



No. S235026  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.  
C-36F

AND

IN THE MATTER OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44,  
and THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57,

AND

IN THE MATTER OF THE JOSEPH RICHARD HOSPITALITY GROUP LTD.  
AND THOSE PARTIES LISTED ON SCHEDULE "A"

**PETITIONERS**

**FOURTH MONITOR'S REPORT**

**ERNST & YOUNG INC.**

**November 29, 2023**

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## INTRODUCTION

1. On July 17, 2023 (the “**Filing Date**”), pursuant to an order (the “**Initial Order**”) granted by the Supreme Court of British Columbia (the “**Court**”), the Joseph Richard Hospitality Group Ltd. and those 38 other petitioners listed hereto at **Appendix “A”** (each a “**Petitioner**”, and collectively, the “**Petitioners**” or “**JRG**”) were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and Ernst & Young Inc. (“**EYI**”) was appointed monitor of the Petitioners (in such capacity, the “**Monitor**”).
2. Following the issuance of the Initial Order and a temporary stay of proceedings, the Petitioners made an application to Court seeking various relief, which included request to make certain amendments to the Initial Order.
3. On July 27, 2023, this Honourable Court pronounced the following orders:
  - a) an amended and restated initial order (“**ARIO**”) which, among other things,
    - i. granted an extension to the Initial Stay of Proceedings until and including September 29, 2023;
    - ii. increased the Administration Charge to \$400,000 to secure payment of the fees and disbursements of the Petitioners’ legal counsel, the Monitor, and the Monitor’s legal counsel;
    - iii. increased the Directors’ Charge to \$1,000,000 as security for claims that may be brought against the Petitioners’ directors and officers;
    - iv. created an Intercompany Charge as security for any payment or obligation incurred between any Petitioner;
    - v. elevated the priority of the Administration Charge and the Directors’ Charge in respect of the secured creditors who did not receive notice of the initial

order hearing, but who were provided notice of the July 27, 2023 application; and

vi. added Townhall Holdings (South Surrey) Ltd., Townhall Holdings (Coquitlam) Ltd., and Micky's Investments (Coquitlam) Ltd. (together, the **"Additional Petitioners"**) as Petitioners to this proceeding.

b) a Claims Process Order approving a claims process (the **"Claims Process"**) to identify and quantify creditors' claims against the Petitioners.

4. On August 30, 2023, this Honourable Court issued an Interim Financing Order which, among other things:

a) authorized the Petitioners to obtain and borrow under a credit facility (the **"Interim Financing Credit Agreement"**) from Canadian Western Bank (**"CWB"** or, the **"Interim Lender"**), provided that borrowings under such credit facility do not exceed \$500,000;

b) granted a charge (the **"Interim Financing Charge"**) to a maximum amount of \$500,000 plus interest and applicable fees, costs and other amounts payable under the Interim Financing Credit Agreement;

c) amended the ARIO such that the maximum amount of the Administration Charge is limited to \$250,000;

d) clarified the priority of the charges granted under the ARIO and Interim Financing Order as follows:

i. First: Administration Charge (to a maximum amount of \$250,000);

- ii. Second: Interim Financing Charge (to a maximum amount of \$500,000 plus interest and all applicable fees, costs and other amounts payable under the Interim Financing Credit Agreement);
  - iii. Third: Intercompany Charge; and
  - iv. Fourth: Directors' Charge (to a maximum amount of \$1,000,000).
- 5. On September 28, 2023, this Honourable Court issued a Stay Extension Order which, among other things:
  - a) extended the Stay of Proceedings to November 30, 2023;
  - b) removed Lowercase Capital Consulting Ltd. as a Petitioner in these proceedings; and
  - c) increased the maximum amount of pre-filing payments for goods and services supplied to the Petitioners prior to the date of the ARIO, as set out in paragraph 10(d) of the ARIO, to \$100,000.
- 6. On November 27, 2023, the Petitioners filed a Notice of Application returnable November 30, 2023 (the "**November 27 Notice of Application**") seeking this Honourable Court's approval to extend the stay of proceedings to December 22, 2023.

## **PURPOSE OF THIS REPORT**

- 7. The purpose of this Fourth Report is to provide this Honourable Court with:
  - a) an update on the Monitor's activities since the Third Report of the Monitor, dated September 27, 2023 (the "**Third Report**");

- b) a forecast-to-actual analysis comparing the Petitioners' forecasted cash flow statement filed in connection with the Third Report (the "**Third Cash Flow Forecast**") to actual results;
  - c) the Petitioners' statement of projected cash flow (the "**Fourth Cash Flow Forecast**") for the period of November 20, 2023 to December 31, 2023 (the "**Fourth Forecast Period**");
  - d) the Monitor's comments with respect to the relief sought in the November 27 Notice of Application; and
  - e) the Monitor's conclusions with respect to same.
8. EYI is filing this report (the "**Fourth Report**") in its capacity as court-appointed Monitor of the Petitioners. Court materials filed in these proceedings, including the materials filed by the Petitioners in support of the ARIO, are available at the website established by the Monitor in respect of these proceedings at: [www.ey.com/ca/JRG](http://www.ey.com/ca/JRG) (the "**Monitor's Website**").
9. This report should be read in connection with the materials filed with this Honourable Court in connection with the November 27 Notice of Application including Affidavit #5 of Mr. André Joseph Bourque sworn November 27, 2023.
10. Capitalized terms not otherwise defined in this Fourth Report have the meanings given to them in the Initial Order, the ARIO, the First Report, the Second Report, the Third Report or the Comeback Application and the various materials filed by the Petitioners in support of the November 27 Notice of Application.
11. Unless otherwise stated all monetary amounts contained herein are expressed in Canadian Dollars.

## TERMS OF REFERENCE

12. In preparing this Fourth Report and making the comments herein, the Monitor has been provided with, and has herein relied upon, unaudited financial information, books, records and financial information prepared by the Petitioners, discussions with management of the Petitioners, and information from other third party sources (collectively, the “**Information**”).
13. Except as described in this Fourth Report, the Monitor has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Canadian auditing standards pursuant to the Chartered Professional Accountants of Canada Handbook.
14. Future oriented financial information referred to in this Fourth Report was prepared based on Management’s estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not readily and currently ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be material.
15. Unless otherwise indicated, the Monitor’s understanding of factual matters expressed in this Fourth Report concerning the Petitioners and their business is based on the Information, and not independent factual determinations made by the Monitor.
16. For the purposes of this report, “**Management**” means Mr. André Bourque (“**Mr. Bourque**”) and Mr. Ryan Moreno (“**Mr. Moreno**”), both founders of JRG, as well as Mr. Alfred Zagloul (the current Chief Financial Officer “**CFO**”) and Mr. George Tachejian (“**Mr. Tachejian**”) (Vice President).

## CONDENSED BACKGROUND INFORMATION

17. The Petitioners operate a series of restaurants, pubs, liquor stores, events and hospitality businesses, and wineries in the Lower Mainland region of British Columbia. They are collectively known as the “**Joseph Richard Group**” which was founded by Mr. Bourque and Mr. Moreno in 2009. JRG is known throughout the lower mainland for their style of upscale-casual pub restaurants.
18. In particular, the First Bourque Affidavit describes that the Petitioners operate 22 establishments and ventures (the “**Hospitality Entities**”), which are primarily held in companies owned in whole or part by Joseph Richard Investments Ltd. (“**JRIL**”) and Joseph Richard Hospitality Group Ltd. (“**Hospitality**”).
19. The list of the Hospitality Entities together with their secured creditors is provided on paragraph 23 of the First Report and is not replicated herein.
20. Additional background information on JRG and the CCAA Proceedings is available on the Monitor’s Website.

## ACTIVITIES SINCE THE FILING OF THE THIRD REPORT OF THE MONITOR

21. Since the Third Report, the activities of the Monitor include, among other things:
  - a) monitoring the Petitioners’ operations and financial affairs;
  - b) assisting the Petitioners with the preparation of weekly forecast-to-actual variance reports (which compare actual financial performance of the Petitioners relative to prepared forecasts);
  - c) engaging extensively with the Petitioners’ management team, the Petitioners’ counsel, and its own counsel regarding all aspects of these CCAA Proceedings;



- d) participating in discussions with the Petitioners' primary secured creditor, CWB, CWB's financial advisor regarding the CCAA proceedings and the current state of the Petitioners' business with a view to advancing a plan of compromise or arrangement (a "**Plan**");
  - e) responding to various creditor and stakeholder inquiries;
  - f) assisting Management with preparing revised cash flow forecasts including the Fourth Cash Flow Forecast, which is described in further detail below;
  - g) assisting Management with responding to CWB's financial advisor's information requests, including assisting with preparation of a 2024 financial forecast and delivery of historical financial statements;
  - h) various correspondence with the Canada Revenue Agency (the "**CRA**") regarding, *inter alia*, the CRA's Claim and the status of post-filing CRA obligations; and
  - i) administering the Claims Process including receiving and reviewing proofs of claim and communicating with creditors in this regard.
22. The Monitor notes that the Petitioners and CWB continue to maintain dialogue with a view to advancing a Plan. The Petitioners are seeking an extension of the Stay Period to December 22, 2023 to continue these discussions. The Petitioners expect to file an application for a meeting order to vote on a Plan in advance of December 22, 2023.

#### **FORECAST-TO-ACTUAL ANALYSIS**

23. The Monitor has continuously reviewed the operations and cash flows of the Petitioners since the Filing Date.

24. The actual cash flow results for the Petitioners from the Filing Date through to November 19, 2023 (the “Reporting Period”) is presented in Exhibit 1.0. These actual results have been compared to the forecasts outlined in the First Cash Flow Forecast for the period of July 17, 2023 to August 20, 2023, the forecasts outlined in the Second Cash Flow Forecast for the period August 21, 2023 to September 17, 2023, and the forecasts outlined in the Third Cash Flow Forecast for the period of September 18, 2023 to November 19, 2023 (collectively, the “Forecasts”).

In the matter of the CCAA Proceedings of Joseph Richard Group					
Consolidated Forecast-to-Actual					Exhibit 1.0
For the Period July 17, 2023 to November 19, 2023 (the "Reporting Period")					
\$CAD					
	Notes	Forecast Period total	Actual Period total	Variance (\$) Period total	Variance (%) Period total
<b>Opening Balance</b>		<b>180,135</b>	<b>146,740</b>	<b>(33,395)</b>	
<b>Receipts</b>					
Restaurants	A	10,306,637	9,660,614	(646,023)	-6%
Other Ventures	B	2,903,363	3,740,621	837,257	29%
<b>Total Receipts</b>		<b>13,210,001</b>	<b>13,401,234</b>	<b>191,234</b>	<b>1%</b>
<b>Disbursements</b>					
Cost of Goods Sold - Restaurants	C	(2,885,861)	(2,792,115)	93,745	-3%
Cost of Goods Sold - Other Ventures	C	(1,205,319)	(1,693,071)	(487,752)	40%
Labour - Restaurants	D	(4,465,331)	(2,880,096)	1,585,235	-36%
Labour - Other Ventures	D	(1,077,022)	(750,923)	326,099	-30%
Source Deductions	D	-	(826,655)	(826,655)	0%
G&A	E	(1,845,000)	(2,126,687)	(281,687)	15%
Rent		(1,200,000)	(1,327,396)	(127,396)	11%
VAT Remitted		(250,000)	(540,234)	(290,234)	0%
Contingency		(225,000)	(24,855)	200,145	-89%
<b>Total Operating Disbursements</b>		<b>(13,153,533)</b>	<b>(12,962,032)</b>	<b>191,501</b>	<b>-1%</b>
<b>Restructuring Disbursements</b>					
Professional Fees	F	(825,000)	(54,088)	770,912	-93%
Marketing Agent Fee		-	-	-	
<b>Total Restructuring Disbursements</b>		<b>(825,000)</b>	<b>(54,088)</b>	<b>770,912</b>	<b>-93%</b>
<b>Financing Receipts / (Disbursements)</b>					
DIP Facility - principal draw / (repayment)	G	400,000	-	(400,000)	-100%
<b>Total Financing Receipts / (Disbursements)</b>		<b>400,000</b>	<b>-</b>	<b>(400,000)</b>	<b>-100%</b>
<b>Net Cash Flow</b>		<b>(368,532)</b>	<b>385,115</b>	<b>753,647</b>	
<b>Closing Cash Balance</b>		<b>277,751</b>	<b>531,855</b>	<b>720,252</b>	<b>259%</b>

25. The Monitor's comments on the material variances between the Petitioners' actual cash flows and the Forecasts are as follows:

- a) actual receipts are shown inclusive of GST/PST, whereas the receipts in the Forecasts are net of GST/PST. Actual receipts from restaurants were lower than anticipated due to lower restaurant activity levels.
- b) Actual receipts from other ventures were higher than anticipated [NTD];
- c) cost of goods sold was higher than anticipated, primarily due to the replenishment of inventory levels that were unusually low in the period immediately prior to the Filing Date, and the actual cost of goods sold include GST/PST, whereas the Forecasts do not;
- d) labour related disbursements were lower than anticipated, primarily due to timing differences and higher than expected labour costs;
- e) G&A expenses were higher than anticipated, largely due to higher than anticipated seasonal bottling costs at JRG Glass House Estates Winery;
- f) JRG, in consultation with the Monitor, has deferred payment of the majority of professional fees in order to prioritize payment of operational expenses. The Monitor understands that there are approximately \$375,000 of accrued professional fees outstanding, representing the fees of the Monitor, the Monitor's counsel, and JRG's counsel. JRG expects to pay most of the accrued professional fees prior to December 31, 2023 (as shown in the Fourth Cash Flow Forecast); and
- g) JRG has delayed making draws on the Interim Financing Facility, which was partially made possible due to the deferral of payment of professional fees. JRG

expects to draw on the Interim Financing Facility this week (as shown in the Fourth Cash Flow Forecast).

## THE FOURTH CASH FLOW FORECAST

26. Management, with the assistance of the Monitor, has prepared the Fourth Cash Flow Forecast for the Fourth Forecast Period. A copy of the Fourth Cash Flow Forecast is attached hereto as **Appendix "B"** and is summarized below:

In the matter of the CCAA Proceedings of Joseph Richard Group		
Fourth Cash Flow Forecast		
For the Period November 20, 2023 to December 31, 2023 (the "Fourth Forecast Period")		
\$CAD		
		<b>Six-week Total</b>
<b>Opening Balance</b>		<b>531,855</b>
<b>Receipts</b>		
Restaurants	1	4,855,000
Other receipts		105,000
<b>Total Receipts</b>		<b>4,960,000</b>
<b>Operating Disbursements</b>		
Cost of Goods Sold	2	(1,456,500)
Labour - Restaurants	3	(1,546,962)
Labour - Other Ventures	3	(334,007)
G&A	4	(750,000)
Rent	5	(275,000)
Source Deductions		(135,000)
October Sales Tax		(150,000)
Contingency	7	(60,000)
<b>Total Operating Disbursements</b>		<b>(4,707,469)</b>
<b>Restructuring Disbursements</b>		
Professional Fees	8	(325,000)
<b>Total Restructuring Disbursements</b>		<b>(325,000)</b>
<b>Financing Receipts / (Disbursements)</b>		
DIP Facility - principal draw / (repayment)	9	-
<b>Total Financing Receipts / (Disbursements)</b>		<b>-</b>
<b>Net Cash Flow</b>		<b>(72,469)</b>
<b>Closing Cash Balance</b>		<b>459,386</b>

27. Based on the Monitor's view of the Fourth Cash Flow Forecast and the assumptions set out in the notes thereto, nothing has come to its attention that causes it to believe that, in all material respects:
- a) the probable and hypothetical assumptions set forth therein are not consistent with the purposes of the Fourth Cash Flow Forecast;
  - b) as at the date of this Fourth Monitor's Report, the probable and hypothetical assumptions developed by Management are not suitably supported and consistent with the plans of the Petitioners or do not provide a reasonable basis for the Fourth Cash Flow Forecast; and
  - c) the Fourth Cash Flow Forecast does not reflect the probable and hypothetical assumptions.
28. The detailed Fourth Cash Flow Forecast in **Appendix "B"** notes that the Petitioners will draw \$300,000 upon the Interim Financing approved by this Honourable Court this week to address the professional fee arrears; and notwithstanding the Interim Financing Agreement Credit Agreement is non-revolving, the Petitioners' forecast projects that those borrowings can be re-paid in December out of operating cash flows and the forecast is presented on that basis. CWB has confirmed to the Monitor that it has received the Petitioners' funding request of \$300,000 and that funding is in progress.
29. As described in the Terms of Reference section above, since the Fourth Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the probable and hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the Fourth Cash Flow Forecast will be achieved.

30. The Fourth Cash Flow Forecast has been prepared solely for the purposes described above and readers are cautioned that it may not be appropriate for other purposes.

### **STAY EXTENSION**

31. The Stay of Proceedings is currently set to expire on November 30, 2023. JRG is requesting the Stay Extension up to and including December 22, 2023 (the “**Stay Extension**”), to allow JRG to focus on the following activities:

- a) continuing operations at the various locations within JRG;
- b) continuing the administration of the Claims Process; and
- c) continuing discussions with stakeholders with a view to finalizing a Plan prior to the expiry of the Stay Extension.

32. The Monitor has considered the burden of evidence that resides with JRG to demonstrate that an extension to the stay of proceedings by this Honourable Court is warranted, having regard to:

- a) the circumstances that justify the making of a stay extension order;
- b) the good faith efforts of JRG to effect the restructuring; and
- c) the due diligence with which JRG is advancing the restructuring.

33. The Monitor has concluded that this burden has been met.

### **Circumstances that justify Extension Orders**

34. In the Monitor’s view, the extension of the stay of proceedings is necessary in order to advance the within restructuring proceedings for the benefit of JRG’s stakeholders and to afford JRG the time to continue discussions with its major stakeholders.

35. Moreover, as depicted in the Fourth Cash Flow Forecast, JRG projects that they will have sufficient liquidity and cash to fund ongoing obligations until at least December 31, 2023.

**Good faith efforts and due diligence**

36. JRG has complied with all of the requirements under the Initial Order and is working in good faith and with due diligence on restructuring initiatives for the benefit of its stakeholders.

37. The Monitor does not believe that any creditor will be materially prejudiced if the Stay Extension is granted.

**CONCLUSION AND RECOMMENDATIONS**

38. For the reasons stated herein, the Monitor supports the relief sought by the Petitioners as set out in the November 27 Notice of Application and recommends that this Honourable Court grant the relief sought.

All of which is respectfully submitted this 29th day of November, 2023.

**ERNST & YOUNG INC.**

in its capacity as Monitor  
of Joseph Richard Hospitality Group  
and those Petitioners listed in Appendix "A"  
and not in its personal or corporate capacity

Per:



**Michael Bell, CPA, CA, CIRP, LIT**  
**Senior Vice President**

**APPENDIX A –  
List of Petitioners**



**Schedule "A"**  
**List of Petitioners**

1138279 B.C. Ltd.
1164312 B.C. Ltd.
Ad Prolem Capital Investments Ltd.
Clover 67 Private Dining Room Ltd.
Edith & Arthur Public House Ltd.
Joseph Bourque Investments Ltd.
Joseph Richard Hospitality Group Ltd.
Joseph Richard Investments Ltd.
Joseph Richard IP Holdings Ltd.
Joseph Richard Management Ltd.
JRG Canteen Virtual Kitchen Ltd.
JRG Clover Station LRS Ltd.
JRG Cloverdale Holdings Ltd.
JRG Cloverdale Ventures Ltd.
JRG Foodhall (Vancouver) Ventures Ltd.
JRG Glass House Estates Winery Ltd.
JRG Ledgeview Holdings Ltd.
JRG Steveston Hotels Ltd.
JRG Systems Ltd.
JRG Whiskey Charlie Cafe, Pitt Meadows Ltd.
Livelihood Public House Ltd.
Lowercase Capital Consulting Ltd.
Micky's Investments (Coquitlam) Ltd.
Monkey See Tiki Bar Ltd.
Oak & Thorne Public House Ltd.
Oceanside Yacht Club And Public House Ltd.
S & L Kitchen & Bar Holdings Abbotsford Ltd.
S & L Kitchen & Bar Holdings Langley Ltd.
S & L Kitchen & Bar Holdings South Surrey Ltd.
Steveston Hospitality Services Ltd.
Sudo Asian Kitchen Holdings (Langley) Ltd.
The Italian Osteria and Cheese Bar Ltd.
The Phat Bird Public House Ltd.
The Study Public House Ltd.
Townhall Holdings (Abbotsford) Ltd.
Townhall Holdings (Chilliwack) Ltd.
Townhall Holdings (Coquitlam) Ltd.
Townhall Holdings (Maple Ridge) Ltd.
Townhall Holdings (South Surrey) Ltd.
Townhall Holdings Ltd.

Whiskey Charlie Holdings Ltd.

**Non-Petitioner Entities:**

Blank Canvas Catering Ltd.  
JRG Queens LRS Ventures Ltd.  
JRG Chilliwack Holdings Ltd.  
JRG Growth Ventures Ltd.  
JRG Published Holdings Ltd.  
JRG Whip Holdings Ltd.

**APPENDIX “B” –  
Fourth Report Cash Flow Forecast**

**In the matter of the CCAA Proceedings of Joseph Richard Group**  
**Fourth Cash Flow Forecast**  
**For the Period November 20, 2023 to December 31, 2023 (the "Fourth Forecast Period")**  
**\$CAD**

		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>Six-week Total</b>
		<b>26-Nov-23</b>	<b>03-Dec-23</b>	<b>10-Dec-23</b>	<b>17-Dec-23</b>	<b>24-Dec-23</b>	<b>31-Dec-23</b>	
<b>Opening Balance</b>		531,855	409,360	338,365	367,370	371,376	693,876	<b>531,855</b>
<b>Receipts</b>								
Restaurants	1	730,000	825,000	825,000	825,000	825,000	825,000	<b>4,855,000</b>
Other receipts				25,000	-	80,000		<b>105,000</b>
<b>Total Receipts</b>		<b>730,000</b>	<b>825,000</b>	<b>850,000</b>	<b>825,000</b>	<b>905,000</b>	<b>825,000</b>	<b>4,960,000</b>
<b>Operating Disbursements</b>								
Cost of Goods Sold	2	(219,000)	(247,500)	(247,500)	(247,500)	(247,500)	(247,500)	<b>(1,456,500)</b>
Labour - Restaurants	3	(257,827)	(257,827)	(257,827)	(257,827)	-	(515,654)	<b>(1,546,962)</b>
Labour - Other Ventures	3	(55,668)	(55,668)	(55,668)	(55,668)	-	(111,336)	<b>(334,007)</b>
G&A	4	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	<b>(750,000)</b>
Rent	5	-	(275,000)	-	-	-	-	<b>(275,000)</b>
Source Deductions		(135,000)	-	-	-	-	-	<b>(135,000)</b>
October Sales Tax		-	(150,000)	-	-	-	-	<b>(150,000)</b>
Contingency	7	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	<b>(60,000)</b>
<b>Total Operating Disbursements</b>		<b>(802,495)</b>	<b>(1,120,995)</b>	<b>(695,995)</b>	<b>(695,995)</b>	<b>(382,500)</b>	<b>(1,009,490)</b>	<b>(4,707,469)</b>
<b>Restructuring Disbursements</b>								
Professional Fees	8	(50,000)	(75,000)	(50,000)	(50,000)	(50,000)	(50,000)	<b>(325,000)</b>
<b>Total Restructuring Disbursements</b>		<b>(50,000)</b>	<b>(75,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(325,000)</b>
<b>Financing Receipts / (Disbursements)</b>								
DIP Facility - principal draw / (repayment)	9	-	300,000	(75,000)	(75,000)	(150,000)	-	<b>-</b>
<b>Total Financing Receipts / (Disbursements)</b>		<b>-</b>	<b>300,000</b>	<b>(75,000)</b>	<b>(75,000)</b>	<b>(150,000)</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flow</b>		<b>(122,495)</b>	<b>(70,995)</b>	<b>29,005</b>	<b>4,005</b>	<b>322,500</b>	<b>(234,490)</b>	<b>(72,469)</b>
<b>Closing Cash Balance</b>		<b>409,360</b>	<b>338,365</b>	<b>367,370</b>	<b>371,376</b>	<b>693,876</b>	<b>459,386</b>	<b>459,386</b>

**Notes:**

- 1 Restaurants includes Joseph Richard Group restaurants and other ventures
- 2 Cost of Goods Sold calculated as 30% of revenues.
- 3 Labour consists of all Joseph Richard Group salaries and wages, including insurance and benefits.
- 4 G&A consists of administrative and operational costs.
- 5 Rent consists of operating location rent and lease payments.
- 6 The Fourth Cash Flow Forecast incorporates a contingency in the amount of \$10,000 per week.
- 8 Professional Fees are estimates of the cost of the Monitor, the Monitor's Counsel, and the Petitioner's Counsel.