

---

**CTH LEVEL 5 ADVANCED  
DIPLOMA IN  
TOURISM AND EVENT  
MANAGEMENT  
(OFQUAL – 601/8180/1)**

**QUALIFICATION  
SPECIFICATION**

---

**DECEMBER 2017**

---

## CONTENTS

---

### CTH Level 5 Advanced Diploma in Tourism and Event Management Qualification Specification

	<b>Page</b>
Introduction.....	3
Aims .....	2
Access and Entry Requirements.....	2
Accreditation Requirements.....	4
CTH Support .....	5
<b>Qualification Level, Size and Structure .....</b>	<b>6</b>
Qualification Size.....	6
Qualification Structure (Rules of combination) .....	7
<b>Assessment Information.....</b>	<b>8</b>
Grading Criteria .....	8 - 11
<b>Qualification Units (details).....</b>	<b>12 - 17</b>
<b>Sample Assessments.....</b>	<b>18</b>
Sample Closed Book Examination.....	19 - 23
Sample Assignment.....	24 - 25
<b>Contact CTH.....</b>	<b>26</b>

## INTRODUCTION

The purpose of this document is to explain the aims, structure, and content of the CTH Level 5 Advanced Diploma in Tourism & Events Management. The qualification was developed as a bespoke qualification in conjunction with ES Hotel Schools for their sole use.

This document includes the learning outcomes and assessment criteria for each unit. In this document, there is guidance relating to accreditation, assessment and grading and details of how to contact CTH.

### Aims of the Qualification

The aims are to provide a qualification that:

- provides for an effective academic progression route;
- enables students to gain access to higher education or employment in the hotel industry
- enables students to develop academic skills that can be applied in a vocational context.

### Access and Entry Requirements

The entry requirements below are intended for guidance only as applicants may apply with a wide variety of backgrounds and qualifications.

CTH accredited centres will assess all applicants to ensure they are able to meet the demands of the course.

Applicant profile	Recommended entry requirements
CTH students and Associate Members  Applicants from other regulated awarding organisations	<ul style="list-style-type: none"> <li>• CTH or other regulated vocational qualification at a level appropriate for the level of the qualification applied for (i.e. Level 4)</li> </ul> and <ul style="list-style-type: none"> <li>• Minimum IELTS 5.5 or other evidence of competence in English at this level</li> </ul>
Other students	<ul style="list-style-type: none"> <li>• Completed full time secondary or high school education up to age 16</li> <li>• Work experience (minimum 3 months) in the hospitality and/or tourism industry</li> <li>• Minimum IELTS 5.5 or other evidence of competence in English at this level</li> </ul>

## Accreditation Requirements

---

### Accreditation

Prospective ES Hotel Centres should apply for approval as an accredited CTH Centre in order to deliver this qualification. Please see the 'Contact CTH' page at the end of this specification for advice on the CTH accreditation process, or wish to discuss your curriculum requirements.

The CTH accreditation committee will consider applications from centres against a set of criteria, including the availability of suitable teaching accommodation and staffing, experience of delivering qualifications at a similar level and evidence of expertise in academically-related areas including planning the delivery of courses leading to regulated qualifications, quality assurance and preventing malpractice. A skype conversation with CTH academic and quality staff will form part of the initial accreditation application process

### Teaching Rooms

Suitable teaching rooms and IT facilities should be available to students. Accommodation and equipment used for the delivery of the qualification must comply with the relevant legislation relating to Health & Safety.

The approved Centre should ideally also provide an appropriate area and facilities for student relaxation and recreation.

### Centre Staffing

Staff delivering this qualification must be able to demonstrate that they meet the following requirements:

- Be occupationally competent or technically knowledgeable in the area for which they are teaching
- Have recent relevant experience in the specific area that they will be assessing or verifying
- Hold a teaching qualification as well as a relevant degree.

CTH will review the CV's of all teaching staff when a potential Centre seeks approval to deliver the qualification.

### Continuing Professional Development

Centres must support their staff to ensure that they have current knowledge of the occupational area, and that delivery, assessment and internal verification is in line with current good practice and takes into consideration relevant international regulatory requirements.

## CTH Support

---

### CTH training

New CTH centres are eligible for free training (delivered online in most cases) to help them prepare, then deliver their courses leading to CTH qualifications.

CTH also offers training for Internal Verifiers, and for teaching staff who may be delivering a unit for the first time.

### CTH Members Website and resources

Students become CTH Student members when they register for CTH qualifications, and have access to the CTH Members website, as well as a lapel pin and membership badge. The Members website resource is available for both Centre teaching staff and students and contains a wealth of resources. Students can access our online resource library including relevant e-books and journals from EBSCO. Teaching staff can download teaching materials including the CTH Learning Toolkits per unit as well as subject specific PowerPoint slides, past exam papers and assessments and examiner reports.

### Assessment opportunities

CTH offer up to five assessment opportunities each year, with associated Exam Boards and Certification. Contact CTH or see the CTH website for more details.

### Assessment responsibilities

CTH set and distribute all assessments to centres where learners have been registered.

- For assignments, Centres are responsible for marking and internal verification. Student assignments, signed student declarations and progress tutorial reports are sent electronically to CTH, who then moderate student work.
- All examination scripts are returned to CTH for marking and moderation.

## Qualification Level, Size and Structure

---

The CTH Level 5 Advanced Diploma in Tourism and Event Management is a vocationally related qualification on the UK's Regulated Qualification Framework (RQF) and adheres to the Ofqual requirements for assigning a level to a regulated qualification. These requirements and standard Level Descriptors are contained in an Ofqual publication Ofqual/15/5774, Qualification and Component Levels, available via gov.uk. The document URL is: <https://www.gov.uk/government/publications/qualification-and-component-levels>

### Qualification size

The qualification is designed to be delivered in 1,400 hours of TQT (Total Qualification Time) of which 420 are Guided Learning Hours (GLH). TQT is the total amount of time, in hours, expected to be spent by a student to achieve a qualification.

### Definitions

- **Guided Learning Hours – GLH**  
This is the amount of time the average student is expected to spend in supervised learning and practice, but may vary by student.
- **Total Qualification Time – TQT**  
TQT is made up of Guided Learning Hours plus all other time taken in preparation, study or any form of participation in education and training but not under the direct supervision of a lecturer or tutor.

### The following activities are indicative of those included in TQT:

- Guided Learning (GLH) when the lecturer is present, e.g. formal classes, lecturers, seminars, tutorials, supervised assessment (e.g. exams or observed practice)
- Independent and unsupervised learning or research
- Unsupervised coursework, or directed activity
- Watching pre-recorded webinars or podcasts
- Work placement, self-study, visits to hospitality or tourism outlets, revision and time spent on written assignments.

Students completing this qualification should be able to demonstrate their ability as independent learners.

### Qualification Structure (rules of combination)

This vocational qualification is approved by Ofqual and is included on the Register of Regulated Qualifications.

The qualification is at Level 5 and designed to be 168 credits. The qualification conforms to the relevant level descriptors as developed by Ofqual. One credit represents ten hours of study at any specified level, therefore, this Diploma normally requires programmes of study that have been designed to include a minimum of 715 learning hours. This figure includes but is not limited to formal classes, self-study, revision and assessment. However, students completing this qualification should also be able to demonstrate their ability as independent students.

The credit values and unit structures for the qualification are set out in the following table.

The qualification structure is below, please note all units are mandatory.

Level 5 Advanced Diploma in Tourism and Event Management						
QAN: 60181801						
Qualification ID: 129			Membership ID:307			
Students must achieve:all 6 Mandatory units, providing a combined 133 credits: <b>53 at level 3; 55 at level 5; 25 at level 6</b>						
Credit value (CV): 133						
Guided Learning Hours (GLH) for Qualification: 555			Total Qualification Time (TQT) for Qualification: 1330			
Mandatory units						
Unit Code	Unit Title	L	CV	GLH	Ofqual no.	Assessment method
CRS	Communication and Research Skills	3	38	150	Y/504/8820	Assignment 80% Presentation 20%
CRMTHI	Customer Relationship Management in The Tourism and Hospitality Industry	5	15	60	F/504/4423	
TOM	Tour Operations Management	5	20	80	J/504/4455	Assignment 100%
STDD	Sustainable Tourism and Destination Development	5	20	80	D/504/4459	Assignment 100%
FTH	Finance in Tourism and Hospitality	3	15	80	M/507/3867	Examination 100%
MEHT	Managing Events for Hospitality and Tourism	6	25	105	A/503/6112	Assignment 80% Presentation 20%
<b>Advanced Diploma Total (6 units)</b>			<b>133</b>	<b>555</b>		

Further details of articulation agreements with universities can be obtained via the CTH website at: <http://www.cthawards.com>

## Assessment Information

---

Given the broad and highly varied nature of the tourism and hospitality business, assessment of knowledge purely by examination is not generally felt to be an appropriate assessment method. Students need to demonstrate their higher-level skills and qualities specified in the learning outcomes within a heterogeneous vocational context where investigative assignments and presentations are more appropriate.

Assessment of students' work will be carried out by a range of methods including assignment, written examination or work assessment. Students' work will be measured against the specified learning outcomes and assessment criteria of each unit. Mark schemes are provided for each unit and grading criteria are set out below to assist assessors in allocating marks.

For students who wish to progress to a university degree course, CTH recommends that where a unit offers a choice of assessment method, students should carry out assignments rather than practical assessments.

See Appendix A for specimen assessment materials.

## CTH Grading criteria

Individual units can be graded either as fail, pass, merit or distinction. However, the qualifications are not subject to grading. The qualifications are either achieved or not achieved.

In terms of certification, this means that students will receive a transcript of their results showing the grades for each unit successfully completed, plus the qualification that recognises their level of achievement. Note that the qualification does not allocate a grade.

The following table explains the generic grading criteria that should be used by centres in conjunction with the unit mark sheets to assess all students' work. Note that this qualification contains units at Levels 3, 5 and 6 so all relevant grading criteria are included. |

### Grading Criteria

Level 3	Students who fail:	To achieve a pass, students must:	To achieve a merit grade (60% to 79%) students must:	To achieve a distinction grade (80%+) students must:
	<ul style="list-style-type: none"> <li>• do not meet the requirements of the assessment criteria and learning outcomes of the unit</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> <li>• demonstrate a level of understanding of key issues in the area of study</li> <li>• interpret and evaluate correctly key concepts and models</li> <li>• apply a range of theories relevant to the area of study</li> <li>• use a range of research and investigative techniques</li> <li>• produce work that is well presented, clear and well structured, with sources clearly referenced</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> <li>• demonstrate in depth understanding and knowledge of relevant issues and their implications in the area of study</li> <li>• provide a good level of interpretation and evaluation of concepts and models</li> <li>• show some evidence of original thinking</li> <li>• apply a range of theories in different contexts</li> <li>• use a range of research and investigative techniques to solve problems</li> <li>• make well-argued conclusions or recommendations</li> <li>• present work that is neat, clear, well-structured and coherent, with sources clearly referenced</li> </ul>

# CTH Level 5 Advanced Diploma in Tourism and Event Management Qualification Specification

<b>Level 5</b>	<b>Students who fail:</b>	<b>To achieve a pass, students must:</b>	<b>To achieve a merit grade (60% to 79%) students must:</b>	<b>To achieve a distinction grade (80%+) students must:</b>
	<ul style="list-style-type: none"> <li>• have major weaknesses or have not fulfilled the CTH academic regulations</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> <li>• analyse information, theories and concepts critically</li> <li>• apply theories, concepts and principles beyond the context in which they were first learned</li> <li>• use a wide range of academic research sources</li> <li>• demonstrate evidence of critical evaluation of the suitability of approaches, techniques and models in the area of study</li> <li>• reach balanced conclusions with regard to conflicting theories and arguments</li> <li>• use investigative techniques to solve problems</li> <li>• use research sources and/or theories to make sound and justified judgements and recommendations</li> <li>• recognise how the limits of their knowledge influences the field of study</li> <li>• present work that is clear, coherently structured and professionally presented in conformity with agreed conventions, including Harvard Style academic referencing</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> <li>• present a cogent rationale for recommending developments to theories and principles underpinning the area of study</li> <li>• make reasoned and evidence-based generalisations and deductions from interpretations of data</li> <li>• apply theories, concepts and principles beyond the context in which they were first learned</li> <li>• use a wide range of academic sources of research to identify patterns and trends and substantiate findings and recommendations</li> <li>• adapt problem solving techniques from another context or in an innovative way</li> <li>• present work that is fluently expressed, professionally presented to a range of audiences in a way that conforms with agreed conventions, including Harvard Style academic referencing</li> </ul>

Level 6	Students who fail:	To achieve a pass, students must:	To achieve a merit grade (60% to 79%) students must:	To achieve a distinction grade (80%+) students must:
	<ul style="list-style-type: none"> <li>• have major weaknesses or have not fulfilled the CTH academic regulations</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> <li>• demonstrate evidence of critical analysis to evaluate principles and concepts in the area of study</li> <li>• evaluate complex information and resolves conflicting information and situations</li> <li>• apply theories, principles and concepts to the area of study to provide insight into complex or conflicting information or situations</li> <li>• develop coherent and credible arguments justified from a wide range of academic research.</li> <li>• question assumptions, inconsistencies and areas of doubt within the field of study.</li> <li>• use tried and tested approaches to problem solving to create practicable solutions</li> <li>• use a wide range of academic research sources and theories to justify recommendations</li> <li>• present work that is articulate and professionally presented in conformity with agreed conventions, including Harvard Style Academic Referencing</li> </ul>	<ul style="list-style-type: none"> <li>• meet the requirements of the assessment criteria and learning outcomes</li> <li>• apply theories, principles and concepts beyond the area of study to create innovation insights into complex or conflicting information or situations</li> <li>• evaluate the implications of actions, methods and results and their consequences</li> <li>• make rational and substantiated judgements in complex and unpredictable contexts within the field of study</li> <li>• use a wide range of academic research sources and theories to justify recommendations</li> <li>• reconcile uncertainties and ambiguities in the area of study</li> <li>• adapt and synthesise different approaches to problem solving to create innovative insights and solutions</li> <li>• present work that is persuasively argued and professionally presented in conformity with agreed conventions, including Harvard Style Academic Referencing</li> </ul>

## Qualification Units

Title	Communication and Research Skills
Unit purpose and aim(s)	This unit aims to provide learners with essential skills for academic communication, making presentations of academic information and carrying out programmes of academic study.
Ofqual ref	Y/504/8820
Level	3
Credit value	38
GLH	150
Learning outcomes	Assessment criteria
When awarded credit for this unit, a learner will:	Assessment of this learning outcome will require a learner to demonstrate that they can:
1 Communicate academic information verbally and in writing	1.1 Identify and summarise key issues and themes from a range of written and spoken information 1.2 Address the topic, developing a coherent rationale 1.3 Take account of readers' and listeners' needs 1.4 Use language that is appropriate to the topic and function of the communication 1.5 Use English grammar, spelling, syntax and punctuation correctly
2 Make presentations of academic information	2.1 Structure presentations logically 2.2 Tailor the presentation to fit the timescale 2.3 Convey ideas fluently, coherently and succinctly, taking the audience's needs into account 2.4 Create visual aids that capture the essence of the topic and comply with standards of good design practice
3 Carry out academic research	3.1 Develop a structured plan of research including SMART objectives, timetable, research method(s) and evaluation criteria 3.2 Use information from a wide range of valid sources that are appropriate to the subject being researched 3.3 Take concise and accurate notes of spoken and written information 3.4 Explain the use of library and IT resources 3.5 Address the research topic 3.6 Convey ideas coherently, succinctly and in compliance with English grammar 3.7 Lay out work according to academic conventions 3.8 Adhere to referencing conventions 3.9 Evaluate the strengths and weaknesses of research carried out against research evaluation criteria

<b>Title</b>	<b>Customer Relationship Management in The Tourism and Hospitality Industry</b>
Unit purpose and aim(s)	This unit covers developing a customer service strategy in the tourism and hospitality industry; managing customer relationships (CRM) and evaluating customer service
Ofqual ref	F/504/4423
Level	5
Credit value (CV)	15
Guided Learning Hours (GLH)	60
<b>Learning outcomes</b>	<b>Assessment criteria</b>
When awarded credit for this unit, a learner will:	Assessment of this learning outcome will require a learner to demonstrate that they can:
1 Develop a customer service strategy in the tourism and hospitality industry	1.1 Analyse customers' needs at all stages of the buying cycle 1.2 Specify organisational standards of customer service 1.3 Ensure the coherence of the strategy with other organisational strategies, plans and priorities 1.4 Design an after-sales care programme that meets identified customer needs 1.5 Obtain internal and external stakeholders' commitment to the strategy and its implications
2 Manage customer relationships (CRM) in the tourism and hospitality industry	2.1 Define the scope, types and uses of Customer Relationship Management (CRM) and their implications 2.2 Manage a CRM system that is responsive within agreed customer service standards and is capable of identifying critical customer information 2.3 Ensure the coherence of a CRM strategy, data and activities with those of other departments 2.4 Address procurement and customer service issues identified by CRM information
3 Evaluate customer service in the tourism and hospitality industry	3.1 Develop an evaluation plan that addresses customer service objectives 3.2 Use evaluation methods and obtain information that is within the agreed budget 3.3 Identify strengths and areas for improvement 3.4 Develop measures to improve customer service that are consistent with organisational objectives, priorities and values

<b>Title</b>	<b>Tour Operations Management</b>	
Unit purpose and aim(s)	This unit covers understanding the global market for tour operations; compiling and marketing an international tour/package holiday and understanding the international legal framework within tour operations	
Ofqual ref	J/504/4455	
Level	5	
Credit value (CV)	20	
Guided Learning Hours (GLH)	80	
Learning outcomes	Assessment criteria	
When awarded credit for this unit, a learner will:	Assessment of this learning outcome will require a learner to demonstrate that they can:	
1 Understand the global market for tour operations	1.1 Identify the characteristics of the global tour operations market 1.2 Develop tour concepts, ideas and criteria that align with organisational objectives and priorities and identified market needs	
2 Compile an international tour	2.1 Develop a tour that meets objectives and the specification 2.2 Evaluate a range of destinations against agreed criteria 2.3 Evaluate the benefits and risks associated with different types of tours 2.4 Set a pricing structure that is realistic and attractive to identified potential customers 2.5 Negotiate partnerships and alliances that will deliver requirements to agreed quality standards within budget 2.6 Develop contingency management processes that are appropriate to the nature of the tour	
3 Market international tours	3.1 Specify marketing methods appropriate to the target market 3.2 Negotiate mechanisms and outlets for the sale of international tours that are appropriate to the target market  3.3 Manage the sale of international tours to agreed quality standards and budgets	
4 Understand the legal framework within international tour operations	4.1 Assess the impact of current legislation on tour operators 4.2 Explain the rights of customers and travellers 4.3 Assess insurance requirements and the need for financial protection 4.4 Analyse the impact of consumer rights on tour operators 4.5 Analyse the influence of stakeholders and explain the role of government authorities overseas	

<b>Title</b>	<b>Sustainable Tourism and Destination Development</b>
Unit purpose and aim(s)	This unit covers an understanding of the scope and management of sustainable tourism and its environment and destination development
Ofqual ref	D/504/4459
Level	5
Credit value (CV)	20
Guided Learning Hours (GLH)	80
Learning outcomes	Assessment criteria
When awarded credit for this unit, a learner will:	Assessment of this learning outcome will require a learner to demonstrate that they can:
1 Understand the scope of sustainable tourism and its environment	1.1 Evaluate the scope of sustainable tourism 1.2 Assess the potential market for a sustainable tourist destination 1.3 Assess the limitations of sustainable tourism
2 Understand sustainable destination development	2.1 Scope the potential tourist market of a sustainable destination 2.2 Assess the impact of tourism on the environment and develop a sustainable tourism strategy that maximises business potential 2.3 Assess the socio-cultural factors that have an impact on sustainable destination development 2.4 Assess the influence of public and private sector involvement 2.5 Analyse the role of local, regional and national government on the development of a sustainable destination
3 Understand the management of a sustainable tourist destination	3.1 Analyse the factors that may have an impact on the management of sustainable destinations 3.2 Assess the nature and significance of a holistic approach to sustainable destination development 3.3 Evaluate the marketing concepts underpinning sustainable tourism 3.4 Evaluate the management principles and practices underpinning sustainable tourism destinations 3.5 Design control mechanisms that are appropriate to the preservation of the sustainable destination

<b>Title</b>	<b>Finance in Tourism and Hospitality</b>	
Unit purpose and aim(s)	This unit enables students to gain an understanding of main sources of finance, to understand the relationships between cost volume and profit, to carry out specific costing practices and make recommendations on prices and interpret business performance using recognised tools. It is not an in-depth accounting unit, and this should be borne in mind when planning and executing the delivery.	
Ofqual ref	M/507/3867	
Level	3	
Credit value (CV)	15	
Guided Learning Hours (GLH)	80	
Learning outcomes	Assessment criteria	
When awarded credit for this unit, a student will:	Assessment of this learning outcome will require a student to demonstrate that they can:	
1. Understand the sources of income generation and other funding in the tourism and hospitality industry.	1.1 Describe sources of income generation. 1.2 Describe sources of funding.	
2. Understand the operation of the business in terms of the elements of costs.	2.1 Describe the elements of cost found within the tourism and hospitality industry. 2.2 Describe some of the key aspects of effective control systems for high value assets.	
3. Be able to apply the concept of marginal costing to price setting, particularly as applied to those costs which change with time or level of activity	3.1 Identify operations when this is a useful tool. 3.2 Calculate marginal costs and apply the result to pricing decisions.	
4. Be able to prepare budgets and compare budgets with actual results	4.1 Explain the main reasons for using budgets, and some of their limitations. 4.2 Prepare relevant operating budgets. 4.3 Calculate variances between given actual and budgeted figures and comment on the results.	
5. Be able to interpret business performance from profit and loss statements and balance sheets using ratios and percentages.	5.1 Use a number of tools to analyse a given business' performance to include basic sales, liquidity, efficiency and financial ratios.	

<b>Title</b>	<b>Managing Events for Hospitality and Tourism</b>	
Unit purpose and aim(s)	Learners will develop an understanding of the event industry and the unique aspects of managing events. Learners will develop the ability to apply operational and service quality management techniques to event management and make improvements to the event management process that will enhance the customer experience.	
Ofqual ref	A/503/6112	
Level	6	
Credit value (CV)	25	
Guided Learning Hours (GLH)	105	
Learning outcomes	Assessment criteria	
When awarded credit for this unit, a learner will:	Assessment of this learning outcome will require a learner to demonstrate that they can:	
1. Critically evaluate the issues involved in managing events for Hospitality and Tourism	1.1 Appraise the size, nature and structure of the event industry 1.2 Analyse the complexities of event management	
2. Develop plans for managing events for the Hospitality and Tourism industry	2.1 Critically evaluate event management processes 2.2 Critically analyse the integration of operations management theory within the context of event management 2.3 Critically analyse the integration of service quality theory and application within events management	

## **APPENDIX A – SAMPLE ASSESSMENT MATERIALS**

---

1. **Assessment type** : Written examination

**Unit:** Finance in Tourism and Hospitality

**Unit ref:** M/507/3867

2. **Assessment type:** Assignment

**Unit:** Customer Relationship Management in the Tourism and  
Hospitality Industry

**Unit ref:** F/504/4424

**Assessment type** : Closed book written examination

**Unit:** Finance in Tourism and Hospitality

**Unit ref:** M/507/3867



## Finance in Tourism and Hospitality

### Examination

**Date:**

**Time: 09.30 to 12.30**

#### Instructions

- **Three hours** are allowed for this paper which carries a total of **100 marks**
- A non-programmable calculator may be used during this examination
- Do not begin writing until instructed to by the invigilator
- Read these instructions carefully before answering any questions
- Make sure that your **name, date of birth, CTH membership number** and **centre name** are clearly marked on each page of the answer sheet and any other material you hand in.
- You are allowed **10 minutes** to read through this paper before the examination starts.
- **There are five questions in this examination and all questions are compulsory**
- You must attempt all questions to gain a pass. The number of marks allocated to each question is given next to the question and you should spend time in accordance with that allocation.
- You may find it helpful to make rough notes in the answer booklet; these notes should be crossed out before handing the booklet in.
- Answer each new question on a new page and leave some blank lines between each part of the question.
- The answer booklet and the question paper must both be handed in to the invigilator before you leave the examination room.

## Exam Questions

–

### Unit: Finance in Tourism and Hospitality

Please note: all questions are compulsory

#### QUESTION ONE - 20 marks

<b>Question 1.1</b>	Describe <b>four</b> sources of income generation found in the tourism and hospitality industry. Indicate which of these are the most significant, and why. You are advised to use real examples where this will help to explain your answer	<b>20 marks</b>
<b>1.2</b>	Apart from generating income most firms also need other sources of funding to operate. Describe <b>four</b> of these, explaining which businesses will use them and why	

#### QUESTION TWO - 20 marks

<b>Question 2.1</b>	Describe <b>three</b> elements of cost found within the tourism and hospitality industry, giving clear examples of each.	<b>20 marks</b>
<b>2.2</b>	Describe <b>two</b> of the key aspects of effective control systems for high value assets	

#### QUESTION THREE - 20 marks

<b>Question 3.1</b>	What are the usual characteristics of a business which will use marginal costing on a regular basis? Give <b>three</b> examples of these types of businesses.	<b>20 marks</b>
-------------------------	---	-----------------

<b>3.2</b>	<p>The Superb Hotel has 100 double bedrooms and is in the centre of a European spa resort. Fixed costs for the room division are £912,500 per year, and the variable costs are £6 per person per night.</p> <p>The hotel sells 3,000 guest-nights per year at £140 for a double room.</p> <p>Calculate the marginal costs of a double room for one night and suggest with reasons the lowest price you would recommend selling a double for on a last-minute deal website.</p>	
------------	--	--

**QUESTION FOUR - 20 marks**

<b>Question</b>																												
<b>4.1</b>	Explain <b>two</b> of the main reasons for using budgets, and <b>two</b> of their limitations.																											
<b>4.2</b>	<p>Maurice Hamilton is planning to purchase a restaurant from its current owner. The planned purchase price is £450,000 which includes £360,000 for the premises, £11,250 for the stock and £78,750 for the equipment and furniture. These are reasonable valuations. Maurice also thinks he will need £15,000 for working capital.</p> <p>He has £420,000 of savings to invest, but will need to borrow the rest at an interest rate of 10% per annum. He plans to pay himself £35,000. He estimates his annual fixed costs will be £27,750 for rent and other building related costs, £42,000 for salaries and other staff costs, and £48,000 for overheads such as printing, fuel costs, and maintenance.</p> <p>He expects to have £400,000 sales and wants to make a net profit equivalent to a 20% return on his investment. He will aim to make 60% gross profit</p> <p>Produce a budgeted trading account to see if this will give him the net profit he requires.</p>	<b>20 marks</b>																										
<b>4.3</b>	<p>Using the actual figures shown below calculate variances between the actual and budgeted figures and comment on the results</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: right;"><b>Actual</b></td> </tr> <tr> <td>sales</td> <td style="text-align: right;">358,000</td> </tr> <tr> <td>material costs</td> <td style="text-align: right;">136,040</td> </tr> <tr> <td>gross profit</td> <td style="text-align: right;">221,960</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td><b>Fixed costs</b></td> <td></td> </tr> <tr> <td>rent and other building costs</td> <td style="text-align: right;">27,750</td> </tr> <tr> <td>salaries</td> <td style="text-align: right;">37,500</td> </tr> <tr> <td>other overheads</td> <td style="text-align: right;">45,000</td> </tr> <tr> <td>owner's salary</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td>loan interest £45,000@10%</td> <td style="text-align: right;"><u>4,500</u></td> </tr> <tr> <td>total costs</td> <td style="text-align: right;"><u>144,750</u></td> </tr> <tr> <td>Net profit</td> <td style="text-align: right;"><u>77,210</u></td> </tr> </table>		<b>Actual</b>	sales	358,000	material costs	136,040	gross profit	221,960	 		<b>Fixed costs</b>		rent and other building costs	27,750	salaries	37,500	other overheads	45,000	owner's salary	30,000	loan interest £45,000@10%	<u>4,500</u>	total costs	<u>144,750</u>	Net profit	<u>77,210</u>	
	<b>Actual</b>																											
sales	358,000																											
material costs	136,040																											
gross profit	221,960																											
<b>Fixed costs</b>																												
rent and other building costs	27,750																											
salaries	37,500																											
other overheads	45,000																											
owner's salary	30,000																											
loan interest £45,000@10%	<u>4,500</u>																											
total costs	<u>144,750</u>																											
Net profit	<u>77,210</u>																											

**QUESTION FIVE - 20 marks**

<b>Question 5</b>	<p>The following figures relate to a hospitality business. 40% of all sales and 90% of all purchases are on credit. Using accepted ratios and percentages comment on the gross and net profits, the current ratio and the acid test, debtors and creditors payment periods, stock turnover and return on capital employed.</p> <p style="text-align: center;"><b>Trading and profit and loss account for year ending December 31st 2014</b></p> <table style="width: 100%; margin: 10px 0;"> <thead> <tr> <th style="text-align: left; width: 15%;">£000's 2013</th> <th style="width: 70%;"></th> <th style="text-align: right; width: 15%;">£000's 2014</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">42,000</td> <td>Sales</td> <td style="text-align: right;">47,000</td> </tr> <tr> <td style="text-align: right;"><u>16,000</u></td> <td>Cost of sales</td> <td style="text-align: right;"><u>19,000</u></td> </tr> <tr> <td style="text-align: right;">26,000</td> <td>Gross profit</td> <td style="text-align: right;">28,000</td> </tr> <tr> <td style="text-align: right;"><u>10,250</u></td> <td>Wages</td> <td style="text-align: right;"><u>11,250</u></td> </tr> <tr> <td style="text-align: right;">15,750</td> <td>Net margin</td> <td style="text-align: right;">16,750</td> </tr> <tr> <td style="text-align: right;"><u>6,500</u></td> <td>Other expenses</td> <td style="text-align: right;"><u>7,500</u></td> </tr> <tr> <td style="text-align: right;"><u>9,250</u></td> <td>Net profit</td> <td style="text-align: right;"><u>9,250</u></td> </tr> </tbody> </table> <p style="text-align: center; margin: 10px 0;"><b>Balance sheet as at December 31st 2014</b></p> <table style="width: 100%; margin: 10px 0;"> <tbody> <tr> <td style="width: 15%;"></td> <td style="width: 70%;">25000 Freehold property</td> <td style="width: 15%; text-align: right;">25000</td> </tr> <tr> <td></td> <td><u>2000</u> equipment</td> <td style="text-align: right;"><u>3000</u></td> </tr> <tr> <td></td> <td>27000</td> <td style="text-align: right;">28000</td> </tr> <tr> <td></td> <td style="text-align: center;">Current Assets</td> <td></td> </tr> <tr> <td></td> <td>1100 stock</td> <td style="text-align: right;">1300</td> </tr> <tr> <td></td> <td>400 debtors</td> <td style="text-align: right;">600</td> </tr> <tr> <td></td> <td><u>975</u> bank</td> <td style="text-align: right;"><u>50</u></td> </tr> <tr> <td></td> <td>2475</td> <td style="text-align: right;">1950</td> </tr> <tr> <td></td> <td style="text-align: center;">less Current Liabilities</td> <td></td> </tr> <tr> <td></td> <td>1300 creditors</td> <td style="text-align: right;">1500</td> </tr> <tr> <td></td> <td><u>200</u> accruals</td> <td style="text-align: right;"><u>50</u></td> </tr> <tr> <td></td> <td><u>975</u> 1500</td> <td style="text-align: right;">1550</td> </tr> <tr> <td></td> <td><u>27975</u></td> <td style="text-align: right;"><u>28400</u></td> </tr> <tr> <td></td> <td style="text-align: center;">Financed by</td> <td></td> </tr> <tr> <td></td> <td>20350 Capital</td> <td style="text-align: right;">27975</td> </tr> <tr> <td></td> <td><u>9250</u> net profit</td> <td style="text-align: right;"><u>9,250</u></td> </tr> <tr> <td></td> <td>29600</td> <td style="text-align: right;">37225</td> </tr> <tr> <td></td> <td><u>1625</u> drawings</td> <td style="text-align: right;"><u>8825</u></td> </tr> <tr> <td></td> <td><u>27975</u></td> <td style="text-align: right;"><u>28400</u></td> </tr> </tbody> </table>	£000's 2013		£000's 2014	42,000	Sales	47,000	<u>16,000</u>	Cost of sales	<u>19,000</u>	26,000	Gross profit	28,000	<u>10,250</u>	Wages	<u>11,250</u>	15,750	Net margin	16,750	<u>6,500</u>	Other expenses	<u>7,500</u>	<u>9,250</u>	Net profit	<u>9,250</u>		25000 Freehold property	25000		<u>2000</u> equipment	<u>3000</u>		27000	28000		Current Assets			1100 stock	1300		400 debtors	600		<u>975</u> bank	<u>50</u>		2475	1950		less Current Liabilities			1300 creditors	1500		<u>200</u> accruals	<u>50</u>		<u>975</u> 1500	1550		<u>27975</u>	<u>28400</u>		Financed by			20350 Capital	27975		<u>9250</u> net profit	<u>9,250</u>		29600	37225		<u>1625</u> drawings	<u>8825</u>		<u>27975</u>	<u>28400</u>
£000's 2013		£000's 2014																																																																																
42,000	Sales	47,000																																																																																
<u>16,000</u>	Cost of sales	<u>19,000</u>																																																																																
26,000	Gross profit	28,000																																																																																
<u>10,250</u>	Wages	<u>11,250</u>																																																																																
15,750	Net margin	16,750																																																																																
<u>6,500</u>	Other expenses	<u>7,500</u>																																																																																
<u>9,250</u>	Net profit	<u>9,250</u>																																																																																
	25000 Freehold property	25000																																																																																
	<u>2000</u> equipment	<u>3000</u>																																																																																
	27000	28000																																																																																
	Current Assets																																																																																	
	1100 stock	1300																																																																																
	400 debtors	600																																																																																
	<u>975</u> bank	<u>50</u>																																																																																
	2475	1950																																																																																
	less Current Liabilities																																																																																	
	1300 creditors	1500																																																																																
	<u>200</u> accruals	<u>50</u>																																																																																
	<u>975</u> 1500	1550																																																																																
	<u>27975</u>	<u>28400</u>																																																																																
	Financed by																																																																																	
	20350 Capital	27975																																																																																
	<u>9250</u> net profit	<u>9,250</u>																																																																																
	29600	37225																																																																																
	<u>1625</u> drawings	<u>8825</u>																																																																																
	<u>27975</u>	<u>28400</u>																																																																																

**Assessment type:** Assignment

**Unit:** Customer Relationship Management in the Tourism and Hospitality Industry

**Unit ref:** F/504/4424

This unit may be assessed either by assignment or work-based assessment. Centres may decide which method will be used. This document relates to assignments. Separate documentation is available for work-based assessments.



## Customer Relationship Management in the Tourism and Hospitality Industry

### Assignment

#### Assignment instructions

Students must base their assignments on their own working practice in their place of work or in an organisation that is known to them. They must show their knowledge and understanding of the unit of assessment and any recommended reading.

Assignments must:

- include evidence that shows that the student meets all the Learning Outcomes and Assessment Criteria of the unit;
- include a brief introduction to the assignment;
- include an analysis and evaluation of the topic they discuss, and facts should be used to support conclusions and recommendations;
- make clear connections between theory and practice;
- provide a demonstration of the practical application of theory in the workplace;
- cite references in accordance with the Harvard System;
- be presented in report format;
- be within 10% of the required word count;
- may include additional information (e.g. working notes and calculations) which should be added as supplementary appendices to the report.

One electronic and one paper copy of the final assignment report should be submitted. This should include a front cover page with the student's and tutor's declaration. AT least two progression tutorial reports signed by tutor and student must be sent to CTH.

## Assignment task

### Customer relationship management in the tourism and hospitality industry

Students are required to select an organisation in the Tourism or Hospitality Industry and prepare a 4,000-word report discussing how a customer service strategy is developed within their chosen organisation as well as how customer relationship management is implemented, and customer service evaluated.

The organisation should be researched with particular reference to the following areas:

- Customer service strategies
- Customer relationship management
- The evaluation of customer service

### Outline

Students are required to conduct relevant and adequate primary and secondary research on the chosen organisation. The student should therefore be able to visit the selected organisation.

Students should include a brief introduction to the organisation they have selected in terms of the size, customers, services, products and future plans.

The following areas should be evaluated in detail supported by examples quoted from the selected organisation;

#### Development of a customer service strategy

- analysis of customers' needs,
- specifying organisational customer service standards
- ensuring coherence with other strategies and activities
- designing an aftercare programme and obtaining stakeholders' commitment

#### Management of customer relationships

- defining the scope and uses of a CRM
- managing a responsive CRM,
- ensuring coherence of a CRM strategy with other activities
- addressing CRM-identified procurement and customer service issues

#### Evaluation of customer service

- developing a customer service evaluation plan
- using appropriate evaluation methods to identify strengths and weaknesses
- developing measures to improve customer service

Students should demonstrate application of theory and knowledge to their chosen organisation and ensure they have addressed the assessment criteria for the unit.

The analysis should be concluded with detailed and well-justified recommendations; relevant examples can also be quoted. The secondary research undertaken should be appended to this assignment.

## CONTACT CTH

---

### About CTH:

CTH, the Confederation of Tourism and Hospitality, is an Ofqual recognised Awarding Organisation established in 1982 specialising in gold standard qualifications for the hospitality, culinary, travel and tourism sectors.

CTH employs specialist staff with experience in these industries and links to current industry partners, as well as education or training experience. They are available to discuss your curriculum requirements or queries concerning this qualification.

In addition to our existing portfolio of qualifications currently available (included in Ofqual's Register of Regulated Qualifications), we can also offer individual unit qualifications, or discuss requirements for new qualifications suitable for local needs.

### Location:

CTH offices are located in London's West End, opposite to Selfridges entrance in Duke Street. The address is 37 Duke Street, London W1U 1LN

### Website:

[www.cthawards.com](http://www.cthawards.com)

### Contact us via:

**Email:** Please use contact email: [info@cthawards.com](mailto:info@cthawards.com)

**Telephone:** CTH switchboard +44 (0)207 258 9850.

**Skype:** CTH Awards

**Twitter:** @cthawards

**Facebook:** cthawards

CTH is a not for profit company limited by guarantee. Registered in England No. 2090576