

You now get to create a menu for your restaurant! The menu should include the following items:

**A restaurant name**

**A menu with prices for every item**

**The menu should contain at least:**

- 3 appetizers
- 6 entrees (main dishes)
- 5 side items
- 4 desserts
- 5 beverages (no alcohol)

**A daily discount (percent off your total food cost)**

Please have each item listed a la carte (individually) – no combo meals.

Items on the menu must be edible. Prices should be somewhat realistic.  
Review standard meal prices on your summary form.

<u>Ideas for a Theme/Concept</u>	<u>Choosing a Name</u>
A certain style of food	Name of someone significant to you
An individual dish	Geography
Ethnic influence	Historic or traditional names and spaces
Décor and ambience	Ethnic and cultural names
A character from a book, movie, or TV show	Pop culture
Sporting events, hobbies, or games	Weather
Geography	Humor and irony

**Menus nominations for awards will be given for the following categories:**

- Best Theme
- Best Hand-Drawn Logo
- Most Creative Original Restaurant Name
- Most Creative Food Item Name/Description
- Best Original Slogan
- Best Overall Presentation
- Best “Extra” Item
- Best Overall Menu (based on fun, creativity, and originality)

**IMPORTANT:** If you use another student’s name in any way as part of your menu you must obtain their permission first.

Restaurant Name				
Type of Restaurant (circle one) Examples: Fast Food/Fast Casual – McDonalds, Jason’s Deli, Chick-Fil-A, Wingstop Casual Dining – Chili’s, Olive Garden, Joe’s Crab Shack Fine Dining – An expensive steakhouse or seafood place	Fast Food		Casual Dining	Fine Dining
Theme/Style				
Number of Seats (circle one)  <b>Make sure your prices are in the right range.</b>	Fast Food	50	75	100
	Casual	150	175	200
	Fine	75	100	125
<b>Total meal price</b> per person (for planning purposes)	Fast Food	Lunch = \$4-8, Dinner = \$5-10		
	Casual	Lunch = \$7-15, Dinner = \$12-25		
	Fine	Lunch = \$15-50, Dinner = \$20-75		
	Menu Item		Price	
My Best-Selling Appetizer				
Top 4 Selling Entrees				
Top 3 Selling Side Dishes				
Top 3 Selling Drinks				
Top 2 Selling Desserts				

The next step to determine the overall income for your restaurant is to find out the average amount of money you would make in one day. *You may use a calculator to find the following numbers.*

A	Average price of my 4 best-selling entrees	
B	Average price of my 3 best-selling side dishes	
C	Average price of my 3 best-selling drinks	
D	Average price of my 2 best-selling desserts	
E	Price of my best-selling appetizer	

Average Lunch Check per Person =  $0.75(A + B + C + 0.2D)$

Average Dinner Check per Person =  $0.25E + A + 1.6B + C + 0.4D$

F	Average Lunch Check per Person [Max (7/13/30)]	
G	Average Dinner Check per Person [Max (9/23/65)]	

Next, you need to find out how many people you will serve each day. Restaurants call this the number of covers. This is based on table turnover or how many people eat per each seat in your restaurant. Find your turnover in the chart below.

		<b>TURNOVER</b>
<b>LUNCH</b>	Fast Food	4
	Casual	1.5
	Fine	0.5
<b>DINNER</b>	Fast Food	6
	Casual	2
	Fine	1.25

So how much money does your restaurant bring in during lunch and during dinner?

Lunch = Average Lunch Check per Person • Turnover • Number of Seats

Dinner = Average Dinner Check per Person • Turnover • Number of Seats

Meal	Average Check	Turnover	Seats	Total Revenue
<b>Lunch</b>				
<b>Dinner</b>				
<b>Total per Day</b>				
<b>Total per Month</b> (Total per Day • 30)				
<b>Total per Year</b> (Total per Month • 12)				

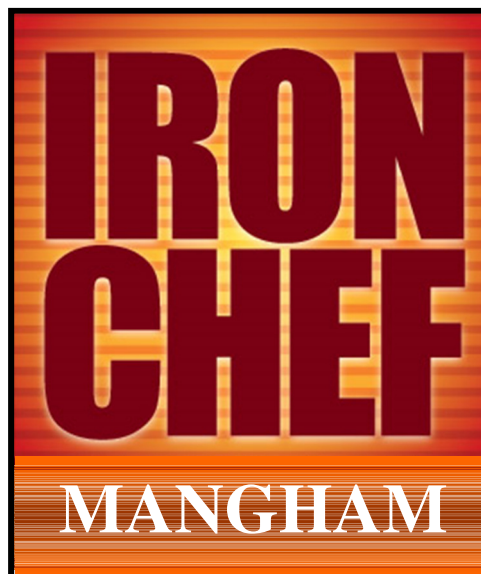
Because there is always a little bit of chance and luck in any type of business, you are going to introduce a bit of chance to your restaurant. Roll a single die 6 times and record your results below.

1 <sup>st</sup> roll	
2 <sup>nd</sup> roll	
3 <sup>rd</sup> roll	
4 <sup>th</sup> roll	
5 <sup>th</sup> roll	
6 <sup>th</sup> roll	

Using your results above, circle the correct percentage on each of the following lines. These percentages will be used to calculate various financial aspects of your restaurant.

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1 <sup>st</sup> roll	30%	31%	32%	33%	34%	36%
2 <sup>nd</sup> roll	28%	26%	25%	24%	23%	21%
3 <sup>rd</sup> roll	28%	29%	30%	31%	32%	34%
4 <sup>th</sup> roll	8%	7%	6%	5%	4%	3%
5 <sup>th</sup> roll	14%	15%	16%	17%	18%	20%
6 <sup>th</sup> roll	5%	6%	7%	8%	9%	11%

**This unit is being brought to you by:**



**Expense Report/Income Statement**

		Percentage	Monthly Example ***
<b>Total Revenue</b>	A		\$270,000
Food Sales	B	90%	\$243,000
Beverage Sales	C	10%	\$27,000
Food Cost	D	35%	\$85,050
Beverage Cost	E	28%	\$7,560
<b>COGS (Cost of Goods Sold)</b>	F	<b>34.3%</b>	<b>\$92,610</b>
<b>Gross Profit</b>	G	<b>65.7%</b>	<b>\$177,390</b>
Payroll	H	30%	\$81,000
Benefits	I	4.4%	\$11,880
<b>Total Payroll</b>	J	<b>34.4%</b>	<b>\$92,880</b>
Direct Operating Expenses*	K	5%	\$13,500
Marketing/ Entertaining/Advertising	L	1.5%	\$4,050
Energy/Utilities	M	3.5%	\$9,450
General/Administrative	N	4%	\$10,800
Repairs/Maintenance	O	2%	\$5,400
<b>Total Operating Expenses</b>	P	<b>16%</b>	<b>\$43,200</b>
<b>Gross Operating Profit</b>	Q	<b>15.3%</b>	<b>\$41,310</b>
Rent/Lease expenses	R	4.3%	\$11,610
Real estate taxes	S	2%	\$5,400
Insurance	T	1.2%	\$3,240
<b>Total Other Expenses</b>	U	<b>7.5%</b>	<b>\$20,250</b>
<b>Adjusted Profit</b>	V	<b>7.8%</b>	<b>\$21,060</b>
Interest	W	1%	\$2,700
Depreciation	X	2%	\$5,400
<b>Net Income** (Profit/Loss)</b>	Y	<b>4.8%</b>	<b>\$12,960</b>

\* Telephone, accounting, legal, office supplies, paper, china, glass, menus, landscaping, cleaning supplies, etc.

\*\* Net income before income taxes

\*\*\* Average monthly sales per Chili's restaurant

Item	How To Complete
A	On your Menu Finances page you already determined the monthly income for your restaurant. Copy this number in Box A.
B	We will use the industry average of about 90% of sales coming from food items. <b>B = 90% of A</b>
C	The remaining 10% of sales are for beverages. <b>C = 10% of A</b>
D	Restaurants use the food cost percentage to help determine the price of menu items. Typically, the price of the food may be about 3 times the ingredients it takes to prepare the food. That would be a food cost percentage of 33%. Most places target between 20-40% for this number. $\text{Food Cost Percentage} = \frac{\text{Cost of Raw Ingredients}}{\text{Selling Price}} \cdot 100$ <b>D = Dice #1 % of B</b>
E	Same as D, except beverages usually have a lower percentage because the cost is so low that restaurants can make a higher percentage profit on drinks. <b>E = Dice #2 % of C</b>
F	Cost of goods sold or COGS. For the dollar amount: <b>F = D + E</b>
G	Your gross profit is how much you made on the food and drink before you take out all your other expenses. <b>G = A - F</b>
H, I, J	Now you have to pay all of your managers, waiters, cooks, etc. They get paid a certain amount plus you have to pay for their benefits, like health insurance. <b>H = Dice #3 % of A      I = Dice #4 % of A      J = H+I</b>
K to P	Next, you add all the other expenses in owning a restaurant - the cost of plates and utensils, menus, furniture, and kitchen supplies, advertising your business, phone and electricity, paperwork, repairs, maintenance of your building and grounds....the list goes on and on. <b>P = Dice #5 % of A</b>
Q	Now you have your gross operating profit. <b>Q = G - J - P</b>
R, S, T, U	Next you have to pay for your occupancy (rent, equipment rental, real estate taxes, insurance, property taxes, etc.) <b>U = Dice #6 % of A</b>
V	Your adjusted profit is: <b>V = Q - U</b>
W, X	Depreciation is an accounting process of spreading out your capital costs over time. Interest is what you have to pay on all loans you have taken out to run the restaurant. <b>W and X are a % of A</b>
Y	The bottom line! Hopefully you are making money! Most profitable restaurants will have a bottom line of 3-8%. This means for every \$100 they sell, they make between \$3 and \$8. <b>Y = V - W - X</b>

**Expense Report/Income Statement for** \_\_\_\_\_

		Percentage	Monthly
<b>Total Revenue</b>	A		
Food Sales [% of A]	B	90%	
Beverage Sales [% of A]	C	10%	
<hr/>			
Food Cost [% of B]	D	Roll #1 =	
Beverage Cost [% of C]	E	Roll #2 =	
<b>COGS (Cost of Goods Sold)</b>	F	<b>D + E =</b>	
<hr/>			
<b>Gross Profit</b>	G	<b>A - F =</b>	
<hr/>			
Payroll [% of A]	H	Roll #3 =	
Benefits [% of A]	I	Roll #4 =	
<b>Total Payroll</b>	J	<b>H + I =</b>	
<hr/>			
Direct Operating Expenses	K	around 5%	
Marketing/ Entertaining/Advertising	L	around 1.5%	
Energy/Utilities	M	around 3.5%	
General/Administrative	N	around 4%	
Repairs/Maintenance	O	around 2%	
<b>Total Operating Expenses [% of A]</b>	P	Roll #5 =	
<hr/>			
<b>Gross Operating Profit</b>	Q	<b>G - J - P =</b>	
<hr/>			
Rent/Lease expenses	R	around 4%	
Real estate taxes	S	around 2%	
Insurance	T	around 1.2%	
<b>Total Other Expenses [% of A]</b>	U	Roll #6 =	
<hr/>			
<b>Adjusted Profit</b>	V	<b>Q - U =</b>	
<hr/>			
Interest [% of A]	W	1%	
Depreciation [% of A]	X	2%	
<b>Net Income (Profit/Loss)</b>	Y	<b>V - W - X =</b>	

<b>Restaurant Name</b>	
<b>Owner</b>	
<b>Server</b>	
<b>Guest</b>	
<b>Chef</b>	

Items Ordered		Price
Appetizer		
Entrée		
Side Item		
Beverage		
Dessert		
Other		
<b>***** TOTAL (before daily discount) *****</b>		
<b>Daily discount</b>	_____ %	<b>Calculate x% of your total above</b>
<b>***** TOTAL FOOD PRICE ***** [Total – Daily discount]</b>		<b>(A)</b>

		<i>Guest Calculations</i>	<i>Server Calculations</i>
<b>Tax</b>	<b>8% = _____</b> (convert to decimal)	Calculate 8% of (A)	<b>(B)</b>
<b>Subtotal before tip</b>		Add (A) + (B)	<b>(C)</b>
<b>Tip</b> 10% poor, 15% good, or 20% excellent service	_____ % = _____ (convert to decimal)	Choose a tip Calculate x% of (A)	<b>(D)</b>
<b>Total bill</b>		Add (C) + (D)	<b>(E)</b>
<b>Amount of CASH given to server (you only have \$50 bills)</b>		A multiple of \$50 large enough to pay for the bill	<b>(F)</b>
<b>Change provided to customer</b>		Subtract (F) – (E)	<b>(G)</b>
<b>Restaurant Profit for Owner</b>	<b>6% = _____</b> (convert to decimal)	Calculate 6% of (A)	<b>(H)</b>
<b>Amount of tip for Server</b>	<b>50% = _____</b> (convert to decimal)	Calculate 50% of (D)	<b>(I)</b>
<b>Amount of tip for Chef</b>	<b>25% = _____</b> (convert to decimal)	Calculate 25% of (D)	<b>(J)</b>

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We hope you have enjoyed your meal. Ya'll come back now, you hear.