



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

AGRICULTURAL MANAGEMENT PRACTICES

FEBRUARY/MARCH 2012

MEMORANDUM

MARKS: 200

This memorandum consists of 11 pages.

SECTION A

QUESTION 1.1

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

(10 x 2) (20)

QUESTION 1.2

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

(10 x 2) (20)

QUESTION 1.3

- 1.3.1 Work/annual plan✓
- 1.3.2 Working capital/Floating capital✓
- 1.3.3 Credit/loan✓
- 1.3.4 Demand ✓
- 1.3.5 Segment ✓
- 1.3.6 Price✓
- 1.3.7 Supply✓
- 1.3.8 Marketing chain/Supply and demand chain ✓
- 1.3.9 Fresh produce markets ✓
- 1.3.10 Farm manager/farm owner✓

(10 x 1) (10)



TOTAL SECTION A: 50

SECTION B**QUESTION 2: ANIMAL AND CROP PRODUCTION****2.1.1 Three types of plans**

- Business plan ✓
 - Financial plan ✓
 - A marketing plan ✓
- (3)

2.1.2 Important objective of commercial farmer

- Biggest profit possible/economic viability ✓
 - Natural resource protection/Sustainable utilization of natural resources ✓
 - Social acceptability ✓
 - Conservation viability ✓
 - Minimize production risk ✓
- Any 2 (2)

2.1.3 Four ways to evaluate farm planning

- Compare yields/financial data with norms of the area ✓
 - Compare yields/financial data/production practices with other farmers ✓
 - Compare with the previous years/production periods ✓
 - Seek advise from professionals like Agricultural economists /researchers/agricultural extension officer ✓
- (4)

2.2 Four reasons for dividing into camps

- Health ✓ /separating sick animals from the healthy animals ✓
 - Breeding ✓ /separating the males from the females /separating the young animals from the old animals. ✓
 - Production ✓ /resting and recovering of the veld for future use by the livestock ✓
 - Rotational grazing ✓
 - Soil conservation ✓
 - Protecting vulnerable pastures ✓
 - Carrying capacity of the pasture ✓ /scientific utilization ✓
 - Optimal utilization /homogeneous camp ✓
 - Location – keep to norms of a specific area ✓
- Any 4 (4)

2.3 One reason why each factor is important**2.3.1 Markets**

- The distance to the market ✓
 - Stability of the market ✓
 - Number of competitors ✓
 - Number of consumers ✓
 - Size of market ✓
 - Accessibility to markets ✓
- Any 1 (1)

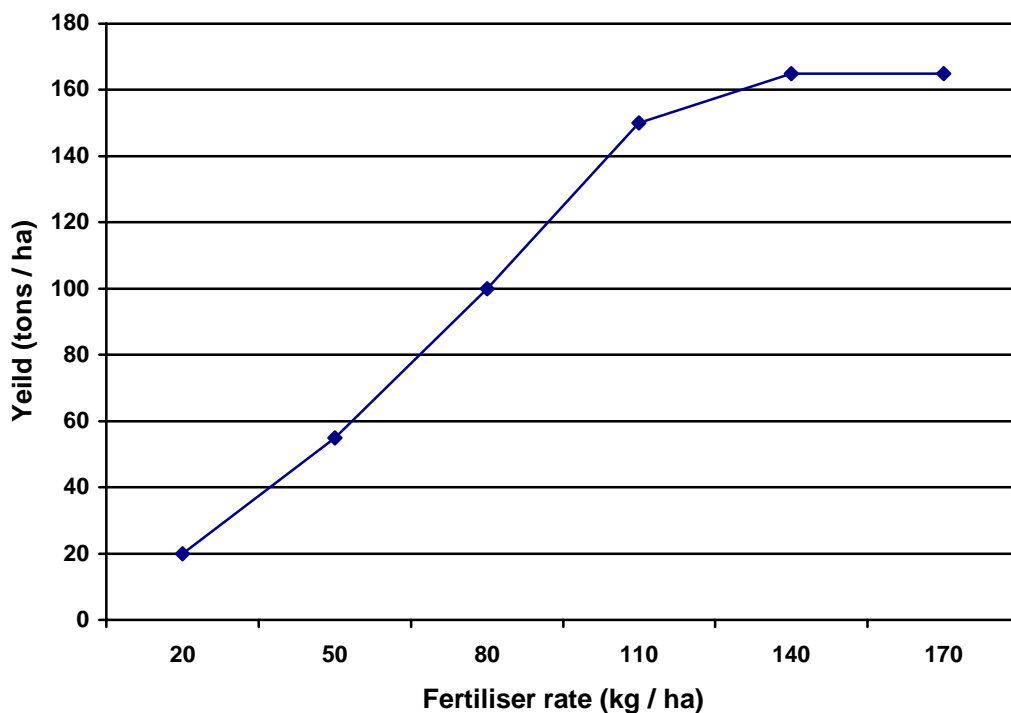
2.3.2 Efficiency of production

- The more efficient the production the bigger the profit ✓
- (1)

- 2.3.3 Feed available
• Sufficient feed must be available✓ (1)
- 2.3.4 Veld type
• The type of livestock will be determined by the composition and type of veld (e.g. goats can effectively utilise veld that is dominated by small trees) ✓ (1)
- 2.3.5 Profitability
• Some livestock production systems are more profitable than others and the farmer will choose the most profitable system ✓ (1)
- 2.4 **Relevant management function**
- 2.4.1 • Planning ✓ (1)
- 2.4.2 • Organising ✓ (1)
- 2.4.3 • Co-ordinating/leading/motivating/directing✓ (1)
- 2.4.4 • Implementing ✓ (1)
- 2.4.5 • Control ✓ (1)
- 2.5 **Legislation**
- 2.5.1 B (2)
- 2.5.2 A (2)
- 2.5.3 C (2)
- 2.6 **Five ways to improve productivity of sandy soil**
• Add more organic matter/humus/compost✓
• Minimum or no tillage✓
• Apply agricultural lime✓
• Less but frequent irrigation ✓
• Fertilization✓ (5)
- 2.7 **Production systems**
- 2.7.1 • Extensive farming system✓ (1)
- 2.7.2 • Intensive farming system✓ (1)
- 2.7.3 • Semi – intensive farming system✓ (1)
- 2.7.4 • Intensive farming system✓ (1)
- 2.7.5 • Extensive farming system✓ (1)

2.8 Advantages of mechanisation

- Work is made easier✓
- Work is done more quickly✓
- Machines can work in high temperatures✓
- It is less expensive because less labourers will be hired✓
- Exhaustion does not occur ✓
- Machines can be hired by neighbouring farmers and accumulate money✓ (5)

2.9 Plot line graph**THE RELATIONSHIP BETWEEN CROP YIELD AND FERTILISER APPLICATION ON A PIECE OF LAND****Rubric for marking:**

- Applicable heading of the graph✓
- X-axis naming✓ and correct units✓
- Y-axis naming ✓and correct units✓
- Correctness of the graph✓

(6)
[50]

QUESTION 3: RECORDING, FINANCIAL STATEMENTS AND ENTREPRENEURSHIP**3.1 Two instances issuing receipt**

- Sponsorship ✓
 - A capital contribution ✓
 - A payment from other transaction for service rendered/cash sales ✓
 - A payment from a debtor ✓
- Any 2 (2)

3.2.1 Two advantages paying by cheque.

- Cheques are less bulky compared to cash/easier to handle ✓
 - Less risk of being robbed/mugged ✓
 - Risk of losing cash is avoided ✓
 - Record keeping is made easier because the counterfoil of the cheque book records all the information of the issued cheque ✓
- Any 2 (2)

3.2.2 List two examples of detail on each division**(a) Bank information**

- Trade name / Bank name ✓
 - Registered name ✓
 - Bank clearance number / branch code ✓
 - Account number of the business ✓
 - Cheque number ✓
- Any 2 (2)

(b) Business information (drawer)

- Trade name ✓
 - Postal code ✓
 - Contact details ✓
- Any 2 (2)

(c) Transaction information

- Name of payee ✓
 - Amount to be paid to the payee in figures and in corresponding words ✓
 - Date the amount is payable ✓
 - Authorised signature(s) ✓
- Any 2 (2)

3.3 Classify records

PRODUCTION RECORDS	PHYSICAL RECORDS	FINANCIAL RECORDS
Crop yield per ton of fertilizer used ✓	Workshop tool inventory ✓	Cash flow ✓
Number and condition of young animals born from a single mother ✓	Stock of seeds for the next planting season ✓	

(5)

- 3.4.1 **Necessity to have visionary leadership**
- Need to take a risk ✓
 - Able to identify a business opportunity ✓
- (2)
- 3.4.2 **Two characteristics of financial skill**
- Budget management and allocations ✓
 - Can start a business ✓
 - Financial record keeping ✓
- Any 2 (2)
- 3.4.3 **State best way to measure success**
- High income / positive bank statement ✓
 - Large profit ✓
 - Expanding the farm business ✓
- Any 2 (2)
- 3.5.1 **Briefly explain risk**
- Develop a risk management fund.
 - Minimise risky farming operations.
 - Avoid risky investments.
- Any 2 (2)
- 3.5.2 **Briefly explain sustainability**
- Establish more sources of capital/biggest profit possible ✓
 - Natural resource protection/Sustainable utilization of natural resources ✓
 - Social acceptability/strategies to make labour more efficient/develop more skills for farm worker ✓
 - Conservation viability/encourage improved resource management ✓
 - Minimize production risk ✓
- Any 2 (2)
- 3.6.1 **Deduce working hours**
- Nine hours ✓✓
- (2)
- 3.6.2 **Date of overtime and hours**
- On 6 May 2011, ✓
 - The overtime was two hours ✓
- (2)
- 3.6.3 **Calculate hours worked**
- $9 \times 4 = 36 \checkmark + 2 \checkmark + 6 \checkmark = 44 \text{ hours } \checkmark$
- (4)
- 3.6.4 **Reason for no work**
- It was a public holiday/worker's day ✓
- (1)
- 3.7.1 **Calculate gross margin of enterprises**
- Crop enterprise's gross margin is
 - $R10\,500,34 - R5\,900,00 \checkmark = R4\,600,34 \checkmark$
 - Livestock enterprise 's gross margin is
 - $R12\,300,15 - R8\,027,00 \checkmark = R4\,273,15 \checkmark$
- (4)

3.7.2 Deduce most profitable enterprise with reason

- The crop production enterprise ✓✓
- Because its expenses was less than the income✓ and the crop enterprise's expenses was more than the income ✓ (4)

3.7.3 Calculate net income

- Net farm income
- = total farm income – general farm expenses
- = R22800,49✓ – R13927,00✓ = R8 873,49 ✓ (3)

3.8 Discuss business plan under headings**3.8.1 Internal forces**

- Sufficient capital✓
 - Labour efficiency ✓
 - Skills ✓
 - Management ✓
 - Resources ✓
- Any 2 (2)

3.8.2 External forces

- Availability of reliable markets ✓
 - Availability of credit / loans ✓
 - Less competitors ✓
 - Conducive economic situation/without recessions ✓
 - Good environmental conditions e.g. weather ✓
 - Political conditions ✓
 - Socio-economic conditions ✓
- Any 2 (2)

3.8.3 Potential risks

- Weather/unfavourable environmental conditions ✓
 - More competitors/greater competition ✓
 - Theft ✓
 - Shortage of skilled labour ✓
 - Under capitalization ✓
 - Unfavourable legislative environment/unfavourable laws✓
- Any 1 (1)
[50]

QUESTION 4: HARVESTING, VALUE – ADDING, MARKETING, AGRITOURISM AND INDUSTRY

- 4.1 **List five outlets where farmers can sell**
- Wholesale ✓
 - Processing company ✓
 - Village market ✓
 - Local supermarket ✓
 - Street vendors ✓
 - Farm gates ✓
 - Local municipality institutions ✓/hospitals ✓/prisons ✓/schools ✓ Any 5 (5)
- 4.2 **Write one reason when processing agricultural product**
- 4.2.1 • Cleaning – to remove dust/ soil/ dirt or for easy handling ✓ (1)
- 4.2.2 • Covering - to protect from micro-organisms/germs or dirt ✓ (1)
- 4.2.3 • Cutting - to increase surface area or for easy handling ✓ (1)
- 4.2.4 • Mixing – to add spices, preservatives etc. ✓ (1)
- 4.2.5 • Dividing into sizes or portions – for easy storage/transportation/ marketing ✓ (1)
- 4.2.6 • Put into containers e.g. bottling, canning – for packaging or storage ✓ (1)
- 4.3 **Four factors influence drying of crop in open area**
- Temperature of the day ✓
 - Quantity of the produce ✓
 - Method of harvesting ✓
 - Humidity/water content in the air ✓
 - Irrigation before harvesting ✓
 - Moisture content in the harvested crop ✓
 - Moisture content requirements for storage ✓
 - Season/ Winter or Summer ✓
 - Length of the day ✓
 - Wind ✓
 - Rainfall ✓
 - Time when harvested ✓
 - Type of crop ✓
 - Method of drying ✓
 - Preparation of product ✓ Any 4 (4)
- 4.4.1 **Identify aspect of marketing**
- The supply curve/supply ✓ (1)

- 4.4.2 **Deduce amount of product at R25,00**
• 8–12 tons ✓✓ (2)
- 4.4.3 **Briefly explain effect of quantity supply on price**
• (a) the quantity of the product supplied will increase ✓ and the price may go down ✓ (2)
• (b) the quantity supplied will go down ✓ and the price will go up ✓ (2)
- 4.5 **Briefly describe the meaning of the principles**
- 4.5.1 **Democratic control**
• Authority in a co-operative is the hands of the members and members make their decisions in a general meeting. The member who does more business with the co-operative receives the greatest benefits/ has more say in the affairs of the co-operative ✓✓ (2)
- 4.5.2 **Member economic participation**
Profits are distributed proportionally (not equally) among members according to the contribution done by each member to the co-operative ✓✓ (2)
- 4.5.3 **Autonomy**
• A co-operative is owned by its members and it is independent. It is not owned by the government or municipality, it is not part of the civil service ✓✓ (2)
- 4.6 **Make a list of others**
• People ✓
• Consumer ✓
• Animals ✓
• Micro-organisms ✓
• Fish ✓
• Crops ✓
• Wild life ✓
• Birds ✓ Any 4 (4)
- 4.7 **Explain importance of each question**
• Market size determines the amount that the producer or supplier can take to the market and therefore, determines how much of the produce the farmer can produce/ scale of production. ✓✓
• Stability of the market is an indication of the period and guarantees over which market will need the product of the producer or supplier. This knowledge will help the farmer to decide on how much to invest and on whether or not to invest on this produce. ✓✓
• The amount and type of competition in the market will help the farmer to strategize properly in order to stand the competition. The farmer will strategize in terms of the quality of the produce and in terms of handling and processing of the produce. ✓✓ (6)

