



## System Statistics and Accounting

# Statistical Overview of the Inntopia System

## May 1, 2006 to April 30, 2007

Confidential

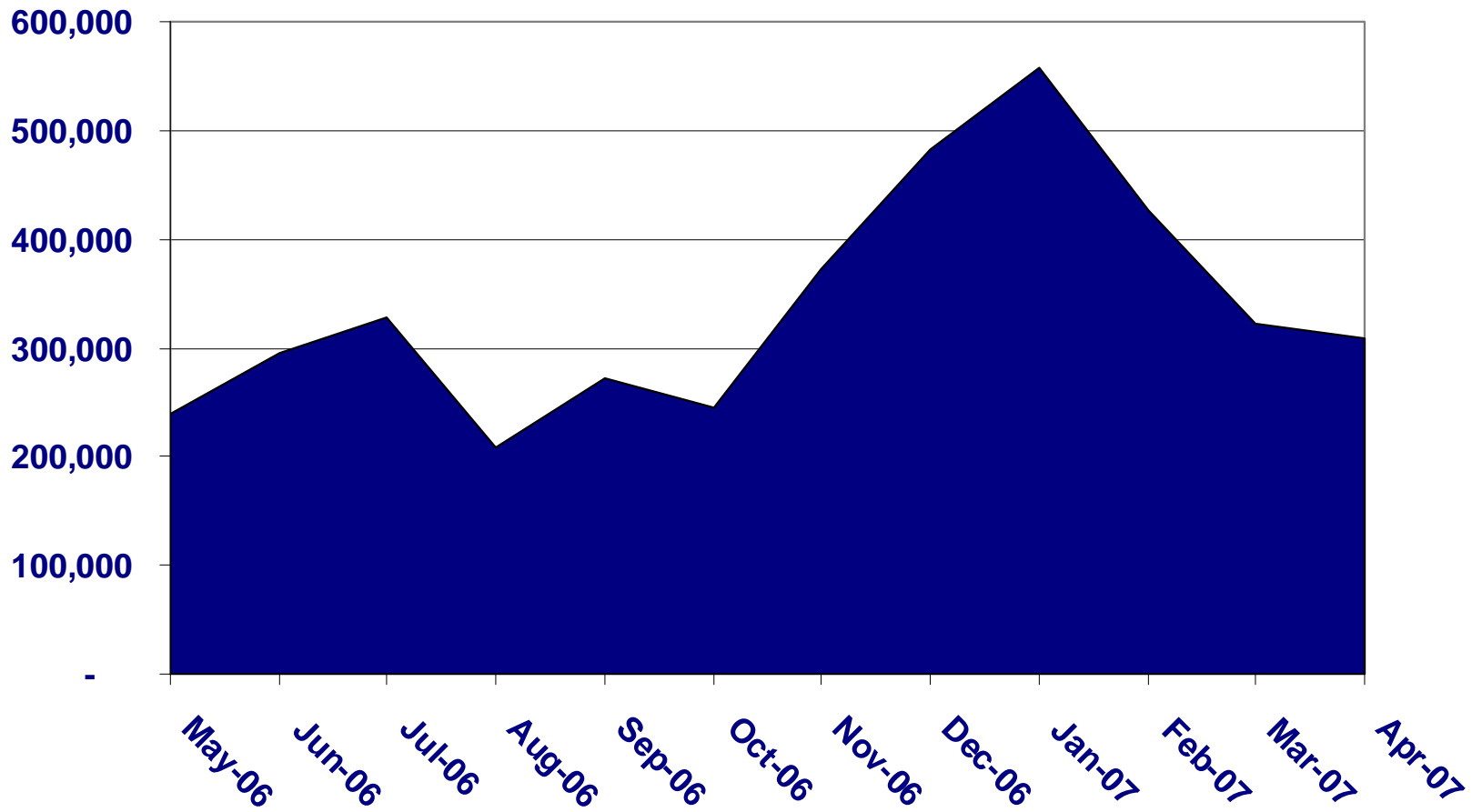


## Transaction Volumes

<b>Search Sessions</b>	<b>4,057,326</b>
<b>Itinerary Items Created</b>	<b>1,011,559</b>
<b>Itinerary Items Reserved</b>	<b>146,685</b>
<b>Credit Card Transactions</b>	<b>49,509</b>
<b>Customer Receivable Transactions</b>	<b>180,781</b>
<b>Supplier Accounts Payable Transactions</b>	<b>90,914</b>
<b>Cancellation Transactions</b>	<b>21,906</b>



# Search Sessions by Month



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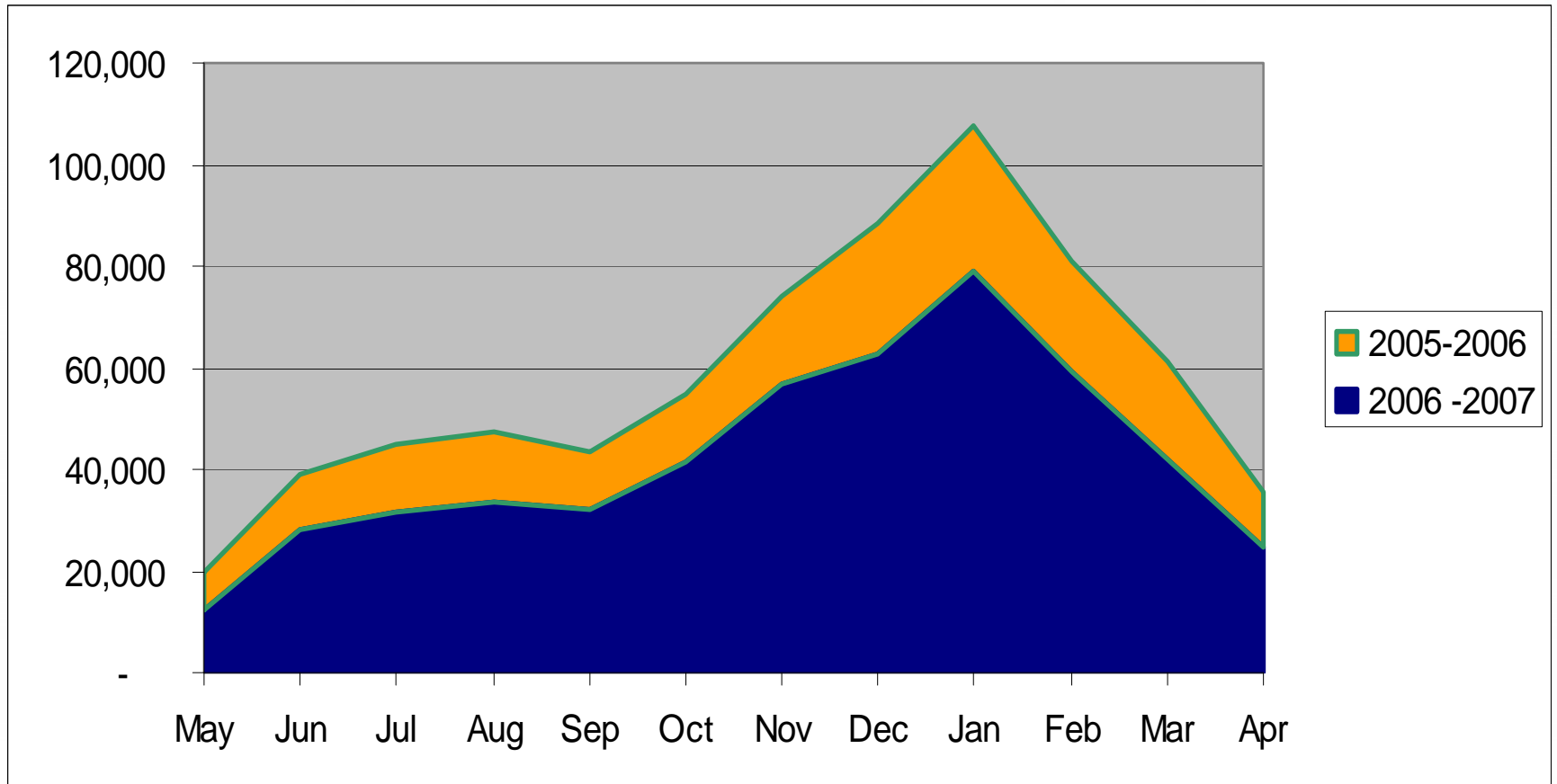


## Itinerary Volumes

<b>Itineraries Created</b>	<b>502,723</b>
<b>Itineraries Booked</b>	<b>76,703</b>
<b>Itineraries Booked with Credit Card Charges</b>	<b>40,414</b>
<b>Itineraries with Customer Receivables</b>	<b>49,616</b>
<b>Itineraries with Supplier Accounts Payable</b>	<b>35,576</b>
<b>Itineraries with item(s) Cancelled</b>	<b>15,202</b>



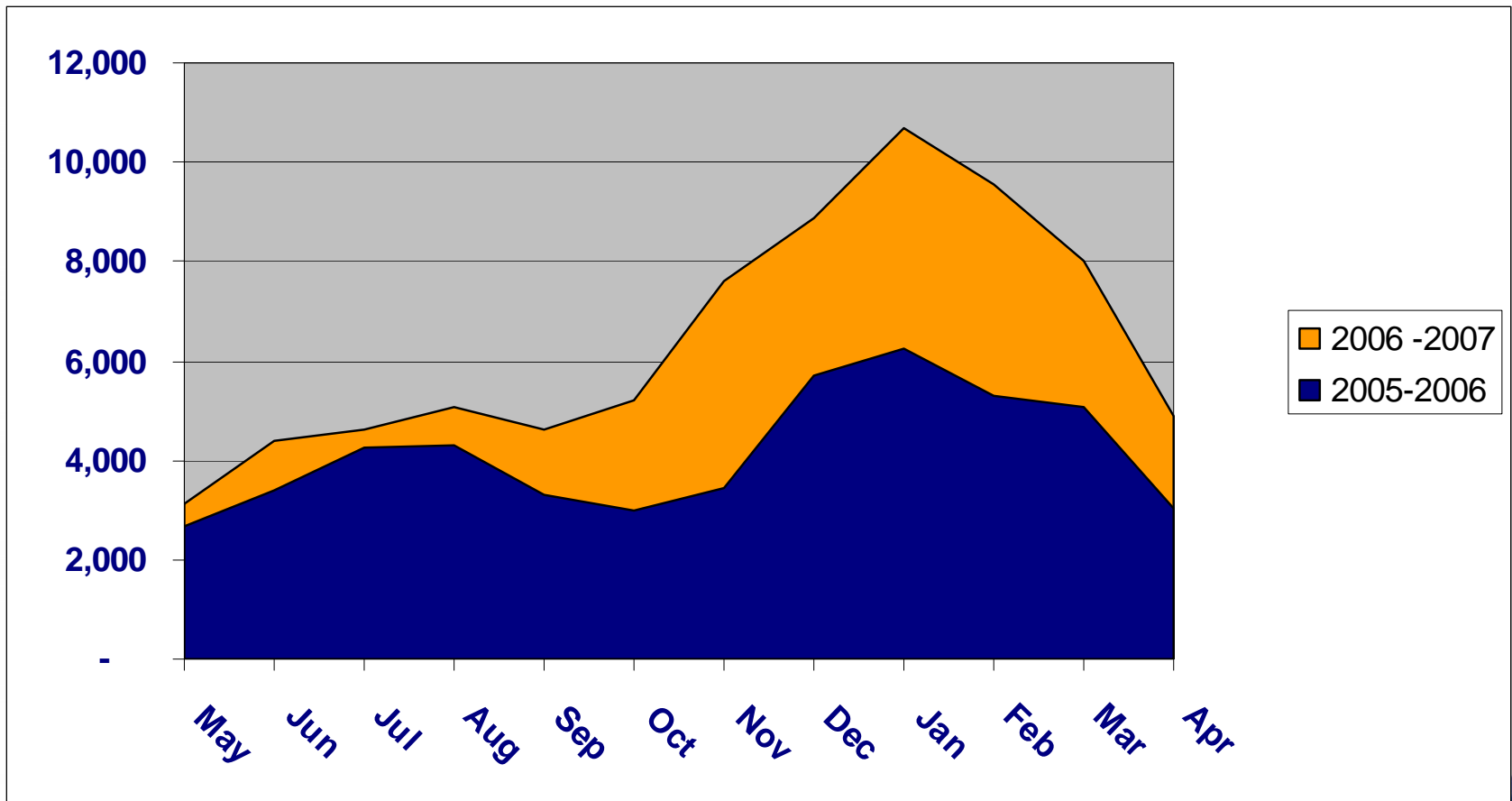
# Itineraries Created By Month



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Intopia

# Itineraries Reserved By Month



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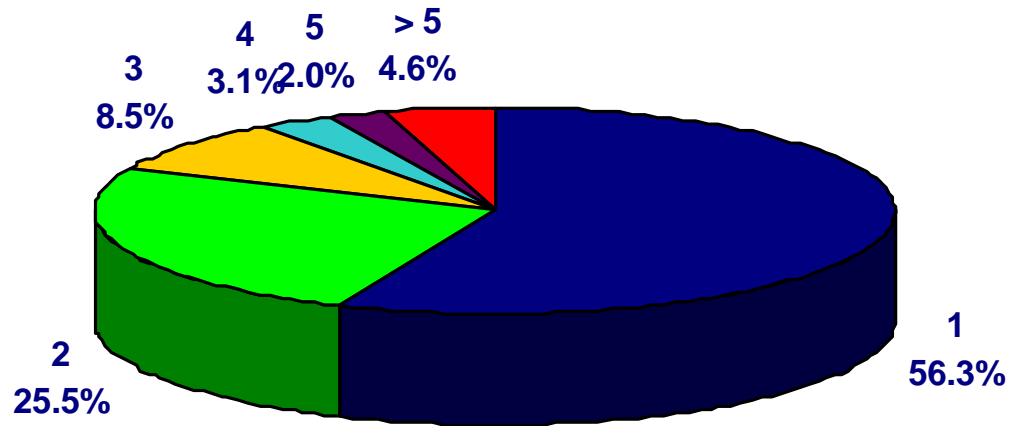
Intopia

## Transactions per Itinerary Reserved

<b>Search Sessions</b>	<b>52.90</b>
<b>Itinerary Items Recorded</b>	<b>13.19</b>
<b>Reserved Items Recorded</b>	<b>1.91</b>
<b>Credit Card Authorizations</b>	<b>.85</b>
<b>Customer Receivable Transactions</b>	<b>2.36</b>
<b>Accounts Payable Transactions</b>	<b>1.19</b>
<b>Cancellation Transactions</b>	<b>.29</b>
<b>Emails Sent</b>	<b>3.29</b>



## Number of Items per Itinerary Reserved



# Planned Accounts Payable Improvements

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# Why Inntopia Has Had So Much Trouble With Supplier Accounts Payable

- ✦ High Complexity
- ✦ Piecemeal Development
- ✦ Faulty System Architecture



# High Complexity: How We Pay Our Suppliers

- ✦ Pay the supplier their portion every time we receive a guest deposit on the itinerary
- ✦ Pay the supplier X days prior to arrival no matter what
- ✦ Pay the supplier X days prior to arrival but only if we have received payment in full from the guest (for that supplier's portion of the itinerary)
- ✦ Pay supplier as soon as we have received payment in full from the guest (for that supplier's portion of the itinerary)
- ✦ Don't bother with supplier payment accounting because we either pay by the supplier's invoice or statement or don't pay at all (the supplier is us)
- ✦ Do supplier payment accounting but separate it out from other supplier payment processing because we pay by the supplier's invoice or statement and really want the information for auditing/reporting purposes
- ✦ Pay the supplier whenever we are collecting from the guest but we only do that on packages
- ✦ Pay supplier (travel agents usually) after the last date of departure
- ✦ Pay supplier (travel agents usually) but keep track of deductions they have made from money's they owe to us
- ✦ Whatever rules we tell you, there are exceptions so make it easy for us to deal with them



# Reasons for Variations in Payment Practices

(Or why we can't just support a best practice)

- ✦ Contractual provisions with suppliers
- ✦ Negotiated balancing of the cash flow interests of the CRS and the supplier
- ✦ Institutionalized practices (i.e. “we have always done it that way)
- ✦ Different payment practices for different classes of suppliers



## Piecemeal Development

- ✦ Requirements emerged over time and were implemented as “patches” to the existing architecture
- ✦ Almost every new CRS account has presented some new requirements in this area.
- ✦ The hard issues to deal with are the exceptions which tend to be forgotten until they arise.



## Faulty System Architecture

- ✦ Most accounting issues are related to supplier accounts payable and almost all of those relate to post “billing” adjustments.
- ✦ Design decision to delay recording accounts payable whenever possible was a legitimate decision but has turned out to be a mistake. This has made the adjustment process overly complex.
- ✦ The fragmented user interface for setting rules make a complex setup problem much worse



## User Interface Issues

- ✦ User interface is deficient for both setup and troubleshooting.
- ✦ This has made an already complex setup process much more difficult and prone to error
- ✦ Some essential setup items do not even have a user interface requiring a developer to basically do data entry. Those that do are sometimes missing essential settings items.
- ✦ The interfaces for itinerary accounting review are hard to navigate, do not contain necessary information and do not contain the facilities to easily make correcting adjustments



# Changes to the Supplier Accounts Payable Module

- ✦ All amounts due to suppliers will be recorded immediately at the time an itinerary is reserved, no matter what the CRS's payout rules are.
- ✦ All system generated adjustments to amounts due to supplier will be done in the itinerary modify process
- ✦ The daily processes that currently calculate and record account payable transactions will be modified to merely release items for payment
- ✦ The user interface for setting all the payment rules will be redone as a single integrated form that shows all the necessary settings.
- ✦ Additional forms for reviewing supplier accounts payable status and making manual adjustments will be developed



# Planned Accounting Options Structure

**Use Customer Accounts Receivable (Collect From Guest)**

**SELECT NONE OR ONE**

**Use Supplier Accounts Payable**

**SELECT ONE**

**Release Supplier Payments by Deposit**

**Release Supplier Payment When Payment in Full is Received on Related Itinerary Items**

**Release Supplier Payment X Days Prior To Arrival**

**Release Supplier Payment X Days Subsequent To Departure**

**Release Supplier Payments Only on Approval**

**SELECT ZERO OR MORE**

**Full Payment Required to Release Supplier Payment**

**Record Supplier Accounts Payable Only on Approval**

**Pay Suppliers Tax Amount on Wholesale**

**Use Inttopia Payment Processing Service**

**Use Supplier Commission Accounts Receivable (Billing and Payment Processing)**

**SELECT ONE**

**Bill Supplier Commissions X Days After Arrival**

**Bill Supplier Commissions X Days After Departure**

**Bill Supplier Commissions Only on Approval**

**SELECT ZERO OR ONE**

**Use Inttopia Commission Processing Service**



Add a Reminder [Itinerary History Detail](#)

Pending		In Queue		Cleared	
186.41		15.92			

Record additional adjustment info

Release item to payment queue

Reverse a particular item

Transaction Date	Type	Voucher	Voucher Date	Wholesale Due	Taxes and Fees	Total Due	Balance Amount		
05/01/2007	INVOICE	IN QUEUE	NA	15.92	15.92	0.00	15.92	15.92	Reverse Item
05/01/2007	INVOICE	<a href="#">165133</a>	05/07/2007	199.00	165.17	21.25	186.42	0.00	Reverse Item
06/02/2007	INVOICE	PENDING	<input type="button" value="Add to Queue"/>	199.00	165.17	21.24	186.41	186.41	Reverse Item

Adjust Payable						
Supplier	Transaction Type	Retail Price	Wholesale Price	Taxes and Fees	Amount	
<input type="text" value="453-Taxi (404580)"/>	<input type="text" value="CREDIT MEMO"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button" value="Create Adjustment"/>

Manually Create and/or Release Supplier Payables for Immediate Payment	
Supplier	
<input type="text" value="ALL SUPPLIERS"/>	<input type="button" value="Create and/or Release Payables for Payment"/>