The Chartered Institute of Logistics and Transport

INTERNATIONAL CERTIFICATE IN LOGISTICS AND TRANSPORT

BUSINESS THEORY
M1-L3

NOVEMBER EXAMINATION 2024

Note to Candidates

Candidates are advised to spend NOT more than 40 minutes on each question

Instructions to Candidates

- Duration of examination: **2.30 hours**

- **Answer any FOUR questions**

- Questions may be answered in any order.

- Allocations of marks is indicated along each question.

- Credit will be given for citing relevant examples.

- Write legibly.

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QUESTION 1

Carry out a 7Ps analysis on a local transport and logistics service provider, and then produce a high-level comparison with your main competitor.   **(25 marks)**

QUESTION 2

(a) Explain compliance check systems that should be implemented to ensure a minibus operating in Harare and its staff adheres to regulatory requirements.   **(15 marks)**

(b) Outline relevant regulations and laws governing minibus operations in Harare. **(10 marks)**

QUESTION 3

The following trial balance have been taken out from the books of Greenfield Holdings as on 31st December, 2023.

	Dr. $	Cr. $
Plant and Machinery	100,000	
Opening stock	60,000	
Purchases	160,000	
Building	170,000	
Carriage inward	3,400	
Carriage outward	5,000	
Wages	32,000	
Sundry debtors	100,000	
Salaries	24,000	
Furniture	36,000	
Trade expense	12,000	
Discount on sales	1,900	
Advertisement	5,000	
Bad debts	1,800	
Drawings	10,000	
Bills receivable	50,000	
Insurance	4,400	
Bank balances	20,000	
Sales		480,000
Interest received		2,000
Sundry creditors		40,000
Bank loan		100,000
Discount on purchases		2,000
Capital		171,500
	795,500	795,500

Closing stock is valued at $90,000

Required:

(a) Prepare the trading and profit and loss account of the business for the year ended 31.12.2023 **(15 marks)**

(b) Prepare a balance sheet as at that date. **(10 marks)**

QUESTION 4

You have been tasked to set up a Public Relations Division within your company. List and explain the major tasks that will be done under the new department. **(25 marks)**

QUESTION 5

(a) Describe the key features of information **(10 marks)**

(b) Describe the ways information can be used to evaluate and improve operational performance **(15 marks)**

QUESTION 6

A big transport company wishes to re-fleet by 50 haulage trucks. Identify and explain at least three possible sources of funding for the cause. **(25 marks)**