



# SUPER BOWL PROFIT ANALYSIS



## Assignment Overview:

You have been hired as an accountant for a major sports organization overseeing the financial aspects of the Super Bowl. Your task is to track and analyze the revenue and expenses associated with the event. You will record various transactions, calculate profits, and provide a report on the event's financial performance.

## **Part 1: Revenue and Expenses Breakdown**

### 1. Ticket Sales:

- The stadium has a seating capacity of 70,000. Tickets are sold in three price categories:
  - Category 1 (VIP Seats): 5,000 seats at \$2,000 each
  - Category 2 (Premium Seats): 20,000 seats at \$500 each
  - Category 3 (General Admission): 45,000 seats at \$100 each
- Task: Calculate the total revenue generated from ticket sales.

### 2. Sponsorship Revenue:

- The event has several sponsors who have agreed to pay the following amounts:
  - Sponsor A: \$10 million
  - Sponsor B: \$5 million
  - Sponsor C: \$3 million
- Task: Calculate the total sponsorship revenue.

### 3. Merchandise Sales:

- The event is also selling merchandise like jerseys, hats, and other memorabilia.
- Revenue from merchandise sales is expected to be:
  - Jerseys: \$50 per jersey, with an estimated 10,000 jerseys sold
  - Hats: \$25 per hat, with an estimated 20,000 hats sold
- Task: Calculate the total merchandise revenue.

## Part 2: Expense Breakdown

### 1. Event Costs:

- The expenses for the event include:
  - Stadium Rental: \$5 million
  - Security and Staffing: \$2 million
  - Logistics (transportation, equipment, etc.): \$3 million
  - Advertising and Marketing: \$4 million
- Task: Calculate the total expenses for the event.

### 2. Player and Staff Compensation:

- Players and staff involved in the Super Bowl receive compensation, which includes:
  - Player Bonuses: \$500,000 per player for each team (2 teams with 53 players each)
  - Task: Calculate the total compensation paid to players.

## Part 3: Profit Calculation

### 1. Calculate the Total Revenue:

- Add up the revenue from ticket sales, sponsorship deals, and merchandise sales.

### 2. Calculate the Total Expenses:

- Add up the expenses from stadium rental, staffing, logistics, marketing, and player compensation.

### 3. Profit Calculation:

- Subtract the total expenses from the total revenue to determine the overall profit for the Super Bowl.

Task: Write a short summary of the event's financial performance, analyzing the profitability and identifying areas where expenses could be reduced or revenues increased.

You will complete this assignment in a Google Sheet. Please use formatting tools to make sure that dollar amounts are in accounting format and the final numbers are bolded and underlined. The short summary analysis will be completed in a Google Document.