



**TECHNICAL UNIVERSITY OF MOMBASA**  
***Faculty of Business & Social Studies***

DEPARTMENT OF HOSPITALITY & TOURISM

DIPLOMA IN HOTEL & INSTITUTIONAL MANAGEMENT  
(DHIM M12)

**BHC 2201: FOOD AND BEVERAGE CONTROL I**

END OF SEMESTER EXAMINATIONS

**SERIES:** DECEMBER 2013

**TIME:** 2 HOURS

**INSTRUCTIONS:**

- This paper consists of Sections **A** and **B**.
- Section **A** is **Compulsory**. Answer any **TWO** questions in Section **B**.
- Mobile phones are not allowed into the examination room.
- Cheating leads to disqualification.
- ***This paper consists of Three printed pages.***

## SECTION A (Compulsory) 30 Marks

### QUESTION 1

- a) A college staff canteen serves between 1700 to 2300 meals each week. Its fixed costs are £1350 per week and its gross profit is maintained at the rate of 50%. The charge per meal is fixed at £ 1.25.  
Calculate:
- i) The number of meals that the canteen has to serve to break even in a week. (10marks)
  - ii) The net profit/loss when it serves 2100 meals. (4marks)
- b) From the records of a fast food restaurant the following information was extracted to Inventory as at

31<sup>st</sup> March

Total delivery		
Invoices for Aprils	-----	£ 9,700
Ending inventory April 30 <sup>th</sup>	-----	£ 5,100
Employee meals	-----	£ 860
Food sales for April	-----	£ 31,775

Calculate:

- i) Total food available for sale in April.
  - ii) Cost of food consumed in April and its ratio.
  - iii) Cost of food fold in April and its ratio
  - iv) Inventory turnover for April. (8marks)
- c) Describe the following approaches to pricing.
- Competitive pricing
  - Intuitive pricing
  - Psychological pricing
  - Trial and errors pricing (8marks)

## SECTION B (Answer any TWO questions) 40 Marks

### QUESTION 2

- a) Discuss any five beverage ‘frauds ensuring you give a solution on how to rackle each. (10 marks)
- b) Explain any ten reasons for high food cost as they would happen during purchasing. (10marks)

### QUESTION 3

- a) Outline and explain ten fundamental principles of cost control. (10 marks)

b) What is a daily sales report?

Describe the content of this report.

(10marks)

#### **QUESTION 4**

a) Discuss budgetary control as an extension of policy.

(10marks)

b) What are the objectives of budgetary control?

#### **QUESTION 5**

a) Differentiate between fixed cost personnel and variable cost personnel.

b) Identify the fixed and variable cost personnel likely to be employed in a luxury city restaurant open for lunch only serving an average 120 covers per day.