Profit and loss workbook for catering students

Name: _____ Date: _____

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Gross profit

Gross profit = sales – cost of sales

Discuss: what does this formula mean?

_____

_____

_____

_____

_____

Complete the examples below.

Show all your working out even if you use a calculator.

1. Sales = £37 food costs = £24

Gross Profit =

2. Sales = £19 food costs = £8

Gross Profit =

3. Sales = £64 food costs = £41

Gross Profit =

Gross profit

4. Sales = £23 food costs = £11

Gross Profit =

5. Sales = £99 food costs = £57

Gross Profit =

6. Sales = £135 food costs = £15

Gross Profit =

7. Sales = £255 food costs = £204

Gross Profit =

Now swap with a partner and check each other's work

Net profit

Net profit = sales – all costs

In pairs, write down a list of all other costs that you can think of in a hotel / restaurant operation.

Feedback to the whole class.

Net profit

Costs

Costs can be divided into:

Overheads

- **Discuss in pairs which costs fall under the heading of overheads. Think about bills that come through the letter box each month.**

  Make notes of your ideas here:

Feedback to the whole class.

Net profit

Wages / Labour

- **Discuss in pairs which costs fall under the heading of wages / labour. Think about all the costs associated with employing someone.**

  Make notes of your ideas here:

Feedback to the whole class.

Net profit

Net profit = sales – all costs

Complete the examples below.

Show all your working out even if you use a calculator.

1. Sales = £37

Food costs = £14, labour costs = £10, overheads £6

Total costs =

Net Profit =

2. Sales = £79

Food costs = £28, labour costs = £33, overheads £9

Total costs =

Net Profit =

3. Sales = £164

Food costs = £57, labour costs = £55, overheads £19

Total costs =

Net Profit =

Net profit

4. Sales = £223

Food costs = £81, labour costs = £84, overheads £38

Total costs =

Net Profit =

5. Sales = £499

Food costs=£257, labour = £126, overheads= £47

Total costs =

Net Profit =

6. Sales = £135

Food costs = £55, labour = £36, overheads = £24

Total costs =

Net Profit =

7. Sales = £255

Food costs = £104, labour = £67, overheads = £39

Total costs =

Net Profit =

Now swap with a partner and check each other's work.

% Gross Profit

All organisations will work to an agreed % gross profit
E.g. Dunston Hall works to 74%, the George Hotel to 72%.

% gross profit = gross profit / selling price x 100%

Using % gross profit to calculate how much to charge for a dish

A dish costs £3.20 to produce and % gross profit is 70%
How much should you charge for this dish?

How did you work this out?

Can you show this in a formula?

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Calculating the selling price

Complete the calculations below (round to a sensible price):

Food costs	% gross profit	Show your working out / rounding	Selling price
£2.96	72		
£1.37	70		
£9.68	65		
£12.47	60		
£3.99	75		
£7.35	74		
£4.50	68		
£6.88	73		
£3.75	60		
£1.88	65		