

Estimated Development Cost

Panarottis Pizza Pasta - Generic
Estimated Development Cost Based On -
Generic Restaurant Of - 250m2 (140 Seater)



(All Estimates are based on the provision of getting a Standard Panarottis Shell specification by the Landlord and the size of the restaurant)

Set-Up Costs

<u>Item</u>	<u>Detail</u>	<u>Estimate</u>	<u>Notes</u>
Air-condition	As per plan	R -	Landlord providing
Audio Visual	Sound system, TV's, DSTV, DMX & Taste FM, Etc	R 40,000.00	
Building & Finishes	Internal walls, raised sections, plaster, tiling, S/S corners, painting, flooring & ceilings	R 500,000.00	
Cold Room & Freezer	As per plan	R 90,000.00	
Décor & Planters	As per plan	R 35,000.00	
Electrical	As per plan	R 90,000.00	
Equipment	As per plan	R 420,000.00	
Extraction, Air Supply & Ventilation Systems	Extraction & air supply, Smoking section & Customer Toilet ventilation	R 80,000.00	
Furniture & Fittings (Shopfitting)	As per plan	R 200,000.00	
Glass & Aluminum	As per plan - Smoking & Kids sections	R 25,000.00	
Granite	As per plan	R 20,000.00	
Kids' Facilities	As per plan	R 30,000.00	
Franchise License Fee	As per HQ	R 60,000.00	
Legal Agreements, Licenses & Plan Submissions	Working drawings, liquor license, plan submissions, trading licenses, partnership agreement, etc	R 25,000.00	
Outside Area	Subject to availability (Tables, chairs, coverings, play areas, etc)	R -	
Plumbing	As per plan	R 40,000.00	
Point Of Sale System (Pilot)	As per plan	R 110,000.00	
Safety & Security	Alarms, fire fighting equipment including signage & drop safes	R 8,000.00	
Shop fronts	As per plan & Spec.	R -	Landlord providing
Signage	As per plan	R 60,000.00	
Smalls & Concepts	Cutlery, crockery, concepts, menus, baby changers, toilet accessories & general kitchen smalls.	R 50,000.00	
Stationery & Fax Machines	As required	R 5,000.00	
Training	Cost of training, salaries & wages etc.	R 50,000.00	
Uniforms	Management, Waitron & Production Staff uniforms.	R 26,000.00	
<u>Total - Set-Up Costs</u>		<u>R 1,964,000.00</u>	
<u>Cash Flow Items</u>	<u>Detail</u>	<u>Estimate</u>	<u>set-up as stock is used to generate sales.</u>
Opening Stock	General stock, packaging & liquor	R 45,000.00	
Operating Capital	-	R 30,000.00	
Rental Deposits	As per landlord (estimate only)	R 80,000.00	
<u>Total - Cash Flow Items</u>		<u>R 155,000.00</u>	

Estimated Development Cost

<u>Less - T.I. Allowance</u>	Tenant's Installation Allowance given by the landlord to assist in building the Restaurant.	R 250,000.00	Standard rate of R1 000.00 per m2 - subject to negotiation with Landlord
<u>Total Nett - Development Costs</u>		R 1,869,000.00	
<u>V.A.T. - Estimate (14%)</u>	V.A.T. Payment to SARS	R 257,460.00	however allowances must be made for the payment of the same
<u>Total Gross - Development Costs</u>		R 2,130,660.00	

BUDGETED COSTS SET OUT ABOVE DO NOT AMOUNT TO A WARRANTY, ASSUMPTION OF ANY LIABILITY OR GUARANTEE BY PANAROTTIS, WHETHER EXPRESSED OR IMPLIED, AS TO THE SUITABILITY OF LOCATION, TURNOVER, PROFITS, SUCCESS OR OTHERWISE OF THE RESTAURANT



Panarottis Pizza Pasta

Financial Forecasting Schedule

Store Name : **Generic 2010/11**

<u>Trading Densities</u>	<u>Budgeted</u>		
Monthly:-	1,583.33		
Annual:-	19,000.00		
Store Size	250		
	<u>Budgeted</u>		
Monthly Break Even	291,308.05		
COS & Variable Costs	53.06%		
Fixed Expenses	136,740.00		
Contribution Margin	46.94%		
<u>Overview</u>			
Net T/O Sales	100.00%	395,833.33	4,750,000.00
Cost Of Sales (In. Packaging)	38.00%	150,416.67	1,805,000.00
Gross Profit	62.00%	245,416.67	2,945,000.00
Operations Expenses	49.60%	196,352.50	2,356,230.00
Net Profit before tax	12.40%	49,064.17	588,770.00
Company Tax	0.00%	-	-
Net Income after tax	12.40%	49,064.17	588,770.00
Less - Capital Payments	0.00%	-	-
Plus - Depreciation	0.00%	-	-
Net Cash Flow Profit	12.40%	49,064.17	588,770.00

<u>Breakdown</u>	<u>Budgeted %</u>	<u>Monthly</u>	<u>Annual</u>
<u>Variable Expenses</u>	<u>15.06%</u>	<u>59,612.50</u>	<u>715,350.00</u>
Advertising - HQ	4.00%	15,833.33	190,000.00
Advertising & Promotions - Local	0.50%	1,979.17	23,750.00
Bank Charges	0.40%	1,583.33	19,000.00
Cleaning & Pest Control	0.80%	3,166.67	38,000.00
Credit Card Commissions	0.90%	3,562.50	42,750.00
Delivery Charges	0.50%	1,979.17	23,750.00
Gas	0.60%	2,375.00	28,500.00
Medical Aid & General Costs	0.05%	197.92	2,375.00
Menus	0.15%	593.75	7,125.00
Printing, Stationary and Computer	0.30%	1,187.50	14,250.00
Repairs & Maintenance	1.00%	3,958.33	47,500.00
Franchise Fees	5.00%	19,791.67	237,500.00
Smalls (Replacement Cut & Crock)	0.40%	1,583.33	19,000.00
Training	0.10%	395.83	4,750.00
Uniforms	0.36%	1,425.00	17,100.00
<u>Fixed & Semi Fixed Expenses</u>	<u>34.54%</u>	<u>136,740.00</u>	<u>1,640,880.00</u>
Accounting, Audit & Admin Fees	0.38%	1,500.00	18,000.00
Depreciation	0.00%	-	-
Electricity & Water	3.79%	15,000.00	180,000.00
Entertainment	0.15%	600.00	7,200.00
Insurance	0.63%	2,500.00	30,000.00
Interest Payments	0.00%	-	-
Leases	0.00%	-	-
Legal & License Fees	0.25%	1,000.00	12,000.00
Security	0.13%	500.00	6,000.00
Telephone	0.45%	1,800.00	21,600.00
Transport - All.	1.26%	5,000.00	60,000.00
<u>Rental (Gross Net)</u>	<u>9.50%</u>	<u>37,600.00</u>	<u>451,200.00</u>
Rental - Basic & OPS	9.09%	36,000.00	432,000.00
Rental - Services	0.40%	1,600.00	19,200.00
<u>Salaries & Wages - GROSS</u>	<u>18.00%</u>	<u>71,240.00</u>	<u>854,880.00</u>
Management Salaries	6.32%	25,000.00	300,000.00
Production Staff Wages	6.82%	27,000.00	324,000.00
Waitrons Wages	4.42%	17,500.00	210,000.00
U.I.F.	0.35%	1,390.00	16,680.00
DSL	0.00%	-	-
Bargaining Council	0.00%	-	-
Workman's Compensation	0.09%	350.00	4,200.00

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