

# BUSINESS PLAN



## RESTAURANT

City, State

ABC, LLC, May 20\_\_, State

Person, Owner

### **PERSON - OWNER/OPERATOR**

Mailing Address: 1234 City, State 11111

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## COMPANY

The Restaurant in City, State, is owned by David Owner, LLC, a State Limited Liability Company formed 20XX. Mailing Address: X Telephone: X. Email: X.

Dave and his son, Mike have dreamed of opening and running a business together. They both love sports and are very family-oriented. They have been looking for a unique franchise with the right concept which reflected their values and philosophy, and which provided the proper training, support, and operating system to help ensure a successful transition from their current situation. The Restaurant concept met these needs with its unique family-oriented theme and focus on training, cost control, and ongoing support.

## RESTAURANT FRANCHISE

Restaurant X operates as a franchise of “Restaurant, which is owned by X, Inc., City, State Telephone: X..

### *UNIQUE CONCEPT*

X Restaurant is a family oriented restaurant which also specializes in sports. This is a unique concept which is much different than a typical sports bar and grill.

Restaurant has positioned itself as a quality family restaurant first. An excellent, varied menu competes with other dining establishments on an even playing field all year-round. Our great salads, wines, steaks, and burgers also help to create a place far apart from your typical male dominated, smoke-filled environment normally associated with run-of-the -mill sports bar concepts. Plus, the enclosed kid’s game room makes Restaurant a fun, happy place for the entire family. In addition, our immaculate restrooms, well-lighted interior, and emphasis on comfortable seating make Restaurant a place people want to be.



Restaurant is a restaurant with great food and quick service in a setting that is always easy-going with a comfortable atmosphere. Combine these features with a friendly team-oriented staff and that is what we at Restaurant feel a Neighborhood Restaurant should be! Now, throw in all the qualities of a fun, sports pub—one that takes it’s sports quite seriously, with big screen televisions and numerous smaller screens that are placed so that every sports fan can view a variety of games all at the same time.

Restaurant provides a “family-friendly” atmosphere with entertainment for both young and old, as well as a moderate pricing structure for all economic classes. We constantly strive to provide the best possible conditions for viewing all of the major sports, by incorporating state-of-the-art satellite capabilities with the most current technology in televisions and a staff well-trained in finding even the most obscure games and bringing them to the customer’s table. Every convenience has been well thought out, including tabletop speakers for the customer who simply must hear a game that is not being run through our in-house audio system. We believe we can and must offer our guests the convenience, quality, and service that simply cannot be obtained anywhere else.

Attention has been given to every detail, from the contemporary colors and warm oak interior, to a sophisticated, state-of-the-art satellite system and comfortable seating, because we want Restaurant to be more than just a “sports pub.” We feature a full bar with 20 beers on tap, signature drinks and a varied wine list; plus, a menu that ranges from our signature salads and chicken wings, to char-grilled sandwiches and Angus burgers, to baby back ribs and certified Angus steaks. And the enclosed kid's game room makes Restaurant a fun, happy place for the entire family. Along with our immaculate restrooms, well-lit interior, and emphasis on comfortable seating make Restaurant a place people want to be.



This is a place where friends can meet, where families feel comfortable bringing the kids, and where everyone matters and no one is left out.

### ***PROVEN CONCEPT/EXPERIENCED FRANCHISOR***

Restaurant is owned by \_\_\_\_, Inc., X  
City, State 1111. Telephone: X, www X, Email X.

X, CEO of X, Inc., the franchisor of X, came from a highly successful franchise development business that took him all over the world in the past 20 years. Together with partners X Y, they dreamed of building a sports-themed restaurant concept that transcended the traditional barriers of the industry.

The trio’s research had unearthed an important fact: two pre-conceived notions were standing in the way of their dream. To succeed, they would have to overcome these barriers, position their franchise model as a unique concept, and create an untapped niche within the industry itself. They already knew watching professional sports is one of the most popular traditions in America and around the world. They also knew sports is one of the most popular and recession proof industries around.

However, research showed that women and children wouldn’t go near what had traditionally been a smoky bastion of maleness; sports bar-and-grills. And while most concepts of this nature could easily fill the seats on busy football weekends in the fall, other times of the year these establishments simply survived; limping along, unable to make it as a traditional restaurant until the next big game. When the sports ended, the crowds and the revenue left as well.



As a rabid sports fan, X had traveled the world seeking out sports themed establishments and making notes. He would make the rounds, analyzing the strengths and weaknesses of each city's sports viewing venues before returning to his home in X, State. There he would share his findings with X, owner/operator of X, an already successful sports establishment in City, State. By this time, X was already test marketing a menu that would eventually become an integral part of the Restaurant concept.

“We knew that to succeed we would have to position ourselves as a family oriented restaurant that just happens to specialize in sports,” says X.

In their quest to offer something for everyone, they developed family friendly prices, signature salads, quality certified Angus beef, and an enclosed soundproof video game room for the kids. They dug hard to discover that customers wanted immaculate restrooms and a well-lighted interior. And while plastic seating may be the norm for quick turn fast food establishments, the Restaurant team discovered their target customer’s wanted comfortable seating. So X and X took their own design to a manufacturer in Florida. “We wanted our customers to feel as they could comfortably stay all day long if they wanted”, says X and X. Indeed, Restaurant does not have the look of a traditional sport’s pub.

But not forgetting their core customer would first and foremost come looking for an enjoyable sports viewing venue, the team packed Restaurant with state-of-the-art, hi-tech equipment. “People come here expecting to watch several games at one time”, says X, “We wanted every customer to have the best seat in the house.” That meant placing plasma, high definition, and large screen televisions throughout the restaurant, with wireless speaker boxes for every table. And while the average customer probably wouldn’t notice the placement of sports memorabilia, it, too, was researched well in advance. Team banners and logos are grouped by conference and region so customers feel as if they’re right in the middle of the action they came to see.

The total time spent researching, developing, implementing, and testing the Restaurant concept was seven and a half years from the team’s decision to move forward. Restaurant is proving that time spent on the initial stages pays off.

According to X, thirty-eight franchises have been awarded in California, Arizona, Colorado, Georgia, Kentucky, North Carolina, South Carolina, West Virginia, Nebraska, Nevada, Alabama, Missouri, Iowa, Oklahoma, and State, with plans to develop in a number of other markets.



Now that the Restaurant concept has been road-tested, the management team is planning to slowly and carefully fan out regionally.

“We want quality franchisees dedicated to the owner/operator concept,” says X, “We know they’ll succeed if they just follow the plan.”

## ***FRANCHISE AGREEMENT***

### **Franchise fee**

Franchise fee: \$XX,000

### **Term of the franchise agreement**

The initial term is for a period of ten years, after which the agreement can be renewed in ten year increments pursuant to the Franchise Agreement and lease availability.

### **Territory and site selection**

Each franchisee is allocated an area exclusive of any other franchise location. Franchisor assists in searching for an available site by recommending a commercial real estate broker already familiar with the Restaurant demographics. They then offer assistance in site analysis and site selection.

### **Training and opening assistance**

Restaurant requires successful completion of its six week training program for all franchisees and one to two management personnel at a designated location. In addition to the initial training program, Restaurant Corporate Training Team will be sent to the location to conduct pre-opening training for ten days prior to the opening date and will stay for seven days after opening to offer continued support.

### **Continuing operational guidance**

Restaurant provides a confidential Operations Manual, which covers in detail the many facets of restaurant operations. Updates to this manual will be sent as they are implemented. Periodically, the location will be visited by field representatives to insure smooth operations and offer counsel and advice. In addition, the Franchise Support Department is available, by phone, to answer any questions that may arise.

### **Advertising**

Advertising is essential in building the reputation and brand recognition of the Restaurant name, which, in turn, benefits all franchisees. For this purpose, each franchisee contributes 1.5% of gross receipts into the Marketing Fund.

### **Charge for continuing service and royalty**

The charge for continuing service and royalty is 5% of Gross Sales.

### **Profit**

The Franchisor makes no profit or earnings claims. Earnings are based on many variables such as retail sales, sales margins, cost of goods sold, location, fixed costs, variable costs, operating costs, financing costs and other factors.

### **Purchasing**

Furniture, fixtures and equipment necessary for the business may be purchased from the franchisor approved suppliers or manufacturers.

### **Food supplies**

Restaurant corporate supplies all secret recipe products, Sysco provides many of the food supplies, X, Inc. is the approved supplier of the X POS computer system. Other than initial start-up costs and equipment and building leasing costs, this will be primarily a cash business on an on-going basis. The franchisor monitors all locations to ensure that they are in compliance and are taking advantage of the national pricing structure.

**Licenses, patents, trademarks, and copyrights**

All trademarks are owned by X, Inc., and the rights to use the name, logo, and other proprietary information is granted only by the Franchisor.

**Selling**

The business may be sold to any buyer approved by Restaurant, subject to a transfer fee for administrative, legal, and other related expenses.

## MARKET

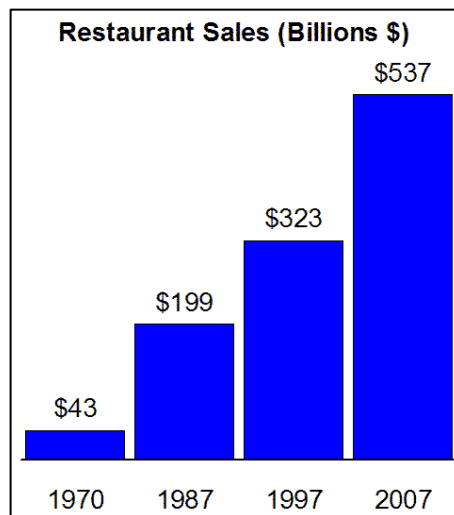
### NATIONAL RESTAURANT MARKET

Nationally, with X restaurant locations, the restaurant industry's direct sales are expected to reach \$X billion a year in 20XX — serving more than more XX billion meal and snack occasions.

"Restaurants touch millions of lives every day by serving quality meals, providing abundant career and employment opportunities for individuals of all backgrounds, and being a driving force in the U.S. economy and local communities nationwide," according to X, president and chief executive officer of the National Restaurant Association. "The restaurant industry is in its Xth consecutive year of real growth in 20XX, and will have a total economic impact that will exceed \$X trillion."

### ***CORNERSTONE OF OUR ECONOMY***

- Restaurant industry sales are forecast to advance 5% in 20XX and equal X% of the U.S. gross domestic product.
- Restaurant-industry sales on a typical day in 20XX are expected to reach \$X billion.
- The overall economic impact of the restaurant industry is expected to exceed \$1.3 trillion in 20XX, including sales in related industries such as agriculture, transportation, and manufacturing.
- Every dollar spent by consumers in restaurants generates an additional \$X spent in other industries allied with the restaurant industry.
- Every additional \$X million in restaurant sales generates an additional X jobs for the nation's economy.



### ***NUMBER ONE EMPLOYER***

- The restaurant industry employs an estimated XX million people, making it the nation's largest employer outside of government.
- The restaurant industry provides work for more than X percent of those employed in the United States.
- The restaurant industry is expected to add 2 million jobs over the next decade, for total employment of X million in 20XX.
- Nearly half of all adults have worked in the restaurant industry at some time during their lives and X percent of adults got their first job experience in a restaurant.

### ***MARKET***

- Americans spend approximately X percent of their food budget in restaurants.

- Four out of five consumers agree that going out to a restaurant is a better way to use their leisure time than cooking and cleaning up.
- Because of the huge size of the food service industry, increased workload on families, and reduced free time, there is increasing demand for full-service restaurants offering prompt and courteous service.
- The Gallup Organization has found that the restaurant industry is the most highly regarded business/industry sector in America. Restaurants give back. Restaurants are an important part of local communities; 9 out of 10 restaurants donated food, time, facilities and other resources to charitable causes.

*(Source: National Restaurant Association, [www.restaurant.org](http://www.restaurant.org))*

## STATE RESTAURANT MARKET

State restaurants provide appetizing, healthful and nourishing food, convenience, value, entertainment, and social occasions where people can enjoy friends and family away from the stresses of daily life. Restaurants in State also are an engine of economic growth, generating tremendous sales and tax revenues for the state. They provide career and employment opportunities for individuals of every age, background, skill, and experience level. Restaurants are an important part of their communities and neighborhoods, enthusiastically and generously giving their time and resources to support a variety of causes.

### ***RIPPLE EFFECT***

Every \$1 spent in restaurants in State generates an additional \$1.52 in sales for other industries in the state. Each additional \$1 million spent in eating-and-drinking places in State generates an additional 41.5 jobs in the state.

### ***20XX RESTAURANT SALES***

- \$X billion (projected)

### ***LOCATIONS***

- 20XX number of eating and drinking places in State – X

### ***EMPLOYMENT***

- 20XX estimated restaurant and foodservice employment — X
- 20XX projected restaurant and foodservice employment — X
- Total new jobs added X-X — X (22.7% growth)

Restaurant and foodservice employment represents 9% of all employment in State today.

*(Source: State Restaurant Association.)*

## CITY MARKET

City is one of the top three cities in the country for people going out to eat. The overall growth of the City economy offers high paying jobs to college graduates from across the country. Success of the City sports franchises and the community support of State collegiate sports provide many opportunities for sports bars/restaurants. City businesses will be going smoke free in September 20XX. While others will have to change their image as a smoky sports bar, Restaurant will be “smoke free” inside the restaurant from opening. Restaurant will have a large patio where customers who wish to enjoy tobacco products can do so while still enjoying the restaurant and watching the games on high def TVs located on the patio.



## ***TARGET MARKET***

Our target market is middle to upper income families and the family friendly sports fan.

## ***SELECTED SITE***

Information on the planned site are attached or available upon request

## ***COMPETITIVE ANALYSIS***

There are a number of different restaurant and sports bar competitors in our market area. None offers Restaurant unique family friendly restaurant and sports bar combination with game rooms and patio seating with fire pit. Our difference is that we are a family oriented restaurant first and a sports bar second. We are looking for families to come in and eat, watch sports, and spend time together while the kids have fun playing in the game room. Below are our closest competitors and how they compare:

### **Café X** (Address.)

- Latin fusion – Caribbean to Latin America
- Family welcoming
- Very small bar (mostly to supply the dining room)
- 1 TV
- “To go” and “catering”
- Not sports oriented

### **The Y Tavern** (Address)

- Typical smoke filled Sports Bar
- No patio and no room for one (Will not be able to handle smokers after the Sept. 1 smoking ban in City)
- 1 projection TV and some small TVs high up on wall
- 2 pool tables and dart boards
- Serves only simple appetizer type food
- Brings in food from outside on occasion
- Caters mostly to young single males and females

### **Barbecue & Saloon** (Address)

- Exclusively BBQ
- Family oriented, rustic style restaurant
- Not sports oriented
- 4 regular TVs
- “To go”, “delivery”, and “catering”

### **Chili’s** (Address)

- Similar type menu (competes for restaurant business)
- TV’s only in bar area with no individual voice boxes
- Not sports oriented
- No game room for children

### **Buffalo Wild Wings** (Address)

- Located in strip malls
- Limited bar and grill/to-go type menu
- Caters mostly to single males and females

- High definition and regular TVs but no individual voice boxes
- Semi-sports focus

**Hooters** (Address)

- Located in stand alone facilities.
- Do not cater to the family restaurant business
- Caters to male adult with risqué image
- Sports bar
- Have high definition and regular TVs.

**Z American** (Address)

- Not as family friendly
- Similar type menu
- No game room for kids
- Fewer TVs
- 2.5X–3 X size of Restaurant
- Large, standalone buildings are expensive to operate.
- Struggle to provide Restaurant “neighborhood feel,” due to size and number of customers

**Sports Grill** (Address)

- Families typically do not frequent this establishment.
- Attracts high-end crowd (adults and singles)
- Premium prices for alcohol and food
- High overhead of being located in the Galleria
- Pool tables for adults/no game room for kids.

The City market wants family oriented casual dining with an overall high quality product and a friendly place to watch “the game.” Z American fills this need in a single location near the X. However, this is insufficient to meet the needs of a city of almost X million people. Chili’s fills part of this need with approximately X locations throughout the City area. They provide good high quality food in a family atmosphere, but they only have TVs in the bar area and only a few there. This does not meet the need of the family oriented sports fan.

City has fans and alumni clubs from all the major colleges in State and many from outside State. It is not unusual to have fans want to watch five or more football games simultaneously. Restaurant provides that experience. With the wireless voice boxes, each fan can listen to their own game. No other competitor in City provides this experience.

***DEMOGRAPHICS***

Our target market is a 4 mile radius of the restaurant, which contains approx. X people (pending selection of final location). Growth is 3 – 4% per year.

***KEYS TO SUCCESS***

- A quality experience every time (e.g., quick, efficient, and friendly service, customers who know the owners and who are known by the owners)
- Large number of high definition TVs capable of showing ALL the games

- High quality food, warm, friendly informal environment, and a large selection of various types of alcohol, especially draft beer.

### ***SATISFYING A UNIQUE NICHE***

Restaurant is much more than your typical sports bar and grill. We have created a unique niche. We are, most importantly, a family oriented restaurant. One that just happens to specialize in sports.

Most sports pubs do well during the intense fall sports season. But during the rest of the year business drops off dramatically in these other establishments. Restaurant has positioned itself as a quality family restaurant first.

But don't think Restaurant doesn't take it sports seriously. Far from it! Restaurant is committed to being the very best place for fans to view their favorite sports teams. Team banners are grouped by conference and region, so fans feel comfortable.



Our focus on college and professional sports ensures no one is left out when it comes to being in the middle of the action. We'll have sports memorabilia from all facets of the sports world. Many fans enjoy visiting our famous coach's wall, with customized, autographed pictures of some of the most prolific sports figures in the public eye. We also will have a dedicated wall for the local Youth League and High School sports standouts.

Restaurant offers a totally new approach to the dark, smoke-filled bars of the past. It is in fact an evolution of the sports bar concept and reflects the current demands of the emerging family life where both parents work, and quality time with the children centers around mealtimes. Families increasingly want to take the kids wherever they go because the total time spent with them in recent years is much less than it used to be. Restaurant is a concept whose time has come and, by making the children comfortable and keeping them entertained, it almost ensures that the parents will bring them back time and time again.

Restaurant is also committed to being technologically ahead of the game, with up to fifty large LCD, high definition, and wide screen televisions strategically positioned so every fan has the best seat in the house, even in the restrooms. State of the art, wireless voice boxes bring the sound of the game directly to each table and every guest. With our full line-up of Direct TV packages we provide our customers the chance to see almost any game. We also feature NTN Trivia and free WiFi access. Outside, customers can enjoy dining or have an after dinner drink on our patio around our circular fire pit. And we'll have TV's outside so no one misses the action.

### ***PROVIDING A UNIQUE CONCEPT***

One of the primary strengths is the concept of a new way to view sports. No more smoke-filled bars with little to offer in the way of food. We offer an upscale full-service menu in a bright open restaurant, with all of the current electronic technology in satellite and televisions for viewing all of the major sports. In addition, we draw in patrons of all ages and all economic categories by keeping the price points moderate and perceived value high.

### ***REGULATIONS***

State requires a one year residency to obtain a liquor license. The manager will have one year residency in October 2007.

## STRATEGY

We plan to open by January 1, 20XX. To do that we plan to lease by September 1, 20XX and build out by December 1, 20XX.

Before we open, a \$5,000 guerilla marketing campaign will begin including hard copy mail-outs and some media marketing. Two weeks before grand opening we will target market local customers utilizing a variety of media. During the following three months the accumulated advertising dollars (\$4,500) will be paired with the Franchisor's \$5,000 for an advertising blitz. This will include heavy coupon mail-outs, target marketing to prior customers, free dinners, discounted items, and mix of media. Our continuing monthly advertising budget is allocated at approximately 3% of gross with an additional 1 ½% contributed to national.

## MARKETING AND PROMOTION

The first four months of an Restaurant is extremely important in determining its long term future success. Restaurant understands the necessity in implementing a surgical and aggressive marketing and advertising plan. Our marketing and advertising strategy will be split into six areas:

1. **Pre-opening Guerilla Marketing Campaign:** As a welcome to the neighborhood promotion, we will purchase ten thousand full color double side fliers promoting Restaurant and our menu. These will be distributed personally, along with a take-out menu, to every business (except competitors) within a 5-mile radius of the restaurant by the owner operator and X X, President of Restaurant. We will also visit every apartment complex, church, school, civic organization, police department and YMCA within a 5-mile radius prior to the soft-opening date. An additional ten thousand fliers will be purchased to be inserted into the newspaper for delivery to the homes located in the zip codes of our immediate trade area. During the first 5 days after our opening we will run commercials on local radio station whose listeners closely match our targeted customers. We also locate on the internet; local alumni clubs, pro sports clubs, civic clubs, schools, fraternal organizations, etc. and email them promoting the Restaurant concept.
2. **On-going In-house Marketing:** The dining experience created at Restaurant for its customers is the single most important type of advertising. Great food, great service, and an exciting atmosphere will keep the customer coming back again and again. This begins with attention to details such as customer greeting, appearance and cleanliness of the restaurant, positively outrageous service, suggestive selling and plate presentation. These are all key elements that we will focus on to not only make the customers satisfied, but to encourage them to tell others about their experience. This is the most successful approach to advertising, as the customer is the best salesman of all!
3. **Community Involvement:** We plan on implementing the following programs:
  - Certificate of Merit program in all elementary and middle schools in the local trade area.
  - Sponsor one team from each division of little league associations. The teams will be from PeeWee, Minors, Majors, and Seniors.
  - Sponsor a co-ed softball team. The captain of the team we sponsor will give the opposing team flyers each week including discount coupons.
  - Work with charitable organizations each year providing them with food and/or % of revenue from gift card sales.
  - Assist local churches with food drives.
  - Market our Gift Cards to local youth leagues and high schools for their fundraising activities.
4. **Media Blitz & Monthly Advertising:** Beginning with the fourth month of operation, 4.5% of gross sales from the first three months and every month thereafter will be set aside for Cable TV and radio advertising locally. The commercials which will be produced at the actual franchise

location and shall be aired on local cable television as well as stations such as Lifetime, FOX Sports Net, ESPN and ESPN2.

5. ***Print advertising:*** Promotional ads in the area papers and magazines. Advertise in the game programs for football and basketball with the area high schools.
6. ***Web Page:*** We believe that the majority of our targeted customer own personal computers and use the Internet for shopping and choosing restaurants. As such, a well designed web page will be an expected and essential component to our complete marketing and promotional mix.

With X X's pre opening marketing blitz through the community, opening week will be extremely strong. With continued support of our local schools and community we will always have our best marketing tool (Word of Mouth). With a lot of homes now having home computers we believe a well-designed web page of our store will be essential with the growth of our business.

### ***TRAINING AND SUPPORT***

Prior to store opening, Restaurant will provide an intensive six-week franchise training program. This program is designed to educate each new franchisee in all aspects of restaurant operations and provide them with the tools to achieve success. Some of the topics to be covered:

1. Customer Service
2. Preparation of Restaurant menu items
3. Quality and Food Portion Control
4. Beverage and Inventory Management
5. Cost Control
6. Employee Hiring and Scheduling
7. Store Safety Guidelines
8. Management Tools and Systems
9. Turnover Reduction
10. Budgeting and Forecasting



Store opening training will be provided by the Corporate Training Team for ten days prior to the store opening date and for seven days after. This training will include a more “hands on” approach to managing and successfully running an Restaurant restaurant. This will help ensure a smooth opening and transition to a successful operation.

The Corporate Support Team also provides ongoing knowledge and support after the store is up and running. This includes detailed Operations Manuals, support by veteran Field Service Representatives, as well as advice and counsel for all areas of operation.

### ***PRICING***

Our prices on both food and liquor is very comparable to other restaurants and bars in the area.

### ***MENU***

Our menu includes appetizers, burgers, certified Angus steaks and BBQ ribs, kids' menu, salads, sandwiches, and specialties. Menus are attached or available upon request.

## ***PROFIT OPPORTUNITY AND COST MANAGEMENT***

Because of the pricing structure of menu items, management controls of costs is an essential part of the day to day operations for ensuring profitability. This is the primary reason why the concept is one of owner-operator, and as such, is a more successful approach to guarding bottom-line profits.

## **OWNER AND MANAGEMENT**

### ***DAVID OWNER – DAILY OPERATIONS MANAGER***

Mr. Owner age XX, is the owner and Daily Operations Manager. He has over XX years of experience working for large companies. He has had a successful career in X, X, X, and X. He has significant experience developing and controlling multimillion dollar budgets. Mr. Owner is currently the president of X., Inc..

Mr. Owner's first love is making the customer happy and developing long term satisfied clients. He enjoys working with people (including kids). He spent 10 years coaching kid's baseball and basketball. He has also spent the past 9 years as a member of the Board of Trustees for X including 3 years as Vice Chairman. X provides short and long term care for approximately 100 abused and abandoned children. He currently sits on several committees including the Audit Committee, the Compensation Committee, the Program Evaluation Committee, and the Finance & Investment Committee.

Mr. Owner's professional experience includes:

19XX–19XX: X, where he was responsible for projects up to \$XXM.

19XX–19XX: X in various locations, where he was responsible for multimillion dollar budgets and leading teams of X people. He was also responsible for production and development/training of employees. He also developed expertise in strategic planning and budget development/control.

20XX–20XX: Project Manager with X, where he was responsible for X projects for Fortune 100 companies impacting their global operations.

20XX–20XX: Project Manager with X, where he was responsible for selecting, implementing, and controlling the budget for specific Human Resource information systems for over X employees.

Mr. Owner earned a X Bachelors in X from X University in XXXX and a Masters in X from X University in XXXX.

### ***MICHAEL OWNER – OPERATING MANAGER***

Michael Owner, age XX, is the son of David Owner and Operating Manager.

He has several years experience working in retail and the restaurant industry and thoroughly enjoys it. He also enjoys working with people.

His work experience includes:

20XX: Bag boy at regional grocery chain.

20XX: Personal fitness trainer for premier fitness center in the X area. He was responsible for developing individual fitness plans for members and working with them one-on-one.

20XX–20XX: Coached baseball and gave private baseball instruction to kids from 8 to 14.

20XX: Bartender and Server at X.

20XX–20XX: General Manager of X restaurant in City, State. Responsible for all day-to-day operations including marketing, procurement, hiring, scheduling, and cost control.

Mr. Owner earned a Bachelors degree in Business Administration with a specialty in Entrepreneurship from X in 20XX.

### ***OUTSIDE SERVICES***

- Legal: X, Attorney-at-Law, City, State
- Broker: X, Real Estate Brokers
- Payroll Processing : Paychex
- Banking: Capital One
- Insurance: TBD
- Finance and Accounting: X CPAs, City, State

## **FINANCIALS**

Projected financials are shown on the following pages. These are guidances based solely on management's estimates and opinions. They are not to be considered as guarantees of future actuals.

**PROJECTED START UP COSTS**

Description			
Initial Franchise Fee	30,000		
Accounting & Legal Fees	15,000		
Architect/Planning/Design	37,500	\$	82,500
<b>Leasehold Improvements:</b>			
Blueprinting	2,500		
Temporary Telephone/Facilities	1,000		
Contractual Labor	5,000		
Supervision	25,000		
Project Mgmt	5,000		
Site Clean-Up	4,000		
Storage Container	1,100		
Total-General Conditions		\$	43,600
Demolition/Sawcut & Coring	8,000		
Final Cleanup	2,800		
Concrete Patch	9,000		
Rough Carpentry	6,000		
Doors & Frames - Install	6,000		
Entry-Storefront	15,000		
Bathroom Fixtures	500		
Tile & Tile Base	35,000		
Wood Flooring	10,000		
Carpeting	2,500		
Oak Column Wraps/Wainscot	1,800		
Caulking/Waterproofing	900		
Roofing Patch	1,800		
Insulation	1,500		
Drywall/Metal Stud	35,000		
Marlite/FRP	3,500		
Sheet Metal	3,500		
Fire Extinguishers	400		
Plumbing	55,000		
Fire Sprinklers	7,000		
Electrical	55,000		
HVAC	50,000		
Painting/Interior & Exterior Patch	5,000		
Total-Building Construction	<u>315,200</u>		
Construction Overhead/Profit	32,000		
Insurance	4,200		
<b>Total Construction Contract</b>		\$	351,400
<b>Total Leasehold Improvements</b>			477,500
Building Signage	35,000		
Freight/Kitchen & Bar Equipment	3,450		
Equipment Installation	12,000		
<b>Total Equipment Installation</b>		\$	47,000
Bartop & Service Well	9,408		
Audio/Video Wall Unit	3,000		
Telephone System	3,500		
Kitchen & Bar Equipment	190,000		
Satellite Television System	29,000		
Wireless Speaker Boxes	3,000		
POS System	30,000		
MenuLink	6,300		
Aloha Ecards	2,200		
Smallwares/Kitchen & Bar	20,000		
Televisions & Monitors	160,000		
Restaurant Furniture	95,000		
Display Cabinet	2,000		
Artwork	8,000		
<b>Total F F &amp; E</b>		\$	611,858
Initial Uniform Supply	5,500		
Menus	3,013		
To Go Menus	648		
Business Cards	146		
Letterhead & Envelopes	310		
Logo Napkins	4,192		
Liquor License	4,000		
Rent Deposit	12,000		
Business License Fee	1,400		
Pre-Opening Training Payroll	10,000		
Training Travel Costs	8,400		
Permits Other than Building	1,000		
Opening Inventory	20,000		
Petty Cash Bank	1,000		
Opening Bank Balance	1,000		
Cash Reserves	30,000		
Pre-Opening Advertising	5,000		
<b>Total Start-Up Expenses</b>		\$	1,196,966
		\$	1,196,966



## PROJECTED INCOME STATEMENT YEAR 1

<b>Revenue:</b>		
Gross Sales		\$ 1,500,000
Less: Returns & Allowances		<u>-</u>
Net Sales		\$ 1,500,000
<b>Cost Of Goods Sold:</b>		
Food & Beverage	336,000	
Beer (Draft & Bottle)	69,000	
Liquor & Wine	<u>19,950</u>	
Total Cost of Goods Sold		<u>\$ 424,950</u>
<b>Gross Profit</b>		<b>\$ 1,075,050</b>
<b>Expenses:</b>		
Advertising	67,500	
Royalties	75,000	
Bank Service Charges	600	
Charitable Contributions	1,200	
Credit Card Processing Fees	30,000	
Dues & Subscriptions	9,000	
Insurance	22,500	
Maintenance	6,000	
MenuLink	800	
Miscellaneous Expenses	1,200	
Office Expenses	1,200	
Operating Supplies	24,000	
Payroll & Related Expenses	330,000	
Payroll Processing Fees	3,150	
Permits & Licenses	4,200	
Postage	360	
Professional Fees	6,000	
Rent/Triple Net Lease	180,000	
Repairs	6,000	
SBA Loan	126,000	
Internet/Satellite Services	15,000	
Telephone	6,150	
Training & Seminars	3,150	
Trash	3,000	
Travel	2,400	
Uniforms	2,400	
Utilities	<u>34,800</u>	
Total Expenses		<u>\$ 961,610</u>
<b>Net Operating Income</b>		<b>\$ 113,440</b>
<b>Other Income &amp; (Expenses)</b>		
Other (games)		\$ 12,000
Interest Expense		\$ -
Gain (Loss) on Sales of Assets		<u>-</u>
<b>Net Income Before Depreciation</b>		<b>\$ 125,440</b>
Depreciation Expense:		
Leasehold Improvements	\$12,089	
FF&E	64,186	
Organizational Costs	<u>13,922</u>	
		\$ 90,197
<b>Owners Distribution</b>		
<b>Net Income</b>		<b><u>\$ 35,243</u></b>

## PROJECTED INCOME STATEMENT YEAR 2

<b>Revenue:</b>		
Gross Sales		\$ 1,605,000
Less: Returns & Allowances		<u>-</u>
Net Sales		\$ 1,605,000
<b>Cost Of Goods Sold:</b>		
Food & Beverage	348,285	
Beer (Draft & Bottle)	73,830	
Liquor & Wine	<u>21,347</u>	
Total Cost of Goods Sold		<u>\$ 443,462</u>
<b>Gross Profit</b>		<b>\$ 1,161,539</b>
<b>Expenses:</b>		
Advertising	72,225	
Royalties	80,250	
Bank Service Charges	1,605	
Charitable Contributions	1,200	
Credit Card Processing Fees	32,100	
Dues & Subscriptions	16,050	
Insurance	27,000	
Maintenance	12,840	
MenuLink	800	
Miscellaneous Expenses	6,420	
Office Expenses	4,013	
Operating Supplies	24,878	
Payroll & Related Expenses	337,050	
Payroll Processing Fees	7,223	
Permits & Licenses	7,000	
Postage	750	
Professional Fees	3,000	
Rent/Triple Net Lease	180,000	
Repairs	8,025	
SBA Loan	126,000	
Services	16,050	
Telephone	6,581	
Training & Seminars	3,371	
Trash	3,000	
Travel	1,500	
Uniforms	3,210	
Utilities	<u>60,188</u>	
Total Expenses		<u>\$ 1,042,326</u>
<b>Net Operating Income</b>		<b>\$ 119,213</b>
<b>Other Income &amp; (Expenses)</b>		
Other (games)		\$ 12,000
Interest Expense		
Gain (Loss) on Sales of Assets		<u>-</u>
<b>Net Income Before Depreciation</b>		<b>\$ 131,213</b>
Depreciation Expense:		
Leasehold Improvements	\$12,089	
FF&E	64,186	
Organizational Costs	<u>13,922</u>	
		<u>\$ 90,197</u>
<b>Owners Distribution</b>		<u>-</u>
<b>Net Income</b>		<b><u>\$ 41,016</u></b>

## PROJECTED INCOME STATEMENT YEAR 3

<b>Revenue:</b>		
Gross Sales		\$ 1,721,000
Less: Returns & Allowances		<u>-</u>
Net Sales		\$ 1,721,000
<b>Cost Of Goods Sold:</b>		
Food & Beverage	373,457	
Beer (Draft & Bottle)	79,166	
Liquor & Wine	<u>22,889</u>	
Total Cost of Goods Sold		<u>\$ 475,512</u>
<b>Gross Profit</b>		\$ 1,245,488
<b>Expenses:</b>		
Advertising	77,445	
Royalties	86,050	
Bank Service Charges	2,065	
Charitable Contributions	1,750	
Credit Card Processing Fees	34,420	
Dues & Subscriptions	13,768	
Insurance	32,000	
Maintenance	17,210	
MenuLink	800	
Miscellaneous Expenses	6,884	
Office Expenses	4,303	
Operating Supplies	26,676	
Payroll & Related Expenses	361,410	
Payroll Processing Fees	6,884	
Permits & Licenses	8,250	
Postage	1,000	
Professional Fees	3,000	
Rent/Triple Net Lease	180,000	
Repairs	8,605	
SBA Loan	126,000	
Services	17,210	
Telephone	7,056	
Training & Seminars	3,614	
Trash	3,000	
Travel	1,750	
Uniforms	3,786	
Utilities	<u>64,538</u>	
Total Expenses		<u>\$ 1,099,473</u>
<b>Net Operating Income</b>		\$ 146,015
<b>Other Income &amp; (Expenses)</b>		
Other (games)		\$ 12,000
Interest Expense		
Gain (Loss) on Sales of Assets		<u>-</u>
<b>Net Income Before Depreciation</b>		\$ 158,015
Depreciation Expense:		
Leasehold Improvements	\$12,089	
FF&E	64,186	
Organizational Costs	<u>13,922</u>	
		\$ 90,197
<b>Owners Distribution</b>		<u>-</u>
<b>Net Income</b>		<u>\$ 67,818</u>

## PROJECTED INCOME STATEMENT YEAR 4

<b>Revenue:</b>		
Gross Sales		\$ 1,795,000
Less: Returns & Allowances		<u>-</u>
Net Sales		\$ 1,795,000
<b>Cost Of Goods Sold:</b>		
Food & Beverage	389,515	
Beer (Draft & Bottle)	82,570	
Liquor & Wine	<u>23,874</u>	
Total Cost of Goods Sold		<u>\$ 495,959</u>
<b>Gross Profit</b>		<b>\$ 1,299,042</b>
<b>Expenses:</b>		
Advertising	80,775	
Royalties	89,750	
Bank Service Charges	2,154	
Charitable Contributions	1,750	
Credit Card Processing Fees	35,900	
Dues & Subscriptions	14,360	
Insurance	32,000	
Maintenance	17,950	
MenuLink	800	
Miscellaneous Expenses	7,180	
Office Expenses	4,488	
Operating Supplies	27,823	
Payroll & Related Expenses	376,950	
Payroll Processing Fees	7,180	
Permits & Licenses	8,250	
Postage	1,000	
Professional Fees	3,000	
Rent/Triple Net Lease	180,000	
Repairs	8,975	
SBA Loan	126,000	
Services	17,950	
Telephone	7,360	
Training & Seminars	3,770	
Trash	3,000	
Travel	1,750	
Uniforms	3,949	
Utilities	<u>66,415</u>	
Total Expenses		<u>\$ 1,130,477</u>
<b>Net Operating Income</b>		<b>\$ 168,565</b>
<b>Other Income &amp; (Expenses)</b>		
Other (games)		\$ 12,000
Interest Expense		
Gain (Loss) on Sales of Assets		<u>-</u>
<b>Net Income Before Depreciation</b>		<b>\$ 180,565</b>
Depreciation Expense:		
Leasehold Improvements	\$12,089	
FF&E	64,186	
Organizational Costs	<u>13,922</u>	
		\$ 90,197
<b>Owners Distribution</b>		<u>-</u>
<b>Net Income</b>		<b><u>\$ 90,368</u></b>

RESTAURANT BUSINESS PLAN

PROJECTED CASH FLOW YEAR 1

Description	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Beginning Cash Balance</b>	32,000	45,402	46,784	54,960	59,478	68,176	71,649	74,076	80,161	104,538	133,618	147,022	\$ 32,000
<b>Cash Inflows:</b>													
Sales and Receipts	133,500	99,000	118,500	108,000	120,000	105,000	102,000	112,500	165,000	178,500	133,500	124,500	\$ 1,500,000
Vending	1,068	792	948	864	960	840	816	900	1,320	1,428	1,068	996	12,000
Total Cash Inflows	<u>134,568</u>	<u>99,792</u>	<u>119,448</u>	<u>108,864</u>	<u>120,960</u>	<u>105,840</u>	<u>102,816</u>	<u>113,400</u>	<u>166,320</u>	<u>179,928</u>	<u>134,568</u>	<u>125,496</u>	<u>\$ 1,544,000</u>
<b>Available Cash Balance</b>	166,568	145,194	166,232	163,824	180,438	174,016	174,465	187,476	246,481	284,466	268,186	272,518	
<b>Cash Outflows (Expenses)</b>													
Advertising	6,008	4,455	5,333	4,860	5,400	4,725	4,590	5,063	7,425	8,033	6,008	5,603	67,500
Royalties	6,675	4,950	5,925	5,400	6,000	5,250	5,100	5,625	8,250	8,925	6,675	6,225	75,000
Bank Service Charges	50	50	50	50	50	50	50	50	50	50	50	50	600
Charitable Contributions	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Credit Card Processing Fees	2,670	1,980	2,370	2,160	2,400	2,100	2,040	2,250	3,300	3,570	2,670	2,490	30,000
Dues & Subscriptions	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Insurance	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	22,500
Inventory (COGS)	37,821	28,047	33,571	30,596	33,996	29,747	28,897	31,871	46,745	50,569	37,821	35,271	424,950
Maintenance	500	500	500	500	500	500	500	500	500	500	500	500	6,000
MenuLink	67	67	67	67	67	67	67	67	67	67	65	65	800
Miscellaneous	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Office Expenses	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Operating Supplies	2,136	1,584	1,896	1,728	1,920	1,680	1,632	1,800	2,640	2,856	2,136	1,992	24,000
Payroll & Related Expenses	29,370	21,780	26,070	23,760	26,400	23,100	22,440	24,750	36,300	39,270	29,370	27,390	330,000
Payroll Processing Fees	280	208	249	227	252	221	214	236	347	375	280	261	3,150
Permits & Licenses	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Postage	30	30	30	30	30	30	30	30	30	30	30	30	360
Professional Fees	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Rent/Triple Net Lease	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
Repairs	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Services	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
Telephone	513	513	513	513	513	513	513	513	513	513	513	513	6,150
Training & Seminars	263	263	263	263	263	263	263	263	263	263	263	263	3,150
Trash	263	263	263	263	263	263	263	263	263	263	263	263	3,150
Travel	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Uniforms	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Utilities	3,097	2,297	2,749	2,506	2,784	2,436	2,366	2,610	3,828	4,141	3,097	2,888	34,800
Subtotal	\$ 110,666	\$ 87,910	\$ 100,772	\$ 93,846	\$ 101,762	\$ 91,868	\$ 89,889	\$ 96,815	\$ 131,444	\$ 140,348	\$ 110,664	\$ 104,728	\$ 1,260,710
Capital Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Debt Service	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000
Subtotal	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	126,000
<b>Total Cash Outflows</b>	<u>\$ 121,166</u>	<u>\$ 98,410</u>	<u>\$ 111,272</u>	<u>\$ 104,346</u>	<u>\$ 112,262</u>	<u>\$ 102,368</u>	<u>\$ 100,389</u>	<u>\$ 107,315</u>	<u>\$ 141,944</u>	<u>\$ 150,848</u>	<u>\$ 121,164</u>	<u>\$ 115,228</u>	<u>\$ 1,386,710</u>
<b>Available Cash Balance</b>	<u>\$ 45,402</u>	<u>\$ 46,784</u>	<u>\$ 54,960</u>	<u>\$ 59,478</u>	<u>\$ 68,176</u>	<u>\$ 71,649</u>	<u>\$ 74,076</u>	<u>\$ 80,161</u>	<u>\$ 104,538</u>	<u>\$ 133,618</u>	<u>\$ 147,022</u>	<u>\$ 157,290</u>	<u>\$ 157,290</u>

RESTAURANT BUSINESS PLAN

PROJECTED CASH FLOW YEAR 2

Description	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Beginning Cash Balance</b>	157,290	171,396	172,630	181,139	185,730	194,799	183,271	185,625	191,895	217,752	248,646	247,752	\$ 157,290
<b>Cash Inflows:</b>													
Sales and Receipts	142,845	105,930	126,795	115,560	128,400	112,350	109,140	120,375	176,550	190,995	142,845	133,215	\$ 1,605,000
Vending	1,068	792	948	864	960	840	816	900	1,320	1,428	1,068	996	12,000
Total Cash Inflows	<u>143,913</u>	<u>106,722</u>	<u>127,743</u>	<u>116,424</u>	<u>129,360</u>	<u>113,190</u>	<u>109,956</u>	<u>121,275</u>	<u>177,870</u>	<u>192,423</u>	<u>143,913</u>	<u>134,211</u>	\$ 1,617,000
<b>Available Cash Balance</b>	301,203	278,118	300,373	297,563	315,090	307,989	293,227	306,900	369,765	410,175	392,559	381,963	\$ 1,774,290
<b>Cash Outflows (Expenses)</b>													
Advertising	6,428	4,767	5,706	5,200	5,778	5,056	4,911	5,417	7,945	8,595	6,428	5,995	72,225
Royalties	7,142	5,297	6,340	5,778	6,420	5,618	5,457	6,019	8,828	9,550	7,142	6,661	80,250
Bank Service Charges	134	134	134	134	134	134	134	134	134	134	134	134	1,605
Charitable Contributions	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Credit Card Processing Fees	2,857	2,119	2,568	2,311	2,568	2,247	2,183	2,408	3,531	3,820	2,857	2,664	32,100
Dues & Subscriptions	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	16,050
Insurance	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	27,000
Inventory (COGS)	39,468	29,268	35,033	31,929	35,477	31,042	30,155	33,260	48,781	52,772	39,468	36,807	443,462
Maintenance	1,070	1,070	1,070	1,070	1,070	1,070	1,070	1,070	1,070	1,070	1,070	1,070	12,840
MenuLink	67	67	67	67	67	67	67	67	67	67	67	67	804
Miscellaneous	535	535	535	535	535	535	535	535	535	535	535	535	6,420
Office Expenses	334	334	334	334	334	334	334	334	334	334	334	334	4,013
Operating Supplies	2,214	1,642	1,965	1,791	1,990	1,741	1,692	1,866	2,737	2,960	2,214	2,065	24,878
Payroll & Related Expenses	29,997	22,245	26,627	24,268	26,964	23,594	22,919	25,279	37,076	40,109	29,997	27,975	337,050
Payroll Processing Fees	643	477	571	520	578	506	491	542	794	859	643	599	7,223
Permits & Licenses	583	583	583	583	583	583	583	583	583	583	583	583	7,000
Postage	63	63	63	63	63	63	63	63	63	63	63	63	750
Professional Fees	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Rent/Triple Net Lease	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
Repairs	669	669	669	669	669	669	669	669	669	669	669	669	8,025
Services	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	1,338	16,050
Telephone	548	548	548	548	548	548	548	548	548	548	548	548	6,580
Training & Seminars	281	281	281	281	281	281	281	281	281	281	281	281	3,371
Trash	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Travel	125	125	125	125	125	125	125	125	125	125	125	125	1,500
Uniforms	268	268	268	268	268	268	268	268	268	268	268	268	3,210
Utilities	5,357	3,972	4,755	4,334	4,815	4,213	4,093	4,514	6,621	7,162	5,357	4,996	60,188
Subtotal	\$ 119,307	\$ 94,988	\$ 108,734	\$ 101,332	\$ 109,791	\$ 99,218	\$ 97,103	\$ 104,505	\$ 141,513	\$ 151,029	\$ 119,308	\$ 112,964	\$ 1,359,791
Capital Purchases	-	-	-	-	-	15,000	-	-	-	-	15,000	-	30,000
Interest & Debt Service	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000
Subtotal	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 25,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 25,500	\$ 10,500	156,000
<b>Total Cash Outflows</b>	<u>\$ 129,807</u>	<u>\$ 105,488</u>	<u>\$ 119,234</u>	<u>\$ 111,832</u>	<u>\$ 120,291</u>	<u>\$ 124,718</u>	<u>\$ 107,603</u>	<u>\$ 115,005</u>	<u>\$ 152,013</u>	<u>\$ 161,529</u>	<u>\$ 144,808</u>	<u>\$ 123,464</u>	<u>\$ 1,515,791</u>
<b>Available Cash Balance</b>	<u>\$ 171,396</u>	<u>\$ 172,630</u>	<u>\$ 181,139</u>	<u>\$ 185,730</u>	<u>\$ 194,799</u>	<u>\$ 183,271</u>	<u>\$ 185,625</u>	<u>\$ 191,895</u>	<u>\$ 217,752</u>	<u>\$ 248,646</u>	<u>\$ 247,752</u>	<u>\$ 258,499</u>	<u>\$ 258,499</u>

RESTAURANT BUSINESS PLAN

PROJECTED CASH FLOW YEAR 3

Description	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Beginning Cash Balance</b>	258,499	275,067	277,833	288,399	294,766	305,932	296,099	300,065	308,231	337,401	371,971	373,541	\$ 258,499
<b>Cash Inflows:</b>													
Sales and Receipts	153,169	113,586	135,959	123,912	137,680	120,470	117,028	129,075	189,310	204,799	153,169	142,843	\$ 1,721,000
Vending	1,068	792	948	864	960	840	816	900	1,320	1,428	1,068	996	12,000
Total Cash Inflows	<u>154,237</u>	<u>114,378</u>	<u>136,907</u>	<u>124,776</u>	<u>138,640</u>	<u>121,310</u>	<u>117,844</u>	<u>129,975</u>	<u>190,630</u>	<u>206,227</u>	<u>154,237</u>	<u>143,839</u>	\$ 1,733,000
<b>Available Cash Balance</b>	412,736	389,445	414,740	413,175	433,406	427,242	413,943	430,040	498,861	543,628	526,208	517,380	\$ 1,991,499
<b>Cash Outflows (Expenses)</b>													
Advertising	6,893	5,111	6,118	5,576	6,196	5,421	5,266	5,808	8,519	9,216	6,893	6,428	77,445
Royalties	7,658	5,679	6,798	6,196	6,884	6,024	5,851	6,454	9,466	10,240	7,658	7,142	86,050
Bank Service Charges	172	172	172	172	172	172	172	172	172	172	172	172	2,065
Charitable Contributions	146	146	146	146	146	146	146	146	146	146	146	144	1,750
Credit Card Processing Fees	3,063	2,272	2,719	2,478	2,754	2,409	2,341	2,582	3,786	4,096	3,063	2,857	34,420
Dues & Subscriptions	1,147	1,147	1,147	1,147	1,147	1,147	1,147	1,147	1,147	1,147	1,147	1,147	13,768
Insurance	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	32,000
Inventory (COGS)	42,321	31,384	37,565	34,237	38,041	33,286	32,335	35,663	52,306	56,586	42,321	39,468	475,512
Maintenance	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,435	17,210
MenuLink	67	67	67	67	67	67	67	67	66	66	66	66	800
Miscellaneous	574	574	574	574	574	574	574	574	574	574	572	572	6,884
Office Expenses	359	359	359	359	359	359	359	359	359	359	359	359	4,303
Operating Supplies	2,374	1,761	2,107	1,921	2,134	1,867	1,814	2,001	2,934	3,174	2,374	2,214	26,676
Payroll & Related Expenses	32,165	23,853	28,551	26,022	28,913	25,299	24,576	27,106	39,755	43,008	32,165	29,997	361,410
Payroll Processing Fees	613	454	544	496	551	482	468	516	757	819	613	571	6,884
Permits & Licenses	688	688	688	688	688	688	688	688	688	688	688	688	8,250
Postage	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Professional Fees	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Rent/Triple Net Lease	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
Repairs	717	717	717	717	717	717	717	717	717	717	717	717	8,605
Services	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	17,210
Telephone	588	588	588	588	588	588	588	588	588	588	588	588	7,056
Training & Seminars	301	301	301	301	301	301	301	301	301	301	301	301	3,614
Trash	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Travel	146	146	146	146	146	146	146	146	146	146	146	144	1,750
Uniforms	316	316	316	316	316	316	316	316	316	316	316	316	3,786
Utilities	5,744	4,259	5,098	4,647	5,163	4,518	4,389	4,840	7,099	7,680	5,744	5,357	64,538
Subtotal	\$ 127,170	\$ 101,112	\$ 115,840	\$ 107,910	\$ 116,973	\$ 105,644	\$ 103,378	\$ 111,308	\$ 150,960	\$ 161,157	\$ 127,168	\$ 120,366	\$ 1,448,985
Capital Purchases	-	-	-	-	-	15,000	-	-	-	-	15,000	-	30,000
Interest & Debt Service	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000
Subtotal	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 25,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 25,500	\$ 10,500	156,000
<b>Total Cash Outflows</b>	<u>\$ 137,670</u>	<u>\$ 111,612</u>	<u>\$ 126,340</u>	<u>\$ 118,410</u>	<u>\$ 127,473</u>	<u>\$ 131,144</u>	<u>\$ 113,878</u>	<u>\$ 121,808</u>	<u>\$ 161,460</u>	<u>\$ 171,657</u>	<u>\$ 152,668</u>	<u>\$ 130,866</u>	<u>\$ 1,604,985</u>
<b>Available Cash Balance</b>	<u>\$ 275,067</u>	<u>\$ 277,833</u>	<u>\$ 288,399</u>	<u>\$ 294,766</u>	<u>\$ 305,932</u>	<u>\$ 296,099</u>	<u>\$ 300,065</u>	<u>\$ 308,231</u>	<u>\$ 337,401</u>	<u>\$ 371,971</u>	<u>\$ 373,541</u>	<u>\$ 386,514</u>	<u>\$ 386,514</u>

RESTAURANT BUSINESS PLAN

PROJECTED CASH FLOW YEAR 4

Description	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Beginning Cash Balance</b>	386,514	405,110	409,301	421,634	429,584	442,543	434,239	439,684	449,512	481,258	518,641	522,239	\$ 386,514
<b>Cash Inflows:</b>													
Sales and Receipts	159,755	118,470	141,805	129,240	143,600	125,650	122,060	134,625	197,450	213,605	159,755	148,985	\$ 1,795,000
Vending	1,068	792	948	864	960	840	816	900	1,320	1,428	1,068	996	12,000
Total Cash Inflows	<u>160,823</u>	<u>119,262</u>	<u>142,753</u>	<u>130,104</u>	<u>144,560</u>	<u>126,490</u>	<u>122,876</u>	<u>135,525</u>	<u>198,770</u>	<u>215,033</u>	<u>160,823</u>	<u>149,981</u>	<u>\$ 1,807,000</u>
<b>Available Cash Balance</b>	547,337	524,372	552,054	551,738	574,144	569,033	557,115	575,209	648,282	696,291	679,464	672,220	\$ 2,193,514
<b>Cash Outflows (Expenses)</b>													
Advertising	7,189	5,331	6,381	5,816	6,462	5,654	5,493	6,058	8,885	9,612	7,189	6,704	80,775
Royalties	7,988	5,924	7,090	6,462	7,180	6,283	6,103	6,731	9,873	10,680	7,988	7,449	89,750
Bank Service Charges	180	180	180	180	180	180	180	180	180	180	180	180	2,154
Charitable Contributions	146	146	146	146	146	146	146	146	146	146	146	144	1,750
Credit Card Processing Fees	3,195	2,369	2,836	2,585	2,872	2,513	2,441	2,693	3,949	4,272	3,195	2,980	35,900
Dues & Subscriptions	1,197	1,197	1,197	1,197	1,197	1,197	1,197	1,197	1,197	1,197	1,197	1,197	14,360
Insurance	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	32,000
Inventory (COGS)	44,140	32,733	39,181	35,709	39,677	34,717	33,725	37,197	54,555	59,019	44,140	41,165	495,959
Maintenance	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	17,950
MenuLink	67	67	67	67	67	67	67	67	67	67	65	65	800
Miscellaneous	598	598	598	598	598	598	598	598	598	598	598	602	7,180
Office Expenses	374	374	374	374	374	374	374	374	374	374	374	374	4,488
Operating Supplies	2,476	1,836	2,198	2,003	2,226	1,948	1,892	2,087	3,060	3,311	2,476	2,309	27,823
Payroll & Related Expenses	33,549	24,879	29,779	27,140	30,156	26,387	25,633	28,271	41,465	44,857	33,549	31,287	376,950
Payroll Processing Fees	639	474	567	517	574	503	488	539	790	854	639	596	7,180
Permits & Licenses	688	688	688	688	688	688	688	688	688	688	688	688	8,250
Postage	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Professional Fees	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Rent/Triple Net Lease	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
Repairs	748	748	748	748	748	748	748	748	748	748	748	748	8,975
Services	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	17,950
Telephone	613	613	613	613	613	613	613	613	613	613	613	614	7,360
Training & Seminars	314	314	314	314	314	314	314	314	314	314	314	314	3,770
Trash	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Travel	146	146	146	146	146	146	146	146	146	146	146	144	1,750
Uniforms	329	329	329	329	329	329	329	329	329	329	329	329	3,949
Utilities	5,911	4,383	5,247	4,782	5,313	4,649	4,516	4,981	7,306	7,903	5,911	5,512	66,415
Subtotal	\$ 131,727	\$ 104,570	\$ 119,920	\$ 111,655	\$ 121,101	\$ 109,293	\$ 106,932	\$ 115,197	\$ 156,523	\$ 167,150	\$ 131,726	\$ 124,642	\$ 1,500,436
Capital Purchases	-	-	-	-	-	15,000	-	-	-	-	15,000	-	30,000
Interest & Debt Service	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000
Subtotal	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 25,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 25,500	\$ 10,500	156,000
<b>Total Cash Outflows</b>	<u>\$ 142,227</u>	<u>\$ 115,070</u>	<u>\$ 130,420</u>	<u>\$ 122,155</u>	<u>\$ 131,601</u>	<u>\$ 134,793</u>	<u>\$ 117,432</u>	<u>\$ 125,697</u>	<u>\$ 167,023</u>	<u>\$ 177,650</u>	<u>\$ 157,226</u>	<u>\$ 135,142</u>	<u>\$ 1,656,436</u>
<b>Available Cash Balance</b>	<u>\$ 405,110</u>	<u>\$ 409,301</u>	<u>\$ 421,634</u>	<u>\$ 429,584</u>	<u>\$ 442,543</u>	<u>\$ 434,239</u>	<u>\$ 439,684</u>	<u>\$ 449,512</u>	<u>\$ 481,258</u>	<u>\$ 518,641</u>	<u>\$ 522,239</u>	<u>\$ 537,078</u>	<u>\$ 537,078</u>



## BALANCE SHEET OPENING

## INDIGO JOES SPORTS PUB

<b>Assets</b>	
<b>Current Assets:</b>	
Cash	31,000
Petty Cash	1,000
Merchandise Inventory	20,000
Notes Receivable	
Total Current Assets	52,000
<b>Fixed Assets:</b>	
Leasehold Improvements	447,500
Less: Accumulated Depreciation	447,500
	-
Furniture, Fixtures & Equipment	611,858
Less: Accumulated Depreciation	611,858
	-
Organizational Costs	69,608
Less: Accumulated Depreciation	69,608
	-
Total Fixed Assets	-
<b>Other Assets:</b>	
Liquor License	4,000
Initial Franchise Fee	30,000
Rent Deposit/One Month Base	12,000
Total Other Assets	46,000
<b>Total Assets</b>	1,226,966
<b>Liabilities &amp; Capital</b>	
<b>Current Liabilities:</b>	
Accounts Payable	20,622
Total Current Liabilities	20,622
<b>Long Term Liabilities:</b>	
Long Term Notes Payable	800,000
Mortgage Payable	-
Total Long Term Liabilities	800,000
<b>Total Liabilities</b>	820,622
<b>Owners Equity:</b>	
Capital Stock	-
Paid In Capital	406,344
Retained Earnings	-
<b>Total Owners Equity</b>	406,344
<b>Total Liabilities &amp; Capital</b>	1,226,966

**BALANCE SHEET EOY1**

<b>Assets</b>		
Current Assets:		
Cash	157,290	
Petty Cash	1,000	
Merchandise Inventory	39,468	
Prepaid Expenses	43,050	
Total Current Assets		240,808
Fixed Assets:		
Leasehold Improvements	447,500	
Less:Accumulated Depreciation	11,329	436,171
		436,171
Furniture, Fixtures & Equipment	611,858	
Less:Accumulated Depreciation	61,186	550,672
		550,672
Organizational Costs	69,608	
Less:Accumulated Depreciation	13,922	55,687
Total Fixed Assets		1,283,338
Other Assets:		
Liquor License	4,000	
Rent Deposit/One Month Base	12,000	
Total Other Assets		16,000
<b>Total Assets</b>		<b>1,299,338</b>
<b>Liabilities &amp; Capital</b>		
Current Liabilities:		
Accounts Payable	23,161	
Total Current Liabilities		23,161
Long Term Notes Payable		
Mortgage Payable	750,927	
Total Long Term Liabilities	-	750,927
<b>Total Liabilities</b>		<b>774,088</b>
Owners Equity:		
Capital Stock	-	
Paid In Capital	406,344	
Retained Earnings	118,906	
<b>Total Owners Equity</b>		525,250
<b>Total Liabilities &amp; Capital</b>		<b>1,299,338</b>

## BALANCE SHEET EOY2

<b>Assets</b>			
Current Assets:			
Cash	258,499		
Petty Cash	1,000		
Merchandise Inventory	20,000		
Prepaid Expenses	45,768		
Total Current Assets		325,267	325,267
Fixed Assets:			
Leasehold Improvements	447,500		
Less:Accumulated Depreciation	22,658	424,842	
Furniture, Fixtures & Equipment	641,858		
Less:Accumulated Depreciation	125,372	516,486	
Organizational Costs	69,608		
Less:Accumulated Depreciation	27,843	41,765	
Total Fixed Assets		983,093	983,093
Other Assets:			
Liquor License	4,000		
Rent Deposit/One Month Base	12,000		
Total Other Assets		16,000	16,000
<b>Total Assets</b>			<b>1,324,360</b>
<b>Liabilities &amp; Capital</b>			
Current Liabilities:			
Accounts Payable	23,733		
Total Current Liabilities		23,733	23,733
Long Term Notes Payable	696,714		
Mortgage Payable	-		
Total Long Term Liabilities		696,714	696,714
<b>Total Liabilities</b>			<b>720,447</b>
Owners Equity:			
Capital Stock	-		
Paid In Capital	436,344		
Retained Earnings	167,569		
<b>Total Owners Equity</b>		603,913	603,913
<b>Total Liabilities &amp; Capital</b>			<b>1,324,360</b>

## BALANCE SHEET EOY3

<b>Assets</b>			
Current Assets:			
Cash	386,514		
Petty Cash	1,000		
Merchandise Inventory	20,000		
Prepaid Expenses	46,360		
Total Current Assets		453,874	453,874
Fixed Assets:			
Leasehold Improvements	447,500		
Less: Accumulated Depreciation	33,987	413,513	
Furniture, Fixtures & Equipment	641,858		
Less: Accumulated Depreciation	189,557	452,301	
Organizational Costs	69,608		
Less: Accumulated Depreciation	41,765	27,843	
Total Fixed Assets			893,657
Other Assets:			
Liquor License	4,000		
Rent Deposit/One Month Base	12,000		
Total Other Assets		16,000	16,000
<b>Total Assets</b>			<b>1,363,530</b>
<b>Liabilities &amp; Capital</b>			
Current Liabilities:			
Accounts Payable	24,018		
Total Current Liabilities		24,018	-
Long Term Notes Payable			
Mortgage Payable	636,876		
Total Long Term Liabilities		636,876	-
<b>Total Liabilities</b>			<b>660,894</b>
Owners Equity:			
Capital Stock	-		
Paid In Capital	466,344		
Retained Earnings	236,293		
<b>Total Owners Equity</b>		702,637	702,637
<b>Total Liabilities &amp; Capital</b>			<b>1,363,530</b>

**BALANCE SHEET EOY4**

<b>Assets</b>			
Current Assets:			
Cash	537,078		
Petty Cash	1,000		
Merchandise Inventory	20,000		
Prepaid Expenses	46,360		
Total Current Assets		604,438	604,438
Fixed Assets:			
Leasehold Improvements	447,500		
Less: Accumulated Depreciation	45,316	402,184	
Furniture, Fixtures & Equipment	671,858		
Less: Accumulated Depreciation	256,743	415,115	
Organizational Costs	69,608		
Less: Accumulated Depreciation	55,687	13,922	
Total Fixed Assets			831,220
Other Assets:			
Liquor License	4,000		
Rent Deposit/One Month Base	12,000		
Total Other Assets		16,000	16,000
<b>Total Assets</b>			<b>1,451,658</b>
<b>Liabilities &amp; Capital</b>			
Current Liabilities:			
Accounts Payable	24,018		
Total Current Liabilities		24,018	
Long Term Notes Payable	564,849		
Mortgage Payable	-		
Total Long Term Liabilities		564,849	
<b>Total Liabilities</b>			<b>588,867</b>
Owners Equity:			
Capital Stock	-		
Paid In Capital	496,344		
Retained Earnings	366,447		
<b>Total Owners Equity</b>		862,791	862,791
<b>Total Liabilities &amp; Capital</b>			<b>1,451,658</b>