



**FACULTY OF HOSPITALITY AND TOURISM
SCHOOL OF HOSPITALITY**

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **FBS1533 Food and Beverage Revenue Management**
Semester & Year : September 2020 – December 2020
Lecturer/Examiner : Mr. Justin Ho Li Vern
Duration : 3 Hours

INSTRUCTONS TO CANDIDATES

1. This question paper consists of 3 parts:
 - PART A (60 Marks) : FIVE (5) short answer questions. Answer all FIVE (5) questions in the question paper provided.
 - PART B (20 Marks) : ONE (1) calculation question. Answer in the question paper provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment and calculator into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students’ Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 10 (Including the cover page)

PART A : SHORT ANSWER QUESTIONS (60 MARKS)

INSTRUCTION(S) : FIVE (5) short answer questions. Answer all FIVE (5) questions in this question paper.

1. The Avenger Brothers, David, Chai and Brandon own the Marvel's Cucina. David is in charge of marketing and developing his sales forecast for next year. Because of his marketing efforts, he predicts a 5% increase in his monthly guest counts. Using last year's sales and guest counts, estimate David's weighted check average for the year. (7.5 Marks)

Month	Sales Last Year (RM)	Guest Count Last Year	Weighted Check Average
January	56128.00	4000	
February	58688.00	4000	
March	51238.00	5000	
April	48859.00	4000	
May	45858.00	4000	
June	49898.00	5000	
July	57868.00	6000	
August	61818.00	5500	
September	62829.00	6500	
October	52898.00	4500	
November	60888.00	5500	
December	64898.00	5500	
TOTAL			

2. Using the weighted check average calculated in question 1, determine David's projected sales assuming a 5% increase in guest counts. (14 Marks)

Month	Guest Count Last Year	Guest Count Forecast	Weighted Check Average	Projected Sales
January	4000			
February	4000			
March	5000			
April	4000			
May	4000			
June	5000			
July	6000			
August	5500			
September	6500			
October	4500			
November	5500			
December	5500			
TOTAL				

5. Ed is the beverage director of Marvel Cucina; he is trying to come out with new recipe for the upcoming cocktails of the month by using PRM Products. With the new recipe, his boss David has given him a Minimum of 20% and maximum of 30% on the Beverage Cost percentage. To determine the beverage cost percentage, he will need to calculate the portion cost. Complete the Portion Price for Each Cocktail table below. (14 Marks)

Name	Ingredients	Cost (Bottle)	Portion Cost	Total Portion Cost
Sweet Martini	60ML Beefeater Gin 700ML	RM 108.50		
	15ML Martini Sweet Vermouth 1L	RM 75.00		
Rusty Nail	60ML Ballantines Scotch Whisky 700ML	RM 168.00		
	45ML Drambuie 700ML	RM 136.00		
Whisky Sour	60ML Ballantines Scotch Whisky 700ML	RM 168.00		
	30ML Sugar Syrup 1L	RM 7.20		
	30ML Lime Juice 1L	RM 9.20		
Negroni	30ML Beefeater 700ML	RM 108.50		
	30ML Campari 700ML	RM 80.00		
	30ML Sweet Vermouth 700ML	RM 75.00		

After that, Ed needs to calculate the **Beverage Cost Percentage** as he will need to analyze whether the selling price needs to remain unchanged, increase or decrease. (8 Marks)

Name	Portion Sold	Total Portion Cost	Selling Price	Total Beverage Sales	Beverage Cost %
Sweet Martini	20		RM 45		
Rusty Nail	70		RM 40		
Whisky Sour	82		RM 35		
Negroni	55		RM 35		

After calculating the Beverage Cost Percentage, determine whether all the beverage cost fall within 20% - 30% as given by the boss? If no, identify which of the Cocktails are not within the Beverage Cost of 20% - 30% and discuss what Ed should do to achieve the Beverage Cost within 20% - 30%? (1 Mark)

END OF PART B

PART B : CALCULATION QUESTION (20 MARKS)

INSTRUCTION(S) : ONE (1) Calculation question. Answer in the question paper provided.

The Tropicana Valley golf course is managed by John Cole, a graduate of Berjaya University where he majored in hospitality management. The year 2013 was a good one for the golf course. Now John is preparing next year's operating budget. He has gathered a great deal of information to help him prepare the best budget possible. After carefully analyzing that information, John predicts that the year 2014 the course will experience:

- **A 5% increase in food sales**
- **A 3% increase in beverage sales**
- **No change in food or beverage product cost percentage**
- **Salaries and wages will increase by 4.5%**
- **Benefits that will increase by 10%**
- **An increase of 2.5% in each Other Expense category except for Occupancy Cost and Depreciation. His accountant states those two categories will be unchanged.**
- **Interest payments of RM1,000 per month**
- **Tax payments that are estimated to be 25% of income before income taxes**

Calculate operating percentages for the year 2013 for the food and beverage department on the budget worksheet provided in the next page, and then using his assumptions about the year 2014, create John's new operating budget in dollars and percentages. (20 marks)

**The Tropicana Valley Golf Course
F&B Department
Budget Worksheet for 2014**

	2013 Actual \$	%	2014 Budget \$	%
SALES:				
Food	173,250.00			
Beverage	56,750.00			
Total Sales	230,000.00	100.00%		
COST OF SALES:				
Food	58,250.00			
Beverage	9,375.00			
Total Cost of Sales				
GROSS PROFIT:				
Food	115,000.00			
Beverage	47,375.00			
Total Gross Profit				
OPERATING EXPENSES:				
Salaries and Wages	36,250.00			
Employee Benefits	6,200.00			
Direct Operating Expenses	8,275.00			
Outing Rentals	1,600.00			
Beer Cart Expense	3,325.00			
Utility Allocation	5,975.00			
Kitchen Repair and Maintenance	1,750.00			
Administrative and General	6,375.00			
Occupancy	15,000.00			
Depreciation	4,200.00			
Total Operating Expenses				
Operating Income				
Interest	12,000.00			
Income Before Income Taxes				
Income Taxes	15,356.25			
Net Income				

END OF EXAM PAPER