EXHIBIT F
(TO FRANCHISE OFFERING CIRCULAR)

FINANCIAL STATEMENTS

QUIZNO'S FRANCHISING II LLC

Financial Statements
and
Independent Auditors' Report
December 31, 2005 and 2004

EKS&H

EHRHARDT • KEEFE
STEINER • HOTTMAN PC

CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

QUIZNO'S FRANCHISING II LLC

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Member
Quiznos Franchising II LLC
Denver, Colorado

We have audited the accompanying balance sheets of Quizno's Franchising II LLC (the "Company") as of December 31, 2005 and 2004 and the related statements of income, changes in member's equity and cash flows for the year ended December 31, 2005 and for the period from October 28, 2004 (inception) to December 31, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Quizno's Franchising II LLC as of December 31, 2005 and 2004 and the results of its operations and its cash flows for the year ended December 31, 2005 and for the period from October 28, 2004 (inception) to December 31, 2004, in conformity with accounting principles generally accepted in the United States of America.

Ehrhardt Keefe Steiner + Hottman PC

Ehrhardt Keefe Steiner & Hottman PC

February 26, 2006
Denver, Colorado

QUIZNO'S FRANCHISING II LLC

Balance Sheets

	December 31, 2005	December 31, 2004
Assets		
Assets		
Cash and cash equivalents	$ 4,944,058	$ 11,006,283
Restricted cash	774,230	-
Accounts and royalties receivable	355,521	-
Accounts receivable – related party	466,001	-
Investment in area marketing agreements, net	13,395,485	-
Deferred franchise costs	18,390,240	-
Total assets	$ 38,325,535	$ 11,006,283
Liabilities and Member's Equity		
Liabilities		
Accounts payable	$ 7,500	$ -
Accounts payable – related party	1,160,409	-
Deferred initial franchise fees	20,997,000	-
Total liabilities	22,164,909	-
Commitments and contingencies		
Member's equity		
Membership interests	14,586,086	11,000,000
Retained earnings	1,574,540	6,283
Total member's equity	16,160,626	11,006,283
Total liabilities and member's equity	$ 38,325,535	$ 11,006,283

See notes to financial statements.

QUIZNO'S FRANCHISING II LLC

Statements of Income

	For the Year Ended December 31, 2005	For the Period From October 28, 2004 (Inception) Through December 31, 2004
Revenue		
Commissions	$ 5,457,364	$ -
Royalty fees	2,788,001	-
Initial franchise fees	2,580,250	-
Product license fees	456,675	-
Other	662,545	-
Total revenue	11,944,835	-
Operating expenses		
Commissions expense	3,804,065	-
Pre-opening servicing expense	2,483,760	-
Sublicensing expense	1,683,155	-
Post-opening operations expense	1,307,711	-
Amortization	1,190,601	-
General and administrative	14,914	-
Total operating expenses	10,484,206	-
Income from operations	1,460,629	-
Other income		
Interest income	107,628	6,283
Total other income	107,628	6,283
Net income	$ 1,568,257	$ 6,283

See notes to financial statements.

QUIZNO'S FRANCHISING II LLC

Statement of Changes in Member's Equity
For the Year Ended December 31, 2005
And the Period from October 28, 2004 (Inception)
Through December 31, 2004

	Membership Interest Amount	Retained Earnings	Total Member's Equity
Balance – October 28, 2004 (Inception)	$ -	$ -	$ -
Contributions of capital	11,000,000	-	11,000,000
Net income	-	6,283	6,283
Balance – December 31, 2004	11,000,000	6,283	11,006,283
Contribution of area marketing agreements	14,586,086	-	14,586,086
Distributions	(11,000,000)	-	(11,000,000)
Net income	-	1,568,257	1,568,257
Balance – December 31, 2005	$ 14,586,086	$ 1,574,540	$ 16,160,626

See notes to financial statements.

QUIZNO'S FRANCHISING II LLC

Statements of Cash Flows

	For the Year Ended December 31, 2005	For the Period From October 28, 2004 (Inception) Through December 31, 2004
Cash flows from operating activities		
Net income	$ 1,568,257	$ 6,283
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization	1,190,601	-
Changes in assets and liabilities		
Accounts receivable	(355,521)	-
Deferred franchise costs	(18,390,240)	-
Accounts payable	7,500	-
Due from related party	694,408	-
Deferred initial franchise fees	20,997,000	-
Net cash provided by operating activities	5,712,005	6,283
Cash flows from investing activities		
Restricted cash	(774,230)	-
Net cash used in investing activities	(774,230)	-
Cash flows from financing activities		
Contribution of capital	-	11,000,000
Distributions	(11,000,000)	-
Net cash (used in) provided by financing activities	(11,000,000)	11,000,000
Net (decrease) increase in cash and cash equivalents	(6,062,225)	11,006,283
Cash and cash equivalents – beginning of period	11,006,283	-
Cash and cash equivalents – end of period	$ 4,944,058	$ 11,006,283

Supplemental disclosure of non-cash activity:

During 2005, the Company received a member contribution of area marketing agreements in the amount of $14,586,086.

See notes to financial statements.

QUIZNO'S FRANCHISING II LLC

Notes to Financial Statements

Note 1 - Description of Business and Summary of Significant Accounting Policies

Quizno's Franchising II LLC (the "Company") was formed on October 28, 2004 in the state of Delaware and is wholly owned by QFA Royalties LLC ("QFA"). The Company commenced operations on February 9, 2005. The Company is primarily engaged in the business of soliciting and entering into QUIZNOS restaurant franchise agreements and area marketing agreements, as well as monitoring the activities of these franchisees and area directors and enforcing its rights and ensuring the performance of obligations under the relevant agreements. The Company is also an area director under area marketing agreements it owns.

The Company is a limited liability company and an affiliate through common ownership of various entities as defined within the transaction structure detailed in the Private Placement Memorandum dated February 4, 2005 for the Offering, as defined in Note 3, including Quizno's Franchising LLC, The Quizno's Franchise Company LLC, TQSC LLC ("TQSC"), The Quizno's Master LLC, QZ Finance LLC, QIP Holder LLC, and QFA. QZ Finance LLC is wholly-owned by three affiliates and is the sole owner of QIP Holder LLC, which in turn is the sole owner of QFA and its subsidiary, the Company. QZ Finance LLC, QIP Holder LLC, QFA and the Company were created to effect the Offering, as defined in Note 3, completed in February 2005. Each of these companies is a separate entity from their respective parents. All of the assets owned by each of these four companies are subject to the claims of creditors who may have received interests in their respective assets.

The following table summarizes the number of QUIZNOS restaurants of the Company at December 31, 2005:

	Sold But Not Yet Open	Open	Total
Franchise restaurants – U.S. and Puerto Rico	978	405	1,383

In addition, at December 31, 2005, QFA had 2,094 sold but not yet open and 3,795 open restaurants.

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. The Company continually monitors its positions with, and the credit quality of, the financial institutions with which it invests. As of the balance sheet date, and periodically throughout the year, the Company has maintained balances in various operating accounts in excess of federally insured limits.

Restricted Cash

The Company had restricted cash of $774,230 at December 31, 2005. Restricted cash consists of $576,441 of cash held in an escrow account for certain fees and $197,789 of cash reserved for a contractual sublicense fee payable to QFA.

Concentrations of Credit Risk

The Company grants credit in the normal course of business, primarily consisting of royalty fees receivable. To reduce the Company's credit risk associated with U.S. and Puerto Rico franchises, the Company electronically debits the franchisees' bank accounts weekly for fees due to the Company as allowed under most franchise agreements. In addition, the Company reserves the right to terminate franchise agreements for non-payment of amounts owed. The Company periodically performs credit analyses and monitors the financial condition of its major customers to reduce credit risk.

Note 1 - Description of Business and Summary of Significant Accounting Policies (continued)

Accounts and Royalties Receivable

At the time the accounts and royalties receivable are originated, the Company considers an allowance for doubtful accounts. The provision for uncollectible amounts is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover losses. The allowance is management's best estimate of uncollectible amounts and is determined based on historical performance that is tracked by the Company on an ongoing basis. The losses ultimately incurred could differ materially in the near term from the amounts estimated in determining the allowance.

Investment in Area Marketing Agreements

The costs associated with area director territories contributed are allocated at the time of purchase to the existing franchise agreements and agreements sold but not yet open in the area director territory. The acquisition and termination costs are expensed on a straight-line basis over the remaining term of the individual underlying franchise agreements. Franchise agreements typically have a term of 15 years. If the franchise closes, the remaining unamortized balance related to that specific unit is expensed in the current period.

Deferred Franchise Costs

The Company has a servicing agreement with TQSC who services the Company's pre-opening obligations under the franchise agreements. Under this agreement, TQSC performs all pre-opening obligations and conditions required to be performed by the Company under the Company's franchise agreements and receives from the Company a fee equal to 96 percent of the initial franchise fee. The costs paid to TQSC are deferred and expensed at the time the related initial franchise fee is recognized as revenue, which is generally when the franchise commences operations. The Company also has a servicing agreement for post-opening services with TQSC as well as a license agreement with QFA as discussed in Note 3.

Long-Lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recovered. The Company looks primarily to undiscounted future cash flows in its assessment of whether or not long-lived assets have been impaired.

Revenue Recognition

Commissions

The sales, opening, transfer and royalty commissions received by the Company related to the area marketing agreements contributed by QFA (see Note 2) are recognized as income when earned.

Royalties

Pursuant to the various franchise agreements, U.S. and Puerto Rico franchisees are required to pay the Company royalties based on a percentage of sales ranging from 4.5 percent (for certain non-traditional locations) to 7 percent (for standard franchises). Royalties are accrued based on a percentage of gross sales less discounts, as reported by franchisees, and are included in Accounts and royalties receivable.

Note 1 - Description of Business and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Deferred Initial Franchise Fees

Initial franchise fees collected by the Company are recognized as revenue when all material services and conditions required to be performed by the Company have been substantially completed, which is generally when the restaurant commences operations. Initial franchise fees collected by the Company before all material services and conditions are substantially performed are recorded as Deferred initial franchise fees. These franchise fees are non-refundable (see Note 3).

The Company believes it is probable that substantially all of the deferred initial franchise fees will be realized. However, the amount of the deferred initial franchise fees considered realizable in the near term could be reduced if estimates of future franchise openings are reduced.

Income Taxes

The Company is disregarded for income tax purposes. Accordingly, taxable income and losses of the Company are reported on the income tax returns of the Company's member and no provision for federal or state income taxes have been recorded on the accompanying financial statements.

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 and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Investment in Area Marketing Agreements

In February 2005 and October 2005, QFA contributed certain area marketing agreements with a net book value of approximately $10,171,000 and $4,415,000, respectively, to the Company.

Unamortized balances related to area marketing agreements consist of the following at December 31, 2005:

San Diego	$ 4,414,819
Houston	3,933,833
North Carolina	2,438,977
St. Louis, Missouri	1,335,939
Colorado	1,114,890
Other area marketing agreements	1,347,628
	14,586,086
Less: accumulated amortization	(1,190,601)
	$ 13,395,485

Amortization expense for the year ended December 31, 2005 was $1.2 million. Estimated amortization expense for each of the five years beginning in 2006 is expected to be a minimum of approximately $1.4 million.

Note 3 - Intercompany Agreements

On February 9, 2005, QFA issued $250.0 million of 7.3 percent fixed rate notes due February 20, 2025 (the "Offering") that carry an investment grade rating from a nationally recognized credit rating service. QFA currently projects that the payoff will occur in February 2012 (see Note 5). A portion of the proceeds from the Offering were used to license intellectual property for the benefit of the Company. As a result of the Offering, the Company is required to remit/receive certain funds to/from QFA and other affiliates under various servicing agreements, including a Products Provider Agreement, a Post-Opening Franchisor Servicing Agreement and a Franchisor IP Sublicense Agreement with QFA and a Pre-Opening Franchise Servicing Agreement with TQSC.

Under the Products Provider Agreement, the Company granted QFA the right to select the suppliers of products and services to the Company's franchisees.

Under the Franchisor IP Sublicense Agreement, the Company received the rights from QFA to exploit the Quizno's U.S. and Puerto Rico intellectual property rights ("Quiznos IP"), owned by QIP Holder LLC and licensed by QFA.

Under the Pre-Opening Franchise Servicing Agreement, TQSC acts as the Company's sales agent, evaluates and approves franchise candidates, and assists the Company with certain pre-opening obligations such as approving restaurant sites, providing specifications for restaurant build-out and design, and providing initial training to franchisees.

Under the Post-Opening Franchisor Servicing Agreement, QFA is obligated to assist the Company's franchisees operating in the United States and Puerto Rico implement quality assurance programs, provide ongoing training to franchisees, support development of new products and increase brand awareness, and otherwise fulfill the Company's post-opening obligations under the franchise agreements. QFA has delegated all of its rights, powers, duties and obligations under the Post-Opening Franchisor Servicing Agreement to TQSC and TQSC has accepted such rights, powers, duties and obligations.

The Company received revenue in 2005 from affiliates under the following servicing agreements:

Product License Fee

The Company receives a weekly fee from QFA of 1.25 percent of gross sales, less discounts, from all sales made by the Company's franchisees. This fee is paid pursuant to a Products Provider Agreement. For the year ended December 31, 2005, Product license fees were $456,675.

Sales, Opening, Transfer and Royalty Commissions

As an area director for the area marketing agreements contributed by QFA in 2005 (see Note 2), the Company receives opening, sales and transfer commissions related to the stores sold, opened and transferred in these markets. Sales and opening commissions are each 25 percent of the initial franchise fee collected. Transfer fees are generally 50 percent of the then current initial franchise fee. The Company also receives a royalty commission of 40 percent of the royalty collected from each franchise in these markets. The sales, opening and transfer commissions are paid to the Company by TQSC pursuant to a Pre-Opening Franchise Servicing Agreement and the royalty commissions are paid to the Company by QFA as required under the area marketing agreements. For the year ended December 31, 2005, sales, opening and transfer commissions were $1,230,625 and royalty commissions were $4,226,739.

The Company incurred expenses in 2005 to affiliates under the following servicing agreements:

Note 3 - Intercompany Agreements (continued)

Sublicensing Expense

In exchange for providing support services to the Company under the Franchisor IP Sublicense Agreement, QFA is entitled to receive a weekly fee equal to 61.4 percent of all amounts paid by the Company's franchisees for royalties, transfer fees, renewal fees, late fees, interest on late fees and damages for breach, indemnities and insurance recoveries due under the franchise agreement. For the year ended December 31, 2005, Sublicensing expense was $1,683,155.

Pre-Opening Servicing Expense

In exchange for providing support services to the Company under the Pre-Opening Franchisor Servicing Agreement, TQSC is entitled to receive a weekly fee equal to 96 percent of the total initial franchise fees received by the Company on executed franchise agreements. For the year ended December 31, 2005, Pre-opening servicing fees paid to TQSC were $20,874,000.

The Company defers these costs and recognizes the expense, along with the deferred initial franchise fee revenue, when all material services and conditions required by the Company have been substantially completed, which is generally when the restaurant commences operations. For the year ended December 31, 2005, Pre-opening servicing expense was $2,483,760.

Commissions Expense

In exchange for providing support services to the Company under the Pre-Opening Franchisor Servicing Agreement, TQSC is entitled to receive a weekly fee equal to 90 percent of all royalty commissions received from QFA under the area marketing agreements detailed in Note 2. For the year ended December 31, 2005, Commissions expense was $3,804,065.

Post-Opening Operations Expense

In exchange for providing the Company with the use of the Quiznos IP under the Post-Opening Franchisor Servicing Agreement, QFA is entitled to receive a weekly fee equal to 35.7 percent of all amounts paid by the Company's franchisees for royalties, transfer fees, renewal fees, late fees, interest on late fees and damages for breach, indemnities and insurance recoveries due under the franchise agreement and all amounts paid by the Company's franchisees for bookkeeping fees under the franchise agreement. For the year ended December 31, 2005, Post-opening operations expense was $1,307,711.

Note 4 – Commitments and Contingencies

Litigation

In the normal course of business, the Company is party to litigation from time to time with current and prior franchisees. The Company maintains insurance to cover certain actions and believes that resolution of such litigation will not have a material adverse effect on the Company.

Note 5 – Subsequent Events

In March 2006, QCE LLC, an affiliate of the Company, announced that JPMorgan Partners, a private equity affiliate of JPMorgan Chase & Co., had entered into a definitive agreement under which JPMorgan Partners will become a significant ownership partner in QCE LLC. Upon closing of the transaction, the debt of QFA will be repaid through a capital contribution from its parent. Had this deal closed as of December 31, 2005 and the capital contribution taken place at that time, QFA and its subsidiary would have had net worth of approximately $90,000,000.