



Haulage Operations

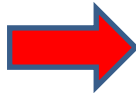
PAPER ONE

Examination for
Certificate of Professional Competence in Haulage Operations

Date: 26th June 2019 Time: 09:30 to 12:00

PLEASE ENSURE THAT YOUR EXAMINATION NUMBER IS FILLED IN BELOW.
WITHOUT YOUR EXAMINATION NUMBER YOUR PAPER CANNOT BE CORRECTED.
YOUR EXAMINATION NUMBER HAS BEEN ADVISED TO YOU IN WRITING AND IS
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BOOKLET.

EXAMINATION NUMBER



Please Note:

Section A contains 17 questions. Please answer **all** these questions.
The format is as follows:

6 multiple choice questions of 5 Marks each, &

11 short questions of 20 Marks each.

Section B contains 4 questions,

- **Question 1 is compulsory carries 100 Marks**
- ***One further question from a choice of Three must be attempted. Each question carries 50 Marks.***

THE EXAMINATION PAPER IS COMPLETE, AND NO ADDITIONAL PAGES SHOULD BE APPENDED. SPACES ARE ALLOWED IN THE EXAMINATION PAPER FOR WRITTEN ANSWERS TO BE PROVIDED FOR EACH QUESTION.

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Paper number	Total Marks	% achieved	Result
Paper One			
Paper Two			
Overall Result			

H1

Section A

Q1 What may be used as a reason to put a company into liquidation?

Tick the correct answer at A, B, C or D

- | | | | | | |
|---|---------------------|--------------------------|---|---------------------|--------------------------|
| A | No insurance | <input type="checkbox"/> | B | Criminal record | <input type="checkbox"/> |
| C | Unable to pay debts | <input type="checkbox"/> | D | Bad accident record | <input type="checkbox"/> |

(5 Marks)

Q2 In marketing, which of these would not be part of what is sometimes referred to as the 4 "P's"?

Tick the correct answer at A, B, C or D

- | | | | | | |
|---|---------|--------------------------|---|---------|--------------------------|
| A | Price | <input type="checkbox"/> | B | Place | <input type="checkbox"/> |
| C | Partner | <input type="checkbox"/> | D | Promote | <input type="checkbox"/> |

(5 Marks)

Q3 Part of the application for a Road Haulage Operator's licence is a declaration of convictions, for the purpose of determining good repute. Serious offences are taken into account regardless of when they occurred. In the case of less serious offences, they are considered for the purpose of determining good repute if they occurred within a certain time limit. What is this time limit?

Tick the correct answer at A, B, C or D

- | | | | | | |
|----|------------------|--------------------------|----|-------------------|--------------------------|
| A: | Previous 3 years | <input type="checkbox"/> | B: | Previous 5 years | <input type="checkbox"/> |
| C: | Previous 6 years | <input type="checkbox"/> | D: | Previous 10 years | <input type="checkbox"/> |

(5 Marks)

Q4 In the case of a road haulage transport operator in business for several years, who is applying to **renew** the Road Haulage Operator Licence, which one of the following must be submitted in order to demonstrate financial standing?

Tick the correct answer at A, B, C or D

- | | | | |
|-------------------------|--------------------------|-------------------------------|--------------------------|
| A. Bank statement | <input type="checkbox"/> | B. Annual accounts | <input type="checkbox"/> |
| C. Statement of affairs | <input type="checkbox"/> | D. Letter from the Accountant | <input type="checkbox"/> |

(5 Marks)

Q5 Which of the following is the explanation for the term of "FIXED ASSETS" on a Balance Sheet?

Tick the correct answer at A, B, C or D

- | | | | |
|--|--------------------------|--|--------------------------|
| A: The Long-term funds available to run the business | <input type="checkbox"/> | B: Items/Equipment acquired for the purpose of Earning Revenue | <input type="checkbox"/> |
| C: Loans/Accounts due for payment | <input type="checkbox"/> | D: Items which can easily be converted into cash | <input type="checkbox"/> |

(5 marks)

Q6 Small companies if they meet certain criteria may avail of an audit exemption where they only have to file a balance sheet and relevant notes. One of these is if turnover does not exceed a certain figure. What is that figure?

Tick the correct answer at A, B, C or D

- | | | | |
|--------|--------------------------|--------|--------------------------|
| A: 5M | <input type="checkbox"/> | B: 12M | <input type="checkbox"/> |
| C: 10M | <input type="checkbox"/> | D: 15M | <input type="checkbox"/> |

(5 Mark)

[Please turn over]

Q7 Market Segments

a. Identify three distinct market segments in the road haulage market.

(6 Marks)

Select one of the above market segments and

b. State the segment you have selected and describe how you would market to customers in the segment selected.

(10 marks)

c. Advise as to the type of vehicle you would deploy in serving the segment selected.

(4 Marks)

(Total 20 Marks)

(12 Marks)

b. Outline two distinct types of a Transport Manager.

(8 Marks)
(Total 20 Marks)
[Please turn over]

Q11 Driver Attestation is covered by Article 5 of EU Regulation (EC) No. 1072/2009.

a. What is the purpose of this legislation?

(10 Marks)

[Please turn over]

b. Who is required to hold a Driver Attestation?

(10 Marks)
(Total 20 Marks)

Q12 Outline five advantages of computerised vehicle scheduling.

Section B

Candidates must attempt Question 1 and one other question –

PLEASE NOTE - Question No. 1 is compulsory

(Please use a separate page for each answer. You may also use the back of each page).

Compulsory

Q1 Your company operates a fleet of 20 tractors and trailers. The company is based in Dublin, some of the trailers are curtainsiders for palletized loads and some are skeletal for container work. The rented depot is in North Dublin, close to the M50, it is adjacent to its main customer ABC Products Ltd.

As Transport Manager, you are asked to provide a quotation to ABC Products for the delivery of 24 standard pallets from Dublin to Letterkenny (230 kilometers) and to collect another 24 pallets from the site in Letterkenny for the return journey to Dublin.

Allow 45 minutes for loading the vehicle in Dublin. Offloading and re-loading in Letterkenny will take approximately 1.5 hours and allow 45 minutes for offloading in Dublin. The loading in Letterkenny will be carried out by the site and the driver will not be involved. The driver will need to check the load after loading and ensure it is secure.

Factor into the journey appropriate time for prestart checks and breaks to ensure the journey is carried out in a compliant and efficient manner.

Costs

Driver – paid €15 per hour and guaranteed 48 hours per week. Receives 4 weeks annual holidays and is paid for bank holidays. Holiday pay is at 40 hours per week, bank holiday pay is the same as if he/she were working.

The employer pays PRSI at 11.5%. Add in €1,500 per annum to cover training, uniforms, telephone allowance and sundries.

Vehicle

The lease cost on the tractor unit including maintenance is €20,000 per annum. The lease cost for the trailer, again including maintenance is €5,000 per annum.

Add Insurance at €5,500 per annum, road tax is €900 per annum, vehicle washing €1,200 per annum and other or sundry €800 per annum.

Overheads

The total annual cost of overheads including office staff, transport manager, insurance, depot rental, audit fees and other fixed costs is €150,000

[Please turn over]

Variable cost

The average fuel consumption is 3 kms per litre and the current cost of fuel is €1.05 per litre. Tyres on tractors and trailers are estimated at €0.06 per kilometer

A. Calculate

Time needed to undertake the round trip. **(15 Marks)**

B. Calculate

Cost per hour for the driver **(25 Marks)**

Cost per hour for the tractor and trailer **(20 Marks)**

Cost per hour for overheads **(10 Marks)**

Cost per kilometer for fuel and tyres **(10 Marks)**

C. Calculate

Using the above costs calculate the cost of the round-trip, Dublin – Letterkenny – Dublin. Include a suitable gross profit margin. **(20 Marks)**

(Total 100 Marks)

**Please attempt one, and only one of the following questions.
Marks will not be allotted to more than one answer.**

Q2 A useful method of assessing the current situation of a business is to carry out analysis of strengths, weaknesses, opportunities and threats (SWOT).

a. Give four examples **under each** of the above SWOT headings that could apply to a typical road haulage transport business. **(32 Marks)**

b. Give three examples with supporting details where Brexit could impact the operation of an international haulage business. **(18 Marks)**

(Total 50 Marks)

Q3 ECMT Licences.

- a. What are ECMT Licences? **(5 Marks)**
- b. List five points as to how you would apply for and the process of administering ECMT licences. **(15 marks)**
- c. Give details of the use and conditions attached to ECMT licences. List six points. **(30 Marks)**

Total 50 Marks

Q4 Write an essay on insurance in the context of the important part it plays in a transport operation business from a compliance, competitive and business continuity perspective. Taking account of the operations of your transport company, outline four types of policies you would have in place and what they would cover.

Total 50 Marks

