

**FINAL  
ALTERNATIVE ASSESSMENT**  
Examination Paper

(COVER PAGE)

Session : April 2021

Programme : Diploma In Hotel Management (DHMN/DHM)  
Diploma In Culinary Arts (DCAN)

Course : **DHM1107 : Food and Beverage Cost Control**

Date of Examination : July 25, 2021 (Sunday)

Time : 8:00 am – 10:30 am Reading Time : Nil

Duration : 2 Hours : 30 Minutes

**Note:** 30 minutes is added into the duration of the examination to factor in any connectivity matters and for you to scan and upload your scripts.

**Special Instructions :**

Answer **ALL** the questions. Write **ALL** your answers in the foolscap papers.

Materials permitted : Nil

Materials provided : Nil

Examiner(s) : **Alex Chang Yaw Yun & Clement Foo**

Chief Moderator : Ms Nur Adilah Zulkipli

DIPLOMA IN HOTEL MANAGEMENT PROGRAMME (DHMN/DHM)  
DIPLOMA IN CULINARY ARTS PROGRAMME (DCAN)  
DHM1107: FOOD AND BEVERAGE COST CONTROL  
FINAL ALTERNATIVE ASSESSMENT: APRIL 2021 SESSION

**Instructions: Answer ALL questions below. (ALL calculations must include the workings or methods)**

**Question 1**

(a) The owner of Benji Restaurant estimates that fixed costs for the coming year will be RM860,000. Based on his investment in the business, she wants a profit of RM980,000 for the year. Experience has shown that the average check is RM20.90.

(i) If total variable cost is RM900,000, what level of dollar sales will be required to earn the target restaurant profit? (3 marks)

(ii) Given total variable costs and total sales figures calculated in Question 1(i), what variable rate is the owner projecting? (3 marks)

(iii) Given the variable rate calculated in Question 1(ii), determine the contribution rate. (2 marks)

(iv) Given the contribution rate calculated in Question 1(iii), determine the average contribution margin based on RM20.90 average sale. (3 marks)

(v) At what level of dollar sales will the restaurant break-even? (3 marks)

(b) The following information is from the records of Ben & Jerry Restaurant:

Sales	RM976,000
Variable cost	RM366,000
Fixed cost	RM300,000

Assume that sales volume equals to 25,000 covers:

(i) Calculate average dollar sales. (2 marks)

(ii) Calculate break even in units (covers) (3 marks)

- (c) A 1.5kg of lamb rack can be cut into 9 pieces. Each person is served with 2 pieces of lamb rack. How much is the total cost for lamb racks for a party of 45 people? (The price of lamb rack is RM8.50/kg)

(3 marks)

- (d) 120 grams fish is needed to prepare a portion of fish patty. How much fish is needed to prepare 15 patties, assuming 20% is lost through removing the bones?

(3 marks)

**(Total: 25 marks)**

**Question 2**

- (a)

Item	Portions Sold
Steak	90
Chicken chop	120
Fish & chips	180
Lamb chop	110
Duck confit	100

- (i) Compute the popularity index for the following sales. Answer must be in the nearest one decimal point. (Example: 30.646% rounded to 30.6%)

(5 marks)

- (ii) Using the popularity indexes calculated in Question 5(a), predict the sales for each item if total sales for all items are expected to be 900. Round your answer to the nearest whole number.

(5 marks)

- (iii) Based on the answers in (a), which of the menu item is the most popular, and which of the menu item is the least popular?

(2 marks)

- (b) Using Butcher Test form given at **Page 6**, complete butcher test calculation on a rib of beef, U.S. Choice from the following information:

Weight as purchased : 40 pounds 8 ounces  
 Dealer price : RM5.35  
 Portion size for roast beef : 9ozs.  
 Dealer : Frozen Field Meat Co. on May 8, 2021 at RM5.35 per pound.

**Breakdown:**

Fat : 5lbs. 12ozs.; value per lb.: RM0.00  
 Bones : 3lbs. 8ozs.; value per lb.: RM0.85  
 Short ribs : 8lbs. 0oz.; value per lb.: RM1.50  
 Loss in cutting: 1lb. 4ozs.  
 Usable meat : 22lbs. 0oz.

(13 marks)  
**(Total: 25 marks)**

**Question 3**

- (a) A supplier has offered to sell you fudge cakes for RM27 each. You try to determine whether you can make the cakes more cheaply. Assuming that you will need to pay an additional employee RM9.00 per hour, plus about RM3.50 per hour fringe benefits, and further assuming that this employee can make 24 cakes per hour.

The Recipe for ONE cake is:
▪ 340 grams shortening
▪ 340 grams cake flour
▪ 907 grams sugar
▪ 113 grams salt
▪ 226 grams vanilla
▪ 28 grams baking soda
▪ 6 eggs
▪ 1 1/2 pints buttermilk
▪ 141 grams cocoa

The actual purchase prices for these ingredients are:
▪ Shortening: RM0.32 per 500 grams
▪ Cake flour: RM11.09 per kg
▪ Sugar: RM8.22 per kg
▪ Salt: RM1.20 per 500 grams
▪ Vanilla: RM6.85 per kg
▪ Baking soda: RM0.11 per gram
▪ Eggs: RM6.24 per dozen
▪ Buttermilk: RM2.45 per pint
▪ Cocoa: RM2.12 per 100 grams

- (i) Calculate the standard recipe cost of the cake (One cake).  
(10 marks)
- (ii) Calculate the total cost of making one cake (including labor cost and fringe benefits).  
(2 marks)
- (iii) What alternative should you select? Should you “make” or should you “buy”? Why?  
(6 marks)

(Show your calculation in detail and keep only two decimal points for each value)

- (b) Mexicana Cafe uses the periodic order method, placing orders every two weeks. The restaurant’s desired ending inventory for the item is 6 cans. At the time of inventory, the quantity on hand is 10 cans. Determine the quantity of canned pineapple needed to order today if the normal usage is one case of 18 cans per week.  
(3 marks)
- (c) Resturant Saito uses the perpetual order method. The restaurant normal usage of canned aspaagus is five cans per day. The cans come in a pack of 6 to a case. It takes 4 days to get items to be delivered to the restaurant. Determine the reorder point and reorder quantity if the par stock is 40 cans. Note that 50 % safety factor is applied.  
(4 marks)

**(Total: 25 marks)**

#### Question 4

“A 60-minute wait! You’ve got to be kidding! Said the guest.  
“I’m sorry sir, “replied Romy. “We’ll seat your party as quickly as possible.”

Romy was the dining room host at the Al-Amir restaurant. The Al-Amir featured Middle Eastern and North African cuisine. Guests loved the Al-Amar’s baba ganouj, tabbouleh, and kibbeh. As a result, the restaurant often was very busy. When that happened, the waiting lists for tables got long and customers sometimes got upset.

“Listen” replied the guest, “I understand when places are busy. It can take a while to serve everyone. But look, nearly half your dining room is empty. The tables just need to be cleared and reset.

“Yes sir,” replied Romy. “But the workers we do have are clearing tables as fast as they can.”  
“Then you need more dining room help. We’ll just come back another time,” said the guest, as he left the restaurant along with his female dining companion, two small children in hand.

“I’m really very sorry sir”,” said Romy to the guest’s back as he watched him leave. Romy thought to himself, “This happens way too often!”

Assume the Al-Amir does not have an effective sales forecast system in place.

- (a) What will be the likely **FOUR (4)** long-term impacts on the revenue-generating ability of the restaurant of understaff its dining room?  
(8 marks)
- (b) What would be the **FOUR (4)** long-term impacts on Al-Amir's staff?  
(8 marks)
- (c) Sometimes even the best sales forecasts are inaccurate. What steps can managers take to ease the difficulties encountered when their sales forecasts prove to be incorrect?  
(9 marks)

**(Total: 25 marks)**

**~THE END~**

*DHM1107 (F)/ April 2021/ formatted*

