

NATIONAL SENIOR CERTIFICATE

GRADE 12

AGRICULTURAL MANAGEMENT PRACTICES

FEBRUARY/MARCH 2015

MEMORANDUM

MARKS: 200

This memorandum consists of 13 pages.

SECTION A

QUESTION 1: SHORT QUESTIONS

| 1.1 1.1.1 1.1.2 1.1.3 1.1.4 1.1.5 | Multiple-choice questions B√√ C√√ A√√ D√√ C√√ | 1.1.6 1.1.7 1.1.8 1.1.9 1.1.10 | C√√ A√√ B√√ C√√ B√√ | (10 x 2) | (20) |
|--|---|--|---------------------------------|----------|------|
| 1.2 | Matching items | | _ , , | | |
| 1.2.1 | E√√ | 1.2.6 | C✓✓ | | |
| 1.2.2 | G√√ | 1.2.7 | H✓✓ | | |
| 1.2.3 | B√√ | 1.2.8 | F√√ | | |
| 1.2.4 | D√√ | 1.2.9 | K✓✓ | | |
| 1.2.5 | ✓ ✓ | 1.2.10 | J✓✓ | (10 x 2) | (20) |
| 1.3 | Term/Word(s) | | | | |
| 1.3.1 | Marketing/Marketing plan ✓ | 1.3.6 | Whole farm √ | | |
| 1.3.2 | Soil ✓ | 1.3.7 | Elasticity ✓ | | |
| 1.3.3 | Crop rotation ✓ | 1.3.8 | Controlled ✓ | | |
| 1.3.4 | Precision ✓ | 1.3.9 | Equity scheme ✓ | | |
| 1.3.5 | Fixed ✓ | 1.3.10 | Cash flow ✓ | (10 x 1) | (10) |

TOTAL SECTION A: 50

SECTION B

QUESTION 2: FARM PLANNING

2.1 Soil structure

2.1.1 FOUR main factors that influence soil productivity

- Agricultural capacity ✓
- Vulnerability of soil to change or destruct ✓
- Climate ✓
- Correct management practices ✓

(4)

2.1.2 Explain THREE methods to conserve soil moisture

- Mulching of soils to form a protective layer ✓
- Covering of soils with organic material/plastic to reduce evaporation ✓
- Increase the soil depth for water capillary movement of soils ✓
- Planting of crops that cover soil to reduce evaporation ✓ (Any 3)

2.2 Soil reaction

2.2.1 **Deduce land for crop production**

• Land B ✓ (1)

2.2.2 Explain answer with TWO reasons

- The soil physical characteristics are better ✓
- More nutrients available for the plants ✓

(2)

2.3 Reasons for laying out camps

- To apply rotational grazing ✓
- Highest possible production ✓
- To protect vulnerable pastures from overgrazing ✓
- To allow for stocking the veld according to the carrying capacity of the pasture ✓
- To allow the livestock farmer to have different type of animals ✓
- Separate different sexes/ages/groups ✓
- Controlling of pests ✓

(Any 3) (3)

2.4 Budget

2.4.1 TWO Initial factors that are required for setting up a budget

- Land area to be planted ✓
- Predicted yield / Predicted production ✓
- Predicted fertility ✓
- Labour costs ✓
- Capital needed ✓
- Expenditure on necessities ✓ (Any 2)

2.4.2 Describe THREE indicators of a cash flow budget

- Income received for the set period of time ✓
- Cost incurred for the same period of time as the income ✓
- Stages of cash surplus and shortages to review availability of capital ✓
- Amount and type of credit needed to bridge shortages√
- Time that credit will be needed ✓
- Differences to the budget to make adjustments ✓ (Any 3)

2.5 Safety of labourers

2.5.1 **Safety clothing**

- Overall/Apron/Laboratory coat ✓
- Gloves ✓
- Goggles ✓
- Safety boots/gum boots ✓
- Head covering ✓
- Mouth and nose mask ✓

 $(Any 4) \qquad (4)$

2.5.2 Impact of HIV/Aids on labour

- Higher absenteeism from work/More days for sick leave/ Productivity is lower ✓
- Low staff morale/psychological impact ✓
- Tension at the work place/stigma attached to status ✓
- High staff turn over √
- More expenses for the business ✓

 $(Any 4) \qquad (4)$

2.6 Steps to prevent environmental pollution

- Apply poisons only if necessary ✓
- Correct application of poisons ✓
- Make use of organic methods ✓
- Make use of natural enemies as far as possible ✓
- Do not spill poisons on soil/in water ✓
- Correct method to get rid of poison/container ✓

(Any 5) (5)

2.7 **Precision farming**

2.7.1 Functions of GPS (Global Positioning System) and GIS (Geographical Information System)

| Functions of GPS | Functions of GIS |
|---|--|
| Pin points your exact location within one metre ✓ | Shows areas in the arable land where there are factors that limit production ✓ |
| Surveys the land ✓ | Supplying information on a piece of land ✓ |
| Mapping logistics ✓ | Producing yield maps ✓ (Any 2 comparisons) |

2.7.2 Meaning of the abbreviation of 'VRT'

Variable Rate Technology ✓

Function of VRT

• Controls the rate of application of crop inputs and tillage operations ✓ (2)

2.8 Functions of the Agri-industry

- Provides food ✓
- Provides raw materials ✓
- Provides jobs/employment opportunities ✓
- Development of secondary industry ✓
- Provides agricultural economic stability and growth ✓ (Any 3)

2.9 Effect of prices on budget

2.9.1 Effect of change in prices on profit

- As the prices of necessities (inputs) rise ✓
- The lesser the profit of this enterprise will be ✓

OR

- Higher inputs results in lower income ✓
- And less profit ✓ (2)

2.9.2 Graph Analysis to predict budget

- The budget for labour will stay the same/at R105

 ✓ because the cost stays the same ✓
- Increase the budget on feeds by slightly/10 15 % ✓ because the cost increase slightly ✓
- The budget for fertiliser must increase a lot/20 30% ✓ because of the steep increase in fertiliser prices ✓
- The budget for the product can increase slightly/1 5% because it becomes the end of the year and prices tend to rise ✓

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(8) **[50]**

QUESTION 3: ENTREPRENEURSHIP, RECORDING, **MARKETING AND BUSINESS PLANNING**

3.1 Types of computers

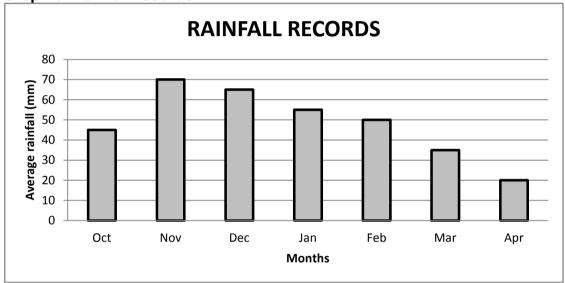
- Desktop ✓
- Laptop/Notebook ✓
- Palmtop ✓
- Workstations ✓
- Mainframe computer ✓
- I-pad/tablet ✓

Cell phone ✓

(Any 2) (2)

3.2 **Climatically factors**

3.2.1 Graph on rainfall records



Marking rubric

- Heading ✓
- Correct x-axis labelled√
- Correct y-axis labelled✓
- Correct bars ✓
- Bar graph√ (5)

3.2.2 Elements of weather measured by these instruments

| NAME OF INSTRUMENT | ELEMENT OF WEATHER | |
|---------------------------------|-----------------------------|-----|
| | MEASURED | |
| Cup anemometer | Wind ✓ | |
| Wet-and-dry bulb thermometer | Humidity ✓ | |
| Rain gauge | Rainfall ✓ | (4) |
| Maximum and minimum thermometer | Day and night temperature ✓ | |

3.3 Allocate assets

| DEPRECIABLE ASSETS | NON-DEPRECIABLE ASSETS | |
|--------------------|------------------------|-----|
| Buildings ✓ | Fertilisers ✓ | |
| Machinery ✓ | Marketable livestock ✓ | (4) |

3.4 Source documents

3.4.1 **Deposit slip**

- The account holder's name ✓
- The account number ✓
- The branch code ✓
- Details of the person depositing the money ✓
- The amount to be deposited ✓
- Date ✓
- Signature ✓ (Any 4)

3.4.2 Cheque payments

- It means that the cheque cannot be passed on to another person ✓
- Must be deposited into a bank account of the person ✓

3.5 Income statement

3.5.1 (a) Total income

• Total income = R25 000,00 + R20 000,00
$$\checkmark$$

= R45 000,00 \checkmark (2)

(b) Total expenditure

• Total expenditure = R2 240,00 + R1 200,00 + R1 360,00 + R1 000,00 + R2 570,00 + R3 000,00
$$\checkmark$$
 = R11 370,00 \checkmark (2)

3.5.2 **Profit or loss**

- Profit/Loss = R45 000,00 − R11 370,00 ✓ = R33 630,00 ✓
- It was a profit ✓ (3)

3.6 Marketing function of an Agribusiness

- Marketing the product at a price that will attract the customers, e.g. utility value ✓
- Continually changing the nature of the product e.g. to satisfy the needs of consumers based on feedback √
- Marketing in such a manner so as to obtain a greater share of the market e.g. branding ✓
- Advertising of the product must be in line with ethical advertising ✓ (Any 3)

3.7 Labour records

3.7.1 Gross wage

• Gross wage = 8 hrs \times R12,70 \times 5 days \checkmark + 3 hrs(1,5 \times R12,70) \checkmark

OR

• Normal wage = $8 \text{ hrs} \times R12,70 \times 5 \text{ days}$

• Overtime = $3 \text{ hrs}(1.5 \times R12.70)$

• Total wage = R508,00 + R57,15

$$= R565,15 \checkmark \tag{3}$$

3.7.2 **Net wage**

• UIF = R565,15 \times 1% \checkmark

• Net wage = income - deductions

•
$$= R565,15 - R5,65 - R15,00 \checkmark$$

$$\bullet = R544,50 \checkmark \tag{4}$$

3.7.3 Abbreviation UIF

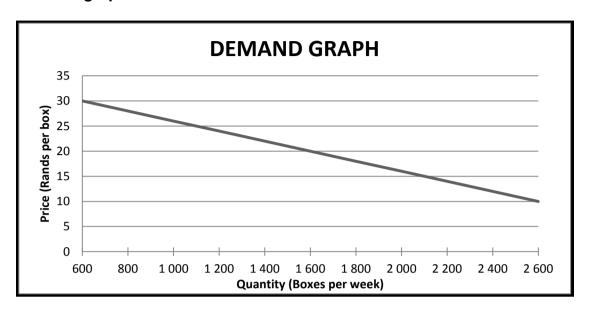
Unemployment Insurance Fund ✓

3.7.4 Contribution towards the UIF

• The employer ✓ (1)

3.8 Supply and demand

3.8.1 **Demand graph**



Marking Rubric

- Heading√
- Correct x-axis√
- Labelling of x-axis with units√
- Correct y-axis ✓
- Labelling of y-axis with units √
- Line graph ✓ (6)

3.8.2 Calculate the profit

• Profit margin = R20 $\times \frac{100}{125}$

• Profit = $(R20 - R16,00) \times 1600 \checkmark OR Profit = R4 \times 1600 \checkmark$

• =
$$R6\ 400,00\checkmark$$
 = $R6\ 400,00\checkmark$ (4) [50]

QUESTION 4: HARVESTING, PROCESSING AND MANAGEMENT

4.1 FOUR factors to considered embarking on value adding business

- Government policy and regulations √
- Socio-economic conditions √
- Level of business skills among the people ✓
- Financial support from the bank or other financial institution ✓
- The availability and cost of infrastructure ✓
- Development of the market ✓
- Access to appropriate technology ✓

(Any 4) (4)

4.2.1 THREE forms of processing agricultural products

| AGRICULTURAL ENTERPRISE | DESCRIBE DIFFERENT WAYS OF PROCESSING |
|---|--|
| Frozen/cold storage √ | Cooling down to a frozen product to preserve √ |
| Baking enterprise ✓ | Continuously making of a product like bread √ |
| Meat enterprise √ | Processing meat in another product like polony √ |
| Fruit enterprise ✓ | Juice and cold drink industry ✓ OR |
| | Canning/drying of fruit √ |
| Dairy enterprise ✓ | Easier bulk handling of the products ✓ OR |
| | Processing to make different products |
| | like cheeses √ |
| Snack enterprise √ | Making of products through extraction ✓ |
| Grain enterprise √ | Milling ✓ |
| | Canning |
| | Freezing √ |
| | Feeds √ |
| Wool/mohair enterprise √ | Textile/material ✓ |
| Oil seeds enterprise √ | Oil ✓ |
| | Feeds √ |
| Cultivated feeds enterprise √ | Pilling ✓ |
| | Feed mixes ✓ |

(Any 3 x 2) (6)

4.2.2 TWO disadvantages of processing

- Difficult to access capital for new industries ✓
- New products compete with established product in the market ✓
- Lack of experience and expertise on the side of business owners ✓

(Any 2) (2)

(Any 3)

(3)

4.3 Attaching duties to their relevant management function 1 = Implementing ✓ 2 = Control ✓ 3 = Organising and co-ordinating ✓ 4 = Planning ✓ 5 = Decision making ✓ (5)44 Management Meaning of delegation 4.4.1 To make other people/workers ✓ Co-responsible for the execution of tasks ✓ And the control of workers/tasks ✓ (3)4.4.2 TWO effects of delegation of tasks Higher productivity ✓ Feel appreciated ✓ Enrich self confidence ✓ Feels satisfied ✓ Feels part of management ✓ (Any 2) (2)4.5 Differentiate between types of agritourism 4.5.1 Farm stay holidays Tourists visit farms, that is a holiday resort with bed and breakfast facilities √ (2) To enjoy the cultural and natural landscape ✓ 4.5.2 **Ecotourism** Is a travel to natural areas to learn about how the people live and natural history of the environment ✓ Taking care not to change the environment and contribute to the (2) economic welfare of the local people ✓ 4.6 Harvesting 4.6.1 ONE reason for harvesting at correct stage of readiness To ensure that it reaches the consumers in good condition ✓ To prevent rotting and spoilage of crop ✓ (Any 1) (1) 4.6.2 THREE important factors to be considered when planning for harvesting Time of harvesting ✓ Amount of labour ✓ Availability and amount of harvesting equipment ✓ Starting date and ending date of harvesting ✓ Harvesting method ✓

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Protective clothing for harvesting ✓

4.7 Storing

4.7.1 Verify statement with TWO reasons

- More evenly distribution of products throughout the year ✓
- To sell products when the price at the markets increase √

4.7.2 FOUR types of packaging material

- Cartons √
- Packet/bags √
- Barrel ✓
- Cup ✓
- Cans √
- Bottles ✓ (Any 4)

4.8 Aspects of labelling requirements

- The use of a trade mark and product description of the content. ✓
- Pictorial representation of the content or serving suggestions in which the product is used with a clear distinction in terminology and representation
- The name and street address of the manufacturer of the product ✓
- A list of ingredients in order of contribution in mass to the whole ✓
- The main ingredients are mentioned first and additives are mentioned under collective names except in case of tartrazine, preservatives and phenylalanine ✓
- Nutritional information determined according to RDA tables and which exceeds set minimum values √ (Any 4)

4.9 Farm evaluation

- Lacks financial insight and skilled financial management ✓
- Lacks knowledge of target markets and competitors ✓
- Unwillingness to take risks ✓
- Poor customer service √ (Any 3)

4.10 Business plan

4.10.1 Design coversheet for business plan

- Name of the business TAU Fresh Produce Enterprise ✓
- Address and contact details of Agri-business or farm ✓
- Ownership (private owner) ✓
- Type of business fresh produce ✓
- Name(s) of owner(s) Francis Louw √
- Date of plan ✓

AND

• Design with information ✓ (Any 5)

4.10.2 TWO market information that should be included in the agribusiness plan

- Market research ✓
- Target market ✓
- Products to be produced ✓
- Distribution ✓

• Competition ✓ (Any 2) (2) [50]

TOTAL SECTION B: 150 GRAND TOTAL: 200