This memorandum consists of 11 pages.
SECTION A

QUESTION 1

1.1 Multiple-choice questions
1.1.1 A ✔ ✔
1.1.2 B ✔ ✔
1.1.3 D ✔ ✔
1.1.4 D ✔ ✔
1.1.5 A ✔ ✔
1.1.6 C ✔ ✔
1.1.7 A ✔ ✔
1.1.8 B ✔ ✔
1.1.9 D ✔ ✔
1.1.10 D ✔ ✔ (10 x 2) (20)

1.2 Matching items
1.2.1 L ✔ ✔
1.2.2 E ✔ ✔
1.2.3 I ✔ ✔
1.2.4 G ✔ ✔
1.2.5 D ✔ ✔
1.2.6 B ✔ ✔
1.2.7 J ✔ ✔
1.2.8 K ✔ ✔
1.2.9 A ✔ ✔
1.2.10 C ✔ ✔ (10 x 2) (20)

1.3 Correct agricultural term
1.3.1 Movable capital ✔
1.3.2 Variable cost ✔
1.3.3 Entrepreneur ✔
1.3.4 Cooperative ✔
1.3.5 Own capital ✔
1.3.6 Distribution ✔/ transportation ✔
1.3.7 Pool system ✔
1.3.8 Interest ✔
1.3.9 Marketing cost ✔
1.3.10 Gross farm income ✔ (10 x 1) (10)

TOTAL SECTION A: 50
SECTION B

QUESTION 2: PHYSICAL AND FINANCIAL PLANNING

2.1  **FIVE ways how temperature restricts agricultural production.**

- Late/early frost can cause damage to crops, or even destroy the whole season's production
- Long cold spells can reduce the growth rate as well as the yield of both crops and livestock
- Extreme cold can kill many crops and livestock
- Very high temperatures increase evaporation of water from the soil which results in drought
- Very high temperature results in crops wilting which lowered production (Any 5) (5)

2.2  **The influence of slope on crop production**

- The slope of land should not be too steep
- Because rain falling on a steep cultivated land will easily wash away the top soil and promote soil erosion
- Northern slope is more productive / southern slope is less productive
- Because of warmer temperatures and/or direct sunlight (4)

2.3  **Effect of soil depth on plant production**

**Shallow soil**

- Restricts the development of plant roots
- Have a lower water capacity this leads to poor yield
- Have a quicker water logged

**Deep soils**

- Hold water better
- Better root development
- Have a higher production potential (Any 4) (4)

2.4  **THREE factors that cause the change of the plant species**

- Overgrazing
- Selective grazing
- Under grazing
- Veld fires
- Drought/climate change (Any 3) (3)

2.5  **Types of credit for farmers**

<table>
<thead>
<tr>
<th>Types of credit for farmers</th>
<th>Long term credit</th>
<th>Medium term credit</th>
<th>Short term credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration</td>
<td>10 years and longer ✓</td>
<td>2–10 years ✓</td>
<td>2 years and lower ✓</td>
</tr>
</tbody>
</table>
| Use of credit               | Land ✓ | Machinery ✓ | Fertilisers ✓ | (6)
2.6 **Production methods in farming**

2.6.1 (a) B – subsistence farming ✓
(b) A – precision farming ✓

2.6.2 **Motivation of QUESTION 2.6.1**

<table>
<thead>
<tr>
<th>Precision farming</th>
<th>Subsistence farming</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment used</td>
<td>• Highly technological ✓</td>
</tr>
<tr>
<td>TWO advantages</td>
<td>• Less expensive ✓</td>
</tr>
<tr>
<td></td>
<td>• Easy to operate ✓</td>
</tr>
</tbody>
</table>

- Cost effective related to inputs ✓
- Less time consuming ✓
- Electronic information is changed into management strategies ✓
- Determine the soil potential productivity ✓
- Predict yield potential ✓
- Determine soil cultivation method ✓
- Determine the sowing density and type of fertilizers ✓ (Any 2)

2.7.1 **The type of farming system**

- A – extensive ✓
- B – intensive ✓
- C – semi-intensive ✓

2.7.2 **Farming system**

- Semi-intensive / C ✓

2.8 **FOUR benefits of AIDS project for farm**

- Prevention/awareness will have a healthier labour force ✓
- Workers will create a healthier environment ✓
- Earlier detection and treatment leads to less absentees ✓
- Productivity of farm can increase ✓
- Labour/transport/medical costs will be lower ✓ (Any 4)

2.9.1 **Calculate missing amounts**

a. R80,00 ✓
b. R85,00 ✓
c. R1 600,00 ✓
d. R10 012,00 ✓
e. R22 500,00 ✓
2.9.2 Conclusion and calculation
- Profit / loss = Total expected income – total expected expenses
  = R22 500,00 ✓ – R10 012,00 ✓
  = R12 488,00 ✓
- The crop farmer will make a profit ✓ (4)

2.10 Three aspects of planning
- Condition of the engine ✓
- Appropriateness of the engine ✓
- Conditions of the equipment to be used with the engine ✓
- Type of equipment with the engine size ✓ (Any 3) (3) [50]
QUESTION 3: ENTREPRENEURSHIP, RECORDING, MARKETING AND BUSINESS PLANNING

3.1 FIVE challenges faced by farm gate marketing
- Number of customers visiting the farm ✓
- Cannot get the price that the farmer wanted ✓
- Lack of storage facilities ✓
- Low bargaining power ✓
- Lack of capital ✓
- Farm not situated favourably ✓
(Any 5) (5)

3.2 The role of agricultural marketing legislation
- It provides a legal platform for the marketing of agricultural products ✓
- It regulates the economic functioning by promoting, guiding the overall operation of agricultural markets ✓
- It provides guidelines for the operation of the markets in different ways in order to avoid serious bad results to the environment and consumers at large ✓
(3)

3.3 THREE differences between marketing and selling.

<table>
<thead>
<tr>
<th>Marketing</th>
<th>Selling</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Profit orientated ✓</td>
<td>• Product orientated ✓</td>
</tr>
<tr>
<td>• Long term plans are made ✓</td>
<td>• Short term objectives ✓</td>
</tr>
<tr>
<td>• Emphasis is on consumer needs and satisfaction ✓</td>
<td>• Consumer needs and satisfaction are neglected ✓</td>
</tr>
<tr>
<td>• Emphasises working together ✓</td>
<td>• No working together ✓</td>
</tr>
<tr>
<td>• Technological innovation is important ✓</td>
<td>• Costs are reduced to achieve maximum sales profit ✓</td>
</tr>
</tbody>
</table>
(Any 3 in each column) (6)

3.4.1 A business plan
- It is a document that describes the business you want to start and indicate your goals and objectives ✓
- Indicate the income and costs/financial aspect of the business ✓
- Indicate the operation of the business and its sustainability ✓
(Any 2) (2)

3.4.2 Reasons why a bank requires a business plan
Business plans informs the bank manager on the following important aspects:
- Viability of the business ✓
- Sustainability of business ✓
- If profit will be big enough for repayment ✓
- The probable income and expenditure ✓
- Predicted cash flow ✓
- Assets and liabilities ✓
(Any 4) (4)
3.5.1 THREE methods of price setting
• Cost plus pricing/profit ✓
• Competition orientated ✓
• Market orientated pricing/going rate pricing ✓
• Breakeven point ✓
• Supply and demand/Market equilibrium ✓

(Any 3) (3)

3.5.2 FOUR prerequisites of a market
• Market size ✓
• Geographical placing ✓
• Stability ✓
• Availability ✓
• Satisfy needs ✓
• Organised ✓
• Good marketing functions and intuitional organisation ✓
• Risk evasion ✓
• Trust and ethical codes ✓
• Available, trustworthy market information ✓
• Buying power of the consumers ✓

(Any 4) (4)

3.6.1 Calculate price at point of sell
• Price after processing = R20/kg x 1.7 ✓
  = R34/kg ✓

  Final price = R34/kg x 1.5 ✓
  = R51/kg ✓

  OR

• Price processing = R20/kg + R20 x 70% ✓
  = R20/kg + R14
  = R34/kg ✓

  Final price = R34/kg + R34/ kg x 50% ✓
  = R51/kg ✓

  OR

• Increase = R20/kg x 70%
  R14/kg ✓

• Price processing = R20/kg + R14/kg
  = R34/kg ✓

• Price increase = R34/ kg x 50% ✓
  = R17/kg

• Final price = R34/kg + R17/kg
  = R51/kg ✓

(4)

3.6.2 Describe relationship
• The longer the marketing chain, the higher the price the consumer will pay

  OR

• The shorter the marketing chain the less the consumer will pay for the product. ✓ ✓

  (only one statement relevant) (2)
3.7.1 **Bar graph on performance of workers**

**PERFORMANCE OF WORKERS**

<table>
<thead>
<tr>
<th>Season</th>
<th>Bags harvested/day</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>4</td>
<td>40</td>
</tr>
</tbody>
</table>

**Rubric**
- ✓ appropriate heading
- ✓ correct x-axis and labelling
- ✓ correct y-axis and labelling
- ✓ key
- ✓ correct type of graph
- ✓ correct values of graph

(6)

3.7.2 **Possible reason for poor performance**

- New worker on the farm ✓
- Unskilled/untrained worker in the specific task ✓
- Illness ✓
- Absenteeism ✓
- New type of work for the worker ✓

(Any 1)  

(1)

3.7.3 **Selection and recommendations for worker**

- Worker B ✓

AND

- Worker productivity improved over time ✓
- Worker B outperformed worker A from the third season ✓
- Worker B became more skilful ✓

(Any 2)  

(2)

3.8.1 **Percentage that tools and machinery contribute to the assets**

- Total assets = R150 000 + R284 000
  = R434 000 ✓

- \% of asset = \frac{R284 000}{R434 000} \times 100 ✓
  = 65.43% ✓

(3)

3.8.2 **The negative effect of high farm mechanisation**

(a) Social justice: job losses/unemployment/ no skilled labourers ✓

(b) Environmental justice: air pollution/land pollution/water pollution ✓

(c) Economic matters: expensive

(1)

(1)

3.9 **Keeping record of farm related information ✓** e.g. (production, income, expenditure) to help in planning and decisions making ✓

(2)

[50]
QUESTION 4: HARVESTING, PROCESSING, AGRITOURISM AND MANAGEMENT

4.1 Compare different approaches to harvesting between the small commercial farmer and Large commercial farmer

<table>
<thead>
<tr>
<th></th>
<th>Large Commercial farmer</th>
<th>Small Commercial farmer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time management</td>
<td>Saves time as own harvesters can do the harvesting. ✓</td>
<td>Time consuming as he need to hire contractors for harvesting, that is not always available ✓</td>
</tr>
<tr>
<td>Transport and handling</td>
<td>Own transport available ✓ and have equipment that handle bulk ✓ (Any one)</td>
<td>Own transport not available ✓ bulk not easily handled. ✓ (Any one)</td>
</tr>
<tr>
<td>Storage</td>
<td>Normally well-structured storage facilities ✓ (Silo)</td>
<td>No/poor storage facilities ✓</td>
</tr>
</tbody>
</table>

4.2 FOUR components when designing packaging material

- Protection of the product ✓
- Deliver and display the product in a way that it attracts the customers ✓
- Make the product recognisable ✓
- Have features that make it easy to handle ✓
- Cost effective ✓
- Provide information to the consumers ✓
- Type of material ✓ (Any 4)

4.3 FOUR characteristics of ideal packaging

- Sanitary ✓
- Non – Toxic ✓
- Transparent ✓
- Light weight ✓
- Tamper proof ✓
- Easily disposable ✓
- Easily printed or labelled ✓
- Resistant to mechanical and thermal damage ✓
- Compatible with high speed tilling machinery ✓
- Compatible with food/product ✓
- Protective against light ✓
- Easily opened/closed ✓
- Impermeable to gasses and odours ✓
- Environmentally friendly ✓ (Any 4)
4.4 **Classify management activities**
4.4.1 • Type of crop or combination of crops to produce ✓ (1)
4.4.2 • Decision on where to market the produce ✓ (1)
4.4.3 • Set up of budgets for comparison ✓ (1)
4.4.4 • Studying of market prices ✓
• Keeping of records on production and labour ✓ (Any 1) (1)
4.4.5 • Training of labourers ✓ (1)
4.4.6 • Organising a farmers market day. ✓ (1)

4.5.1 **FOUR reasons for preserving food**
• To protect the food against micro – organisms, enzymes and other form of spoilage ✓
• To prepare food of uniform quality on a large scale
• to provide a stable market for food that is available for only a few days or weeks in a year/food security ✓
• To have a greater variety of food available in non-producing areas ✓ (4)
• To feed humankind ✓

4.5.2 **FOUR food preserving methods where micro-organisms development is inhibited**
• Applying cold/ freezing ✓
• Increasing the osmotic pressure/Canning ✓
• Decreasing the moisture content through drying or dehydration ✓
• Decreasing the pH through the adding of acid ✓ (4)

4.5.3 **FOUR methods of food preserving where micro-organisms are killed**
• Apply high concentration of salt or sugar ✓
• Alcohol ✓
• Chemical preserving agents ✓
• Spices containing antimicrobial action ✓
• Heating/pasteurization/sterilization/blanching ✓
• Radiation/ultra violet rays ✓ (4)

4.6 **FOUR types of coordination**
• Informal coordination ✓
• Programmed coordination ✓
• Negotiated coordination ✓
• Group coordination ✓ (4)

4.7 **FOUR factors to consider for decision on harvesting**
• Readiness/ripeness ✓
• Climate ✓
• Availability of labourers/machinery ✓
• Availability of contractor ✓ (4)
• Availability of storage facilities ✓
• Marketing aspects ✓
4.8 **TWO ways that a farmer can play a significant role in agri-tourism**

- By promoting farm stay holidays ✓
- By bringing the country and city life together/education ✓
- By ensuring the sustainable utilization of our natural resources ✓ (Any 2) (2)

4.9.1 **Managerial skill and example**

<table>
<thead>
<tr>
<th>Managerial skills</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning ✓</td>
<td>Budget for maintenance ✓</td>
</tr>
<tr>
<td>Control ✓</td>
<td>Time register ✓</td>
</tr>
<tr>
<td>Motivation ✓</td>
<td>Incentives ✓</td>
</tr>
<tr>
<td></td>
<td>Training ✓</td>
</tr>
<tr>
<td></td>
<td>Build well-equipped houses ✓</td>
</tr>
</tbody>
</table>

(Any 1 for motivation) (6)

4.9.2 **Disciplinary action**

- Cannot take disciplinary action ✓ (1)

**Reason:**

- No training of workers ✓
- Do not show proper handling of equipment ✓
- Fix breakages as it occurs ✓
- No regular maintenance ✓ (Any 1) (1) [50]

TOTALSECTION B: 150
GRANDTOTAL: 200