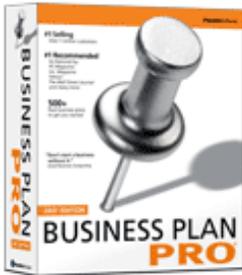




Studio 67 Restaurant – Sample Plan



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Table of Contents

1.0 Executive Summary	1
1.1 Objectives	2
1.2 Mission	2
2.0 Company Summary	2
2.1 Company Ownership	3
2.2 Start-up Summary	3
3.0 Services	4
4.0 Market Analysis Summary	5
4.1 Market Segmentation	5
5.0 Strategy and Implementation Summary	6
5.1 Competitive Edge	6
5.2 Sales Strategy	7
6.0 Management Summary	8
6.1 Personnel Plan	8
7.0 Financial Plan	9
7.1 Break-even Analysis	9
7.2 Projected Profit and Loss	10
7.3 Projected Cash Flow	11
7.4 Projected Balance Sheet	13
7.5 Business Ratios	13

Studio67 Restaurant — Sample Plan

1.0 Executive Summary

Studio67 is a new medium-sized restaurant located in a trendy neighborhood of Portland, Oregon. Studio67's emphasis will be on organic and creative ethnic food. An emphasis on organic ingredients is based on Studio67's dedication to sustainable development. Additionally, the restaurant procures local foods when possible, reducing their dependence on fossil fuels used for transportation.

Services

Studio67 offers Portlanders a trendy, fun place to have great food in a social environment. Chef Mario Langostino has a large repertoire of ethnic ingredients and recipes. Studio67 forecasts that the majority of purchases will be from the chef's recommendations. Ethnic recipes will be used to provide the customers with a diverse, unusual menu. Chef Mario will also be emphasizing healthy dishes, recognizing the trend within the restaurant industry for the demand for healthy cuisine.

Customers

Studio67 believes that the market can be segmented into four distinct groups that it aims to target. The first group is the lonely rich which number 400,000 people. The second group that will be targeted is young happy customers which are growing at an annual rate of 8% with 150,000 potential customers. The third group is rich hippies who naturally desire organic foods as well as ethnic cuisine. The last group which is particularly interested in the menu's healthy offerings is dieting women which number 350,000 in the Portland area.

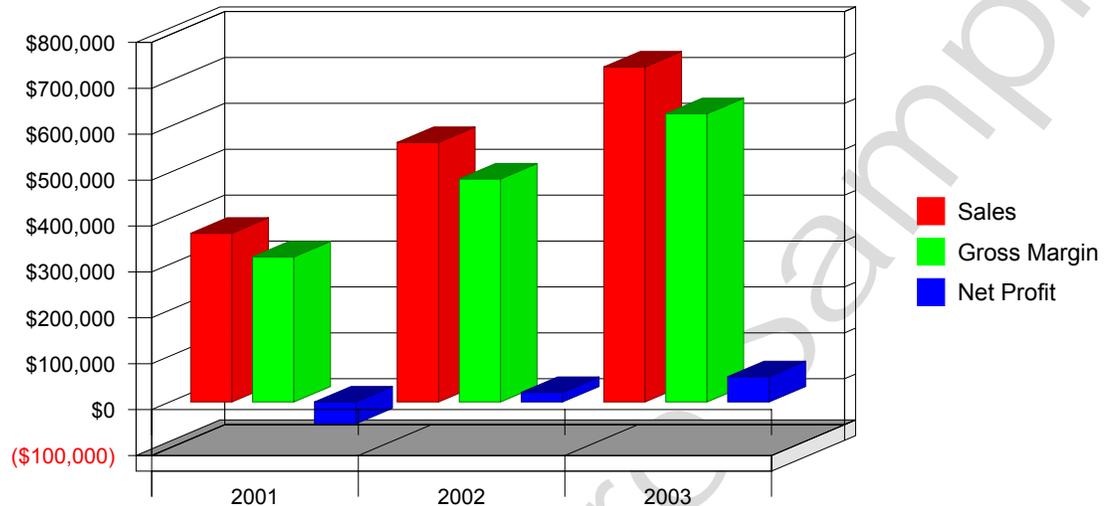
Management

Studio67 has assembled a strong management team. Andrew Flounderson will be the general manager. Andrew has extensive management experience of organizations ranging from six to 45 people. Jane Flap will be responsible for all of the finance and accounting functions. Jane has seven years experience as an Arthur Andersen CPA. Jane's financial control skills will be invaluable in keeping Studio67 on track and profitable. Lastly, Studio67 has chef Marion Langostino who will be responsible for the back-end production of the venture. Chef Mario has over 12 years of experience and is a published, visible fixture in the Portland community.

Most important to Studio67 is the financial success which will be achieved through strict financial controls. Additionally, success will be ensured by offering a high-quality service and extremely clean, non-greasy food with interesting twists. Studio67 does plan to raise menu rates as the restaurant gets more and more crowded, and to make sure that they are charging a premium for the feeling of being in the "in crowd."

The market and financial analyses indicate that with a start-up expenditure of \$141,000, Studio67 can generate \$350,000 in sales by year one, \$500,000 in sales by the end of year two and produce net profits of 7.5% on sales by the end of year three. Profitability will be reached by year two.

Highlights



1.1 Objectives

1. Sales of \$350K the first year, more than half a million the second.
2. Personnel costs less than \$300K the first year, less than \$400K the second year.
3. Profitable in year two, better than 7.5% profits on sales by year three.

1.2 Mission

Studio67 is a great place to eat, combining an intriguing atmosphere with excellent, interesting food that is also very good for the people who eat there. We want fair profit for the owners, and a rewarding place to work for the employees.

2.0 Company Summary

Studio67 is a single-unit, medium-sized restaurant. We focus on organic and creative food. The restaurant will be located in a prime neighborhood of Portland. Most important to us is our financial success, but we believe this will be achieved by offering high-quality service and extremely clean, non-greasy food with interesting twists.

Studio67 Restaurant — Sample Plan

2.1 Company Ownership

The restaurant will start out as a simple sole proprietorship, owned by its founders.

2.2 Start-up Summary

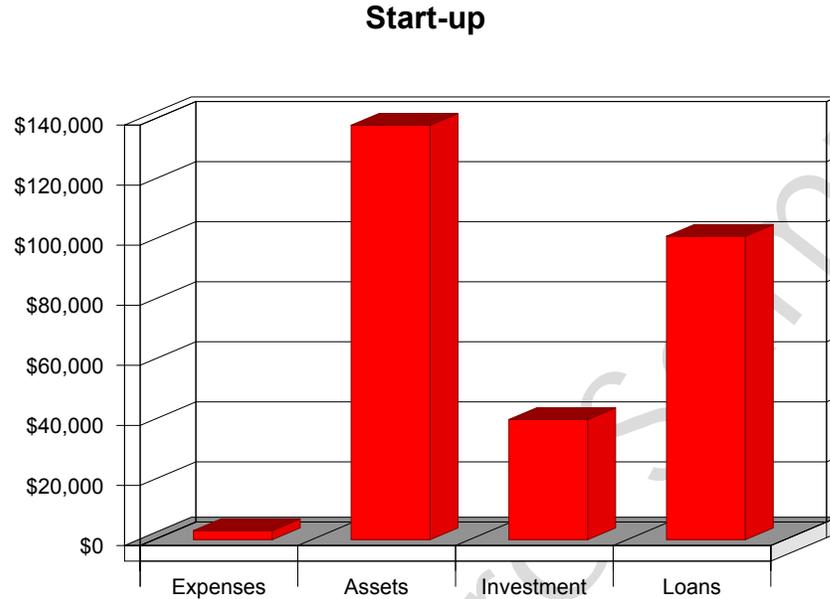
The founders of the company are Andrew Flounderson and his companion Jane Flap. Jane focuses on the financial issues and Andrew on the personnel issues. Jane earned her business major undergraduate degree from the University of Berkeley.

We have found the location and secured the lease for \$2,000 per month. We will be able to set up shop in time to begin turning back a profit by the end of month eleven and be profitable in the second year. The place is already equipped as a restaurant so we plan to come up with a total of \$40,000 in capital, plus a \$100,000 SBA-guaranteed loan, to start up the company.

Table: Start-up

Start-up	
Requirements	
Start-up Expenses	
Legal	\$1,000
Stationery etc.	\$1,000
Other	\$1,000
Total Start-up Expenses	\$3,000
Start-up Assets Needed	
Cash Balance on Starting Date	\$88,000
Other Current Assets	\$50,000
Total Current Assets	\$138,000
Long-term Assets	\$0
Total Assets	\$138,000
Total Requirements	\$141,000
Funding	
Investment	
Investor 1	\$25,000
Investor 2	\$15,000
Total Investment	\$40,000
Current Liabilities	
Accounts Payable	\$1,000
Current Liabilities	\$1,000
Long-term Liabilities	\$100,000
Total Liabilities	\$101,000
Loss at Start-up	(\$3,000)
Total Capital	\$37,000
Total Capital and Liabilities	\$138,000

Studio67 Restaurant — Sample Plan



3.0 Services

The Menu

The menu is going to be extremely simple but changing every day. We will keep a small group of constants on the menu and then feature a chef's recommendation that we plan to have 85% of meals ordering. This will help us to reduce waste and plan ingredients and purchasing.

Organic Ingredients

The organic ingredient element will allow us to price to the extremely wealthy Internet entrepreneurs who are looking to spend an exorbitant amount of money to have peace of mind that their money is still coming back to themselves. We will be extremely ecologically conscious as well, and spread this across our literature. Eating at Studio67 will feel like having contributed to the Sierra Club and drinking fresh squeezed orange juice.

Ethnic Ingredients and Recipes

Our chef will have great latitude in designing and producing menu offerings from many different world cultures. We will endeavor to procure all the traditional, authentic ingredients necessary to hold true to these varied and interesting cultural recipes.

Interior Accoutrements

People need to keep life interesting, and our artwork will reflect the world influences that are core to the attitude of the Studio67 chef.

4.0 Market Analysis Summary

Because of the founders' connections within the very trendy area of Portland, we have an excellent feel for the area and its core group of customers. They will all share something alike, which is a feeling of being in the "in crowd" and having "gotten it" in life. Although the crew will be different and not connect with each other in each segment, each segment is complementary to the others. We do plan to raise menu rates as the restaurant gets more and more crowded, and to make sure we are charging a premium for the feeling of being in the "in crowd."

4.1 Market Segmentation

The Lonely Rich

Most of the lonely rich are tech workers these days, and most of those tech workers are Internet workers. Their life has become their website servers and code they write, and the people who help them to make the decisions in that world. They hang out with each other, but desperately want to get away from it and use the money they are racking up. Because this wealth has come fairly easily for them, it is particularly easy to separate them from their money again—they spend the most on drinks, appetizers and tips.

Young Happy Couples

The restaurant will have an atmosphere that encourages people to bring dates and to have couples arrive. It won't be awkward for others, and Studio67 does want to be a social place where people meet each other and develop a network. These young couples are generally very successful but balanced and won't be spending as much on drinks.

The Rich Hippies

The rich hippies in Portland are a massive group with tremendous influence over the city's government and private enterprise. They wear tie-die but drive BMWs and crave the feeling of being in a social circle that is changing the world—even if in different ways than in their glory days. We will cater to their ecological ideology and contribute to charities to help them part with more of their money.

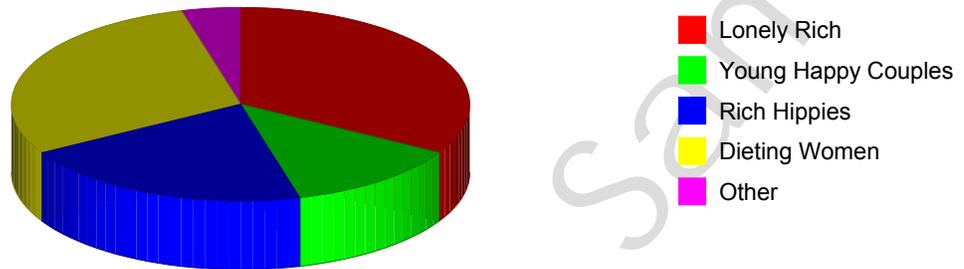
Dieting Women

The organic food menu will always have a line of extremely delicious very low-fat meals. Studio67 will have tables of women meeting like they do in shows like *Sex and the City*, to discuss all types of matters while feeling good about the food they eat.

Table: Market Analysis

Market Analysis	Growth	2001	2002	2003	2004	2005	CAGR
Potential Customers							
Lonely Rich	10%	400,000	440,000	484,000	532,400	585,640	10.00%
Young Happy Couples	8%	150,000	162,000	174,960	188,957	204,074	8.00%
Rich Hippies	6%	250,000	265,000	280,900	297,754	315,619	6.00%
Dieting Women	7%	350,000	374,500	400,715	428,765	458,779	7.00%
Other	5%	50,000	52,500	55,125	57,881	60,775	5.00%
Total	7.87%	1,200,000	1,294,000	1,395,700	1,505,757	1,624,887	7.87%

Market Analysis (Pie)



5.0 Strategy and Implementation Summary

Our strategy is simple, we intend to succeed by giving people a combination of great, healthy, interesting food, and an environment that attracts "trendy" people like a magnet. Implementation isn't simple, but that's in the doing of it, not in the plan.

5.1 Competitive Edge

Our competitive edge is the menu, the chef, the environment, and the tie-in to what's trendy.

Studio67 Restaurant — Sample Plan

5.2 Sales Strategy

As the table shows, we intend to deliver sales of about \$350K in the first year, and to double that by the third year of the plan.

Sales Monthly

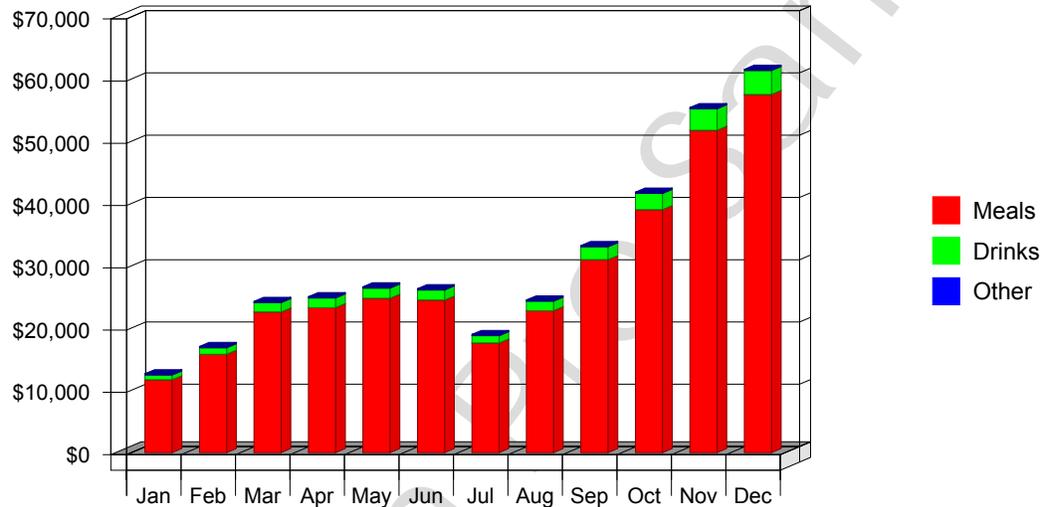


Table: Sales Forecast

Sales Forecast			
Unit Sales	2001	2002	2003
Meals	22,822	35,000	45,000
Drinks	11,415	17,500	22,500
Other	240	500	1,000
Total Unit Sales	34,477	53,000	68,500
Unit Prices	2001	2002	2003
Meals	\$15.00	\$15.00	\$15.00
Drinks	\$2.00	\$2.00	\$2.00
Other	\$10.00	\$10.00	\$10.00
Sales			
Meals	\$342,330	\$525,000	\$675,000
Drinks	\$22,830	\$35,000	\$45,000
Other	\$2,400	\$5,000	\$10,000
Total Sales	\$367,560	\$565,000	\$730,000
Direct Unit Costs	2001	2002	2003
Meals	\$2.00	\$2.00	\$2.00
Drinks	\$0.50	\$0.50	\$0.50
Other	\$1.00	\$1.00	\$1.00
Direct Cost of Sales	2001	2002	2003
Meals	\$45,644	\$70,000	\$90,000
Drinks	\$5,708	\$8,750	\$11,250
Other	\$240	\$500	\$1,000
Subtotal Direct Cost of Sales	\$51,592	\$79,250	\$102,250

Studio67 Restaurant — Sample Plan

6.0 Management Summary

Andrew has great experience managing personnel and we are quite confident of his ability to find the best staff possible. Our chef, Mario Langostino, is already on board and has a published cookbook that will add prestige to the restaurant immediately. We will be looking to find a young, ultra-hip staff to make sure we add the edge that makes Studio67 so trendy.

6.1 Personnel Plan

As the personnel plan shows, we expect to invest in a good team, fairly compensated. We think the planned staff is in good proportion to the size of the restaurant and projected revenues.

Table: Personnel

Personnel Plan	2001	2002	2003
Manager	\$60,000	\$65,000	\$70,000
Hostess	\$42,000	\$45,000	\$50,000
Chef	\$54,000	\$60,000	\$65,000
Cleaning	\$30,000	\$35,000	\$40,000
Waiters	\$72,000	\$100,000	\$130,000
Other	\$24,000	\$52,000	\$55,000
Total People	8	10	12
Total Payroll	\$282,000	\$357,000	\$410,000

Studio67 Restaurant — Sample Plan

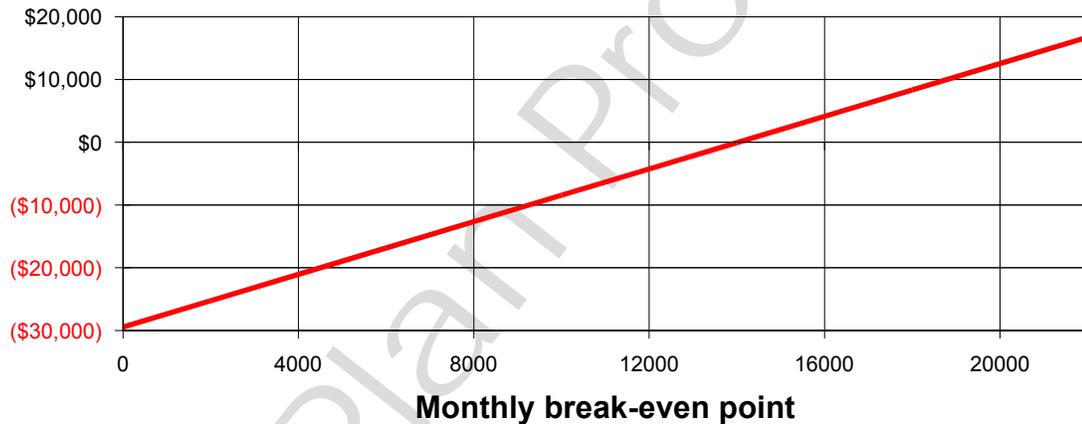
7.0 Financial Plan

We expect to raise \$30,000 of our own capital, and to borrow \$100,000 guaranteed by the SBA as a 10-year loan. This provides the bulk of the start-up financing required.

7.1 Break-even Analysis

Our break-even analysis is based on the average of the first-year numbers for total sales by meal served, total cost of sales, and all operating expenses. These are presented as per-unit revenue, per-unit cost, and fixed costs. We realize that this is not really the same as fixed cost, but these conservative assumptions make for a better estimate of real risk.

Break-even Analysis



Break-even point = where line intersects with 0

Table: Break-even Analysis

Break-even Analysis:	
Monthly Units Break-even	14,028
Monthly Revenue Break-even	\$146,453
Assumptions:	
Average Per-Unit Revenue	\$10.44
Average Per-Unit Variable Cost	\$8.34
Estimated Monthly Fixed Cost	\$29,459

Studio67 Restaurant — Sample Plan

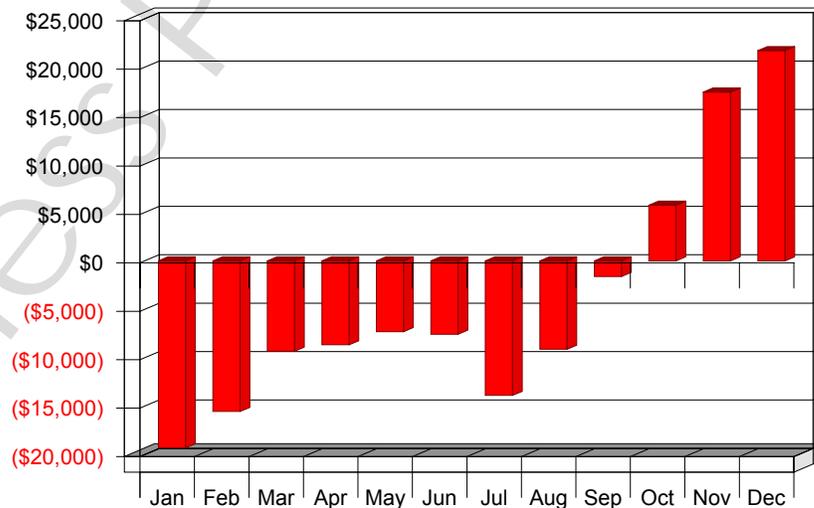
7.2 Projected Profit and Loss

As the profit and loss table shows, we expect to become barely profitable in the second year of business, and to make an acceptable profit in the third year.

Table: Profit and Loss

Pro Forma Profit and Loss			
	2001	2002	2003
Sales	\$367,560	\$565,000	\$730,000
Direct Cost of Sales	\$51,592	\$79,250	\$102,250
Production Payroll	\$0	\$0	\$0
Other	\$0	\$0	\$0
	-----	-----	-----
Total Cost of Sales	\$51,592	\$79,250	\$102,250
Gross Margin	\$315,969	\$485,750	\$627,750
Gross Margin %	85.96%	85.97%	85.99%
Expenses:			
Payroll	\$282,000	\$357,000	\$410,000
Sales and Marketing and Other Expenses	\$27,000	\$35,830	\$72,122
Depreciation	\$1,000	\$1,050	\$1,103
Utilities	\$1,200	\$1,260	\$1,323
Payroll Taxes	\$42,300	\$53,550	\$61,500
Other	\$0	\$0	\$0
	-----	-----	-----
Total Operating Expenses	\$353,500	\$448,690	\$546,047
Profit Before Interest and Taxes	(\$37,532)	\$37,060	\$81,703
Interest Expense	\$10,000	\$9,500	\$8,250
Taxes Incurred	\$0	\$6,890	\$18,363
Net Profit	(\$47,532)	\$20,670	\$55,090
Net Profit/Sales	-12.93%	3.66%	7.55%
Include Negative Taxes	FALSE	TRUE	TRUE

Profit Monthly



Studio67 Restaurant — Sample Plan

7.3 Projected Cash Flow

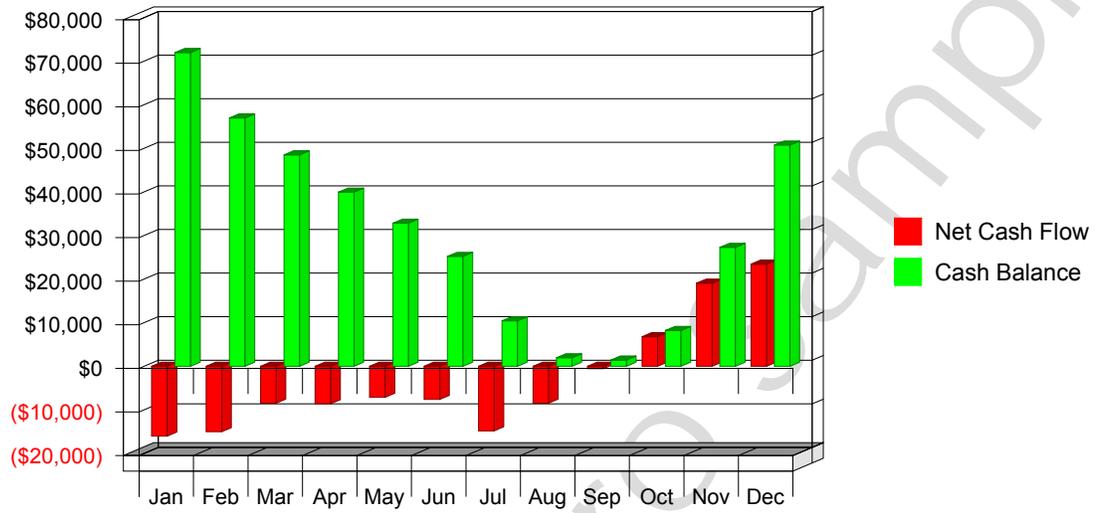
The cash flow projection shows that starting cost and provisions for ongoing expenses are adequate to meet our needs until the business itself generates its own cash flow sufficient to support operations.

Table: Cash Flow

Pro Forma Cash Flow	2001	2002	2003
Cash Received			
Cash from Operations:			
Cash Sales	\$367,560	\$565,000	\$730,000
Cash from Receivables	\$0	\$0	\$0
Subtotal Cash from Operations	\$367,560	\$565,000	\$730,000
Additional Cash Received			
Non Operating (Other) Income	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
Subtotal Cash Received	\$367,560	\$565,000	\$730,000
Expenditures			
Expenditures from Operations:			
Cash Spending	\$8,979	\$13,273	\$20,231
Payment of Accounts Payable	\$395,818	\$525,084	\$645,600
Subtotal Spent on Operations	\$404,797	\$538,357	\$665,831
Additional Cash Spent			
Non Operating (Other) Expense	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$10,000	\$15,000
Purchase Other Current Assets	\$0	\$0	\$0
Subtotal Cash Spent	\$404,797	\$548,357	\$680,831
Net Cash Flow	(\$37,237)	\$16,643	\$49,169
Cash Balance	\$50,763	\$67,405	\$116,574

Studio67 Restaurant — Sample Plan

Cash



Studio67 Restaurant — Sample Plan

7.4 Projected Balance Sheet

The table shows projected balance sheet for three years.

Table: Balance Sheet

Pro Forma Balance Sheet

Assets	2001	2002	2003
Current Assets			
Cash	\$50,763	\$67,405	\$116,574
Other Current Assets	\$50,000	\$50,000	\$50,000
Total Current Assets	\$100,763	\$117,405	\$166,574
Long-term Assets			
Long-term Assets	\$0	\$0	\$0
Accumulated Depreciation	\$1,000	\$2,050	\$3,153
Total Long-term Assets	(\$1,000)	(\$2,050)	(\$3,153)
Total Assets	\$99,763	\$115,355	\$163,422
Liabilities and Capital			
	2001	2002	2003
Accounts Payable	\$10,294	\$15,217	\$23,194
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
Subtotal Current Liabilities	\$10,294	\$15,217	\$23,194
Long-term Liabilities	\$100,000	\$90,000	\$75,000
Total Liabilities	\$110,294	\$105,217	\$98,194
Paid-in Capital	\$40,000	\$40,000	\$40,000
Retained Earnings	(\$3,000)	(\$50,532)	(\$29,862)
Earnings	(\$47,532)	\$20,670	\$55,090
Total Capital	(\$10,532)	\$10,139	\$65,228
Total Liabilities and Capital	\$99,763	\$115,355	\$163,422
Net Worth	(\$10,532)	\$10,139	\$65,228

7.5 Business Ratios

Business ratios for the years of this plan are shown below. Industry Profile ratios based on the Standard Industrial Classification (SIC) code 5813, Eating Places, are shown for comparison.

Studio67 Restaurant — Sample Plan

Table: Ratios

Ratio Analysis	2001	2002	2003	Industry Profile
Sales Growth	0.00%	53.72%	29.20%	7.60%
Percent of Total Assets				
Accounts Receivable	0.00%	0.00%	0.00%	4.50%
Inventory	0.00%	0.00%	0.00%	3.60%
Other Current Assets	50.12%	43.34%	30.60%	35.60%
Total Current Assets	101.00%	101.78%	101.93%	43.70%
Long-term Assets	-1.00%	-1.78%	-1.93%	56.30%
Total Assets	100.00%	100.00%	100.00%	100.00%
Current Liabilities	0.00%	0.00%	0.00%	32.70%
Long-term Liabilities	100.24%	78.02%	45.89%	28.50%
Total Liabilities	100.24%	78.02%	45.89%	61.20%
Net Worth	-0.24%	21.98%	54.11%	38.80%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	85.96%	85.97%	85.99%	60.50%
Selling, General & Administrative Expenses	98.90%	82.32%	78.45%	39.80%
Advertising Expenses	0.65%	1.77%	6.16%	3.20%
Profit Before Interest and Taxes	-10.21%	6.56%	11.19%	0.70%
Main Ratios				
Current	9.79	7.72	7.18	0.98
Quick	9.79	7.72	7.18	0.65
Total Debt to Total Assets	110.56%	91.21%	60.09%	61.20%
Pre-tax Return on Net Worth	451.33%	271.84%	112.61%	1.70%
Pre-tax Return on Assets	-47.64%	23.89%	44.95%	4.30%
Business Vitality Profile				
	2001	2002	2003	Industry
Sales per Employee	\$45,945	\$56,500	\$60,833	\$0
Survival Rate				0.00%
Additional Ratios				
	2001	2002	2003	
Net Profit Margin	-12.93%	3.66%	7.55%	n.a
Return on Equity	0.00%	203.88%	84.46%	n.a
Activity Ratios				
Accounts Receivable Turnover	0.00	0.00	0.00	n.a
Collection Days	0	0	0	n.a
Inventory Turnover	0.00	0.00	0.00	n.a
Accounts Payable Turnover	39.35	34.83	28.18	n.a
Payment Days	5	105	129	
Total Asset Turnover	3.68	4.90	4.47	n.a
Debt Ratios				
Debt to Net Worth	0.00	10.38	1.51	n.a
Current Liab. to Liab.	0.09	0.14	0.24	n.a
Liquidity Ratios				
Net Working Capital	\$90,469	\$102,189	\$143,381	n.a
Interest Coverage	-3.75	3.90	9.90	n.a
Additional Ratios				
Assets to Sales	0.27	0.20	0.22	n.a
Current Debt/Total Assets	10%	13%	14%	n.a
Acid Test	9.79	7.72	7.18	n.a
Sales/Net Worth	0.00	55.73	11.19	n.a
Dividend Payout	0.00	0.00	0.00	n.a

Appendix Studio67 Restaurant — Sample Plan

Appendix Table: Sales Forecast

Sales Forecast												
Unit Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Meals	779	1,053	1,505	1,553	1,652	1,633	1,173	1,520	2,066	2,602	3,451	3,835
Drinks	1	390	527	753	777	826	817	587	760	1,033	1,301	1,918
Other		20	20	20	20	20	20	20	20	20	20	20
Total Unit Sales	1,189	1,600	2,278	2,350	2,498	2,470	1,780	2,300	3,119	3,923	5,197	5,773
Unit Prices	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Meals	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Drinks	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Other	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Meals	\$11,685	\$15,795	\$22,575	\$23,295	\$24,780	\$24,495	\$17,595	\$22,800	\$30,990	\$39,030	\$51,765	\$57,525
Drinks	\$780	\$1,054	\$1,506	\$1,554	\$1,652	\$1,634	\$1,174	\$1,520	\$2,066	\$2,602	\$3,452	\$3,836
Other	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Total Sales	\$12,665	\$17,049	\$24,281	\$25,049	\$26,632	\$26,329	\$18,969	\$24,520	\$33,256	\$41,832	\$55,417	\$61,561
Direct Unit Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Meals	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Drinks	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Other	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Direct Cost of Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Meals	\$1,558	\$2,106	\$3,010	\$3,106	\$3,304	\$3,266	\$2,346	\$3,040	\$4,132	\$5,204	\$6,902	\$7,670
Drinks	\$195	\$264	\$377	\$389	\$413	\$409	\$294	\$380	\$517	\$651	\$863	\$959
Other	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20
Subtotal Direct Cost of Sales	\$1,773	\$2,390	\$3,407	\$3,515	\$3,737	\$3,695	\$2,660	\$3,440	\$4,669	\$5,875	\$7,785	\$8,649

Appendix Studio67 Restaurant — Sample Plan

Appendix Table: Personnel

Personnel Plan	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Manager	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Hostess	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Chef	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Cleaning	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Waiters	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Other	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Total People	8	8	8	8	8	8	8	8	8	8	8	8
Total Payroll	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500

Appendix Studio67 Restaurant — Sample Plan

Appendix Table: General Assumptions

General Assumptions	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Plan Month	1	2	3	4	5	6	7	8	9	10	11	12
Current Interest Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Long-term Interest Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Calculated Totals												
Payroll Expense	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500
New Accounts Payable	\$31,486	\$32,041	\$32,956	\$33,053	\$33,253	\$33,215	\$32,284	\$32,986	\$34,092	\$35,177	\$36,897	\$37,674

Appendix Studio67 Restaurant — Sample Plan

Appendix Table: Profit and Loss

Pro Forma Profit and Loss

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sales	\$12,665	\$17,049	\$24,281	\$25,049	\$26,632	\$26,329	\$18,969	\$24,520	\$33,256	\$41,832	\$55,417	\$61,561
Direct Cost of Sales	\$1,773	\$2,390	\$3,407	\$3,515	\$3,737	\$3,695	\$2,660	\$3,440	\$4,669	\$5,875	\$7,785	\$8,649
Production Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$1,773	\$2,390	\$3,407	\$3,515	\$3,737	\$3,695	\$2,660	\$3,440	\$4,669	\$5,875	\$7,785	\$8,649
Gross Margin	\$10,892	\$14,660	\$20,875	\$21,535	\$22,895	\$22,635	\$16,310	\$21,080	\$28,588	\$35,958	\$47,632	\$52,912
Gross Margin %	86.00%	85.98%	85.97%	85.97%	85.97%	85.97%	85.98%	85.97%	85.96%	85.96%	85.95%	85.95%
Expenses:												
Payroll	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500	\$23,500
Sales and Marketing and Other Expenses	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000
Utilities	5% \$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Payroll Taxes	15% \$3,525	\$3,525	\$3,525	\$3,525	\$3,525	\$3,525	\$3,525	\$3,525	\$3,525	\$3,525	\$3,525	\$3,525
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$29,375	\$30,375										
Profit Before Interest and Taxes	(\$18,483)	(\$14,716)	(\$8,501)	(\$7,841)	(\$6,480)	(\$6,741)	(\$13,066)	(\$8,295)	(\$788)	\$6,583	\$18,257	\$22,537
Interest Expense	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833
Taxes Incurred	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit	(\$19,316)	(\$15,549)	(\$9,334)	(\$8,674)	(\$7,313)	(\$7,574)	(\$13,899)	(\$9,128)	(\$1,621)	\$5,749	\$17,424	\$21,704
Net Profit/Sales	-152.52%	-91.20%	-38.44%	-34.63%	-27.46%	-28.77%	-73.27%	-37.23%	-4.87%	13.74%	31.44%	35.26%
Include Negative Taxes												

Appendix Studio67 Restaurant — Sample Plan

Appendix Table: Cash Flow

Pro Forma Cash Flow	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash Received												
Cash from Operations:												
Cash Sales	\$12,665	\$17,049	\$24,281	\$25,049	\$26,632	\$26,329	\$18,969	\$24,520	\$33,256	\$41,832	\$55,417	\$61,561
Cash from Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash from Operations	\$12,665	\$17,049	\$24,281	\$25,049	\$26,632	\$26,329	\$18,969	\$24,520	\$33,256	\$41,832	\$55,417	\$61,561
Additional Cash Received												
Non Operating (Other) Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$12,665	\$17,049	\$24,281	\$25,049	\$26,632	\$26,329	\$18,969	\$24,520	\$33,256	\$41,832	\$55,417	\$61,561
Expenditures												
Expenditures from Operations:												
Cash Spending	\$496	\$557	\$659	\$670	\$692	\$688	\$584	\$662	\$785	\$906	\$1,097	\$1,183
Payment of Accounts Payable	\$28,174	\$31,504	\$32,071	\$32,959	\$33,060	\$33,252	\$33,184	\$32,307	\$33,023	\$34,128	\$35,234	\$36,922
Subtotal Spent on Operations	\$28,669	\$32,061	\$32,730	\$33,629	\$33,752	\$33,940	\$33,768	\$32,969	\$33,808	\$35,034	\$36,331	\$38,106
Additional Cash Spent												
Non Operating (Other) Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$28,669	\$32,061	\$32,730	\$33,629	\$33,752	\$33,940	\$33,768	\$32,969	\$33,808	\$35,034	\$36,331	\$38,106
Net Cash Flow	(\$16,004)	(\$15,012)	(\$8,449)	(\$8,580)	(\$7,120)	(\$7,611)	(\$14,799)	(\$8,449)	(\$552)	\$6,798	\$19,086	\$23,455
Cash Balance	\$71,996	\$56,983	\$48,534	\$39,954	\$32,835	\$25,224	\$10,424	\$1,975	\$1,423	\$8,221	\$27,307	\$50,763

Appendix Studio67 Restaurant — Sample Plan

Appendix Table: Balance Sheet

Pro Forma Balance Sheet

Assets													
Current Assets	Starting Balances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash	\$88,000	\$71,996	\$56,983	\$48,534	\$39,954	\$32,835	\$25,224	\$10,424	\$1,975	\$1,423	\$8,221	\$27,307	\$50,763
Other Current Assets	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Total Current Assets	\$138,000	\$121,996	\$106,983	\$98,534	\$89,954	\$82,835	\$75,224	\$60,424	\$51,975	\$51,423	\$58,221	\$77,307	\$100,763
Long-term Assets													
Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000
Total Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,000)
Total Assets	\$138,000	\$121,996	\$106,983	\$98,534	\$89,954	\$82,835	\$75,224	\$60,424	\$51,975	\$51,423	\$58,221	\$77,307	\$99,763
Liabilities and Capital													
Accounts Payable	\$1,000	\$4,312	\$4,848	\$5,733	\$5,827	\$6,021	\$5,984	\$5,083	\$5,762	\$6,831	\$7,880	\$9,542	\$10,294
Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Current Liabilities	\$1,000	\$4,312	\$4,848	\$5,733	\$5,827	\$6,021	\$5,984	\$5,083	\$5,762	\$6,831	\$7,880	\$9,542	\$10,294
Long-term Liabilities	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Total Liabilities	\$101,000	\$104,312	\$104,848	\$105,733	\$105,827	\$106,021	\$105,984	\$105,083	\$105,762	\$106,831	\$107,880	\$109,542	\$110,294
Paid-in Capital	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Retained Earnings	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)
Earnings	\$0	(\$19,316)	(\$34,865)	(\$44,199)	(\$52,873)	(\$60,186)	(\$67,760)	(\$81,659)	(\$90,787)	(\$92,408)	(\$86,659)	(\$69,235)	(\$47,532)
Total Capital	\$37,000	\$17,684	\$2,135	(\$7,199)	(\$15,873)	(\$23,186)	(\$30,760)	(\$44,659)	(\$53,787)	(\$55,408)	(\$49,659)	(\$32,235)	(\$10,532)
Total Liabilities and Capital	\$138,000	\$121,996	\$106,983	\$98,534	\$89,954	\$82,835	\$75,224	\$60,424	\$51,975	\$51,423	\$58,221	\$77,307	\$99,763
Net Worth	\$37,000	\$17,684	\$2,135	(\$7,199)	(\$15,873)	(\$23,186)	(\$30,760)	(\$44,659)	(\$53,787)	(\$55,408)	(\$49,659)	(\$32,235)	(\$10,532)