higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

FREIGHT LOGISTICS
NQF LEVEL 2

(11020252)

18 November 2019 (Y-Paper)
09:00–12:00

This question paper consists of 7 pages.

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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. Start each section on a NEW page.
5. Use only BLUE or BLACK ink.
6. Write neatly and legibly.

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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 Rail transport is vulnerable to traffic congestion.

1.2 Transport is one of the services that can be outsourced to another company.

1.3 Inventory control is the ability to know how much inventory you have in the business.

1.4 Arranging cargo insurance is a function done in a warehouse.

1.5 Stock refers to items in the store that can be sold to customers.

1.6 Internal customers are people from outside the company.

1.7 Freight distribution services serve to decrease lead time.

1.8 Fixed capital is the money needed to buy current assets.

1.9 The main income streams in freight logistics include warehousing and distribution.

1.10 Qualifications and experience are required at the managerial level to succeed in this industry.

(10 × 1) **[10]**

QUESTION 2

Choose a term 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	Has to do with the actual procuring of resources, moving and dispersing goods to the right place at the right time	A	order
2.2	Amount to be paid to buy something related to the business	B	finance
2.3	Is a chain of events that starts with unprocessed raw materials and ends with the customer who uses the finished goods	C	order processing
2.4	A/An … starts the processes in a warehouse	D	offshoring
2.5	Is done when only a small part of inventory is counted on any given day	E	variable costs
2.6	Document used during distribution	F	logistics
2.7	When a company outsources certain functions to a company in another country	G	physical inventory count
2.8	Examples are rent, salaries and depreciation	H	cost
2.9	Costs incurred in moving goods	I	supply chain
2.10	Is responsible for the financial well-being of the organisation	J	trip sheet
		K	cycle count
		L	fixed costs
		M	freight costs

(10 × 1) **[10]**

TOTAL SECTION A: 20

SECTION B

QUESTION 3

3.1 Explain the following terms:

3.1.1 Value-add

3.1.2 Storage

3.1.3 Packaging

3.1.4 Outsourcing

(4 × 2) (8)

3.2 What do the following acronyms stand for?

3.2.1 GRS

3.2.2 SAA

3.2.3 PL

(3 × 1) (3)

3.3 Study the article below and answer the questions.

NEW DURBAN–JOHANNESBURG PIPELINE TRANSPORTS 1M LITRES OF FUEL EVERY HOUR

Transnet's multi-product pipeline between Durban and Johannesburg has been upgraded. It is South Africa's most complicated fuel pipeline and one of the logistics company's largest capital investment portfolios on the continent at R30 billion.

The project aims to ensure a consistent, efficient supply of fuel to Gauteng and neigbouring regions. With a tagline of 'The future is here', the cutting-edge Jameson Park Inland Terminal facility was opened in Heidelberg.

It has the capacity to transport 1 million litres of petrol every hour and will allow Transnet to move petrol, diesel and jet fuel at the same time.

[*Source: https://www.enca.com]*

3.3.1 What does the term *pipeline transport* refers to? (2)

3.3.2 Briefly explain THREE strengths of pipeline transport. (3 × 2) (6)

3.3.3 Name TWO products from the extract that are transported by the Transnet pipeline. (2)

3.3.4 Identify THREE key players in pipeline transport. (3)

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QUESTION 4

4.1 Efficient warehouse services along with a smooth delivery of commodities are essential for success in goods and commodities trading.

4.1.1 Name TWO disadvantages of a poorly run warehouse. (2)

4.1.2 Briefly outline FOUR advantages of using freight distribution services. (4 × 2) (8)

4.1.3 Give TWO types of documents that may be used during distribution. (2)

4.2 State TWO ways in which customer's orders may be received. (2)

4.3 When you run a logistics business, inventory control is a necessary activity that must be done once in a while.

4.3.1 Explain the difference between inventory and stock. (4)

4.3.2 Give TWO reasons why inventory auditing is necessary. (2 × 2) (4)

4.3.3 Name THREE types of inventory found in a warehouse. (3)

4.3.4 State TWO methods that can be used to do manual inventory control. (2)

4.4 Indicate THREE functions of packaging. (3)

4.5 Give TWO types of maintenance. (2)

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QUESTION 5

5.1 Use the information below to answer the questions.

ITEM	COST PORTION
Manpower	R200 000
Rent	90 000
Consumables	10 000
Diesel	120 000
Maintenance	50 000

5.1.1 Calculate the total expenditure for the business. Show ALL calculations. (6)

5.1.2 What percentage of the total expenses is manpower costs? (3)

5.1.3 What is the lowest expense in this business? (1)

5.1.4 If the total income is R700 000, calculate the profit/loss for the business. (3)

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5.2 Distinguish between fixed and variable costs. Give an example of each. (2 × 2) (4)

5.3 Study the following advertisement and answer the questions.

SKILLED WAREHOUSE ASSISTANTS

COMPANY: SMPP BUILDERS
JOB TITLE: WAREHOUSE ASSISTANT
LOCATION: EAST RAND, GAUTENG
SALARY: R10 000 PER MONTH
CLOSING DATE: 30-06-2018

Our client urgently seeks four skilled warehouse assistants.
ESSENTIAL SKILLS AND ATTRIBUTES:
- Level 4 in Transport and Logistics
- 2 years' experience in warehousing
- Basic computer skills, including MS Word, Excel and Outlook experience
- Experience with checking of stock, loading and offloading

Successful applicants will be responsible for:
- Ensuring proper inventory and co-ordinating deliveries
- Checking goods
- Preparing parcels for shipping and mailing
- Cleaning the warehouse

5.3.1 What is the title of the job? (1)

5.3.2 Give TWO responsibilities of the job. (2)

5.3.3 Identify THREE requirements for the job. (3)

5.3.4 How much is the monthly salary for this position? (1)
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TOTAL SECTION B: 80
GRAND TOTAL: 100

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