

FINANCIAL PROPPOSAL
FOR
LENA PARK DEVELOPMENT CENTER'S
SNACK BAR

To Be Submitted to
LPCDC Board of Directors

By

Willie S. James
VICE PRESIDENT OF RECREATION

Prepared by Tamba F. Johnny
NEW Hampshire College
Community Economic Development Program

Johnny, Tamba F.

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PROJECT INTRODUCTION

LENA PARK COMMUNITY DEVELOPMENT CENTER

Lena Park Community Development Center is a non profit Community-based organization which was established to provide services which include after school program, day care, housing services, and social services for the residents of Dorchester and the adjacent communities. The Center has 100 employees who provide services to about 400 clients five days a week. The weekends attract about 200 people for sports and other social activities at the Center.

At the present, the Center has one soft drink vending machine. It is refilled once every week. The vending machine generates about \$400.00 in sales per month and the Center receives 25% of the sales for commission. The Center is located on 150 American Legion Highway in Dorchester. There are no restaurants or convenient stores within two miles of its radius. The employees have to bring their lunches in the morning.

Mr. Willie S. James, Director of the Center has expressed his desire to open a Snack Shop by the end of January 1991. The Director's decision to undertake this project is intended to achieve two goals:

1. To create the means of generating funds for the Center in order to improve the facilities and to provide more services to the community.
2. To train and introduce students to the business world, especially those interested in furthering their education after high school.

The following items are the key components that would be addressed in the process of compiling and implementing the plan for the intended Snack Shop at the Center. They are being presented for the Director's review and changes with respect to what he would like the shop to be:

- Initial Capital
- Inventory Suppliers
- License to operate
- Equipment (Lease or buy)
- Monthly inventory (Estimated dollar amount)
- Number of employees (Including trainees)
- Tax exempt application - 501 C 3
- Insurance
- Location
- Operating procedures
- Bookkeeping procedures for internal control
- Types of snacks
- Scope of operation.

SURVEY

Lena Park Community Development Center is considering opening a Snack Shop at the Center for the convenience of our employees and clients. Because you are part of the success of this Center, your opinion matters the most in determining whether or not we should have a Snack Shop. Please answer yes or no to the following question:

Should there be a Snack Shop at this Center?

YES

NO

Your comments and suggestions are welcome below:

November 22, 1990

Mr. Willie S. James
Executive Director
Lena Park Community Development Ctr.
Dorchester, Mass.

Dear Mr. James:

Attached is a preliminary information I have put together regarding the Snack Shop you want to open at your Center. I presented it to my Professor David Miller of the New Hampshire College, and he said that it was a good project.

I am also attaching a survey for your employees. Surveys are designed to educate, create expectation, and support from the intended target. In this regard, I feel that it would help to let your employees know about your intended project. This survey is merely a suggestion. If you feel otherwise, it would be alright with me.

Please review the items I listed and let us get together sometime next week in the evening. You can reach me during the day at 389-4244 and my home number is 296-3422. I looking forward to meeting with you soon.

Sincerely,

Tamba F. Johnny

BUSINESS PLAN

Tamba F. Johnny
LENA PARK COMMUNITY DEVELOPMENT CENTER

I met with Mr. Willie James, the Athletic Director of Lena Park Community Development Center to discuss the Snack Bar he is planning to open at the center. He would like to serve his first customer on January 1, 1991 if everything works out according to plans.

I will be compiling financial mechanisms and control procedures for the opening and operating of the Snack Bar for Lena Park. The following data will appear in the financial data section:

THE BUSINESS

- Description of the business
- Market
- Operation
- Location
- Management/Personnel

FINANCIAL DATA

- Sources and applications of funding
- Capital Equipment list
- Balance sheet
- Break-even analysis
- Pro formal income statements
- Pro formal cash flow analysis
- Income projections
- Projected cash flow

Statement of Purpose

This business plan has been developed as a guide to the establishment of a Snack Bar operation at Lena Park Community Development Center to generate revenue for the center to improve the facilities, services, and to train students from the community in business. This business will be based on an existing market of a daily traffic of more than 400 clients who receive an array of services at the center, our major justification for the new venture. The Vice President of Recreation for Lena Park Mr. Willie S. James is seeking \$ _____ to purchase equipment and inventory, prepare operating reserves, and obtain adequate working capital to launch the new venture. This initial sum should be sufficient to finance the venture through the developmental phase so that the Snack Bar can be a profitable enterprise and a training ground for community students.

A. Description of the business

Lena Park Snack Bar will have a lunch counter where light meals and soft drinks will be served including snacks. Now, there is one vending machine which generates about \$400.00 in sales per month. The selections of merchandise are limited with one vending machine. We project the generation of more revenue by expanding the variety of food selections. Moreover, Mr. James, the Vice president of Recreation for Lena Park, is considering full course meals for lunch. This consideration is for the end of 1991. The Center needs constant improvements according to Mr. James. The venture is necessary to generate funds to maintain and improve existing facilities. In addition, Mr. James has taken a keen interest in establishing a new avenue of learning for high school students of the community by training them to operate the Snack Bar. His purpose is to introduce them to the business world, and provide these students with exploration experiences in the food/restaurant industry. With the implementation of this proposal, Lena Park will become stronger, its existing programs will improve, and it will provide an expanded community network by expanding its food services.

B. Market

Lena Park's analysis of surveys indicates the existence of a target-market of sufficient size to warrant exploitation. At the present time, the Center has about 100 employees who report to work five days a week. There are about 400 clients, which include students and the general public who come to the Center daily to conduct various services. The weekends bring in additional 150 people or more depending on the time of year for many social services at the center. These market segments are stable. We are not discussing them here because they represent a steady source of business for the venture. Our surveys indicated that most of the full time employees would have lunch at the Center rather than traveling a distance of 4 to 5 miles to have lunch elsewhere. The Snack Bar also has the potential to lure customers from the Wayne apartments, and the neighborhood of the Center with a three miles radius, especially during the summer months. At the present time, the location of the Snack Bar would enable it to obtain a market niche, and therefore, would experience no direct competition, in the immediate future.

C. Operations

Lena Park Snack Bar is designed to be of optimum size with a cash-purchase operation. Snacks will be purchased from vendors and resold at a marked-up price to customers. The store layout and work-flow process is designed to effectively use available space. An in-depth analysis of other successful Snack Bars were used as a model for Lena Park. The inventory will be composed of those items selected after a survey eating habit of employees and students at the Center. To minimize loss of inventory, control procedures will be established and inventories will be conducted at the end of every week. As closely as possible, merchandise purchases will be based on actual purchases. Therefore, inventory will reflect sales. Mr. Keith Jones, assistant to Mr. James will be in charge of contacting vendors, negotiating prices, and making actual purchases during the initial phase of the operations. After the students are trained to operate the Snack Bar, Mr. James will designate someone to be responsible for the purchasing Based on the volume of sales. The inventory will be replenished once a week or every two weeks. The Snack Bar will open for business from 9:00 A.M to 8:00 P.M Monday through Friday. The weekend hours will vary depending upon the schedule of special events. Mr. James will schedule hours of operation among the participants of the training program. Detailed sequential procedures of the Snack Bar operation will be made available to the employees and trainees.

Supervision will be provided through a management organizational procedure headed by Mr. James, as manager, and assisted by Mr. Jones. Mr. James will delegate responsibilities for marketing, administration, and personnel. His assistant, Mr. Jones, will be responsible for the day to day operation of the Snack Bar. As a manager, Mr. James will be in touch with the different

phases of the operation by checking daily on all operations and advise staff on actions as needed. He will conduct meetings about the Snack Bar operations as needed.

D. Location

Mr. James is proposing the Snack Bar be located on the first floor where the trophies are presently being stored. The location is ideal. It is the first spot one sees as he or she enters the building from the street. It is located directly across from the front entrance. If the location be unavailable, Mr. James is prepared to obtain other locations with equal visibility. However, there is no better location at the Center for this type of venture that is being proposed.

E. Management

The Snack Bar will be under the management of Mr. Willie S. James, Vice President of Recreation for Lena Park Community Development Center. Mr. James has been active for many years in the community. He has initiated many programs and services critical for the well being of the community. Mr. James is an able administrator. He will manage the operation within established guidelines to ensure efficiency. The actual daily operation of the Snack Bar will be performed by his able assistant Mr. Jones. The projection personnel needs are shown on the organizational flowchart attached.

F. Personnel

The Snack Bar will add student trainees to achieve a manning level of five individuals at start of the operation. The work in the functional areas requires one to two hours of training to learn. It is understood that there is a large pool of the students trainees available, therefore, there is no difficulty of filling the positions anticipated. Because it is a learning opportunity for the students, a sincere effort will be made to bring in not only the best but particularly those students who demonstrate initiatives and the willingness to learn.

G. Application and expected effect of investment

The aggregate financing proposed of \$ _____ will be used as follows:

Store set-up/decorations	_____
Equipment	_____
Initial inventory	_____
Working capital	_____
Contingency reserve	_____
Total	_____

The store set-up and decoration require building of shelves or bins to hold merchandise. Because this will be a smaller Snack Bar relative to the market, the set-up cost is expected to be minimal. The equipment needed for the Snack Bar can be acquired by purchasing new, used, or leased equipment. Space in the store is also a considered factor in determining the type of equipment or vending machine to buy or lease.

The initial inventory is the supply of snacks needed to establish the Snack Bar operation of the type proposed. This is a one-time investment and will be replenished as an operating cost as it is used. Working capital is listed as the sum of the negative cash flow needed to get the operation started. The contingency reserve is established as a reasonable and conservative hedge against the possibility of all assumptions not being fulfilled as projected. It is proposed that the reserve be held by the bank providing primary financing as a line of credit which will be used only to meet unexpected expenses.

H. Lena Pack Snack Bar - Development Schedule

Month

Activity	1	2	3	4	5	6	7	8	9	11	12
Completing											
Planning Process											
Set-up Store											
Purchase Equipment											
Hire Work Force											
Purchase Initial Inventory											
Commence Marketing											

Future:

Expand Operation to full
lunch service

_____ Initial Concentrated effort
----- ongoing Maintenance

I. Statement of Sources and Applications of Investment

Investment Lena Park Snack Bar

Sources and Application of investment

Sources:

Initial Capital	\$ _____
Application	
Equipment	_____
New	_____
Used	_____
Lease	_____
Initial Inventory	_____
Working Capital	_____
contingency Reserve	_____
Total	_____

J. Lena Park Snack Bar
 Pro Forma Balance Sheet
 Commencement of Operation

Assets:

Cash	\$ _____
Inventory	_____
Prepaid Supplies	_____
Equipment	_____
Total Assets	_____

Liabilities and Net Worth:

Accounts Payable	\$ _____
Owner's Capital	_____
Total Liabilities and Capital	_____

K.

Lena Park Snack Bar
Pro Forma Operations Analysis
Projected Income Summary

	Year 1	Year 2	Year 3
Net Sales	_____	_____	_____
Cost of Sales			
Inventory Cost	_____	_____	_____
Gross Profit	_____	_____	_____
Operating Expenses			
Supplies	_____	_____	_____
Wages	_____	_____	_____
Depreciation	_____	_____	_____
Miscellaneous	_____	_____	_____
Total Expenses	_____	_____	_____
Net Income/Loss	_____	_____	_____

Lena Park Snack Bar
Pro Forma Operations Analysis
Projected Cash-Flow summary

Three Years

	Year 1	Year 2	Year 3
Cash Receipts	_____	_____	_____
Cash Disbursements:			
Inventory	_____	_____	_____
Supplies			
Wages	_____	_____	_____
Miscellaneous	_____	_____	_____
Total Cash disbursement			
Net Cash Flow	_____	_____	_____

Explanations for Income Projections

1. Sales:

Sales to all customer segments

2. Cost of Sales: Cost of purchases of merchandise sold to customers

3. Operating Expenses:

a. Supplies - Supplies used in the course of operating
the Snack Bar

b. Wages - Salaries paid to employees of the Snack Bar

d. Depreciation - Allowance for use of store equipment
applied to cost of operation

e. Miscellaneous - Unspecified expenses

Summary

Lena Park Community Development Center is proposing the establishment of a Snack Bar operation at the center as a means of generating needed funds to improve services to its community and train community students to operate the Snack Bar. Surveys have shown that the 100 full time employees and 450 clients are the average daily traffic to the Center. This is a potential profitable venture for the size and type of Snack Bar proposed. Merchandise purchases will be tied to demand, and therefore, excess inventory will not be purchased. Mr. Willie S. James, Vice President of Recreation for the Center will be in charge of the overall operation of the Snack Bar. While at Lena Park, Mr. James has proven himself to be an effective administrator. The Snack Bar is his idea, and therefore, it is expected that he will have no difficulty implementing it. Personnel needs are quite simple. Student trainees will be hired to operate the Snack Bar. The Snack Bar will be located at the center of the first floor. The bulk of the initial investment will be spent on store setup, equipment, and the initial inventory. Given the positive results of the surveys of the target-market, location, and Mr. James' burning desire to see the success of this venture, this proposed Snack Bar is programmed for success.

OPERATIONAL GUIDELINES

LPCDC SNACK BAR OPERATIONAL GUIDELINES

The operational guidelines for the students trainees and employees of Lena Park Community Development Center will cover marketing principles, sales techniques, inventory control, personnel principle and bookkeeping. Successful marketing must satisfy consumer needs as to goods and services based on research.

Our projections of the snack bar's success is based on the large number of employees and students who presently travel extensive distances to purchase snacks and lunches during the course of the day because there is no food serving enterprise on the Lena Park site.

Mr. Wiillie S. James, the Vice President of Recreation, who observed the need for a retail food service, and projected this as a successful venture. Moreover, he intends to use the enterprise as a training ground to train community high school students retail/restaurant business. The mechanics of food preparation and marketing are to be major areas of training.

PRODUCTS

The major products to be sold are short order cooking items, light lunches, snacks, and prepackaged ice cream items.

APPEARANCE

The employees and trainees are required to be neat, clean and without illness/health conditions that could impair food products. We are of the opinion that 60% of the message is what you see. Therefore, appearance of staff and trainees will be continuously emphasized.

MANAGING DIRECTOR

The duties of the managing director are as follows:

1. Responsible for public relations
2. Responsible for funds generated from the snack bar operations
3. Review operational activities and make or recommend appropriate adjustments.

STORE MANAGER

The duties of store manager are as follows:

1. Purchasing and negotiation of long/short contracts.
2. Manages staff personnel matters and makes work schedule
3. Establish cost effective menus
4. Establishes cost effective staffing on terms based on daily sales volume projected/unanticipated
5. Review monthly inventory and financial statement reports
6. Oversees cleanliness and general appearance

SALES STAFF

Duties of employees and trainees are as follows:

1. Record beginning and ending cash receipts, disbursements, and vendor purchase receipts.
2. Listing of items necessary for purchase for the week
3. Inspects items for freshness and safety
4. Maintain daily inventories with an "eye" to high turnover items. JIT (Just In Time) inventory practice will be used as much as possible to maximize a high cash flow and liquidity.
5. Minimizes high inventories on low turnover items
6. Ensures that sales items introduced are targeted for the existing market.
7. Trainees and employees will be educated as to the selective or exotic tastes of food items.
8. Trainees and employees will continuously assess the items selections sold, and make recommendations to the store manager for new items.

CUSTOMER RELATIONS

The customer is always right; even though in reality, he or she may be wrong from time to time. Our long term position is to develop good relations with our customers to maintain a stable business. We want satisfied customers; therefore, the customers will receive the benefit of the doubt in any of our transactions.

The success of the business is going to be determined by the volume of our sales on an investment basis. We see human relation skills as paramount to attaining a successful business

Customer complaints must end with a satisfied customer. Apologize, agree, refuse to argue, listen intensively, and clarify your opinion without alienating the customer. This policy is some times difficult to practice, but we feel it is critical to the business.

BUSINESS IMAGE

Appearance of the facilities, but more importantly of the employees and trainees is the key. Staff must dress appropriately and project a high comfort level to their customers. As we stated earlier, 60% of the message is what you see. So the staff and the food items must have a magnetic pull to encourage people to enter the snack bar and purchase the items to be sold.

BOOKKEEPING AND RECORD ADMINISTRATION

This is the most important section of the operation. It will serve to gather, compile, and report information of all activities relating to the Snack Bar. The Managing Director will appoint someone to be in charge of this vital part of the operation. Periodic independent audit will be conducted by an outside accountant to ensure that the operation is conducted within established guidelines.

General ledgers, disbursement ledgers, and other financial records will be utilized in accordance with acceptable accounting procedures. The store manager will be responsible for the review of all financial entries and records. The bookkeeping duties may be delegated to an employee or trainee proficient in these skills. On the other hand, a designated trainee or employee can be trained to perform the bookkeeping duties.

SALES ACTIVITY REPORTS AND EVALUATION

APRIL - AUGUST 1991

September 10, 1991

Mr. Willie James
Vice President of Recreation
Lena Park Community Development Center
American Legion Highway
Dorchester, Mass.

Dear Sir:

Enclosed are four months activity reports for the Lena Park Snack Bar and the evaluation of its operation from April 24, through August 31, 1991. Some problems regarding its operation were identified, and I made some recommendations for your review.

The reports are based on actual sales and purchase receipts given to me and are subject to audit. I will meet with you at your convenience to discuss future plans for the Snack Bar.

Sincerely,

Tamba F. Johnny

PURCHASES

April 24, Through August 31, 1991

	April	May	June	July	August
Be/Inv.	200.00	316.73	345.11	377.03	467.84
Purchs.	535.90	759.98	597.92	1141.91	1039.80
	-----	-----	-----	-----	-----
T/Goods	735.90	1076.71	943.03	1518.94	1536.04
Sales	-419.17	- 731.60	-566.00	-1051.10	-1325.85
	-----	-----	-----	-----	-----
Ending Inv.	316.73	345.11	377.03	467.84	210.19
	-----	-----	-----	-----	-----

Purchase Summary

MONTH	PURCHASES
-----	-----
April	\$ 735.90
May	759.98
June	597.92
July	1,141.91
August	1,039.80

TOTAL PURCHASES	\$ 4,275.51

SALES REPORT

APRIL 24 - AUGUST 31, 1991

<u>DATE</u>	<u>CASH</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUGUST</u>
1			29.80	-	61.20	48.90
2			56.95	-	65.80	93.15
3			56.70	23.00	73.95	-
4			-	18.65	-	-
5			-	25.40	43.60	96.40
6			71.55	22.20	-	88.20
7			52.70	27.05	-	74.70
8			62.90	-	48.00	125.45
9			45.45	-	50.00	59.30
10			23.60	48.00	-	-
11			-	42.70	-	-
12			-	23.00	-	76.15
13			31.20	28.00	46.70	81.90
14			37.30	35.25	-	113.55
15			70.95	-	37.90	63.45
16			22.40	-	53.75	73.25
17			29.60	23.10	51.00	-
18			-	29.30	31.00	-
19			-	41.50	48.25	61.10
20			-	26.00	-	69.35
21			21.05	29.40	-	53.35
22			34.50	-	39.80	50.50
23			-	-	23.00	33.65
24		31.85	* -	30.95	49.45	-
25		96.15	-	27.35	35.55	-
26		41.41	-	22.80	77.20	* -
27		196.00	-	21.45	-	-
28		-	-	21.00	-	-
29		28.95	84.95	-	70.75	-
30		24.81	-	-	68.65	63.50
31			-	-	75.55	-
TOTAL SALES		\$ 419.17	\$ 731.60	\$566.00	\$1051.10	\$1325.85

Sales Summary

MONTH	SALES
-----	-----
April	\$ 419.17
May	731.60
June	566.00
July	1,051.10
August	1,325.85

TOTAL SALE	\$4,093.72

INCOME STATEMENT
AUGUST 31, 1991

Sales	\$ 4,093.72
Cost of Goods sold:	
75% of Total Sales (4093.72 X 75%) =	3,070.29

Income Before Expenses	1,023.43
Expenses:	
35% of Gross Income (1023.43 X 35%)	358.20

Net Profit	665.23

PURCHASES

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	April	May	June	July	August
Be/Inv.	200.00	316.73	345.11	377.03	467.84
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8			62.90	-	48.00	125.45
9			45.45	-	50.00	59.30
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11			-	42.70	-	-
12			-	23.00	-	76.15
13			31.20	28.00	46.70	81.90
14			37.30	35.25	-	113.55
15			70.95	-	37.90	63.45
16			22.40	-	53.75	73.25
17			29.60	23.10	51.00	-
18			-	29.30	31.00	-
19			-	41.50	48.25	61.10
20			-	26.00	-	69.35
21			21.05	29.40	-	53.35
22			34.50	-	39.80	50.50
23			-	-	23.00	33.65
24		31.85	* -	30.95	49.45	-
25		96.15	-	27.35	35.55	-
26		41.41	-	22.80	77.20	* -
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AUGUST 31, 1991

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75% of Total Sales (4093.72 X 75%) =	3,070.29

Income Before Expenses	1,023.43
Expenses:	
35% of Gross Income (1023.43 X 35%)	358.20

Net Profit	665.23

To ensure the projected profitability of the operation, the following concerns should be addressed: (1) Personnel, (2) Purchases, (3) Accountability for money from sales. Below, I will discuss each problem and make recommendations:

Personnel - Overall, the students who have been assigned to run the Snack Bar are doing a good job. However, there is a need for supervisor. Mr. Jones, the Athletic Director is doing a superb job supervising the students while attending to other duties at the same time. He needs a mature person to be with the students when he is not in the store.

Recommendation - There are many senior citizens who would jump at the idea of giving their time to participate in youth oriented activities such as the Snack Bar at Lena Park without asking for anything in return. The most they might need is transportation.

Purchasing - Purchasing ledger shows that merchandise is bought at the average of three days a week. At that rate, it is difficult to measure profit.

Recommendation - Purchasing should be done twice a month. 60% of total sales in a two weeks period should be used to replenish inventory and set aside 40% as profit. Space should be provided to store inventory within the facility with two people having access to the store key, Mr. James, and his assistant, Mr. Jones.

Accountability for cash sales - The net profit of \$665.23 from operation is more than the actual cash on hand. This discrepancy is attributed to unspecified expenses and misuse of cash sales. It was indicated that \$64.00 (cash) is missing from August sales.

Recommendation - A cash register should be used to record all sales, a person of authority to supervise the students in the absence of Mr. Jones, and make monetary compensation to the student workers.

EVALUATION

This is an evaluation of Lena Park Snack Bar activities from April 24, 1991 through August 31, 1991. Relative to similar operations, a realization of a \$1,000.00 average monthly activities is a viable operation. As indicated by increased sales activities in July and August of this year, the potential for greater activities in the summer of 1992 are promising.

Mr. James tested the waters of this venture with \$200.00. From this initial investment, of the four months, merchandise purchases increased to \$4,275.51 and total sales for the four months of operations came to a total of \$4,093.72. This means that 96% of the merchandise bought was sold. Since the venture's net worth is its ending inventory of \$210.19, the Ratio to be used should be for the Rate of Return on Assets. It should be Net profit divided by Total Assets. In this case, $665.23/210.19$ equals 31.6%. This is a very high Ratio because the Rate of Return on assets is more than three times the total assets. The Snack Bar activities are being conducted on portable shelves to weigh the viability of the operation. Given the above results, Mr. James would no doubt consider the installation of permanent flexible shelves with the consideration of expanding the variety of snacks.

SALES ACTIVITY REPORTS AND EVALUATION

SEPTEMBER - DECEMBER 1991

SEPTEMBER THROUGH DECEMBER 1991 SALES

September	\$ 210.30
October	594.95
November	1,050.80
December	908.66
	<hr/>
Total Gross sales	\$ 2,764.71

EXPENSES

Supplies	\$ 442.00
Misc. expenses	220.30
	<hr/>
Total expenses	\$ 662.30

PURCHASES

September	\$ 304.65
October	445.99
November	895.73
December	687.41
Total Purchases	<u>\$2,333.78</u>

INCOME STATEMENT

Sales	\$ 2,764.71
Cost of Goods sold:	
\$ 2,764.71 X 75%	2,073.53
Gross Income	<u>\$ 691.18</u>
Expenses:	
Supplies	\$ 442.00
Misc. expenses	220.30
	<u>662.30</u>
Net Income	<u>\$ 28.88</u>

YEAR TODATE ACTIVITIES

PURCHASES:

TOTAL

Beginning Inventory	\$ 200.00	\$ 200.00
April	535.90	735.90
May	759.98	1,495.88
June	597.92	2,093.38
July	1,141.91	3,235.71
August	1,039.80	4,275.51
September	304.65	4,580.16
October	445.99	5,026.15
November	895.73	5,921.88
December	687.41	6,609.29

SALES:

April	\$ 419.17	\$ 419.17
May	731.60	1,150.77
June	566.00	1,716.77
July	1,051.10	2,767.87
August	1,325.85	4,093.72
September	210.30	4,304.02
October	594.95	4,898.97
November	1,050.80	5,949.77
December	908.66	6,858.43

INCOME STATEMENT

April - December 1991

Sales		\$ 6,858.43
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Cost of Goods Sold:		
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\$ 6,858.43 X 75%	=	5,143.82
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Gross Income		<hr/> \$ 1,714.61
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Expenses:		
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Supplies and Misc. expenses		1,049.38
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Net Profit/Loss		<hr/> \$ 665.23
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PROJECT EVALUATION

Lena Park Snack Bar was designed to accomplish two goals: The first goal was for the Athletic Department to support itself financially from the proceeds of the snack bar. And the second goal was to train community junior and high school students to operate the snack bar. The training experience was to introduce the students to the business world with the hope that some of them would develop interests in becoming future business men and women in the community. Proceeds from the initial investment of \$200.00 have generated \$6,858.43 in sales during eight the months of operation. To restock, about 90% of the proceeds are being used. For the past eight months, students have been learning everything about operating a snack bar from customer relation to bookkeeping. As a result, the snack bar has now become not only part of Lena Park Community Center, but a place to shop for residents of the surrounding areas. Demands for various snacks and lunch have increased the number of hours the students have to work per day.

After watching the development of Lena Park Snack Bar grow into a meaningful environment which is enabling community students to learn about the business world, and for Mr. James to fullfil his goal of raising funds to support his athletic department, I am fortunate to be a part of the effort that made this project a reality. At the start of the project, there was a concern about students participation in decision making regarding the operations of the snack bar and how its proocceeds were to be used. But Mr. James and his assistant Mr. Jones, have been preparing the students to operate the snack bar efficiently.

They have also been learning the techniques of accountability as the proceeds from the snack bar will be used to upgrade the Athletic Facilities. The students are now making decisions about operating the snack bar. For instance, they have been asked to rename it. It is now called "LENA PARK LIONS DEEN".

All indications state that the future of the snack bar is very promising. Mr. James' goals of finding viable ways through community effort to financially support his department, train the students and in the process prepare them for the business world of tomorrow are guaranteed to succeed.

Reference:

Planning and financing your business by William R. Osgood

" A COMPLETE WORKING GUIDE"

Class room discussions