

BUSINESS PLAN



PUTTER'S BREAK
SNACKS LIMITED

2024

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I. EXECUTIVE SUMMARY

Putter's Break Limited is a food service business that operates a snack shack on one of Ontario's top-rated golf courses. The snack shack was newly acquired by Putter's Break in 2024 and is situated between the 7th and 8th hole on Stein Municipal Golf Course in the city of Royal Oak.

Taking over the snack shack was the idea of Karol Erickson, a former police officer and a resident of Royal Oak who is the founder, owner, and operator of Putter's Break. Karol is a regular patron of Stein Municipal Golf Course, the president of a women's golf group, and well known and respected in her community.

Putter's Break is uniquely positioned to attract customers because the main target market passes directly in front of the shack with every round of golf that they play. In order to gain customers, Putter's Break simply has to open the shack and be visibly open to the golf course patrons.

Not only will customers be able to easily find the snack shack, but the shack itself already has shown strong sales potential. In past years when the snack shack was run by the city of Royal Oak, annual sales regularly surpassed \$100,000 over the course of the 5-month golf season, despite no alcohol being sold. Putter's Break plans to build on the past success of the shack and expand the food menu, drink options, and target market beyond golf course patrons.

In addition to expanding the food and drinks offered, Karol will be joined by her husband and sister who are both professional chefs with 60 years of combined professional cooking experience. Their skills and experience will be utilized to make improvements in the quality and taste of the food items sold by the snack shack.

Once fully-operational at the golf course, Putter's Break plans to expand sales to customers who can easily access the shack from the main road behind the golf course. The shack is situated just 5 meters away from one of the main through streets in Royal Oak that is surrounded by residential properties in a neighbourhood with no other restaurants or food retailers.

After years of either being completely closed or lacking consistency in hours and offerings, Putter's Break is ready to maximize the business potential of the snack shack and truly delight the golf course patrons.

II. BUSINESS OVERVIEW

Business Description

Putter's Break Snacks Limited is a food service company that operates a snack shack located between the 7th and 8th holes on the Stein Municipal Golf course in Royal Oak, Ontario. The physical snack shack was built approximately 40 years ago, but as of spring 2024, will be fully-operated by Putter's Break Limited. The business's primary focus is to provide drinks, snacks, and light meals to the patrons of the golf course during the golf season from the start of May until early October.

Business Purpose

The main purpose of the business is to provide snacks, drinks, and light meals to all patrons of the Stein Municipal Golf Course. The snack shack has been either partially or fully-closed for the past 6 years despite the course being very popular and the high demand for food and drinks being demonstrated whenever the snack shack was open.

Business Concept

The business concept behind Putter's Break is simple: to provide food and drinks to golf course patrons. The idea was established when a regular patron of the golf course recognized that the existing snack shack was either closed or operating well-below capacity in terms of hours, products, and delivery methods. With strong demand for food and drinks by course patrons who pass by the snack shack every round of golf, there existed a clear opportunity to take over and rejuvenate the snack shack.

Business Structure

Putter's Break is a corporation that is officially incorporated under the name "PUTTER'S BREAK SNACKS LIMITED." The corporation is registered provincially with the government of Ontario, and is registered to the home address of the founder and exclusive shareholder in Royal Oak.

The founder and owner of Putter's Break is Karol Erickson. Karol is a retired police officer of 23 years who has a passion for people, golf, and food.

While Karol is currently the sole owner of the business, she has a strong support system to help her start and operate the business along with seasonal staff that she can rely on to help with day-to-day operations.

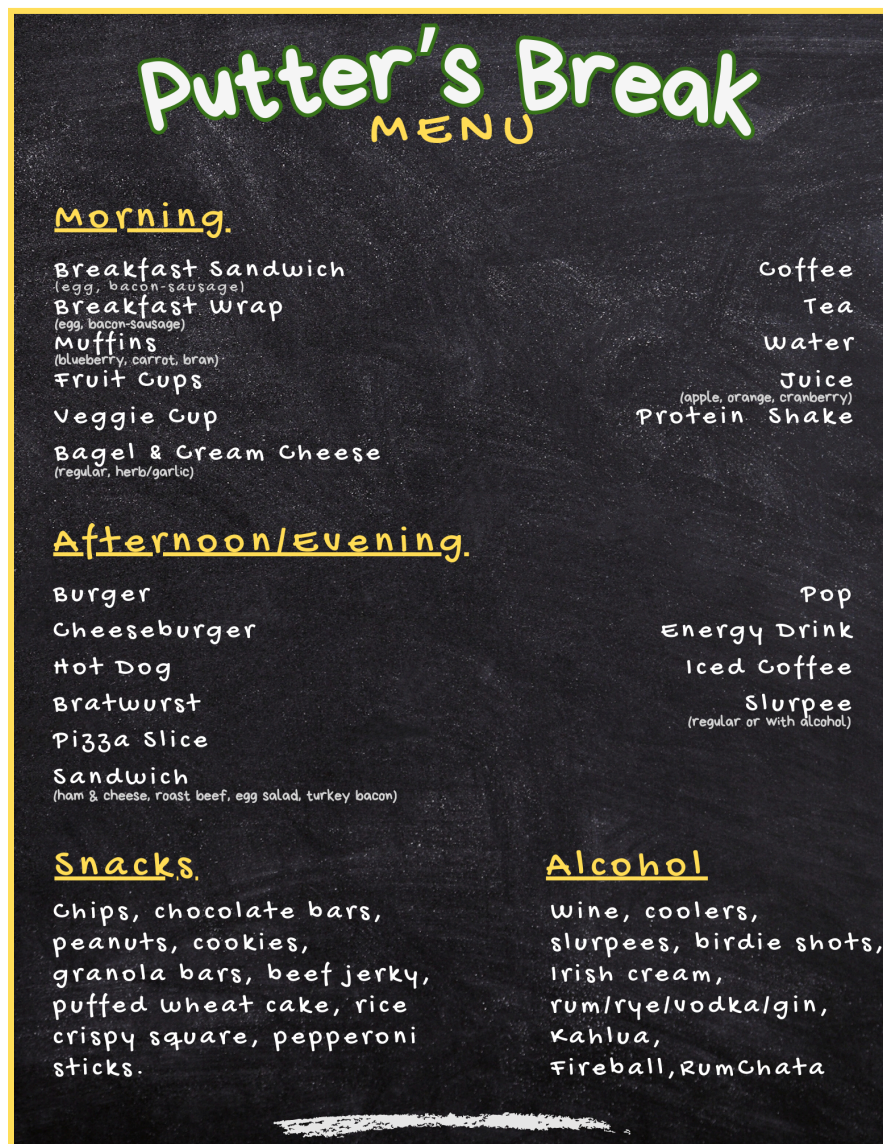
Business Products and Services

Putter's Break is a food service business that sells food and drinks to golf course patrons. The main food and drinks are specifically curated to be suitable for golfers who are still in the midst of their golf round. The main offerings are drinks, easy snacks, and light meals that can be prepared and eaten quickly without major disruption or delays to a round of golf.

Putter's Break will operate the snack shack 7 days per week, from 6:00 a.m. until 9:30 p.m. daily from May 1st until early October.

The main light-meal food options will consist of: sandwiches, wraps, bagels, burgers, hot dogs, bratwurst, and pizza. The main snack options will consist of: fruit cups, vegetable cups, cookies, muffins, chips, peanuts, and beef jerky. The drink options consist of: water, beer, wine, hard alcohol, protein shakes, soft drinks, juices, and slurpees.

The current menu of Putter's Break is shown below.



Putter's Break also plans to add an ice cream treat selection midway through the 2024 golf season and cups of soup near the end of the season. Frozen treats like ice cream will be popular on summer days and will allow Putter's Break to expand the menu with items that require minimal preparation. In 2025, Putter's Break plans to add additional types of coffee and a few flavours of hard ice cream that can be served in cones or bowls, in addition to the prepackaged ice cream treats added in 2024.

For serving alcohol in Ontario, a commercial liquor permit is needed. Fortunately, Stein Municipal Golf Course already has a permit that Putter's Break is granted approval to use for selling alcohol rather than obtaining their own permit.

When it comes to attracting customers, the main strategy will be to simply open the service window, have basic signage, and demonstrate to the golfers passing by that the business is actually open. Putter's Break is in a unique situation where its prospective clients simply cannot miss it when they walk by. If anything, many golfers will be very happy to see that the snack shack is open after years of closure.

The main ways in which Putter's Break will serve its customers are:

- 1) **Walk-up** - Golf course patrons will walk directly in front of the snack shack as they pass from the end of the 7th hole to the beginning of the 8th hole. This creates the perfect opportunity to gain customers without even advertising. As long as the shack is clearly open and attended to, there is the opportunity for hundreds of golf patrons to become customers on a daily basis without having to advertise.
- 2) **Pre-order** - Putter's Break will establish an online menu and ordering process where golfers may place orders online prior to completing the 7th hole. This will allow their food and drinks to be prepared for them before they arrive at the snack shack. Not only will this allow golfers to save time by not having to wait for food preparation, but it will also serve as a way to advertise to golfers before arriving.
- 3) **Delivery** - Once golf course patrons have become familiar with the menu and ordering process of Putter's Break, they will be able to place orders for delivery on the golf course. In the event that they would like food prior to arriving at the snack shack or if they are only golfing on the back 9 holes of the course, Putter's Break will be able to deliver to them anywhere on the golf course using a golf cart.

In terms of collecting payments from customers, Putter's Break will accept cash, as well as debit cards and credit cards by utilizing point of sale (POS) hardware and software. The snack shack has a computerized cash register system that will be used to input customer orders and can be sent to the terminal to accept card payments.

Once Putter's Break is ready to serve customers away from the snack shack by using the golf cart, the golf cart operator will be able to use a phone as a cash register and accept card payments by using a remote card terminal.

Business Goals

The goal of Putter's Break is to take over the snack shack at the golf course that has gone mostly unused for the past several years and turn it into a thriving business. Given that the shack is located directly on the golf course, customers do not need to be advertised to, as is the case with most other businesses. Instead, potential customers will pass right in front of the shack every time they golf.

The short-term goal is to establish a strong presence on the golf course with regular hours, desirable products, professional service, and reasonable prices. Once this foundation has been established, Putter's Break will begin making adjustments and improvements to the menu and business operations.

Customer demand and feedback will allow Putter's Break to determine which products are most popular and how to better serve their customers. Adjustments may include small alterations to the menu, providing on-course delivery service, having pre-order options so that food is ready as soon as golfers arrive at the snack shack, and selling food and drink from a golf cart within close proximity of the snack shack.

Beyond serving golf course patrons, Putter's Break has plans to open business to the general public outside of the golf course. Because the snack shack can be accessed from Gardenia Avenue East, there is potential to add signage on the side of the road. This signage would be used to direct customers to the snack shack without having to go through the main entrance of the golf course.

Having open access to the public would allow for a broadened market and could provide value to the residents of Royal Oak by offering a seasonal food service location in an area of the city that does not have any restaurants in close proximity.

In addition to expanding service to customers via Gardenia Avenue access, Putter's Break is also open to providing catering service for drinks, snacks, and light meals in the future. The catering service could be provided during the golf season and also potentially expand beyond the season. However, if there was demand for catering outside of the golf season, Putter's Break would likely have to find a separate commercial kitchen to use to prepare the food.

Ownership Profile

The founder of Putter's Break Snacks Limited is Karol Erickson. Karol is originally from Vancouver Island but has lived in Royal Oak for the last 32 years. Both of Karol's parents grew up in Ontario and she eventually moved to Royal Oak when her parents retired.

Early in her career, Karol worked as a server in food services for the military and also comes from a family that has cooks, chefs, and bakers over several generations.

Taking over the snack shack is very much a natural fit for her, based on her family background, her passion for food, and her early work history.

Karol spent 23 years as a city police officer for the City of Royal Oak where she largely served as a patrol officer in the community. Karol is highly experienced and skilled in communication, conflict resolution, and is well-known and respected in the community.

Karol has also been an avid golfer for the past 10 years and enjoys playing in golf tournaments at different courses around the province. She is also the president of a women's golf club at Stein Municipal Golf Course.



The idea to take over the snack shack occurred to Karol several years ago as she regularly passed by the vacant shack during her rounds of golf. The closure of the shack was disappointing to her as a golf course patron, but she also saw the opportunity to take it over and operate it herself, pending approval of the golf course.

Karol has been observing different golf courses throughout the province over the past few years to see what options and services their snack shacks provide. Karol's observation of other courses has helped with the planning and preparation to open Putter's Break.

Now that Karol has finally been granted approval to operate the snack shack, she is excited to re-open it and serve the golf course patrons with exceptional food and reliable hours and service.

Karol will be working full-time at the snack shack for the first season while getting assistance from her husband Kent, sister Marilyn, and new staff that she will be training to have in place for when the season picks up in June.

Outside of golf, Karol loves spending time with her 2 daughters and 6 grandchildren who all live in Royal Oak. Karol is also very active in other sports and activities and helps coach her grandchildren in their activities such as hockey, baseball, and lacrosse.

Culinary Support Team

Karol is the driving force behind Putter's Break, however, she will rely on her husband Kent and her sister Marilyn to help develop the menu and run the business. Kent and Marilyn are both professionally-trained cooks with many years of professional cooking experience. This gives Putter's Break a major advantage when it comes to menu development and food preparation.



Kent Erickson - like Karol, Kent is retired and spent the early years of his career in the military. Kent is a Red Seal Cook who was trained in the Canadian Military where he spent 11 years as a cook.

After serving in the military, Kent also served as a cook and supervisor at the Royal Oak Penitentiary for 10 years and has catered several private functions as a chef.

With over 20 years of professional cooking experience, Kent's expertise will be highly valuable to Putter's Break in ensuring the menu consists of high-quality and delicious food.

Kent also loves hosting guests and barbecuing and his skills will be utilized during golf tournaments at Stein Municipal to provide additional barbecued food options for tournament participants and spectators.

For the past 10 years, Kent has become a very active golfer and is part of a men's golf club in Royal Oak. He also enjoys spending time with his daughters and grandchildren.

Marilyn Sinclair - also a trained cook, Marilyn took her culinary training in a college in British Columbia and is currently a professional cook for the government of Ontario.

Prior to moving to Royal Oak, Marilyn owned her own restaurant in southern Ontario and previously assisted with her brother's restaurant in British Columbia.

Marilyn has spent her entire 40-year professional career in the food service industry and has a particular passion for baking, as well as making soups and sandwiches.



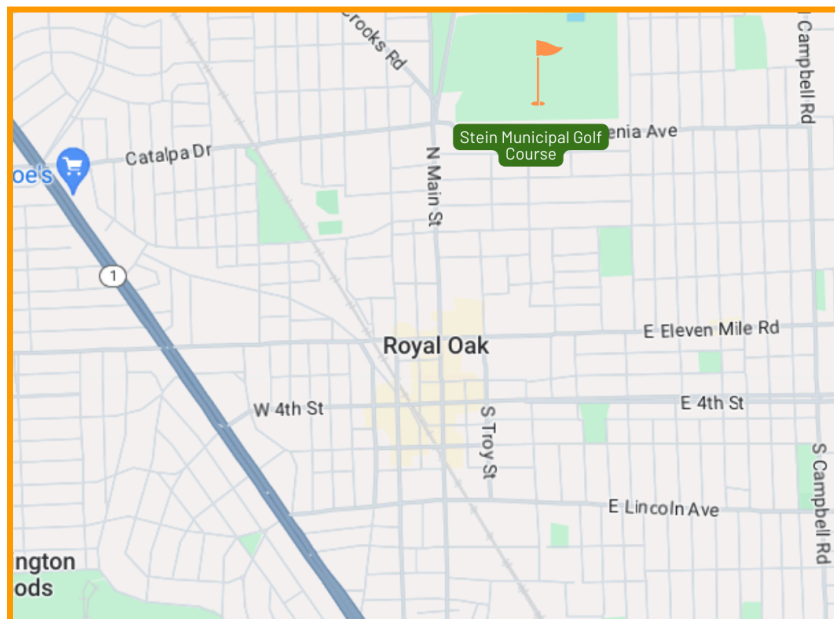
Marilyn's expertise and experience will be valuable in developing the menu, selecting food ingredients, making improvements and additions to the menu, and also with the general operations of the business.

III. OPERATING STRATEGY

Location

The snack shack that Putter's Break operates is located on the Stein Municipal Golf Course in Royal Oak, Ontario. Royal Oak is the third-largest municipality in Ontario with a population of just under 40,000 people. The city is located in the center of the province, 140 kilometers northeast of the province's largest city, Toronto, and 365 kilometers north of Thunder Bay, the province's second-largest city.

Stein Municipal Golf Course is the only golf course in Royal Oak and was established in 1910. The course is well known in the province and widely considered one of Ontario's top 5 golf courses. Affiliates of Golf Canada recently assessed the course and rated it #101 in all of Canada and considered it the best public municipal course in the country.

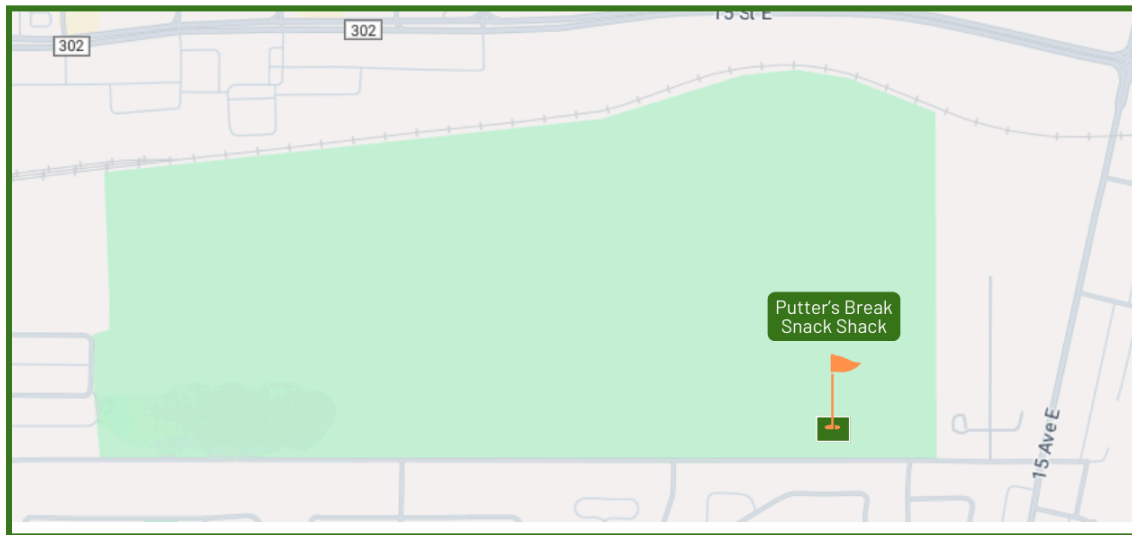


The course features a par 71, 18-hole course along with a pro shop, driving range, golf cart and equipment rentals, along with a restaurant and lounge.

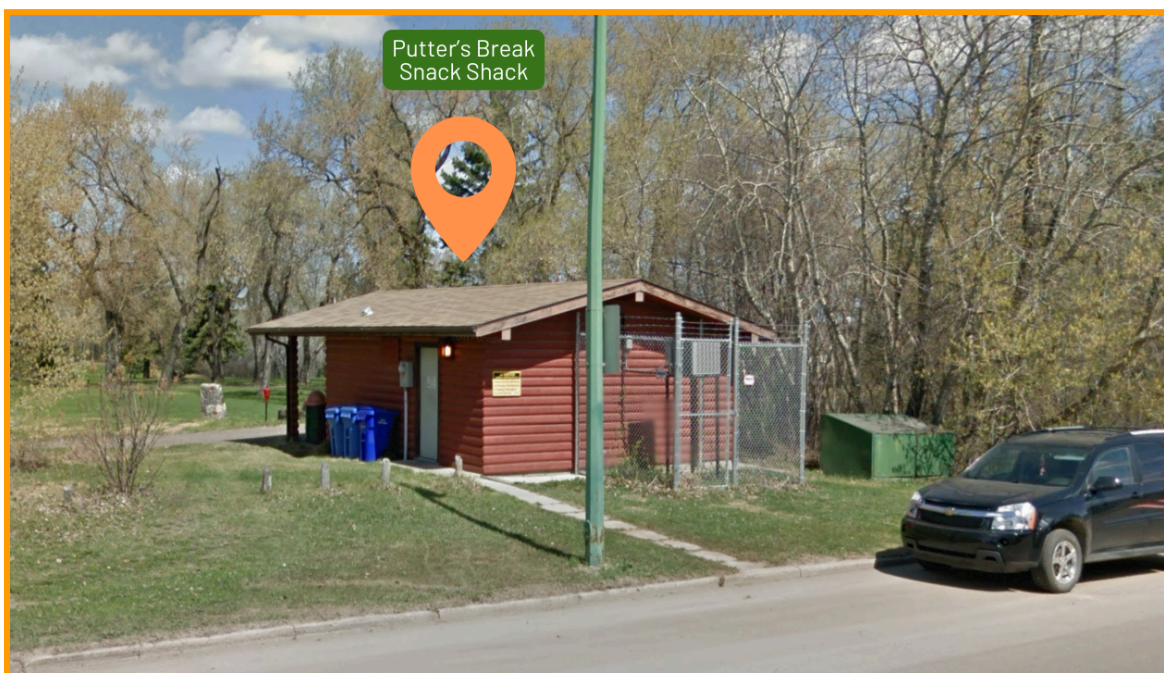
The course currently has approximately 340 club members and is also open to non-members. Each year, Stein Municipal Golf Course hosts over 30 tournaments including a PGA qualifying tournament in 2023.

An estimated 250 golfers use the course each day and approximately 29,000 rounds of golf are played on the course per year, on average. For the 2024 season, there are currently 25 different golf tournaments scheduled, with over 2,000 total registered participants.

Putter's Break snack shack is specifically located between the 7th and 8th holes of the golf course which is located on the east side of Royal Oak. While the snack shack is located on golf course property, it is approximately 5 meters away from Gardenia Avenue East which is one of the main through streets in the city.



The golf course is not fenced-in which means that the snack shack can be accessed by the public from Gardenia Avenue without having to go through the front entrance of the golf course or pay an admission fee. This creates the potential for a large secondary market where the snack shack could also serve the general public who access it from the Street.

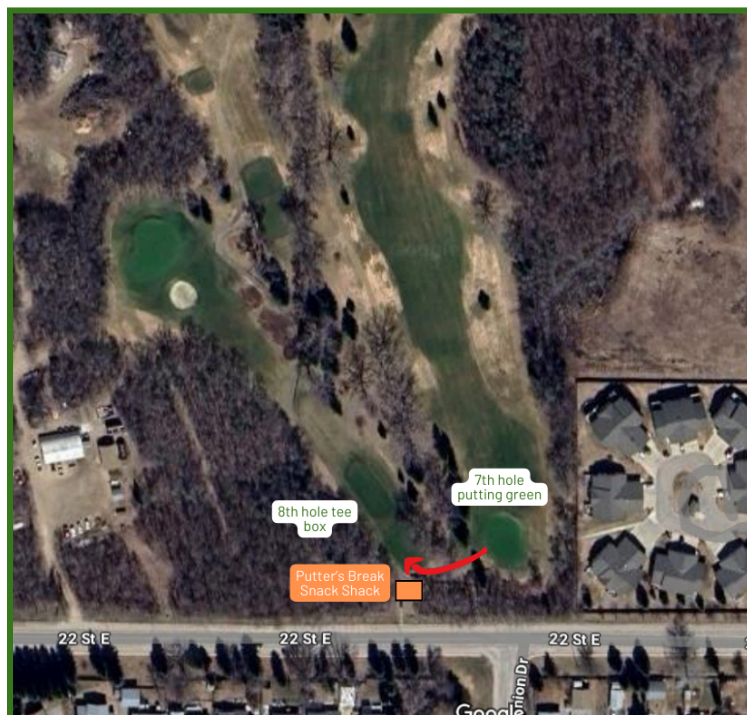


Once fully-operational at the golf course, Putter's Break has the option to easily open access to the general public on Gardenia Avenue. The road itself is very wide and has ample parking on the north side, directly behind the snack shack and on the south side as well.

The snack shack is also surrounded by residential neighbourhoods to the east and south which is ideal for expanding service to nearby residents.

Facility

The snack shack that Putter's Break will operate is located on the front-nine holes on the walking path that connects the 7th hole on the golf course to the 8th hole. The shack is located in the southeast corner of the golf course just next to Gardenia Avenue East, near the intersection of Bremer Drive and 24th.



The facility is a wood structure that is approximately 5 meters away from Gardenia Avenue East. The facility is officially owned by the Royal Oak Golf and Curling Club (ROGCC) and has been leased to the owners of Putter's Break for the 2024 golf season under a facility management contract.

The contract expires in mid-October and will be up for renewal for the following season. The golf course manager has been highly supportive of Putter's Break opening and has expressed that the chances of renewing beyond 2024 are very strong.

Utilities such as electrical, gas, water, telephone, security, and property insurance are all included in the contract and will come at no additional cost to Putter's Break. However, Putter's Break will be responsible for obtaining commercial general liability insurance to cover business activity.

The snack shack is approximately 7.3 meters by 7.3 meters (24' x 24') and has the main service window facing north which is where the walking path connects the 7th and 8th holes of the golf course. In the future, there is the option to install a secondary window on the south side of the shack to serve customers arriving from Gardenia Avenue rather than from the golf course.

In order to make the snack shack more accessible from Gardenia Avenue, Putter's Break has the option to replace the cement stepping stones behind the shack with an improved path for pedestrians approaching the facility. Additionally, the small wooden posts that are acting as a vehicle barricade can be removed. Removing the barricades would create more space for a walkway to allow customers either to order from a new window on the south of the shack, or to access the main service window on the north side.

Currently, there are no picnic tables outside of the snack shack but one will be installed by Putter's Break in May and a second one in June of 2024. The picnic tables will be placed in front of the snack shack to the left of the building, closest to the tee box of the 8th hole. This will provide customers a place to sit without blocking access for other customers.

Inside the shack, there are two rooms. One room is for the main counter, grill, cooler, and sinks. The back room is mostly storage but will have a stove and 2 freezers. One freezer for frozen items and the other will be for meat products.

The interior is fairly spacious with a preparation table and a fridge to keep everything fresh. There will also be a table for the grill. The current condition of the shack interior is not ideal, however, Karol has plans to make some improvements and rejuvenate the space in the future.

Outside of the facility, there is an approachable window with a menu board and prep table for customers to add toppings and condiments to their food.

There are two public washrooms available for golfers beside the shack. In past years when the snack shack was not operated, the washrooms remained open for use. Now that the shack is operational, it's even more important that they are open and well-maintained. The washrooms give golfers another reason to stop at the snack shack, see that it's open, and observe the expanded menu compared to past years.

While Putter's Break is not a full-service restaurant and only operates from the start of May until early October, it will not be carrying any significant overhead costs in the offseason. The main operating costs during the season will be labour, food and drink supplies, and rent. These 3 expenses will not be incurred beyond mid-October and the main remaining expense will be property insurance.

In the event that Putter's Break stores kitchen equipment in the building over the winter, insurance coverage beyond the general property insurance of the golf course will be maintained by Putter's Break. Currently, Putter's Break has an insurance policy that provides Commercial General Liability of up to \$2,000,000 and commercial tenant insurance which provides coverage for the contents stored within the snack shack.

Suppliers

Putter's Break has a unique supply structure for sourcing drinks and food supplies. Because Stein Municipal Golf Course already has a full-service restaurant and lounge, they have agreed to allow Putter's Break to utilize the suppliers that they have already developed business relationships with and use on a regular basis. This will not only save Putter's Break the time and effort required to establish relationships with suppliers, but it will also allow for cost savings by placing bulk orders in conjunction with the golf course.

In addition to utilizing the existing suppliers of the golf course, Putter's Break will be able to establish other suppliers to provide food, drink, and kitchen supplies. Establishing other supplier relationships can be beneficial for circumstances where either products cannot be obtained through the main supplier of the golf course or where urgency or pricing makes alternative suppliers more suitable.

Wholesale Club - The Wholesale Club is a grocery chain that is owned by Loblaws Inc. and sells a variety of food items, produce, and even cookware and commercial kitchen equipment. The city of Royal Oak has two Wholesale Club locations that are within a 10-minute drive of the golf course. Wholesale Club will be relied on by Putter's Break to supply kitchen equipment and supplies as well as food supplies and produce, particularly in instances where prices are better than the food supplier of the golf course and when Putter's Break is in urgent need of supplies.

Federated Co-op Liquor Store - The main supplier of liquor for Putter's Break will be the Federated Co-op Liquor Store which is located just north of the golf course and can be reached by motor vehicle in less than 5 minutes. Putter's Break will have a retailer account set up with the Co-op and will be able to purchase all types of alcoholic beverages for resale at the snack shack.

In the event that other suppliers are needed, Putter's Break is not beholden to any exclusive supplier agreements and is able to utilize other suppliers if necessary.

Business Timeline and Action Plan

The idea to take over the snack shack first came to Karol several years ago when she frequently passed by the vacant snack shack while golfing. Disappointed with the closure and knowing the potential of the snack shack, Karol approached the golf course manager to see if there was any potential for her to take it over in the future. Despite the support of the course manager, getting approval from the city of Royal Oak and the Board of Directors of the golf course was a very slow process.

In late February of 2024, the course manager was finally granted full approval to allow Karol to take over the snack shack. While the news was very welcome and exciting for Karol and the course manager, it left Karol with a very limited amount of time to prepare for the 2024 golf season.

As of April 2024, Putter's Break has officially been incorporated as a Ontario business and a facility management contract has been signed for the snack shack. The management contract runs from the start of May until the middle of October of 2024.

For the month of April, the main focus is setting up the business which includes: opening a business bank account, finalizing the menu, getting a business license and food service permit, as well as preparing the facility and training staff.

The snack shack will officially open on May 1st and focus on serving customers through the main service window. Putter's Break plans to keep services simple to start out with in order to establish strong operational efficiency before expanding its services.

Once the staff is comfortable and competent in serving customers that come to the shack via the walking path between the 7th and 8th hole, there will be an expansion in June to provide on-course delivery and pre-order. Pre-order services will be implemented through a website or phone call and delivery will be provided using a golf cart.



In September, Putter's Break will see less customer traffic and begin to wind down business operations before closing in October. In order to prepare for closure, supplies will be closely monitored to prevent having a large surplus upon business closure. Hours of staff will also be closely monitored to ensure labour costs properly reflect sales.

Assuming the golf course and Putter's Break sign an extension for the management of the snack shack, April 2025 will be focused on preparing the business and facility for the 2025 season. The main tasks to focus on will be: securing adequate staff, purchasing kitchen and food supplies, and preparing the facility.

As will be the case every year, Putter's Break will plan to open the snack shack at the beginning of May and stay open for the duration of the golf season. Starting in May 2025, there will be a strong focus on including all services such as delivery and pre-order from the beginning of the season. There will also be an added focus on advertising to customers outside of the golf course.

Target Market

For the first year of business, the main target market for Putter's Break will be golf course patrons who are walking in front of the snack shack as they pass from the 7th hole to the 8th hole. Similar to a retail store in a shopping mall, most of Putter's Break's potential customers will not require advertising to gain their attention. Golfers will pass directly in front of the shack as part of their round of golf.

The golf course serves a broad demographic of golfers spanning different ages, skill levels, and frequency of visitation to the course. With the exception of alcohol which will not be sold to minors, all golf course patrons are suitable customers for the snack shack.

The extensive menu of Putter's Break will cater to those who are looking for small meals, snacks, or exclusively drinks. Putter's Break will also provide a variety of different options to suit different personal preferences and dietary restrictions.

Once Putter's Break has completed the first season of business, it will look to expand its target market in the following year to the general public via the Gardenia Avenue access and potentially through catering services.

Pricing Strategy

In determining prices for the drinks, snacks, and light meals served by Putter's Break, a number of methods were considered. The first and most detailed method was to analyze all of the input costs for the food items and set retail prices that would be high enough to generate a profit. However, because of the high number of variables that can impact input costs, this method is very cumbersome and difficult to determine accurate and adequate pricing.

The second option was to simply estimate what customers were willing to pay for food and drink items. Because the snack shack is located on a golf course, customers are typically willing to pay a premium for food and drinks compared to what they would at grocery stores or restaurants. Like movie theaters, airports, and amusement parks, premiums are often charged at locations that are less accessible than regular grocery stores and restaurants. However, because Putter's Break plans to advertise to the general public, this pricing strategy is not ideal and may turn away some potential customers from outside of the golf course.

While preparing the snack shack for the 2024 season, Karol and her husband found a menu board with prices from the 2022 season. The menu board served as a great reference point to see what the past shack operator was charging and also to understand what golf course patrons were paying in previous years.

As the main operator of the snack shack, Karol has decided to base prices largely on 2022's rates and on current market rates for similar food and drink products. Because food and drink prices have risen significantly in recent years, there may be small increases compared to the past menu board. However, Putter's Break will not make any price changes that are significant enough to surprise returning golfers from 2022.

Once Putter's Break has completed one or two months of sales, Karol will be able to determine which products are selling well and which are not. Additionally, she will have a better idea of which products are highly profitable and which are not. From there, Putter's Break can adjust to promote the products that are selling well and have strong margins and also expand the menu to focus on providing similar products.

If certain products are not selling well or have weak profit margins, they can either be eliminated, adjusted, or prioritized less in advertising. For products with strong margins and weak sales, they can be promoted more and offered in combinations with other popular items to increase sales.

A unique feature of the snack shack is that it closes for 7 months each year. During the seasonal closure, there is an opportunity to assess the menu and make adjustments to products and prices. For conventional restaurants, frequent changes to menus and pricing can be off-putting to customers. However, because of the 7-month closure, customers will be less aware of adjustments. This gives Putter's Break more flexibility to make adjustments in the offseason without causing frustration among customers.

Competition

The snack shack operated by Putter's Break is the only snack shack on the entire golf course. The only competition that Putter's Break has is the main restaurant, lounge, and drink cart on the golf course. However, these 3 options are also partners with Putter's Break as they share suppliers and also cover different sections of the course.

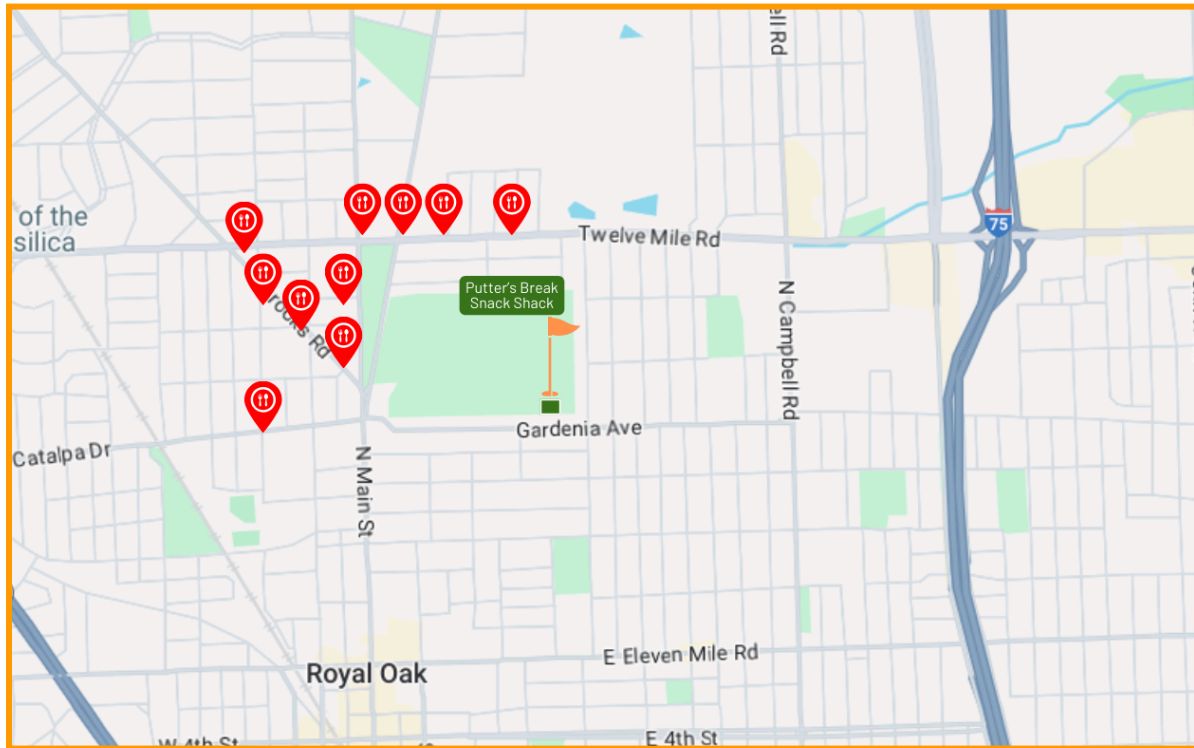
The restaurant and lounge cater to golfers who want to sit down and order food prior to, or after their golf round. Golfers do not have the option to have food from the restaurant and lounge delivered to them on the course and are not easily able to take the food and drinks with them onto the course. This allows Putter's Break to have its own niche on the course and not be in direct competition with the restaurant or lounge.

The main golf cart that operates on the course is primarily focused on selling drinks to course patrons and it has very limited food items available. The cart also does not begin serving patrons until 11:00 a.m..

Putter's Break sees the main course cart as a potential business partner where it could serve most of the course and allow Putter's Break to use a separate cart to serve a smaller area within close proximity to the snack shack. Additionally, Putter's Break may be able to equip the main golf course cart with some of their snacks so that they can be sold to golfers beyond Putter's Break's service radius. This would allow the main cart to provide more value to their customers while also increasing sales for Putter's Break.

If the main cart does not begin until 11:00 a.m., there is also the potential opportunity that Putter's Break could send a cart out to the entire course prior to 11:00 each day.

Outside of the options provided on the golf course, there are no restaurants or food service establishments within 1.5 kilometers of the snack shack. The closest options are KFC which is 1.6 kilometers away, Swan Pizza which is 1.8 kilometers away, and Burger Kastle which is also 1.8 kilometers away from the snack shack.



Once Putter's Break is ready to expand services and begin advertising to the general public, there is a huge opportunity to serve the east side of Royal Oak where no other restaurants or food service providers are established.

In terms of competition from other golf courses that could draw golfers or golf tournaments away from Stein Municipal Golf course, the options are limited. Stein Municipal is the only course in the city of Royal Oak. The next closest course is 5 kilometers away and only features 9 holes. The closest 18-hole course is 14 kilometers away from Stein Municipal but is not a top-ranked course in the province.

Other golf courses that are considered the best in the province such as: Elk Valley, Briar Ridge, Pine Lake, and Pelican Pointe are all found between 85 and 570 kilometers away from Stein Municipal and therefore, do not pose a threat in terms of drawing local Royal Oak golfers away.

SWOT Analysis

The main strengths of Putter's Break are:

- 1) **Cooking Experience** - Putter's Break has the benefit of two highly-experienced cooks to help design the menu and prepare the food. This will result in high-quality snacks and light meals that will impress customers, especially those who have low expectations for a golf course snack shack.
- 2) **Community Connections** - Karol is well known in the Royal Oak community, especially the golf community. She is an avid golfer and is the president of a women's golf group that plays together every Tuesday and consists of approximately 40 members. Karol's connections and reputation in the community will be a valuable asset to the success of Putter's Break.
- 3) **Ideal Positioning** - the snack shack is located right on the golf course where golfers have no choice but to walk past for each round of golf. The ideal clients for Putter's Break will essentially be showing up on their doorstep daily without any advertising. The snack shack is one kilometer away from the main restaurant, which will prevent a competitive relationship from developing.

Most golf courses are either surrounded by fences or trees to separate them from streets and residential areas. However, the snack shack on Stein Municipal Golf Course has a clearing with a path from Gardenia Avenue so that pedestrians can access the snack shack without going through the front entrance of the golf course.

The ease of access for pedestrians will allow Putter's Break to greatly expand its customer base far beyond a regular golf course snack shack. Vehicles are even able to park directly behind the snack shack on Gardenia Avenue.

In addition to the ease of access for customers who are not golf course patrons, there are no restaurants nearby. With the snack shack being surrounded by residential neighbourhoods, there is a great opportunity to serve the surrounding area without any immediate competition.

The main weaknesses are:

- 1) **No Ownership Experience** - one of the main challenges for Putter's Break is that the owner, Karol Erickson, does not have formal business ownership or management experience. With Karol being new to business, there is much to learn and little time to do so. The learning curve is large and there is a never-ending list of things for business owners to be aware of. However, Karol is highly motivated, dedicated to learning, and to being the best business owner she can be.

- 2) **Limited Preparation Time** - Karol was only granted approval to operate the snack shack in late February of 2024. This gave her just two months total to prepare for opening at the start of May. Although Karol is naturally very organized and forward-thinking, the poor timing of approval has created additional stress and challenges with properly preparing the snack shack for the golf season.
- 3) **No Returning Staff** - because the snack shack has not been regularly operated, there are no long-term staff. In addition to the lack of consistency in operations, it is also a seasonal operation which reduces the ability to have long-term staff. However, the golf season is ideal for hiring high school and post secondary students and the work is something that can be learned easily.

Putter's Break plans to heavily rely on seasonal student workers, hopes that it is a desirable summer job for them, that they will return in the following years, and also refer other potential employees.

The main opportunities are:

- 1) **Expansion Beyond Golf Course** - Putter's Break has the option to put up signage facing Gardenia Avenue to gain customers who pass by the snack shack outside of the golf course.

In addition to advertising to passersby on Gardenia Avenue, there is also the potential for Putter's Break to offer catering services. Snacks, sandwiches, and other light meals could be made by Putter's Break and delivered to events in Royal Oak and the surrounding area.

With regular customers frequenting the snack shack, Putter's Break may be able to develop a relationship with them and simply let them know that catering services are being offered. Some of the golf course patrons may have connections, functions, or regular meetings that would be interested in having Putter's Break cater for them.

- 2) **Delivery and Pre-order** - once the snack shack is fully functional for 2024, additional signage will be posted on the golf course. The signage will have a QR code to scan and a phone number to call so golfers can place orders prior to arriving at the shack. This signage will not only serve as extra advertising, but it may attract additional clients who feel they don't have enough time to stop and wait for their food to be prepared once arriving.

Golf course patrons will also have the option to order online for delivery within the course. If someone chooses to only golf on the back-nine holes of the course and will not pass by the snack shack, they will be able to order food and have it delivered to them elsewhere on the course. This will allow Putter's Break to serve those golfers who do not pass by the snack shack.

- 3) **Past Underutilization** - in recent years, the snack shack has either been completely closed or operated with limited hours and products. In the times that it was operational, there were very significant limitations on both product offerings, operating hours, and services. By being open every day for the full golf season, having an extensive and consistent menu, and offering additional services like delivery and pre-order, Putter's Break has the potential to far surpass the sales revenue seen in past years.

In previous years, the city of Royal Oak reported that the snack shack grossed approximately \$100,000 in sales revenue from seasonal operations. However, the snack shack did not serve alcohol in past years when it was operated by the city.

In 2022, the snack shack operated only part-time from June until August from the hours of 12 p.m. to 7 p.m. and food was carted from the clubhouse to the snack shack. Food offerings were also very limited and inconsistent. Despite the limited hours and offerings, the golf course reported average monthly sales of just over \$10,000 in 2022.

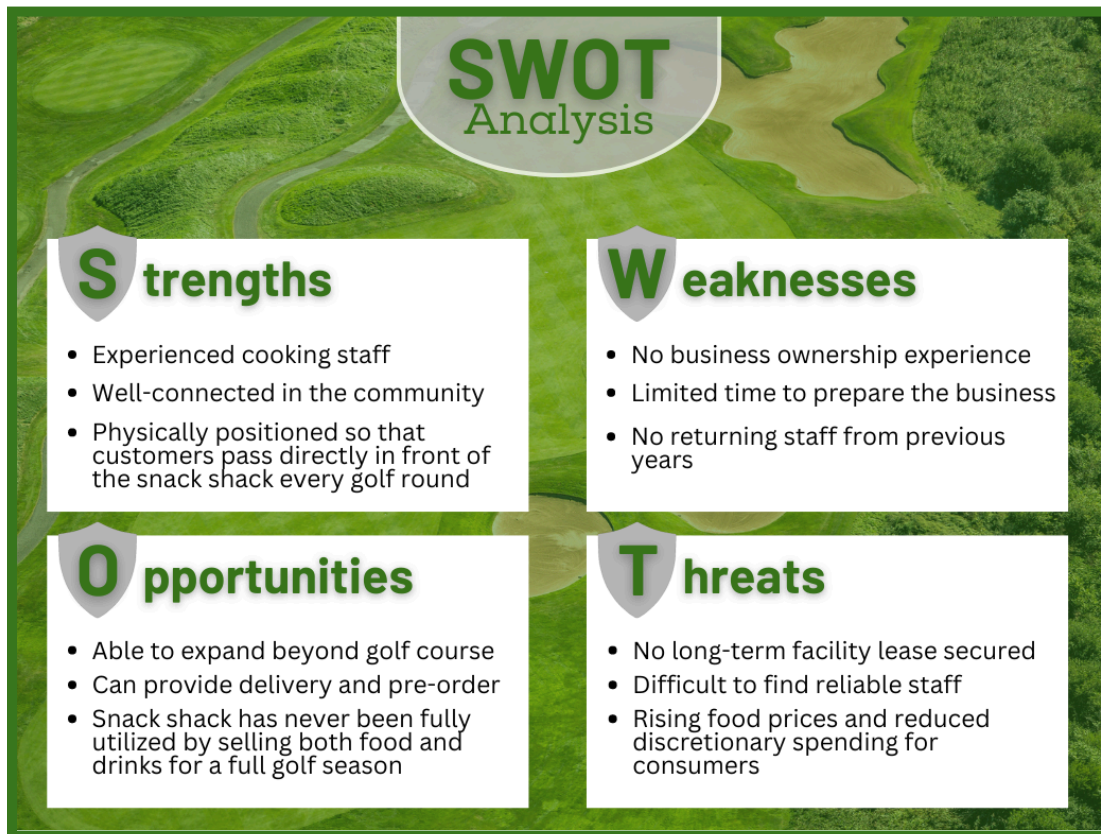
Between implementing alcoholic beverages, expanding the menu and operational hours, and improving services, there is a very strong probability that Putter's Break could far surpass \$100,000 in revenue in its first year.

The main threats are:

- 1) **Short-term Contract** - Putter's Break has signed a facility management agreement with the golf course beginning May 1st, 2024 and running until October 14th, 2024. There is no guarantee that Putter's Break will be able to renew the contract for the 2025 season. However, the golf course manager has not only been very supportive of the re-opening of the snack shack under Putter's Break, but is grateful because he has had several inquiries and complaints about the dormancy of the snack shack.
- 2) **Labour Market** - Currently in Ontario, there is a low unemployment rate and several industries are experiencing challenges in maintaining reliable and competent staff. Because Putter's Break can only offer seasonal employment and it is in the food service industry, it may be difficult to find staff who can accommodate the schedule and be reliable. However, Putter's Break hopes that high school and post secondary students will serve as the ideal employees for the situation.
- 3) **Inflation** - Since 2020, the cost of living in Canada has risen across the board. The price of housing for purchasing and renting, the price of gas, and especially the cost of food have all risen. Rising prices may negatively impact Putter's Break in more than one way. The first challenge Putter's Break may experience is rising food costs for the supplies needed to produce snacks and light meals.

If this occurs, it may reduce the profit margins of the business and make it more difficult to be profitable in an industry that is known for often having slim margins.

In addition to a potential increase in the price of supplies, there has been a reduction in discretionary spending for consumers. Because the cost of living has risen in many facets of life, consumers have had to cut back on leisure activities like golf and spending money at restaurants. This may reduce both the number of customers for Putter's Break and also the average customer spend per visit.



Also worth noting is that during the 2020 and 2021 golf seasons, there were tight government restrictions and also changes in public behaviour due to the COVID-19 pandemic. Surprisingly, the golf industry actually grew larger during this time because golf is a sport that can be played outdoors in small groups.

Golf was easier to access during pandemic restrictions and also more appropriate during times with stricter health protocols, which increased the sport's popularity.

As life has returned to normal in 2024, it is difficult to say whether the growth in golf was temporary and simply a more-suitable activity than others during a pandemic, or if the growth will be sustained. There is a chance that golf courses will be less busy than they were in previous years due to the pandemic and restrictions no longer having an impact. However, there is the chance that the increase in popularity will carry forward into 2024 and even more people will be out on the courses now that all health and safety protocols have been lifted.

IV. HUMAN RESOURCES STRATEGY

Staff Recruiting and Management Strategy

Karol will serve as a full-time employee for Putter's Break during the golf season and will rely on her husband and sister to help with food preparation and serving customers. During the month of May which is the slowest month of the golf season, Karol and her husband will each cover 8-hour shifts and her sister Marilyn will help out with part-time hours during the week and extra help on weekends with golf tournaments.

In June, staff will be trained to help on a part-time basis, especially for evenings and weekends. As the golf season begins to reach the peak months, more staff will be added and relied-upon on a part-time basis.

Because the golf season runs from early May until early October, hiring high school and post-secondary students as seasonal employees creates an ideal employment agreement for Putter's Break. High school students can work part-time in June on evenings and weekends when they are still in school and then work full-time in July and August when they are on summer vacation and when the golf season is busiest.

Post-secondary students often have longer summer vacations than high school students and may be able to begin full-time hours as early as the start of May. With students usually returning to school in early September, Karol and her husband will once again be the main employees to close out the season and rely more on students for part-time help until the shack closes.

The seasonal employees will be paid an hourly wage and will officially be put on the company's payroll with an agreement that the job only provides seasonal employment. Employees will receive \$14.00 per hour which is currently minimum wage in Ontario. They will also be given staff discounts on food and drinks. Putter's Break initially plans to employ 3-4 seasonal staff and add more if necessary throughout the season.

Karol and her husband will work every day at the snack for the first season to properly establish business operations. In the following seasons more responsibility will be put on employees. Ideally, employees will return and work the following year and also recruit other friends or peers to join them.

In the event that Putter's Break is experiencing staff shortages, Karol has a number of contacts who are capable and willing to step in and provide temporary help either for an hourly wage or as volunteers.

Putter's Break will have commercial general liability insurance as well as Worker's Compensation insurance through the Worker's Compensation Board of Ontario. This insurance will cover independent contractors and employees on payroll for any workplace related injuries.

V. ADVERTISING STRATEGY

Customer Advertising Strategy

Putter's Break will be able to implement a very simple advertising strategy because their prospective clients will all pass right in front of the business each time they play a round of golf. The most important strategies for advertising to these prospective clients are to ensure that it's clear to them that the shack is open, to have a clearly-displayed menu, to be open regularly, and to provide quality food and service. If the fundamentals are taken care of, then customers will be happy to make purchases from the snack shack whenever they go golfing.

In terms of specific strategies for advertising, Putter's Break will start simple and then expand over time.

Signage - the most important form of advertising for Putter's Break snack shack will be to demonstrate that the shack is open for business to passersby. It will also be important to have very visible signage to show it is open and to communicate the food and drinks being sold. Putter's Break will have a menu board visible to course patrons who pass by the snack shack and will add more signage throughout the season.

Once the shack is up and running, additional signage will be added to the golf course prior to the 7th hole so that golfers are aware they can pre-order food before arriving at the snack shack.

After the first season, Putter's Break will purchase additional signage for the back of the snack shack. The purpose of this signage will be to catch the attention of drivers and pedestrians on Gardenia Avenue to help expand their customer base beyond golf course patrons.

Social media - with the ever-increasing use and popularity of social media, Putter's Break plans to use popular platforms such as Instagram and Facebook to advertise to the general public, especially once it expands the focus to serving customers outside of the golf course. Social media platforms can be utilized to make announcements about the opening date of the shack, to advertise the products, to communicate additional services such as pre-order and catering services, and even to recruit seasonal employees.

Employing high school and university students may serve as an advantage to improving the online presence and social media marketing of Putter's Break. Younger generations are more-frequent users of social media platforms and generally have a strong understanding of how to utilize them for advertising.

Social media platforms can be utilized to advertise using free (organic) posts and also for paid advertising campaigns. Advertising campaigns can allow Putter's Break to be very selective with the geographic regions and demographics that see the ads, as well as choosing specific ad budgets and ad content to be shared.

Print - once Putter's Break is prepared to advertise to the general public, they will have the option to put ads in local flyers and newspapers or print independent flyers to deliver to homes in the neighbourhoods in close proximity to the golf course. Delivering flyers can be an effective and affordable way to notify local residents that the shack is open and able to serve customers who are not golf course patrons.

Radio - in the event that Putter's Break wants to expand its target market even further and has the capacity to serve a high volume of clients, implementing radio advertisements can serve as an effective option. Radio ads can be created to notify Royal Oak residents that the snack shack is operational and has an extensive menu available for the general public as well as golf course patrons.

VI. FINANCIAL OVERVIEW

Startup Costs

The snack shack being operated by Putter's Break is already constructed and ready to be used pending minor upgrades. Because the facility is functional and already assigned to Putter's Break under a management agreement with the golf course, Putter's Break will not have any major initial purchases.

The estimated startup cost of Putter's Break is approximately \$43,000. The largest startup expense will be purchasing initial food and drink inventory, kitchen equipment and supplies, and purchasing a golf cart. Because Putter's Break plans to expand the food offerings at the snack shack and because food was not actually prepared within the shack previously, there are a number of small upgrades needed and additional equipment to be purchased.

A new sink and backsplash will be installed to pass safety inspection and new items such as a food preparation table, frozen drink mixer, food warmer, and grill will be purchased to outfit the kitchen. The golf course manager has offered to pay for the sink replacement and Putter's Break will replace the backsplash. A \$2,000 security deposit has been paid to the golf course, however, this deposit will be returned to Putter's Break upon closure of the facility in early October.

PROPOSED FINANCING SOURCES	
CFF Loan	\$21,400
CFF Grant	\$17,100
Client Equity	\$4,309
Total	\$42,809

PUTTER'S BREAK SNACKS LIMITED	
PROJECT STARTUP COSTS	
April 2024	
Expenditure	Cost
Lease security deposit	\$2,000
Leasehold improvements	\$350
Initial food inventory	\$6,500
Initial drink inventory	\$825
Initial alcohol inventory	\$775
Office equipment/supplies	\$300
Kitchen equipment	\$8,750
Kitchen supplies	\$1,650
Signage	\$1,151
Exterior furniture	\$325
Golf cart	\$5,000
Formal business plan	\$735
Website	\$600
Incorporation	\$2,043
Licenses and permits	\$175
Marketing	\$1,425
Certificates	\$230
Computer equipment/software	\$950
Operating capital	\$9,025
Total	\$42,809

Because Putter's Break is a service-based business and the snack shack is owned by the golf course with formal management rights given to Putter's Break, the balance sheet of the company is very simple.

The only notable assets Putter's Break will have are the current food and drink inventory, some kitchen equipment, and the golf cart which will have a market value of approximately \$5,000 upon acquisition. The only notable liabilities will be the principal outstanding of the loan that Putter's Break used to start the business.

Financial Projections

For the month of April, there will be significant cash outflows to make initial purchases of food supplies, kitchen equipment and supplies, a golf cart, and other purchases and expenses to get the snack shack operational. Once the shack is open, cash inflows will begin immediately and outflows will shift from startup costs to paying for mostly food supplies and labour.

The business startup costs and initial operating costs will be paid for by the owner of Putter's Break, Karol Erickson. Karol has access to a personal line of credit that will be sufficient to cover all necessary costs for the initial stages of business. Karol has also applied for an interest-free business loan and startup grant through the Cornish Foundation Fund which is an economic development organization in Ontario that supports entrepreneurs and business owners.

The Cornish Foundation Fund has agreed in principle to provide Putter's Break with a \$21,400 interest-free loan and \$17,100 non-repayable grant upon approval of a formal business plan. The loan and grant will be enough to reimburse Karol for all of the startup costs, initial operating costs, and have a small cash reserve to help cover regular business expenses.

Determining projected revenue for the snack shack will be difficult but financial records from the 2022 season and information shared by the city of Royal Oak make it easier to make realistic projections. In past years when the city operated the snack shack, it was stated that seasonal revenue was approximately \$100,000 per year without selling any alcohol.

According to the financial statements provided by the golf course, total sales for 2022 were approximately \$33,325. However, the shack was not open for the entire month of May and only open for 4 days in September. Opening hours were limited to 12:00 p.m. until 7:00 p.m. daily and there were very limited food options. All food items were transported from the golf course restaurant, and the majority of revenue came from the sale of alcohol.

Under the ownership of Putter's Break, the snack shack will be operated every day for the whole 5-month season with opening hours of 6:00 a.m. until 9:30 p.m. daily. Unlike the years the shack was operated by the city, alcohol will also be served which is expected to significantly increase sales.

With \$10,000 average monthly sales in 2022 despite very limited hours and offerings, and past year's sales reported as an estimated \$20,000 per month without alcohol sales, Putter's Break's average monthly sales goal is \$25,000. All the expansions to the menu, services, staffing, and hours give Putter's Break confidence that daily sales numbers will significantly surpass even the best days of 2022 which saw just over \$600 in sales.

In 2025, Putter's Break plans to increase revenue by expanding product offers, services, and most importantly, by advertising to the general public to access the snack shack via Gardenia Avenue.

For the income statement, the golf cart and kitchen equipment will be amortized as capitalized assets rather than treated as expenses with the exception of the \$250 stove. The golf cart originally cost \$5,000 and the kitchen equipment which costs an estimated \$8,750 will be amortized at annual rates of 30% and 20% respectively.

Year 1 Cash Flow Projection

(January 1, 2024 - December 31, 2024)

YEAR 1

	1/2024	2/2024	3/2024	4/2024	5/2024	6/2024	7/2024	8/2024	9/2024	10/2024	11/2024	12/2024
Cash Inflow												
Food sales	0	0	0	0	12,000	15,400	17,900	17,600	14,800	2,100	0	0
Drink sales	0	0	0	0	5,000	6,000	7,500	7,100	5,700	1,000	0	0
Alcohol sales	0	0	0	0	3,500	5,200	5,500	5,200	3,900	1,000	0	0
Business loan	0	0	0	0	21,400	0	0	0	0	0	0	0
Business grant	0	0	0	0	17,100	0	0	0	0	0	0	0
Owner Equity	0	0	0	35,000	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	2,000	0	0
Total Inflow	0	0	0	35,000	59,000	26,600	30,900	29,900	24,400	6,100	0	0

	1/2024	2/2024	3/2024	4/2024	5/2024	6/2024	7/2024	8/2024	9/2024	10/2024	11/2024	12/2024
Cash Outflow												
Rent	0	0	0	0	1,500	2,000	2,000	2,000	2,000	700	0	0
Wages	0	0	0	0	903	3,203	3,306	3,306	0	0	0	0
Food supplies	0	0	0	6,500	700	3,390	5,265	6,160	5,180	735	0	0
Drinks	0	0	0	825	1,225	1,580	2,475	2,343	1,881	330	0	0
Alcohol	0	0	0	775	680	1,416	1,815	1,716	1,287	330	0	0
Insurance	0	0	0	0	78	78	78	78	78	78	78	78
Furniture and signage	0	0	0	1,476	300	0	0	0	0	0	0	0
Supplies	0	0	0	1,950	300	300	300	300	300	0	0	0
Equipment	0	0	0	8,750	400	200	0	0	0	0	0	0
Repairs/Maintenance	0	0	0	350	150	150	150	150	150	0	0	0
Loan payment	0	0	0	0	0	357	357	357	357	357	357	357
Deposits	0	0	0	2,000	0	0	0	0	0	0	0	0
Professional services	0	0	0	2,778	150	150	150	150	150	150	150	0
Marketing	0	0	0	1,425	600	0	0	0	0	0	0	0
Licenses/Permits/Certificates	0	0	0	405	0	0	0	0	0	0	0	0
Golf cart	0	0	0	5,000	0	0	0	0	0	0	0	0
Liquor tax	0	0	0	0	350	520	550	520	390	100	0	0
Banking fees	0	0	0	19	19	19	19	19	19	19	19	19
Worker's compensation	0	0	0	0	8	29	29	29	0	0	0	0
Owner salary	0	0	0	0	0	0	0	0	0	40,768	0	0
Loan reimbursement	0	0	0	0	30,691	0	0	0	0	0	0	0
Total Outflow	0	0	0	32,253	38,054	13,391	16,494	17,128	11,792	43,567	604	454

Net Cash Flow	0	0	0	2,747	20,946	13,209	14,406	12,772	12,608	(37,467)	(604)	(454)
Closing Balance	0	0	0	2,747	23,693	36,902	51,307	64,079	76,687	39,221	38,617	38,163



Year 2 Cash Flow Projection

(January 1, 2025 - December 31, 2025)

YEAR 2 Cash Flow Projection

	1/2025	2/2025	3/2025	4/2025	5/2025	6/2025	7/2025	8/2025	9/2025	10/2025	11/2025	12/2025
Cash Inflow												
Food sales	0	0	0	0	14,400	19,250	22,375	21,120	17,760	2,520	0	0
Drink sales	0	0	0	0	6,000	7,500	9,375	8,520	6,840	1,200	0	0
Alcohol sales	0	0	0	0	4,200	6,500	6,875	6,240	4,680	1,200	0	0
Other	0	0	0	0	0	0	0	0	0	2,000	0	0
Total Inflow	0	0	0	0	24,600	33,250	38,625	35,880	29,280	6,920	0	0
Cash Outflow												
Rent	0	0	0	0	1,500	2,000	2,000	2,000	2,000	700	0	0
Wages	0	0	0	0	1,535	5,058	7,438	8,854	2,142	0	0	0
Food supplies	0	0	0	4,500	3,328	5,623	7,279	7,814	6,571	932	0	0
Drinks	0	0	0	775	1,325	2,625	3,281	2,982	2,394	420	0	0
Alcohol	0	0	0	625	845	2,275	2,406	2,184	1,638	420	0	0
Insurance	78	78	78	78	78	78	78	78	78	78	78	78
Furniture and signage	0	0	0	500	300	0	0	0	0	0	0	0
Supplies	0	0	0	750	300	300	300	300	300	0	0	0
Equipment	0	0	0	900	400	200	0	0	0	0	0	0
Repairs/Maintenance	0	0	0	280	150	150	150	150	150	0	0	0
Loan payment	357	357	357	357	357	357	357	357	357	357	357	357
Deposits	0	0	0	2,000	0	0	0	0	0	0	0	0
Professional services	0	0	1,600	150	150	150	150	150	150	150	150	0
Marketing	0	0	0	750	600	0	0	0	0	0	0	0
Licenses/Permits/Certificates	0	0	0	400	0	0	0	0	0	0	0	0
Banking fees	19	19	19	19	19	19	19	19	19	19	19	19
Liquor tax	0	0	0	0	420	650	688	624	468	120	0	0
Worker's compensation	0	0	0	0	14	45	66	79	19	0	0	0
Owner salary	0	0	0	0	0	0	0	0	0	27,300	0	0
Income tax	0	0	0	1,008	0	0	0	0	0	0	0	0
Total Outflow	454	454	2,054	13,092	11,320	19,529	24,211	25,590	16,286	30,496	604	454
Net Cash Flow	(454)	(454)	(2,054)	(13,092)	13,280	13,721	14,414	10,290	12,994	(23,576)	(604)	(454)
Closing Balance	37,710	37,256	35,202	22,111	35,390	49,111	63,525	73,814	86,808	63,232	62,629	62,175

Year 3 Cash Flow Projection

(January 1, 2026 - December 31, 2026)

YEAR 2 Cash Flow Projection

	1/2026	2/2026	3/2026	4/2026	5/2026	6/2026	7/2026	8/2026	9/2026	10/2026	11/2026	12/2026
Cash Inflow												
Food sales	0	0	0	0	15,120	20,213	23,494	22,176	18,648	2,646	0	0
Drink sales	0	0	0	0	6,300	7,875	9,844	8,946	7,182	1,260	0	0
Alcohol sales	0	0	0	0	4,410	6,825	7,219	6,552	4,914	1,260	0	0
Other	0	0	0	0	0	0	0	0	0	2,000	0	0
Total Inflow	0	0	0	0	25,830	34,913	40,556	37,674	30,744	7,166	0	0
Cash Outflow												
Rent	0	0	0	0	1,500	2,000	2,000	2,000	2,000	700	0	0
Wages	0	0	0	0	1,535	5,058	7,438	8,854	2,142	0	0	0
Food supplies	0	0	0	4,590	3,307	6,883	8,163	8,649	7,273	1,032	0	0
Drinks	0	0	0	791	1,540	2,914	3,642	3,310	2,657	466	0	0
Alcohol	0	0	0	638	995	2,525	2,671	2,424	1,818	466	0	0
Insurance	78	78	78	78	78	78	78	78	78	78	78	78
Furniture and signage	0	0	0	500	300	0	0	0	0	0	0	0
Supplies	0	0	0	750	300	300	300	300	300	0	0	0
Equipment	0	0	0	900	400	200	0	0	0	0	0	0
Repairs/Maintenance	0	0	0	280	150	150	150	150	150	0	0	0
Loan payment	357	357	357	357	357	357	357	357	357	357	357	357
Deposits	0	0	0	2,000	0	0	0	0	0	0	0	0
Professional services	0	0	1,600	150	150	150	150	150	150	150	150	0
Marketing	0	0	0	750	600	0	0	0	0	0	0	0
Licenses/Permits/Certificates	0	0	0	400	0	0	0	0	0	0	0	0
Banking fees	19	19	19	19	19	19	19	19	19	19	19	19
Liquor tax	0	0	0	0	441	683	722	655	491	126	0	0
Worker's compensation	0	0	0	0	14	45	66	79	19	0	0	0
Owner salary	0	0	0	0	0	0	0	0	0	27,300	0	0
Income tax	0	0	0	3,227	0	0	0	0	0	0	0	0
Total Outflow	454	454	2,054	15,428	11,685	21,361	25,755	27,024	17,454	30,694	604	454
Net Cash Flow	(454)	(454)	(2,054)	(15,428)	14,145	13,551	14,801	10,650	13,290	(23,528)	(604)	(454)
Closing Balance	61,721	61,268	59,214	43,785	57,931	71,482	86,283	96,933	110,223	86,695	86,091	85,637

PUTTER'S BREAK SNACKS LIMITED				
3-Year Cash Flow Summary				
(January 1, 2024 - December 31, 2026)				
CASH INFLOW				
Item	2024	2025	2026	3-YR TOTAL
Food sales	79,800	97,425	102,296	\$279,521
Drink sales	32,300	39,435	41,407	\$113,142
Alcohol sales	24,300	29,695	31,180	\$85,175
Other	75,500	2,000	2,000	\$79,500
Total Inflow	\$211,900	\$168,555	\$176,883	\$557,338
CASH OUTFLOW				
Item	2024	2025	2026	3-YR TOTAL
Rent	10,200	10,200	10,200	30,600
Wages	10,719	25,026	25,026	60,771
Food supplies	27,930	36,047	39,896	103,873
Drinks	10,659	13,802	15,320	39,781
Alcohol	8,019	10,393	11,537	29,949
Insurance	624	936	936	2,496
Furniture and signage	1,776	800	800	3,376
Supplies	3,450	2,250	2,250	7,950
Equipment	9,350	1,500	1,500	12,350
Repairs/Maintenance	1,100	1,030	1,030	3,160
Loan payment	2,497	4,280	4,280	11,057
Deposits	2,000	2,000	2,000	6,000
Professional services	3,828	2,800	2,800	9,428
Marketing	2,025	1,350	1,350	4,725
Licenses/Permits/Certificates	405	400	400	1,205
Golf cart	5,000	0	0	5,000
Liquor tax	2,430	2,970	3,118	8,517
Banking fees	171	228	228	627
Worker's compensation	95	223	223	541
Owner salary	40,768	27,300	27,300	95,368
Loan reimbursement	30,691	0	0	30,691
Income tax	0	1,008	3,227	4,235
Total Outflow	\$173,737	\$144,543	\$153,420	\$471,700
Net Cash Flow	\$38,163	\$24,012	\$23,462	\$85,637
OPENING BALANCE	\$0	\$38,163	\$62,175	\$0
CLOSING BALANCE	\$38,163	\$62,175	\$85,637	\$85,637

PUTTER'S BREAK SNACKS LIMITED				
3-Year Cash Flow Analysis				
(January 1, 2024 - December 31, 2026)				
CASH INFLOW				
From Operating Activity	2024	2025	2026	3-YR TOTAL
Net income (loss) from operations	11,601	29,300	30,969	\$71,870
Income taxes	0	(1,008)	(3,227)	(4,235)
Total Cash Flow From Operating Activity	\$11,601	\$28,292	\$27,742	\$67,635
From Investment Activity	2024	2025	2026	3-YR TOTAL
Purchase of golf cart	(5,000)	0	0	(5,000)
Purchase of kitchen equipment	(8,750)	0	0	(8,750)
Total Cash Flow From Investment Activity	(13,750)	\$0	\$0	(13,750)
From Financing Activity	2024	2025	2026	3-YR TOTAL
Business loan	18,903	(4,280)	(4,280)	\$10,343
Business grant	17,100	0	0	\$17,100
Owner Equity	4,309	0	0	\$4,309
Total Cash Flow From Financing Activity	\$40,312	(4,280)	(4,280)	\$31,752
Net Increase (Decrease) in Cash	\$38,163	\$24,012	\$23,462	\$85,637
Cash at Beginning of Period	\$0	\$38,163	\$62,175	\$0
Cash at End of Period	\$38,163	\$62,175	\$85,637	\$85,637

PUTTER'S BREAK SNACKS LIMITED			
BREAK-EVEN ANALYSIS			
	2024	2025	2026
Fixed costs	\$78,961	\$76,453	\$75,866
Variable costs	34.17%	36.17%	38.17%
Break-even sales	\$119,947	\$119,776	\$122,701

PUTTER'S BREAK SNACKS LIMITED

3-Year Income Statement

(January 1, 2024 - December 31, 2026)

INCOME				
Item	2024	2025	2026	3-YR TOTAL
Food sales	79,800	97,425	102,296	\$279,521
Drink sales	32,300	39,435	41,407	\$113,142
Alcohol sales	24,300	29,695	31,180	\$85,175
Other	0	0	0	\$0
Total Income	\$136,400	\$166,555	\$174,883	\$477,838
EXPENSES				
Item	2024	2025	2026	3-YR TOTAL
Rent	10,200	10,200	10,200	\$30,600
Wages	10,719	25,026	25,026	\$60,771
Food supplies	27,930	36,047	39,896	\$103,873
Drinks	10,659	13,802	15,320	\$39,781
Alcohol	8,019	10,393	11,537	\$29,949
Insurance	624	936	936	\$2,496
Furniture and signage	1,776	800	800	\$3,376
Supplies	3,450	2,250	2,250	\$7,950
Equipment	600	1,500	1,500	\$3,600
Repairs/Maintenance	1,100	1,030	1,030	\$3,160
Professional services	3,828	2,800	2,800	\$9,428
Marketing	2,025	1,350	1,350	\$4,725
Licenses/Permits/Certificates	405	400	400	\$1,205
Depreciation	3,200	2,410	1,823	\$7,433
Liquor tax	2,430	2,970	3,118	\$8,517
Banking fees	171	228	228	\$627
Worker's compensation	95	223	223	\$541
Owner salary	40,768	27,300	27,300	\$95,368
Total Expenses	\$127,999	\$139,665	\$145,737	\$413,401
Net Income Before Taxes	\$8,401	\$26,890	\$29,146	\$64,437
Income Taxes	\$1,008	\$3,227	\$3,498	\$7,732
Net Income After Taxes	\$7,393	\$23,663	\$25,649	\$56,704

PUTTER'S BREAK SNACKS LIMITED			
PROJECTED 3-YEAR BALANCE SHEET			
AS AT DECEMBER 31			
ASSETS			
Item	2024	2025	2026
Cash	38,163	62,175	85,637
Golf cart	5,000	5,000	5,000
Equipment	8,750	8,750	8,750
<i>Accumulated depreciation</i>	<i>(3,200)</i>	<i>(5,610)</i>	<i>(7,433)</i>
Total Assets	\$48,713	\$70,315	\$91,954
LIABILITIES			
Item	2024	2025	2026
CCDF WELF Loan	18,903	14,623	10,343
Income Tax Payable	1,008	3,227	3,498
Total Liabilities	\$19,911	\$17,850	\$13,841
SHAREHOLDER'S EQUITY			
Item	2024	2025	2026
Shareholder's Equity	4,309	4,309	4,309
CCDF MEEP Grant	17,100	17,100	17,100
Retained Earnings	7,393	31,056	56,704
Total Shareholder's Equity	\$28,802	\$52,465	\$78,113
Total Liab. & Shareholder Equity	\$48,713	\$70,315	\$91,954

PUTTER'S BREAK SNACKS LIMITED			
GENERAL FINANCIAL ANALYSIS METRICS			
	2024	2025	2026
Revenue	\$136,400	\$166,555	\$174,883
Current ratio	2.45:1	3.17:1	2.24:1
Sales-to-equity	4.74:1	3.17:1	2.24:1
Return on sales	6.16%	16.14%	16.67%
Return on assets	15.18%	33.65%	27.89%
Return on equity	25.67%	45.10%	72.59%
Coverage ratio	-	-	-
Break-even sales	\$119,947	\$119,776	\$122,701
Total debt/equity	0.69:1	0.34:1	0.18:1
Net income	\$7,393	\$23,663	\$25,649
Ending Cash Balance	\$38,163	\$62,175	\$85,637

PUTTER'S BREAK SNACKS LIMITED			
PROJECTED CURRENT DEBT SERVICE COVERAGE RATIOS			
	2024	2025	2026
Net income (loss) before tax	8,401	26,890	29,146
Less: taxes	1,008	3,227	3,498
Net operating income after tax	\$9,409	\$30,116	\$32,644
Less: current term debt	4,280	4,280	4,280
Less: current term interest	0.00	0.00	0.00
Total projected LTD & interest	\$4,280	\$4,280	\$4,280
Current debt service coverage	\$5,129	\$25,836	\$28,364
Debt service coverage ratio	2.20	7.04	7.63

PUTTER'S BREAK SNACKS LIMITED			
PROJECTED LONG-TERM DEBT SERVICE COVERAGE RATIOS			
	2024	2025	2026
Net income (loss) before tax	8,401	26,890	29,146
Less: taxes	1,008	3,227	3,498
Net operating income after tax	\$9,409	\$30,116	\$32,644
Less: long term debt	18,903	14,623	10,343
Less: long term interest	0.00	0.00	0.00
Total projected LTD & interest	\$18,903	\$14,623	\$10,343
Total debt service coverage	-\$9,494	\$15,493	\$22,301
Debt service coverage ratio	0.50	2.06	3.16

PUTTER'S BREAK SNACKS LIMITED					
DEPRECIATION SCHEDULE					
Asset	Cost	Rate	2024	2025	2026
Golf cart	\$5,000	30%	\$1,500	\$1,050	\$735
Equipment	\$8,500	20%	\$1,700	\$1,360	\$1,088
YEARLY DEPRECIATION			\$3,200	\$2,410	\$1,823
ACCUMULATED DEPRECIATION			\$3,200	\$5,610	\$7,433

LOAN REPAYMENT SCHEDULE - CCDF MEEP LOAN

#	Date	Payment	Principal	Interest	Starting Balance	Ending Balance
1	June 2024	\$356.67	\$356.67	\$0	\$21,400.00	\$21,043.33
2	July 2024	\$356.67	\$356.67	\$0	\$21,043.33	\$20,686.66
3	August 2024	\$356.67	\$356.67	\$0	\$20,686.66	\$20,329.99
4	September 2024	\$356.67	\$356.67	\$0	\$20,329.99	\$19,973.32
5	October 2024	\$356.67	\$356.67	\$0	\$19,973.32	\$19,616.65
6	November 2024	\$356.67	\$356.67	\$0	\$19,616.65	\$19,259.98
7	December 2024	\$356.67	\$356.67	\$0	\$19,259.98	\$18,903.31
8	January 2025	\$356.67	\$356.67	\$0	\$18,903.31	\$18,546.64
9	February 2025	\$356.67	\$356.67	\$0	\$18,546.64	\$18,189.97
10	March 2025	\$356.67	\$356.67	\$0	\$18,189.97	\$17,833.30
11	April 2025	\$356.67	\$356.67	\$0	\$17,833.30	\$17,476.63
12	May 2025	\$356.67	\$356.67	\$0	\$17,476.63	\$17,119.96
13	June 2025	\$356.67	\$356.67	\$0	\$17,119.96	\$16,763.29
14	July 2025	\$356.67	\$356.67	\$0	\$16,763.29	\$16,406.62
15	August 2025	\$356.67	\$356.67	\$0	\$16,406.62	\$16,049.95
16	September 2025	\$356.67	\$356.67	\$0	\$16,049.95	\$15,693.28
17	October 2025	\$356.67	\$356.67	\$0	\$15,693.28	\$15,336.61
18	November 2025	\$356.67	\$356.67	\$0	\$15,336.61	\$14,979.94
19	December 2025	\$356.67	\$356.67	\$0	\$14,979.94	\$14,623.27
20	January 2026	\$356.67	\$356.67	\$0	\$14,623.27	\$14,266.60
21	February 2026	\$356.67	\$356.67	\$0	\$14,266.60	\$13,909.93
22	March 2026	\$356.67	\$356.67	\$0	\$13,909.93	\$13,553.26
23	April 2026	\$356.67	\$356.67	\$0	\$13,553.26	\$13,196.59
24	May 2026	\$356.67	\$356.67	\$0	\$13,196.59	\$12,839.92
25	June 2026	\$356.67	\$356.67	\$0	\$12,839.92	\$12,483.25
26	July 2026	\$356.67	\$356.67	\$0	\$12,483.25	\$12,126.58
27	August 2026	\$356.67	\$356.67	\$0	\$12,126.58	\$11,769.91
28	September 2026	\$356.67	\$356.67	\$0	\$11,769.91	\$11,413.24
29	October 2026	\$356.67	\$356.67	\$0	\$11,413.24	\$11,056.57
30	November 2026	\$356.67	\$356.67	\$0	\$11,056.57	\$10,699.90

31	December 2026	\$356.67	\$356.67	\$0	\$10,699.90	\$10,343.23
32	January 2027	\$356.67	\$356.67	\$0	\$10,343.23	\$9,986.56
33	February 2027	\$356.67	\$356.67	\$0	\$9,986.56	\$9,629.89
34	March 2027	\$356.67	\$356.67	\$0	\$9,629.89	\$9,273.22
35	April 2027	\$356.67	\$356.67	\$0	\$9,273.22	\$8,916.55
36	May 2027	\$356.67	\$356.67	\$0	\$8,916.55	\$8,559.88
37	June 2027	\$356.67	\$356.67	\$0	\$8,559.88	\$8,203.21
38	July 2027	\$356.67	\$356.67	\$0	\$8,203.21	\$7,846.54
39	August 2027	\$356.67	\$356.67	\$0	\$7,846.54	\$7,489.87
40	September 2027	\$356.67	\$356.67	\$0	\$7,489.87	\$7,133.20
41	October 2027	\$356.67	\$356.67	\$0	\$7,133.20	\$6,776.53
42	November 2027	\$356.67	\$356.67	\$0	\$6,776.53	\$6,419.86
43	December 2027	\$356.67	\$356.67	\$0	\$6,419.86	\$6,063.19
44	January 2028	\$356.67	\$356.67	\$0	\$6,063.19	\$5,706.52
45	February 2028	\$356.67	\$356.67	\$0	\$5,706.52	\$5,349.85
46	March 2028	\$356.67	\$356.67	\$0	\$5,349.85	\$4,993.18
47	April 2028	\$356.67	\$356.67	\$0	\$4,993.18	\$4,636.51
48	May 2028	\$356.67	\$356.67	\$0	\$4,636.51	\$4,279.84
49	June 2028	\$356.67	\$356.67	\$0	\$4,279.84	\$3,923.17
50	July 2028	\$356.67	\$356.67	\$0	\$3,923.17	\$3,566.50
51	August 2028	\$356.67	\$356.67	\$0	\$3,566.50	\$3,209.83
52	September 2028	\$356.67	\$356.67	\$0	\$3,209.83	\$2,853.16
53	October 2028	\$356.67	\$356.67	\$0	\$2,853.16	\$2,496.49
54	November 2028	\$356.67	\$356.67	\$0	\$2,496.49	\$2,139.82
55	December 2028	\$356.67	\$356.67	\$0	\$2,139.82	\$1,783.15
56	January 2029	\$356.67	\$356.67	\$0	\$1,783.15	\$1,426.48
57	February 2029	\$356.67	\$356.67	\$0	\$1,426.48	\$1,069.81
58	March 2029	\$356.67	\$356.67	\$0	\$1,069.81	\$713.14
59	April 2029	\$356.67	\$356.67	\$0	\$713.14	\$356.47
60	May 2029	\$356.47	\$356.47	\$0	\$356.47	\$0.00

TOTAL	\$21,400	\$21,400	\$0	-	-
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Appendix Financial Projections Assumptions

2024 Sales Forecast Justification

May

Not open May 2022, However, June had \$10,649 in sales in 2022 operating from 12:00 p.m. to 7:00 pm with lower offerings and less promotion.

$\$10,649 \times .80$ to reduce by 20% for seasonality of May being slower than June
 $\$10,649(.80) = \$8,519$ - 20% reduction from June due to seasonality
 $\$8,519(1.2) = \$10,223$ - 20% increased sales for more options and availability
 $\$10,223(2) = \mathbf{\$20,446}$ - doubling the number of hours open

June

\$10,649 revenue in 2022 operating from 12:00 p.m. to 7:00 pm with lower offerings and less promotion.

$\$10,649(1.25) = \$13,311$ - 25% increased from more options, availability, and promotion
 $\$13,311(2) = \mathbf{\$26,622}$ - doubling the number of hours open

July

\$11,957 revenue in 2022 operating from 12:00 p.m. to 7:00 pm with fewer offerings and less promotion and one day of closure.

$\$11,957(1.033) = \$12,355$ - to make up for one day closed July 2022
 $\$12,355(1.25) = \$15,444$ - 25% increased from more options, availability, and promotion
 $\$15,444(2) = \mathbf{\$30,888}$ - doubling the number of hours open

August

\$9,640 revenue from 2022 operating from 12:00 p.m. to 7:00 pm with fewer offerings, less promotion and 6 days of closure.

$\$9,640(1.24) = \$11,953$ - to make up for 6 days closed in August 2022
 $\$11,953(1.25) = \$14,942$ - 25% increase from more options, availability, and promotion
 $\$14,942(2) = \mathbf{\$29,884}$ - doubling the number of hours open

September

Only open 4 days in 2022. However, August had \$9,649 in sales in 2022 (\$11,953 adjusted) operating from 12:00 p.m. to 7:00 pm with fewer offerings and less promotion.

$\$11,953 \times .85$ to reduce by 15% for seasonality of September being slower than August
 $\$11,953(.85) = \$10,160$ - 15% reduction from June due to seasonality
 $\$10,160(1.2) = \$12,192$ - 20% increased sales for more options and availability
 $\$12,192(2) = \mathbf{\$24,384}$ - doubling the number of hours open

October

Not open in 2022 and highly dependent on weather. Daily operating hours will be 9:00 a.m. until 6:00 pm. The expectation is that it would be half as busy as May but only open for half the time because the shack will close halfway through the month.

$\$20,446 \times .40$ to reduce by 60% for only being open half of October with reduced hours
 $\$8,178 \times .50 = \mathbf{\$4,089}$ to account for 50% seasonal downturn even compared to May

2024 Total

Total projected sales are \$136,400. This is an increase of approximately \$35,000 or 35% compared to what the city reported in past years. However, the increase in sales can be explained by 4 factors: 1) price inflation compared to past years 2) the inclusion of alcohol being sold 3) a more extensive menu 4) more promotion and services such as pre-order and delivery.

The revenue increase is approximately 2.5x that of 2022 mainly due to: doubling opening hours (6:00 a.m. - 12:00 p.m), more consistent offerings, broader menu, and more promotion and staff capacity.

2025 Sales Justification

Total revenue for 2025 is expected to be very similar to 2024 with a few differences:

- 1) The snack shack will be more established, better at promoting, better at upselling, better at carrying items that are popular with golfers
- 2) The snack shack will add scooped ice cream, different coffee options, and potentially other snack, food, and alcohol options
- 3) The snack shack focus more on advertising to the general public via Gardenia Avenue

Sales are expected to increase by 20-25% compared to 2024. It is expected that 15-20% of total revenue will come from Gardenia Avenue customers and there will be a 5% increase in sales from expanded services, offerings, promotion, etc. Inflation of 2% is also added in cost of goods sold.

2026 Sales Justification

Total revenue for 2026 is expected to be very similar to 2025 with a couple differences:

- 1) The snack shack will be more established, particularly with the general public. Promotion, upselling, and product options will improve as well, including more ice cream options.

Inflation of 2% is also added into the cost of goods sold.

The changes are expected to increase sales by 5-10% compared to 2025. It is expected that 5-10% of total revenue will come from a mixture of Gardenia Avenue customers and golf patrons.

Wage Explanation

\$14.00 per hour plus 5.95% CPP plus 2.32% EI contribution plus vacation pay of 5.77% plus 5% stat pay = Wage x 1.19% to include all additional charges.

Marilyn will be working Mondays, Wednesdays, and Fridays for 4 hours per day and help out on tournament weekends. She expects to work 20 hours per week total from May- August.

Karol and Kent will be working all-season long for 8 hours per day each and not collect any compensation until the end of the year. Starting in June, part-time staff will be working for 4 hours per day, 7 days per week, at \$14.00/hr plus additional employment fees for a total of \$16.66 hourly. The part-time staff will not be needed in May, September, or October.

In 2025, minimum wage will increase to \$15 and there will be more need for part-time workers. Karol and Kent will reduce their hours significantly to 35-40 hours per week.

Worker's compensation = \$0.89 per \$100 of payroll based on 2024 rates.

DAILY SALES SUMMARY before tax

DATE	8TH HOLE
2-Jun	330.70
3-Jun	641.22
4-Jun	448.34
5-Jun	523.65
6-Jun	297.80
7-Jun	292.12
8-Jun	334.87
9-Jun	138.99
10-Jun	131.86
11-Jun	561.25
12-Jun	546.43
13-Jun	130.51
14-Jun	123.91
15-Jun	239.71
16-Jun	298.08
17-Jun	411.58
18-Jun	672.66
19-Jun	304.74
20-Jun	162.81
21-Jun	357.20
22-Jun	396.31
23-Jun	69.79
24-Jun	627.88
25-Jun	355.91
26-Jun	593.71
27-Jun	369.25
28-Jun	415.78
29-Jun	395.67
30-Jun	476.74

10649.47

DATE	8TH HOLE
1-Jul	321.06
2-Jul	284.66
3-Jul	373.46
4-Jul	266.91
5-Jul	325.79
6-Jul	317.36
7-Jul	360.65
8-Jul	295.89
9-Jul	263.36
10-Jul	329.80
11-Jul	574.61
12-Jul	534.92
13-Jul	509.43
14-Jul	469.22
15-Jul	263.14
16-Jul	467.53
17-Jul	659.10
18-Jul	301.49
19-Jul	448.63
20-Jul	425.63
21-Jul	441.45
22-Jul	418.24
23-Jul	349.12
24-Jul	
25-Jul	357.88
26-Jul	390.87
27-Jul	465.70
28-Jul	340.02
29-Jul	625.36
30-Jul	494.90
31-Jul	280.89

11957.07

DATE	8TH HOLE
1-Aug	
2-Aug	29.96
3-Aug	440.40
4-Aug	311.07
5-Aug	548.17
6-Aug	460.56
7-Aug	657.50
8-Aug	278.72
9-Aug	336.16
10-Aug	232.69
11-Aug	560.11
12-Aug	497.25
13-Aug	614.47
14-Aug	676.81
15-Aug	202.80
16-Aug	394.94
17-Aug	259.35
18-Aug	269.35
19-Aug	482.12
20-Aug	455.48
21-Aug	
22-Aug	312.46
23-Aug	299.58
24-Aug	
25-Aug	333.83
26-Aug	389.42
27-Aug	462.55
28-Aug	
29-Aug	
30-Aug	134.07
31-Aug	

9639.82

DATE	8TH HOLE
2-Sep	409.33
3-Sep	238.39
16-Sep	205.79
17-Sep	227.33

1080.84