



Singapore CA Qualification Examination

16 June 2025

Integrative Business Solutions

Examination Day Documents

INSTRUCTIONS TO CANDIDATES:

1. The time allowed for this examination paper is **4 hours and 30 minutes**. Please note there is no separate prescribed reading time for this examination.
2. This is an open-book examination. During the examination, you are allowed to use your laptop and any calculators that comply with ISCA's regulations. Please note that smartwatches, mobile phones, tablets, and all other electronic devices **MUST NOT** be used during the examination.
3. During the examination, videos of you and your computer screen will be recorded for the purpose of ensuring examination integrity and you have consented to these recordings.
4. This examination paper and all video recordings are the property of the Accounting and Corporate Regulatory Authority (ACRA).
5. This is a hypothetical case written exclusively for this examination. Names, characters, places and incidents used are imaginary or fictional. Any resemblance to actual events or locales or persons, living or dead, is entirely coincidental. This case is not to be cited without permission from the ACRA.
6. Only answers in **English** are accepted.

IMPORTANT NOTICE:

If you are not feeling well, please do not press 'Start Assessment'. If you have started and leave during the examination, you would be deemed to have attempted the paper.

****VERY IMPORTANT NOTICE****

1. Your question paper is attached under the "**Resources**" tab found at the bottom right of **EACH** question.
2. You may also download the question paper that allows annotation throughout your examination in Question 1 of the e-Exam portal.
3. You may also download the Excel file attachment which contains figures from Exhibit 12, from Question 1 of the e-Exam portal.

Other important information:

4. You will be allowed to access your reference materials but **will not be allowed** to communicate with anyone either physically or through any electronic means.
5. You are **NOT ALLOWED** to access any websites during the examination.
6. You are **NOT ALLOWED** to print the question paper.
7. **Please take note that your screen will be monitored throughout the examination. If you are found to have accessed any websites, or if you cheat or attempt to cheat, you will be liable to severe disciplinary action.**

Should you encounter any issues during the examination, please call the following numbers:

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8. **You do not need to fill in an answer for this instruction question.**

Case study report instructions

These Examination Day Documents (EDD) complete the case study scenario and set out the requirements of the report that you are required to write (**Exhibit 18**). You must combine your pre-reading and analysis of the Advance Information (AI), your other pre-examination research, and the new information in the EDD to plan the content and structure of your report, and then to write the report.

The IB Examination will be an open-book examination of **4 hours 30 minutes**. Please note that there is no separate prescribed reading time for this examination.

Report format

Your report should follow the following format:

Requirement	e-Exam Qn. Number	Marks
Requirement 1: An Executive Summary	2	10
Requirement 2: 2025 Performance evaluation and risk management strategy	3, 4	26
Requirement 3: Strategic option for growth and efficiency using technology.	5, 6, 7, 8	36
Requirement 4: Internal control and sustainability review at MarineHub	9, 10, 11, 12	28

You should clearly state any assumptions that you make and include any supporting data. Please put your appendices (if any) at the end of each question part.

Please note that only your report commentary (including the assumptions made), appendices and workings entered in Cirrus on the day of the examination will be marked.

Advance Information (AI) – List of Exhibits

Exhibit	Exhibit Title	Start Page
Advance Information (AI)		
1	The shipping terminal management industry in Singapore	AI-4
2	Global shipping and terminal management: 2026 economic outlook and future trends	AI-6
3	Overview of MarineHub	AI-10
4	MarineHub operations and leadership	AI-13
5	MarineHub management accounts for the year ended 31 March 2024	AI-18
6	Commentary on MarineHub management accounts for the year ended 31 March 2024	AI-23
7	Risk register issued by the MarineHub Risk Management Committee	AI-26
8	Email from Operations Director and Technology Director regarding potential technology enhancements for MarineHub	AI-29
9	Extract from MarineHub Board Meeting Minutes related to sustainability	AI-32
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Note: Unless otherwise stated, all dollar amounts (\$) are in Singapore dollars.

Examination Day Documents (EDD) – List of Exhibits

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Examination Day Documents (EDD)		
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14	Briefing note: Proposed new Digital Freight Management Platform (DFMP)	EDD-12
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Note: Unless otherwise stated, all dollar amounts (\$) are in Singapore dollars.

MarineHub management accounts for the year ended 31 March 2025

To: The Board of Directors
From: Rachel Tan, MarineHub Finance Director
Date: 30 April 2025
Subject: MarineHub management accounts and key performance indicators (KPI)

Please find extracts below from summary management accounts for the year ended 31 March 2025 together with the comparative year (2024) and relevant operating data.

MarineHub Statement of Profit or Loss for the year ended 31 March

	Note	2025	2024
		S\$'million	S\$'million
Revenue	1		
- Container terminal handling services		645.7	579.3
- Transhipment services		<u>325.8</u>	<u>259.6</u>
Total revenue		971.5	838.9
Cost of sales	2		
- Direct labour costs		(140.3)	(130.5)
- Equipment and maintenance costs		(95.6)	(84.8)
- Fuel and energy costs		(85.7)	(74.9)
- Port concession/lease costs		(160.2)	(150.1)
- Import/export documentation and compliance		<u>(60.8)</u>	<u>(54.7)</u>
Total cost of sales		(542.6)	(495.0)
<i>Cost of sales attributed to:</i>			
- Container terminal handling services		(336.7)	(308.1)
- Transhipment services		<u>(205.9)</u>	<u>(186.9)</u>
Gross profit		428.9	343.9

Operating expenses

Administrative salaries		(75.2)	(69.4)
Marketing and advertising		(20.3)	(18.2)
Depreciation & amortisation	3	(40.8)	(37.9)
IT expenditure and other overheads		<u>(30.4)</u>	<u>(28.1)</u>
Total operating expenses		<u>(166.7)</u>	<u>(153.6)</u>
Operating profit		262.2	190.3
- Finance cost		(19.8)	(18.9)
- Taxation (17%)		<u>(41.2)</u>	<u>(29.1)</u>
Net profit after interest and tax		201.2	142.3
Dividends		<u>(100.6)</u>	<u>(71.1)</u>
Retained earnings		<u>100.6</u>	<u>71.2</u>

Operating data:

	2025	2024
Containers handled (TEU millions)	1.535	1.385
Transshipment operations (TEU millions)	<u>1.888</u>	<u>1.715</u>

MarineHub Statement of Financial Position as at 31 March

	Note	2025	2024
		S\$'million	S\$'million
Non-Current Assets			
Property, plant, and equipment	4	979.1	922.6
Right-of-use assets	5	210.7	221.4
Intangible assets	6	<u>58.4</u>	<u>52.9</u>
Total Non-Current Assets		1,248.2	1,196.9
Current Assets			
Inventory	7	28.3	21.5
Trade receivables		202.7	155.4
Prepayments		7.1	4.7
Cash and cash equivalents		<u>190.3</u>	<u>174.8</u>

Total Current Assets	<u>428.4</u>	<u>356.4</u>
Total Assets	<u>1,676.6</u>	<u>1,553.3</u>

Equity and Liabilities

Equity

Share capital	200.0	200.0
Retained earnings	<u>904.9</u>	<u>804.3</u>
Total Equity	1,104.9	1,004.3

Non-Current Liabilities

Lease liabilities	8	171.6	176.2
Long-term borrowings	9	230.9	216.5
Provisions	10	<u>15.6</u>	<u>14.2</u>
Total Non-Current Liabilities		418.1	406.9

Current Liabilities

Trade and other payables		45.9	43.5
Lease liabilities (current portion)	8	61.2	55.8
Long-term borrowings (current portion)	9	20.8	22.4
Accruals and other liabilities		10.2	10.1
Provisions (current)	10	15.5	10.3
Total Current Liabilities		<u>153.6</u>	<u>142.1</u>
Total Liabilities		<u>571.7</u>	<u>549.0</u>
Total Equity and Liabilities		<u>1,676.6</u>	<u>1,553.3</u>

Note to Candidates:

For notes to the management accounts, please refer to Exhibit 5. To prepare your answer, you may use the Excel file (provided in the separate attachment), which contains the figures from Exhibit 12.

END OF EXHIBIT 12

Commentary on MarineHub management accounts for the year ended 31 March 2025

To: The Board of Directors
From: Michael Putra, MarineHub Operations Director
Date: 3 May 2025
Subject: Commentary on the 2025 MarineHub management accounts

The year ended 31 March 2025 was a successful year for MarineHub. We achieved significant growth in both revenue and profitability, capitalising on strategic investments and enhanced operational efficiency. The global shipping industry showed continued signs of recovery following the pandemic, with rising trade volumes driving demand for both our container terminal handling and transshipment services.

MarineHub experienced strong revenue growth in 2025, driven by increased container volumes and a notable rise in transshipment operations. Both core revenue streams showed healthy increases, reflecting the overall recovery in global trade and increased demand for our services.

However, despite this growth, we encountered several operational challenges. Of particular note, was the surge in Houthi rebel attacks on vessels in the Red Sea in the first half of the financial year. This drove a surge in demand for transshipment services as global operators re-routed around the Cape of Good Hope as a safer alternative to reach Europe.

Our continued investment in our terminal management system has enhanced service delivery while reducing processing times. These improvements attracted more shipping lines, as MarineHub became a preferred terminal operator due to our efficiency and reliability. Furthermore, the increased trade volumes from Southeast Asia and China contributed to the growing demand for our transshipment services. We extended credit terms

with several key clients in order to maintain our competitiveness with other operators in the region.

While our revenue grew, we faced several cost pressures throughout the year. The rise in fuel and energy costs, exacerbated by inflationary pressures and global energy market volatility, significantly impacted our cost base. Additionally, we experienced increased equipment and maintenance costs as we upgraded our terminal machinery and infrastructure to handle the rising container volumes. These investments were essential to ensure the smooth flow of operations and to avoid potential bottlenecks.

A week of port strikes on the East and Gulf coasts of the United States of America (USA) in October 2024 caused delays and disruption to global supply chains for several subsequent weeks. This led to uneven capacity utilisation, increasing costs and delays at MarineHub terminal operations. As a result, operating profit was depressed in the month of October, falling short of that month's budget by 30%.

Labour costs also increased during the year, driven by the need to attract and retain skilled personnel in a competitive labour market. Hiring challenges required us to offer higher wages and benefits to secure the talent necessary to support our growing operations. Despite these increases, we maintained a disciplined approach to cost management, which helped us preserve profitability while addressing operational challenges.

Our continued investment in information technology has yielded significant returns. By enhancing our digital infrastructure and expanding the capabilities of our existing terminal management system, we have improved overall operational efficiency and customer satisfaction. These technological advancements allowed us to streamline our processes and reduce delays. The introduction of blockchain technology for some documentation further enhanced the speed, security, and transparency of our services, reinforcing our reputation as a trusted partner in the terminal management sector.

MarineHub's strong revenue performance and effective cost management translated into higher operating profits, particularly for our Transshipment Services, where an improvement in gross margins was achieved through a combination of higher pricing, improved terminal turnaround times and effective cost management.

Although administrative salaries increased to support our expanding operations, we maintained control over overall operating expenses. Our marketing and advertising efforts also intensified as we sought to strengthen our brand presence and attract new clients through digital campaigns. These investments in marketing and technology were key to driving revenue growth and securing new business.

Looking ahead, we recognise several challenges that will require careful attention. Rising fuel and energy costs remain a concern, and we are actively exploring alternative energy solutions to reduce our carbon footprint and mitigate cost volatility. Additionally, global supply chain disruptions and geopolitical tensions in certain regions present potential risks to trade volumes. We are closely monitoring these developments and adjusting our strategies to ensure that we remain resilient and adaptable.

In terms of human resources, the competitive labour market in Singapore continues to exert upward pressure on wages, prompting us to invest in automation and digitalisation to reduce our reliance on manual labour.

Liquidity and gearing improved, reflecting a solid statement of financial position, though extended receivable days are an area of minor concern.

Despite these challenges, MarineHub remains well-positioned for future growth, and we are confident that our strategic investments in technology, infrastructure, and talent will enable us to continue delivering strong financial performance and operational excellence. However, further assessment is needed to evaluate the impact of global trade disruptions on overall financial stability.

END OF EXHIBIT 13

Briefing note: Proposed new Digital Freight Management Platform (DFMP)

To: The Board, MarineHub
From: Michael Putra (Operations) and David Wong (Technology)
Subject: Proposed new Digital Freight Management Platform at MarineHub
Date: 20 May 2025

As part of MarineHub's commitment to technological innovation, we propose developing a new Digital Freight Management Platform (DFMP) from the ground up. This platform will centralise our existing freight operations, providing clients with significantly improved real-time tracking of cargo movements in and out of our port terminal, fully automated freight documentation, and streamlined customs clearance processes.

By enhancing the overall customer experience, the DFMP will enable us to increase revenue, reduce operating costs, and improve operational efficiency and capacity, ensuring MarineHub remains ahead of the competition.

Platform details

1. **Basic access** – The basic service will enable orders to be placed and allow shipments to be tracked in real time.
2. **Broader use of blockchain technology** – To improve the security, transparency, and traceability of freight documentation and customs clearance. This is particularly valuable for sectors requiring high levels of data integrity, such as pharmaceuticals, electronics, and high-value goods.
3. **AI-powered predictive analytics** – By analysing historical shipping data and real-time market conditions, the system will provide demand forecasts, inventory management insights, and recommendations to minimise delays. These features will allow our customers to make more informed decisions.

- 4. New revenue opportunities** – We can charge clients a subscription fee for basic access to the platform and introduce premium services for Artificial Intelligence (AI)-driven analytics and blockchain-based documentation. Additionally, transaction-based fees can be applied for services like automated customs clearance, digital document verification, and enhanced security features, creating multiple new revenue streams for MarineHub.

Impact on capacity

The improved process automation aspects will reduce processing times and further optimise our workflows.

This should increase our terminal capacity by approximately 10%. We are not forecast to hit our capacity limits, but higher capacity would help us to manage peak loads, for example, as recently seen with disruptions caused by the Red Sea route blockages and port strikes in the United States of America (USA).

Operational feasibility

The new platform would heavily integrate with our current terminal management system, may replace several of our core operating systems. This makes the design and build stages complicated, lengthy, and resource-intensive.

There is also operational risk associated with transitioning to the new platform, and any disruptions could have serious implications for client service and our reputation.

We anticipate that a 10% net reduction in headcount is possible in operations once the roll-out is complete, but staff will need to be proactive and diligent in the meantime to manage any operational complications that may occur during implementation.

Likely competitor response

Regional competition from Port Klang and Port of Tanjung Pelepas in Malaysia, and Tanjung Priok in Indonesia offers a lower-cost service. As these ports are currently less congested,

they may potentially provide a quicker and more flexible response than Singapore. Investment in the DFMP will mitigate the impact of congestion in Singapore by improving our response times and enabling us to offer online services not available elsewhere. Our competitors will struggle to replicate our offering, given the relatively small volumes they attract. This investment should help secure our position as a leading service provider in the region.

Funding

The total cost of developing and implementing the DFMP will be in the region of S\$270 million. We anticipate funding this with a 50:50 mix of available cash and an increase in our long-term borrowings.

Stakeholder reactions

Staff reactions are a concern, given the planned 10% net reduction in headcount. However, this investment will ultimately help secure MarineHub's position as a high-quality employer offering secure employment moving forward. The increase in gearing may be a concern to shareholders, although the anticipated improved profitability is likely to be attractive.

Our current lender has indicated they are willing to consider our proposal further. We have spoken informally to some of our major customers, who seem excited by the additional functionality, provided we can guarantee no operational disruptions during the implementation of the new system.

Investment policy and investment appraisal

In line with established policy, we should consider the strategic benefits of this investment based on its impact on shareholder wealth, and the potential for payback within five years.

An initial high-level investment appraisal is currently outstanding. Preliminary notes from the finance team are as follows:

1. Annual capital investment

- S\$270 million capital investment across Years 0-2.

- Capital investment of S\$90 million immediately, a further S\$90 million after one year, and the final S\$90 million a year later. This investment is to be depreciated once it goes live in Year 3 over a five-year period with no residual value, after which significant reinvestment will be required.
- Each capital investment will be eligible for a 100% capital allowance in the same year as incurred.

2. Annual operating revenue and cost impact

Apply the following percentages to 2025 management accounts to determine the impact on annual operating cashflows (Year 3 to Year 7, inclusive):

- Increase in revenue: Terminal handling 10%, Transshipment 10%
- Cost of sales impact:
 - Reduction in direct labour costs: 10%,
 - Increase in equipment and maintenance costs: 10%,
 - Decrease in import/export documentation and compliance costs: 30%.
 - Decrease in fuel and energy costs: 5%.
 - Increase in port concession/lease costs: 5%.
- Operating expenses impact (excluding depreciation):
 - Reduction in administrative salaries: 10%.
 - Increase in IT and other overheads: 75%.
- For the purpose of this analysis, assume all revenue and expenses in the 2025 management accounts represent annual cash inflow and outflows, respectively.
- Applicable after-tax cost of capital to appraise the investment: 15% per annum.
- Assume the corporate tax rate remains constant at 17% and ignore the impact of inflation.
- Make any other assumptions considered necessary to complete an initial high level investment appraisal and payback evaluation.

We look forward to exploring this exciting opportunity at our next board meeting.

Best regards,

Michael Putra and David Wong
Operations Director and Technology Director

END OF EXHIBIT 14

Proposed sustainability initiatives for the Board of MarineHub

To: MarineHub Board of Directors
From: Michael Putra, Operations Director
Subject: Proposed Sustainability Initiative for Board Consideration
Date: 15 May 2025

Dear fellow Board members,

The Board recognises a more structured approach to sustainability reporting is required to ensure compliance with evolving environmental regulations and to consider the voluntary adoption of Environmental, Social, and Governance (ESG) information to its owners and interested stakeholders of an international sustainability reporting framework such as the Global Reporting Initiative (GRI).

To commence this process, the Board needs to compile a summary of its current sustainability activities.

Also, in line with MarineHub's strategic goals to improve environmental sustainability and operational efficiency, I am proposing a significant cold ironing initiative for your consideration which aligns with Singapore's Green Plan 2030 and offers long-term benefits, not only in reducing our environmental footprint but also in enhancing our operational performance.

Cold ironing facilities

MarineHub is considering the installation of cold ironing facilities at its terminals to support growing client demand for environmentally responsible port solutions.

The total cost for full implementation over the next five years is estimated at S\$120 million, including:

- Initial infrastructure upgrades (shore power stations): S\$30 million
- Electrical grid upgrades to handle increased load: S\$45 million
- Ongoing maintenance and operational costs: S\$15 million
- Training and personnel resources: S\$10 million
- Contingency for unexpected technical issues: S\$20 million

I look forward to discussing how MarineHub can improve its approach to sustainability at the upcoming Board meeting.

Best regards,
Michael Putra
Operations Director

END OF EXHIBIT 15

Extract from MarineHub's External Auditor Management Letter – 2025 Audit

Date: 30 April 2025
To: MarineHub Pte Ltd Board of Directors
From: External Auditor, Hamilton & Co. LLP
Subject: Governance and Internal Control Issues Identified During the 2025 Audit

During the 2025 audit of MarineHub Pte Ltd, we identified several governance and internal control issues that merit further attention. While MarineHub has made significant progress in strengthening its control environment, the following issues were noted. These governance and control weaknesses pose potential risks to MarineHub's operational integrity and future performance and should be addressed to safeguard the company's interests.

1. Lack of segregation of duties in procurement and vendor payments

Our audit revealed that several key procurement tasks, such as vendor selection, purchase approvals, and vendor payments, were often performed by the same individual within MarineHub. This lack of segregation of duties significantly heightens the risk of both fraud and error, particularly in high-value transactions or large procurement contracts. For example, in one instance, a single employee managed both the vendor selection and the approval of a contract worth over S\$500,000, creating an opportunity for unchecked decision-making.

2. IT System access controls and data security

MarineHub's IT systems demonstrate inadequate access controls, especially concerning sensitive financial and operational data. During the audit, we discovered that some employees had broader access rights than necessary for their roles. In one instance, a junior administrative staff member had access to sensitive financial reporting functions, which could potentially expose the company to data breaches or fraud. Furthermore, the company does not conduct regular user access, although no breaches have been identified.

3. Inadequate monitoring of MarineHub key performance indicators (KPIs)

While MarineHub generates operational and financial KPIs, there is no structured process for consistently reviewing these metrics by senior management or the Board. For example, during 2025, certain operational KPIs linked to container handling efficiency were not regularly reported to the executive team, which delayed corrective action in key areas of operational underperformance.

4. Weaknesses in inventory and credit management

Our audit identified several discrepancies between recorded inventory levels and actual physical counts at MarineHub's terminal warehouses. For instance, during a physical audit, inventory variances of over S\$150,000 were identified, signalling gaps in the current reconciliation processes. Furthermore, the company's credit management controls are operating below our expectation as there is evidence of an increase in aging of receivables. For example, a key client's account remained unpaid for over 120 days, affecting cash flow.

5. Non-compliance with operating and maintenance requirements in the terminal lease with Maritime and Port Authority of Singapore (MPA)

MarineHub's compliance with ongoing operational and maintenance requirements, as specified in the lease with the Maritime and Port Authority of Singapore (MPA), has been poorly managed. Routine inspections and maintenance records indicate several instances of non-compliance. For instance, during a compliance audit in mid-2025, it was found that scheduled maintenance of key container-handling equipment had been delayed by three months, breaching the terms of the lease.

Overall, these findings underscore the need for MarineHub to strengthen its governance and internal control processes in several critical areas. Addressing these issues promptly will reduce operational risks, improve regulatory compliance, and enhance overall performance transparency.

END OF EXHIBIT 16

Appointment of a Professional Advisor to the Board of MarineHub

The Board of MarineHub has engaged the services of Pinnacle Chartered Accountants ('Pinnacle') to advise on strategic, operational and financial aspects of its shipping terminal management services. Pinnacle are not MarineHub's external auditor and currently provide no other services to MarineHub.

This appointment aims to provide the Board of MarineHub with a comprehensive and independent preliminary report to facilitate well-informed decision-making.

You are Stephen Teo, a recently qualified Singapore chartered accountant at Pinnacle Chartered Accountants.

You are responsible for drafting a report for review by a partner at Pinnacle Chartered Accountants which will form the basis for a submission to the Board of MarineHub.

Your report will focus on:

- 2025 Performance evaluation and risk management strategy
- Evaluation of a strategic option for growth and efficiency using technology
- Internal control and sustainability review at MarineHub

The specific requirements to be included in your report are set out in Exhibit 18.

END OF EXHIBIT 17

MarineHub Requirements

Your formal report should focus on MarineHub only, and comprise the following four elements:

e-Exam Question Number	Requirement 1: An Executive Summary
2	<p>(a) Write an executive summary to accompany your report. Your executive summary should allow the Board of MarineHub to obtain a general understanding of what your report contains, including the key numbers. You should also include clearly stated assumptions, conclusions, and recommendations.</p> <p>Note to Candidates: While your executive summary should not contain any material or points you have not discussed in the main body of the report, you are required to highlight any potential interactions between the individual standalone requirements below.</p> <p style="text-align: right;">(Total: 10 marks)</p>

**e-Exam
Question
Number**

REQUIREMENT 2: 2025 Performance evaluation and risk management strategy

3

(a) Using the financial data provided (Exhibit 12), analyse MarineHub's financial performance for the year ended 31 March 2025 compared to the year ended 31 March 2024 and provide an overall conclusion to the Board of MarineHub.

Note to Candidates: To prepare your answer, you may use the **Excel file attachment** (provided in the separate attachment under the Instructions page), which contains figures from Exhibit 12.

(16 marks)

4

(b) Evaluate the potential impact of **FIVE** risks from the MarineHub risk register and recommend a risk response strategy to the Board for each risk.

Note to Candidates: For this requirement, select no more than **FIVE** risks from MarineHub risk register (Exhibit 7) and explain your risk assessment as either high, medium or low based on the existing position at MarineHub and the external environment. Focus on potential short and longer term business impacts, rather than probability of occurrence.

(10 marks)

(Total: 26 marks)

**e-Exam
Question
Number**

REQUIREMENT 3: Strategic option for growth and efficiency using technology

5

(a) Evaluate the strategic growth potential of the proposed Digital Freight Management Platform (DFMP) as outlined in Exhibit 14, by applying a Suitability, Acceptability and Feasibility (SAF) framework and provide a recommendation to the Board of MarineHub.

Note to Candidates: The SAF evaluation should include relevant investment appraisal for which workings should be shown.

(16 marks)

6

(b) Analyse **FIVE** main challenges or barriers to implementing Digital Freight Management Platform (DFMP) at MarineHub. Propose a response to overcome each of these obstacles to ensure a successful roll-out.

(10 marks)

7

(c) Discuss **FOUR** key areas of due diligence essential for evaluating MarineHub's proposed investment in the Digital Freight Management Platform.

Note to Candidates: For this requirement, Candidates are advised to consider the areas of legal, financial, operational and commercial due diligence.

(6 marks)

8

(d) Discuss **THREE** high-level accounting treatment/financial reporting and **ONE** high-level taxation implication for MarineHub associated with the potential Digital Freight Management Platform investment.

(4 marks)

(Total: 36 marks)

e-Exam Question Number	<p>REQUIREMENT 4: Internal control and sustainability review at MarineHub</p>
9	<p>(a) Critically assess the FOUR proposed sustainability initiatives summarised by Dr. Alan Irawan (Chair) (see Exhibit 9)</p> <ul style="list-style-type: none"> (i) Provide THREE recommendations should MarineHub proceed with these sustainability initiatives; and (ii) Advise on THREE improvements to MarineHub's overall approach to sustainability performance and reporting. <p style="text-align: right;">(10 marks)</p>
10	<p>(b) Evaluate the benefits and challenges related to the cold ironing initiative proposed by Michael Putra, Operations Director (Exhibit 15).</p> <p style="text-align: right;">(4 marks)</p>
11	<p>(c) Critically analyse the FIVE weaknesses identified in the internal control and governance report issued by MarineHub's external auditor, Hamilton & Co. LLP. Also, recommend ONE specific internal control and governance measure for each internal control weakness identified in Exhibit 16.</p> <p style="text-align: right;">(10 marks)</p>
12	<p>(d) Advise the Board on how Hamilton & Co. LLP, or another professional firm of auditors and accountants, could assist in evaluating MarineHub's sales and procurement internal control environment by providing an Agreed-Upon Procedures (AUP) engagement. Additionally, comment on the independence of Hamilton & Co. LLP should they provide AUP services.</p> <p style="text-align: right;">(4 marks)</p>

(Total: 28 marks)

END OF EXHIBIT 18
END OF PAPER