higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

AGRIBUSINESS
NQF LEVEL 4

17 NOVEMBER 2022

This marking guideline consists of 7 pages.

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SECTION A

QUESTION 1

1.1	1.1.1	B		
	1.1.2	A		
	1.1.3	A		
	1.1.4	A		
	1.1.5	D		
	1.1.6	C		
	1.1.7	A		
	1.1.8	B		
	1.1.9	C		
	1.1.10	D		
			(10 × 1)	(10)
1.2	1.2.1	False		
	1.2.2	True		
	1.2.3	False		
	1.2.4	True		
	1.2.5	True		
			(5 × 1)	(5)
1.3	1.3.1	E		
	1.3.2	H		
	1.3.3	L		
	1.3.4	A		
	1.3.5	J		
	1.3.6	C		
	1.3.7	F		
	1.3.8	B		
	1.3.9	D		
	1.3.10	G		
			(10 × 1)	(10)
1.4	1.4.1	Human capital		
	1.4.2	Liquidity crisis		
	1.4.3	Annexures/annexes/addenda		
	1.4.4	Breakeven analysis		
	1.4.5	Balance sheet		
			(5 × 1)	(5)
				[30]

TOTAL SECTION A: 30

SECTION B

QUESTION 2

2.1 2.1.1 When people receive ill-treatment for no specific reason. They are not getting the same rights or privileges as other people. It is usually based on gender, race, age, sexual orientation or religion. (4 × 1) (4)

2.1.2 The employee can lodge a complaint or grievance to his/her employer. (1 × 2) (2)

2.1.3
- Perceived pay inequality
- Poor or unfair working conditions
- Racial or sexual discrimination
- Unfair treatment and harassment by a fellow worker or supervisor
- Compulsory medical testing
- Any appropriate answer (Any 5 × 1) (5)

2.1.4
- When their child dies✓
- When their child is sick✓
- In the event of death of their:
    - Spouse or life partner✓
    - The parent or adoptive parent✓
    - Grandparent✓
    - Child or adopted child✓
    - Grandchild✓
    - Brother/sister✓ (8 × 1) (8)

2.1.5
- Shortage of food supplies
- The high death rate of employees
- High absenteeism from work
- Low income
- Low production
- Losses due to lockdown
- Loss of income for workers (Any 6 × 1) (6)

2.2
- Get to know the workers.
- Reward hard work.
- Workers must get recognition for their contribution to the farm's success.
- Working conditions on the farm must be acceptable.
- Organise team building.
- Raise Covid 19 and vaccine awareness. (Any 5 × 1) (5)

[30]

QUESTION 3

BALANCE SHEET OF TAKEALOT FARM ENTERPRISE AS AT 31 DECEMBER 2022✓

ASSETS	R	LIABILITIES	R
Fixed assets		**Long-term liabilities**	
Land	500 000✓	Bond-Land bank	R460 000✓
Fixed improvements	400 000✓		
Total fixed assets	**900 000✓**	**Total long-term liabilities**	**R460 000✓**
Medium-term assets		**Medium-term liabilities**	
Goats for breeding	150 000✓	Bank loan	95 000✓
Isuzu bakkie	75 000✓	Outstanding loan for Nissan truck	100 000✓
Nissan truck	140 000✓		
Harvester	160 000✓		
Pig	100 000✓		
Total medium-term assets	**625 000✓**	**Total medium-term liabilities**	**195 000✓**
Current assets		**Current liabilities**	
Slaughtered goats ready for sale	65 000✓	Cooperatives	125 000✓
Goat feed purchased but not used	85 000✓	Bank overdraft	80 000✓
Fuel in tank	40 000✓	Municipal water account	5 000✓
Fixed deposit - Nedbank	60 000✓		
Eskom account paid in advance	15 000✓		
Roots Meat - not indicated on the farming enterprise assets list	14 000✓		
Total current assets	**279 000✓**	**Total current liabilities**	**210 000✓**
TOTAL ASSETS	**1 804 000✓**	**TOTAL LIABILITIES**	**865 000✓**
		Capital net worth	939 000✓
BALANCE	**1 804 000✓**	**BALANCE**	**1 804 000✓**

(30 × 1) **|[30]**

QUESTION 4

4.1 The amount over R112 500 = R145 000 - R112 500✓
= R32 000✓
R20 250✓+ (25/100 × 32 500)✓✓

Tax to pay = R20 250 + R8 125✓
= R28 375✓ (without rebates)
Nkosinathi will pay tax of R28 376 - (7 740 + 4680)✓
= R20 635✓

Ruth will pay tax of R28 375 - (R7740 + 4 680) ✓
= R28 375 - R12 420✓
= R15 955✓ (12 × 1) (12)

4.2 4.2.1
- Product is the combination of goods and services that an enterprise offers to the target market.
- Price is the exchange value of the product or services.
- Place refers to the movement of products or services to the customer.
- Promotion means activities that communicate the good points of the product and convince customers to buy. (4 × 2) (8)

4.2.2
- When prices are low, storage facilities can be used to store the dry bean until prices have improved. Farmer needs to ensure enough financial resources for storage while waiting for the grain to be sold. (2)

4.3
- Checks issued and entered under 'Expenditure' are not yet paid in by the other party.
- Deposits received and entered under 'Income' do not appear on the bank statement because the money has not been deposited into the cheque account.
- Cheques received and deposited are sent back because of insufficient funds in the other party's cheque account.
- Certain expenditures, for example bank charges and stop orders, are deducted directly from the cheque account and thus are not yet recorded under 'Expenditure'.
- Certain income is deposited directly into the cheque account by the other party and must still be recorded under 'Income'.
- There may be errors in the 'Income and Expenditure' book, for example R69 is written down as R96 on the bank statement. (Any 4 × 2) (8)

[30]

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QUESTION 5

5.1 5.1.1

- Consumer preferences
- Competitors
- Market size
- Proximity of the market
- Infrastructure
- Demographic trends
- Population and income trends (Any 4 × 1) (4)

5.1.2

- Market segmentation should be done to get a target market.
- Find out the needs and wants of the target market.
- Find out the quality and quantity that they need.
- Find out the amount or price that they will pay.
- Design products and services to meet their needs.
- Compare competitor products and services with yours.
- Do market research with potential customers to test the sale potential and feasibility of the business.
- Present quality and attractive products and services.
- Develop a marketing strategy. (Any 5 × 1) (5)

5.2

- Keep cash in a lockable cash box and keep it in a safe or locked cupboard.
- One person should be responsible for cash.
- Those who work on shifts should sign for the cash handed over to them.
- The person responsible for cash should not be the same person as the one keeping the accounts.
- Managers should count cash regularly and check it with the cash book.
- Only managers should authorise payment of large amounts of money.
- The cash expenditure limit should be set.
- Issue receipts for both cash payments and cash received and enter them in the cash book.
- Ensure/avoid holding a large amount of cash in the business.
- Budget in advance for the amount of cash needed. (Any 4 × 1) (4)

5.3

- Records are used as a memory aid.
- They can provide a valuable source of information for the planning of the farm business.
- Used to analyse current and past performance.
- Records will help to control the physical and financial aspects of the business.
- Records are necessary when applying for credit.
- They are a source of information that is required for the completion of income tax returns.
- They provide a relatively simple and quick means of determining the bank balance. (Any 4 × 1) (4)

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5.4
- Pricing to the market
- Pricing to your costs
- Breakeven pricing (3 × 1) (3)

5.5

Gross farm Income		R800 000
Add:✓ Non-farm income		R120 000
		R920 000✓✓
Less:✓Overhead costs		R150 000
Income tax		R124 300
Salaries		R110 000✓✓

Amount available for a new loan: R920 000✓- R384 300✓ = R535 700 (10)
[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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