

CHUKA



UNIVERSITY

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**UNIVERSITY EXAMINATIONS**

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF SCIENCE IN  
CATERING AND HOSPITALITY MANAGEMENT**

**BCHM 440: FOOD AND BEVERAGE IV**

**STREAMS: BCHM Y4S1**

**TIME: 2 HOURS**

**DAY/DATE: THURSDAY 13/12/2018**

**8.30 AM. – 10.30 A.M**

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**INSTRUCTIONS:**

- **Answer ALL questions in section A and any other two in section B**
- **Do not write anything on the question paper**

**SECTION A (30 MARKS)**

1. Explain any two cost elements in food and beverage cost control. [3 marks]
2. Briefly explain how an operations budget can be used as a cost control standard in food service operations. [3 marks]
3. Briefly explain the significance of sales forecasting in food and beverage control. [4 marks]
4. Briefly discuss four ways cheating by employees may occur in hotel bars. [4 marks]
5. Explain briefly the two main ways of controlling revenue from beverage sales. [4 marks]
6. Briefly explain the challenges resulting from lack of purchasing controls in food service operations. [6 marks]
7. Identify any four important documentations in purchasing and receiving control. [2 marks]
8. Explain briefly any two important standards in food production control. [4 marks]

**SECTION B( 40 MARKS)**

9. (a) Having been appointed as the food and beverage manager in a newly opened hotel, discuss how you would establish standard food cost percentages for the hotel kitchens.

[10

marks]

(b) The following figures were obtained from the financial records of a unit in a small chain of restaurants. (Amount in Kenya shillings)

(i) Purchases	268,543
(ii) Promotional expense	1,081
(iii) Closing inventory	80,900
(iv) Gratis to bar	1,508
(v) Transfers from other units	13,637
(vi) Food to bar	12,096
(vii) Opening inventory	85,840
(viii) Transfers to other unit	17,084
(ix) Cooking liquor	2,543
(x) Total sales	408,561.82

In addition the restaurant provided meals to the staff: Executives: 78,733 sales value ; average food cost percent for the previous month was 31.0 percent. Other staff meals (at cost); 422 breakfasts @ ksh 55; 208 lunches @ ksh 80; 112 dinners @ ksh 90. Determine the total cost of staff meals, cost of food sold and food cost percentage for the period.

[10

marks]

10. (a) A restaurant has a café and bar operation. The café provides 65 percent of total revenue with a 48 percent variable cost. The bar provides 35 percent of total revenue with a 38 percent variable cost. Assuming the owner wants operating profit to increase by ksh

50,000, with the increase being provided jointly by the café and bar. Determine the additional sales revenue required for each revenue centre. [10 marks]

(b) As food and beverage manager you realize that the food cost has gone high due to inflation and increasing your menu prices seems inappropriate. Discuss other options you would explore to reduce the food cost percentage. [10 marks]

11. As a general manager in a hotel you have the ultimate responsibility of managing costs. Discuss the principles that would guide your implementation of effective cost control system in food and beverage operations. [20 marks]
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