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# basic education

Department: Basic Education **REPUBLIC OF SOUTH AFRICA** 

NATIONAL SENIOR CERTIFICATE

**GRADE 12** 

AGRICULTURAL MANAGEMENT PRACTICES

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**FEBRUARY/MARCH 2018** 

**MARKING GUIDELINES** 

**MARKS: 200** 

П

These marking guidelines consist of 12 pages.

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Please turn over

#### **SECTION A**

#### **QUESTION 1**

1.1	Multiple	Choice
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1.1.1	A√√
-------	-----

- 1.1.2 C ✓ ✓
- 1.1.3 C ✓ ✓
- 1.1.4 B ✓ ✓
- A√√ 1.1.5
- C√√ 1.1.6
- 1.1.7 B ✓ ✓
- 1.1.8 C√√
- D√√ 1.1.9
- A√√ (10 x 2) 1.1.10

#### Matching 1.2

1.2.1	L√√
1.2.2	E√√
1.2.3	K√√
1.2.4	J√√
1.2.5	G√√
1.2.6	H√√
1.2.7	A√√
1.2.8	C√√
1.2.9	D√√

1.2.10 B ✓ ✓

(20)

#### 1.3 Correct Agricultural Term

- 1.3.1 Medium term credit ✓
- 1.3.2 Variable costs ✓
- 1.3.3 Control ✓
- 1.3.4 Distribution ✓
- 1.3.5 Motivation ✓
- 1.3.6 Pooling system ✓
- 1.3.7 Production costs ✓
- 1.3.8 Selling ✓
- 1.3.9 Entrepreneurship ✓
- 1.3.10 Interpersonal skills ✓

(10 x 1) (10)

### TOTAL SECTION A: 50

#### **SECTION B**

#### **QUESTION 2: PHYSICAL AND FINANCIAL PLANNING**

#### 2.1 Soil depth

#### 2.1.1 **Comparing soil A and soil E in a table form**

	Soil A	Soil E
Depth	Very deep√	Shallow ✓
Water infiltration	High ✓	Low ✓
Drainage	Well ✓	Very poor√
Water holding capacity	High ✓	Low ✓

#### 2.1.2 Grow best

- (a) Soil A legumes  $\checkmark$
- (b) Soil B cereals ✓

#### 2.2 **Preferring sweet veld**

- Grow on an average low rainfall throughout ✓
- Less supplements needed ✓
- It is nutritious throughout its growing stages ✓
- It stays palatable throughout, even during its matured stage ✓

#### 2.3 THREE disadvantages of intensive farming system

- Prolonged use of agro-chemicals results in pollution of water and soil ✓
- Land treated with chemicals reduces the diversity of micro-organisms ✓
- Overuse of water leads to reduced nutrients in the soil ✓

#### 2.4 **Different types of pastures**

Artificial (planted) pastures	Natural pastures
Clover ✓	Grassland ✓
Perennial grasses ✓	Scrub ✓
Legumes 🗸	Savannah ✓

(6)

(3)

(8)

(2)

(4)

(3)

#### 2.5 Labour illness

#### 2.5.1 THREE methods to reduce the risk of losing income due to illhealth

- Workers should be multi-skilled to provide backup skills when needed ✓
- Farmers should outsource certain farming activities and mechanisation ✓
- Farm business should have the ill-health policy and programmes in place√

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	2.5.2	<ul> <li>THREE items included in the ill-health policy and programme</li> <li>Treatment and prevention programmes ✓</li> <li>Care and support programmes ✓</li> <li>Protection of infected and affected employees from stigma and discrimination ✓</li> </ul>	(3)
2.6	Capital		
	2.6.1	<ul> <li>Categorise the types of capital mentioned in the above cartoon</li> <li>Working capital ✓ <ul> <li>Wonder fertilizers ✓</li> <li>Wonder herbicides ✓</li> <li>Money ✓</li> </ul> </li> <li>Movable capital ✓ <ul> <li>Wonder irrigation ✓</li> </ul> </li> </ul>	(6)
	2.6.2	Advise farmer on extra money Can apply for a loan ✓	(1)
	2.6.3	<ul> <li>THREE important requirements for long term credit</li> <li>The potential of the farm business ✓</li> <li>The stage of development of the business ✓</li> <li>The type of farming enterprise ✓</li> <li>The credit worthiness of the farm business ✓ (Any 3)</li> </ul>	(3)
	2.6.4	Difference between sources of capital	
		<ul> <li>(a) External sources</li> <li>Capital obtained from resources outside the farming enterprise ✓</li> <li>It is not linked to the owner ✓</li> </ul>	(2)
0.7	Dudaat	<ul> <li>(b) Internal sources</li> <li>Capital obtained from resources within the farming enterprise ✓</li> <li>It is linked to the owner itself ✓</li> </ul>	(2)
2.7	Budget 2.7.1	FOUR pre-requisites to prepare the next cash-flow budget	
	2.7.1	<ul> <li>The previous income statement for the same period ✓</li> <li>The present balance sheet ✓</li> <li>The balance sheet of the previous period ✓</li> <li>Notes on the transactions that were conducted during the previous financial period ✓</li> </ul>	
		Calculations on depreciation ✓ (Any 4)	(4)
	2.7.2	<ul> <li>THREE valuable comparisons from budget and financial statement</li> <li>Profitability of the business ✓</li> <li>Establish whether the current expenses are within acceptable limits ✓</li> <li>Determining whether the business is making progress by comparing figures with those of previous period ✓</li> </ul>	(3) <b>[50]</b>

### QUESTION 3: ENTREPRENEURSHIP, RECORDING, MARKETING, BUSINESS PLANNING AND ORGANISED AGRICULTURE

## 3.1 Labour related records

- Working hours for each day/week/month ✓
- The specific days that the seasonal workers have worked  $\checkmark$
- Total days of leave taken by the workers  $\checkmark$
- Remuneration of workers 🗸
- Misconduct by workers ✓
- Work performance of workers ✓

## 3.2 Data items reflected on source documents

- Number of product  $\checkmark$
- Date of transaction ✓
- Description of article or purchase ✓
- Total amount of sales 🗸
- Company name ✓
- Payment method ✓
- Buyer or seller information  $\checkmark$

(Any 4) (4)

(Any 5)

(5)

#### 3.3 **Income statement**

## 3.3.1 INCOME STATEMENT FOR YEAR ENDING 31 DECEMBER 2017

INCOME	VALUE (Rand)	EXPENDITURE	VALUE (Rand)
Sale of carrots	11 500	Soil preparation	10 000
Sale of onions	28 000	Harvesting cost	6 000
Sale of tomatoes	20 000	Casual labour	8 000
Sale of cabbages	9 400	Seeds	6 500
		Fertiliser	10 000
		Disease, pest and weed control	10 000
		Repair and maintenance	15 500
		Packaging and	4 000
TOTAL	68 900	TOTAL	70 000

One mark for correct entries in expenditure  $\checkmark$ One mark for correct entries in income  $\checkmark$ One mark for correct total in expenditure  $\checkmark$ One mark for correct total in income  $\checkmark$ 

#### 3.3.2 **Profit or Loss**

Profit/Loss = Income – Expenditure
 = R68 900 – R70 000

= R68 900 - R70 = - R1 100,00 ✓

It was a loss ✓

(2)

(1)

(6)

(2)

#### 3.4 **Financial definitions**

#### 3.4.1 **Definition of break-even point**

• It is the level of production at which the costs are covered  $\checkmark$ 

OR

• When income derived from produce is equal to output  $\checkmark$  (1)

#### 3.4.2 **Definition of debtor**

Person/business that owes the farm money ✓

#### 3.5 Balance sheet

ASSETS	VALUE	LIABILITIES	VALUE
Fixed assets		Capital	R115 000
Land	3.5.1 /		
Buildings	R50 000	Mortgage loan	R120 000
Second hand	3.5.2 / R50 000√		
tractor			
Implements	R25 000		
Current assets		Current	
	20 000	Creditors	3.5.5 / R10 000√
Cash	3.5.3 / R2 000√	Bank overdraft	R15 000
Debtors	3.5.4 / R13 000√		
Total	R260 000	Total	3.5.6 /

#### 3.6 Marketing plan

#### 3.6.1 **Importance of compiling a strategic marketing plan**

- Meet customers' needs ✓
- Generate profit ✓

#### 3.6.2 **Questions to acquire information**

- Where will I sell my product? ✓
- Who is the client? ✓
- What is the size of my potential client base? ✓
- What is the location of my clients and how will it affect my sales? ✓
- What are the client's needs and requirements? ✓
- Will I sell directly to the client? ✓
- Will I sell wholesale to convenience store? ✓
- What are the seasonal price changes? ✓
- What are the quality standards that I have to adhere to? ✓

(Any 5) (5)

#### 3.7 Business plan

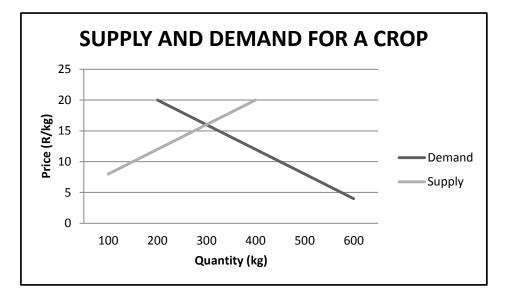
- 3.7.1 Description of basic features of a business plan related to product
  - Product description that will derive from the farming enterprise
  - Market analysis to seek the best market to sell the product  $\checkmark$
  - Operational plan on how to produce the product ✓
  - Financial analysis including budgets and the use of capital  $\checkmark$
  - Appendices attached as support documents ✓ (Any 4) (4)

#### 3.7.2 FOUR aspects of place to sell

- Distance to the market ✓
- Size of the market ✓
- Storage facilities ✓
- Infrastructure surrounding the market ✓
- Buying power of customers ✓
- Identity/Name of the market  $\checkmark$  (Any 4) (4)

#### 3.8 Marketing

#### 3.8.1 Graph representing the supply and demand for a crop



#### Allocation of marks:

- Applicable heading ✓
- Labelling and values of x-axis and y-axis√
- Labelling graphs√
- Correct supply graph✓
- Correct demand graph√

(5)

## 3.8.2 **Price at market equilibrium**

R16,00√

### 3.8.3 **TWO possible reasons for the shortage**

- Consumers buy more when price is low and with no increase in supply, leads to a shortage ✓
- Farmers supply/market less of a crop when price is low that tend to lead to shortages because of a higher demand from consumers ✓
- Socio-economic factors when people have more money they buy more and shortages can occur during higher buying timeframes ✓
- Natural disasters/hail/floods/drought causes less products to be harvested ✓
- Seasonal yields differ between different years. Demand increases that leads to shortages ✓ (Any 2) (2)

#### 3.8.4 **TWO strategies to deal with shortages**

- Modify planting or harvesting times ✓ to supply sufficiently during periods of short supply ✓
- Process products ✓ to prolong shelf life so that they could be sold during periods of short supply ✓

(4) **[50]** 

(1)

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#### **QUESTION 4: HARVESTING, PROCESSING, MANAGEMENT AND AGRITOURISM**

#### 4.1 Harvesting

	4.1.1	<ul> <li>Factors take into consideration during harvesting a crop</li> <li>Availability of transport ✓</li> <li>Labour requirements ✓</li> <li>Storage ✓</li> <li>Weather conditions ✓</li> <li>Marketing trends ✓ (Any 4)</li> </ul>	(4)
	4.1.2	<ul> <li>Describing basic principles of post-harvest handling</li> <li>Handle with care to avoid damage or cutting or crushing or bruising of the produce ✓</li> <li>Remove damaged items from good quality items during the sorting process ✓</li> </ul>	(2)
4.2	Storage		
	4.2.1	Storage facility in the picture Silo ✓	(1)
	4.2.2	<ul> <li>Environmental factors that are controlled in a silo</li> <li>Temperature ✓</li> <li>Moisture/Humidity ✓</li> <li>Air ✓</li> <li>Light ✓ (Any 3)</li> </ul>	(3)
4.3	Differend	e between sorting and grading	

Sorting	Grading
Removal at first sight of some	The assessment of a number of
undesirable additional materials e.g.	
leaves or stones ✓	obtain an indication of its overall quality ✓
Separation of raw materials into	An expensive operation due to
categories on the basis of shape,	long process of setting
size, weight, image and colour $\checkmark$	standards ✓
Segregating grains, fruit or	Requires skilled personnel ✓
vegetables between marketable and unmarketable products ✓	

#### 4.4 **Processing**

# 4.4.1 THREE fermentation processes that van be used in preservation

- Sugar fermentation ✓
- Milk sugar/lactose fermentation ✓
- Acid forming fermentation ✓

(6)

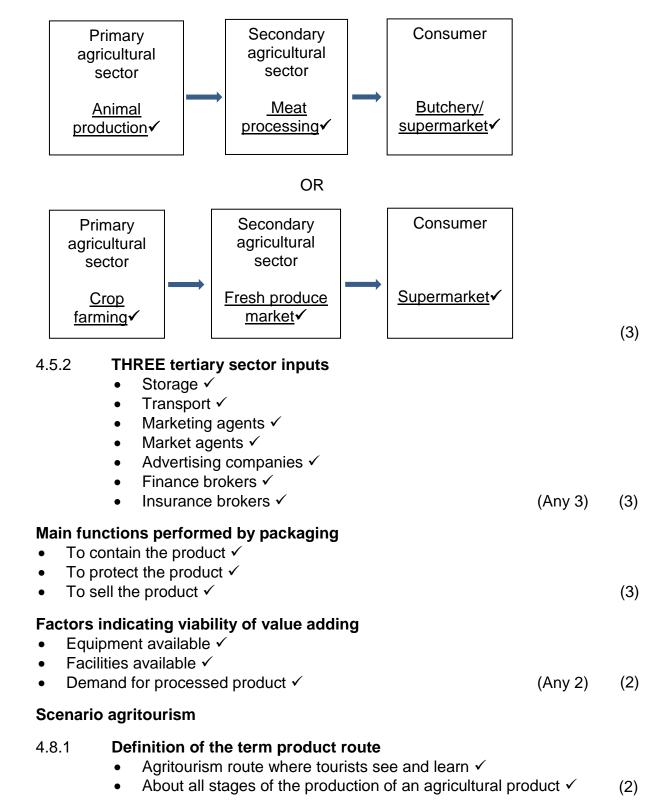
#### 4.4.2 Effect of moisture in the cooling process

- Moisture enhances the cooling process/Makes the process • faster √
- If moisture froze it can damage the product  $\checkmark$

(2)

#### 4.5 Agricultural chain

#### 4.5.1 Schematic presentation of an agri-business chain



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4.6

4.7

4.8

	4.8.2	<ul> <li>Activities in the scenario</li> <li>Touring the rooibos route ✓</li> <li>Viewing and feeling the tea plants in their natural state ✓</li> <li>Learning about the harvesting and curing of the final product ✓</li> <li>Learning the history of the rooibos plant ✓ (Any 2)</li> </ul>	
	4.8.3	<ul> <li>Aspects that illustrate educational potential</li> <li>Knowledge of the cultural and historical heritage of the place ✓</li> <li>Sustainable utilisation of our natural resources ✓</li> <li>Promotion of healthier eating habits ✓</li> </ul>	(3)
	4.8.4	<ul> <li>THREE entrepreneurial characteristics in the scenario</li> <li>Hardworking ✓</li> <li>Creative ✓</li> <li>Can identify unique opportunities ✓</li> <li>Confident ✓ (Any 3)</li> </ul>	(3)
4.9	Manage	ment	
	4.9.1	<ul> <li>Role of farm manager in maintaining the financial viability</li> <li>Planning the production process ✓</li> <li>Organizing the different activities on the farm ✓</li> <li>Coordination of all sectors of the production process ✓</li> <li>Controlling the production process ✓</li> <li>Decision making on a day to day basis ✓</li> <li>Motivation of labour force ✓ (Any 4)</li> </ul>	) (4)
	4.9.2	<ul> <li>FOUR basic types of coordination</li> <li>Informal coordination√</li> <li>Programmed coordination√</li> <li>Liaison coordination√</li> <li>Group coordination √</li> </ul>	(4) <b>[50]</b>
		TOTAL SECTION B	

GRAND TOTAL: 200