higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

AGRIBUSINESS
NQF LEVEL 3

(1011033)

27 November 2023 (X-paper)
09:00–12:00

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)
AGRIBUSINESS
NQF LEVEL 3
TIME: 3 HOURS
MARKS: 150

INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Use only a black or blue pen.
5. Write neatly and legibly.

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SECTION A

QUESTION 1

1.1 Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1.1–1.1.10) in the ANSWER BOOK.

1.1.1 Once data has been collected, it needs to be ...

A examined.
B grown.
C checked.
D explained.

1.1.2 Type of sampling which is done without a plan or a set pattern:

A Stratified sampling
B Random sampling
C Cluster sampling
D Quota sampling

1.1.3 The amount of a product that producers are willing to sell to the market at a given price:

A Demand
B Input
C Produce
D Supply

1.1.4 ... is the value of everything produced on the farm.

A Income value
B Gross income value
C Costing income value
D Gross production value

1.1.5 The following are ways of generating income on a farming enterprise except for:

A Creditors' payments
B Debtors' payments
C Profit from sales
D Returns on investment

1.1.6 A person/business's total income before any costs or expenses are taken away from it:

A Generated income
B Demand
C Gross income
D Supply

1.1.7 The money a business makes after all costs have been covered is called …

A expense.
B profit.
C income.
D loss.

1.1.8 Services and structures that a country, town, or business need to work properly:

A Land
B Resources
C Infrastructure
D Buildings

1.1.9 The … is how much money the business has at the end of a designated accounting period.

A opening balance
B closing balance
C profit
D income

1.1.10 The value of relationships between people, groups, businesses, and government:

A Social capital
B Human capital
C Social sustainability
D Human sustainability

(10 × 1) (10)

1.2 Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.2.1–1.2.5) in the ANSWER BOOK.

1.2.1 Phytosanitary is an official document that gives permission to bring goods into South Africa.

1.2.2 A budget variance is the difference between what was budgeted and what was actually paid for or received.

1.2.3 Farmers can get income from hiring out their land, buildings, tools, machinery, and irrigation equipment to other farmers.

1.2.4 Natural capital is the value of people and their skills.

1.2.5 A risk assessment is a test or inspection that determines whether a product possesses a health risk to humans, animals, or plants.

(5 × 1) (5)

1.3 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–L) next to the question number (1.3.1–1.3.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.3.1	Costs which can be directly allocated to one product or enterprise	A	import duty
1.3.2	The point at which costs and revenue are equal	B	legal environment
1.3.3	Time of the year that crops are produced or animals are raised for sale	C	biodiversity
1.3.4	The amount of cash received by a business in a certain time	D	direct costs
1.3.5	A tax that is paid on goods that are bought from another country	E	scheduling
1.3.6	The system of laws that affects a business	F	telecommunications
1.3.7	Different plants and animals found naturally in an area	G	break-even point
1.3.8	Putting things in order and working out when they need to be done	H	stock value
1.3.9	Looking for and recording pests and diseases in a given pattern	I	scouting
1.3.10	Any way of sending and receiving messages using telephones, radio, or television	J	production season
		K	export duty
		L	cash inflow

(10 × 1) (10)

1.4 Give ONE term for each of the following descriptions by writing it next to the question number (1.4.1–1.4.5) in the ANSWER BOOK.

1.4.1 Things that you need to put into the production process

1.4.2 Ways of preventing damage to the natural environment

1.4.3 A situation in which the market supply of a commodity is greater than the market demand

1.4.4 The price where the amount that consumers want to buy equals the amount that producers are prepared to sell

1.4.5 A place where buyers and sellers meet to buy and sell goods and services

(5 × 1) (5)
[30]

TOTAL SECTION A: 30

SECTION B

QUESTION 2

2.1 What is a *source document*? (1)

2.2 State the FOUR factors to consider before beginning crop production or animal raising for farming. (4)

2.3 Identify THREE sources of market-related information. (3)

2. 4 When both the costs of production and the revenue from sales are equal, the break-even point is reached.

List the elements to be considered when drawing up the break-even point graph. (10)

2.5 Give any FIVE factors that influence the product in demand. (5)

2.6 Provide SIX factors that influence the product in supply. (6)

2.7 Explain the term *discount*. (1)
[30]

QUESTION 3

Read the scenario below, and answer the questions that follow:

Mr Roxy was no longer interested in farming, and he sold his farm but kept his farming equipment for hiring. He charges R30 per hectare for ploughing and ripping plus R50 per day for labour and R7,50 per litre of diesel used. It takes five days to plough 950 hectares for Mrs Lee. He uses four workers to help him and he uses 83 litres of diesel.

3.1 3.1.1 How much was Mr Roxy's income from ploughing only? (2)

3.1.2 Calculate how much was paid for labour per day and also the total income of labour for FIVE days. (4)

3.1.3 Calculate the amount paid for diesel. (2)

3.1.4 How much is the total income that Mr Roxy received from the work done for Mrs Lee? (2)

3.2 Below is part of a farmer's income statement for a year. Identify the expenses below as FIXED costs or VARIABLE costs by writing only 'Fixed' or 'Variable' next to the question number (3.2.1–3.2.10) in the ANSWER BOOK.

Costs		
Water and lights	R5 400.00	(3.2.1)
Mortgage	R10 000.00	(3.2.2)
Veterinary service	R895.00	(3.2.3)
Bank charges	R650.00	(3.2.4)
Seeds and feed	R1 200.00	(3.2.5)
Management salaries	R3 000.00	(3.2.6)
Packaging material	R320.00	(3.2.7)
Fertiliser	R400.00	(3.2.8)
Warehouse rental	R2 500.00	(3.2.9)
Post box rental	R150.00	(3.2.10)

(10 × 1) (10)

3.3 Mrs Lake budgeted the following costs for growing cabbages per hectare.

Calculate the costs for 5,5 hectares. Write only the answer next to the question number (3.3.1–3.3.5) in the ANSWER BOOK.

Expenses	**Cost per hectare**	**Cost for 5,5 hectares**
Seeds	R600.00	(3.3.1)
Planting by hand	R1 100.00	(3.3.2)
Crop spraying	R800.00	(3.3.3)
Weeding	R4 300.00	(3.3.4)
Harvesting	R2 100.00	(3.3.5)

(5 × 2) (10)

[30]

QUESTION 4

4.1 It costs Clover Milk R5 000 to produce 6 750 litres of milk per cow. The farmer sells the milk at R2,35 per litre. There was a drought in the year, and the milk production dropped to 3 000 litres of milk per cow. The costs of milk production increased to R7 500. The price of milk increased by 1,15 cent per litre of milk because of the shortage.

4.1.1 Calculate the gross income for the milk produced per cow before the drought. (3)

4.1.2 How much was the gross profit margin per cow before the drought? (6)

4.1.3 How did the drought affect the gross income per cow? (5)

4.2 Discuss the problems caused by NOT maintaining farm infrastructure. (10)

4.3 Suggest ways for maintaining farm infrastructure to keep it in good working order. (6)

[30]

QUESTION 5

5.1 Read the scenario below, and answer the following questions:

Mrs Brown is a local florist, and she has been in business for about five years. Mrs Brown has realised that the demand for flowers in South Africa is seasonal. Flowers are highly demanded during the festive season as most events such as weddings, parties, and other functions take place. Upon checking her bookings for upcoming events, she noticed that she can't meet the demand for flowers. She has contacted local farmers that do floriculture, but they have been complaining that the recent drought has negatively affected their produce. This has led her to consider importing flowers from the Netherlands. Mrs Brown approaches you for advice because she knows that you are a student studying agribusiness.

5.1.1 Advise Mrs Brown on the FIVE rules and regulations that govern the importation and exportation of plant products. (5 × 2) (10)

5.1.2 What other important issues must Mrs Brown consider when importing flowers, apart from the rules and regulations governing the importation of plants and animal products? (4)

5.1.3 Identify FIVE plant or animal products that Mrs Brown may also want to import. (5)

5.1.4 Discuss THREE benefits of exporting goods. (3)

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5.1.5 Define the term *import permit.* (2)

5.2 List any SIX reasons why a farming work plan might change. (6)
[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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