

basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

NATIONAL SENIOR CERTIFICATE

GRADE 12

AGRICULTURAL MANAGEMENT PRACTICES

NOVEMBER 2018

MARKING GUIDELINES

MARKS: 200

These marking guidelines consist of 12 pages.

SECTION A

QUESTION 1

1.1	Multiple-choice questions		
1.1.1 1.1.2 1.1.3 1.1.4 1.1.5 1.1.6 1.1.7 1.1.8 1.1.9 1.1.10	B ✓ ✓ C ✓ ✓ A ✓ ✓ C ✓ ✓ D ✓ ✓ D ✓ ✓ C ✓ ✓ D ✓ ✓ C ✓ ✓ A ✓ ✓ A ✓ ✓ A ✓ ✓ D ✓ ✓ Matching items	(10 x 2)	(20)
1.2.1 1.2.2 1.2.3 1.2.4 1.2.5 1.2.6 1.2.7 1.2.8 1.2.9 1.2.10	E ✓ ✓ F ✓ ✓ I ✓ ✓ C ✓ ✓ G ✓ ✓ L ✓ ✓ J ✓ ✓ B ✓ ✓ D ✓ ✓ K ✓ ✓	(10 x 2)	(20)
1.3	Agricultural terms		
1.3.1 1.3.2 1.3.3 1.3.4 1.3.5	Insurance ✓ Demand ✓ Compensation for Occupational Injuries and Disease Act, 1993 (Act 1993 ✓ Game farming/Game farm ✓ Infrastructure ✓	130 of (5 x 1)	(5)
1.4	Underlined words		
1.4.1 1.4.2 1.4.3 1.4.4 1.4.5	Expenditure / Working capital/Floating capital ✓ Debtors ✓ Cash /Money ✓ Receipts ✓ Packaging ✓	(5 x 1)	(5)
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TOTAL SECTION A:

50

(3)

(3)

(4)

SECTION B

QUESTION 2: PHYSICAL AND FINANCIAL PLANNING

2.1 **Slope**

2.1.1 Soil slope

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

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 ✓

2.1.3 Correct cultivation method and reason

• Method A ✓ (1)

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

ANIMAL GROUP	NUMBER	USAGE FACTOR	TOTAL
Lactating cows	300	1,2	360
Calves 1 – 2 year	300	0,6	180 ✓
Replacement heifers	60	1,0	60 ✓
Bulls	10	1,3	13 ✓
Total animals on the farm	_	_	613 ✓

2.2.2 Calculate the maximum number of the animals on the farm

• Max number of animals =
$$\frac{2\ 000\ ha}{4\ LSU/ha}$$
 \(\sigma\) = 500 animals \(\sqrt\) (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)

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)

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)

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)

2.5 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)

2.6 Budget

2.6.1 **Comparable Statement**

Cash flow statement ✓

Income statement ✓

(Any 1) (1)

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)

(1)

2.6.3 ONE item influenced by inflation and explain

- Seed ✓
- Fertilizer ✓
- Wages ✓
- Pesticide ✓ (Any 1)

AND

• Inflation will increase prices of these items and lower the profit ✓ (1)

2.6.4 Item affected by labour legislation

• Wages ✓ (1)

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)

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 ✓ (Any 2)

2.7.3 Policies

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

(2)

(2)

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 ✓

(2) **[50]**

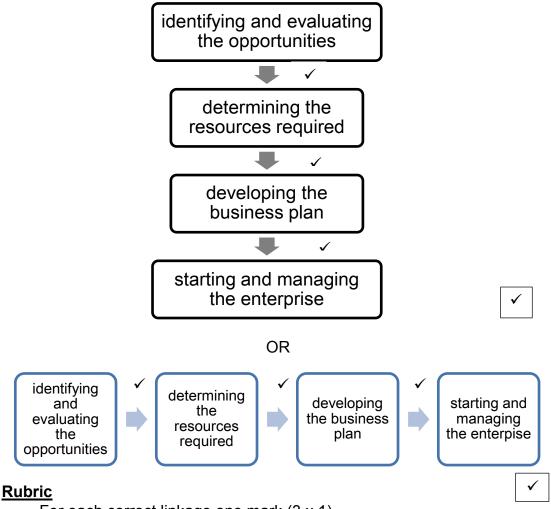
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QUESTION 3: ENTREPRENEURSHIP, RECORDING, MARKETING, BUSINESS PLANNING AND ORGANISED AGRICULTURE

Business plan		
Marketing plan ✓		
Production plan ✓		(1)
Human resources plan/Labour plan ✓		(1)
SWOT analysis ✓		(1)
 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)
 Factors that contribute to a successful manager Knowledge of the enterprise ✓ Contacts/Networking ✓ Financial skills ✓ Managerial skills ✓/Leadership ✓ Human relation skills ✓ Business skills ✓ 	(Anv 3)	(3)
	Marketing plan ✓ Production plan ✓ Human resources plan/Labour plan ✓ SWOT analysis ✓ 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 ✓ Helps to improve communication within the business ✓ Helps to improve communication within the business ✓ Creates timetable to assist business in implementing ✓ Factors that contribute to a successful manager Knowledge of the enterprise ✓ Contacts/Networking ✓ Financial skills ✓ Managerial skills ✓/Leadership ✓ Human relation skills ✓	Marketing plan ✓ Production plan ✓ Human resources plan/Labour plan ✓ SWOT analysis ✓ 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 ✓ Knowledge of the enterprise ✓ Contacts/Networking ✓ Financial skills ✓ Managerial skills ✓/Leadership ✓

(4)

3.3.2 Phases of the entrepreneurial process



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

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)

3.5 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)

(2)

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.) ✓ (2)

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 ✓

 (3×2) (6)

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✓

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) ✓ (Any 4)

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 ✓

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	 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 4.3.2 4.3.3 4.3.4	Fruits or vegetables ✓ Meat ✓ Grain/CerealsRraw oil seeds ✓ Milk ✓	(1) (1) (1) (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)

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)

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 ✓

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 ✓

4.10.1 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