

# The Gen & Co

## BUSINESS PLAN

### Business description

The Takeover of a well-known restaurant named CHEZ QUAN (street name) SARL DAT ANH

The restaurant is ideally located in the bustling city of Marseille, France's first largest city after Paris. It has an outlook over the Mediterranean sea. This location is very well known and welcomes people all year round. It offers ethnic food of Chinese and Vietnamese origin. We are planning to buyout 100% of the shares of SARL DAT ANH through a special purpose vehicle company. Our aim is to increase business and maximise profits generated by this venture.

In order to achieve this goal, we will need to convert the flat roof into a rooftop terrace. This change will enable us to have a sea view from all angles as depicted in the video. As soon as the flat roof is modified, we will enhance our income through the organization of prestigious parties. This is going to be a year-round business.

### Mission statement

We are expecting to attract other types of clientele. Up to now, we were only able to attract individuals as well as their friends and family. The additional space will allow us to cater to corporate gatherings, as well as organising parties and celebrations. The new style and furniture will definitely add a touch of prestige. These simple but effective changes will enable us to generate considerable income growth and increase the restaurant's profitability. The restaurant is already very well known in Marseilles for its quality of food. This new chic touch will turn it into one the most glamorous dining places in town with the added benefit of a superb sea view.

### Overview

In order to achieve this goal, we will need to incorporate a SAS holding company (limited liability company) with a capital of 10 000 Euros to buy all the shares of the restaurant CHEZ QUAN which also happens to be a SAS with a capital of 10 000 Euros.

## FINANCING OF PROJECT

Partners	GENNA Aurelie	BENSOUSSAN Estelle	Total
Cash contribution	7 500 Euros	2 500 Euros	10 000 Euros
<b>Total amount required</b>			<b><u>1 652 400</u> Euros</b>

## USE OF FUNDS ( Vat included)

Start-up costs	26 400 Euros
Shares of SARL DAT ANH (Acquisition)	1 170 000 Euros
Furniture, fixtures and fittings	<u>456 000 Euros</u>
<b>Total</b>	<b><u>1 652 400 Euros</u></b>

**Rounded up to 1 700 000 Euros**

## The Target Company – Restaurant Chez Quan

This restaurant offers Chinese and Vietnamese food. The flat roof top will provide accommodation for additional clients and corporate activities -consequently more revenues in a pleasant atmosphere.

### **A) Legal Identity of the company**

Corporate name	SARL DAT ANH
Restaurants sign	CHEZ QUAN
Address	148 Av. Pierre Mendes France 13008 Marseilles
Date of incorporation	01/06/2016
Number of employees	7 plus the Manager.

DAT ANH is registered under the APE code of 5610A corresponding to traditional catering.

The DAT-ANH restaurant has not yet created a franchise and as such does not have any branch, the turnover for 2018 was 942 294 Euros. The net profits after tax was 103 401 Euros which is 3.77% more than the previous year.

DAT-ANH has not been the subject of any legal proceedings.

## Evaluation of the target company: SARL DAT ANH

The experts have chosen several methods to assess the value of this venture. In order to prepare this executive summary, we have reduced it to two methods and have come up with the following evaluation which is as follows:

- a) Accrual basis based on the net assets revalued
- b) Calculation of goodwill obtained indirectly from the profitability and directly the methods laid down by the European Accounting Boards and those laid down by the UK.

The accounting periods were compiled respectively for the accounting years 1918 and 1917

**CONCLUSION-**

Method	2018	2017	Evaluation accepted
Accrual	215 814	112 825	215 814
Indirect	1 028 226	916 575	980 375
EU Expt	881 878	784 663	840 215
UK	1 501 211	1 409 364	1 461 848

By excluding the accrual method as it is inappropriate in view of the type business involved

We reach the following valuation for DAT ANH

	2018	2017
<b>Mean valuation</b>	<b>1 137 105</b>	<b>1 036 867</b>

These methods of valuation are currently being used by the fiscal authority. Anyone interested in investing in this specific type of venture can assess the viability of their choice by using these methodologies. In fact, it enables the onlooker to assess the correct amount to be disbursed in such investment.

The price agreed to by the parties is 1 170 000 Euros and this is consistent with regard to the multi –criteria evaluation of the SARL DAT –ANH

**FORECAST BALANCE SHEET OVER A FIVE-YEAR PERIOD IN EUROS**

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>PROJECTED TURNOVER</b>	1 006 588	1 740 937	1 845 843	1 950 750	2 055 657
sPROJECTED PROFIT	150 305	887 512	969 682	1 052 491	1 134 676
EXPENSES OVER 5 YEARS	634 570				
<b>Average p.a.</b>	126 914				

The restaurant CHEZ QUAN is already a profitable company. An upgraded version of this restaurant will most certainly contribute in generating more revenue. The increase of space will enable the new owner to welcome more clients. It is a given fact that an increase in capacity together with the organization of parties will generate an additional income. Its current location is a true asset as people in the vicinity enjoy being near the ocean while enjoying a delectable meal. It is to be noted the superb quality of food already being served in this restaurant. Turning this restaurant into a prestigious dining location will be greatly assisted with the addition of adequate funding.

The forecast for the five years shown above takes into account the repayment to investors together with the interest due.

### SWOT ANALYSIS

<b>STRENGTHS</b> Location on elevated sea terrace Experienced local management Roof top with sea view Already serving quality and appreciated food Already operational and profitable Good access for patrons	<b>WEAKNESSES</b> Training of employees  Turnover of employees
<b>OPPORTUNITY</b> Take advantage of a profitable undercapitalized restaurant. The increase of the turnover within two years of starting the business illustrates the existing demand.	<b>THREATS</b> Various types of Foods that is bound to attract more competition Prime location subject to fierce competition All problems associated with night parties and events

#### The restaurant will be managed by

Miss GENNA Aurelie owns 75% of the shares

Name: GENNA

First name: Aurelie Nathalie

#### Reasons for starting this job

I handled several companies as a managing director giving me the experience to undertake this task in this new business. I am indeed planning to work full time and not just be a shareholder.

Professional experience as a manager

Manager of the Brasserie l’Hermes located in Toulouse for a period of 5 years

Manager of a SARL for the design and sales of children’s apparel. After the births of my two kids, I decided to create my own brand of clothing to be sold online.

Basic training : BTS marketing (BAC +2)

This basic training in marketing has helped me in the various companies that I have managed.

Languages spoken English, Italian, Spanish and German

Having mastered 4 languages is a plus in this business where the clients have a tendency to be multi-national.

Fiscal Regime: Corporation tax

Real simplified tax system

Area of activity : Holding companies 6429Z

CEO : Miss Aurelie GENNA - legal status of an employee, non-remunerated as she already receives a remuneration .