General Comments

The November session provided a mixed batch of candidates. Some questions clearly achieved high scores, while others were only able to score a low mark. Lower scores were as a result of students’ inability to answer the question asked or to misunderstand the question. Students should spend more time reading the question carefully before starting to write their answer. On the positive side, once again the geography-related question was well answered by students. The most popular question on displacement was answered well. Diagrams were drawn to satisfactory quality.

Question one – Contract and dispute resolution

Many students misinterpreted this question as an invitation to analyse and comment upon key charter party clauses as opposed to a discussion upon the fundamental elements of a contract; what was expected was simply how the fundamental elements of offer, acceptance, consideration and legality formed the basis of any contract under English Law.

In marked contrast almost all of those attempting this question provided knowledgeable comments upon the different types of dispute resolution and in particular arbitration; indeed, there was much comment about the latest trends in arbitration.

Question two – Geography

Pleasingly the standard of geographical knowledge is improving and the inclusion of a world map in the answer booklet is making a difference. Marking of the principal oceans and continents did not appear to present a problem with the notable exception of the Arctic Ocean and Antarctica, which were often shown in reverse.

The typical voyage identified an Australian port as a favoured loading place and Rotterdam as a favoured discharge port, probably reflecting the bulk cargo nature of student employment: almost without exception the ports were named. It was pleasing to read accurate voyage descriptions and in particular the hazards likely to be encountered on passage.

Question three – Dry cargo chartering brokers

Surprising this was a very poorly answered question with many students analysing and passing comment upon all of the disciplines, rather than focusing upon the required competitive, exclusive and intermediary dry cargo chartering brokers plus their joint ambition working towards achieving the union of cargo and ship owning interests.
**Question four – Displacement / deadweight tonnage**

Unsurprisingly this was probably the most popular question with most answers delving into the history and theory behind Archimede’s Principle. It was quite interesting to read how students related Archimedes Principle to the present day Displacement Tonnage. More was expected about Light Displacement Tonnage and especially its link to calculating the scrap value of a ship.

Deadweight Tonnage provided knowledgable answers and the only criticism here is that perhaps there could have been more reference to the term *constants* with examples of the constituent items.

**Question five - Liners**

Very few students attempted this question, although the answers received were of an extremely high standard. Most answered began with the supposed inequality of rights between shippers and line operators, through to the various remedies enshrined in *The Hague*, *Hague-Visby, Hamburg and Rotterdam Rules plus the similarities and differences* between the various conventions under the watchful eye of organisations such as UNCTAD. Well done to those students who also supplied information upon legislation leading to the enactment English Law.

**Question six – Budgeting**

For some reason any type of accounting question is never very popular and this was no exception. Questions, involving budgeting are included because it is a vital tool in allowing management to control a company. There is not any magic formula to preparing a budget: it is simply a projection of estimated inward income and outgoing expenditure for a given period (often one year). The projected period is usually sub-divided into equal periods which are then compared with actual results and in the case of an adverse variance the reasons should be established and appropriate action taken.

**Question seven – Flag**

Students certainly know their flags!

Commencing with the *traditional flags*, some history was given leading to the reasons for the rise in popularity of the *Flags of Conveineince (FOC)* and a comparison in advantages and disadvantages between the two types.

Although not specifically asked by the question, some comment was expected about the measures taken by traditional registries to stem their flag losses by introducing a second registry.

**Question eight – Ship diagram / Advantages for cargo interests**

Pleasingly, everyone supplied a diagram and mainly selected a *Handymax* bulk carrier: the lack of enthusiasm for the *Ro-Ro* ship probably reflected the employment nature of candidates.

The ship’s ability to transit most canals; geared nature; ability to separate cargo; ability to reach most of the world’s cargo handling points and usefulness in cabotage regimes promotes this ship as an ideal dry bulk carrier.