higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

AGRIBUSINESS
NQF LEVEL 3

16 November 2022

This marking guideline consists of 7 pages.

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INSTRUCTIONS TO MARKERS

1. Mark all the questions.
2. Follow the answers according to the numbering system used in this question paper.
3. Use only a red pen.
4. Make your ticks and crosses neatly and legibly.

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SECTION A

QUESTION 1

1.1 B
1.2 B
1.3 D
1.4 C
1.5 D
1.6 A
1.7 A
1.8 D
1.9 B
1.10 C

(10 × 1) **[10]**

QUESTION 2

2.1 True
2.2 False
2.3 False
2.4 True
2.5 False
2.6 True
2.7 False
2.8 False
2.9 True
2.10 True

(10 × 1) **[10]**

QUESTION 3

3.1 J
3.2 K
3.3 A?
3.4 I
3.5 D
3.6 E
3.7 F
3.8 H
3.9 C
3.10 B

(10 × 1) **[10]**

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QUESTION 4

4.1 Maintenance
4.2 Report
4.3 Income
4.4 Systematic
4.5 Observation
4.6 Market research
4.7 Investment
4.8 Break-even
4.9 Trade
4.10 Demand

(10 × 1) **[10]**

TOTAL SECTION A: 40

SECTION B

QUESTION 5

5.1 5.1.1 Fixed costs which are those that are not linked to the productivity of the business.

5.1.2 The studying of graphs and figures in order to get more information on a particular market.

5.1.3 The value of natural resources such as land, air and water.

5.1.4 The amount of money left over after subtracting expenses from income.

5.1.5 Amount that is invested in order to start the business.

5.1.6 A measure used to identify whether or not a particular fruit/vegetable is ready to be harvested.

5.1.7 Owning something or something that is yours.

5.1.8 Direct costs are costs which can be directly linked to a particular enterprise.

5.1.9 The money paid to workers for their services.

5.1.10 Is the time which it takes for a farm to produce its products.

(10 × 2) (20)

5.2
- Clean and clear drains
- Control alien vegetation
- Cut and maintain firebreaks
- Build and repair fences
- Maintain other farm buildings
- Grade roads
- Maintain verges
- Clean and maintain animal housing
- Maintain electrical outlets and equipment
- Check and lubricate pumps and windmills
- Establish and maintain erosion control
- Repair leaks
- Maintain and repair irrigation equipment (Any 5 × 1) (5)

5.3
- The National Water Act (1998)
- The National Veld and Forest Fire Act (1998)
- The Conservation of Agricultural Resources Act 1983
- The Sustainable Utilisation of Agricultural Resources Bill (2003) (4)

5.4
- Health and safety is very important on the farm; all employees must always feel safe.
- Most important reason is food products need to be safe for humans and animals to eat.
- People are not in endangered when they use the infrastructure.
(3 × 2) (6)

[35]

QUESTION 6

6.1
- Bank statement
- Cash journal
- Cost budget
- Work plan (4)

6.2
- Reduce expenditure by cutting variable costs as much as possible.
- Take short term loan to over immediate cost.
- Arrange an overdraft or other credit from your bank.
- Collect money that is owed to your business, particularly outstanding accounts.
- Buying capital equipment on hire purchase or lease it to spread the payments over a longer period.
- Cash in on some of your investments.
- Arrange to delay your payments. (7)

6.3
- Human and social sustainability✓ – making sure that your agribusiness does not harm people or communities.✓
- Economic sustainability✓ – making sure that your agribusiness is profitable and that money is spent wisely.✓
- Environmental sustainability✓ – making sure that your farming operations do not damage the soil, pollute the earth or use up valuable resources without replacing them.✓ (3 × 2) (6)

6.4 Social sustainability: National social capital✓
- Networks✓ and relationships between people✓

Large-scale social capital✓
- Business✓ and government work together as partners✓

Small-scale social capital✓
- Shared knowledge and skills✓
- Community leadership✓
- Capacity building (Any 2 × 1) (9)

6.5 6.5.1
- Check the expiry dates regularly
- Store in a locked cupboard
- Record all tools given to workers
- Tool store should be locked
- Keep an inventory of all tools
- One person should be responsible for tool store
- Record who is using which tools, during issuing and returning
- Store tools correctly – in the same place (Any 5 × 1) (5)

6.5.2
- Trapping
- Scouting and counting
- Monitoring
- Sampling of diseased plants (4)

[35]

TOTAL SECTION B: 80

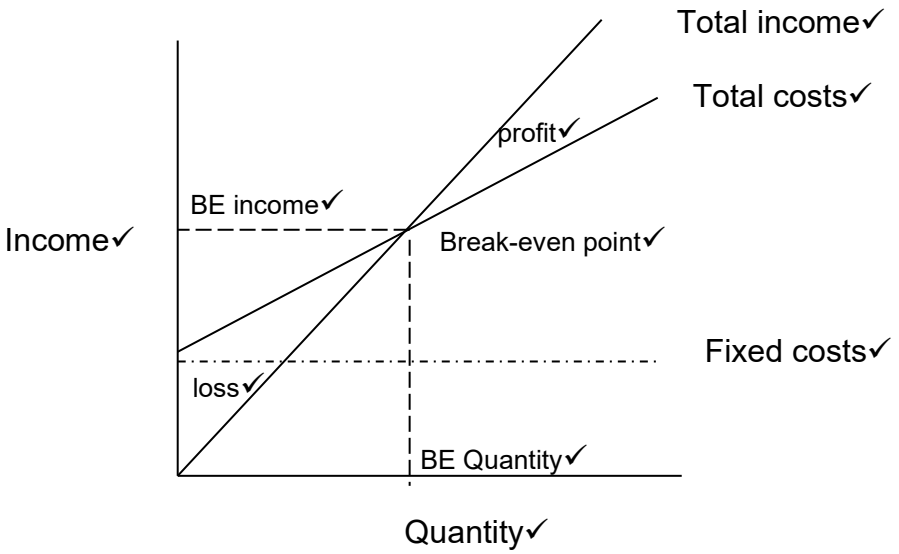
SECTION C

QUESTION 7

7.1 7.1.1
A Direct costs are costs which can be directly linked to a particular enterprise,✓✓ e.g. chicken feed, swine flu vaccine.✓
B Indirect costs are costs that cannot be directly linked to one enterprise,✓✓ e.g. rental paid on a farm.✓
C Fixed costs do not change as a result of the level of the production or the number of items produced,✓✓ e.g. interest of loans.✓
D Variable costs are those costs which change with the level of production,✓✓ e.g. seedlings, water.✓ (12)

7.1.2 Profit is gained by having more income than expenses/costs so the lower costs are the more profit you will get and if costs are high then your profit will be less or even lead to a loss. (3)

7.1.3



Break-even is when the business is at a point where it neither incurs a loss nor makes a profit; that is when total income equals total costs.✓✓✓ An example is when it costs R2 to produce apples and I sell an apple for R2 no profit has been made and no loss is suffered so I get back what I had put in.✓✓✓ (15)

7.2
- To be able to project sale volume.
- To predict the profitability for budgeting purposes.
- To be able to predict prices.
- To know and understand consumer trends.
- To know and understand your competition.
- To know and understand your market. (6)

7.3
- Income
- Fixed responsibilities
- Interest rate
- Loan period (4)

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 150

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