

SAMPLE RESTAURANT / WINE BAR

Financial, Sales & Operating Analysis

January 2024 through June 2026 financials
2026 sales and labor detail through August 26

\$1.03M	72.0%	35.0%	\$1.37k
2025 revenue	2025 wine gross margin	2025 payroll / revenue	Avg Monday sales

Purpose Translate accounting, point-of-sale, payroll and purchasing data into a practical management view: where the restaurant earns money, where performance has weakened, and which changes are most likely to improve profitability without changing the concept.

Prepared as a management analysis, not audited financial statements.

Executive Summary

Sample Restaurant / Wine Bar’s underlying economics are stronger than a simple reading of the 2026 P&L might suggest. The business reached \$1.03 million of revenue in 2025, with substantially improved food and wine gross margins versus 2024. In 2026, food revenue has held roughly flat on an annualized basis, while wine revenue has softened and payroll has risen faster than sales. That combination—not rent, beer, non-alcoholic beverages, or a structural food-cost problem—is the main current profitability issue.

\$987k	-4.0%	-7.3%	39.4%
2026 revenue run-rate	Run-rate vs 2025	Wine run-rate vs 2025	H1 2026 payroll / revenue

- 2025 was the strongest operating year in the period: revenue grew 19.3% from 2024 while wine and food cost percentages improved materially.
- H1 2026 revenue annualizes to about \$987,000, roughly 4% below 2025. The decline is concentrated in beverage—especially wine—while food is almost flat.
- Wine remains the economic engine: \$269,792 of H1 2026 wine sales at a 70.2% gross margin. Recovering even half of the current annualized wine-sales gap versus 2025 would be meaningful.
- Payroll increased to 39.4% of revenue in H1 2026 from 35.0% in 2025. The actionable issue is incremental hourly coverage, not kitchen-management compensation.
- Friday earns its additional kitchen coverage more convincingly than Saturday. Saturday carries roughly the same hourly kitchen hours as Friday with materially lower food production and sales, making it the best place to test modest overlap reductions.
- Sunday and Monday are weak nights, but staffing is already close to minimum. Monday should be treated primarily as a revenue-development opportunity rather than a labor-cutting exercise.
- Pricing is generally disciplined. The best opportunities are selective: high-volume food items, a few wine positions, and improved bottle conversion—not across-the-board increases.
- Wine inventory control is the clearest process upgrade: receive purchases into one system, track depletion from glass/bottle sales, and reconcile to a monthly physical count.

Bottom line The business does not need austerity. It needs tighter execution around wine revenue, bottle conversion, incremental hourly kitchen labor, inventory control and selective menu pricing.

Priority Opportunity Map

#	Opportunity	Evidence	Potential	Priority
1	Recover wine revenue	2026 wine run-rate is ~7% below 2025	~\$15k gross profit if half the gap is recovered	High
2	Tighten hourly kitchen overlap	Hourly kitchen hours rose much faster than food volume	~\$5k-\$10k annual savings	High
3	Selective food repricing	Several high-volume items support modest increases	~\$8k-\$9k annual sales at prior volume	High
4	Improve bottle conversion	Only ~16% of 2026 wine dollars are bottle sales	Not separately quantified; overlaps wine recovery	High
5	Build Monday revenue	Average Monday recurring sales only ~\$1.37k	+\$7.8k-\$13k sales for + \$150-\$250/Monday	Medium
6	Wine inventory control	High-dollar inventory lacks a clean perpetual count	Shrink/cash-control benefit; not yet quantified	Medium

1. Financial Performance

The financial history shows a strong 2025 followed by a softer first half of 2026. The important distinction is that the 2026 weakness is not broad-based: food sales and product margins remain solid, while wine revenue and labor efficiency have moved the wrong direction.

Metric	2024	2025	H1 2026	2026 annualized
Total income	\$861,960	\$1,028,376	\$493,659	\$987,319
Wine sales	\$532,863	\$582,356	\$269,792	\$539,584
Food sales	\$289,920	\$370,559	\$184,227	\$368,453
Gross profit	\$557,775	\$711,582	\$340,385	\$680,770
Gross margin	64.7%	69.2%	69.0%	69.0%
Payroll expense	\$294,861	\$360,184	\$194,641	\$389,283
Payroll / revenue	34.2%	35.0%	39.4%	39.4%

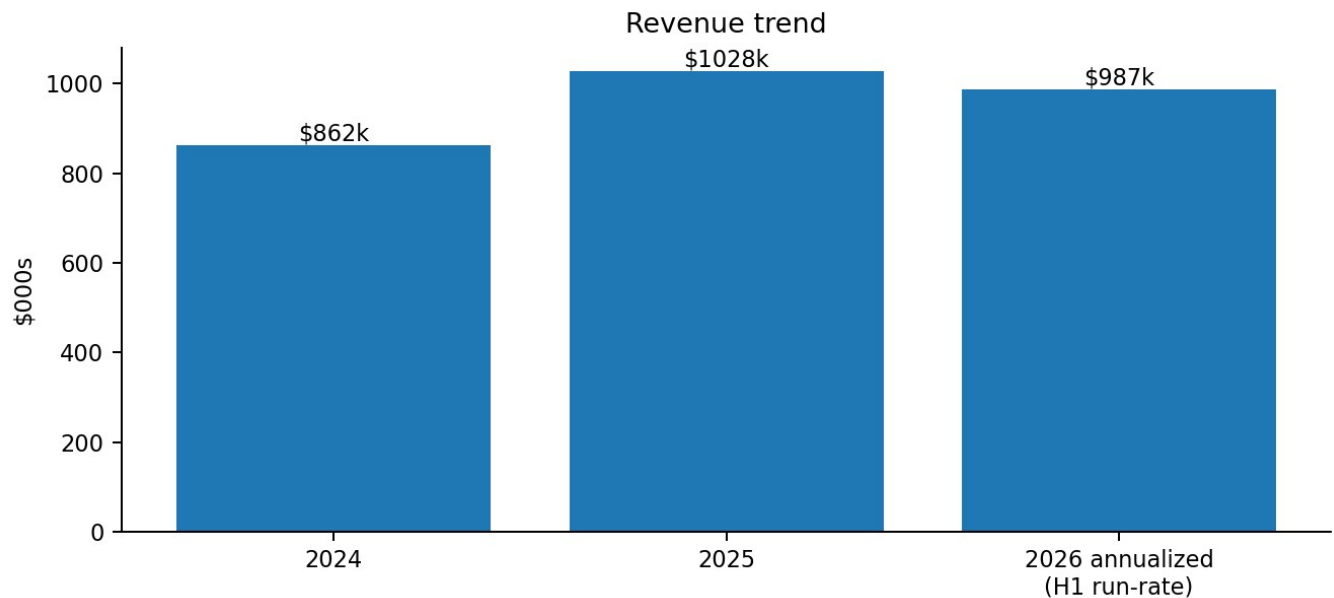


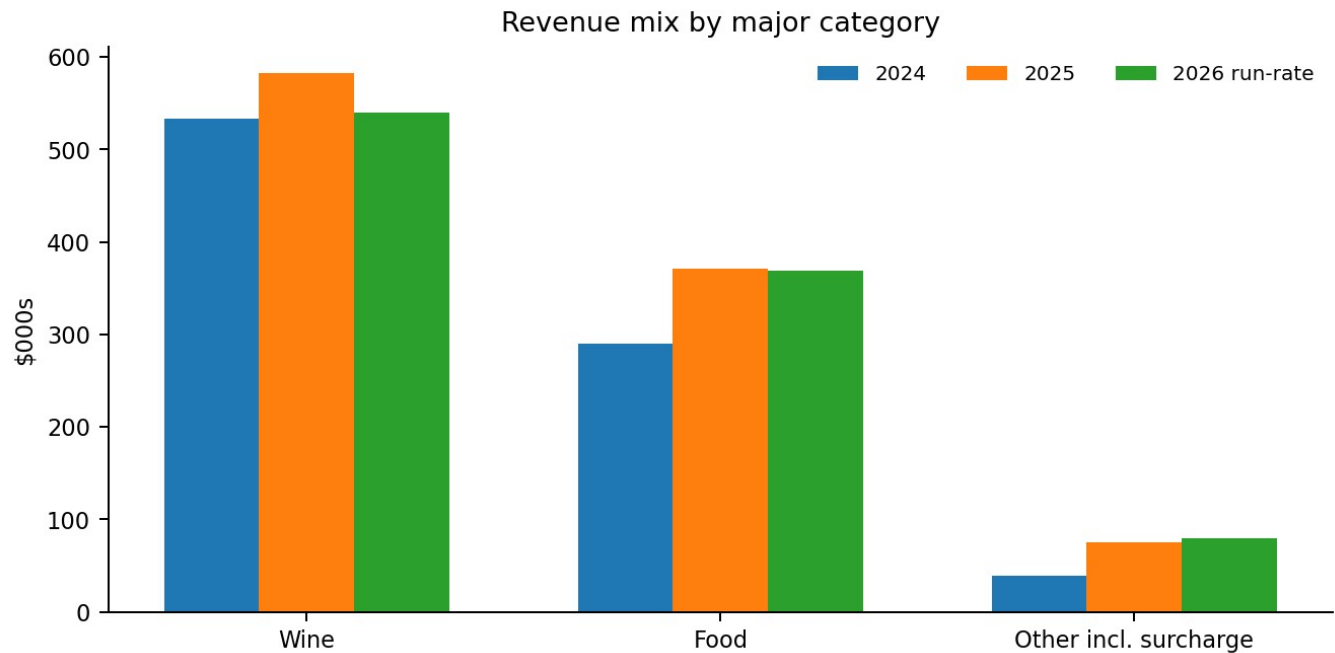
Figure 1. 2026 annualized uses H1 results $\times 2$ and is a directional run-rate, not a forecast.

2025 step-up. Revenue increased \$166,416, or 19.3%, from 2024 to 2025. Gross profit increased even faster because both wine and food cost percentages improved.

2026 slowdown. H1 2026 annualizes to approximately \$987,319, about -4.0% versus 2025. Annualized food revenue is essentially flat (-0.6%), while annualized wine revenue is down -7.3%.

Profit interpretation. For management purposes, this report evaluates core restaurant operations before owner-level allocations. H1 2026 also contains a one-time floor/refrigeration repair of about \$9,871; spreading that cost over 2.5 years raises normalized H1 operating contribution by roughly \$7,900. State-tax expense is unusually concentrated in H1 2026 and should be reconciled before treating the half-year margin as a final run-rate.

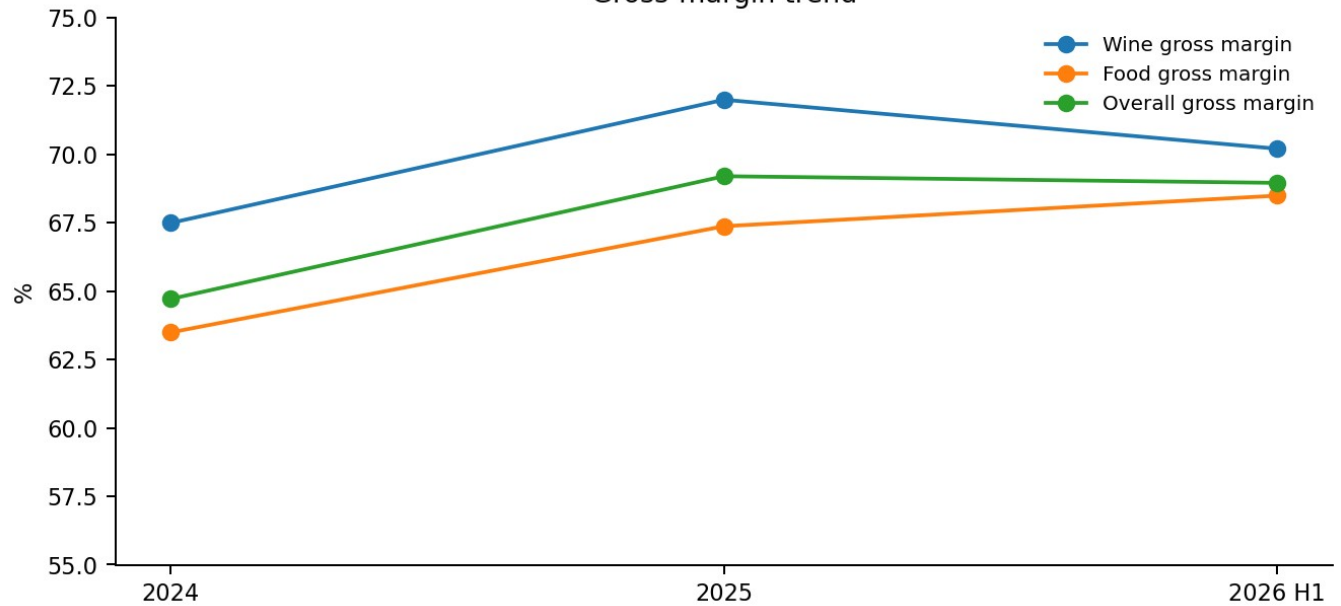
2. Revenue Mix & Product Economics



Wine remains dominant. Wine represented about 55% of 2025 total income and nearly 55% of H1 2026 income. Food represented about 36%-37%. This matters because a lost dollar of wine revenue carries a particularly high gross-profit cost.

Metric	2024	2025	H1 2026	Interpretation
Wine cost %	32.5%	28.0%	29.8%	Healthy; 2025 was exceptionally strong
Wine gross margin	67.5%	72.0%	70.2%	~70% remains a strong economic base
Food cost %	36.5%	32.6%	31.5%	Improved each period
Food gross margin	63.5%	67.4%	68.5%	H1 2026 is strongest in period
Overall gross margin	64.7%	69.2%	69.0%	2026 product economics remain close to 2025

Gross-margin trend



Management implication The restaurant does not have a current food-cost crisis. Product margins improved materially from 2024. The larger 2026 issue is that fewer high-margin wine dollars are being generated while payroll has increased.

3. 2026 Sales Anatomy

The transaction-level analysis covers January 1 through August 26, 2026 and removes approximately \$21,000 of likely event/private-dining allocations so that ordinary nightly patterns are not distorted.

\$586k

Recurring item sales

7,730

Recurring checks

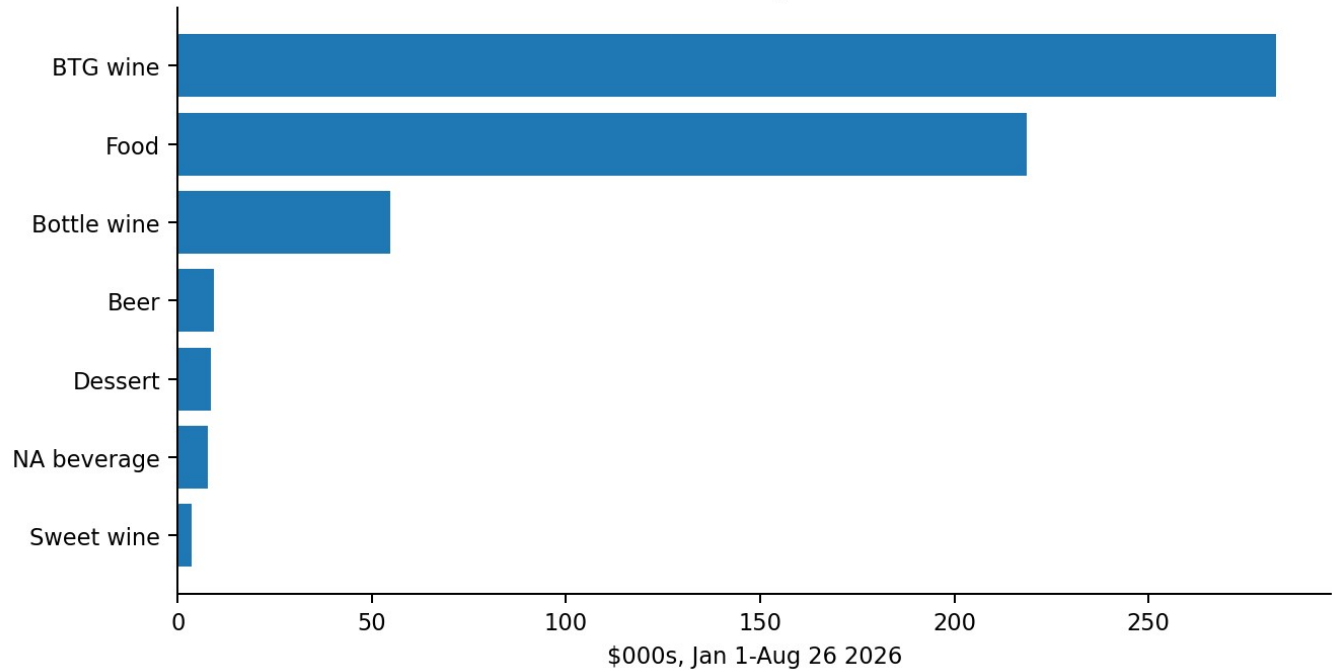
\$75.83

Average item sales/check

~58%

Wine share of recurring sales

2026 recurring sales mix



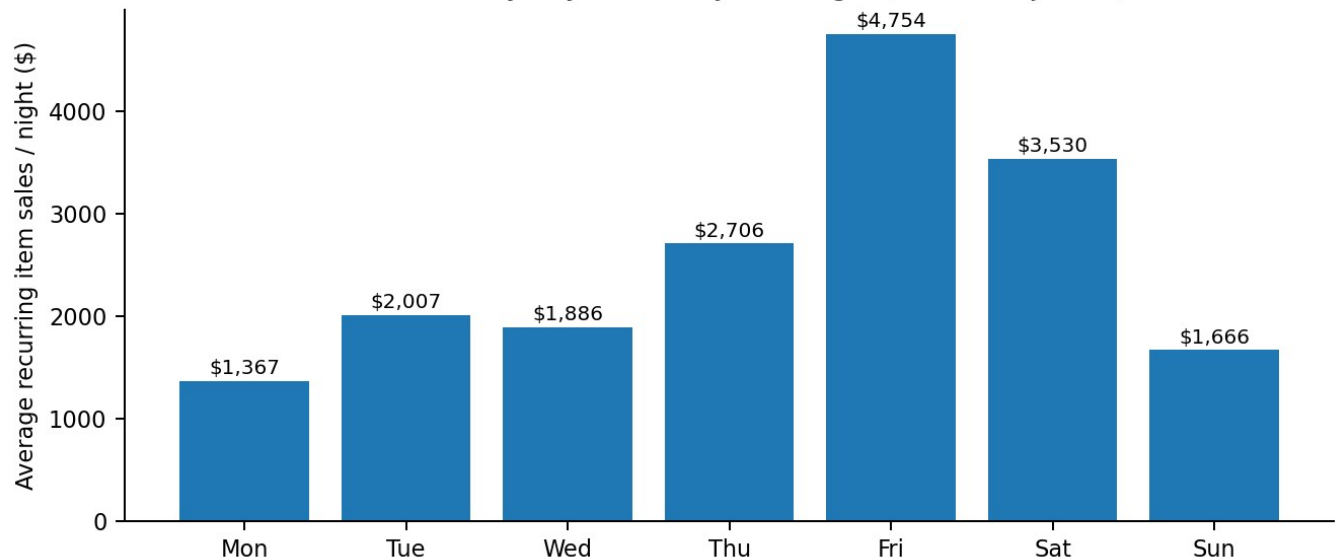
By-the-glass wine is the core sales engine. BTG generated approximately \$282,836 through August 26, compared with \$54,794 of bottle wine. On an annualized basis that is roughly \$434,000 BTG versus \$84,000 bottle wine, so only about 16% of wine dollars come from bottles.

Beer and NA are small. Beer annualizes to roughly \$14,000 and non-alcoholic beverages to roughly \$12,000. They matter for guest experience and completeness, but they are not major drivers of restaurant profitability.

Peak hours are concentrated. Approximately 77% of food items are sold from 7-10 p.m., and about 55% from 8-10 p.m. Labor changes should protect that peak window and focus on pre-peak/post-peak overlap instead of cutting indiscriminately.

4. Day-of-Week Performance

2026 sales by day of week (Jan 1-Aug 26, event-adjusted)



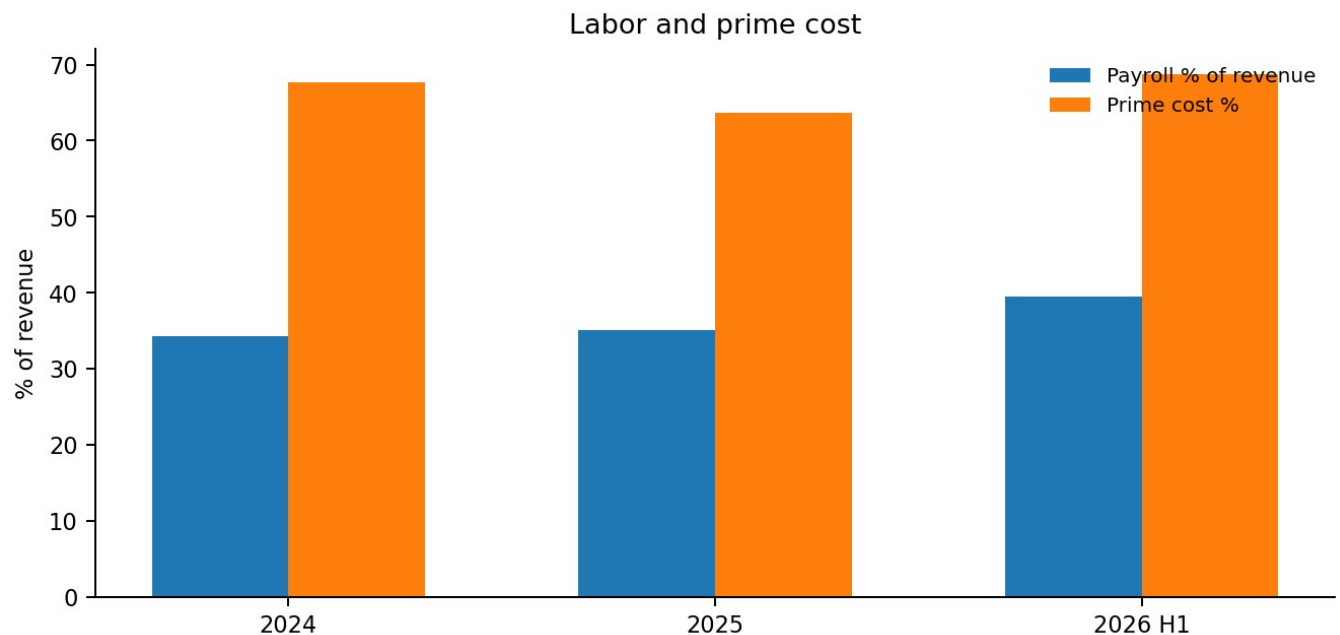
Day	Avg recurring sales	Avg checks	Avg check	Management read
Mon	\$1,367	20.2	\$67.70	Weakest; revenue-development target
Tue	\$2,007	25.4	\$79.14	Midweek
Wed	\$1,886	24.5	\$76.94	Midweek
Thu	\$2,706	34.8	\$77.72	Solid
Fri	\$4,754	58.7	\$81.02	Strongest sales night
Sat	\$3,530	49.9	\$70.68	High FOH productivity
Sun	\$1,666	22.3	\$72.23	Lean but positive

Monday. Average recurring item sales are approximately \$1,370 per night with about 20 checks and a \$68 average check. Staffing is already close to minimum, so the better lever is increasing wine and bottle sales rather than trying to remove another person.

Sunday. Average recurring item sales are approximately \$1,650-\$1,670. The night remains weaker than midweek and weekend peaks but appears contribution-positive under the current lean staffing model.

Friday and Saturday. Friday is the restaurant's largest sales night. Saturday has very strong FOH sales productivity, but kitchen coverage deserves closer scrutiny because hourly kitchen hours are roughly equal to Friday despite materially lower food production.

5. Labor Structure & Productivity



Metric	2024	2025	H1 2026
Total payroll expense	\$294,861	\$360,184	\$194,641
Payroll / revenue	34.2%	35.0%	39.4%
Prime cost / revenue	67.7%	63.7%	68.7%
Dining-room wages	\$78,606	\$92,433	\$48,844
Kitchen wages	\$168,712	\$174,426	\$97,408

The 2026 labor issue is real but specific. Payroll rose to 39.4% of revenue in H1 2026 from 35.0% in 2025. The kitchen leadership salary increases were necessary market corrections and should be treated as structural/fixed. The actionable pool is hourly cook and dishwasher labor.

Tue-Sat comparison. From January-April to May-August, average Tue-Sat food sales and production changed only modestly, while hourly kitchen labor increased by roughly 42%. Most of the increase came from supplemental cook coverage on Friday and Saturday.

Friday versus Saturday. Friday averages about 93 food items per night versus roughly 65 on Saturday, while each carries about 10.4 hourly kitchen hours. Friday therefore has a clearer operational case for the added overlap. Saturday is the first place to test shortening supplemental cook overlap by 1-2 hours, while protecting the 8-10 p.m. peak.

Reasonable savings target \$5,000-\$10,000 per year of hourly kitchen savings is a credible first target. Larger reductions are not supported by the current evidence and could jeopardize service, quality or retention.

6. Food Menu & Pricing

The menu is intentionally seasonal and relatively compact at any one time. Higher counts of distinct item names across a month reflect dishes rotating on and off as produce, seafood and other fresh ingredients become available; they should not be interpreted as simultaneous menu bloat.

Item	2026 units	2026 sales	Observation
Bread Plate	1,401	\$12,628	High-volume anchor
Crudo	1,070	\$27,753	High-volume anchor
Olives	957	\$7,616	High-volume anchor
Cheese Board	662	\$19,801	High-volume anchor
Butter Beans	647	\$12,526	High-volume anchor
Beets	566	\$10,446	Important recurring seller
Chicken Liver Mousse	484	\$9,984	Important recurring seller
Sausage Pizza	475	\$9,875	Important recurring seller
Potato Pizza	467	\$9,734	Important recurring seller
Sweet Corn Salad	334	\$6,610	Important recurring seller

Concentration is useful operationally. The top five items account for about 40% of food items sold, the top ten about 60%, and the top twenty about 77%. This does not imply the menu should be static; it shows where recipe costing, prep consistency and pricing attention have the highest payoff.

Pricing tests supported modest increases. Bread moved from \$9 to \$10 and garlic-sausage pizza from \$21 to \$23. Prior analysis also supported olives to \$9, crudo to \$27 and cheese board to \$32. At historical volumes, implemented and recommended changes together represented roughly \$8,000-\$9,000 of annual sales opportunity before demand response.

Do not overgeneralize. The analysis did not support broad food price inflation. High-frequency items with clear pricing room are the priority; rotating seasonal dishes should be evaluated individually based on ingredient cost, demand and role on the menu.

7. Wine Program Economics

\$540k	70.2%	84%	16%
2026 wine run-rate	H1 wine gross margin	BTG share of wine dollars	Bottle share of wine dollars

The wine program is both the restaurant's largest revenue category and its clearest profit-growth opportunity. The cost structure is healthy; the current problem is volume, not an across-the-board pricing deficit.

Top BTG position	Glasses sold	BTG sales	Management implication
Chilled red	1,574	\$24,636	Protect demand; selective price moves only
Orange	1,546	\$24,641	Protect demand; selective price moves only
Lambrusco / sparkling red	1,439	\$20,111	Protect demand; selective price moves only
Grüner	1,186	\$18,956	Protect demand; selective price moves only
Rosé	999	\$15,152	Protect demand; selective price moves only

Pricing discipline. Invoice analysis showed many core BTG wines cluster around a 75% product gross margin at current prices. This supports a selective approach: raise obvious underpriced/high-demand positions and preserve \$15-\$16 value anchors.

Bottle conversion. Because only about 16% of wine dollars are bottle sales, staff confidence with 3-5 easy bottle recommendations is likely more valuable than broad discounting. Premium bottle-list pricing is often customer-friendly relative to retail, which can support a reputation for value among knowledgeable guests.

Recent decisions. The drinks review increased chilled red to \$16, set half-glasses at \$10 (\$13 for Champagne), and reduced the Champagne bottle price to \$95. Those changes should be reviewed after 30-60 days for volume and mix effects.

8. Occupancy, Fees & Overhead

Expense	2024	2025	H1 2026	Comment
Rent	\$36,600	\$36,780	\$18,300	Very favorable relative to revenue
Total occupancy	\$68,241	\$74,001	\$42,501	H1 includes elevated repairs
Credit-card fees	\$30,378	\$35,336	\$17,042	Stable ~3.4%-3.5% of sales
Accounting + consulting	\$20,988	\$29,552	\$16,847	Rising; review scope/value

Rent is not the problem. Annual rent has remained around \$36,000-\$37,000, an unusually low burden relative to roughly \$1 million of annual revenue. The business should avoid making decisions as though occupancy is the primary pressure point.

Card fees are structurally stable. Credit-card fees run approximately 3.4%-3.5% of revenue. They are material in dollars but not a new deterioration.

Professional spending is worth reviewing. Accounting and consulting increased from roughly \$21,000 in 2024 to nearly \$30,000 in 2025; H1 2026 annualizes above that. This is not necessarily excessive, but it is large enough to require clear deliverables and periodic scope review.

9. Inventory & Purchasing Control

Wine inventory is the clearest process-control opportunity uncovered by the analysis. The restaurant has useful invoice-level cost information, but it is not yet operating from a clean perpetual wine inventory that reconciles purchases, glass sales, bottle sales and physical stock.

- Use Square as the operational inventory system if stock conversion is available: one bottle as the base unit, with glass and half-glass sales decrementing fractional bottles.
- Receive each wine delivery into inventory at actual bottle quantity and cost.
- Perform one physical count monthly at a consistent time, including open-bottle equivalents for BTG wines.
- Record corked bottles, breakage, samples, staff pours and transfers as explicit adjustments rather than unexplained variance.
- Use BILL/accounts payable as the payment and invoice record; do not rely on expense-coded BILL lines as the inventory subledger unless future wine bills are consistently entered using Items.

What this unlocks A recurring variance report can identify over-pouring, unrecorded comps, stale stock, excess purchasing and dollars tied up in slow-moving bottles. The value cannot be quantified until the first clean baseline count is completed.

10. Profit Improvement Plan

Initiative	Illustrative annual impact	Priority	Execution
Recover 50% of wine-sales run-rate gap	~\$21k sales / ~\$15k wine GP	High	Bottle conversion, server recommendations, Monday activation, maintain compelling BTG lineup
Hourly kitchen optimization	\$5k-\$10k savings	High	Test Saturday overlap reductions; protect peak service
Food pricing actions	\$8k-\$9k sales	High	Implement/retain supported increases; monitor unit demand
Monday sales development	\$7.8k-\$13k sales	Medium	Target +\$150-\$250 per Monday without adding labor
Wine inventory control	Unquantified	Medium	Monthly count + Square reconciliation
Professional-fee review	Unquantified	Low-Med	Confirm scope, cadence and deliverables

Avoid double counting. Bottle conversion and Monday wine initiatives are mechanisms for recovering wine revenue, not separate additive profit pools. A conservative management target is therefore roughly \$25,000-\$40,000+ of incremental annual operating profit from the combined program, depending on how much wine demand is recovered and how much hourly labor can be trimmed without service degradation.

11. 90-Day Operating Plan

Timing	Action	Metric
Weeks 1-2	Lock current food and wine prices; enter current wine cost by SKU; establish bottle/glass inventory units	Price list complete; 100% of active wine SKUs costed
Weeks 1-4	Begin monthly physical wine count; train staff on 3-5 bottle recommendations	Inventory variance baseline; bottle share of wine sales
Weeks 2-6	Test shorter Saturday supplemental-cook overlap on selected weeks	Ticket times, food items/hour, complaints, 86s, labor hours
Weeks 2-8	Test one Monday wine initiative at a time	Monday sales, wine sales, bottles/check, average check
Weeks 4-8	Review price-change response on bread, sausage, chilled red, half-glasses, Champagne bottle	Units sold, attachment, realized price
Weeks 8-12	Compare 30/60/90-day scorecard with baseline and keep only changes that improve contribution without service damage	Operating contribution and guest/service indicators

12. Recommended Management Dashboard

The report should become a recurring operating system rather than a one-time analysis. The following measures are sufficient to detect most of the issues identified here without drowning management in data.

Area	Monthly KPI	Why it matters
Sales	Total sales; wine; food; bottle vs BTG; Monday/Sunday sales	Shows whether revenue mix and weak-night initiatives are working
Margins	Wine cost %; food cost %; overall gross margin	Separates pricing/purchasing issues from volume issues
Labor	Payroll %; hourly kitchen hours; Friday/Saturday food items per kitchen hour	Tracks the main current cost pressure
Inventory	Book vs physical wine count; inventory value; aged/slow stock	Controls shrink and working capital
Menu	Top items by units/sales; price-change unit response	Keeps pricing grounded in demand
Guest economics	Checks; average check; food+wine attachment; bottles/check	Connects server behavior to revenue

Appendix A — Key Calculations

Calculation	Result
2025 revenue growth vs 2024	19.3%
2026 annualized revenue vs 2025	-4.0%
2026 annualized wine vs 2025	-7.3%
2026 annualized food vs 2025	-0.6%
2025 wine gross margin	72.0%
H1 2026 wine gross margin	70.2%
2025 food gross margin	67.4%
H1 2026 food gross margin	68.5%
2025 payroll / revenue	35.0%
H1 2026 payroll / revenue	39.4%
2025 prime cost	63.7%
H1 2026 prime cost	68.7%
2026 recurring bottle share of wine dollars	16.2%

Appendix B — Sources & Limitations

Internal data sources reviewed

- Sample Restaurant / Wine Bar Profit & Loss, January 2024-June 2026 (accrual basis).
- Sample Restaurant / Wine Bar Profit & Loss, January-June 2026 by quarter.
- Square transaction/item sales detail analyzed for January 1-August 26, 2026, with likely event allocations separated from ordinary-night analysis.
- Paychex payroll journals and employee/time detail used to evaluate hourly and salaried labor patterns.
- Current food, BTG and bottle menus supplied by management.
- Wine vendor invoices supplied for July-August 2026 and compiled into a purchase-cost/inventory workbook.
- Management clarifications regarding ownership-level allocations, kitchen leadership compensation, seasonal menu rotation, Tuesday support work, events and one-time repair spending.

Limitations. 2026 financial comparisons annualize only the first six months and therefore do not capture seasonality. Transaction-level sales analysis runs through August 26 and excludes identified likely event allocations from recurring-night patterns, but event tagging in the POS should be improved. The 2026 state-tax line requires reconciliation before final year-end margin conclusions. Inventory shrink/waste cannot be quantified until a reliable opening physical inventory is established. Estimated opportunity values are management scenarios, not guarantees.

Prepared for internal management review.