



MONDAY 23rd APRIL 2012 – MORNING

INTRODUCTION TO SHIPPING

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Define and describe **Accounting** and its purpose. Discuss the differences between a **Profit and Loss Account** and a **Balance Sheet**, giving examples of items which you would expect to find in each, in relation to a ship owning company.
2. The carriage of goods by sea is governed by various sets of **Rules**. Name these, explain the general purpose of such rules and comment on some of the differences and intentions.
3. Depth of water can restrict a ship's access depending on its draught. There are some berths which dry out between tides. Name the abbreviation describing such a berth and describe the advantages and disadvantages to carriers and berth operators of such places.
4. Define and describe the terms **Economy** and **Diseconomy of Scale**. Give examples of ship types, cargoes and trade routes to which these terms apply.
5. Using the world map provided, trace a voyage for a handy size general cargo ship from your choice of a West Coast South American port to a port of your choice located on the coast of Norway. Comment on the voyage and any adverse weather conditions which may be encountered.
6. Distinguish between **Light Displacement; Deadweight All Told** and **Deadweight Cargo Capacity**. Which practitioners in the shipping business would be most likely to use these terms?
7. Large companies are frequently referred to as **Conglomerates** and **Multi-nationals**. Distinguish between the two, also giving some definition and difference between **vertically** and **horizontally** integrated organisations.
8. Comment upon the legal meaning of **Firm Offer** and **Counter Offer**. At what stage does a binding contract come into force? How does US law differ from other countries in this respect?