



QUALITY HOSPITALITY
ADELAIDE CATERING

Financial Projections

Based on a survey of 2,000 Event and Catering Companies across Australia, it was determined that an Event and Catering Company with five full-time staff members could be expected to serve 30 new customers every week. Of this number, it is expected that 25% will be repeat customers. That means that **Quality Hospitality** can expect to generate 120 new customers and continue with 30 previous customers every month.

The percentage breakdown number of customers who will select either a single low priced item or a full meal OR select a Basic Events Package or Gold Events Package option is based on statistics provided in the National Restaurants study and a report included in The Australian Hosp. Scene Journal, May 2019, Vol. 56.

The findings from both reports reflected that customers who will select either a single low priced item or select a Basic Events Package are more likely to pursue a full meal or Gold Events Package in the future. Using these statistics, **Quality Hospitality** estimates that gross revenue this year from **Quality Hospitality Adelaide** will be more than \$2,500,000 or over \$5000 per month.

The financial goals for **Quality Hospitality Adelaide** for the upcoming year are:

- Return on investment of at least a minimum 15%
- Increase net earnings by at least 10%
- Achieve a market share of 15% in each area
- Increase sales 5% by June 30 through marketing initiatives
- 10% of new customers in both the Restaurant and Events section

Because the demand for **Quality Hospitality Adelaide** services is expected to grow in the current year of operation, gross revenue for the second year is expected to exceed \$3,000,000.

While these calculations are based on an average of the gross by month, **Quality Hospitality**, like many businesses in the Hospitality industry, will be subject to common business cycles. Based on the above mentioned study done by The Australian Hosp. Scene Journal, market research shows that the number of customers in January through March will increase by 10% to 25%.

During the months of May through August, the number of customers decreases by approximately 20%. Hospitality businesses can expect a 20% to 30% increase in the number of customers during the months of September through November. As with other Hospitality businesses though, December sessions usually drop by 25%. One way that **Quality Hospitality** will try to counter the 'holiday slump' is by increasing holiday themed events and those for special interest groups.

Quality Hospitality plans on offering a Christmas Party special for large group bookings in all of the event rooms and a themed menu in the restaurant. **Quality Hospitality** will incur little additional expense by offering this special and themed menu and still generate an additional 3% in revenues every month. **Quality Hospitality** is planning for a 15% increase in event sales in the coming year. For a detailed analysis of the actual monthly budget, review the budgets in the Performance tab.