	<b>11,304,993</b>
<b>OPERATING LOSS</b>	<b>(635,363 )</b>	<b>(42,679 )</b>
Interest Income	669	1,816
Interest Income on Advances to Affiliates - Relate		