

Business Plan

ABC Restaurant

James Smith

1234 Main Street
Vancouver BC

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Table: Startup

<i>Startup</i>	
Requirements	
Startup Expenses	
Legal and Accounting Costs	\$1,500
Printing	\$500
Office Supplies	\$200
Office Equipment	\$1,500
Advertising	\$1,000
Utility Deposits	\$1,000
Miscellaneous	\$2,500
Total Startup Expenses	\$8,200
Startup Assets	
Cash Required	\$32,544
Startup Inventory	\$6,000
Other Current Assets	\$5,000
Long-term Assets	\$20,000
Total Assets	\$63,544
Total Requirements	\$71,744

Chart: Startup

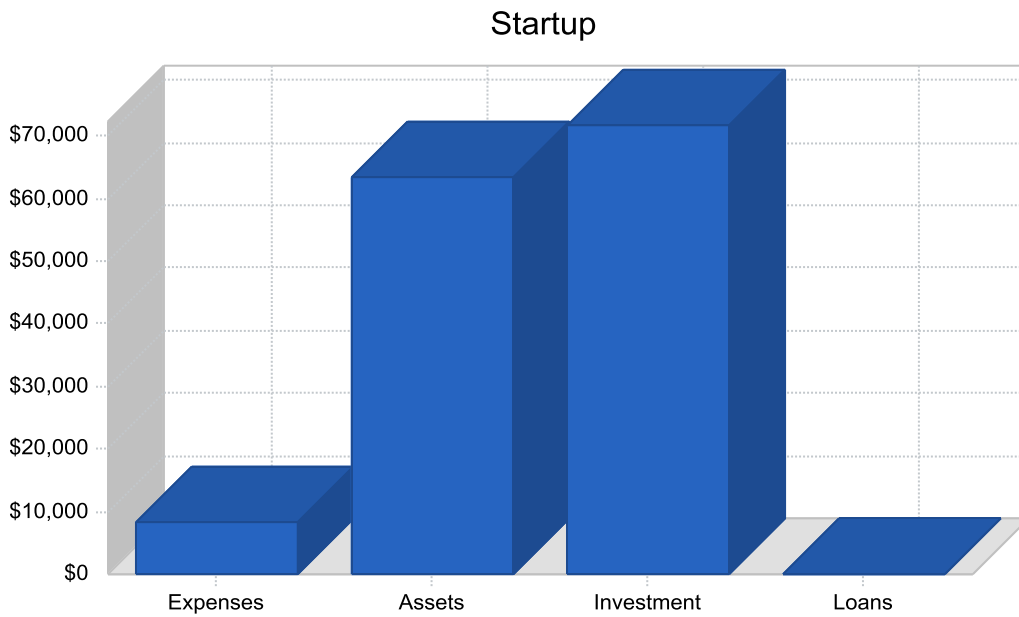


Table: Startup Funding

<i>Startup Funding</i>	
Startup Expenses to Fund	\$8,200
Startup Assets to Fund	\$63,544
Total Funding Required	\$71,744
Assets	
Non-cash Assets from Startup	\$31,000
Cash Requirements from Startup	\$32,544
Cash Balance on Starting Date	\$32,544
Total Assets	\$63,544
Capital	
Planned Investment	
Owner Equity	\$71,744
Total Planned Investment	\$71,744
Loss at Startup (Startup Expenses)	(\$8,200)
Total Capital	\$63,544
Total Capital and Liabilities	\$63,544
Total Funding	\$71,744

Table: Sales Forecast

<i>Sales Forecast</i>			
	Year 1	Year 2	Year 3
Sales			
Lunch	\$89,000	\$102,060	\$103,081
Dinner	\$205,500	\$236,250	\$238,613
Liquor	\$34,000	\$37,800	\$38,178
Total Sales	\$328,500	\$376,110	\$379,871
Direct Cost of Sales			
	Year 1	Year 2	Year 3
Lunch	\$31,150	\$34,700	\$34,700
Dinner	\$71,925	\$80,325	\$80,325
Liquor	\$8,500	\$9,180	\$9,180
Subtotal Direct Cost of Sales	\$111,575	\$124,205	\$124,205

Chart: Sales Monthly

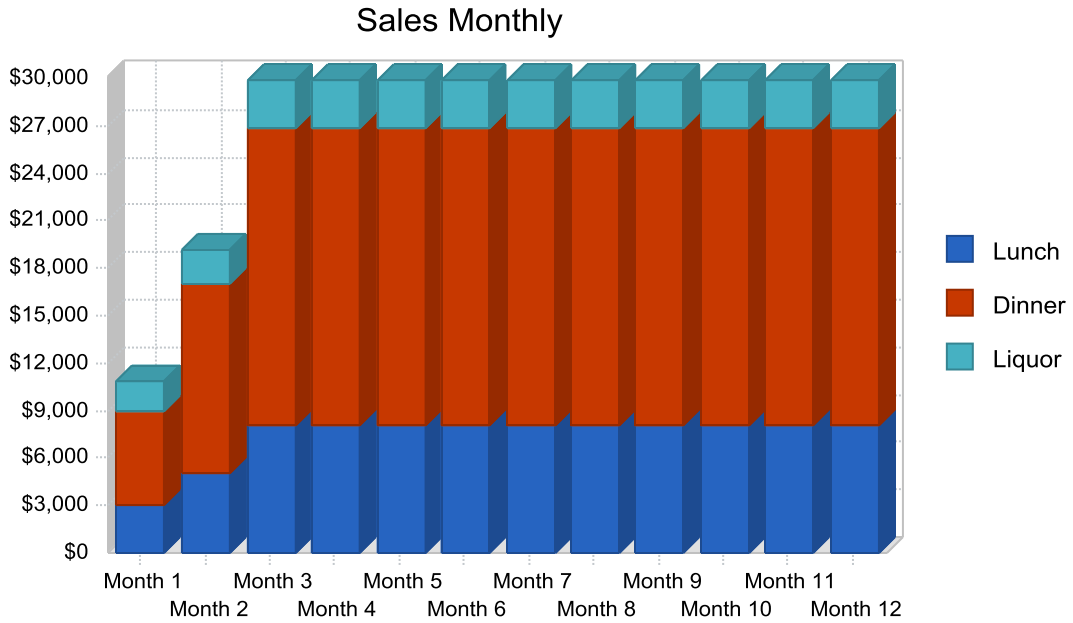


Chart: Sales by Year

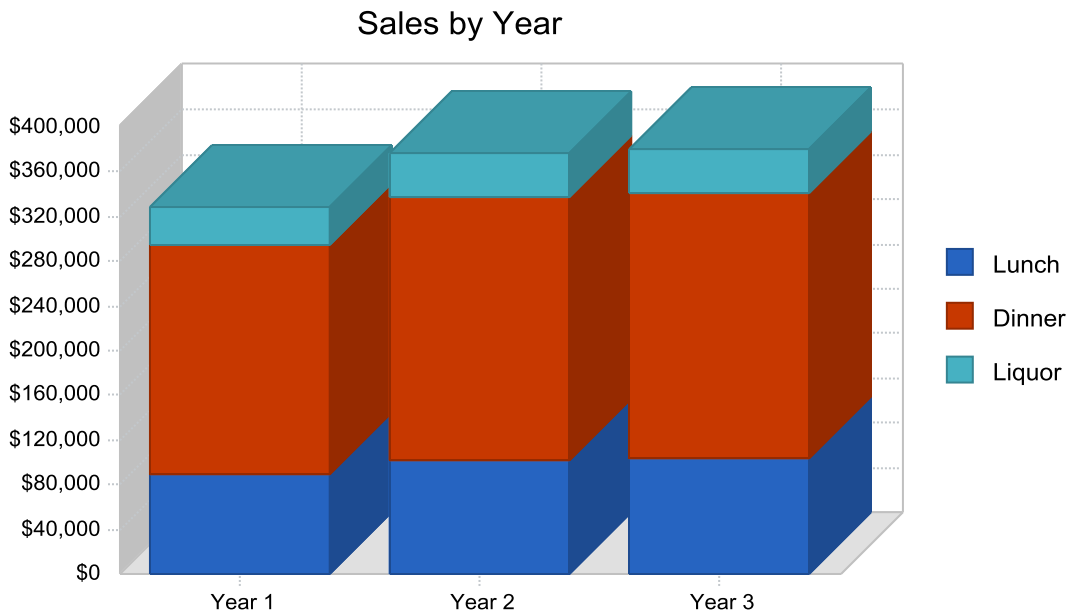


Table: Inventory Detail

<i>Inventory Detail</i>	Year 1	Year 2	Year 3
Months of Inventory On Hand	0.26	0.28	0.28
Minimum Inventory Purchase			
Inventory Balance			
Beginning Inventory Balance	\$6,000	\$2,537	\$3,226
Less Inventory Used as COGS	\$111,575	\$124,205	\$124,205
Plus Inventory Purchase	\$108,112	\$124,895	\$123,877
Ending Inventory Balance	\$2,537	\$3,226	\$2,898

Table: Payment Detail

<i>Payment Detail</i>	Year 1	Year 2	Year 3
Payment Delay in Days	10	10	10
Payables			
Beginning Payables Balance	\$0	\$5,746	\$6,644
Plus New Payment Obligations	\$298,210	\$332,128	\$331,724
Less Cash Spending	\$89,640	\$89,640	\$89,640
Less Bill Payments	\$202,824	\$241,590	\$242,095
Ending Payables Balance	\$5,746	\$6,644	\$6,632

Table: Personnel

<i>Personnel Plan</i>	Year 1	Year 2	Year 3
Wait Staff 1	\$17,280	\$17,280	\$17,280
Wait Staff 2	\$17,280	\$17,280	\$17,280
Wait Staff 3	\$10,800	\$10,800	\$10,800
Kitchen Staff 1	\$17,220	\$17,220	\$17,220
Kitchen Staff 2	\$17,220	\$17,220	\$17,220
Kitchen Staff 3	\$9,840	\$9,840	\$9,840
Total People	6	6	6
Total Payroll	\$89,640	\$89,640	\$89,640

Table: Break-even Analysis

<i>Break-even Analysis</i>	
Monthly Revenue Break-even	\$23,753
Assumptions:	
Average Percent Variable Cost	34%
Estimated Monthly Fixed Cost	\$15,685

Table: Profit and Loss

<i>Pro Forma Profit and Loss</i>	Year 1	Year 2	Year 3
Sales	\$328,500	\$376,110	\$379,871
Direct Cost of Sales	\$111,575	\$124,205	\$124,205
Other	\$0	\$0	\$0
Total Cost of Sales	\$111,575	\$124,205	\$124,205
Gross Margin	\$216,925	\$251,905	\$255,666
Gross Margin %	66.04%	66.98%	67.30%
Expenses			
Payroll	\$89,640	\$89,640	\$89,640
Payroll Tax	\$6,633	\$6,633	\$6,633
Depreciation	\$2,000	\$3,600	\$2,880
Advertising	\$4,800	\$4,800	\$4,800
Rent	\$36,000	\$39,600	\$39,600
Hydro	\$3,000	\$3,000	\$3,000
Telephone	\$900	\$900	\$900
Management Fees	\$30,000	\$40,000	\$40,000
Natural Gas	\$4,800	\$4,800	\$4,800
Professional Fees	\$3,000	\$3,000	\$3,000
Business License	\$250	\$250	\$260
Insurance	\$0	\$1,000	\$1,000
Maintenance	\$1,200	\$1,200	\$1,200
Miscellaneous	\$6,000	\$6,000	\$6,000
Total Operating Expenses	\$188,223	\$204,423	\$203,713
Profit Before Interest and Taxes	\$28,702	\$47,481	\$51,952
EBITDA	\$30,702	\$51,081	\$54,832
Taxes Incurred	\$3,875	\$6,410	\$7,014
Net Profit	\$24,827	\$41,071	\$44,939
Net Profit/Sales	7.56%	10.92%	11.83%

Chart: Profit Monthly

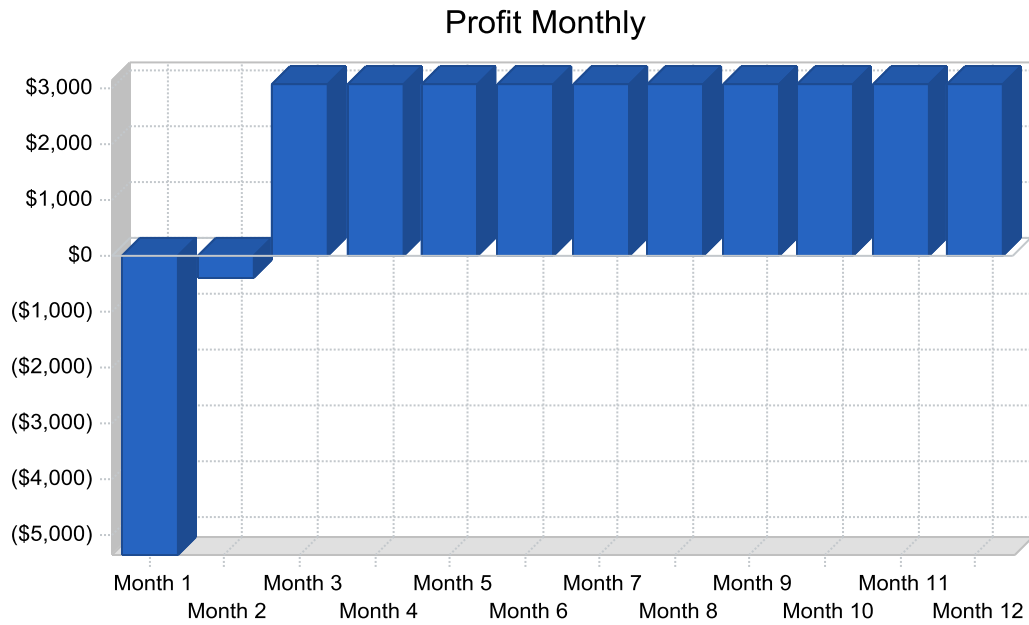


Chart: Profit Yearly

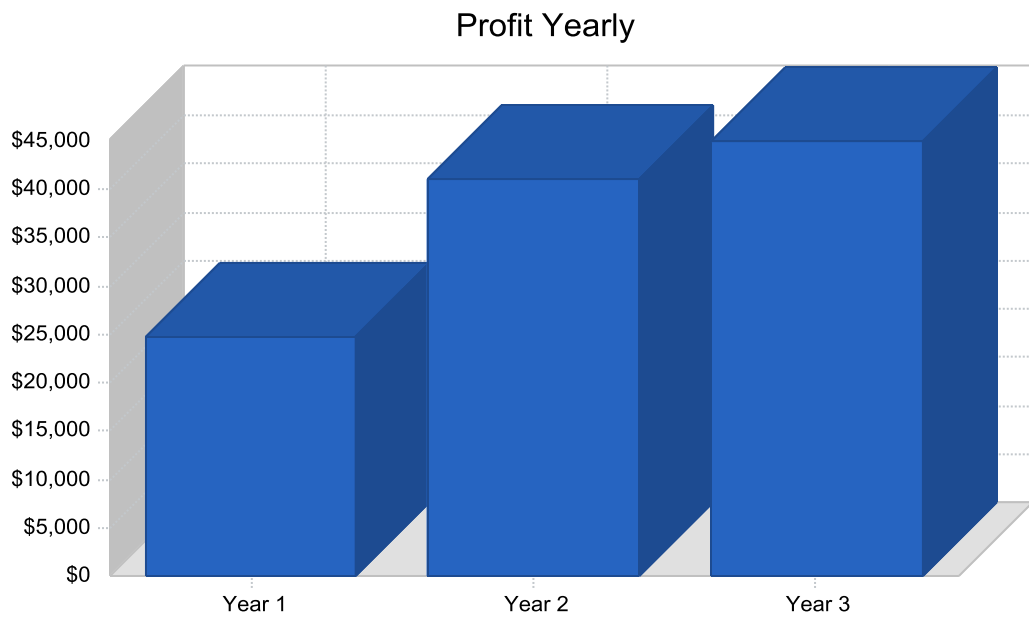


Chart: Gross Margin Monthly

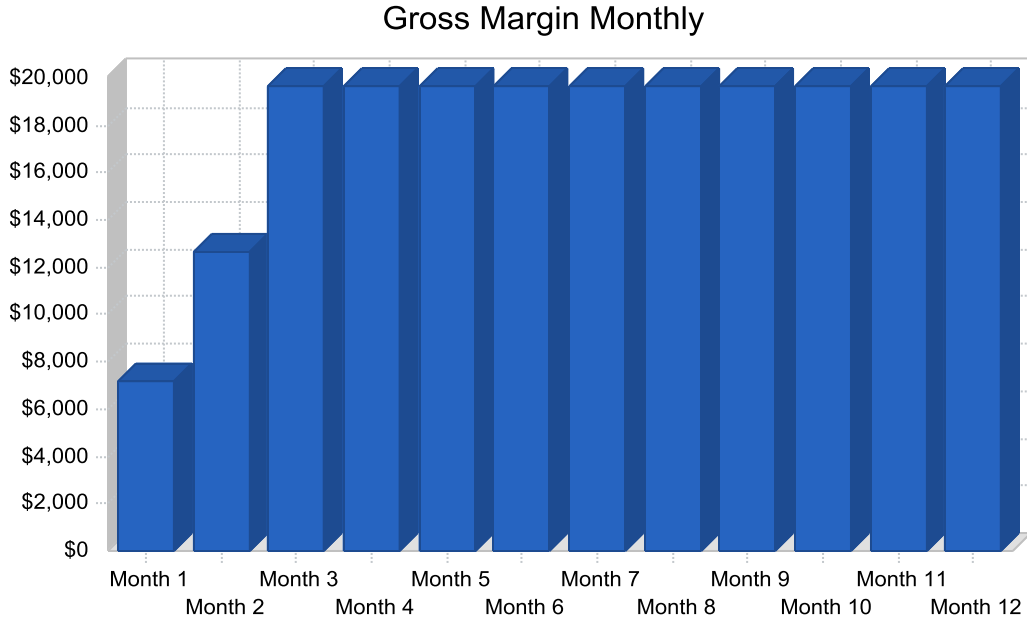


Chart: Gross Margin Yearly

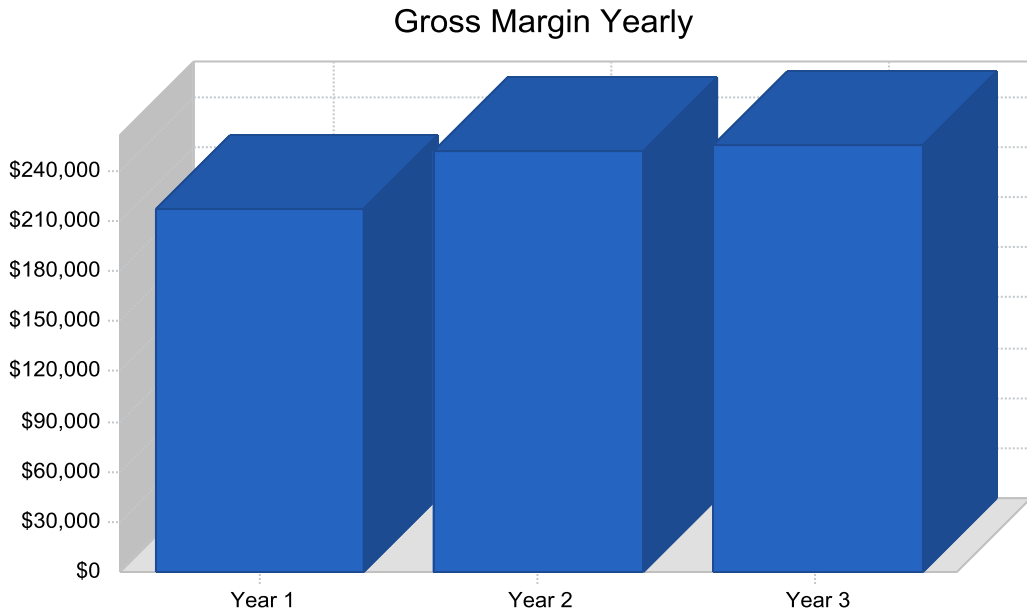


Table: Cash Flow

<i>Pro Forma Cash Flow</i>		Year 1	Year 2	Year 3
Cash Received				
Cash from Operations				
Cash Sales		\$328,500	\$376,110	\$379,871
Subtotal Cash from Operations		\$328,500	\$376,110	\$379,871
Additional Cash Received				
Subtotal Cash Received		\$328,500	\$376,110	\$379,871
Expenditures		Year 1	Year 2	Year 3
Expenditures from Operations				
Cash Spending		\$89,640	\$89,640	\$89,640
Bill Payments		\$202,824	\$241,590	\$242,095
Subtotal Spent on Operations		\$292,464	\$331,230	\$331,735
Subtotal Cash Spent		\$292,464	\$331,230	\$331,735
Net Cash Flow		\$36,036	\$44,880	\$48,136
Cash Balance		\$68,580	\$113,460	\$161,595

Chart: Cash

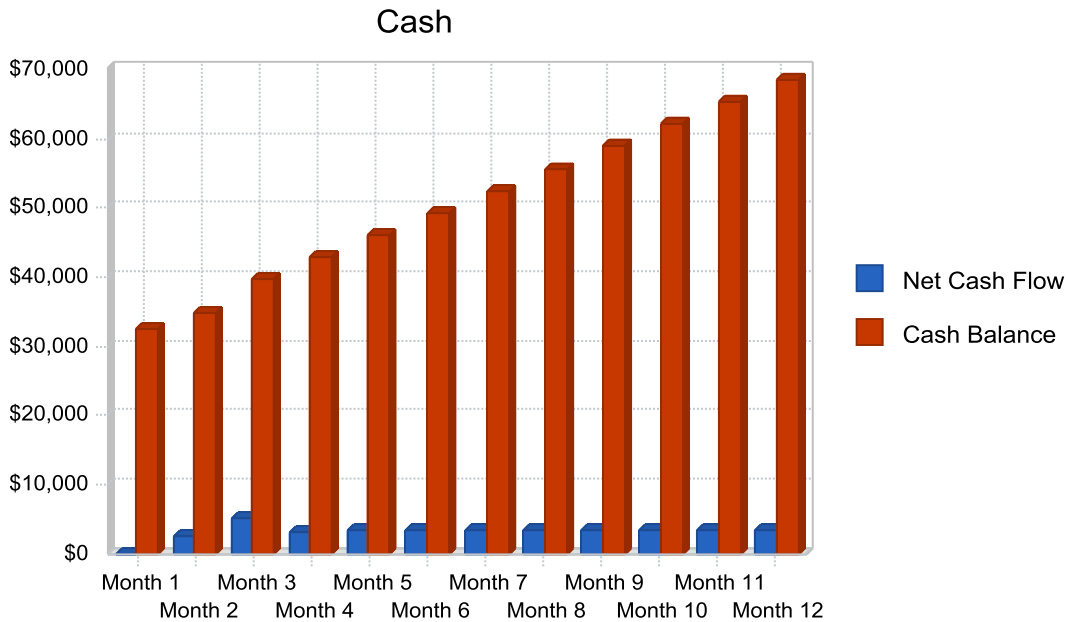


Table: Balance Sheet

<i>Pro Forma Balance Sheet</i>	Year 1	Year 2	Year 3
Assets			
Current Assets			
Cash	\$68,580	\$113,460	\$161,595
Inventory	\$2,537	\$3,226	\$2,898
Other Current Assets	\$5,000	\$5,000	\$5,000
Total Current Assets	\$76,117	\$121,686	\$169,493
Long-term Assets			
Long-term Assets	\$20,000	\$20,000	\$20,000
Accumulated Depreciation	\$2,000	\$5,600	\$8,480
Total Long-term Assets	\$18,000	\$14,400	\$11,520
Total Assets	\$94,117	\$136,086	\$181,013
Liabilities and Capital	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	\$5,746	\$6,644	\$6,632
Subtotal Current Liabilities	\$5,746	\$6,644	\$6,632
Total Liabilities	\$5,746	\$6,644	\$6,632
Paid-in Capital	\$71,744	\$71,744	\$71,744
Retained Earnings	(\$8,200)	\$16,627	\$57,698
Earnings	\$24,827	\$41,071	\$44,939
Total Capital	\$88,371	\$129,442	\$174,381
Total Liabilities and Capital	\$94,117	\$136,086	\$181,013
Net Worth	\$88,371	\$129,442	\$174,381

Appendix

Table: Sales Forecast

<i>Sales Forecast</i>	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Sales												
Lunch	\$3,000	\$5,000	\$8,100	\$8,100	\$8,100	\$8,100	\$8,100	\$8,100	\$8,100	\$8,100	\$8,100	\$8,100
Dinner	\$6,000	\$12,000	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750
Liquor	\$1,800	\$2,200	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Total Sales	\$10,800	\$19,200	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850
Direct Cost of Sales												
Lunch	\$1,050	\$1,750	\$2,835	\$2,835	\$2,835	\$2,835	\$2,835	\$2,835	\$2,835	\$2,835	\$2,835	\$2,835
Dinner	\$2,100	\$4,200	\$6,563	\$6,563	\$6,563	\$6,563	\$6,563	\$6,563	\$6,563	\$6,563	\$6,563	\$6,563
Liquor	\$450	\$550	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Subtotal Direct Cost of Sales	\$3,600	\$6,500	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148

Appendix

Table: Personnel

<i>Personnel Plan</i>	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Wait Staff 1	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440
Wait Staff 2	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440
Wait Staff 3	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900
Kitchen Staff 1	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435
Kitchen Staff 2	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435	\$1,435
Kitchen Staff 3	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820
Total People	6	6	6	6	6	6	6	6	6	6	6	6
Total Payroll	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470

Appendix

Table: Profit and Loss

<i>Pro Forma Profit and Loss</i>	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Sales	\$10,800	\$19,200	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850
Direct Cost of Sales	\$3,600	\$6,500	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148
Total Cost of Sales	\$3,600	\$6,500	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148	\$10,148
Gross Margin	\$7,200	\$12,700	\$19,703	\$19,703	\$19,703	\$19,703	\$19,703	\$19,703	\$19,703	\$19,703	\$19,703	\$19,703
Gross Margin %	66.67%	66.15%	66.01%	66.01%	66.01%	66.01%	66.01%	66.01%	66.01%	66.01%	66.01%	66.01%
Expenses												
Payroll	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470
Payroll Tax	\$553	\$553	\$553	\$553	\$553	\$553	\$553	\$553	\$553	\$553	\$553	\$553
Depreciation	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$166	\$170	\$170
Advertising	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Rent	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Hydro	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Telephone	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75
Management Fees	\$0	\$0	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Natural Gas	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Professional Fees	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Business License	\$250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Miscellaneous	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Total Operating Expenses	\$13,414	\$13,164	\$16,164	\$16,164	\$16,164	\$16,164	\$16,164	\$16,164	\$16,164	\$16,164	\$16,168	\$16,168
Profit Before Interest and Taxes	(\$6,214)	(\$464)	\$3,539	\$3,539	\$3,539	\$3,539	\$3,539	\$3,539	\$3,539	\$3,539	\$3,535	\$3,535
EBITDA	(\$6,048)	(\$298)	\$3,705	\$3,705	\$3,705	\$3,705	\$3,705	\$3,705	\$3,705	\$3,705	\$3,705	\$3,705
Taxes Incurred	(\$839)	(\$63)	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$477	\$477
Net Profit	(\$5,375)	(\$401)	\$3,061	\$3,061	\$3,061	\$3,061	\$3,061	\$3,061	\$3,061	\$3,061	\$3,058	\$3,058
Net Profit/Sales	-49.77%	-2.09%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.25%	10.24%	10.24%

Appendix

Table: Cash Flow

<i>Pro Forma Cash Flow</i>	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Cash Received												
Cash from Operations												
Cash Sales	\$10,800	\$19,200	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850
Subtotal Cash from Operations	\$10,800	\$19,200	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850
Additional Cash Received												
Subtotal Cash Received	\$10,800	\$19,200	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850	\$29,850
Expenditures	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Expenditures from Operations												
Cash Spending	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470	\$7,470
Bill Payments	\$3,457	\$9,315	\$17,402	\$19,427	\$19,153	\$19,153	\$19,153	\$19,153	\$19,153	\$19,153	\$19,153	\$19,152
Subtotal Spent on Operations	\$10,927	\$16,785	\$24,872	\$26,897	\$26,623	\$26,623	\$26,623	\$26,623	\$26,623	\$26,623	\$26,623	\$26,622
Additional Cash Spent												
Subtotal Cash Spent	\$10,927	\$16,785	\$24,872	\$26,897	\$26,623	\$26,623	\$26,623	\$26,623	\$26,623	\$26,623	\$26,623	\$26,622
Net Cash Flow	(\$127)	\$2,415	\$4,978	\$2,953	\$3,227	\$3,227	\$3,227	\$3,227	\$3,227	\$3,227	\$3,227	\$3,228
Cash Balance	\$32,417	\$34,832	\$39,809	\$42,763	\$45,990	\$49,217	\$52,444	\$55,671	\$58,898	\$62,125	\$65,352	\$68,580

Appendix

Table: Balance Sheet

<i>Pro Forma Balance Sheet</i>													
	Starting Balances	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Assets													
Current Assets													
Cash	\$32,544	\$32,417	\$34,832	\$39,809	\$42,763	\$45,990	\$49,217	\$52,444	\$55,671	\$58,898	\$62,125	\$65,352	\$68,580
Inventory	\$6,000	\$2,400	\$1,625	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537
Other Current Assets	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Total Current Assets	\$43,544	\$39,817	\$41,457	\$47,346	\$50,300	\$53,527	\$56,754	\$59,981	\$63,208	\$66,435	\$69,662	\$72,889	\$76,117
Long-term Assets													
Long-term Assets	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Accumulated Depreciation	\$0	\$166	\$332	\$498	\$664	\$830	\$996	\$1,162	\$1,328	\$1,494	\$1,660	\$1,830	\$2,000
Total Long-term Assets	\$20,000	\$19,834	\$19,668	\$19,502	\$19,336	\$19,170	\$19,004	\$18,838	\$18,672	\$18,506	\$18,340	\$18,170	\$18,000
Total Assets	\$63,544	\$59,651	\$61,125	\$66,848	\$69,636	\$72,697	\$75,758	\$78,819	\$81,880	\$84,941	\$88,002	\$91,059	\$94,117
Liabilities and Capital													
Current Liabilities													
Accounts Payable	\$0	\$1,482	\$3,357	\$6,019	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746
Subtotal Current Liabilities	\$0	\$1,482	\$3,357	\$6,019	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746
Total Liabilities	\$0	\$1,482	\$3,357	\$6,019	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746	\$5,746
Paid-in Capital													
Paid-in Capital	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744	\$71,744
Retained Earnings	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)	(\$8,200)
Earnings	\$0	(\$5,375)	(\$5,776)	(\$2,715)	\$346	\$3,407	\$6,468	\$9,529	\$12,590	\$15,651	\$18,712	\$21,769	\$24,827
Total Capital	\$63,544	\$58,169	\$57,768	\$60,829	\$63,890	\$66,951	\$70,012	\$73,073	\$76,134	\$79,195	\$82,256	\$85,313	\$88,371
Total Liabilities and Capital	\$63,544	\$59,651	\$61,125	\$66,848	\$69,636	\$72,697	\$75,758	\$78,819	\$81,880	\$84,941	\$88,002	\$91,059	\$94,117
Net Worth	\$63,544	\$58,169	\$57,768	\$60,829	\$63,890	\$66,951	\$70,012	\$73,073	\$76,134	\$79,195	\$82,256	\$85,313	\$88,371