



UNIVERSITY  
OF  
JOHANNESBURG

**QUALIFICATION** : B COM HONOURS  
**MODULE** : LOGISTICS DECISIONS SUPPORT SYSTEMS  
**CODE** : LMA8X03  
**DATE** : JULY 2017 SUPPLEMENTARY  
EXAMINATION  
**DURATION** : 180 MINUTES  
**TIME** :  
**TOTAL MARKS** : 180

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**EXAMINER(S)** : MRS AA D'AMATO GROENEWALD  
**MODERATOR** : DR KR LAMBERT  
**NUMBER OF PAGES** : 5 PAGES (INCLUDING 2 TEMPLATES)

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**INSTRUCTIONS TO CANDIDATES:**

- Question papers must be handed in.
- This is a closed book assessment.
- Read the questions carefully and answer only what is asked.
- Number your answers clearly.
- Write neatly and legibly
- Structure your answers by using appropriate headings and sub-headings.
- Answer each section on a different answer sheet.

The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.

**QUESTION 1****[30 MARKS]**

The Cunningham Weaving Company has been experiencing low profitability in recent years. As a result the board of directors has asked for a logistics audit to be performed. **This audit MUST be completed using the STRATEGIC PROFIT MODEL TEMPLATE PROVIDED for all sections required. The template must be completed in full where possible.**

Cunningham Weaving Company's financial statements are supplied below and you are required to use the financial data provided for 'The Cunningham Weaving Company' to provide the following (financial leverage equates to 1.47):

- The ROA and RONW for Cunningham Weaving Co. (15 marks)
- Indicate by how much Transport expenses must decrease in order to achieve a ROA of 6% (15 marks)

<b>Balance Sheet at 31 March 2011</b>				
Share capital	100		Fixed assets	140
Retained earnings	<u>114</u>		Accumulated depreciation	<u>20</u>
<b>Owners' equity</b>	<b>214</b>		<b>Total fixed assets</b>	<b>120</b>
Long term debt	36		<b>Current assets</b>	<b><u>194</u></b>
			Stock	106
			Trade debtors	46
			Cash	42
			<b>Total assets - gross</b>	<b>314</b>
			<b>Current liabilities</b>	<b><u>64</u></b>
			Trade creditors	39
			Bank overdraft	25
<b>Total</b>	<b><u>250</u></b>		<b>Total</b>	<b><u>250</u></b>

<b>Income Statement for the year ended 31 March 2011</b>	
Net sales	530
Cost of goods sold	<u>425</u>
<b>Gross profit</b>	<b>105</b>
Operating expenses:	
Variable expenses	40
Fixed expenses	<u>30</u>
<b>Operating profit</b>	<b>35</b>
Interest paid	<u>9</u>
<b>Net income before tax</b>	<b>26</b>
Tax (35%)	<u>9</u>
<b>Net income after tax</b>	<b><u>17</u></b>

**QUESTION 2****[50 MARKS]**

With reference to the Supply Chain Control Tower articles presented, critically discuss significant facts and the implications of Control Towers on businesses.

**QUESTION 3****[30 MARKS]**

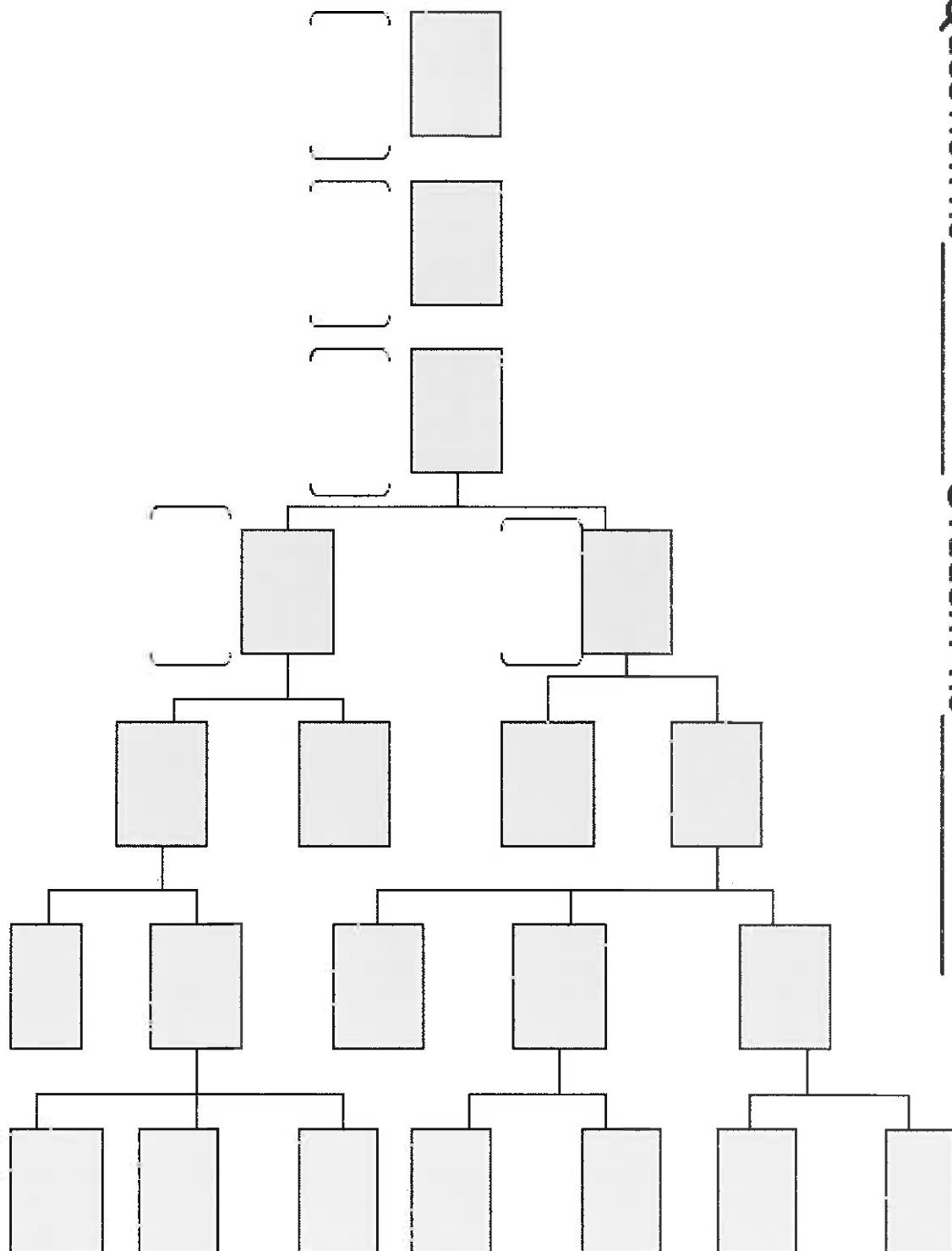
An imperative concept in Demand Management is Supply/Demand misalignment. Elaborate critically on the concept including how Demand Management supports Business Strategy.

**QUESTION 4****[40 MARKS]**

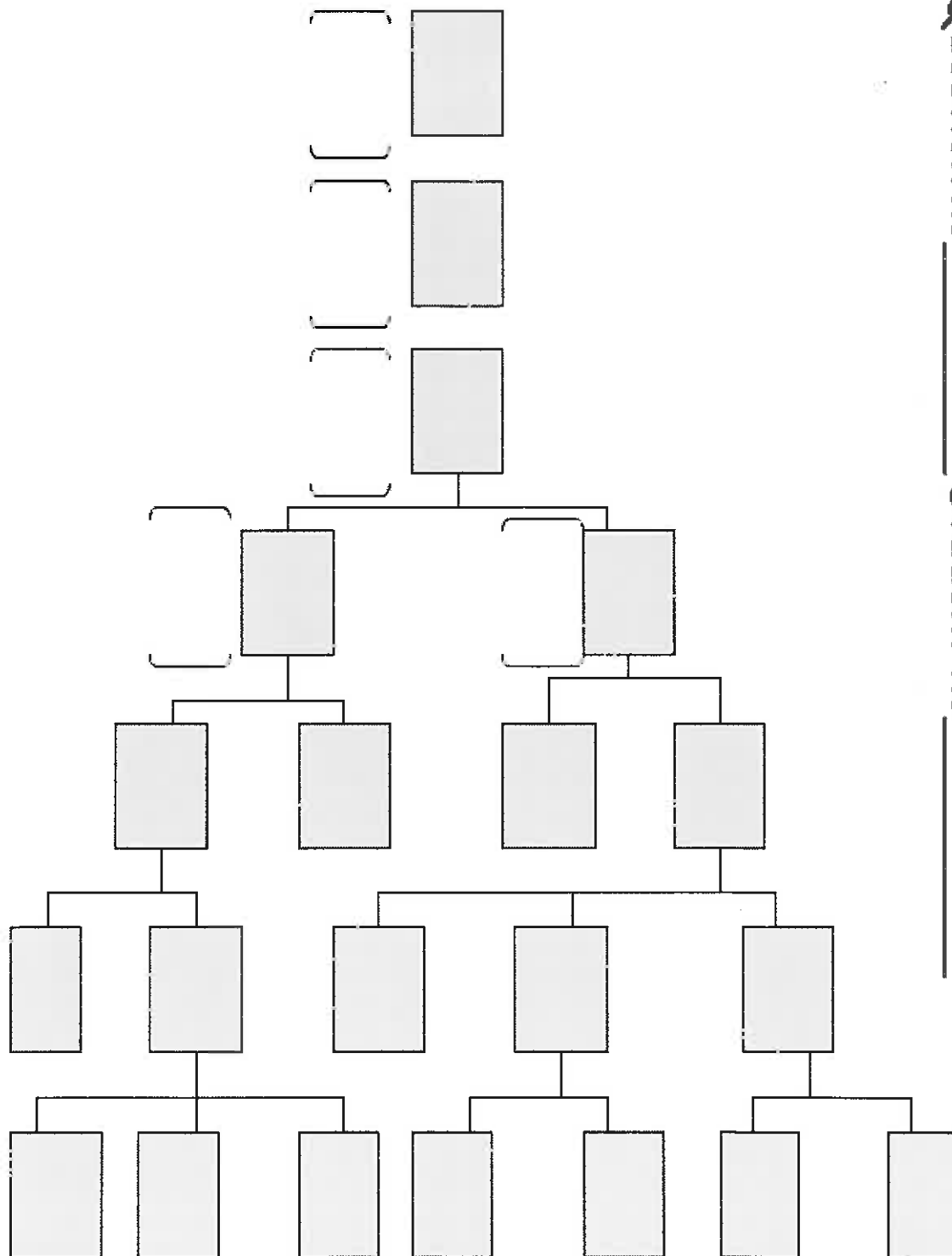
Six technology-assisted drivers of supply chain excellence can assist organisations to generate adaptive capabilities to synchronise supply chains in order to improve competitive advantage. Appraise these drivers of supply chain excellence and describe how each will contribute to a more efficient supply chain – it remains imperative to utilise examples.

**QUESTION 5****[30 MARKS]**

Critically discuss the functionalities to e-sourcing and e-procurement.

**Strategic Profit Model Template**

Question no \_\_\_\_\_ Student no \_\_\_\_\_

**Strategic Profit Model Template**

Question no \_\_\_\_\_ Student no \_\_\_\_\_