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SoCal Burger®

Food Truck Business Plan

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Executive Summary

SoCal Burger is an American fast-food mobile restaurant that offers Southern California taste burgers. SoCal Burger will be a member-managed Limited Liability Company, organized in Tricity agglomeration and operating out of a custom-built food truck. Head Chef Ewa Kameczura and Anna Janicka are the owner-operators and will share the responsibilities of day-to-day operations.

Mission Statement

To provide 3citinenos, young & old, with an out of this world gourmet burgers inspired with Southern California experience. SoCal Burger maintains a simple philosophy - serve only the highest quality product, prepare it in a clean and sparkling environment, and serve it in a warm and friendly manner. We build a reputation for fresh, made-to-order foods prepared and served by friendly, well-trained Associates.

Products

The SoCal Burger's menu features just four basic items – hamburgers, cheeseburgers, the Double-Double (two patties and two slices of cheese), and French fries – but patrons are free to customize how their hamburger is prepared (“secret menu” options). We will also sell different kinds of beverages. The SoCal Burger does not use microwaves, heat lamps, or freezers.

Management Plan

SoCal Burger will be a member-managed Limited Liability Company, organized in Tricity agglomeration and operating out of a custom-built food truck. Head Chef Ewa Kameczura and Anna Janicka are the owner-operators, and will share the responsibilities of day-to-day operations.

Operations Plan

SoCal Burger will operate 6 days a week serving lunch, dinner, and late evening “to-go” meals each day. We will also offer special event catering services. Burgers will be served in less than 10 minutes; however, during peak hours, customers may be forced to wait 15 to 20 minutes for their order.

Marketing Plan

To establish ourselves as a great place to eat where our mouthwatering menu options meets the busy customers' expectations, without spending their entire lunch hour waiting for food. Secondly, we want to establish our kitchen as a trusted contaminant-free space and be recognized for outstanding service provided.

SoCal Burger will use social media such as Facebook to reach current and potential customers and to distinguish itself in the marketplace. Our Facebook page will be a meeting space for our fans where they can see menu and “secret-menu” information, and the location schedule.

Financial Statement

SoCal Burger requires \$80,000 in startup funding. The owners have contributed cash and equipment comprising a 62,5% investment (\$50,000). SoCal Burger will need 30,000 PLN in starting capital which will be obtained through a 3-year loan from a local bank at 5% interest.

Company Overview

SoCal Burger will be a food truck operation in the downtown areas of Tricity, serving customers with speed and a smile traditional American burgers and French fries. We will use fresh ingredients and make tasty modifications to our recipes in the form of “secret menu” making the customer more satisfied and satiated. We will ensure that customers are informed about key ingredients in our foods so that they can be aware of our food quality, enabling them to make conscious meal choices (see Appendix B). Our menu will not change over a year.

Menu

The SoCal Burger’s menu features just four basic items – hamburgers, cheeseburgers, the Double-Double (two patties and two slices of cheese), and French fries – but patrons are free to customize how their hamburger is prepared (“secret menu” options). We will also sell different kinds of beverages. The SoCal Burger does not use microwaves, heat lamps, or freezers.



Hamburger



Cheeseburger



Double-Double



French-fries



Sodas

Secret Menu

Protein Style

your favorite burger wrapped in hand-leafed lettuce instead of a bun

3X3

three 100% pure beef patties, hand-leafed lettuce, tomato, spread, three slices of American cheese, with or without onions, stacked high on a freshly baked bun

Grilled Cheese

two slices of melted American cheese, hand-leafed lettuce, tomato, spread with or without onions on a freshly baked bun

Animal Style

burger of your choice with hand-leafed lettuce, tomato, a mustard cooked beef patty; add pickle, extra spread with grilled onions

Management Plan

Legal Form of Business

The business will be formed as a member-managed Limited Liability Company within the Tricity area. Member-ownership and operational responsibilities will rest with Ewa Kameczura (50%) and Anna Janicka (50%).

Management Team

Anna Janicka, Co-founder



Anna Janicka is a graduate of the University of Southern California, Marshall School of Business, holding Bachelor degree in Business Administration and Management. Currently, Anna is in her last year of the Master program in Corporate Finance Management at Gdansk School of Banking, Poland. Anna has 4-year experience in the fast-food restaurant industry where she started as a Food Associate and rose to the position of a Manager for a major privately hold burger-chain restaurant in Southern California. She managed a staff of eight. In addition, Anna has significantly contributed to the launching of a mobile food-truck business for a small restaurant “Polka” (see Appendix A). “Polka” is located in Los Angeles, California; specializes in Polish food; and is owned by Anna’s friends. Anna will serve as head chef for SoCal Burger and will be responsible for marketing and branding, inventory management, vendor-relations and ensuring safety and health code compliance.

Ewa Kameczura, Co-founder



Ewa Kameczura is in her third semester in the business program at School of Banking in Gdansk where she will earn her master degree in the spring of 2016. Apart from business interests, Ewa is also a big fan of American cuisine. Since 2013 she has gained experience in one of the most famous American restaurants in Tricity – *American Taste*. Her career started as a waitress and currently she works on Sous Chef position. Ewa also performs bookkeeping for small businesses. Considering her whole experience she will split her duties between accountancy of the food truck, scheduling and serving as one of the chef for SoCal Burger. Additionally, she will be managing corporate-customer relations.

Advisory Board

An advisory board will be established to help the entity succeed; this board will be comprised of experts in the field of culinary, marketing, and food trucks whose main objective will be to help the management team of SoCal Burger achieve business goals.

Members have agreed to be available for consultation as needed.

Advisory team members include:

- Pawel Kameczura—Head Chef in ferry Golden Arrow
- Maria Walles—retired attorney
- Bob Hendrickson—Anna Janicka’s Mentor; Vice President of JP Morgan Private Bank
- Ryszard Kowalski—a trusted friend with many years of truck maintenance experience; will be routinely checking the truck for issues and making maintenance suggestions.

Operations Plan

Weekly Operations Plan

Operational efficiency will be crucial for the success of SoCal Burger.

Customers will love our classic American burgers composed of fresh ingredients but what makes SoCal unique is our simple and delicious meals delivered in speedy manner. SoCal Burger's clients will be able to customize their orders by requesting "secret menu" item. Fresh produce will be purchased and prepped daily. Inventory management will ensure that sufficient quantities are prepared and that there is little excess. Prepping the truck will begin at 9-10am.

Customer Queuing: Two lines – one for ordering and one for pickup on side walk.

Two workers are providing service: take orders, collect payment, and prepare the order.

Burgers will be served in less than 10 minutes; however, during peak hours, customers may be forced to wait 15 to 20 minutes for their order.

Cleaning during a week and on Saturdays will be done at the end of the evening shift.

Trash Plan: Two trash Barrels with lids and bags on site. Trash will be removed at end of shift and disposed of at commissary.

Our office and supply storage are located at our facility on Morska Street in Gdynia city.

The food truck will be stored each night at our office's garage in Gdynia, where Ryszard Kowalski, SoCal's Advisory Board member, will provide truck maintenance.

The ingredients will be supplied by the following suppliers:

Ingredient	Supplier
Meat	X company
Cheese	Y company
Vegetables (lettuce, tomatoes, onions, potatoes, etc.)	Z company

Spreads will be prepared weekly at the truck commissary; breads/burger buns will be picked up daily from a local bakery; other inventory will be obtained weekly from Makro (packages, napkins, plastic cutlery, soda cups, oil, etc.).

The truck will be open for the following regular business hours:

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Lunch	11am-2pm	11am-2pm	11am-2pm	11am-2pm	11am-2pm	11am-2pm	Closed
Dinner	5pm-8pm	5pm-8pm	5pm-8pm	5pm-8pm	5pm-8pm	5pm-8pm	Closed
Night					11pm-2am	11pm-2am	Closed

Mobile Locations

Strategic truck selling locations include:

- Alchemia
- Oliwa Business Center
- Arkonska Business Park
- Luzycka Business Park
- University of Gdansk
- School of Banking
- ASP
- Downtown areas, etc.
- Train stations

Special events throughout the year include:

- Music festivals, such as Opener
- Film festivals, for example, Gdynia Film Festival
- Food Truck Festival
- European Museum Night
- Jarmark Dominikanski, etc.

Company Milestones

Present (November)—January: Complete establishment of LLC, secure financing, and obtain all required licenses. Establish a social media presence, acquire food truck, and open for business.

Years 1-2: Hire a part-time employee (student) part-time employee and increase hours until part-time position becomes a full-time one, decreasing the hours of the owners on the truck in favor of marketing, bookkeeping and scheduling.

Years 2-3: Hire a second part-time employee (student), removing both owners from truck operation and shift the focus to catering events.

Long-Term: Evaluate the options for opening a brick-and-mortar location. Franchising the brand with multiple trucks in multiple cities.

Industry Analysis

Industry Profile

The industry comprises establishments primarily engaged in preparing and serving meals from a mobile truck. Food is normally prepared, stored and cooked on the truck. The truck may or may not use the same location each day and does not sell alcoholic beverages.

Industry Structure

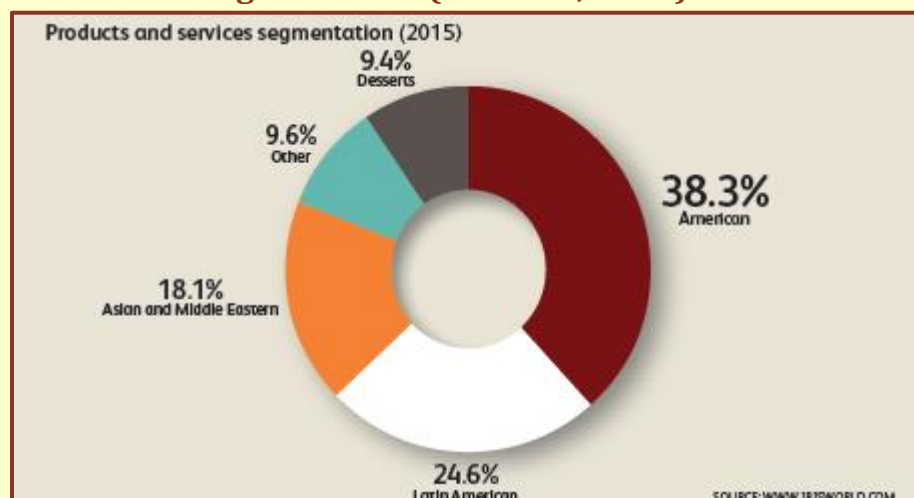
Life Cycle Stage	Growth	Regulation Level	Medium
Revenue Volatility	Medium	Technology Change	Medium
Capital Intensity	Low	Barriers to Entry	Low
Industry Assistance	Low	Industry Globalization	Low
Concentration Level	Low	Competition Level	High

FOR ADDITIONAL STATISTICS AND TIME SERIES SEE THE APPENDIX ON PAGE 28

Key External Drivers

- Consumer spending
- Consumer Confidence Index
- Healthy eating index
- Urban population
- Agricultural price index

Products and services segmentation (U.S. data, 2015)



Food trucks have lower overhead than a restaurant and it can be moved from one location to another. This makes it possible for the food truck to go where it can take advantage of the most business. For customers, food trucks offer variety and convenience.

Critical Success Factors

To compete in the food truck industry, it is important to be accessible to our customer base with real-time location and menu information. High traffic locations with professional customers who have little to no food options during short lunch breaks are a big priority. Establishing a good relationship with customers is important to drive repeat business. This relationship will be based on excellent service and excellent throughput time, when compared to other food trucks. SoCal Burger will feature a simple but quality menu, local and fresh ingredients and “secret menu” options to maintain product intrigue. It is vital for us to be open with our customers about the steps we take to ensure a cross-contaminant free kitchen space.

Critical Risks

Threats to the success of SoCal Burger include:

- Truck performance issues
- Weather conditions
- Limitations related to locations (cannot locate too close to brick and mortar competitors). Location limitations arise also due to zoning regulations within the city of Tricity. In the past few years the number of food trucks in Tricity has increased to the point where brick and mortar vendors have requested that food truck locations be regulated. This situation is still under review but we expect that there will be some formal regulations set in the future.
- Customer dining preferences
- Customer awareness/knowledge of our locations

Competitive Analysis

Basis of Competition

Level & Trend Competition in this industry is **High** and the trend is **Increasing**

Food trucks have become widely popular in recent years due to their affordability and the unique menu items they offer. Moreover, due to the fragmented nature of this industry and variety of food service providers that exist in the market, food trucks face intense internal and external competition.

Internal competition

Industry operators compete primarily on price and the quality and uniqueness of their food. While the price of menu items can either attract or deter new customers, operators primarily compete to provide the best quality and taste. As such, many food trucks offer a variety of items that add value to the overall experience of dining at a food truck including unique condiments, pickles and beverages.

Operators must also offer convenience as many consumers turn to food trucks for a quick, satisfying meal. Consequently, securing optimal locations near office buildings and areas with high foot traffic is essential to attract a sufficient customer base during peak business hours. Speedy, accurate and exceptional customer service also influences the success of a food truck.

External competition

Food trucks also face intense competition from a variety of food service businesses, including quick-service food providers, cafes, food carts and full-service restaurants. While food trucks are uniquely positioned in the marketplace as a convenient and affordable option, similar food items are offered at quick-service restaurants and food carts. Industry operators also face indirect competition from supermarkets and grocery stores.

Competition

SoCal Burger's goal is to serve the people of Tricity an out of this world gourmet burgers inspired with Southern California experience.

Other fast-food providers in the Tricity area are our direct competitors. In fact, there are currently several brick and mortar food truck competitors with a hamburger theme, including: SurfBurger, Carmnik, and Zebra. However, none of these food trucks incorporates made-to-order classic American burgers on their menus.

The SoCal Burger's menu features just four basic items – hamburgers, cheeseburgers, the Double-Double (two patties and two slices of cheese), and French fries – but patrons are free to customize how their hamburger is prepared ("secret menu" options). The SoCal Burger does not use microwaves, heat lamps, or freezers.

Strategy

Even with increased competition from other burger-centric food trucks, SoCal Burger has changed little about its operations, from its hand-cut fries to unfreeze burgers. The menu may seem basic to some, but patrons in the know can order a number of "secret" combinations, such as the 3X3, which is three beef patties piled high with all the toppings on a bun.

Quality you can taste

From the first bite of your burger to your last French fry, quality is the most important ingredient of all at SoCal Burger. We don't freeze. We don't pre-package. We don't over-process. We just make things the old-fashioned way.

Our commitment to quality starts with our hamburgers. And our burgers begin with our patties. We make them from fresh, 100% pure beef.

Our commitment to quality doesn't stop there. Our lettuce is hand-leafed. Our American cheese is the real thing. And we use the best available onions and the plumpest, juiciest tomatoes we can find. All of our ingredients are delivered fresh. In fact, we don't even own a microwave, heat lamp, or freezer. We even bake our buns using old-fashioned, slow-rising sponge dough. And we make every burger one at a time, cooked fresh to order.

Of course a great burger deserves to be accompanied by great fries. And SoCal Burger French fries come from the finest, freshest ingredients we can find—potatoes shipped right from the farm. They're individually cut in our truck, then cooked in 100% pure vegetable oil.

Customer Analysis

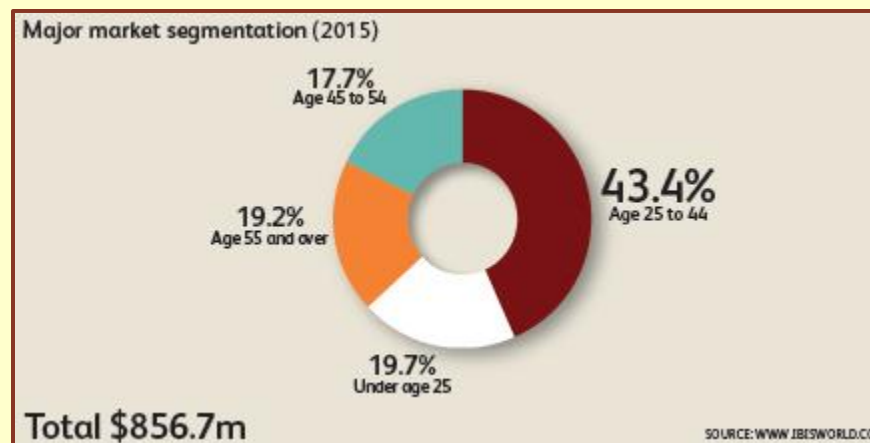
Target Market

SoCal Burger focuses on the low- to upper- income markets, increasingly targeting the middle-class by appealing to their desire for affordable, restaurant-quality food. This group, to a large extent, includes working adults and students who are interested in the convenience of food truck fare. Our food truck locations are within easy reach of workers, students, and shoppers in the greater Tricity area.

We also provide food services at special events attended by the public which will comprise about 30 percent of our revenues. The high visibility achieved by attendance at these events adds to the building of our brand and spreading the word about us.

Another factor that influences the clientele that food trucks attract is social media and smartphone use among consumers. Oftentimes, customers must first check a food truck's Facebook page to find out where the truck is located on a particular day. Consequently, while consumers under the age of 25 have lower disposable income when compared with consumers aged 45 to 54, they spend more on food trucks partially because they are much more active on social media sites. Additionally, consumers with greater disposable income are more likely to dine out at sit-down restaurants than food trucks and other casual food service providers. As such, consumers aged 55 and over account for less than one-fifth of the market for food trucks.

Major Markets



Key Success Factors

Proximity to key markets

Operators must be located in busy areas with significant foot traffic to maximize potential sales.

Must have license

In order to continue operations, food truck owners must meet all licensing requirements and renew licenses on an annual basis.

Effective quality control

Food trucks must maintain quality standards to avoid fines from regulators and to offer high-quality food for customers.

Offering a unique, differentiated menu

Due to the competitive nature of this industry, operators must have a clear market position and offer unique menu items.

Ability to control stock on hand

Food truck operators must avoid wastage and spoilage of ingredients to reduce purchase costs and maximize revenue.

Marketing Plan

Marketing Objective

To establish ourselves as an affordable and tasty alternative to the usual burger food truck fare. Secondly, we want to establish our brand as a trusted space where busy customers can satisfy their warm meal cravings in timely manner, while being served with politeness and smile.

Marketing Mix

Product

SoCal Burger will specialize in classic American burgers: Hamburger, Cheeseburger, and Double-Double, and French fries; creative twists can be added to all items by customizing the offer with “secret menu”. SoCal Burger will also sell a variety of soda and beverages.

Place

Our meals will only be available for purchase via the truck.

By our fifth year in business, we hope to establish a brick and mortar location by which time we will have developed a loyal following that will frequent our establishment and spread the word about our menus and service.

In the long run, we plan to franchise SoCal Burger; so, multiple trucks can increase the availability of the classic Southern California taste burgers.


Price

After conducting a review of other food trucks in Tricity, we have found that our prices are slightly lower than our competitors for lunch and dinner entrees of similar quality. Compared to brick and mortar restaurants serving American fast-food, our prices are two to five zlotych lower. Maintaining low prices will help us to remain competitive and build market share, especially with brick and mortar restaurants. Unless our costs increase (our supplier prices remain stable), we do not anticipate price increases.

Promotion

We plan to promote our business through the following methods:

Our truck will be decorated with an appealing graphic wrap that displays our name, Facebook page and contact information. This wrapping will turn our truck into a traveling advertisement that will add to our brand recognition as we travel throughout Tricity agglomeration.

Social media will allow us to connect with our followers and provide menus (regular and secret), coupons and location information. Major Social media platform will be Facebook. 

Financial Analysis

This plan makes the following assumptions:

SoCal Burger requires \$80,000 in startup funding. The owners have contributed cash and equipment comprising a 62,5% investment (\$50,000). SoCal Burger will need 30,000 PLN in starting capital which will be obtained through a 3-year loan from a local bank at 5% interest.

Assumptions

- Start-up costs 80,000 PLN
- The owners will provide 50 000 PLN equity investment (25 000 PLN per owner) in the business in cash
- The business will secure a loan with the assistance of a local bank for three years at 5% to acquire a used truck. The estimated truck cost is 30 000 PLN, including its renovation
- The cost of business (office and kitchen) equipment will in the amount of 7,000 PLN
- The starting inventory equals 3,000 PLN
- Licenses: we have already received a permit from the sanitary authorities to conduct a food truck service (Sanepid)
- SoCal Burger truck will be located in highly crowded areas
- The food will cost an average of 64,87% of the product pricing.
- Sales have been adjusted for seasonality, including weather, holidays, and special events (Q1-Q4)
- Both of the owners will be working on the truck full time in Year 1, with reduction in hours through years 2-3. In Year 2 hiring of additional staff to work on the truck will begin
- Ingredients will be supplied by local suppliers and from Makro store
- A commissary is required for daily operations (parking place); assumed to cost 50 PLN/day (300 PLN a week, assuming 6 working days)
- Legal, accounting and insurance advice will be delivered by Advisory Board members and the owner-operators themselves; we assume NO COST
- Estimated profit margin is 10.0% /year, during the following 3 years
- Estimated wages are 18.75% in 2016, 25.57% in 2017, and 23.86% in 2018.
- Purchases will account for about 60.7% of an average firm's revenue in 2016-2018
- Truck insurance will cost 2,000 PLN/year; repairs and maintenance will lie in hand of Advisory Board Member
- Fuel cost assumed to be 350 PLN/ month
- Estimated power /electricity cost (generators for kitchen equipment) is 4,000 PLN in 2016, 5,000 PLN in 2017, and 5,500 in 2018
- Depreciation accounts for about 4%
- A lump sum tax is 15% of the total profit amount

Sales Forecast

Average usp	7.80 zł
Average uvc	5.06 zł

Meal	Production cost	Gross price	Profit before TAX
Hamburger	6.00 zł	9.00 zł	3.00 zł
Cheeseburger	6.80 zł	10.00 zł	3.20 zł
Double Double	9.00 zł	12.50 zł	3.50 zł
French fries	2.00 zł	5.00 zł	3.00 zł
Soda/Beverages	1.50 zł	2.50 zł	1.00 zł

Sales Volume					
Meal	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	TOTAL 2016
Hamburger	1800	4000	5000	2000	12800
Cheeseburger	2500	5000	6000	2900	16400
Double Double	1000	1700	2000	1000	5700
French fries (250g)	5000	9000	10000	5000	29000
Soda/Beverages	2500	5000	5000	3000	15500
					79400

Sales Profit					
Meal	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	TOTAL
Hamburger	16,200.00 zł	36,000.00 zł	45,000.00 zł	18,000.00 zł	115,200.00 zł
Cheeseburger	25,000.00 zł	50,000.00 zł	60,000.00 zł	29,000.00 zł	164,000.00 zł
Double Double	12,500.00 zł	21,250.00 zł	25,000.00 zł	12,500.00 zł	71,250.00 zł
French fries (250g)	25,000.00 zł	45,000.00 zł	50,000.00 zł	25,000.00 zł	145,000.00 zł
Soda/Beverages	6,250.00 zł	12,500.00 zł	12,500.00 zł	7,500.00 zł	38,750.00 zł
TOTAL	84,950.00 zł	164,750.00 zł	192,500.00 zł	92,000.00 zł	534,200.00 zł

Production Costs					
Meal	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	TOTAL
Hamburger	10,800.00 zł	24,000.00 zł	30,000.00 zł	12,000.00 zł	76,800.00 zł
Cheeseburger	17,000.00 zł	34,000.00 zł	40,800.00 zł	19,720.00 zł	111,520.00 zł
Double Double	9,000.00 zł	15,300.00 zł	18,000.00 zł	9,000.00 zł	51,300.00 zł
French fries (250g)	10,000.00 zł	18,000.00 zł	20,000.00 zł	10,000.00 zł	58,000.00 zł
Soda/Beverages	3,750.00 zł	7,500.00 zł	7,500.00 zł	4,500.00 zł	23,250.00 zł
TOTAL	50,550.00 zł	98,800.00 zł	116,300.00 zł	55,220.00 zł	320,870.00 zł

Sources and uses of cash

Sources and uses of cash			
November, 2015			
Current assets	Total	Owner	Loan
Cash	40,000.000 zł	50,000.000 zł	30,000.000 zł
Food Inventory	3,000.000 zł		- zł
Total current	43,000.000 zł	50,000.000 zł	30,000.000 zł
Fixed assets			
Office equipment	2,000.000 zł		- zł
Kitchen equipment	5,000.000 zł		- zł
Vehicles	30,000.000 zł		
Total fixed	37,000.000 zł	- zł	- zł
Total assets	80,000.000 zł	50,000.000 zł	30,000.000 zł
Percent	100.00%	62.50%	37.50%

Cash Flow Forecast

Cash Flow	yearly		
Column1	2016	2017	2018
Begin Cash	40,000.00 zł	165,616.00 zł	234,842.05 zł
Net profit after tax	110,290.05 zł	79,137.55 zł	90,706.05 zł
Plus: depr	1,480.00 zł	1,480.00 zł	1,480.00 zł
income tax paid	19,462.95 zł -	5,497.50 zł	2,041.50 zł
Inv decr (incr)	- 200.00 zł -	200.00 zł -	200.00 zł
(decrease in loan payable)	- 5,417.00 zł -	5,694.00 zł -	5,985.00 zł
End cash	165,616.00 zł	234,842.05 zł	322,884.60 zł

Income Statement

Assumptions

- 10% increase in sales per year
- licenses paid once
- Salaries cost segment include wages and benefits, such as health, workers' compensation and unemployment insurance. Owner-operators represent a large portion of the industry, as do family and friends that work for below-market rates
- Ewa Kameczura, Co-founder takes care of bookkeeping
- Facebook is free of charge

Income Statement	2016	2017	2018
Sales [REV]	534,200.00 zł	587,620.00 zł	646,382.00 zł
Cost of sales	320,870.00 zł	352,957.00 zł	352,957.00 zł
Gross Profit	213,330.00 zł	234,663.00 zł	293,425.00 zł
Gross Profit %	39.93%	39.93%	45.39%
Expenses			
Licenses & permits	1,000.00 zł	- zł	- zł
Parking fees	14,400.00 zł	15,000.00 zł	15,600.00 zł
Insurance: commercial auto	2,000.00 zł	2,000.00 zł	2,000.00 zł
Salaries: managerial	40,000.00 zł	60,000.00 zł	70,000.00 zł
Wages	- zł	24,000.00 zł	48,000.00 zł
Payrol taxes (18%)	7,200.00 zł	15,120.00 zł	21,240.00 zł
Workers comp ins (9% of employee's salary)	3,600.00 zł	7,560.00 zł	10,620.00 zł
Accounting	- zł	- zł	- zł
Truck fuel	4,200.00 zł	4,500.00 zł	4,800.00 zł
Truck repairs & maint	1,000.00 zł	1,500.00 zł	2,000.00 zł
Truck storage	- zł	- zł	- zł
Electricity	4,000.00 zł	5,000.00 zł	5,500.00 zł
Water	1,500.00 zł	2,200.00 zł	2,500.00 zł
Supplies [office, clutery, napkins, burger wraps, etc.]	1,000.00 zł	1,200.00 zł	1,500.00 zł
Internet	500.00 zł	550.00 zł	600.00 zł
Web site	- zł	- zł	- zł
Telephone	320.00 zł	350.00 zł	370.00 zł
Depreciation (4%)	1,480.00 zł	1,480.00 zł	1,480.00 zł
Total expenses	82,200.00 zł	140,460.00 zł	186,210.00 zł
Interest expense	1,377.00 zł	1,100.00 zł	502.00 zł
Profit before taxes (EBIT)	129,753.00 zł	93,103.00 zł	106,713.00 zł
Taxes (15%)	19,462.95 zł	13,965.45 zł	16,006.95 zł
Net Income	110,290.05 zł	79,137.55 zł	90,706.05 zł
Net Income / Sales	20.65%	13.47%	14.03%

Balance Sheet

Balance sheet	yearly			
year 2016-2018	CCY PLN			
Assets	Strating	31/12/2016	31/12/2017	31/12/2018
Cash in bank	40,000.00 zł	165,616.00 zł	234,842.05 zł	322,884.60 zł
Inventory	3,000.00 zł	3,200.00 zł	3,400.00 zł	3,600.00 zł
Total current assets	43,000.00 zł	168,816.00 zł	238,242.05 zł	326,484.60 zł
Fixed assets				
Office equipment	2,000.00 zł	2,000.00 zł	2,000.00 zł	2,000.00 zł
Kitchen equipment	5,000.00 zł	5,000.00 zł	5,000.00 zł	5,000.00 zł
Food truck	30,000.00 zł	30,000.00 zł	30,000.00 zł	30,000.00 zł
TOTAL Fixed assets	37,000.00 zł	37,000.00 zł	37,000.00 zł	37,000.00 zł
Less: depreciation (4%)	- zł	- 1,480.00 zł	- 2,960.00 zł	- 4,440.00 zł
Total assets	80,000.00 zł	204,336.00 zł	272,282.05 zł	359,044.60 zł
Liabilities				
Accounts payable	- zł	- zł	- zł	- zł
Tax payable		19,462.95 zł	13,965.45 zł	16,006.95 zł
Loan payable	6,793.00 zł	6,793.00 zł	6,793.00 zł	6,793.00 zł
Total current liabilities	6,793.00 zł	26,255.95 zł	20,758.45 zł	22,799.95 zł
loan from bank	23,207.00 zł	17,790.00 zł	12,096.00 zł	6,111.00 zł
Total liabilities	30,000.00 zł	44,045.95 zł	32,854.45 zł	28,910.95 zł
Member investment	50,000.00 zł	50,000.00 zł	50,000.00 zł	50,000.00 zł
Retained earnings		110,290.05 zł	189,427.60 zł	280,133.65 zł
Total owner's equity	50,000.00 zł	160,290.05 zł	239,427.60 zł	330,133.65 zł
Total liabilities & equity	80,000.00 zł	204,336.00 zł	272,282.05 zł	359,044.60 zł

Sensitivity Analysis

Sensitivity Analysis Tool				
		First Scenario	Second Scenario	Third Scenario
volume	79,400	90,000.00 zł	79,400.00 zł	79,400.00 zł
usp (avarage)	7.80 zł	7.80 zł	10.00 zł	7.80 zł
uvc	5.06 zł	5.06 zł	5.06 zł	4.00 zł
FC	37,000.00 zł	37,000.00 zł	37,000.00 zł	37,000.00 zł
	ORIGINALLY	AMENDMENTS	AMENDMENTS	AMENDMENTS
Sales Revenue	619,320.00 zł	702,000.00 zł	794,000.00 zł	619,320.00 zł
Variable Cost	401,764.00 zł	455,400.00 zł	401,764.00 zł	317,600.00 zł
Contribution Margin Ratio	217,556.00 zł	246,600.00 zł	392,236.00 zł	301,720.00 zł
CM%	35.13%	35.13%	49.40%	48.72%
FC	37,000.00 zł	37,000.00 zł	37,000.00 zł	37,000.00 zł
EBIT	180,556.00 zł	209,600.00 zł	355,236.00 zł	264,720.00 zł
% change in profit		16.09%	69.48%	-25.48%
Sales Profitability	29.15%	29.86%	44.74%	42.74%
BEP PLN	105,328.47 zł	105,328.47 zł	74,898.79 zł	75,947.37 zł
BEP Volume	13,504	13,504	7,490	9,737
Safety Margin PLN	513,991.53 zł	596,671.53 zł	719,101.21 zł	543,372.63 zł
Safety Margin Volume	65,896	76,496	71,910	69,663
Safety Margin %	82.99%	85.00%	90.57%	87.74%
Degree of Operating Leverage	1.205	1.177	1.104	1.140
Costr Structure VC/FC	10.9	12.3	10.9	8.6

Appendix A

Polka Restaurant - Pierogi Truck





**Polka** **Polish Food Pierogi Truck**



1. PIEROGI: 6 Polish Dumplings filled with (one sort, or assorted):
A: with seasoned pork & chicken,
OR MEATLESS:
B: sauerkraut & stewed mushrooms,
C: potatoes & cheese
D: potatoes & cheese & jalapeno
E: potatoes with light cream cheese and bacon

2. KIELBASA: Polish Sausage, Regular or Spicy

3. BIGOS: Polish Hunter Stew: mix of stewed sauerkraut, mushrooms, chunks of Polish sausage and beef

4. GOLARKKI: Stuffed Cabbage filled with seasoned beef, pork & sautéed onion.

5. KURA: Skin-free, boneless, broiled Chicken Thighs (on request, spiced with red chili)

6. POLKA CHICKEN SANDWICH

7. POLKA DOG: (Pork or Beef)

8. POLKA TACO:
Cheese filling
Chicken, Sausage, Bigos, Pierogi
Cheese
regular, bbq or spicy

9. Combo Meal

Address:

4112 Verdugo Rd

Los Angeles, CA 90065

<https://www.facebook.com/PolkaRestaurant/>

<https://www.facebook.com/PolkaTruck/>

Appendix B

Food Calories Intake

Fries and Burgers

FILTER BY CATEGORY All Selections ▾	Serving Size (g)	Calories	Calories from Fat	Total Fat (g)	% Daily Values*	Saturated Fat	% Daily Values*	Trans Fat (g)	Cholesterol (mg)	% Daily Values*	Sodium (mg)	% Daily Values*	Carbohydrates (g)	% Daily Values*	Dietary Fiber (g)	% Daily Values*	Sugars (g)	Protein (g)	Vitamin A (IU)	Vitamin C (mg)	Calcium (mg)	Iron (mg)
Hamburger w/Onion	243	390	170	19	30	5	27	0	40	13	650	27	39	13	3	11	10	16	500	9	40	3.6
With Mustard & Ketchup instead of Spread	243	310	90	10	15	4	20	0	35	12	730	30	41	14	3	11	10	16	750	12	40	3.6
Protein® Style (Bun replaced with Lettuce)	275	240	150	17	26	4	22	0	40	13	370	15	11	4	3	11	7	13	750	12	40	2.7
Cheeseburger w/Onion	268	480	240	27	41	10	51	0.5	60	20	1000	42	39	13	3	11	10	22	750	9	200	3.6
With Mustard & Ketchup instead of Spread	268	400	160	18	27	9	44	0.5	60	20	1080	45	41	14	3	11	10	22	1000	12	200	3.6
Protein® Style (Bun replaced with Lettuce)	300	330	220	25	38	9	47	0	60	20	720	30	11	4	3	11	7	18	1000	12	200	2.7
Double-Double® w/Onion	330	670	370	41	63	18	90	1	120	40	1440	60	39	13	3	11	10	37	1000	9	350	5.4
With Mustard & Ketchup instead of Spread	330	590	290	32	49	17	83	1	115	39	1520	63	41	14	3	11	10	37	1250	12	350	5.4
Protein® Style (Bun replaced with Lettuce)	362	520	350	39	60	17	86	1	120	40	1160	48	11	4	3	11	7	33	1250	12	350	4.5
French Fries	125	395	160	18	27	5	25	0	0	0	245	10	54	18	2	8	0	7	0	0	20	1.8

Beverages

FILTER BY CATEGORY Beverages ▾	Serving Size (g)	Calories	Calories from Fat	Total Fat (g)	% Daily Values*	Saturated Fat	% Daily Values*	Trans Fat (g)	Cholesterol (mg)	% Daily Values*	Sodium (mg)	% Daily Values*	Carbohydrates (g)	% Daily Values*	Dietary Fiber (g)	% Daily Values*	Sugars (g)	Protein (g)	Vitamin A (IU)	Vitamin C (mg)	Calcium (mg)	Iron (mg)
Coca-Cola®	16oz.	195	0	0	0	0	0	0	0	0	12	0	54	18	0	0	54	0	0	0	0	0
Diet Coke®	16oz.	0	0	0	0	0	0	0	0	0	20	1	0	0	0	0	0	0	0	0	0	0
7UP®	16oz.	200	0	0	0	0	0	0	0	0	60	2	54	18	0	0	54	0	0	0	0	0
Dr. Pepper®	16oz.	200	0	0	0	0	0	0	0	0	60	2	52	18	0	0	52	0	0	0	0	0
Root Beer	16oz.	219	0	0	0	0	0	0	0	0	48	2	60	20	0	0	60	0	0	0	0	0
Lemonade	16oz.	179	0	0	0	0	0	0	0	0	20	0	40	13	0	0	38	0	0	4.8	0	0
Minute Maid® Light Lemonade	16oz.	8	0	0	0	0	0	0	0	0	7	0	1	13	0	0	0	0	0	8.4	10	0
Iced Tea	16oz.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Coffee	16oz.	5	0	0	0	0	0	0	0	0	10	0	0	0	0	0	0	1	0	0	0	0
Milk	10oz.	180	50	6	9	4	19	0	30	9	190	8	18	6	0	0	18	12	750	3.6	450	0

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