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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
FIRST YEAR ,SECOND SEMESTER EXAMINATION
FOR THE DIPLOMA IN HOSPITALITY MANAGEMENT
DHM 1618:CATERING AND ACCOMODATION CONTROL 1

Date:5th December 2024
Time:2.30pm-4.30pm

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Define the following terms
- i) Volume forecasting [2 marks]
 - ii) Yield obtainable [2 marks]
 - iii) ASP [2 marks]
- b) Name **six** objectives of catering control [6 marks]
- c) Explain **three** challenges encountered in catering and accommodation control. [6 marks]
- d) Describe **six** activities that takes place under purchasing. [6 marks]
- e) Explain **three** policies under the planning phase of catering control. [6 marks]

QUESTION TWO (20 MARKS)

- a) Highlight **four** importance of standard purchase specifications. [4 marks]
- b) A production company's annual demand of material X is Ksh 50,000 units, the ordering cost per is Ksh 500 per order, the purchase price is Ksh 400 per unit and the holding cost is Ksh 200 per unit. Calculate the economic order quantity for the company. [8 marks]
- c) Denva's catering company sells food to industrial organizations. The food cost for the month of January 2022 was Ksh 100,000. The beginning inventory was Ksh 300,000 and it's ending inventory was Ksh 400,000. Calculate the stock turn over for the company for January 2022. [8 marks]

QUESTION THREE (20 MARKS)

- a) The following information was extracted from the books of Hotel Boulevard in respect of the month of August 2015:
- Opening stock (1st August 2015); Ksh 12,500
 - Wages and Salaries; Ksh 35,000
 - Insurance; Ksh 3,500
 - Printing and stationery; Ksh 4,500
 - Rent and rates; Ksh 10,000

National insurance; Ksh 2,000
 Depreciation; Ksh 1,200
 Repairs and renewals; Ksh 3,000
 Purchases; Ksh 40,000
 Postage and telephone; Ksh 2,100
 Gas and Electricity; Ksh 6,000
 Closing stock (31st August 2015); Ksh 13,500
 Required:

- i) Calculate the sales if 800 customers were served with an average spending power of Ksh. 250. [4 marks]
- ii) Calculate the elements of cost and express each as percentage of sales assuming that Ksh 3,200 of the food consumed was staff meal. [8 marks]
- iii) Calculate the gross profit, net margin profit and net profit. [8 marks]

QUESTION FOUR (20 MARKS)

- a) Describe **two** types of stores. [4 marks]

A Hotel company uses the material P34 and has the following information available.

Re-order period: 10 to 14 days
 Maximum usage: 2800Kg
 Minimum usage: 1900Kg
 Normal usage: 2500Kg
 Re-order quantity: 70,000Kg

Calculate:

- i) Minimum stock level [8 marks]
- ii) Maximum stock level [8 marks]

QUESTION FIVE (20 MARKS)

- a) Order **four** assumptions of an economic order quantity. [4 marks]
- b) Discuss **four** methods of purchasing. [8 marks]
- c) The following information was extracted from the stock records of Radisson blu hotel as at August 2024.

<u>Date</u>	<u>Particulars</u>	<u>Price per kg (Ksh)</u>
1 st August	Opening stock; 400 kg	@ Ksh 40 each
3 rd August	Received 200 kg	@ Ksh 50 each
5 th August	Issued 500 kg	
7 th August	Received 300 kg	@ Ksh 60 each
9 th August	Issued 300 kg	
12 th August	Received 400 kg	@ Ksh 70 each

Required;

Prepare a store ledger card for the month of August 2024 using “**FIFO**” material valuation method. [8 marks]

