higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

FREIGHT LOGISTICS
NQF LEVEL 2

(11020252)

8 November 2018 (X-Paper)
09:00–12:00

This question paper consists of 7 pages.

NCV

TIME: 3 HOURS
MARKS: 100

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
2. Read ALL the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Write neatly and legibly.

NC(V)

SECTION A

QUESTION 1

Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'True' or 'False' next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 Kilograms are used to measure materials in liquid form.

1.2 Picking is the process of placing stock in the allocated area.

1.3 A poorly run warehouse can cost a company a lot of money.

1.4 Materials handling refers to the movement of goods within the warehouse.

1.5 Gauteng-Beitbridge is one of the corridors in South Africa.

1.6 Freight distribution increase lead time.

1.7 Preventative maintenance is carried out to repair a part after it has failed.

1.8 Total cost is the sum of fixed costs and variable costs.

1.9 Advertising is an income item.

1.10 The procurement department deals with the purchasing of goods.

(10 × 1) **[10]**

NCV

QUESTION 2

Choose a/an word/item from COLUMN B that matches a description in COLUMN A. Write only the letter (A–M) next to the question number (2.1–2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
2.1	Removal and destruction of waste, scrap, etc	A	variable costs
2.2	Goods arrive and are off-loaded in the warehouse	B	gross profit
2.3	Contains or store goods	C	inspection
2.4	Costs that vary according to the number of products produced	D	procurement
2.5	Sales less cost of goods sold	E	fixed costs
2.6	Documents used during distribution process	F	receiving
2.7	Check to see that the goods received are in the required condition	G	supply chain
2.8	The acquisition of goods necessary to run the business	H	scrap disposal
2.9	It is less affected by bad weather conditions	I	inspection
2.10	A chain of events that starts with raw materials and ends with the customer	J	packaging
		K	salvage
		L	rail transport
		M	trip sheet

(10 × 1) **[10]**

TOTAL SECTION A: 20

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SECTION B

QUESTION 3

3.1 Explain the following terms:

3.1.1 Logistics

3.1.2 Supply

3.1.3 Transportation

3.1.4 Cost

(4 × 2) (8)

3.2 Name FOUR career pathways in logistics. (4 × 1) (4)

3.3 Name and describe THREE modes of transport. (3 × 3) (9)

[21]

QUESTION 4

Read the case study below and answer the questions.

WDS EXPANDS ITS WAREHOUSING AND DISTRIBUTION FACILITY IN SAVANNA

In response to the growing industrial warehousing in Savannah, World Distribution Services (WDS) announced the relocation and expansion of its warehouse and distribution facility in the Southeast region. The newly built, class A, 150 000 square-foot facility is ahead of schedule, with an opening date set for 1 June 2017.

'The market remains tight for space and the timing is great for us to launch this new facility', said Dale Young, Director of warehousing and distribution for WDS.

'This is a great opportunity for us to provide the space our customers need for their growing businesses in the region', Young explained, GA is the 2nd largest port terminal on the East Coast and a logistical hub for both importers and exporters. The new warehouse is located a mile from the port. The warehouse's close proximity to the port of Savannah adds further value to their services.

[Source: *http://www.ajot.com/news*]

4.1 Briefly explain the term *warehousing*. (2)

4.2 Name TWO factors WDS should consider when selecting warehouse site.

(2 × 1) (2)

4.3 Identify THREE documents that WDS would use during the receiving process. (3 × 1) (3)

4.4 Name FIVE of South Africa's eight commercial seaports. (5 × 1) (5)

4.5 Briefly describe the following warehouse processes:

4.5.1 Binning

4.5.2 Inspection

4.5.3 Receiving

4.5.4 Kitting

(4 × 2) (8)
[20]

QUESTION 5

5.1 Name and explain THREE types of packaging. (3 × 3) (9)

5.2 Indicate TWO functions of packaging. (2 × 2) (4)

5.3 Most warehouses stores and distributes inventory worldwide.

5.3.1 Explain the difference between inventory and stock. (2 × 2) (4)

5.3.2 Name TWO units in which goods are measured. (1 × 2) (2)
[19]

QUESTION 6

6.1 Redraw the following diagram and indicate with an X which items are fixed or variable costs.

ITEM	VARIABLE COSTS	FIXED COSTS
Insurance		
Rent paid		
Telephone		
Salaries		
Fuel		

(5 × 1) (5)

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6.2 Analyse the INCOME STATEMENT below and answer the questions that follow. Write only the answer next to the numbers (6.2.1–6.2.3) in the ANSWER BOOK.

INCOME STATEMENT OF ALPHA LOGISTICS FOR THE YEAR ENDING 31 DECEMBER 2016

Sales		1 000 000
Cost of sales		400 000
Gross profit		**6.2.1**
Other operating income		50 000
Gross operating income		**6.2.2**
Operating expenses		320 000
Insurance	30 000	
Telephone	44 000	
Fuel	96 000	
Manpower costs	150 000	
Net profit		**6.2.3**

Calculate the following:

6.2.1 Gross profit

6.2.2 Gross operating income

6.2.3 Net profit

(3 × 2) (6)

6.3 What percentage do fuel costs comprise in relation to total expenses? Show ALL calculations. (4)

6.4 Name FIVE possible departments that a freight logistics company can have in their business. (5 × 1) (5)

[20]

TOTAL SECTION B: 80
GRAND TOTAL: 100

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