



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

AGRICULTURAL MANAGEMENT PRACTICES

FEBRUARY/MARCH 2018

MARKING GUIDELINES

MARKS: 200

These marking guidelines consist of 12 pages.

SECTION A**QUESTION 1****1.1 Multiple Choice**

1.1.1 A ✓✓

1.1.2 C ✓✓

1.1.3 C ✓✓

1.1.4 B ✓✓

1.1.5 A ✓✓

1.1.6 C ✓✓

1.1.7 B ✓✓

1.1.8 C ✓✓

1.1.9 D ✓✓

1.1.10 A ✓✓

(10 x 2) (20)

1.2 Matching

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 ✓✓

(10 x 2) (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 ✓

(8)

2.1.2 Grow best

- (a) Soil A – legumes ✓
(b) Soil B – cereals ✓

(2)

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 ✓

(4)

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 ✓

(3)

2.4 Different types of pastures

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

(6)

2.5 Labour illness**2.5.1 THREE methods to reduce the risk of losing income due to ill-health**

- 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 ✓

(3)

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

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 ✓
- Total days of leave taken by the workers ✓
- Remuneration of workers ✓
- Misconduct by workers ✓
- Work performance of workers ✓

(Any 5) (5)

3.2 Data items reflected on source documents

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

(Any 4) (4)

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 ✓

One mark for correct entries in income ✓

One mark for correct total in expenditure ✓

One mark for correct total in income ✓

(4)

3.3.2 Profit or Loss

- Profit/Loss = Income – Expenditure
= R68 900 – R70 000
= – R1 100,00 ✓
- It was a loss ✓

(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 ✓
- OR**
- When income derived from produce is equal to output ✓ (1)

3.4.2 Definition of debtor

- Person/business that owes the farm money ✓ (1)

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 tractor	3.5.2 / R50 000✓		
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 /

(6)

3.6 Marketing plan

3.6.1 Importance of compiling a strategic marketing plan

- Meet customers' needs ✓
- Generate profit ✓ (2)

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**

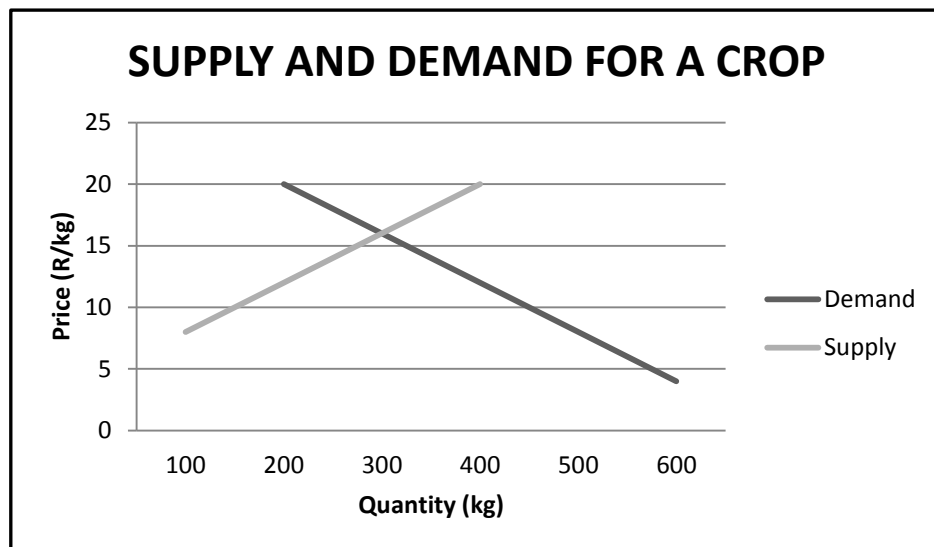
- Product description that will derive from the farming enterprise ✓
- Market analysis to seek the best market to sell the product ✓
- Operational plan on how to produce the product ✓
- Financial analysis including budgets and the use of capital ✓
- Appendices attached as support documents ✓ (Any 4) (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 ✓ (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✓ (1)
- 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]**

QUESTION 4: HARVESTING, PROCESSING, MANAGEMENT AND AGRITOURISM

4.1 Harvesting

4.1.1 Factors take into consideration during harvesting a crop

- Availability of transport ✓
 - Labour requirements ✓
 - Storage ✓
 - Weather conditions ✓
 - Marketing trends ✓
- (Any 4) (4)

4.1.2 Describing basic principles of post-harvest handling

- Handle with care to avoid damage or cutting or crushing or bruising of the produce ✓
 - Remove damaged items from good quality items during the sorting process ✓
- (2)

4.2 Storage

4.2.1 Storage facility in the picture

Silo ✓ (1)

4.2.2 Environmental factors that are controlled in a silo

- Temperature ✓
 - Moisture/Humidity ✓
 - Air ✓
 - Light ✓
- (Any 3) (3)

4.3 Difference between sorting and grading

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

(6)

4.4 Processing

4.4.1 THREE fermentation processes that van be used in preservation

- Sugar fermentation ✓
 - Milk sugar/lactose fermentation ✓
 - Acid forming fermentation ✓
- (3)

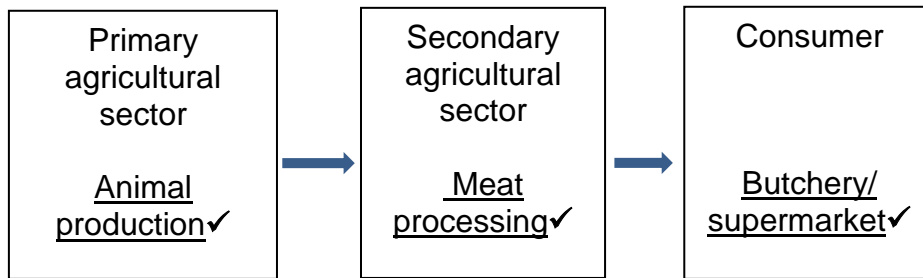
4.4.2 **Effect of moisture in the cooling process**

- Moisture enhances the cooling process/Makes the process faster ✓
- If moisture froze it can damage the product ✓

(2)

4.5 **Agricultural chain**

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



OR



(3)

4.5.2 **THREE tertiary sector inputs**

- Storage ✓
- Transport ✓
- Marketing agents ✓
- Market agents ✓
- Advertising companies ✓
- Finance brokers ✓
- Insurance brokers ✓

(Any 3) (3)

4.6 **Main functions performed by packaging**

- To contain the product ✓
- To protect the product ✓
- To sell the product ✓

(3)

4.7 **Factors indicating viability of value adding**

- Equipment available ✓
- Facilities available ✓
- Demand for processed product ✓

(Any 2) (2)

4.8 **Scenario agritourism**

4.8.1 **Definition of the term product route**

- Agritourism route where tourists see and learn ✓
- About all stages of the production of an agricultural product ✓

(2)

4.8.2	Activities in the scenario	<ul style="list-style-type: none">• Touring the rooibos route ✓• Viewing and feeling the tea plants in their natural state ✓• Learning about the harvesting and curing of the final product ✓• Learning the history of the rooibos plant ✓	(Any 2)	(2)
4.8.3	Aspects that illustrate educational potential	<ul style="list-style-type: none">• Knowledge of the cultural and historical heritage of the place ✓• Sustainable utilisation of our natural resources ✓• Promotion of healthier eating habits ✓		(3)
4.8.4	THREE entrepreneurial characteristics in the scenario	<ul style="list-style-type: none">• Hardworking ✓• Creative ✓• Can identify unique opportunities ✓• Confident ✓	(Any 3)	(3)
4.9	Management			
4.9.1	Role of farm manager in maintaining the financial viability	<ul style="list-style-type: none">• Planning the production process ✓• Organizing the different activities on the farm ✓• Coordination of all sectors of the production process ✓• Controlling the production process ✓• Decision making on a day to day basis ✓• Motivation of labour force ✓	(Any 4)	(4)
4.9.2	FOUR basic types of coordination	<ul style="list-style-type: none">• Informal coordination ✓• Programmed coordination ✓• Liaison coordination ✓• Group coordination ✓		(4)
				[50]
			TOTAL SECTION B:	150
			GRAND TOTAL:	200