



**UNDERSTANDING YOUR
CUSTOMER'S P&L
STATEMENT:
OPERATING EXPENSES**

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Salaries & Wages

- Service
- Preparation
- Sanitation
- Beverages
- Administrative
- Purchasing & storing
- Other

Employee Benefits

- FICA
- Federal unemployment tax
- Workmen's compensation
- Group insurance
- State health insurance tax
- Welfare plan payments
- Pension plan payments
- Accident & health insurance premiums
- Hospitalization, BC-B5
- Employee meals
- Employee instruction & education expenses
- Employee Christmas & other parties
- Employee sports activities
- Medical expenses
- Credit union
- Awards & prizes
- Transportation & housing

Occupancy Costs

- Rent: minimum or fixed
- Percentage rent
- Ground rental
- Equipment rental
- Real estate taxes
- Personal property taxes
- Other municipal taxes
- Franchise tax
- Capital stock tax
- Partnership or corporation license fees
- Insurance on building & contents

Depreciation

- Buildings
- Amortization of leasehold
- Amortization of leasehold improvements
- Furniture, fixtures & equipment

Direct Operating Expenses

- Uniforms
- Laundry & dry cleaning
- Linen rental
- Linen
- China & glassware
- Silverware
- Kitchen utensils
- Auto & truck expense
- Cleaning supplies
- Paper supplies
- Guest supplies
- Bar supplies
- Menus & wine lists
- Contract cleaning
- Exterminating
- Flowers & decorations
- Parking lot expenses
- Licenses & permits
- Banquet expenses
- Other operating expenses

Music & Entertainment

- Musicians
- Professional entertainers
- Mechanical music
- Contracted wire services
- Piano rental & tuning
- Films, records, tapes & sheet music
- Programs
- Royalties to ASCAP, BMI
- Booking agents fees
- Meals served to musicians

Marketing

- Selling & promotion*
 - Sales representative service
 - Travel expense on solicitation
- Direct mail
- Telephone used for advertising & promotion
- Complimentary food & beverage (Including gratis meals to customers)
- Postage
- Advertising
- Newspaper
- Magazines & trade journals
- Circulars, brochures, postal cards & other mailing pieces
- Outdoor signs
- Radio & television
- Programs, directories & guides
- Preparation of copy, photographs, etc.

Public relations & publicity

- Civic & community projects
- Donations
- Souvenirs, favors, treasure & chest items
- Fees & commissions*
 - Advertising or promotional agency fees

Food Costs

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Beverage Costs

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Research

- Travel in connection with research
- Outside research agency
- Product testing

Utilities

- Electric current
- Electric bulbs
- Water
- Removal of waste
- Other fuel

Administrative & General Expenses

- Office stationery, printing & supplies
- Data processing costs
- Postage
- Telegrams & telephone
- Dues & subscriptions
- Traveling expenses
- Insurance - general
- Commissions on credit card charges
- Provision for doubtful accounts
- Cash over or (short)
- Professional fees
- Protective & bank pick-up services
- Bank charges
- Miscellaneous

Repairs & maintenance

- Furniture & fixtures
- Kitchen equipment
- Office equipment
- Refrigeration
- Air conditioning
- Plumbing & heating
- Electrical & mechanical
- Floors & carpets
- Buildings
- Parking lot
- Gardening & grounds maintenance
- Building alterations
- Painting, plastering & decorating
- Maintenance contracts
- Autos & trucks
- Other equipment & supplies