The Numbers Behind a Full-Service Restaurant

A free field guide from Bytell Press. The figures come from our example financial model for one independent full-service restaurant. They are planning assumptions, not quotes for your market; the worksheet at the end is for your own numbers.

Most new restaurants do not fail on the food. They fail because nobody worked out how many covers a month the dining room needs before the lease was signed. This guide gives you that arithmetic in two pages.

1. How the money comes in

A restaurant is priced through the **guest check**. The example model uses a check average of about **$30 per guest** across food and drink, and these cost lines:

Line	Model figure
Check average per guest	About $30
Food cost, as a share of food sales	28–35%
Beverage cost, as a share of beverage sales	18–25%
Delivery app commission on each order	15–30%
Food and beverage cost, blended	About 30% of sales
Kitchen and service labor	About 30% of sales
Gross margin after both	**40%**

The bar is where the margin is. A drink costs less to pour than a plate costs to cook, so every dollar of beverage in the check lifts the blend. Delivery is the opposite. At dine-in prices, the app commission can turn a profitable dish into a losing one, so the model prices delivery menus higher.

2. What it costs to open

The example model opens on about **$400,000**: about $300,000 of build-out and equipment financing plus about $100,000 from the owner and investors.

Use of funds	Amount
Build-out, kitchen equipment, furniture and bar, technology, pre-opening payroll, opening inventory and other pre-opening costs	$340,000
Working-capital reserve	$60,000
Total	**$400,000**

The model keeps the first line down by taking a space that was already a restaurant. Do not cut the reserve. It is what carries the opening months.

3. What it costs to stay open

The model carries about **$28,300 a month** that must be paid whether or not a single table is seated:

Monthly fixed cost	Amount
Rent and occupancy, utilities, insurance, point of sale, cleaning, repairs, admin	$16,900
Loan payment	$4,903
Owner draw	$6,500
Total	**$28,303**

Kitchen and service staff are not in this table. Their pay is already taken out of the margin.

4. The break-even: the one number to know

Break-even revenue = monthly fixed costs ÷ margin.

The model's gross margin is 40%, but two more costs move with every sale: card processing at about 2.5% of sales and marketing at about 1.5%. Take those off and the margin that pays the fixed costs is 40% – 2.5% – 1.5% = **36%**.

With the model's numbers: $28,303 ÷ 0.36 = about **$78,600 a month**. At a $30 check, that is about **2,620 covers a month** before the business earns anything beyond the owner's draw.

Margin moves this number fast. If food cost or labor pushes the gross margin down to 38%, the margin after selling costs is 34% and the break-even rises to about $83,200 a month.

5. Plan for the opening months before they arrive

The model opens at about $78,000 a month in sales, which is right at break-even, and grows about 1.5% a month from there. But it opens in January, and deep-winter months run at about 0.85 of a normal month.

Point in year one	Monthly sales	Against the $78,600 break-even
Opening month, in deep winter	About $66,000	Below
Opening run-rate, normal month	About $78,000	About even
Month 12	About $106,000	Above

In the model, the $66,000 opening month roughly covers the bills before the owner is paid. After the $6,500 draw, it takes about $4,300 out of the reserve. There is no room at opening for a slow start or a slipping margin, which is why the $60,000 reserve is there.

6. Your numbers

Fill this in with quotes from your own market before you sign anything.

Question	Model	Yours
Check average per guest	$30	_____
Gross margin after food, beverage and hourly labor	40%	_____
Margin after card fees and marketing	36%	_____
Monthly fixed costs, including your draw	$28,303	_____
Break-even revenue (fixed costs ÷ margin)	$78,600	_____
Covers a month to break even	2,620	_____
Working-capital reserve in dollars	$60,000	_____

If your break-even needs more covers than your seats can turn in your slowest month, fix the plan before you sign the lease: find a cheaper space, borrow less, or build more beverage into the check.

This guide is general business information, not legal, tax, accounting or investment advice. The figures are illustrative assumptions from an example model and are not a forecast or a promise of results. Licensing and insurance requirements vary by state and are not covered here; check yours with the state agency.

Bytell Press publishes the full business plan, the editable financial model behind these numbers, and the operating playbooks for a full-service restaurant.

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