



The Chartered
Institute of Logistics
and Transport

Passenger Operations

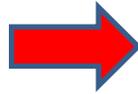
PAPER ONE

Examination for
Certificate of Professional Competence in Passenger Operations

Date: 7th December 2018 Time: 10:30 to 13:00

**PLEASE ENSURE THAT YOUR EXAMINATION NUMBER IS FILLED IN BELOW.
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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			

P1

Section A

Q1. Which of the following is associated with being a Sole trader.?

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

- | | | | |
|---------------------|--------------------------|-----------------------|--------------------------|
| A Limited Liability | <input type="checkbox"/> | B Liquidation | <input type="checkbox"/> |
| C Partners | <input type="checkbox"/> | D Unlimited liability | <input type="checkbox"/> |

(5 Marks)

Q2. Which of these **would not** be part of the four Management functions.

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

- | | | | |
|---------------|--------------------------|--------------|--------------------------|
| A Planning | <input type="checkbox"/> | B Motivating | <input type="checkbox"/> |
| C Controlling | <input type="checkbox"/> | D Driving | <input type="checkbox"/> |

(5 Marks)

Q 3. Which one of the following operations does not require a Road Passenger Transport Operator Licence.?

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

- | | | | |
|---------------------------------------|--------------------------|-------------------------|--------------------------|
| A Private hire for an event | <input type="checkbox"/> | B School transport | <input type="checkbox"/> |
| C Occasional journeys outside Ireland | <input type="checkbox"/> | D Complimentary service | <input type="checkbox"/> |

(5 Marks)

Q4. For an occasional international service, a document must be completed and returned to the National Transport Authority. What is this form called.?

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

A Licence

B Insurance details

C Journey Form

D Passenger manifest

(5 Marks)

Q5. How many years are you required to retain documents in respect of repair and maintenance of vehicles.?

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

A 4 years

B 6 years

C 3 years

D 2 years

(5 Marks)

Q6 Employers who allow a third party who does not have a valid Driver CPC to drive a relevant vehicle can be fined up to what amount.?

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

A €2,000

B €3,000

C €5,000

D €10,000

(5 Marks)

[Please turn over]

Q7. Listed below are three cost headings under running costs. Please identify the cost heading that is **not a running cost**.

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

A Fuel B Tyres

C Maintenance D Vehicle Road Tax

(5 Marks)

Q8. 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 either A, B, C, D)

A 5M B 12M

C 10M D 15M

(5 Marks)

Q9. When engaged in branding of a transport service, outline the following.

a. The aim of Branding **(8 Marks)**

b. Describe three sets of activities associated with the process of branding.
(12 Marks) **(Total 20 marks)**

Q10. Every company is required by law to have a company secretary, who may be one of the directors. List four of the duties of a company Secretary. **(20 Marks)**

Q11. For occasional international services, the operator must have a Journey Form (formerly known as a Waybill). Complete the information below in this regard.

a. Give an example of an occasional international service. **(5 Marks)**

b. Journey Forms are issued by which authority.? **(5 Marks)**

- c. Is the Journey Form to be completed before or after the journey.? **(5 Marks)**
- d. What is the time frame for returning completed Journey Forms to the issuing authority.? **(5 Marks)** **(Total 20 marks)**

Q12. Please give four points that define a Public Bus Passenger Service. **(20 Marks)**

Q13. Please list the four licencing documents that are issued to an operator who has been granted a Road Passenger Transport Operator licence with Community License for road passenger transport operations within the European Union. **(20 Marks)**

Q14. List four ways that best practice driving techniques can improve vehicle fuel efficiency. **(20 Marks)**

Q15. Investing in training is necessary and beneficial for a transport company. Please outline the benefits from both employee and director/management training course. **(20 Marks)**

Q16. Please outline four benefits of using an IT fuel consumption management system. **(20 Marks)**

Q17. Taking the cash flow budget outlined below, answer the following questions:

- a. From the figures given calculate the balance on the last line of the table and fill in the values in the boxes below.

(8 Marks)

CASH FLOW BUDGET

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

- b. Set out the factors that gave rise to a negative balance in April. **(6 Marks)**
- c. Advise three steps you could take to offset the negative balances. **(6 Marks)**

(Total 20 marks)

Q18. In budgetary control if actual returns deviate significantly from the target set then urgent action may have to be taken. Please list 4 actions that could be taken.

(20 Marks)

Q19. In the context of a Balance Sheet give an example of what can be classified under the following Balance sheet Headings.

a) Current Assets **(5 Marks)**

b) Fixed Assets **(5 Marks)**

c) Current Liabilities **(5 Marks)**

d) Fixed Long Term Liabilities **(5 Marks)**

(Total 20 marks)

Q20. A partnership can be formed when two or more people come together to run a business. Please list the four types of partners you may have in a partnership agreement.

(20 Marks)

Q21. Regarding Vehicle Roadworthiness please address the following two questions.

a) Name the two types of inspection which must be undertaken by vehicle owners and users as part of their systems for the regular inspection and maintenance of vehicles.

(10 Marks)

b) The factors and guidelines to be followed in undertaking such inspections.

(10 Marks) (Total 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 own a small bus company with a fleet of three buses, of the same make and three full time drivers, with yourself providing back up as required. As part of managing the business you cost all jobs, based on operating cost details given by your management accountant. Please address the following four questions as to the process in ascertaining the costs per vehicle journey and then applying it based on the details given below to estimate the cost of one round trip journey.

a) Outline the process in which you ascertain the cost per vehicle journey based on time related costs, distance related costs and overheads.

(20 Marks)

b) Taking the costing given in the table below calculate and fill in the empty shaded boxes below, that are headed:

- Total distance related costs (per kilometre)
- Total time costs per vehicle
- Total time cost + total overhead costs
- Total time costs per day based on 240 days
- Time related costs per hour (average 9 hours day).

(15 Marks)

Operating costs details given in management accounts	
Distance related costs per KM	€
Fuel based on €1.27 per litre and 3kms/litre	€ 0.43 (43 cent)
Tyres	€ 0.01 (1 cent)
Repair and maintenance	€ 0.06 (6 cent)
Total Distance Related Costs	
Time related costs allocated per vehicle	€
Drivers wages (48 hours per week) incl. PRSI, etc	€ 39,400
Depreciation	€ 15,000
Road Tax	€ 900
Interest on vehicle loan	€ 4,200
Vehicle Insurance	€ 5,200
Goods in transit insurance	€ 300
Total time cost per vehicle	
Overhead Costs	
Total overhead costs	€64,200
Overhead Cost per vehicle (divided by 3 vehicle)	€ 21,400
Total time cost + total overhead costs	
Total time costs per day based on 240 working days	
Time related costs per hour (average 9-hour day)	
Summary	
Total Cost per Kilo meter	
Total Cost per Hour	

[Please turn over]

- c) Your company has been asked to quote for one daily round trip between Dublin Airport and Cork City and back a journey of 550 Km and giving journey involved and the time for positioning of the vehicle, loading and unloading you estimate the time involved is 9 hours. Based on the figures given above please calculate your company's cost of operating the above round trip between Dublin Airport and Cork City.
(You can exclude miscellaneous cost, such as tolls, meals allowances in your analysis.) **(10 Marks)**

- d) What profit margin in percentage terms would you add to the rate? **(5 Marks)**

(Total 50 Marks)

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

Q2. In marketing you try to match your service to the market by deliberately targeting particular profitable parts of that market for your service.

- a) Please give and briefly describe five examples of segments of the transport market **(10 Marks)**

- b) Outline how you might identify and research a a segment of the market. **(20 Marks)**

- c) Taking the segment, you have identified and based on the outcome of the research illustrate how you would serve such a segment. NB **(20 Marks)**

(Total 50 Marks)

Q3. Regulation 14 of Statutory Instrument No. 265 of 2018 European Union (Occupation of Road Transport Operator) Regulations 2018, which gives effect to Regulation (EC) 1071 of 2009 requires transport operators to hold a list documents at their business address. Please list 10 of the documents that must be kept at transport operator's business address. MB .

(50 Marks)

Q4. The function of organising in road transport is the process of implementing plans and involves ensuring that there are adequate and suitable resources available to meet the anticipated demand. In this regard please outline

a) Points to be considered in selecting vehicles **(20 Marks)**

b) The process of recruiting drivers **(20 Marks)**

c) List checks/tests you would have in place in recruiting drivers **(10 Marks)**

(Total 50 Marks)