higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

AGRI-BUSINESS
NQF LEVEL 3

(1011033)

21 November 2018 (X-Paper)
09:00–12:00

Calculators may be used.

This question paper consists of 9 pages.

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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 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.1.1–1.1.10) in the ANSWER BOOK.

1.1.1 Counting ticks in some of the animals is called sampling.

1.1.2 In a random sample everything has an equal chance of being a sample in the population.

1.1.3 Putting mixed ages, female and male goats into different camps and choosing one camp at random for sampling is called cluster sampling.

1.1.4 Choosing a sample of 75% females and 25% males at random from a population of 75% female and 25% males is called stratified sampling.

1.1.5 Systematic sampling is simple to do and is not prone to errors.

1.1.6 Sampling of leaves from different trees is called quota sampling.

1.1.7 Scouting means looking for and recording pests and diseases.

1.1.8 Water content of fruits and vegetables can be used as maturity index.

1.1.9 Oiling and washing equipment after using them is called maintenance.

1.1.10 A log book records the quality of the various produce on the farm.

(10 × 1) (10)

1.2 Complete the following sentences by filling the missing word(s). Write only the word(s) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK.

1.2.1 A … is a written account to inform people about things that happened.

1.2.2 A farmer receives his… from sales e.g. avocados'.

1.2.3 The … price is when demand and supply are equal.

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1.2.4 … is how much of a product consumers are willing to buy at a given price.

1.2.5 … costs can change but not in the short term.

(5 × 1) (5)

1.3 Give ONE word/term for each of the following descriptions. Write only the word/term next to the question number (1.3.1–1.3.5) in the ANSWER BOOK.

1.3.1 A document/plan that shows the amount of money to be used and should be earned during a certain period

1.3.2 The financial term for the point at which income is equal to costs incurred.

1.3.3 The money used to help making a profit or making the business successful

1.3.4 Another name for a work plan

1.3.5 Services and structures on a farm to make it work smoothly

(5 × 1) (5)

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1.4 Choose an/a item/word from COLUMN B that matches a description in COLUMN A. Write only the letter (A–J) next to the question number (1.4.1–1.4.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.4.1	A person who manages money and studies money matters	A	conservation tillage
1.4.2	Smaller communities combined by economic, political or other common interests	B	farmland preservation
1.4.3	Trade taking place between only two countries	C	phytosanitary certificate
1.4.4	Trade involving more than two countries	D	certificate of origin
1.4.5	The way living things interact with their surroundings	E	economist
1.4.6	All plants, animals, fungi and micro-organisms in a particular area	F	bloc
1.4.7	A practice which minimises nutrient loss and crop damage	G	bilateral trade
1.4.8	Preventing the loss of irreplaceable agricultural resources as towns and cities grow and use up more land	H	multilateral trade
1.4.9	A certificate required for importing bacon, animal hair and honey products	I	ecology
1.4.10	A document required by certain foreign countries for tariff purposes	J	biodiversity

(10 × 1) (10)
[30]

TOTAL SECTION A: 30

SECTION B

QUESTION 2

The following table record costs incurred in GADI Farming Enterprise. Use the information to answer the questions.

COSTS	VALUE
Water and electricity	R1 800,00
Marketing costs	R9 500,00
Feed	R13 500,00
Seedlings	R1 300,00
Telephone	R800,00
Rent	R1 500,00
Contract costs	R1 300,00
Fertilizers	R2 000,00
Pesticides	R5 000,00
Hired transport	R600,00
Wages	R3 500,00
Fuel costs	R3 300,00
Insurance	R700,00
Repairs	R1 300,00

2.1 Redraw the table below in your ANSWER BOOK and state whether costs are FIXED or VARIABLE costs.

COSTS	FIXED	VARIABLE
Water and electricity		
Marketing costs		
Feed		
Seedlings		
Telephone		
Rent		
Contract costs		
Fertilizers		
Pesticides		
Hired transport		
Wages		
Fuel costs		
Insurance		
Repairs		

(14)

2.2 Calculate the farmer's total cost for the year. (3)

2.3 This business was not very profitable because of costs that were too high.

Give TWO suggestions to the farmer on how to cut costs. (2 × 2) (4)

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2.4 The farmer received R60 000.00 from sales.

Calculate his return on the investment. (6)

2.5 Is this a good return on investment? Give reason for your answer. (3)

[30]

QUESTION 3

Profit in the business is normally made by proper planning and implementation of plans. Answer the following questions.

3.1 Draw and briefly explain a graph which illustrates break-even. (8 + 6) (14)

3.2 Give FOUR reasons why farmers need work plans. (4)

3.3 Name and explain THREE factors that can cause a work plan to change. (3 × 2) (6)

3.4 You are the manager on a sheep stud farm with 300 merino ewes and 16 rams. You are responsible for managing labour properly in order to increase productivity. The table below indicates tasks performed on the farm and the time in which each task is expected to be completed.

TASKS PERFORMED	DURATION OF THE TASK
1. Inspecting watering points	Once per week
2. Feeding of stud rams	Twice daily, 1 hour per feed
3. Dosing of sheep	On-going, as needed
4. Counting of sheep and keeping of records	Counting each camp once per month
5. Shearing of sheep	Seven days per year
6. Upgrading of dams and watering troughs	Ten days per year

3.4.1 Identify TWO tasks in the table above that need to be performed by each of the following labourers:

a. Permanent labourers
b. Temporary labourers (2 × 2) (4)

3.4.2 Name ONE task in the table above that needs computer skills. (1)

3.4.3 Identify the most non-repetitive task to be performed by the labourers. (1)

[30]

QUESTION 4

4.1 Complete the following cash flow statement of BK Fresh Produce as at 1 April 2018.

CASH INFLOW	**JANUARY**	**FEBRUARY**	**MARCH**	**TOTAL**	
Sales	R15 000,00	R18 000,00	R22 000,00	**1.**	(2)
TOTAL INFLOW	**2.**	**3.**	**4.**	**5.**	(4)
CASH OUTFLOW					
Input costs	R7 000,00	R8 000,00	R15 000,00	**6.**	(2)
Wages	**7.**	R2 000,00	**R2 000,00**	R6 000,00	(2)
Marketing costs	8.	R1 000,00	R1 000,00	**9.**	(2)
Market survey	R1 000,00	**10.**	**11.**	R1 000,00	(2)
TOTAL OUTFLOW	**12.**	**13.**	**14.**	**15**	(8)
NET CASH FLOW	**16.**	**17.**	**18.**	**19.**	(8)

[30]

QUESTION 5

5.1 Sustainability is the ability of the business to continue into the future.

Outline FOUR indicators of sustainability. (4)

5.2 The legal environment is the system of laws that affect a business.

List THREE aspects covered by law in an agricultural business. (3)

5.3 Briefly explain the THREE levels of environmental sustainability. (6)

5.4 Social sustainability means looking after and building social capital.

Briefly explain the THREE levels which lead to social capital. (3 × 2) (6)

5.5 List THREE buildings and THREE structures farmers have to maintain in a farm business. (6)

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5.6 A group of sheep farmers in your area wants to increase their profit and have a sustainable market. They identified the following possible markets for the produce.

- Small butcheries
- Large supermarket chains
- Local people who buy directly from the farm
- Auctions

5.6.1 Identify the most sustainable market for mutton from the list above. (1)

5.6.2 Give TWO reasons to support your answer in QUESTION 5.6.1. (2)

5.6.3 Identify a market from the list above that has the highest security risk for mutton. Justify your answer. (2)

[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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