

## CMS Business Standards



The Candidate should have the ability to calculate glass quantities per bottle in Centilitre, Millilitre and Ounces (1cl = 10ml) (750ml = 25.4 fluid ounces)

750ml standard bottle contains	6 x 125ml glasses
750ml standard bottle contains	4 x 175ml glasses (plus 50ml ullage/waste)
750ml standard bottle contains	5 x 5oz glasses (plus 0.4oz ullage/waste)

The Candidate should have the ability to calculate multiples of cl, ml and ounces (oz.)

750ml standard bottle contains	15 x 50ml glasses
750ml standard bottle contains	7.5 x 100ml glasses
750ml standard bottle contains	12 x 2oz glasses (plus 0.7oz ullage/waste)

The Candidate should have the ability to calculate **Selling Price** based on **Gross Profit %**

$$\text{Selling Price} = \text{Cost Price} / (1 - \text{GP}\%) \text{ eg. } 40\% = 0.4$$

Eg. Cost Price (price to buy) is £25, calculate what is Selling Price with 65% Gross Profit  
 $25 / 0.35 = 71.42$  selling price would be £71.50

### Question

You buy a 6-bottle (75cl) case of Port for £350 and are selling it in 100ml glasses.  
How much would you sell each glass for to make 60% gross profit (taxes not included)?

$$£350 / 6 = £58.33 \text{ per bottle cost price}$$

$$7.5 \text{ 100ml glasses per bottle}$$

$$58.33 / 7.5 = £7.77 \text{ cost price per glass}$$

$$7.77 / 0.4 = 19.45$$

$$\text{Selling price} = £19.50 \text{ (after rounding to nearest 50p)}$$

The Candidate should have the ability to calculate **Gross Profit %** based on **Selling Price**

$$\text{Gross Profit \%} = \frac{\text{Selling Price} - \text{Cost Price}}{\text{Selling Price}}$$

Eg. Cost Price (price to buy) is £25, calculate what is Selling Price with 65% Gross Profit  
 $25 / 0.35 = 71.42$  selling price would be £71.50

### Question

You buy a 12-bottle (75cl) case of Grand Cru Burgundy for £900.  
Selling each bottle at £190 what would be your Gross Profit (taxes not included)?

$$900 / 12 = £75 \text{ Cost Price}$$

$$\text{Gross Profit \%} = \frac{190 - 75}{190}$$

$$115 / 190 = 0.60 = 60\% \text{ Gross Profit}$$

The Candidate should have the ability to calculate **Cost Price** based on **Gross Profit %**

$$\text{Cost Price} = \text{Selling Price} / 100 \times \text{Gross Profit}$$

### Question

You sell a bottle of Bourbon for £75 making 30% Gross Profit  
What is the Cost Price?

$$75 / 100 \times 30 = 22.50$$

$$\text{Cost Price} = £22.50$$

### Example

A guest has £100 budget for a 4-course dinner to which 25 people are invited.  
Your chef needs £40 for food cost (taxes not included).

1. At 33% cost price, what is your budget for wine?
2. How many bottles will you need if each guest drink a 125ml glass with each course?

*£60 for wines. 4 courses = £15 per course*

*33% cost = £5 per person or £20 overall*

*750ml/125ml = 6 glasses per bottle*

*25 glasses per course. 25/6 = 4.16 bottles*

*Must be 5 bottles per course, 20 bottles in total*

### Example

A new wine by the glass costs £16.00 per bottle.  
How much would you charge per glass for a 125ml pour at 33% GP?

*6 glasses per bottle*

*£16 divided by 6 glasses = £2.66*

*£2.66 divided by 33 X 100 = £8.00*

### Example

You are organising a 2-hour Rare Malt Whisky tasting for 35 businessmen.  
You have a budget of £125 per bottle.  
At 20% cost what is your buying cost per bottle?

*2 hours (not relevant)*

*35 people (not relevant)*

*Rare Malt Whisky (not relevant)*

*20% of £125 = 125/100 x 20 = £25 per bottle*