

## MARKING GUIDELINES

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SOUTH AFRICAN COMPREHENSIVE ASSESSMENT INSTITUTE  
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## SECTION A

### QUESTION 1

#### 1.1 Multiple Choice

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

(10x2) [20]

#### 1.2 Matching column

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

(10x2) [20]

#### 1.3 Agricultural term

- 1.3.1 Precision farming ✓
- 1.3.2 Mechanization ✓
- 1.3.3 Soil erosion ✓
- 1.3.4 Source documents ✓
- 1.3.5 Entrepreneur ✓
- 1.3.6 Control ✓
- 1.3.7 Auction ✓
- 1.3.8 Organogram ✓
- 1.3.9 Turnover ✓
- 1.3.10 Export market/Exporting ✓

(10x1) [10]

**TOTAL SECTION A: [50]**



## SECTION B

### QUESTION 2: PHYSICAL AND FINANCIAL PLANNING

#### 2.1 Soil Productivity

##### 2.1.1 TWO reasons for Evaluation of soil productivity:

- Determine the suitability of the soil for a specific crop. ✓
- Possible yield of crop production. ✓ (2)

##### 2.1.2 FIVE production aspects:

- Type of irrigation ✓
- Soil cultivation ✓
- Fertilisation and liming ✓
- Type of crop ✓
- Scheduling of irrigation ✓
- Rotational cropping ✓
- Rotational grazing ✓
- Type of animal ✓ (Any 5) (5)

##### 2.1.3 FOUR factors that influence soil temperature:

- Colour of soil ✓
- Slope ✓
- Specific heat of soil ✓
- Evaporation ✓
- Length of the day ✓
- Plant covering ✓
- Soil depth ✓
- Soil texture ✓
- Soil moisture ✓ (Any 4) (4)

#### 2.2 Health and wellness of farm workers

##### 2.2.1 FIVE negative effects of poor health on productivity:

- Absence from work ✓
- Loss of production time during medical treatments ✓
- Work overload on healthy workers ✓
- Loss of experience ✓
- Increase in medical costs for the business ✓
- Lower profit margins ✓ (Any 5) (5)

##### 2.2.2 The Unemployment Insurance Act (Act 63 of 2001)

- It makes provision for the security of farm workers ✓
- When they become unemployed through illness, maternity, dismissal or retrenchment ✓ (2)



## 2.3 Large scale crop farm

### 2.3.1 Intensive farming system:

Precision farming ✓ (1)

### 2.3.2 FOUR technological tools:

- Global positioning system (GPS) ✓
- Geographical information system (GIS) ✓
- Remote sensing data ✓
- Download of data to computer processor ✓ (4)

### 2.3.3 Economic approach:

- Increased output ✓
- Reduced inputs ✓
- Increased effectiveness ✓
- Reduced costs owing to more effective application of nitrogen ✓ (4)

## 2.4 Farm budget

### 2.4.1 Calculate (a) – (f)

- A. R202, 50 ✓
- B. R193,60 ✓
- C. R 6 870,00 ✓
- D. R10 400,00 ✓
- E. R32 366,10 ✓
- F. R72 347,00 ✓ (6)

### 2.4.2 Profit or loss: Motivate your answer:

Profit/Loss = Total Expected Revenue – Total Expected Expense

R72 347 ✓ – 32 366,10 ✓

= R39 980,90 ✓

The farmer shows a profit ✓ (4)

### 2.4.3 The purpose of a budget:

- The purpose of budgets is to help to plan work efficiently, ✓
- to allocate resources, ✓
- and to help control and monitor resource utilization. ✓ (3)

## 2.5 Veld types

### 2.5.1 Feeding value and management of sweet and sour veld:

#### Sweet veld

- Feeding value stays the same throughout the year ✓
- If veld is well managed, animals can be kept on pastures throughout the year without extra feeding ✓



- Longer grazing periods as grass retains its nutritional value ✓
- Less to no supplementation in winter ✓ (Any 3) (3)

### **Sour veld**

- Feeding value is high during spring and summer ✓
- Feeding values during winter months are very low ✓
- Management includes supplementary feeds during the winter ✓
- Shorter grazing periods as older grass tends to lose its palatability ✓
- Providing supplementary feeds and licks in winter ✓ (Any 3) (3)

### **2.6 The term ‘Labour productivity’**

- Labour productivity is the amount of work done ✓
- relative to the amount of money spent on wages and salaries. ✓
- In order to maximise the productivity of the workforce, the manager needs to develop staff, maintain good relations and resolve conflicts. ✓
- Recognition of workers’ skills and abilities is also important. ✓ (4)

**[50]**



### QUESTION 3: ENTREPRENEURSHIP, RECORDING, MARKETING, BUSINESS PLANNING AND ORGANISED AGRICULTURE

#### 3.1 Farm records

##### 3.1.1 FOUR prerequisites of good farm records:

- Recording must be accurate/authentic. ✓
- Information (data) must be easy to retrieve. ✓
- Records must be user-friendly. ✓
- Records must be up to date ✓ (4)

##### 3.1.2 THREE steps when an inventory is drawn up:

- Step 1: Make a physical count of all available property in the farm business ✓
- Step 2: Evaluate the property item at the current market value. ✓
- Step 3: Make a closing inventory at the end of the year ✓ (3)

##### 3.1.3 FOUR data items in a source document:

- Number of products ✓
- Date of transaction ✓
- Description of article or purchase ✓
- Total amount of sales ✓
- Company name ✓
- Payment method ✓
- Buyer or seller information ✓ (Any 4) (4)

#### 3.2 Income Statement

##### 3.2.1 INCOME STATEMENT FOR THE YEAR ENDING 28 FEBRUARY 2024

INCOME	VALUE (R)	EXPENDITURE	VALUE (R)
Carrot sales	R49 450	Soil preparation	R35 000
Tomato sales	R55 400	Harvesting	R19 400
Spinach sales	R44 670	Seed	R7 500
		Fertiliser	R18 550
		Weed control	R23 560
		Maintenance	R23 450
		Packaging	R12 350
		Marketing	R7 500
		Casual labour	R13 500
<b>TOTAL:</b>	<b>R149 520</b>	<b>TOTAL:</b>	<b>R160 810</b>



- Correct entries in income: ✓ ✓
  - Correct entries in expenditure: ✓ ✓
  - Correct total in income: ✓
  - Correct total in expenditure: ✓
- (6)

### 3.2.2 Profit or loss:

Profit/Loss = Income – Expenditure  
 = R149 520 – R160 810 ✓  
 = -R11 290 ✓  
 Huge loss ✓

(3)

## 3.3 Entrepreneurship

### 3.3.1 SIX determining factors of a market research study:

- There must be customers in your market who are willing to pay for your product or service. ✓
  - Before you invest time and money in your business, you need to find out if there are people who will buy your product or service and that they will pay the price you want. ✓
  - You will have to conduct a market research to find these answers. ✓
  - If your product or service is viable, there is a good chance that your business will be a success. ✓
  - The more you know about your customer, the easier it is to identify products and services that they will spend money on. ✓
  - You will also better understand how to approach them when you try to sell your product or service to them. ✓
- (6)

### 3.3.2 FOUR characteristics of an entrepreneur:

- Can self-start – no need to be encouraged by someone else/creativity/innovativeness. ✓
- Has good relationships with most people. ✓
- Is often a leader. ✓
- Can take responsibility. ✓
- Good organizer. ✓
- Hard worker. ✓
- Can make decisions. ✓
- Is trustworthy. ✓
- Sticks with something until it is completed – persistence. ✓
- Has loads of energy. ✓

(Any 4) (4)



### 3.4 The difference between a cash flow statement and an income statement:

**Cash flow** is the movement of funds through the business ✓ during a specific period and is represented by receipts and payment. ✓ **Income statement** is the record of financial transactions ✓ and the resulting profit/loss on a farm ✓ (4)

### 3.5 Income and expenditure values

#### 3.5.1 Indicate an equal month:

Equal in April ✓ (1)

#### 3.5.2 FOUR reasons for a sudden drop in price:

- The farmer does not have many livestock to sell so the income is less. ✓
- The demand for a specific livestock product was lower and therefore fewer were sold. ✓
- There was an oversupply on the market and prices dropped suddenly. ✓
- A sudden loss of animals (diseases/natural disaster/theft) thus loss to sell. ✓
- Restrictions on export/quarantine. ✓ (Any 4) (4)

#### 3.5.3 Income:

$R220\ 450 + R175\ 250 + R65\ 000 = R55\ 500 + R48\ 567 + R49\ 900 + R55\ 790 + R66\ 670 + R110\ 400 + R155\ 500 + R230\ 460 + R280\ 500 = R1\ 513\ 987$  ✓ ✓

#### Expenditure:

$R76\ 490 + R78\ 000 + R34\ 000 + R55\ 500 + R67\ 000 + R91\ 200 + R110\ 000 + R104\ 300 + R88\ 900 + R75\ 350 + R87\ 900 + R66\ 000 = R934\ 640$  ✓ ✓

#### Determine profit/loss:

Farmer made a profit ✓ of **R579 347** ✓ (6)

#### 3.5.4 FIVE Important livestock records for farmers:

- Financial records ✓
- Labour records ✓
- Fodder records ✓
- Livestock records ✓
- Production records ✓
- Medicine records ✓
- Pedigree/Breeding records ✓ (Any 5) (5)

**[50]**



## QUESTION 4: HARVESTING, PROCESSING, MANAGEMENT AND AGRI-TOURISM

### 4.1 Fruits packaging material

#### 4.1.1 Reasons for suitable packaging for subtropical fruit:

- Cardboard is a strong and sturdy packaging material. ✓
- Cardboard with one layer of fruit. ✓
- Fruit will not bruise easily. ✓

(3)

#### 4.1.2 FOUR disadvantages of the packaging material (cardboard box):

- It can get wet. ✓
- It must be well covered during transportation. ✓
- It is an expensive packaging material. ✓
- It can be easily damaged by sharp objects. ✓

(4)

#### 4.1.3 TWO ways in which bruising can be prevented:

- Wood chips/wood shavings ✓
- Sheets of paper ✓

(2)

### 4.2 Climate change

#### 4.2.1 THREE types of natural disasters due to climate change:

- Floods ✓
- Storms and tornadoes ✓
- Droughts ✓
- Gusty winds ✓
- Ice melting in the North and South poles ✓
- Very high and very low temperatures ✓
- Veldfires ✓

(Any 3) (3)

#### 4.2.2 Increase in insurance costs:

Insurance costs increase due to:

- More risks ✓
- Unpredictable production of crops ✓
- Higher production outputs ✓
- Difficult budgets ✓
- Loss of crops ✓
- Loss of animals during natural disasters ✓

(Any 4) (4)



#### 4.2.3 THREE possible strategies against natural disasters:

- Building ridges to prevent flooding. ✓
  - Having water sources available against droughts. ✓
  - Making use of contour banks against excessive rain. ✓
  - To protect animals from possible floods. ✓
  - Building shelters for animals against extreme temperatures. ✓
- (Any 3) (3)

### 4.3 Agritourism

#### 4.3.1 Description of the concept “Agritourism”:

Agritourism is an opportunity that is used by a farmer ✓  
to develop the tourism industry maximally within the agricultural sector. ✓ (2)

#### 4.3.2 FOUR benefits Agritourism could offer the emerging farmer:

- Increases the potential for higher profits. ✓
  - Diversity the product line of the farm operation. ✓
  - Operators increase income through a variety of service initiatives. ✓
  - Increase the on-farm sales of value adding products and services. ✓
  - Increase income per farm. ✓
- (Any 4) (4)

#### 4.3.3 FOUR requirements of Agritourism before the process can start:

- Marketing knowledge ✓
  - Service orientated ✓
  - Knowledge of entrepreneurship and business development ✓
  - The drafting of feasibility studies and business plans ✓
  - Financial management and planning ✓
  - Knowledge of cash-flow planning and budget control ✓
  - Communication skills ✓
  - Insurance implications ✓
- (Any 4) (4)

### 4.4 Farm evaluation

#### 4.4.1 FOUR factors that led to poor performance of the farm:

- Lack of financial insight and skilled financial management. ✓
  - Lack of knowledge of planning. ✓
  - Lack of maintenance of implements. ✓
  - Poor management. ✓
  - Poor customer care service. ✓
  - Poor human relationship. ✓
- (Any 4) (4)



#### 4.4.2 FOUR negative aspects about the farm manager:

- Farm manager blunt and rude. ✓
- Treats the farm workers badly. ✓
- Has little discipline in the work place. ✓
- Late for the scheduled interview. ✓
- Poor management. ✓

(Any 4) (4)

#### 4.4.3 THREE recommendations to solve the problems:

- Appoint a new manager. ✓
- Ensure that the customer service gets in place. ✓
- Financial problems must be addressed. ✓
- Implements must receive the correct attention. ✓
- Management of farm workers must be addressed. ✓
- Discipline on the farm must be restored. ✓

(Any 3) (3)

### 4.5 Cooperative marketing

#### 4.5.1 Description of the pooling system:

- Produce of different farmers are pooled together. ✓
- Products are treated/handled together as single mass. ✓
- Products are stored/sold as a single unit. ✓

(3)

#### 4.5.2 FOUR advantages of co-operative marketing:

- Farmers do not have to build their own storage or packhouse facilities. ✓
- Producers receive the average price of all the sales during a specific year. ✓
- Producers receive a guaranteed price, which gives them financial security. ✓
- It ensures orderly and effective marketing. ✓
- It simplifies management and book-keeping. ✓

(Any 4) (4)

#### 4.6 Steps in the management control process:

- Develop norms and standards for control. ✓
- Measure real performance. ✓
- Measure and evaluate deviation. ✓

(3)

[50]

**TOTAL SECTION B: [150]**

**GRAND TOTAL: [200]**