Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [X] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
CHEESEBURGER RESTAURANTS INC 401(K) PROFIT SHARING PLAN & TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1999

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

CHEESEBURGERS RESTAURANTS INC.

73875 STATE ROUTE 70
PORTOLA, CA 96122

2b Employer Identification Number (EIN) 33-0969424

2c Sponsor's telephone number 800-800-1541

2d Business code (see instructions) 722110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2012	CASANDRA WILLIAMS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
CHEESEBURGERS RESTAURANTS INC.

73875 STATE ROUTE 70
PORTOLA, CA 96122

3b Administrator's EIN
33-0969424

3c Administrator's telephone number
800-800-1541

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:
a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	554
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	508
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	292
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	800
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	800
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	594
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2G 2J 2S 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)		0	**A** (Insurance Information)
(4)	X		**C** (Service Provider Information)
(5)			**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
CHEESEBURGER RESTAURANTS INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CHEESEBURGERS RESTAURANTS INC.

D Employer Identification Number (EIN)
33-0969424

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PAYCHEX SECURITIES CORPORATION

16-1486352

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
CHEESEBURGER RESTAURANTS INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CHEESEBURGERS RESTAURANTS INC.

D Employer Identification Number (EIN)
33-0969424

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	134	134
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property)	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans	1c(8)	10247	20921
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	815781	899731
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	
(2) Employer real property	1d(2)	0	
e Buildings and other property used in plan operation	1e	0	
f Total assets (add all amounts in lines 1a through 1e)	1f	826162	920786
Liabilities			
g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	0	
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	826162	920786

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	0	
(B) Participants	2a(1)(B)	205664	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		205664
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	771	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		771
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	20249	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		20249
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-40435
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		186249
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	77449	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		77449
f Corrective distributions (see instructions)	2f		14176
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		91625
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		94624
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MATSON AND ISOM **(2)** EIN: 94-2222122

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	**4a**		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		150000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
CHEESEBURGER RESTAURANTS INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CHEESEBURGERS RESTAURANTS INC.

D Employer Identification Number (EIN)
33-0969424

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 16-1470238

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):



MATSON
& ISOM

CHEESEBURGER RESTAURANTS, INC.
401(K) PROFIT SHARING PLAN AND TRUST

Portola, California

FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION WITH
INDEPENDENT AUDITORS' REPORT

December 31, 2011 and 2010

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401(k) Profit Sharing Plan and Trust

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INDEPENDENT AUDITORS' REPORT

MATSON & ISOM

To the Plan Trustees
Cheeseburger Restaurants, Inc.
401(k) Profit Sharing Plan and Trust
Portola, California

We have audited the accompanying statement of net assets available for benefits of Cheeseburger Restaurants, Inc. 401(k) Profit Sharing Plan and Trust (the Plan), as of December 31, 2011, and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2011, and the changes in net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year as of December 31, 2011, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's rules and regulations for reporting and disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

We have compiled the accompanying statement of net assets available for benefits of the Plan as of December 31, 2010, in accordance with *Statements on Standards for Accounting and Review Services*, by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying statement of net assets available for benefits of the Plan as of December 31, 2010; and, accordingly, do not express an opinion or any other form of assurance on it.

Matson and Isom

October 11, 2012
Chico, California

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

Cheeseburger Restaurants, Inc.
401(k) Profit Sharing Plan and Trust

December 31	2011	2010 (Compiled)
ASSETS		
INVESTMENTS AT FAIR VALUE		
Registered investment companies	$ 899,865	$ 815,915
NOTES RECEIVABLE FROM PARTICIPANTS	20,921	10,247
Net Assets Available for Benefits	$ 920,786	$ 826,162

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Cheeseburger Restaurants, Inc.
401(k) Profit Sharing Plan and Trust

Year Ended December 31, 2011

ADDITIONS TO NET ASSETS ATTRIBUTED TO	
INVESTMENT INCOME	
Net depreciation in fair value of registered investment companies	$ (40,435)
Interest on notes receivable from participants	771
Dividends - registered investment companies	20,249
Total Investment Loss	(19,415)
CONTRIBUTIONS	
Participant salary deferral	205,664
Total Additions	186,249
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO	
Benefits paid	77,449
Corrective distributions	14,176
Total Deductions	91,625
Net Increase	94,624
Net Assets Available for Benefits - Beginning of Year	826,162
Net Assets Available for Benefits - End of Year	$ 920,786

The accompanying notes are an integral part of these financial statements.

1. DESCRIPTION OF PLAN

The following description of Cheeseburger Restaurants, Inc. 401(k) Profit Sharing Plan and Trust (the Plan), provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General The Plan is a defined contribution plan covering substantially all employees of Cheeseburger Restaurants, Inc. (the Company). The Company operates a chain of casual dining restaurants with locations in Florida, Nevada, and Hawaii. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was originally established on January 1, 1999, and has been subsequently amended and restated.

Eligibility Employees are eligible to participate in the Plan upon completing one consecutive month of service and meeting the minimum age requirement of 18.

Automatic Enrollment On June 1, 2010, the Plan was amended to adopt automatic enrollment for elective deferrals. Employees eligible to participate in the Plan are automatically enrolled in the Plan and make salary deferrals (pre-tax 401(k) deferrals) equal to 3% of eligible compensation to the Plan. Participants automatically enrolled in the Plan are able to change the deferral percentage at any time and to request a distribution of their salary deferrals within 90 days of the initial salary deferral.

Contributions Participants may elect to contribute to the Plan, in the form of employee 401(k) salary deferral contributions (pre-tax 401(k) deferrals and Roth 401(k) deferrals), up to the lesser of 89% of their eligible compensation or the maximum amount allowable by law.

Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers registered investment companies (mutual funds) as investment options for participants. The Company may make discretionary profit sharing contributions to the Plan. No discretionary profit sharing contributions were made by the Company for the year ended December 31, 2011.

Participant Accounts Each participant's account is credited with the participant's salary deferral contributions, account earnings, and employer discretionary contributions, and may be charged with an allocation of administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting Participants are immediately vested in their salary deferral contributions plus actual earnings theron. Vesting in the Company's discretionary profit sharing contributions are based on a vesting schedule whereby a participant is 100% vested after six years of credited service. Participants are credited with one year of service for each Plan year in which they worked at least 1,000 hours.

Notes Receivable From Participants Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of 95% of 50% of their vested account balance or 95% of the total vested account balance excluding the Roth deferral balance. Under no event will the loan amount exceed $50,000. Participants are not allowed to take loans from their Roth deferrals. Interest earned on each loan is added to the borrowing participant's account balance. Loan repayment terms generally may not exceed five years, except in the case of the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at 1% above the prime rate. The interest rate on participant loans is currently 4.25%. Principal and interest are paid ratably through biweekly payroll deductions.

Payment of Benefits Withdrawals are allowed in the event of termination, disability, death, retirement, or attainment of age 59½. Depending upon the event, the withdrawal may be subject to early withdrawal penalties imposed by the *Internal Revenue Code* and the state of residency. Payments are made in the form of a lump sum distribution or annual installments over a period of time not more than the participant's life expectancy.

Forfeitures Forfeitures of employer discretionary contributions may be used to pay for administrative expenses or reduce future employer contributions. At December 31, 2011, there were no forfeited nonvested accounts. No forfeited amounts were used to pay for Plan administrative expenses or to reduce employer contributions during the year ended December 31, 2011.

Plan Termination Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their entire account.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting The financial statements of the Plan are prepared under the accrual method of accounting.

Use of Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are discussed below.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair Value Measurements Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be 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.

The asset or liability fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used during the years ended December 31, 2011 and 2010.

Registered Investment Companies: Shares of registered investment companies (mutual funds) are valued at the net asset value (NAV) reported on the active market on which the securities are traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Notes Receivable From Participants Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document.

Payment of Benefits Benefits are recorded when paid.

Administrative Expenses Certain operating expenses of the Plan are deducted from participant accounts and the remaining expenses are paid by the Company.

Subsequent Events The Plan has evaluated the need for disclosures or adjustments resulting from subsequent events through October 11, 2012, the date the financial statements were available to be issued. Based on this evaluation, no disclosures or adjustments were required to be made to the financial statements as of December 31, 2011.

3. INVESTMENTS

Investments that represent 5% or more of the Plan's net assets are as follows:

	2011	2010
Registered investment companies:		
JHancock2 Lifestyle Aggressive R1	$ 203,794	$ 214,454
JHancock2 Lifestyle Conservative R1	374,387	337,287
JHancock2 Lifestyle Growth R1	213,164	218,984
All others with balances less than 5% of plan assets	108,520	45,190
Total	$ 899,865	$ 815,915

The following table sets forth the Plan's investments at fair value as of December 31, 2011 and 2010. The Plan's investments are Level 1 assets as defined within the fair value hierarchy.

	2011	2010
Registered investment companies:		
Money market mutual fund	$ 134	$ 134
Large cap value funds	264	-
Large cap blend funds	385,583	367,058
Large cap growth funds	487,553	441,809
Mid cap value funds	20,768	-
Small cap growth funds	274	-
Fixed income funds	5,289	6,914
Total Assets at Fair Value	$ 899,865	$ 815,915

4. RELATED-PARTY TRANSACTIONS

The Company is the sponsor of the Plan as defined by the Plan. The Plan's sponsor may designate other persons to carry on the day-to-day operations of the Plan. The Plan has an agreement with Paychex, Inc., to act as the Plan administrator. Paychex, Inc., as the Plan's administrator, qualifies as a party-in-interest with respect to the administrative services they provide; however, they are exempt from the prohibited transaction rules under ERISA.

5. TAX STATUS

The Plan has adopted a prototype standardized profit sharing plan with cash or deferred arrangement (CODA) established by Paychex, Inc. (Plan administrator). The Plan administrator's prototype plan obtained a determination letter on March 31, 2008, in which the Internal Revenue Service stated that the prototype document, as then designed, was in compliance with the applicable requirements of the *Internal Revenue Code*. The Plan has been amended since receiving the determination letter. However, the Plan sponsor and administrator believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the *Internal Revenue Code;* and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2011, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

6. RISK AND UNCERTAINITIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

7. RECENT ACCOUNTING PRONOUNCEMENTS

In May 2011, FASB issued Accounting Standards Update (ASU) No. 2011-04, *Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. ASU No. 2011-04 changes the wording used to describe the requirements in accounting principles generally accepted in the United States of America for measuring fair value and for disclosing information about fair value measurements. Effective for fiscal years beginning after December 15, 2011, entities will need to apply the updated fair value measurement and disclosure requirements, on a prospective basis, when presenting assets or liabilities measured at fair value. The Plan is currently evaluating the impact, if any, ASU No. 2011-04 will have on its financial disclosures.

SUPPLEMENTAL INFORMATION SECTION

FORM 5500, SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS HELD AT END OF YEAR
December 31, 2011

Cheeseburger Restaurants, Inc.
401(k) Profit Sharing Plan and Trust
EIN: 33-0969424
Plan No.: 001

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment	Current Value
American Funds	American Funds Money Market R1	$ 134
John Hancock	JHancock Income R1	5,289
John Hancock	JHancock Large Cap Equity R1	978
John Hancock	JHancock2 Lifestyle Aggressive R1	203,794
John Hancock	JHancock2 Lifestyle Balanced R1	9,351
John Hancock	JHancock2 Lifestyle Conservative R1	374,387
John Hancock	JHancock2 Lifestyle Growth R1	213,164
John Hancock	JHancock2 Lifestyle Moderate R1	1,852
John Hancock	JHancock2 Retirement Living 2040 R1	9,344
John Hancock	JHancock3 International Core R1	264
MFS	MFS Aggressive Growth Allocation R2	20,032
MFS	MFS Conservative Allocation R2	20,190
MFS	MFS Mid Cap Value R1	20,768
MFS	MFS Moderate Allocation R2	20,044
MFS	MFS New Discovery R2	274
Participant notes receivable*	Interest rates at 4.25%	20,921
Total		$ 920,786

* Party in interest.



MATSON
& ISOM

CHEESEBURGER RESTAURANTS, INC.
401(K) PROFIT SHARING PLAN AND TRUST

Portola, California

FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION WITH
INDEPENDENT AUDITORS' REPORT

December 31, 2011 and 2010

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401(k) Profit Sharing Plan and Trust

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INDEPENDENT AUDITORS' REPORT

MATSON & ISOM

To the Plan Trustees
Cheeseburger Restaurants, Inc.
401(k) Profit Sharing Plan and Trust
Portola, California

We have audited the accompanying statement of net assets available for benefits of Cheeseburger Restaurants, Inc. 401(k) Profit Sharing Plan and Trust (the Plan), as of December 31, 2011, and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2011, and the changes in net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year as of December 31, 2011, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's rules and regulations for reporting and disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

We have compiled the accompanying statement of net assets available for benefits of the Plan as of December 31, 2010, in accordance with *Statements on Standards for Accounting and Review Services*, by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying statement of net assets available for benefits of the Plan as of December 31, 2010; and, accordingly, do not express an opinion or any other form of assurance on it.

Matson and Isom

October 11, 2012
Chico, California

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

Cheeseburger Restaurants, Inc.
401(k) Profit Sharing Plan and Trust

December 31	2011	2010 (Compiled)
ASSETS		
INVESTMENTS AT FAIR VALUE		
Registered investment companies	$ 899,865	$ 815,915
NOTES RECEIVABLE FROM PARTICIPANTS	20,921	10,247
Net Assets Available for Benefits	$ 920,786	$ 826,162

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Cheeseburger Restaurants, Inc.
401(k) Profit Sharing Plan and Trust

Year Ended December 31, 2011

ADDITIONS TO NET ASSETS ATTRIBUTED TO	
INVESTMENT INCOME	
Net depreciation in fair value of registered investment companies	$ (40,435)
Interest on notes receivable from participants	771
Dividends - registered investment companies	20,249
Total Investment Loss	(19,415)
CONTRIBUTIONS	
Participant salary deferral	205,664
Total Additions	186,249
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO	
Benefits paid	77,449
Corrective distributions	14,176
Total Deductions	91,625
Net Increase	94,624
Net Assets Available for Benefits - Beginning of Year	826,162
Net Assets Available for Benefits - End of Year	$ 920,786

The accompanying notes are an integral part of these financial statements.

1. DESCRIPTION OF PLAN

The following description of Cheeseburger Restaurants, Inc. 401(k) Profit Sharing Plan and Trust (the Plan), provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General The Plan is a defined contribution plan covering substantially all employees of Cheeseburger Restaurants, Inc. (the Company). The Company operates a chain of casual dining restaurants with locations in Florida, Nevada, and Hawaii. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was originally established on January 1, 1999, and has been subsequently amended and restated.

Eligibility Employees are eligible to participate in the Plan upon completing one consecutive month of service and meeting the minimum age requirement of 18.

Automatic Enrollment On June 1, 2010, the Plan was amended to adopt automatic enrollment for elective deferrals. Employees eligible to participate in the Plan are automatically enrolled in the Plan and make salary deferrals (pre-tax 401(k) deferrals) equal to 3% of eligible compensation to the Plan. Participants automatically enrolled in the Plan are able to change the deferral percentage at any time and to request a distribution of their salary deferrals within 90 days of the initial salary deferral.

Contributions Participants may elect to contribute to the Plan, in the form of employee 401(k) salary deferral contributions (pre-tax 401(k) deferrals and Roth 401(k) deferrals), up to the lesser of 89% of their eligible compensation or the maximum amount allowable by law.

Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers registered investment companies (mutual funds) as investment options for participants. The Company may make discretionary profit sharing contributions to the Plan. No discretionary profit sharing contributions were made by the Company for the year ended December 31, 2011.

Participant Accounts Each participant's account is credited with the participant's salary deferral contributions, account earnings, and employer discretionary contributions, and may be charged with an allocation of administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting Participants are immediately vested in their salary deferral contributions plus actual earnings theron. Vesting in the Company's discretionary profit sharing contributions are based on a vesting schedule whereby a participant is 100% vested after six years of credited service. Participants are credited with one year of service for each Plan year in which they worked at least 1,000 hours.

Notes Receivable From Participants Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of 95% of 50% of their vested account balance or 95% of the total vested account balance excluding the Roth deferral balance. Under no event will the loan amount exceed $50,000. Participants are not allowed to take loans from their Roth deferrals. Interest earned on each loan is added to the borrowing participant's account balance. Loan repayment terms generally may not exceed five years, except in the case of the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at 1% above the prime rate. The interest rate on participant loans is currently 4.25%. Principal and interest are paid ratably through biweekly payroll deductions.

Payment of Benefits Withdrawals are allowed in the event of termination, disability, death, retirement, or attainment of age 59½. Depending upon the event, the withdrawal may be subject to early withdrawal penalties imposed by the *Internal Revenue Code* and the state of residency. Payments are made in the form of a lump sum distribution or annual installments over a period of time not more than the participant's life expectancy.

Forfeitures Forfeitures of employer discretionary contributions may be used to pay for administrative expenses or reduce future employer contributions. At December 31, 2011, there were no forfeited nonvested accounts. No forfeited amounts were used to pay for Plan administrative expenses or to reduce employer contributions during the year ended December 31, 2011.

Plan Termination Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their entire account.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting The financial statements of the Plan are prepared under the accrual method of accounting.

Use of Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are discussed below.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair Value Measurements Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be 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.

The asset or liability fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used during the years ended December 31, 2011 and 2010.

Registered Investment Companies: Shares of registered investment companies (mutual funds) are valued at the net asset value (NAV) reported on the active market on which the securities are traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Notes Receivable From Participants Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document.

Payment of Benefits Benefits are recorded when paid.

Administrative Expenses Certain operating expenses of the Plan are deducted from participant accounts and the remaining expenses are paid by the Company.

Subsequent Events The Plan has evaluated the need for disclosures or adjustments resulting from subsequent events through October 11, 2012, the date the financial statements were available to be issued. Based on this evaluation, no disclosures or adjustments were required to be made to the financial statements as of December 31, 2011.

3. INVESTMENTS

Investments that represent 5% or more of the Plan's net assets are as follows:

	2011	2010
Registered investment companies:		
JHancock2 Lifestyle Aggressive R1	$ 203,794	$ 214,454
JHancock2 Lifestyle Conservative R1	374,387	337,287
JHancock2 Lifestyle Growth R1	213,164	218,984
All others with balances less than 5% of plan assets	108,520	45,190
Total	$ 899,865	$ 815,915

The following table sets forth the Plan's investments at fair value as of December 31, 2011 and 2010. The Plan's investments are Level 1 assets as defined within the fair value hierarchy.

	2011	2010
Registered investment companies:		
Money market mutual fund	$ 134	$ 134
Large cap value funds	264	-
Large cap blend funds	385,583	367,058
Large cap growth funds	487,553	441,809
Mid cap value funds	20,768	-
Small cap growth funds	274	-
Fixed income funds	5,289	6,914
Total Assets at Fair Value	$ 899,865	$ 815,915

4. RELATED-PARTY TRANSACTIONS

The Company is the sponsor of the Plan as defined by the Plan. The Plan's sponsor may designate other persons to carry on the day-to-day operations of the Plan. The Plan has an agreement with Paychex, Inc., to act as the Plan administrator. Paychex, Inc., as the Plan's administrator, qualifies as a party-in-interest with respect to the administrative services they provide; however, they are exempt from the prohibited transaction rules under ERISA.

5. TAX STATUS

The Plan has adopted a prototype standardized profit sharing plan with cash or deferred arrangement (CODA) established by Paychex, Inc. (Plan administrator). The Plan administrator's prototype plan obtained a determination letter on March 31, 2008, in which the Internal Revenue Service stated that the prototype document, as then designed, was in compliance with the applicable requirements of the *Internal Revenue Code*. The Plan has been amended since receiving the determination letter. However, the Plan sponsor and administrator believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the *Internal Revenue Code;* and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2011, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

6. RISK AND UNCERTAINITIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

7. RECENT ACCOUNTING PRONOUNCEMENTS

In May 2011, FASB issued Accounting Standards Update (ASU) No. 2011-04, *Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. ASU No. 2011-04 changes the wording used to describe the requirements in accounting principles generally accepted in the United States of America for measuring fair value and for disclosing information about fair value measurements. Effective for fiscal years beginning after December 15, 2011, entities will need to apply the updated fair value measurement and disclosure requirements, on a prospective basis, when presenting assets or liabilities measured at fair value. The Plan is currently evaluating the impact, if any, ASU No. 2011-04 will have on its financial disclosures.

SUPPLEMENTAL INFORMATION SECTION

FORM 5500, SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS HELD AT END OF YEAR
December 31, 2011

Cheeseburger Restaurants, Inc.
401(k) Profit Sharing Plan and Trust
EIN: 33-0969424
Plan No.: 001

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment	Current Value
American Funds	American Funds Money Market R1	$ 134
John Hancock	JHancock Income R1	5,289
John Hancock	JHancock Large Cap Equity R1	978
John Hancock	JHancock2 Lifestyle Aggressive R1	203,794
John Hancock	JHancock2 Lifestyle Balanced R1	9,351
John Hancock	JHancock2 Lifestyle Conservative R1	374,387
John Hancock	JHancock2 Lifestyle Growth R1	213,164
John Hancock	JHancock2 Lifestyle Moderate R1	1,852
John Hancock	JHancock2 Retirement Living 2040 R1	9,344
John Hancock	JHancock3 International Core R1	264
MFS	MFS Aggressive Growth Allocation R2	20,032
MFS	MFS Conservative Allocation R2	20,190
MFS	MFS Mid Cap Value R1	20,768
MFS	MFS Moderate Allocation R2	20,044
MFS	MFS New Discovery R2	274
Participant notes receivable*	Interest rates at 4.25%	20,921
Total		$ 920,786

* Party in interest.