ZIMBABWE

# MINISTRY OF HIGHER AND TERTIARY EDUCATION, INNOVATION, SCIENCE AND TECHNOLOGY DEVELOPMENT

## HIGHER EDUCATION EXAMINATIONS COUNCIL (HEXCO)

## NATIONAL DIPLOMA

## IN

## FOOD AND BEVERAGE MANAGEMENT

**MODULE:** Food and Beverage Cost Control **PAPER NO:** 586/23/M01

**DURATION:** 3 hours

**NOVEMBER/DECEMBER 2025 EXAMINATION**

## REQUIREMENTS

Non programmable silent calculator

## INSTRUCTIONS TO CANDIDATE

1) Answer all questions.
2) Start each question on a fresh page.

*This paper consists of 5 printed pages.*

QUESTION 1 (20 MARKS)

a) The following ingredients are required to produce 10 portions of fish stew:

250g carrots
600g celery
35g garlic
1.5kg leeks
1.2kg Tomatoes
2.5l fish stock
1kg skinless fillets
50ml olive oil
20g seasoning

The stores department has supplied you with the following price list:

| | |
|---|---|
| Carrots | $4.20 per kg |
| Celery | $6.00 per kg |
| Garlic | $4.00 per kg |
| Leeks | $4.80 per kg |
| Tomatoes | $1.20 per kg |
| Fish stock | $9.50 per litre |
| Fillets | $8.00 per kg |
| Olive oil | $20.00 per litre |
| Seasonings | $5.00 per 500g |

It is standard practice to achieve a food cost of 35% on fish products

Required:

a) Prepare a costing sheet to show the following:

i) Total food cost
ii) Food cost per portion
iii) Gross profit per portion
iv) Selling price per portion
v) Total revenue from sales of 8 portions. (7 marks)

b) State three (3) elements of gross profit. (3 marks)

c) i) Define a banquet. (1 mark)

ii) Give three (3) examples of banquets. (3 marks)

iii) A banquet will be held for 400 guests. The following costs and estimates are anticipated.

| | |
|---|---|
| Food cost per cover | \$5.00 |
| Beverage cost per cover | \$2.00 |
| Labour cost | \$300 |
| Security | \$120 |
| Decorations | \$200 |
| Hire of tent | \$350 |
| Hire of equipment | \$180 |
| Dance group | \$250 |
| Sundry expenses | \$500 |

Notes:

i) Other overheads are expected to be 15% of sales.

ii) Net profit is 12 ½%.

Required

Prepare a banquet costing statement to show the price that will be quoted to the client (selling price). (6 marks)

## QUESTION 2 (20 MARKS)

a) The following ratios were calculated for a local restaurant for the periods shown in the table:

| Type of Ratio | Year: 2020 | Year:2019 |
|---|---|---|
| Current | 2:1 | 1:1 |
| Quick ratio | 1.5:1 | 0.6:1 |
| Rate of stock turnover | 36 times | 24 times |
| Debtors (Accounts receivables) collection period | 30 days | 45 days |
| Creditors payment period | 32 days | 30 days |

Required:

Analyse the above information and comment on the performance of the restaurant. (10 marks)

b) i) Define the term forecasting. (2 marks)

ii) Briefly explain any three (3) sales forecasting techniques. (6 marks)

iii) Spell out any one (1) advantage of forecasting sales. (2 marks)

QUESTION 3

a) A food and beverage outlet has provided the following details:

| | |
|---|---|
| Units produced and sold | 2000 |
| Selling price per unit | $15.00 |
| Variable costs per unit | $5.25 |
| Fixed costs per period | $10 000 |

Required:

Prepare an income statement from the above information. (6 marks)

b) Define each of the following types of costs:

i) Controllable costs (1 mark)

ii) Uncontrollable costs (1 mark)

c) The following menu engineering worksheet was prepared for City Restaurants:

| Menu item | Unit contribution | Menu mix% | Contribution class | MM class | Item category |
|---|---|---|---|---|---|
| Pasta | $15-00 | 28 | H | H | Star |
| Stew | $10-00 | 32 | L | H | Cash cow |
| Vegan | $8-00 | 18 | L | L | Dog |
| Pork | $14-00 | 22 | H | L | puzzle |

Required

i) Calculate average contribution. (2 marks)

ii) Calculate average menu mix percentage. (2 marks)

iii) Draw a graph (BCG Matrix) for the restaurant. (8 marks)

QUESTION 4 (20 MARKS)

a) Explain any five (5) benefits of budgeting to a food and beverage outlet. (10 marks)

b) Clarify how ICT can be used by a food and beverage manager in order to reduce costs. (10 marks)

QUESTION 5

Highlight the control measures that can be employed at each of the following stages in the food and beverage cost control cycle in order to reduce costs:

a) Purchasing (5 marks)

b) Receiving (5 marks)

c) Production (5 marks)

d) Service (5 marks)

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