These marking guidelines consist of 12 pages.
SECTION A

QUESTION 1

1.1 Multiple-choice questions

1.1.1 B ✓ ✓
1.1.2 C ✓ ✓
1.1.3 A ✓ ✓
1.1.4 C ✓ ✓
1.1.5 D ✓ ✓
1.1.6 D ✓ ✓
1.1.7 C ✓ ✓
1.1.8 A ✓ ✓
1.1.9 A ✓ ✓
1.1.10 D ✓ ✓

(10 x 2) (20)

1.2 Matching items

1.2.1 E ✓ ✓
1.2.2 F ✓ ✓
1.2.3 I ✓ ✓
1.2.4 C ✓ ✓
1.2.5 G ✓ ✓
1.2.6 L ✓ ✓
1.2.7 J ✓ ✓
1.2.8 B ✓ ✓
1.2.9 D ✓ ✓
1.2.10 K ✓ ✓

(10 x 2) (20)

1.3 Agricultural terms

1.3.1 Insurance ✓
1.3.2 Demand ✓
1.3.3 Compensation for Occupational Injuries and Disease Act, 1993 (Act 130 of 1993 ✓
1.3.4 Game farming/Game farm ✓
1.3.5 Infrastructure ✓

(5 x 1) (5)

1.4 Underlined words

1.4.1 Expenditure / Working capital/Floating capital ✓
1.4.2 Debtors ✓
1.4.3 Cash /Money ✓
1.4.4 Receipts ✓
1.4.5 Packaging ✓

(5 x 1) (5)

TOTAL SECTION A: 50
SECTION B

QUESTION 2: PHYSICAL AND FINANCIAL PLANNING

2.1 Slope

2.1.1 Soil slope

<table>
<thead>
<tr>
<th>TOPOGRAPHICAL FACTOR</th>
<th>PRODUCTION POTENTIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deep soil with few rocks, gentle slopes</td>
<td>Greater production potential more suited for crop production/ higher yield ✓</td>
</tr>
<tr>
<td>Shallow soil on moderate rocky slope</td>
<td>Less production potential more suitable for grazing ✓</td>
</tr>
<tr>
<td>Very steep slopes</td>
<td>Better suited for grazing, wild life and forestry ✓</td>
</tr>
</tbody>
</table>

(3)

2.1.2 Different methods that the farmer can use to prevent soil erosion

- A – Vegetation strips ✓
- B – Stone banks/Bunding ✓
- C – Contour banks/Ridges ✓

(3)

2.1.3 Correct cultivation method and reason

- Method A ✓ AND
- Reduce the flow of water ✓
- And give the water more time to infiltrate the soil ✓
- OR
- Reduced erosion ✓
- By reducing the speed that the water flow ✓

(Any 1)

(2)

2.2 Pastures

2.2.1 Complete the table and calculate the number of animals

<table>
<thead>
<tr>
<th>ANIMAL GROUP</th>
<th>NUMBER</th>
<th>USAGE FACTOR</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lactating cows</td>
<td>300</td>
<td>1,2</td>
<td>360</td>
</tr>
<tr>
<td>Calves 1 – 2 year</td>
<td>300</td>
<td>0,6</td>
<td>180 ✓</td>
</tr>
<tr>
<td>Replacement heifers</td>
<td>60</td>
<td>1,0</td>
<td>60 ✓</td>
</tr>
<tr>
<td>Bulls</td>
<td>10</td>
<td>1,3</td>
<td>13 ✓</td>
</tr>
<tr>
<td>Total animals on the farm</td>
<td>–</td>
<td>–</td>
<td>613 ✓</td>
</tr>
</tbody>
</table>

(4)

2.2.2 Calculate the maximum number of the animals on the farm

- Max number of animals = \( \frac{2000\text{ ha}}{4\text{ LSU/ha}} \) ✓
- = 500 animals ✓

(2)
2.2.3 Deduce sustainable production, reason and impact

- No, it is not sustainable ✓ or
- No there are too many animals (113 extra) on the farm ✓ (Any 1) (1)

Possible impacts

- Overgrazing of palatable grasses will take place ✓
- Veld will deteriorate/increase of unpalatable grasses ✓
- Soil erosion will occur ✓
- Carrying capacity will decrease ✓ (Any 3) (3)

2.2.4 Solutions for sustainability

- Reduce the number of animals/Correct carrying capacity /Correct stoking rate ✓
- Sell calves at a young age or at weaning ✓
- Make use of artificial pastures/Planting of artificial pastures ✓
- Planting of fodder crops as extra feed ✓
- Make use of a feedlot for the younger animals ✓
- Replace large livestock with small livestock ✓
- Fertilising/irrigation of veld ✓
- Obtain/buy/hire extra veld ✓ (Any 5) (5)

2.3 Farming systems (methods)

- Extensive ✓ – large farms with small capital inputs relative to size e.g. labour and fertiliser ✓
- Semi-intensive ✓ – combination between extensive and intensive systems (more management and labour intensive that extensive but less than intensive) ✓
- Intensive ✓ – High capital input relative to size of area ✓ (Any 3 x 2) (6)

2.4 TWO usages of animal traction

- Transport farm inputs, products and feed/licks ✓
- Spreading of fertilizers and composts ✓
- Cultivation and transport on difficult terrain ✓
- For weeding ✓ (Any 2) (2)

2.5 FOUR methods to ensure a productive workforce

- Appreciation and credit given for work done ✓
- Have a sincere interest in the worker as a person ✓
- Transfer responsibility to the worker ✓
- Fair remuneration ✓
- Training ✓
- Communication ✓
- Recreation facilities/Housing ✓ (Any 4) (4)
2.6 **Budget**

2.6.1 **Comparable Statement**
- Cash flow statement ✓
- Income statement ✓

2.6.2 **Item influenced by change in interest rate and reason**
- Loan ✓
- The higher the interest rate the less the profit will be in the enterprise and vice versa ✓

2.6.3 **ONE item influenced by inflation and explain**
- Seed ✓
- Fertilizer ✓
- Wages ✓
- Pesticide ✓

AND

- Inflation will increase prices of these items and lower the profit ✓

2.6.4 **Item affected by labour legislation**
- Wages ✓

2.7 **Choice of farming methods**

2.7.1 **Profitability**
- Higher profitability will make it more likely that a farmer will choose that particular method ✓
- Future market trends must also be considered in determination of profitability ✓

2.7.2 **Markets**
- Distance to the markets must be considered due to costs to the market ✓
- Value adding of product reduces risk of deterioration due to distance ✓
- Size of market can have a big influence on profitability due to prizes and selling volumes ✓
- Export markets can have higher costs but also higher income than local markets ✓

2.7.3 **Policies**
- Legislation can make it impossible to use certain methods ✓
- Policies can limit the use of the different resources ✓

2.8 **Credit as high-risk action**
- Sudden changes in interest rate can have a negative effect on the liability of the farm or make repayments difficult ✓
- Different climate or market factors can have a negative effect on the number of products sold or the price of the products that will negatively affect the profitability of the farm ✓
QUESTION 3: ENTREPRENEURSHIP, RECORDING, MARKETING, BUSINESS 
PLANNING AND ORGANISED AGRICULTURE

3.1 Business plan

3.1.1 Marketing plan ✓ (1)
3.1.2 Production plan ✓ (1)
3.1.3 Human resources plan/Labour plan ✓ (1)
3.1.4 SWOT analysis ✓ (1)

3.2 Advantages of business plan

- Provides clear strategies and goals ✓
- Guides the business towards goal and objectives ✓
- Ensures effective business management ✓
- Helps to reposition the business ✓
- Facilitates risk management ✓
- Helps to compile set of priorities e.g. marketing plan ✓
- Helps the farmer to determine competitive advantages ✓
- Makes early detections of possible problems ✓
- Helps in allocating funds according to priority ✓
- Identifies beneficiary opportunities ✓
- Helps to improve communication within the business ✓
- Creates timetable to assist business in implementing ✓ (Any 5) (5)

3.3.1 Factors that contribute to a successful manager

- Knowledge of the enterprise ✓
- Contacts/Networking ✓
- Financial skills ✓
- Managerial skills ✓/Leadership ✓
- Human relation skills ✓
- Business skills ✓ (Any 3) (3)
3.3.2 **Phases of the entrepreneurial process**

- Identifying and evaluating the opportunities
- Determining the resources required
- Developing the business plan
- Starting and managing the enterprise

**Rubric**
- For each correct linkage one mark (3 x 1)
- Correct type of flowchart one mark (4)

3.4 **Requirements for a good business record**
- Clear and simple/easy ✓
- Specific/accurate ✓
- Realistic ✓
- Relevant ✓
- Complete ✓
- Addresses specific needs of the farm ✓
- Up to date ✓

(Any 3) (3)

3.5 **Importance of a Balance Sheet**
- It gives the farmer a clear picture of business financial position ✓
- Shows whether the business is well managed ✓
- It shows the financial position of the farm at a specific date ✓

(3)
3.6 **Distinguish between diversification and specialisation an example**

3.6.1 **Diversification**
- Diversification is when a farmer has various production units that contribute to the total income of the farm ✓
- Example: any two or more enterprises (dairy + beef; sheep + goat; maize + sunflower etc.) ✓

3.6.2 **Specialisation**
- Specialisation is when a farmer focuses on one commodity by adapting the farming methods to producing that single product ✓
- Example: only ONE enterprise (maize; wool; dairy; meat; etc.) ✓

3.7 **Product organisations**

3.7.1 **Name and discuss role of product organisations**
- Business information services: ✓ – responsible for collecting and distributing production and market information to all role players ✓
- Market development and product promotion: ✓ – development of domestic and foreign markets through integrated promotion campaigns in collaboration with industry players ✓
- Research, development and technology transfer: ✓ – facilitates and manages research programmes for the benefit of all role players ✓

3.7.2 **Disadvantages of product organisations**
- Limits the initiative of farmers ✓
- Marketing and negotiations are limited ✓
- Membership fees must be paid ✓
- Can lose control over his product ✓
- Too many organisations can have a negative effect ✓

3.8 **Modern methods of advertising**
- Online/online advertisement/webpages ✓
- Internet based services/Social media ✓
- Sponsorships at conventions/functions ✓
- Direct mail ✓
- Billboards ✓
- SMS ✓
- Company/product cell phone application (app) ✓
3.9 **Factors that influence quantity of product consumer wants**
- The lower the price of a product, the higher the demand for it will be or the higher the price of the product the lower the demand will be for that product.
- If consumers prefer a particular product to competing products, the demand for the product that people prefer will be high.
- If consumers prefer a particular product, the more they tend to buy at higher prices.
- The more consumers there are, the greater the demand for a specific product.
- The higher the income of consumers the higher the demand for a product.
- If the price of a product that competes with other is noticeably lower, the demand for a certain product will be lower as consumers prefer to buy cheaper products.
- The bigger the range of products available, the smaller the demand for a particular product.
- Bigger range will increase the total demand for a product. (Any 5) (5)

3.10 **Relationship between income and cost**

3.10.1 **Label different graphs**
- Graph A – Fixed cost
- Graph B – Total cost
- Graph C – Variable cost (3)

3.10.2 **Name for the point marked D**
- Break-even point (1)

3.10.3 **Economic importance of point D**
- Point D indicate the number of products that must be sold so that the income is equal to the expenditure.
- Before the point marked D, the business will be operating at a loss.
- After the point marked D, the business will be operating at a profit. (3) [50]
QUESTION 4: HARVESTING, PROCESSING, MANAGEMENT AND AGRITOURISM

4.1 Factors to consider when doing pre-harvest planning
- Readiness of crop ✓
- Harvest equipment serviced ✓
- Availability of harvest equipment ✓
- Availability of contractor ✓
- Enough harvest containers ✓
- Clean storage area ✓
- Available transport ✓
- Availability of labourers ✓
- Availability of restroom facilities ✓
- Availability of drinking water ✓
(Any 5) (5)

4.2 Describe handling of agricultural products
- Correct disposal of waste – so that it does not contaminate produce ✓
- Health of workers – to avoid transmitting diseases through products ✓
- General hygiene – must be of high standard to minimise contamination of products ✓
- Correct handling of produce – to reduce spoilage of produce ✓
- Correct packaging and transport to maintain quality of produce ✓
(5)

4.3 Storage methods for newly harvested agricultural products

4.3.1 Fruits or vegetables ✓ (1)
4.3.2 Meat ✓ (1)
4.3.3 Grain/Cereals R raw oil seeds ✓ (1)
4.3.4 Milk ✓ (1)

4.4 FIVE advantages of bulk storage
- The area exposed to air is less per mass ✓
- Pest is less due to deeper layers and exclusion of air ✓
- Bulk handling is cheaper ✓
- Bulk handling is easier ✓
- It is faster to handle ✓
- Less labour is required ✓
(Any 5) (5)

4.5 Favourable growth conditions under which micro-organisms can thrive
- The correct food product ✓
- Moisture ✓
- Suitable temperature ✓
- Suitable pH ✓
- Air/oxygen ✓
(Any 4) (4)
4.6 Packaging

4.6.1 Packaging material – polystyrene
• It is suitable for meat products ✓

Reason
• It can be easily cleaned ✓
• Does not absorb odours ✓
• Light weight ✓
• Hygienic ✓
• Non-toxic ✓
• Impervious to gases and odours ✓
• Withstand moisture ✓

(Any 2) (3)

4.6.2 Packaging material – card board
• It is not suitable for meat products ✓

Reason
• Does not withstand moisture ✓
• Not easy to clean ✓
• Not impervious to gases and odours ✓
• Can be heavy/Not light weight ✓

(Any 2) (3)

4.7 Marketing channels

4.7.1 Contract marketing ✓

(1)

4.7.2 Internet marketing ✓

(1)

4.7.3 Auctions ✓

(1)

4.7.4 Fresh produce markets ✓

(1)

4.8 Advantages of planning and co-ordination

4.8.1 Advantages of planning
• Ensures that the farm runs smoothly and purposefully ✓
• Helps to anticipate change so adjustments can be made timeously ✓
• Helps to establish the goals and standards needed for control ✓

(3)

4.8.2 Advantages of coordination
• Duplication is eliminated ✓
• Better cooperation amongst the workers ✓
• Organisation in the workplace becomes easier and more functional ✓

(3)

4.9 Effect of motivation through encouragement and delegation
• Workers feel more appreciated ✓
• Builds self-confidence ✓
• Workers feel part of management ✓
• Leads to higher productivity ✓

(4)
4.10.1 Agritourism

4.10.1 Type of enterprise
- Agritourism (1)

4.10.2 Agritourism
Rubric:
The flyer must have the following information:
- Location of the farm ✓
- Contact details of the farm ✓
- Facilities available e.g. overnight accommodation ✓
- Possible activities and experiences e.g. mountain climbing ✓/ hunting ✓/ bird viewing ✓/ fishing ✓/ canoeing ✓ (any 2 activities, maximum 2 marks)
- Design/Layout should not be more than half an A4-page ✓ (6)

[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200