MCLENNAN JAMES DUDLEY
Form 5
February 13, 2006

FORM 5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).
Form 3 Holdings Reported
Form 4 Transactions Reported

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL
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1. Name and Address of Reporting Person *
MCLENNAN JAMES DUDLEY

(Last) (First) (Middle)

3250 LACEY ROAD, SUITE 600

(Street)

DOWNERS GROVE,Â ILÂ 60515-1700

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
SERVICEMASTER CO [SVM]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director
_____ 10% Owner
_____ Officer (give title below)
_____ Other (specify below)

6. Individual or Joint/Group Reporting

(check applicable line)

_X_ Form Filed by One Reporting Person
___ Form Filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common stock $.01 par value	Â	Â	Â	Â	Â	Â	68,023	D	Â
Common stock $.01 par value	Â	Â	Â	Â	Â	Â	3,711 (1)	I	Dir.Def. Fee Trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 2270 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8 D S (I
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Options (Right to buy)	$ 10.02	Â	Â	Â	Â	Â	04/27/2002	04/26/2008	Common Stock	15,000	
Stock Options (Right to buy)	$ 11.2222	Â	Â	Â	Â	Â	02/13/1998	02/12/2007	Common stock $.01 par value	11,250	
Stock Options (Right to buy)	$ 13.2069	Â	Â	Â	Â	Â	09/30/1999	09/29/2009	Common Stock	8,367	
Stock Options (Right to buy)	$ 13.972	Â	Â	Â	Â	Â	04/15/2003	04/14/2009	Common Stock	15,000	
Stock Options (Right to buy)	$ 15.5231	Â	Â	Â	Â	Â	06/30/1999	06/29/2009	Common Stock	2,464	
Stock Options (Right to buy)	$ 15.7392	Â	Â	Â	Â	Â	03/31/1998	03/30/2008	Common stock $.01 par value	3,780	
Stock Options (Right to buy)	$ 17.1913	Â	Â	Â	Â	Â	03/31/1999	03/30/2009	Common Stock	5,192	
Stock Options (Right to	$ 18.0413	Â	Â	Â	Â	Â	09/30/1998	09/29/2008	Common stock $.01 par	3,298	

buy)									value	
Stock Options (Right to buy)	$ 18.6788	Â	Â	Â	Â	Â	12/31/1998	12/30/2008	Common stock $.01 par value	3,793
Stock Options (Right to buy)	$ 19.3588	Â	Â	Â	Â	Â	06/30/1998	06/29/2008	Common stock $.01 par value	1,904
2001 Dir. Stock Option (Right to Buy)	$ 9.96	Â	Â	Â	Â	Â	05/21/2004	05/20/2013	Common Stock	7,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MCLENNAN JAMES DUDLEY 3250 LACEY ROAD, SUITE 600 DOWNERS GROVE,Â ILÂ 60515-1700	Â X	Â	Â	Â

Signatures

Sandra L. Groman by power of attorney	02/13/2006
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Directors Deferred Fees Trust includes 35 shares acquired through the dividend reinvestment feature of the plan during the month of November 2005.

(2) The option is exercisable in five equal annual installments beginning on the first anniversary of the date of the grant.

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Total revenues (includes $5,748 and $10,515 for the 13-weeks and 26-weeks ended April 2, 2011, respectively, related to VIEs)	30,219
	25,113
	62,632
	50,689

COSTS AND EXPENSES:

Food and beverage cost of sales

8,339

6,480

	16,877
	13,002
Payroll expenses	
	10,940
	8,795
	22,086
	17,777
Occupancy expenses	
	5,086
	3,851

	9,424
	8,069
Other operating costs and expenses	
	3,892
	3,710
	8,502
	7,295
General and administrative expenses	
	2,360
	2,626

4,807

5,071

Depreciation and amortization

1,127

1,023

2,278

1,920

Total costs and expenses (includes \$4,477 and \$8,523 for the 13-weeks and 26-weeks ended April 2, 2011, respectively, related to VIEs)

31,744

26,485

63,974

53,134

OPERATING LOSS

(1,525

)

(1,372

)

(1,342

)

(2,445

)

OTHER (INCOME) EXPENSE:

Interest expense

Explanation of Responses:

4

8

9

16

Interest income

(26

)

(15

)

(30

)

(72

)

Other (income) expense, net

Explanation of Responses:

(208

)

(11

)

(278

)

(5

)

Total other (income) expense, net

(230

)

(18

)

(299

)

(61

)

Loss before benefit for income taxes

(1,295

)

(1,354

)

(1,043

)

(2,384

)

Benefit for income taxes

(278

)

(373

)

(217

)

(596

)

LOSS FROM CONTINUING OPERATIONS

(1,017

)

(981

)

(826

)

(1,788

)

DISCONTINUED OPERATIONS:

Loss from operations of discontinued restaurant (includes a net loss on disposal of $71 for the 13-weeks ended April 2, 2011)

(93

)

(219

)

Benefit for income taxes

(8

)

(39

)

LOSS FROM DISCONTINUED OPERATIONS

(85

)

(180

)

CONSOLIDATED NET LOSS

(1,102

)

(981

)

(1,006

)

(1,788

)

Net (income) loss attributable to non-controlling interests

(451

)

310

(759

)

393

Explanation of Responses:

NET LOSS ATTRIBUTABLE TO ARK RESTAURANTS CORP.

$

(1,553

)

$

(671

)

$

(1,765

)

$

(1,395

)

Explanation of Responses:

AMOUNTS ATTRIBUTABLE TO ARK RESTAURANTS CORP.:

Loss from continuing operations

$

(1,468

)

$

(671

)

$

(1,585

)

$

(1,395

)

Loss from discontinued operations, net of tax

(85

)

(180

)

Net loss

$

(1,553

)

$

(671

)

$

(1,765

)

$

(1,395

)

NET LOSS PER ARK RESTAURANTS CORP. COMMON SHARE:

From continuing operations:

Basic

$

(0.42

)

$

(0.19

)

$

(0.46

)

$

(0.40

)

Diluted

$

(0.42

)

$

(0.19

)

$

(0.46

)

$

(0.40

)

From discontinued operations:

Basic

$

(0.02

)

$

$

(0.05

)

$

Diluted

$

(0.02

)

$

$

(0.05

)

$

From net loss:

Basic

$

(0.44

)

$

(0.19

)

$

(0.51

)

$

(0.40

)

Diluted

$

(0.44

)

$

(0.19

)

$

(0.51

)

$

(0.40

)

WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING

Basic

	3,493
	3,490
	3,493
	3,490

Diluted

3,493

3,490

3,493

3,490

See notes to consolidated condensed financial statements.

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ARK RESTAURANTS CORP. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CHANGES IN EQUITY (Unaudited)
FOR THE TWENTY SIX WEEKS ENDED APRIL 3, 2010 AND APRIL 2, 2011
(In Thousands)

	Common Stock									
	Shares	Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Stock Option Receivable	Treasury Stock	Total Ark Restaurants Corp. Shareholders Equity	Non-controlling Interests	Total Equity
BALANCE - October 3, 2009	5,667	$ 57	$ 22,501	$ (29)	$ 23,440	$ (76)	$ (10,095)	$ 35,798	$ 2,304	$ 38,102
Net loss attributable to Ark Restaurants Corp.					(1,395)			(1,395)		(1,395)
Net loss attributable to non-controlling interests									(393)	(393)
Unrealized gain on available-for-sale securities				34				34		34
Total comprehensive loss								(1,361)	(393)	(1,754)
Stock-based compensation			312					312		312
Payment of dividends - $0.50 per share					(1,745)			(1,745)		(1,745)
Repayments on stock option receivable						47		47		47
BALANCE - April 3, 2010	5,667	$ 57	$ 22,813	$ 5	$ 20,300	$ (29)	$ (10,095)	$ 33,051	$ 1,911	$ 34,962
BALANCE - October 2, 2010	5,668	$ 57	$ 23,050	$ 8	$ 22,554	$ (29)	$ (10,095)	$ 35,545	$ 1,895	$ 37,440
Cumulative effect adjustment related to consolidation of variable interest entities upon the adoption of the amendments to ASC Topic 810					(348)			(348)	3,765	3,417
BALANCE - October 3, 2010	5,668	57	23,050	8	22,206	(29)	(10,095)	35,197	5,660	40,857
Net loss attributable to Ark Restaurants Corp.					(1,765)			(1,765)		(1,765)
Net income attributable to non-controlling interests									759	759
Unrealized loss on available-for-sale securities				(5)				(5)		(5)
Total comprehensive income (loss)								(1,770)	759	(1,011)
Exercise of stock options	2		30					30		30
			3					3		3

Tax benefit on exercise of stock options										
Stock-based compensation			155					155		155
Distributions to non-controlling interests									(678)	(678)
Payment of dividends - $0.50 per share					(1,745)			(1,745)		(1,745)
BALANCE - April 2, 2011	5,670	$ 57	$ 23,238	$ 3	$ 18,696	$ (29)	$ (10,095)	$ 31,870	$ 5,741	$ 37,611

See notes to consolidated condensed financial statements.

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ARK RESTAURANTS CORP. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS (Unaudited)
(In Thousands)

	26 Weeks Ended	
	April 2, 2011	April 3, 2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net loss	$ (1,006)	$ (1,788)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	155	312
Excess tax benefits related to stock-based compensation	(3)	
Depreciation and amortization	2,278	1,920
Equity in loss of affiliate		72
Operating lease deferred credit	37	(116)
Changes in operating assets and liabilities:		
Accounts receivable	(95)	(109)
Related party receivables		(835)
Inventories	6	(126)
Prepaid and accrued income taxes	(1,366)	(2,079)
Prepaid expenses and other current assets	286	(159)
Other assets	(453)	(1)
Accounts payable - trade	(1,468)	(346)
Accrued expenses and other liabilities	778	370
Net cash used in operating activities	(851)	(2,885)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of fixed assets	(1,548)	(1,277)
Consolidated cash balances of VIEs	648	
Loans and advances made to employees	(68)	(37)
Payments received on employee receivables	46	347
Purchases of investment securities	(1,891)	(3,737)
Proceeds from sales of investment securities	6,757	9,927
Payments received on long-term receivables	68	63
Net cash provided by investing activities	4,012	5,286
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on note payable	(110)	(103)
Dividends paid	(1,745)	(5,235)
Proceeds from issuance of stock upon exercise of stock options	30	
Excess tax benefits related to stock-based compensation	3	
Distributions to non-controlling interests	(678)	
Payments received on stock option receivable		47
Net cash used in financing activities	(2,500)	(5,291)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	661	(2,890)
CASH AND CASH EQUIVALENTS, Beginning of period	2,011	5,452
CASH AND CASH EQUIVALENTS, End of period	$ 2,672	$ 2,562
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$ 9	$ 18
Income taxes	$ 1,115	$ 1,487

See notes to consolidated condensed financial statements.

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ARK RESTAURANTS CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
April 2, 2011
(Unaudited)

1. CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

The consolidated condensed balance sheet as of October 2, 2010, which has been derived from audited financial statements included in the Form 10-K, and the unaudited interim consolidated and condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission (the SEC). All adjustments that, in the opinion of management, are necessary for a fair presentation for the periods presented have been reflected as required by Regulation S-X, Rule 10-01. Such adjustments are of a normal, recurring nature. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. These consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company s annual report on Form 10-K for the year ended October 2, 2010. The results of operations for interim periods are not necessarily indicative of the operating results to be expected for the full year or any other interim period.

PRINCIPLES OF CONSOLIDATION The consolidated condensed interim financial statements include the accounts of Ark Restaurants Corp. and all of its wholly-owned subsidiaries, partnerships and other entities in which it has a controlling interest. Also included in the consolidated condensed interim financial statements are certain variable interest entities. All significant intercompany balances and transactions have been eliminated in consolidation.

RECLASSIFICATIONS Certain reclassifications of prior period balances have been made to conform to the current period presentation. In connection with the planned or actual sale or closure of various restaurants, the operations of these businesses have been presented as discontinued operations in the consolidated financial statements. Accordingly, the Company has reclassified its statements of operations and cash flow data for the prior periods presented. These dispositions are discussed below in Recent Restaurant Dispositions.

SEASONALITY The Company has substantial fixed costs that do not decline proportionally with sales. The first and second fiscal quarters, which include the winter months, usually reflect lower customer traffic than in the third and fourth fiscal quarters. In addition, sales in the third and fourth fiscal quarters can be adversely affected by inclement weather due to the significant amount of outdoor seating at the Company s restaurants.

CASH AND CASH EQUIVALENTS Cash and cash equivalents include cash on hand, deposits with banks and highly liquid investments generally with original maturities of three months or less. Outstanding checks in excess of account balances, typically vendor payments, payroll and other contractual obligations disbursed after the last day of a reporting period are reported as a current liability in the accompanying consolidated condensed balance sheets.

AVAILABLE-FOR-SALE SECURITIES Available-for-sale securities consist primarily of US Treasury Bills and Notes, all of which have a high degree of liquidity and are reported at fair value, with unrealized gains and losses recorded in Accumulated Other Comprehensive Income. The cost of investments in available-for-sale securities is determined on a specific identification basis. Realized gains or losses and declines in value judged to be other than temporary, if any, are reported in Other (Income) Expense, Net. The Company evaluates its investments periodically for possible impairment and reviews factors such as the length of time and extent to which fair value has been below cost basis and the Company s ability and intent to hold the investment for a period of time which may be sufficient for anticipated recovery in market value.

FAIR VALUE OF FINANCIAL INSTRUMENTS The carrying amount of cash and cash equivalents, investments, receivables, accounts payable and accrued expenses approximate fair value due to the immediate or short-term maturity of these financial instruments. The fair value of notes payable is determined using current applicable rates for similar instruments as of the balance sheet date and approximates the carrying value of such debt.

NEW ACCOUNTING STANDARDS ADOPTED IN FISCAL 2011 Effective October 3, 2010, the Company adopted amendments to Accounting Standards Code (ASC) Topic 810 (formerly FASB Statement of Accounting Standards (SFAS) No. 167 *Amendments to FASB Interpretation No. 46(R)* (SFAS No 167)). This requires an enterprise to perform an analysis to determine whether the enterprise s variable interest or interests give it a controlling financial interest in a variable interest entity (VIE). This analysis identifies the primary beneficiary of a VIE as the enterprise that has both of the following characteristics: (i) the power to direct the activities of a VIE that most significantly impacts the entity s economic performance; and (ii) the obligation to absorb losses of the entity that could potentially be significant to the VIE or the right to receive benefits from the entity that could potentially be significant to the VIE. Additionally, an enterprise is required to assess whether it has an

Explanation of Responses:

implicit financial responsibility to ensure that a VIE operates as designed when determining whether it has the power to direct the activities of the VIE that most significantly impact the entity s economic performance. This statement requires the Company to focus on a more qualitative approach, rather than a quantitative approach previously required for determining the primary beneficiary of a VIE, it also amended certain guidance for determining whether an entity is a VIE, added an additional requirement to assess whether an entity is a VIE, on an ongoing basis, and required enhanced disclosures that provide users of financial statements with more transparent information about an enterprise s involvement in a VIE. The adoption of this guidance resulted in the consolidation of certain limited partnerships in the quarter ended January 1, 2011. The Company did not retroactively apply this guidance. See Note 2 for additional information regarding the impact of the adoption of this standard on the consolidated condensed financial statements.

2. CONSOLIDATION OF VARIABLE INTEREST ENTITIES

Upon adoption of the new accounting guidance for VIEs on October 3, 2010, the Company determined that it is the primary beneficiary of two VIEs which had not been previously consolidated, *Ark Hollywood/Tampa Investment, LLC* and *Ark Connecticut Investment, LLC* as the new guidance requires that a single party (including its related parties and de facto agents) be able to exercise their rights to remove the decision maker in order for the kick-out rights to be considered substantive. Previously, a simple majority of owners that could exercise kick-out rights was considered a substantive right. This change resulted in the need for consolidation.

The assets and liabilities associated with the Company s consolidation of VIEs are as follows:

	April 2, 2011
	(in thousands)
Cash and cash equivalents	$ 834
Accounts receivable	1,618
Inventories	22
Prepaid income taxes	124
Due from Ark Restaurants Corp and affiliates (1)	96
Other current assets	7
Fixed assets, net	3,887
Other long-term assets	141
Total assets	$ 6,729
Accounts payable	$ 217
Accrued expenses and other current liabilities	2,364
Total liabilities	2,581
Equity of variable interest entities	4,148
Total liabilities and equity	$ 6,729

(1) Amounts Due from Ark Restaurants Corp. and affiliates are eliminated upon consolidation.

The liabilities recognized as a result of consolidating these VIEs do not represent additional claims on our general assets; rather, they represent claims against the specific assets of the consolidated VIEs. Conversely, assets recognized as a result of consolidating these VIEs do not represent additional assets that could be used to satisfy claims against our general assets.

For the 13-week and 26-week periods ended April 2, 2011, aggregate revenue and operating expenses relating to these VIEs were $5,748,000 and $10,515,000, and $4,477,000 and $8,523,000, respectively, and are included in the accompanying Consolidated Condensed Statements of Operations.

3. RECENT RESTAURANT EXPANSION

In August 2010, the Company entered into an agreement to lease the former *ESPN Zone* space at the New York-New York Hotel & Casino Resort in Las Vegas and re-open the space under the name *The Sporting House*, which has been licensed from the landlord as well. Such lease is cancellable upon 90 days written notice no earlier than May 31, 2011 and provides for rent based on profits only. This restaurant opened at the end of October 2010 and the Company did not invest significant funds to re-open the space.

In the quarter ended January 1, 2011 the Company combined three fast food outlets located in the *Village Eateries* in the New York-New York Hotel & Casino Resort in Las Vegas into a new restaurant, *The Broadway Burger Bar*, which opened at the end of December 2010.

4. RECENT RESTAURANT DISPOSITIONS

The Company was advised by the landlord that it would have to vacate the *Gonzalez y Gonzalez* property located in New York, NY, which was on a month-to-month lease. The closure of this property occurred on January 31, 2011.

During the fourth fiscal quarter of 2010, the Company closed its *Pinch & S Mac* operation located in New York City, and re-concepted the location as *Polpette*, which featured meatballs and other Italian food. Sales at *Polpette* failed to reach the level sufficient to achieve the results the Company required. As a result, the Company closed this restaurant on February 6, 2011 and it was sold on April 28, 2011 for $400,000, including a four-year note for $100,000 bearing interest at 6%. The Company realized a loss on the sale of $71,000 which was recorded during the second quarter of fiscal 2011 as well as operating losses of $22,000 and $148,000 for the 13-weeks and 26-weeks ended April 2, 2011, respectively, all of which are included in discontinued operations in the accompanying Consolidated Condensed Statement of Operations.

The following table presents assets that are measured and recognized at fair value on a non-recurring basis as of April 2, 2011:

	Fair Value Measurements at April 2, 2011 Using:				
	Total	**Level 1**	**Level 2**	**Level 3**	**Total Losses**
Assets					
Assets Held for Sale	$ 400	$ 400	$	$	$ 71
Total Assets Held for Sale	$ 400	$ 400	$	$	$ 71

5. INVESTMENT SECURITIES

The fair values of the Company s investment securities are determined in accordance with GAAP, with fair value being defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the Company utilizes the three-tier value hierarchy, as prescribed by GAAP, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market.

Level 2 - inputs to the valuation methodology include quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are observable for substantially the full term of the asset or liability.

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement of the asset or liability.

The following available-for-sale securities (which all mature within one year) are re-measured to fair value on recurring basis and are valued using Level 1 inputs:

	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
		(In thousands)		
At April 2, 2011				
Available for sale short-term:				
Government debt securities	$ 2,564	$ 3	$	$ 2,567

	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
		(In thousands)		
At October 2, 2010				
Available for sale short-term:				
Government debt securities	$ 7,430	$ 8	$	$ 7,438

Proceeds from the sale and redemption of investment securities amounted to $6,757,000 and $9,927,000 for the 26-week periods ended April 2, 2011 and April 3, 2010, respectively. No realized gains or losses were included in Other income (expense), net for the 26-week period ended April 2, 2011. Included in Other income (expense), net are realized losses in the amount of $53,000 for the 26-week period ended April 3, 2010 related to these sales and redemptions.

6. RECEIVABLES FROM EMPLOYEES IN RESPECT OF STOCK OPTION EXERCISES

Receivables from employees in respect of stock option exercises includes amounts due from officers and directors totaling $29,000 at April 2, 2011 and October 2, 2010. Such amounts, which are due from the exercise of stock options in accordance with the Company s Stock Option Plan, are payable on demand with interest at ½% above prime (3.25% at April 2, 2011).

7. RELATED PARTY TRANSACTIONS

Receivables due from officers and employees, excluding stock option receivables, totaled $312,000 at April 2, 2011 and $290,000 at October 2, 2010. Such amounts are payable on demand and bear interest at the minimum statutory rate (0.54% at April 2, 2011).

8. COMMITMENTS AND CONTINGENCIES

In the ordinary course of its business, the Company is a party to various lawsuits arising from accidents at its restaurants and worker s compensation claims, which are generally handled by the Company s insurance carriers. The employment by the Company of management personnel, waiters, waitresses and kitchen staff at a number of different restaurants has resulted in the institution, from time to time, of litigation alleging violation by the Company of employment discrimination laws. During the second fiscal quarter of 2011 the Company settled a claim for an amount of approximately $350,000 and maintains an accrual of $150,000, which is included in Accrued Expenses and Other Current Liabilities, related to the settlement of additional claims against the Company.

In February 2010, the Company entered into an amendment to its lease for the food court space at the *New York-New York Hotel and Casino* in Las Vegas, Nevada. Pursuant to this amendment, the Company agreed to, among other things; commit no less than $3,000,000 to remodel the food court by March 2012. In exchange for this commitment, the landlord agreed to extend the food court lease for an additional four years. To date, the Company has spent approximately $1,200,000 related to this commitment in connection with *The Broadway Burger Bar* construction discussed above.

On March 18, 2011 a subsidiary of the Company entered into a lease agreement to operate a yet to be named restaurant and bar in New York City. In connection with the agreement, the landlord has agreed to contribute up to $1,800,000 towards the construction of the facility, which the Company expects to be $4,000,000 to $5,000,000. The initial term of the lease for this facility will expire on March 31, 2027 and will have one five-year renewal. The Company anticipates the restaurant will open during the first quarter of the 2012 fiscal year.

9. STOCK OPTIONS

The Company has options outstanding under two stock option plans, the 2004 Stock Option Plan (the 2004 Plan) and the 2010 Stock Option Plan (the 2010 Plan), which was approved by shareholders in the second quarter of 2010. Effective with this approval, the Company terminated the 2004 Plan. This action terminated the 400 authorized but unissued options under the 2004 Plan but it did not affect any of the options previously issued under the 2004 Plan. Options granted under the 2004 Plan are exercisable at prices at least equal to the fair market value of such stock on the dates the options were granted. The options expire ten years after the date of grant.

The 2010 Plan is the Company s only equity compensation plan currently in effect. Under the 2010 Plan, 500,000 options were authorized for future grant. Options granted under the 2010 Plan are exercisable at prices at least equal to the fair market value of such stock on the dates the options were granted. The options expire six years after the date of grant. No options have been granted under the 2010 Plan and no options were granted during the 26 weeks ended April 2, 2011.

The fair value of each of the Company s stock options is estimated on the date of grant using a Black-Scholes option-pricing model that uses assumptions that relate to the expected volatility of the Company s common stock, the expected dividend yield of the Company s stock, the expected life of the options and the risk free interest rate.

A summary of stock option activity is presented below:

	Shares	Weighted Average Exercise Price	Weighted Average Fair Value	Weighted Average Contractual Term	Aggregate Intrinsic Value
Outstanding, October 2, 2010	421,064	$ 22.88	$ 6.87	6.5 years	
Granted					
Exercised	(2,500)	$ 12.04	$ 3.53		
Forfeited/Cancelled					
Outstanding and expected to vest at April 2, 2011	418,564	$ 22.88	$ 6.88	6.0 years	$ 382,264
Exercisable at April 2, 2011	332,764	$ 25.76	$ 7.77	5.5 years	$ 192,749

Compensation cost is recognized on a straight-line basis over the vesting period during which employees perform related services. As of April 2, 2011, there was approximately $35,000 of unrecognized compensation cost related to unvested stock options, which is expected to be recognized in the third fiscal quarter of 2011.

Compensation cost for stock options is included in general and administrative expenses in the Company s consolidated condensed statements of operations. Compensation cost for stock options was approximately $155,000 and $312,000 for the 26-week periods ended April 2, 2011 and April 3, 2010, respectively and $77,000 and $156,000 for the 13-week periods ended April 2, 2011 and April 3, 2010, respectively.

10. INCOME TAXES

The income tax benefit on losses from continuing operations for the 26-week periods ended April 2, 2011 and April 3, 2010 reflect effective tax rates of approximately (21%) and (25%), respectively. The Company expects its effective tax rate for its current fiscal year to be significantly lower than the statutory rate as a result of the inclusion of operating income attributable to the non-controlling interests of the VIEs that is not taxable to the Company. The final annual tax rate cannot be determined until the end of the fiscal year; therefore, the actual tax rate could differ from our current estimates.

An audit of the Company s tax returns for the fiscal years 2008 and 2009 was recently completed by the Internal Revenue Service and did not result in a material adjustment to the Company s financial position or results of operations.

11. LOSS PER SHARE OF COMMON STOCK

Net loss per share is calculated on the basis of the weighted average number of common shares outstanding during each period plus, for diluted loss per share, the additional dilutive effect of potential common stock. Potential common stock using the treasury stock method consists of dilutive stock options.

For the 13 and 26-week periods ended April 2, 2011, options to purchase 173,064, 145,500 and 100,000 shares of common stock at a exercise prices of $12.04, $29.60 and $32.15 per share, respectively, were not included in diluted loss per share as their impact was antidilutive.

For the 13 and 26-week periods ended April 3, 2010, options to purchase 176,600, 145,500 and 100,000 shares of common stock at a exercise prices of $12.04, $29.60 and $32.15 per share, respectively, were not included in diluted loss per share as their impact was antidilutive.

12. DIVIDENDS

On December 8, 2010 and April 1, 2011 the Company paid quarterly cash dividends in the amount of $0.25 per share on the Company s common stock. The Company intends to continue to pay such quarterly cash dividend for the foreseeable future, however, the payment of future dividends is at the discretion of the Company s Board of Directors and is based on future earnings, cash flow, financial condition, capital requirements, changes in U.S. taxation and other relevant factors.

13. SUBSEQUENT EVENTS

On April 17, 2011 the Company suffered a flood at its *Sequoia* property located in Washington, DC. Although the exact amount of the loss is not currently determinable, the Company expects to recover substantially all of its losses through insurance proceeds and does not expect amounts not covered by insurance to have a material impact on its financial position, results of operations or cash flows.

Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations

Certain reclassifications of prior year balances have been made to conform to the current year presentation. In connection with the planned or actual sale or closure of various restaurants, the operations of these businesses have been presented as discontinued operations in the consolidated financial statements. Accordingly, the Company has reclassified its statements of operations and cash flow data for the prior periods presented. These dispositions are discussed below in Recent Restaurant Dispositions.

Overview

The Company had a loss from continuing operations of ($1,468,000) in the second fiscal quarter of 2011 compared to a loss from continuing operations of ($671,000) in the second fiscal quarter of 2010. This decrease resulted primarily from a decrease in operating income from variable interest entities (VIEs) that were consolidated as of October 3, 2010 due to the adoption of new accounting guidance (see below).

Effective October 3, 2010, the Company adopted amendments to ASC 810 (formerly FASB Statement of Accounting Standards (SFAS) No. 167 *Amendments to FASB Interpretation No. 46(R)* (SFAS No. 167)). This guidance requires an enterprise to perform an analysis to determine whether the enterprise s variable interest or interests give it a controlling financial interest in a VIE. This analysis identifies the primary beneficiary of a VIE as the enterprise that has both of the following characteristics: (i) the power to direct the activities of a VIE that most significantly impacts the entity s economic performance; and (ii) the obligation to absorb losses of the entity that could potentially be significant to the VIE or the right to receive benefits from the entity that could potentially be significant to the VIE. Additionally, an enterprise is required to assess whether it has an implicit financial responsibility to ensure that a VIE operates as designed when determining whether it has the power to direct the activities of the VIE that most significantly impact the entity s economic performance. This guidance also requires the Company to focus on a more qualitative approach, rather than a quantitative approach previously required for determining the primary beneficiary of a VIE, amended certain guidance for determining whether an entity is a VIE, added an additional requirement to assess whether an entity is a VIE on an ongoing basis, and required enhanced disclosures that provide users of financial statements with more transparent information about an enterprise s involvement in a VIE. The adoption of this guidance resulted in the consolidation of two VIEs which had not been previously consolidated, *Ark Hollywood/Tampa Investment, LLC* and *Ark Connecticut Investment, LLC,* as of October 3, 2010. The Company did not retroactively apply this guidance.

The Company has substantial fixed costs that do not decline proportionally with sales. The first and second fiscal quarters, which include the winter months, usually reflect lower customer traffic than in the third and fourth fiscal quarters. In addition, sales in the third and fourth fiscal quarters can be adversely affected by inclement weather due to the significant amount of outdoor seating at the Company s restaurants.

The following discussion and analysis excludes the impacts of the VIEs consolidated as of October 3, 2010 and whose impacts were included in Other Revenues in prior periods.

Revenues

During the Company s second fiscal quarter of 2011, revenues of $24,471,000 (excluding revenues from VIEs in the amount of $5,748,000) decreased 2.6% compared to revenues of $25,113,000 in the second fiscal quarter of 2010. This decrease is primarily due to: (i) a decrease in sales at *Gonzalez y Gonzalez,* which was closed in January 2011, (ii) the impact of management fees related to the VIEs which were included in Other Revenue in the prior period and are now consolidated, as discussed above, and (iii) a slight decrease in sales at most of our properties due to poor weather conditions, partially offset by sales at *The Sporting House,* in Las Vegas, which opened in October 2010.

Food and Beverage Same-Store Sales

On a Company-wide basis, same store sales increased 0.7% during the second fiscal quarter of 2011 compared to the same period last year. Same-store sales in Las Vegas increased by $553,000 or 4.5% in the second fiscal quarter of 2011 compared to the second fiscal quarter of 2010 primarily as a result of combining three fast food outlets located in the *Village Eateries* in the New York-New York Hotel & Casino Resort in Las Vegas into a new restaurant, *The Broadway Burger Bar*, which opened at the end of December 2010. Same-store sales in New York decreased $300,000 or 6.4% during the second quarter of fiscal 2011 compared to 2010 primarily as a result of poor weather conditions as compared to unusually mild March in the prior year. Same store sales in Washington D.C. decreased by $119,000 or 4.4% during the second quarter of fiscal 2011 compared to 2010 primarily as a result of poor weather conditions as compared to the prior year. Same-store sales in Atlantic City increased by $113,000, or 20.3% in the second quarter of fiscal 2011 compared to 2010 as result of new ownership at *Resorts Casino Hotel* and their significant marketing efforts for the property. Same-store sales in Boston decreased $102,000 or 14.0% during the second quarter of fiscal 2011 compared to 2010 primarily as a result of poor weather conditions as compared to the prior year.

During the Company s 26-week period ended April 2, 2011, revenues of $52,117,000 (excluding revenues from VIEs in the amount of $10,515,000) increased 2.8% compared to revenues of $50,689,000 in the 26-week period ended April 3, 2010, primarily as a result of sales related to our restaurants *Robert* in New York City which opened in December 2009 and *The*

Sporting House in Las Vegas, which opened in October 2010, offset by a decrease in sales at *Gonzalez y Gonzalez,* which was closed in January 2011 and the impact of the VIE Management Fees discussed above.

Other Revenue

The decreases in the Other Revenue for the 13-week and 26-week periods ended April 2, 2011 compared with the comparable periods of the prior year are due to the impact of management fees included in Other Revenue in the prior periods related to VIEs which are now consolidated.

Costs and Expenses

Food and beverage costs for the second quarter of 2011 as a percentage of total revenues were 27.4% (excluding food and beverage costs associated with VIEs in the amount of $1,626,000) as compared to 25.8% for the second quarter of 2010. Food and beverage costs for the 26-weeks ended April 2, 2011 as a percentage of total revenues were 26.7% (excluding food and beverage costs associated with VIEs in the amount of $2,941,000) as compared to 25.7% for the 26-week period ended April 3, 2010. These increases are the result of higher commodity prices in the current fiscal year.

Payroll expenses as a percentage of total revenues were 38.7% for the second quarter of 2011 (excluding payroll expenses associated with VIEs in the amount of $1,458,000) as compared to 35.0% in the second quarter of 2010. Payroll expenses for the 26-weeks ended April, 2, 2011 as a percentage of total revenues were 37.0% (excluding payroll expenses associated with VIEs in the amount of $2,799,000) as compared to 35.1% for the 26-week period ended April 3, 2010. These increases in payroll expenses as a percentage of revenue were primarily due to start-up payroll at *The Sporting House* in Las Vegas.

Occupancy expenses as a percentage of total revenues were 17.8% during the second fiscal quarter of 2011 (excluding occupancy expenses associated with VIEs in the amount of $735,000) compared to 15.3% in the second quarter of 2010. This increase in occupancy expenses as a percentage of revenue was primarily due to contingent rentals at *The Sporting House* in Las Vegas. Occupancy expenses for the 26-weeks ended April, 2, 2011 as a percentage of total revenues were 15.4% (excluding occupancy expenses associated with VIEs in the amount of $1,410,000) as compared to 15.9% for the 26-week period ended April 3, 2010. This decrease in occupancy expenses as a percentage of revenue was due to a decrease in insurance premiums combined with increased sales at properties where rents are fixed partially offset by contingent rentals at *The Sporting House* in Las Vegas.

Other operating costs and expenses as a percentage of total revenues were 13.9% for the second fiscal quarter of 2011 (excluding other operating costs and expenses associated with VIEs in the amount of $496,000) as compared to 14.8% in the second quarter of 2010. This decrease in other operating costs and expenses as a percentage of revenue was due primarily to unusually high other operating cost and expense levels in the second quarter of fiscal 2010. Other operating costs and expenses for the 26-weeks ended April, 2, 2011 as a percentage of total revenues were 14.2% (excluding other operating costs and expenses associated with VIEs in the amount of $1,085,000) and were comparable to 14.4% for the 26-week period ended April 3, 2010.

General and administrative expenses (which relate solely to the corporate office in New York City and therefore there is no impact from the VIEs) as a percentage of total revenues were 9.6% and 9.2% for the 13-week and 26-week periods ended April 2, 2011, respectively, compared to 10.5% and 10.0% for the 13-week and 26-week periods ended April 3, 2010, respectively. The decrease in general and administrative expenses as a percentage of revenue is due to the fixed nature of the expenses and the increase in revenues discussed above.

Income Taxes

The income tax benefit on losses from continuing operations for the 26-week periods ended April 2, 2011 and April 3, 2010 reflect effective tax rates of approximately (21%) and (25%), respectively. The Company expects its effective tax rate for its current fiscal year to be significantly lower than the statutory rate as a result of the inclusion of operating income attributable to the non-controlling interests of the VIEs that is not taxable to the Company. The final annual tax rate cannot be determined until the end of the fiscal year; therefore, the actual tax rate could differ from our current estimates.

An audit of the Company s tax returns for the fiscal years 2008 and 2009 was recently completed by the Internal Revenue Service and did not result in a material adjustment to the Company s financial position or results of operations.

The Company s overall effective tax rate in the future will be affected by factors such as the level of losses incurred at the Company s New York facilities, which cannot be consolidated for state and local tax purposes, pre-tax income earned outside of New York City, the utilization of state and local net operating loss carryforwards and the utilization of FICA tax credits. Nevada has no state income tax and other states in which the Company operates have income tax rates substantially lower in comparison to New York. In order to utilize more effectively tax loss carryforwards at restaurants that were unprofitable, the Company has merged certain profitable subsidiaries with certain loss subsidiaries.

Liquidity and Capital Resources

Our primary source of capital has been cash provided by operations. We utilize cash generated from operations to fund the cost of developing and opening new restaurants, acquiring existing restaurants owned by others and remodeling existing restaurants we own.

Net cash provided by investing activities for the 26-week period ended April 2, 2011 was $4,198,000 and resulted from net proceeds from the sales of investment securities and the inclusion of cash balances from VIEs in the amount of $834,000 partially offset by purchases of fixed assets at existing restaurants and the construction of *The Broadway Burger Bar* located at the New York-New York Hotel & Casino in Las Vegas, NV.

Net cash provided by investing activities for the 26-week period ended April 3, 2010 was $5,286,000 and resulted from net proceeds from the sales of investment securities partially offset by purchases of fixed assets at existing restaurants and the construction of *Robert* in New York City.

Net cash used in financing activities for the 26-week periods ended April 2, 2011 and April 3, 2010 of $2,500,000 and $5,291,000, respectively was principally used for the payment of dividends.

The Company had a working capital surplus of $1,530,000 at April 2, 2011 (excluding working capital from VIEs in the amount of $24,000) as compared to a working capital surplus of $4,897,000 at October 2, 2010.

On December 8, 2010 and April 1, 2011 the Company paid quarterly cash dividends in the amount of $0.25 per share on the Company s common stock. We intend to continue to pay such quarterly cash dividend for the foreseeable future, however, the payment of future dividends is at the discretion of our Board of Directors and is based on future earnings, cash flow, financial condition, capital requirements, changes in U.S. taxation and other relevant factors.

In February 2010, the Company entered into an amendment to its lease for the food court space at the *New York-New York Hotel and Casino* in Las Vegas, Nevada. Pursuant to this amendment, the Company agreed to, among other things; commit no less than $3,000,000 to remodel the food court by March 2012. In exchange for this commitment the landlord agreed to extend the food court lease for an additional four years. To date, the Company has spent approximately $1,200,000 related to this commitment in connection with *The Broadway Burger Bar* construction discussed above.

On March 18, 2011 a subsidiary of the Company entered into a lease agreement to operate a yet to be named restaurant and bar in New York City. In connection with the agreement, the landlord has agreed to contribute up to $1,800,000 towards the construction of the facility, which the Company expects to be $4,000,000 to $5,000,000. The initial term of the lease for this facility will expire on March 31, 2027 and will have one five-year renewal. The Company anticipates the restaurant will open during the first quarter of the 2012 fiscal year.

Recent Restaurant Expansion

In August 2010, the Company entered into an agreement to lease the former *ESPN Zone* space at the New York-New York Hotel & Casino Resort in Las Vegas and re-open the space under the name *The Sporting House*, which has been licensed from the landlord as well. Such lease is cancellable upon 90 days written notice no earlier than May 31, 2011 and provides for rent based on profits only. This restaurant opened at the end of October 2010 and the Company did not invest significant funds to re-open the space.

In the quarter ended January 1, 2011 the Company combined three fast food outlets located in the *Village Eateries* in the New York-New York Hotel & Casino Resort in Las Vegas into a new restaurant, *The Broadway Burger Bar*, which opened at the end of December 2010.

Recent Restaurant Dispositions

During the fourth fiscal quarter of 2010, the Company closed its *Pinch & S Mac* operation located in New York City, and re-concepted the location as *Polpette*, which featured meatballs and other Italian food. Sales at *Polpette* failed to reach the level sufficient to achieve the results the Company required. As a result, the Company closed this restaurant on February 6, 2011 and it was sold on April 28, 2011 for $400,000, including a four-year note for $100,000 bearing interest at 6%. The Company realized a loss on the sale of $71,000 which was recorded during the second quarter of fiscal 2011 as well as operating losses of $22,000 and $148,000 for the 13-weeks and 26-weeks ended April 2, 2011, respectively, all of which are included in discontinued operations in the accompanying Consolidated Condensed Statement of Operations.

The Company was advised by the landlord that it would have to vacate the *Gonzalez y Gonzalez* property located in New York, NY, which was on a month-to-month lease. The closure of this property occurred on January 31, 2011.

Critical Accounting Policies

The preparation of financial statements requires the application of certain accounting policies, which may require the Company to make estimates and assumptions of future events. In the process of preparing its consolidated condensed financial statements, the Company estimates the appropriate carrying value of certain assets and liabilities, which are not readily apparent from other sources. The primary estimates underlying the Company s consolidated condensed financial statements include allowances for potential bad debts on accounts and notes receivable, leases, the useful lives and recoverability of its assets, such as property and intangibles, fair values of financial instruments, the realizable value of its tax assets and other matters. Management bases its estimates on certain assumptions, which they believe are reasonable in the circumstances, and actual results could differ from those estimates. Although management does not believe that any change in those assumptions in the near term would have a material effect on the Company s consolidated financial position or the results of operations, differences in actual results could be material to the consolidated condensed financial statements.

The Company s critical accounting policies are described in the Company s Form 10-K for the year ended October 2, 2010. There have been no significant changes to such policies during fiscal 2011, other than the implementation of amendments to ASC 810 (formerly FASB Statement of Accounting Standards (SFAS) No. 167 *Amendments to FASB Interpretation No. 46(R)* (SFAS No. 167)) which required the Company to consolidate certain variable interest entities effective October 3, 2010.

Recently Adopted and Issued Accounting Standards

See Note 1 to the Consolidated Condensed Financial Statements for a description of recent accounting pronouncements, including those adopted in fiscal 2011 and the expected dates of adoption and the anticipated impact on the Consolidated Condensed Financial Statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Company purchases commodities such as chicken, beef, lobster and shrimp for the Company s restaurants. The prices of these commodities may be volatile depending upon market conditions. The Company does not purchase forward commodity contracts because the changes in prices for these items have historically been short-term in nature and, in the Company s view, the cost of the contracts is in excess of the benefits.

The Company s business is also highly seasonal and dependent on the weather. Outdoor seating capacity, such as terraces and sidewalk cafes, are available for dining only in the warm seasons and then only in clement weather.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of management, including our principal executive officer and principal financial officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this quarterly report as such term is defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act). Based on this evaluation, our management, including our principal executive officer and principal financial officer, concluded that our disclosure controls and procedures were effective as of April 2, 2011 to ensure that all material information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to them as appropriate to allow timely decisions regarding required disclosure and that all such information is recorded, processed, summarized and reported within the time periods specified in the SEC s rules and forms.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the second quarter of fiscal 2011 that have materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting.

Limitations of the Effectiveness of Internal Control

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the internal control system are met. Because of the inherent limitations of any internal control system, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected.

PART II
OTHER INFORMATION

Item 1. Legal Proceedings
The Company is not subject to any other pending legal proceedings, other than ordinary routine claims incidental to its business, which the Company does not believe will materially impact results of operations.

Item 1A. Risk Factors
The most significant risk factors applicable to the Company are described in Part I, Item 1A (Risk Factors) of the Company s Annual Report on Form 10-K for the fiscal year ended October 2, 2010 (the 2010 Form 10-K). There have been no material changes to the risk factors previously disclosed in the 2010 Form 10-K. The risks described in the 2010 Form 10-K are not the only risks facing the Company. Additional risks and uncertainties not currently known to management may materially adversely affect the Company s business, financial condition, and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds
None.

Item 3. Defaults upon Senior Securities
None.

Item 5. Other Information
None.

Item 6. Exhibits

31.1 Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certificate of Chief Executive and Chief Financial Officers Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 17, 2011

ARK RESTAURANTS CORP.

By: /s/ Michael Weinstein

Michael Weinstein
Chairman & Chief Executive Officer
(Principal Executive Officer)

By: /s/ Robert J. Stewart

Robert J. Stewart
Chief Financial Officer
(Authorized Signatory and Principal
Financial and Accounting Officer)