higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

# NATIONAL CERTIFICATE (VOCATIONAL)

## AGRIBUSINESS
### NQF LEVEL 3

(1011033)

**10 March 2020 (X-paper)**
**09:00–12:00**

**This question paper consists of 9 pages.**

363Q1S2010

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**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. Start each question on a new page.
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 Fixed assets on a farm contributing to its proper functioning:

A Heavy duty
B Infrastructure
C Tractors
D Land

1.1.2 Tax or tariff paid at a border or port of entry to allow a commodity to be taken into that country:

A Agricultural station
B Farms
C Import duty
D Airport

1.1.3 Time of year used to produce crops or raise animals for sale:

A Production season
B Harvesting
C Ploughing
D Selling produce

1.1.4 Chemicals produced for sale to be used in agriculture:

A Spraying
B Wholesalers
C Farm chemical sprays
D Agrochemicals

1.1.5 Using a small part of a bigger group to find information about the whole group.

A Data
B Sampling
C Production
D Scouting

1.1.6 The value of natural resources such as land, air and water is known as …

A natural capital.
B infrastructure.
C fixed structure.
D movable structure.

1.1.7 The value of everything produced on the farm is called …

A produce.
B yield.
C gross production value.
D value adding.

1.1.8 Surroundings or conditions in which persons, animals, plants or businesses exist or work:

A Maintenance
B Population
C Fixed asserts
D Environment

1.1.9 … means looking for and recording pests and diseases.

A Scouting
B Data
C Sampling
D Collecting

1.1.10 Policy aiming at limiting imports to protect goods of local producers against competition:

A Market value
B Market protection
C Transport market
D Selling market

(10 × 1) (10)

1.2 Give ONE term for each of the following descriptions by writing it next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

1.2.1 Loan for the purpose of buying property such as a house or land

1.2.2 Ability of a business to make a profit 

1.2.3 Name of the whole group from which samples are taken

1.2.4 Any way of sending and receiving messages using telephones, radio or television

1.2.5 Something left or remaining, usually after some processes

1.2.6 Dividing a population into groups and then choosing members at random 

1.2.7 To clean, fix and lubricate so that the farm infrastructure is in good condition

1.2.8 Business or middleman presenting a commodity in such a way that consumer desires it and will pay for it

1.2.9 Transferring goods from producer/middleman to retailer or other wholesaler

1.2.10 Businesses which transform commodities either partially or completely into a form to be consumed 

(10 × 1) (10)

1.3 Choose a term from COLUMN B that matches a description in COLUMN A and 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 going up and down depending on production | A | built resources |
| 1.3.2 | Sampling without particular pattern or plan | B | import |
| 1.3.3 | Buying goods from other countries and bringing them to South Africa | C | fixed costs |
| 1.3.4 | Costs which cannot change in the short term | D | exporting |
| 1.3.5 | Selling and sending goods to other countries | E | variable costs |
| 1.3.6 | Electricity, clean water, sanitation and removal of refuse | F | random |
| 1.3.7 | Physical structures like roads and buildings | G | multilateral trade |
| 1.3.8 | Visitors to game farms paying a fee | H | distributor |
| 1.3.9 | Exchange of things between more than two parties | I | operations |
| 1.3.10 | List of different tasks needing to be done | J | conservation tillage |
| | | K | basic services |
| | | L | agri-tourism revenue |

(10 × 1) (10)

1.4 Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.4.1–1.4.5) in the ANSWER BOOK.

1.4.1 A work plan prepared by the farm owner never changes but remains the same until the end of production.

1.4.2 Demand refers to how much of a product consumers are willing to sell at a given price.

1.4.3 Costs which cannot be directly allocated to a product or enterprise are called overheads.

1.4.4 Potatoes are harvested when the skin is hard enough not to rub off during harvesting.

1.4.5 If a farmer spends R10 000 to produce a hectare of cabbage the breakeven point will be R10 001.

(5 × 1) (5)
**[35]**

**TOTAL SECTION A: 35**

## SECTION B

## QUESTION 2

You are the manager of Ntumeni Farm and are responsible for some activities on the farm.

2.1 State FOUR ways in which you can collect data regarding a problem on the farm. (4)

2.2 Name FOUR methods of soil sampling you can use before you start planting. (4)

2.3 Name THREE instruments that are used to measure the amount of water in the soil. (3)

2.4 Briefly describe how you will do each of the following:

2.4.1 Collect stock data (2)

2.4.2 Prevent misuse or stealing of tools and equipment of which you are in charge (5)

2.5 As manager you have to ensure that the labourers are always engaged in some kind of work. One way of doing this is to have them work on the neighbouring farms.

2.5.1 Name THREE methods you could use to find out if neighbouring farms need extra labour. (3)

2.5.2 If TWO workers are used for two days to scout for pests on a neighbouring farm, and you charge R76,00 per day per labourer, what is the income for this job? Show ALL calculations. (3)

2.6 Name SIX aspects (subheadings) that should be included in the report you have to write on the data you collected. (6)
**[30]**

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## QUESTION 3

3.1 Study the table below and classify the costs as either VARIABLE COSTS or FIXED COSTS. Write only 'Fixed' or 'Variable' next to the question number (3.1.1–3.1.10) in the ANSWER BOOK.

| COSTS | TYPE OF COSTS |
|---|---|
| Management salaries | 3.1.1 |
| Contract work | 3.1.2 |
| Electricity | 3.1.3 |
| Telephone rental | 3.1.4 |
| Permanent labour | 3.1.5 |
| Property rates and taxes | 3.1.6 |
| Casual labour | 3.1.7 |
| Insurance on crops and animals | 3.1.8 |
| Insurance on buildings, vehicle and machinery | 3.1.9 |
| Hired transport | 3.1.10 |

(10)

3.2 Arrange the activities below in the sequence that an entrepreneur has to perform them during a production cycle. Write the question numbers (3.2.1–3.2.4) in the sequence of the activities in the ANSWER BOOK.

3.2.1 Sell the produce to various markets.

3.2.2 Procure cash to pay expenses like input and wages.

3.2.3 Receive cash as payment for the goods produced.

3.2.4 Produce goods such as crops for sale and livestock for slaughter.

(4 × 1) (4)

3.3 A work plan is a written document that lists different operations involved in the farm business and the order in which they need to be done.

3.3.1 List and give examples of each of the NINE groups into which farm operations can be divided. (9)

3.3.2 State and briefly explain any SIX causes of work plan changes.

(6 × 2) (12)

**[35]**

## QUESTION 4

4.1 State FIVE key factors that affect the long-term viability of an agricultural enterprise. (5)

4.2 Distinguish between fixed costs and variable costs. (4)

4.3 Give FIVE physical functions of an effective marketing system on which the success of an agricultural business relies. (5)

4.4 Which company is the main supplier of electricity in South Africa? (1)

4.5 How would you determine if a farming enterprise is a viable option? (4)

4.6 Give SIX reasons why fences are important on farms. (6)
**[25]**

## QUESTION 5

5.1 A farmer invests R40 000,00 in producing high-quality organic milk. At the end of the first year his income from the milk enterprise is R60 000,00.

5.1.1 What was the farmer's return on the investment? (5)

5.1.2 Was the return positive or negative? Substantiate you're your answer. (2)

51.3 State FIVE rules and regulations a farmer needs to know before he exports his milk. (5)

5.1.4 Name THREE indicators that an agri-business is economically sustainable. (3)

5.2 Differentiate between *cash outflow* and *cash inflow*. (2)

5.3 Why is it important that a farmer calculates the breakeven point? (2)

5.4 Outline SIX tasks in maintaining farm infrastructure. (6)
**[25]**

**TOTAL SECTION B: 115**
**GRAND TOTAL: 150**

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