



The Chartered
Institute of Logistics
and Transport

Road Haulage Operations

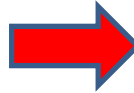
PAPER ONE

Examination for
Certificate of Professional Competence in Road Haulage Operations

Date: 22 June 2018 Time: 10:30 to 13:00

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 NOT YOUR SEAT NUMBER. PLEASE DO NOT SIGN YOUR NAME ON THE EXAM BOOKLET.

EXAMINATION NUMBER



Please Note:

Section A contains 21 questions. Please answer **all** these questions. The format is as follows:

8 multiple choice questions of 5 marks each, &

13 short questions of 20 marks each.

Section B contains 4 questions, ***Question 1 is compulsory. One further question 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

PAPER ONE HAULAGE

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

(Tick the correct answer at either A, B, C, D).

A No insurance B Criminal record

C Unable to pay debts D Bad accident record

(5 marks)

Q2. Which of the following is considered to be the most effective means of managing?

(Tick the correct answer at either A, B, C, D).

A Directing B Delegating

C Deciding D Dictating

(5 marks)

Q3. In the case of a road haulage transport operator in business for a number of 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 either A, B, C, D).

A. Bank statement B. Annual accounts

C. Statement of affairs D. Letter from the accountant

(5 marks)

Q4. Which one of the following operations does not require a Road Haulage Operator Licence?

(Tick the correct answer at either A, B, C, D).

A. Where you are transporting goods for another party using only rigid lorries

B. Where you are transporting goods for another party, but only within Ireland

C. Where you are transporting only your own goods

D. Where you are using a hired lorry to transport goods for

(5 marks)

Q5. Road haulage operators may be required to carry several documents on board the vehicle, depending on the circumstances of their operation. Which one of the following documents must always be carried on board the vehicle?

(Tick the correct answer at either A, B, C, D).

A Driver Attestation

B ECMT Licence

C Bilateral Permit

D Certified Copy of Operator Licence

(5 marks)

Q6 What is the maximum fine to a driver for failure to produce a driver CPC?

(Tick the correct answer at either A, B, C, D).

A €3,000

B €1,000

C €2,000

D €500

(5 marks)

Q7. Which of the following is the formula to calculate the Working Capital of a Road Transport Business.?

(Tick the correct answer at either A, B, C, D).

A: Current Assets divided by Current Liabilities

B: Fixed assets plus Current Assets minus Current Liabilities

C: Current Assets less Current Liabilities

D: Net Profit x 100 divided by Capital Employed

(5 marks)

Q8. From the list below please identify which heading that is not an overhead cost?

(Tick the correct answer at either A, B, C, D).

A: Electricity

B: Telephone

C: Rent and rates

D: Tyres

(5 marks)

Q9. What is meant by Limited liability? **(20 marks)**

Q10. Please outline the 5 main duties of a Director? **(20 marks)**

Q11. Please list 4 items of information that should be included in the Constitution of an LTD company? **(20 marks)**

Q12. A Transport Manager is defined as a person who is engaged to effectively and continuously manage the transport operations of a road transport business. Write a paragraph below outlining the duties of a Transport Manager **(20 marks)**

- Q13.** The four criteria that must be satisfied in order to obtain a Road Haulage Operator Licence (National or International) are listed below. Briefly explain what is needed to comply with each requirement.
- A. Good Repute
 - B. Financial Standing
 - C. Professional Competence
 - D. Place of Establishment **(20 marks)**
- Q14.** Name 4 essential types of insurance a road transport operator should have and describe the type of cover provided by each? **(20 marks)**
- Q15.** The operating efficiency of a road haulage business can be measured in several ways. Please give 5 measures? **(20 marks)**
- Q16.** Every day a transport manager must put a plan in place for the next day's operations. This is usually called scheduling. What does scheduling involve? **(20 marks)**

- Q17.** (a) Taking the following cash flow budget outlined below and taking the figures given calculate the balance on the last line and fill in the values in the boxes below.

CASH FLOW BUDGET

	Jan	Feb	Mar	Apr	May	Jun
	€	€	€	€	€	€
BALANCE AT START						
	+6000	+3800	+1900	+1590	-1960	-1160
Expenditure						
Fuel	1300	1000	1200	1500	1300	1500
Wages/Salaries	2500	2500	2500	2500	2500	2500
Loan Repayment	450	450	450	450	450	450
Licences	2100					
Insurance	600	600	600	600	600	600
Maintenance		1000		250		200
Postage	50	50	60	50	50	60
Telephone			100			120
Miscellaneous	200	300	400	200	300	500
TOTAL	7200	5900	5310	5550	5200	5930
Receipts						
Haulage/Passenger Revenue	5000	4000	5000	2000	6000	10000
TOTAL	5000	4000	5000	2000	6000	10000
Balance						

(b) Please outline what these balance figures indicate in managing the cash flow of the enterprise. **(20 marks)**

- Q18.** Write down the formulas used in transport operations to calculate costs per week, costs per day, costs per hour and costs per mile? **(20 marks)**

Q19. Give an example of what can be classified under the following Balance sheet Headings?

- a) Current Assets
- b) Fixed Assets
- c) Current Liabilities
- d) Fixed Long-Term Liabilities **(20 marks)**

Q20. At the end of any accounting period, list the procedures that should take place for the preparation of your financial statements? **(20 marks)**

Q21. The international road haulage operator needs to meet several additional costs as compared to the domestic operator. Please list 5 of these additional costs? **(20 marks)**

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. You have been commissioned by the owner to investigate the benefits of in cab information technology. Prepare a report covering at least three areas where you believe the company should invest in “in-cab” IT and outline the benefits of each?
(50 marks)

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

Q2. Before setting up a Road Transport business many important decisions must be made. Please list 10 questions that need to be addressed before the establishment of a Road Transport enterprise?
(50 marks)

Q3. What is cabotage, and what are the limits on cabotage operations under EU Regulations?
(50 marks)

Q4. Write an essay on depreciation covering the following headings:
A. What is depreciation?
B. Why is it important for the transport manager to allow for depreciation?
C. Depreciation and Cash flow?
D. What are the common methods used for to calculate depreciation?
(50 marks)