



MURANGA UNIVERSITY COLLEGE

(A constituent College of Jomo Kenyatta University of Agriculture and Technology)

SCHOOL OF HOSPITALITY & TOURISM

DEPARTMENT OF HOSPITALITY

UNIT CODE: DHM 1210

UNIT TITLE: FOOD & BEVERAGE COSTING AND CONTROL

TIME: 2 HOURS

DATE: 3RD AUGUST 2015

SPECIAL/SUPPLEMENTARY EXAMINATION

SECTION A – ATTEMPT ALL.

Q1. Define the following terminologies.

(i) Food and beverage control

(ii) Supplier rating

(iii) Sunk cost

(iv) Discrete cost

(v) Stock turnover rate

10marks

Q2 (a) State six (6) obstacles to control in food & beverage industry

6marks

(b) Differentiate between job specialization and job description

4marks

Q3 (a) Highlight six (6) security concerns in purchasing

3 marks

(b) Outline the basic steps in receiving

7 marks

SECTION B – ATTEMPT TWO (2) QUESTIONS

Q 4 (a) List four (4) applications of marginal costing

2marks

(b) Illustrate the basic control steps with an aid of the management feedback control loop.

8 marks

(c) Murang'a University college uses 33000 bags of maize per annum and the delivery cost per order is 400/=. The holding cost is 30 % of stock value. The purchase price per unit of a bag is 2200/= . The supplier offers a discount of 1.5% on orders for, 5000 bags or more and 3% on orders of 10,000 bags and above. Showing all the formulae used, you are required to;-

- Determine the Order Quantity the University should adopt to minimize the total cost and give your wise advice as a catering manager. **10 marks**

Q (5) Hoggers Restaurant has been making profits and losses in different days of the week as follows:- sh. (5,000/=), sh 2,500/=, sh 5,000/=, sh 10,000/=, sh (2,500/=) sh 7,500/=

The average check is sh 50/=

The fixed cost per week is sh 45,000/=

Variable cost is 50 % of sales.

- (a) As a manager you are charged with the responsibility of advising the budget committee on the levels of output yielding the above profits and losses with an aid of a tabular statement for display in the office. **14 marks**

- (b) Prepare contribution / sale graph or profit / volume graph well labeled.

6marks

Q (6) Jaribu Restaurant has six workers. From the following information, prepare their payroll for the coming month

Clock No.	Name	No. of Hours worked.	Rate of pay (sh)	Advanced pay (sh)
1010	S. Kamau	180	100 per hour	5000
1014	J. Kago	200	140 per hour	7000
1009	A. Owino	190	120 per hour	6000
1013	M. Bakari	210	100 per hour	8000
1011	B. Kombo	200	160 per hour	8000
1012	R. Beti	170	130 per hour	5000

Additional Information

- (a) Normal working hours per month are Sh.180/=. Overtime payable for extra hours at the rate of 50 % above normal pay rate.
- (b) P.A.Y.E to be deducted at the rate of 10% gross wage
- (c) N.S.S.F to be deducted Sh.800/= for each employee.
- (c) N.H.I.F to be deducted sh. 200/= for each employee. **20 marks**