



# ICM

JUNE 2016

EXPORT PRACTICE & MANAGEMENT

**Instructions to candidates:**

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
  - b) Answer any FIVE questions
  - c) All questions carry equal marks. Marks for each question are shown in [ ]
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1. The accounting accruals concept can have a significant impact on the financial performance of an exporting company. Explain why this is the case. [20]
  2. An exporter will focus considerable attention on controlling costs. Review the main categories of costs that an exporter will focus on. [20]
  3. Cash flow recording and analysis is a critical task for an exporter. Explain why this is the case. [20]
  4. Set out the approach you would adopt, as the Managing Director of an exporting company, to enter into a new overseas market. [20]
  5. Review the advantages and disadvantages that the incorporated company structure form of organisation offers to an exporter. [20]
  6. Every exporter will be focussed on making a profit. However, profit can be measured in a variety of ways. Analyse the ways in which profit can be measured. [20]
  7. Exporters will, when entering some markets, seek to negotiate or be asked to enter into price agreements. Analyse the main issues that are likely to be negotiated between an exporter and a purchaser in a price agreement. [20]
  8. Analyse the ways in which an exporter will utilise absorption costing in assessing their financial performance. [20]