



MURANG'A UNIVERSITY OF TECHNOLOGY
SCHOOL OF HOSPITALITY TOURISM AND TRAVEL
MANAGEMENT

DEPARTMENT OF HOSPITALITY MANAGEMENT

ORDINARY UNIVERSITY EXAMINATION

2023/2024 ACADEMIC YEAR

SECOND YEAR SECOND SEMESTER EXAMINATION FOR BACHELOR
OF SCIENCE IN HOSPITALITY MANAGEMENT

HTT 202 – AIRLINE REVENUE MANAGEMENT

DURATION: 2 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Answer question one and any other two questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION A: ANSWER ALL QUESTIONS IN THIS SECTION

QUESTION ONE (30 MARKS)

- a) Explain three parts of a profit and loss account of income statement. (6 marks)
- b) List any seven key sources of airline revenue. (7 marks)
- c) Explain the difference between the following
 - i. Current ratio Vs acid ratio (2 marks)
 - ii. Turn over Vs capital employed ratio. (2 marks)
- d) Explain six sources of external financing for airlines. (6 marks)
- e) Highlight seven factors that affect airline finance. (7 marks)

SECTION B – ANSWER ANY TWO QUESTIONS IN THIS SECTION

QUESTION TWO (20 MARKS)

- a) Discuss three factors considered when determining value of traffic rights. (6 marks)
- b) Highlight steps taken to price shares using price earnings ratio. (6 marks)
- c) Explain factors that contribute to Kenya airways perennial losses. (8 marks)

QUESTION THREE (20 MARKS)

- a) Discuss five models of privatisation in the aviation sector. (15 marks)
- b) Discuss the four aspects of financial control in airlines. (5 marks)

QUESTION FOUR (20 MARKS)

- a) Discuss five types of statements that are likely to be prepared during corporate planning process. (15 marks)
- b) Describe global airline bankruptcy. (5 marks)