

FINAL
Examination Paper

(COVER PAGE)

Session : April 2018

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

Course : DHM1107 : Food & Beverage Cost Control

Date of Examination : August 2, 2018 (Thursday)

Time : 11:00 am – 1:00 pm Reading Time: Nil

Duration : 2 Hours

Special Instructions :

Section A: THIRTY (30) Multiple Choice questions. Answer **ALL** the questions.

Section B: SIX (6) short answer questions. Answer **ALL** the questions.

IMPORTANT NOTE : **THIS PAPER SHOULD NOT BE TAKEN OUT OF THE EXAMINATION HALL**

Materials permitted :

Nil

Materials provided :

OMR Sheets

Examiner (s) : Alex Chang Yaw Yun & Nur Adilah Zulkipli

Moderator : Dr Kamril Juraidi Bin Haji Abdul Karim

DIPLOMA IN HOTEL MANAGEMENT PROGRAMME (DHMN)
DIPLOMA IN CULINARY ARTS PROGRAMME (DCA/DCAN)
DHM1107: FOOD & BEVERAGE COST CONTROL
FINAL EXAMINATION : APRIL 2018 SESSION

SECTION A: Answer **ALL** Multiple Choice questions in the **OMR sheet** provided.
(30 marks)

1. The differences between cost of food consumed and cost of food sold is _____.
 - A. Steward sales
 - B. direct purchase
 - C. closing inventory
 - D. employees' meal

2. Payroll is an example of which of the following costs:
 - A. Fixed.
 - B. Variable.
 - C. Semivariable.
 - D. Noncontrollable.

3. In the restaurant business, sales forecast are:
 - A. Rarely accurate.
 - B. Sales values of an item.
 - C. Useful when prepared less than 3 hours before the restaurants operation.
 - D. Prepared on the basis of sales history.

4. Average covers per hour is calculated by dividing total covers by the number of:
 - A. food & beverage item sold.
 - B. customers.
 - C. servers.
 - D. hours of operation.

5. Foods that have a comparatively longer useful life and can be ordered less frequent and in large amount of quantity is refer to _____.
- A. non-perishable food
 - B. perishable food
 - C. direct item
 - D. storeroom items
6. Which of the following is a non-perishable food item?
- A. Fruit yogurt.
 - B. Lettuce.
 - C. Ground turkey.
 - D. Ground pepper.
7. Standardized weight of steak and size of bowl for soup are examples of _____.
- A. production standard
 - B. production quality
 - C. quality standard
 - D. quantity standard
8. The cost of food sold is determined by adding purchases to the opening inventory, and then subtracting:
- A. directs.
 - B. requisitions.
 - C. closing inventory..
 - D. indirects.
9. Choose the correct sequence of operation in F&B operation.
- A. Purchasing → Receiving → Storing → Issuing and requisition → Production → Serving and sales
 - B. Purchasing → Receiving → Storing → Production → Issuing and requisition → Serving and sales
 - C. Receiving → Storing → Issuing and requisition → Production → Purchasing → Serving and sales
 - D. Issuing and requisition → Purchasing → Receiving → Storing → Production → Serving and sales

10. Steward sales are:
- A. added to cost of food issued.
 - B. subtracted from cost of food issued.
 - C. multiplied by cost of food issued.
 - D. divided by cost of food issued.
11. A computerized system that has been designed to provide specific sales information is called as _____.
- A. POS system
 - B. SOD system
 - C. SOS system
 - D. POM system
12. Which of the following is added to the cost of liquor consumed?
- A. Cooking liquor.
 - B. Overpriced liquor.
 - C. Special promotion.
 - D. Mixers.
13. According to menu engineering categories, unprofitable but popular menu item is refer to _____.
- A. Stars
 - B. Plowhorse
 - C. Puzzle
 - D. Dog
14. Once the beverage cost percentage for a period has been calculated, it is usually compared to the:
- A. food cost percentage.
 - B. beverage cost percentage for other similar periods.
 - C. gross profit
 - D. net profit.

15. All answers below are the functions of menu, **EXCEPT**:
- A. Marketing tools
 - B. Advertising tools
 - C. Production tools
 - D. Sales tools
16. The method used for determining the value of a physical inventory that assigns the most recent price paid for units is the:
- A. LIFO
 - B. PIFO
 - C. FIFO
 - D. Latest purchase price
17. Frozen food normally stored at _____.
- A. -10°F to 0°F
 - B. 0°F to 5°F
 - C. 30°F to 34°F
 - D. 34°F to 36°F
18. The popularity index for fillet mignon is 40%. The volume forecast for next Saturday is 600 covers, so the forecast for fillet mignon sales should be
- A. 40 portions.
 - B. 240 portions.
 - C. 200 portions.
 - D. 300 portions
19. There are internal and external factors that will cause the menu changes in a food business. Which answer below is refer to internal factors?
- A. Competition
 - B. Concept and theme
 - C. Supply level
 - D. Industry trends

20. If there is a transfer from bar to kitchen, this would
- A. increase the daily food cost.
 - B. decrease the daily food cost.
 - C. increase daily food cost and monthly food cost.
 - D. give no effect.
21. Variable costs are those that
- A. are always static.
 - B. cannot be change in short term
 - C. change with business volume.
 - D. are unaffected by sales volume.
22. Given average inventory of RM7,000, food sales are RM87,000, and cost of food sold is RM16,000, calculate the restaurant's inventory turnover rate.
- A. 2.9
 - B. 2.3
 - C. 3.5
 - D. 2.8
23. If beverage cost % is 42.3%, how much value of beverage cost per dollar sale?
- A. RM0.0423
 - B. RM0.423
 - C. RM4.23
 - D. RM42.30
24. In Rebung restaurant, Lamb Cutlet accounted for 54 of the 140 items sold last Saturday. Popularity index for Lamb Cutlet for that day is
- A. 31.0%
 - B. 27.3%
 - C. 38.3%
 - D. 38.6%

25. Predicts the number of guests you will serve and the revenue they will generate in a given future time period. The above statement is refer to _____.
- A. check average
 - B. sales forecast
 - C. budget
 - D. yield
26. A budget designed to project sales and costs for several levels of business activity is called
- A. fixed budget.
 - B. operating budget.
 - C. flexible budget.
 - D. budget of the year
27. The third steps in control process is:
- A. Appropriate corrective action.
 - B. Training available for related personnel.
 - C. Establish standard and standard procedures for operation.
 - D. Performance will be monitored and compared with standards.
28. A very important and useful tool for the steward to employ in taking the daily inventory is a standard form called the
- A. Receiving Clerk's Daily Report
 - B. Requisition Report
 - C. Steward's Market Quotation List
 - D. Kitchen Quotation List
29. Given the following information, determine total dollar sales: Cost of sales RM46,450, Cost of labor RM34,000, Cost of Overhead RM75,800, Profit RM 4,200.
- A. RM 175,450
 - B. RM 180,000
 - C. RM 160,450
 - D. RM 165,760

30. It is important to locate a storage facility in an appropriate area because it can
- A. minimise security.
 - B. speed-up the storing and issuing of food.
 - C. maximizing infestation of rodents.
 - D. away from the personnel.

SECTION B: Answer **ALL FIVE (5)** short answer questions below in the answer booklet provided. **(70 marks)**

Question 1

For the last financial year, the Canadian Restaurant generated RM1,200,000 in revenue, with the average sales being RM200.00. Food purchases were 60% of sales and the other variable costs totaled RM60,000. Fixed costs were RM240,000.

- (a) Number of covers. (2 marks)
- (b) Break-even level of revenue. (5 marks)
- (c) If target profit is to be RM100,000 – calculate the revenue that would be required to achieve this. (3 marks)
- (d) If the restaurant generated RM600,000 in sales revenue, will this restaurant make profit or loss? (4 marks)

(Total: 14 marks)

Question 2

Black Bean Café was operated for 12 hours daily. The café has 50 seats. Below are the details for business on June 25th, 2018.

Items	Quantity Sold	Sales Price (RM)	Total Sales (RM)
Spicy Chicken Burger	72	15.30	
Pan Seared Salmon	65	21.50	
Lamb Grill	50	22.50	
Triplet Sandwich	48	12.30	
TOTAL			

- (a) Calculate total sales for each item above. (2 marks)
- (b) Calculate sales mix for each item. (4 marks)
- (c) Calculate the seat turnover that day. (2 marks)
- (d) If quantity sold for Lamb Grill increase to 70, calculate new total sales per seat. (2 marks)

(Total : 10 marks)

Question 3

Given the following information, calculate the:

Month of March 2018	
Food sales	RM 75800
Steward sales	RM 50
Gratis to bar	RM 370
Store purchase	RM 21205
Direct purchase	RM 6590
Food to bar	RM 150
Cooking liquor	RM 180
Opening inventory	RM 4200
Closing inventory	RM 5140
Employees' meals	RM 4500

- (a) Cost of food issues. (3 marks)
- (b) Cost of food consumed. (3 marks)
- (c) Cost of food sold. (2 marks)
- (d) Food cost % (2 marks)
- (e) Inventory turnover. (3 marks)
- (f) What does it indicate if the previous month food cost % and inventory turnover were 40% and 6 times respectively? (3 marks)

(Total : 16 marks)

Question 4

- (a) Differentiation between intraunit transfer and interunit transfer. (4 marks)
- (b) Differentiate between commercial and non-commercial business characteristics. (6 marks)

(Total : 10 marks)

Question 5

Power Station restaurant has purchased 30kg of beef at the cost of RM19.00 per kg. During the trimming process of the beef, 8% is fat while 5% of the remaining weight is loss through cutting. This beef is then portioned at 190gm per portion. Based on the information given, calculate:

- (a) The weight of edible portion of the beef. (3 marks)
- (b) The number of portions available for sale. (3 marks)
- (c) The cost per portion. (3 marks)
- (d) Selling price per portion if the restaurant wishes to attain a 49% food cost. (3 marks)

(Total : 12 marks)

Question 6

- (a) 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)
- (b) Restaurant Saito uses the perpetual order method. The restaurant normal usage of canned asparagus 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. (5 marks)

(Total : 8 marks)

-THE END-