S5 Tourism and Hospitality Practice Paper: Hotel Occupancy, ADR and RevPAR, F&B Cost Percentages and Menu Pricing, Break-even and Seat Turnover, Airline Load Factor, Visitor Spending and Multiplier, Revenue Management (100 marks)

Level: S5 | Subject: Tourism and Hospitality Studies | 75 minutes | 100 marks | 24 questions | answer key

Section A — Hotel Accommodation Metrics (16 marks)

4 marks each, 16 marks in total.

#	Question	Answer	Marks
1	A hotel has 300 rooms and sold 240 rooms on a given night. Calculate the occupancy rate (percentage, 1 d.p.).	Occupancy rate = 240 / 300 x 100% = 80.0%	4
2	Room revenue for that night was HK$336,000 on 240 rooms sold. Calculate the average daily rate (ADR, whole dollars).	ADR = 336,000 / 240 = HK$1,400	4
3	Calculate RevPAR (revenue per available room, whole dollars) and verify it by two methods.	RevPAR = 336,000 / 300 = HK$1,120; also ADR x occupancy = 1,400 x 0.80 = HK$1,120	4
4	The rack rate is HK$1,600. Calculate the room yield.	yield = RevPAR 1,120 / rack rate 1,600 = 0.70, i.e. 70%	4

Section B — F&B Cost Control and Menu Pricing (16 marks)

4 marks each, 16 marks in total.

#	Question	Answer	Marks
5	Food cost was HK$420,000 on food revenue of HK$1,200,000. Calculate the food cost percentage.	Food cost percentage = 420,000 / 1,200,000 x 100% = 35.0%	4
6	Beverage cost was HK$132,000 on beverage revenue of HK$480,000. Calculate the beverage cost percentage.	Beverage cost percentage = 132,000 / 480,000 x 100% = 27.5%	4
7	A dish costs HK$42 and the target food cost percentage is 35%. Find the selling price and the mark-up on cost (1 d.p.).	Selling price = 42 / 0.35 = HK$120; mark-up = (120 - 42) / 42 x 100% = 185.7%	4
8	Labour cost was HK$384,000 on total F&B revenue of HK$1,680,000. Calculate the labour cost percentage.	Labour cost percentage = 384,000 / 1,680,000 x 100% = 22.86% (about 22.9%)	4

Section C — Break-even and Margin of Safety (16 marks)

Questions 9 to 12 are linked; 4 marks each, 16 marks in total.

#	Question	Answer	Marks
9	Monthly fixed cost is HK$648,000, average check HK$180 and unit variable cost HK$72. Find the unit	Contribution margin = 180 - 72 = HK$108; break-even covers =	4

	contribution margin and the break-even number of covers.	648,000 / 108 = 6,000 covers	
10	From Q9, find the break-even revenue.	Break-even revenue = 6,000 x 180 = HK$1,080,000	4
11	From Q9, how many covers are needed to earn a monthly profit of HK$162,000?	Required covers = (648,000 + 162,000) / 108 = 7,500 covers	4
12	From Q9, if actual covers are 7,800, find the margin of safety (percentage).	Margin of safety = (7,800 - 6,000) / 7,800 x 100% = 23.08%	4

Section D — Airline and Tour Operations (16 marks)

4 marks each, 16 marks in total.

#	Question	Answer	Marks
13	An aircraft has 320 seats and carried 272 passengers on a sector. Calculate the load factor.	Load factor = 272 / 320 x 100% = 85.0%	4
14	A route has 2 daily flights of 320 seats over 1,200 km, 365 days a year. Find available seat kilometres (ASK) and revenue passenger kilometres (RPK) at 85% load factor.	ASK = 2 x 365 x 320 x 1,200 = 280,320,000 seat-km; RPK = 280,320,000 x 0.85 = 238,272,000 passenger-km	4
15	An airline incurred HK$1,800,000 of fuel cost carrying 9,000 passengers in a quarter. Find the fuel cost per passenger.	Fuel cost per passenger = 1,800,000 / 9,000 = HK$200	4
16	A package tour is priced at HK$12,800 with a 9% travel agent commission. Find the commission and the net amount received by the operator.	Commission = 12,800 x 0.09 = HK$1,152; net = 12,800 - 1,152 = HK$11,648	4

Section E — Visitor Spending and the Multiplier (16 marks)

4 marks each, 16 marks in total.

#	Question	Answer	Marks
17	Hong Kong received 2,400,000 visitor arrivals with per-capita spending of HK$6,800. Find total visitor spending.	Total spending = 2,400,000 x 6,800 = HK$16,320,000,000 (about HK$16.32 billion)	4
18	Arrivals were 2,000,000 in 2024 and 2,400,000 in 2025. Find the growth rate.	Growth rate = (2,400,000 - 2,000,000) / 2,000,000 x 100% = 20.0%	4
19	Direct visitor spending of HK$800,000,000 generates total economic impact of HK$1,520,000,000. Find the tourism multiplier.	Multiplier = 1,520,000,000 / 800,000,000 = 1.9	4
20	A visitor pays US$250 at US$1 = HK$7.80. Find the HK$ amount; if the rate rises to 7.85, how much more does the hotel receive?	250 x 7.80 = HK$1,950.00; 250 x 7.85 = HK$1,962.50; increase HK$12.5	4

Section F — Revenue Management and Operating Ratios (20 marks)

5 marks each, 20 marks in total.

#	Question	Answer	Marks

21	A restaurant has 40 tables, averages 2.5 turns per dinner service and an average check of HK$320. Find dinner covers and revenue.	Covers = 40 x 2.5 = 100; revenue = 100 x 320 = HK$32,000	5
22	A restaurant has 120 seats and served 240 guests in a day. Find the seat turnover.	Seat turnover = 240 / 120 = 2.0 times	5
23	Room department cost was HK$252,000 for 6,300 rooms sold in the month. Find the cost per occupied room (CPOR).	CPOR = 252,000 / 6,300 = HK$40	5
24	A 300-room hotel operated 35 days in the month with gross operating profit (GOP) of HK$1,197,000. Find GOPPAR.	Available room-nights = 300 x 35 = 10,500; GOPPAR = 1,197,000 / 10,500 = HK$114	5