

EAST AFRICAN SCHOOL OF AVIATION FINAL EXAMINATION ACM 03

SUBJECT: TOTAL DISTRIBUTION COST

Duration: 2 HRS

DATE: TIME: 0900hrs - 11000hrs

INSTRUCTIONS TO ALL CANDIDATES

1. Answer all questions.

2.	P in the TDC formula means? A. Price of transport B. Number of pieces shipped Additional costs will vary based on the transp A. Rail B. Water Which is an example of an additional cost? A. Warehousing B. Terminal charges	C. Price of goods D. Interest rate Fortation mode used. Which C. Air D. Road C. Customs clearance D. Clearance charge	ce			
Use	Use the table herein and answer questions 15-16					
	ADMINISTRATION TRANSPORTATION		10%			
		10%				
		20%	30%			
	RECEIVING and SHIPPING WAREHOUSING		8% 17%			
	INVENTORY CARRYING COSTS		1776			
		10%				
		7%				
	ORDER PROCESSING		18%			
			100%			
	Transportation cost represents what percents A. 40% B. 30% Inventory carrying costs – Taxes, Insurance re A. 10%	C. 35% D. 25% presents what percentage C. 17%				
6	B. 7%Which mode of transportation has lower cost	D. 18%				
0.	A. Sea	C. Both				
	B. Air D. None of the above Which of the following information is not necessary in a total distribution calculation? A. Door-to-Door transportation time C. Loading costs B. Packing costs D. Mark-up					
0.	According to the TDC formula, LD means? A. Price of goods	C. Transport cost	\$			
	B. Interest rate	·	vs' goods are stored			
9.	The cost of any article available for purcha except?	se in a shop basically cor	nprises of the following elements			
	A. Production cost	C. Make-	hb			
10	B. Total distribution cost	D. Profit				
10.	$LDC = b*A*(\$)* LD^{+-\$} + \$$					
	360					
11.	A. K, TO, TTT B. KO, TTT, TO Which mode of transportation has higher rate A. Sea B. Air	C. OK, TO, TTT D. O.K, TTT, TO es? C. Both D. None of the al	pove			

12.	. The interest on goods in store and transport offsets the difference and total distribution costs are lower when using airfreight. A. True					
12		False	ام ما	ad consideration must be siven to the following but		
13.		the most economical solution has been to	UNG	nd, consideration must be given to the following but		
	one?	Consumar Experience		C Total Transportation Time		
		Consumer Experience Precision in Deliveries		C. Total Transportation Time D. Risk Management		
1 /				ncreased, then smaller inventories and safety stocks		
14.		eet demands.	אווו ל	ricleased, men smaller inventiones and safety stocks		
		True				
		False				
15			٠2			
15.		-analysis is recommended if the product ha	2 ÷			
		High Value		C. High Mark-up		
1 /		Long Transportation Time	م اداده	D. All of the above		
16.		will clearly be the strongest m	CIKE	- · ·		
		Speed		C. Price		
17		Air		D. Profit		
1/.		lowing shipment of consumer electronics is	piai	lannea:		
	P =	\$116				
	A =	51				
		19%				
		7 + 47				
	TTT =					
	TO =					
	a)	What is the total number of days the good				
		A. 47		C. 107		
		B. 54	D.	D. 53		
	b)	What is the TDC for the shipment?	_			
		A. \$1124		C. \$334		
		B. \$2972	D.	D. \$716		
18.	SE					
	•	= 157 $p = 157$				
	Α	= 39 A $= 39$				
	K	= 19% $K = 19%$				
	LD					
	TTT =					
	TO					
	a)	What is 553?				
		A. Transportation time for air				
		B. Transportation time for sea				
		C. Transport costs for air				
		D. Transport cost for sea	_			
	b)	What is the total of price of goods, number	r of			
		A. \$1163.37		C. \$358.72		
		B. \$1163.00		D. \$692.00		
	C)	What is the TDC for air transport?				
		A. \$692		C. \$621		
		В. \$358		D. \$612		
	d)	What is the total number of days the good	ls wi			
		A. 49		C. 21		
		В. 8		D. 57		
	e)	What is total number of days the goods wi	ll be	be in storage and in transit for sea transport?		
		A. 53		C. 106		

		D. 3/	υ.	110
	f)	What is the TDC for sea transport?		
	,	A. \$612	C.	\$692
		B. \$621	D.	•
19.	Today	, the cost of distribution tends to be lesser than	that	of production.
	-	True		
	В.	False		
20.	There of	are three ways in which profit can be increase	d if to	axes were fixed. Which one is not?
		Lower the distribution cost		Increase the sales price
	В.	Increase the sales profit		Lower the production cost
21.		19th century, the huge costs involved?		
		Taxes	С	. Pricing
		Production	D.	-
22.			irt wh	nen divided as Taxes 20% & profit 35%, what
		ntage is the distribution and the production res		
	-	30% / 15%	-	20% / 25%
		15% / 30%		10% / 35%
23.		is not a major component of physical distribut		
		Cost inventory related		Warehousing
		Receiving and shipping		. Order processing
24.	What i			,
	Α.	Transport Disturbance Cost	C.	Total Distribution Cost
		Transport Distribution Cost		Total Distributing Cost
25.		must be distributed for each of the main comp		_
		True		
	В.	False		
26.		has an invisible cost die to high intere	st pai	d on capital tied up in goods under production,
		ehouses and during transportation.		· · · · · · · · · · · · · · · · · · ·
	A.	Time	C.	Profit
		Space		Price
27.	The rat	te ofof goods in storage	and	during transport must always be calculated.
		Interest and value		Value and space
	В.	Interest and safety	D.	Interest and space
28.	When	thinking of transportation costs, we tend to thin	nk on	ly of?
		. Transport rates C.		ght rates
	В.	Terminal charges D.	Cu	stoms clearance
29.	One of	f the following is not among the major compo	nents	of physical distribution costs are as follows:
	A	A. Administration		
	В	3. Transportation		
		C. Receiving and Shipping		
		D. Warehousing		
30.	Which	is not a component of transportation costs?		
	Α	Warehousina	C.	Large load costs

D. Delivery charges

B. Packing costs