

**AKENTEN APPIAH-MENKAH UNIVERSITY OF SKILLS TRAINING AND
ENTREPRENEURIAL DEVELOPMENT
DEPARTMENT OF HOSPITALITY AND TOURISM EDUCATION**



HOSCAT
L200/03

END OF SEMESTER EXAMINATION

CANDIDATE'S INDEX NUMBER.....DATE.....

PAPER CODE	HOS 246
PAPER TITLE	FOOD AND BEVERAGE MANAGEMENT
DURATION	2 HOURS
LECTURER	VIDA GYIMAH BOADU
INSTRUCTION(S)	ANSWER ALL THE QUESTIONS ANSWER SECTION A AND B ON THE QUESTION PAPER AND C IN THE ANSWER BOOKLET

SECTION A

(CIRCLE THE CORRECT ANSWERS IN THIS SECTION)

- The pricing model where the company analysis the sensitivity of their products to price changes before pricing is called?
 - Competition pricing
 - Elasticity pricing
 - Backward pricing
 - Prime cost pricing
- The pricing model where the company determines the price customers can afford to pay before production start is called?
 - Elasticity pricing
 - Backward pricing
 - Prime cost
 - Department profit margins
- Which of the following is not a pricing model
 - Competitive pricing
 - Rate of return
 - Service charge pricing
 - Elasticity pricing
- Which of the following is not a special pricing consideration?
 - Minimum charge
 - Cover charge
 - Service charge
 - Inflation charge
- Which of the following is not a reason for budgeting?
 - To compel planning
 - To establish a system of control
 - To bring delay in decision making
 - To communicate target
- Which of the following is not a pricing model in the hospitality industry?
 - Differential markup pricing
 - Rate of return
 - Elasticity pricing
 - Backward pricing
- Why is benchmarking not widely used as a pricing model in the hospitality industry?
 - It is too simple and common to practice
 - It is too complex to calculate the profit when sales are made
 - Demographic differences can let price fail

- d. Well established business has higher prices
- Use the following questions to answer the questions below. The total cost of preparing fried rice per plate is ₦20 and the percentage profit on cost is 30%.
8. If the restaurant uses the cost plus model, what will be the price for the Jollof?
 - a. ₦19
 - b. ₦26
 - c. ₦20
 - d. ₦5
 9. What is the profit from a plate of Jollof?
 - a. ₦6
 - b. ₦19
 - c. ₦20
 - d. ₦5
 10. If the restaurant changes the percentage profit to 50%, what will be the new price of the Jollof?
 - a. The new price is expected to be equal to the old price
 - b. The new price will be higher than the old price
 - c. The new price will be ₦20
 - d. The new price will be lower than the old price
 11. Which of the following is a likely result of competitive pricing?
 - a. Customers are likely to buy at higher prices
 - b. It usually leads to price war
 - c. It is a good strategy for new and weaker business
 - d. It usually increases margins
 12. You operate a bakery and have realized that your products are sensitive to price. What should you do to boost sales and profit volume?
 - a. Increase the prices of products
 - b. Reduce price marginally
 - c. Do nothing
 - d. Always stick to your profit rates in pricing
 13. The stage of budgeting where managers consider their goals carefully is?
 - a. Planning stage
 - b. Controlling stage
 - c. Organising stage
 - d. Coordinating stage
 14. What is the function of the budget committee?
 - a. To prepare the budget
 - b. To plan for the budget
 - c. To approve budgets
 - d. To perform the budget organization
 15. Which of the following is true about a budget period?
 - a. It lasts for only 12 months
 - b. It is only for a long period
 - c. It is only for a short period, say three months
 - d. It could be short, medium time or long.
 16. The main objectives of the hospitality industry that management must be concerned with are the following except
 - a. Guest feels welcome
 - b. Provision of ultra-modern facilities for the guest
 - c. The facilities work for the guest
 - d. The operation will continue to provide service
 17. All the following areas are ancillary under F and B section, except
 - a. Still room
 - b. Wash room
 - c. Banquet room
 - d. Hot plate
 18. An amount that has to be paid or spent to buy or obtain something is called
 - a. Revenue
 - b. Budget
 - c. Cost
 - d. Income
 19. All the following are challenges of food and beverage control except
 - a. perishability of the product
 - b. Business volume unpredictability

- c. Menu mix unpredictability
 - d. Food and beverage operation long cycle
 - e. Departmentalization
20. The following must be considered under purchasing of product in operational phase except

- a. Method of buying
- b. Stocktaking
- c. Product testing
- d. Yield testing

[20marks]

SECTION B

Fill in the empty spaces

21. _____ is the process of inspiring people in order to intensify their desire and willingness to execute their duties effectively.
22. _____ is a method of predicting the number of customers on a specific day and the items they will eat and drink.
23. _____ is defined as a series of events, both tangible and intangible, that a customer experiences when eating out.
24. _____ are written lists of rules, standards, and norms that describe how to complete routine tasks.
25. _____. is a fixed, regular payment earned for work or services, typically paid on a daily or weekly basis.
26. In the planning phase, the policy that determines the level of profitability, subsidy or cost limits to be expected from the business is called _____.
27. Non-commercial sector provides food and beverage within the constraints of a given budget and this is called _____.
28. A type of market under the commercial sector in Food and beverage where customers have a full choice of dishes is called _____.
29. _____ refers to the process of attracting, shortlisting, selecting and appointing suitable candidates for jobs within an organization.
30. _____ is a type of training where a senior member of the staff provides training instructions and continues to reinforce the training under supervision during the day.

[10marks]

SECTION C
ANSWER ALL QUESTIONS

Question One

a. Use the table below to answer the following questions

The monthly expenses of Agoode restaurant for the month of March were as follows;

Price of beverages	Price food items	Utilities& advertisement	Money spent on employees
A pack of Fanta-200cedis	Rice- 250cedis	Fuel- 100 cedis	Salary- 5000 cedis
A pack of coke-200	Oil- 150cedis	Water- 50 cedis	Clothes-200 cedis
2 bottles of red wine-150cedis	Tomato paste- 50 cedis	Advert- 150 cedis	
A pack of Don Simon fruit drink-80cedis	Onions -- 40cedis	Electricity- 100 cedis	

Calculate;

- i. The monthly gross profit if the total revenue is ₦10,000
- ii. The monthly net profits

[8marks]

b. Use the Table to answer the questions below

Item	Cost	Rate of Return	%Profit on cost
Pizza	50	30%	50%

- a. Using the rate of return pricing, how much should the price of Pizza be?
- b. Using the Cost-plus model, how much should the price of Pizza be?

[4marks]

Question Two

- a. Define food and beverage control. [2marks]
- b. List four (4) areas that require control in food and beverage department. [2marks]
- c. State four (4) issues that can lead to the dismissal of an employee. [2marks]
- d. Define staff turnover. [2marks]
- e. Mentions four (4) things that can lead to staff turnover. [2marks]
- f. State four (4) responsibilities of a purchasing manager. [2marks]
- g. Consider any food item and write four (4) purchasing specifications for that food. [2marks]
- h. In an event of an employee winning a case on issues of dismissal, the tribunal can choose one of the following remedies, **Re-instatement** or **Re-engagement**. Explain the following terms. [2marks]
- i. In serving of wine to customers at a restaurant, it is important to hold the bottle in a napkin, give two importance of it. [2marks]