



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

**AGRIBUSINESS
NQF LEVEL 4**

04 March 2024

This marking guideline consists of 8 pages.

SECTION A**QUESTION 1**

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

(10 × 1) **[10]****QUESTION 2**

- 2.1 True
- 2.2 True
- 2.3 False
- 2.4 True
- 2.5 False

(5 × 1) **[5]****QUESTION 3**

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

(10 × 1) **[10]****QUESTION 4**

- 4.1 working capital/floating capital
- 4.2 whole farm budget
- 4.3 grazing capacity
- 4.4 Unemployment Insurance Fund (UIF)
- 4.5 Remuneration

(5 × 1) **[5]****TOTAL SECTION A: 30**

SECTION B**QUESTION 5**

- 5.1 Akah is a seasonal worker who works during peak periods or during the harvesting periods of the year.
Robert is a casual worker who is hired for specific activities on a farm after which he leaves. (2 × 2) (4)
- 5.2 5.2.1
- Soil
 - Vegetation
 - Forests
 - Plantations
 - Slope
 - Climate
 - Sunlight
 - Animals
 - Water
- (Any 3 × 1) (3)
- 5.2.2
- Never exceed carrying capacity/do not overstock.
 - Do not overgraze.
 - Use rotational grazing/camps/controlled grazing.
 - Remove alien/invasive plants.
 - Ensure proper irrigation.
 - Ensure proper fertilisation.
 - Use controlled burning.
 - Ensure pest and disease control/chemical control.
- (Any 4 × 1) (4)
- 5.3
- Know the target market.
 - Understand the consumer's taste.
 - Identify possible competition.
 - Consider the pricing of the product.
 - Consider logistics such as packaging and transport.
- (Any 4 × 1)
(To make provision for any correct alternative answer) (4)
- 5.4 5.4.1
- To assist the farmer in evaluating his farming enterprise.
 - To determine the profitability of the company.
 - To assist in the completion of the trading account.
 - To assist in the completion of the balance sheet.
 - To avoid or trace unlawful product sales and theft.
 - To preserve records.
 - For tax purposes.
 - To complete outstanding accounts.
 - For payment/warranty/ownership documentation.
- (Any 5 × 1) (5)

- 5.4.2
- Receipt number
 - Name of company
 - Name of buyer
 - Quantity purchased
 - Date
 - Description of commodity
 - Unit price
 - Amount paid
 - Subtotal
 - VAT
 - Total
 - Signature of the issuer of receipt
 - Taxation number
- (Any 4 × 1) (4)
- 5.4.3
- A business plan describes the company and its objectives/tactical planning.
 - It can be used as a marketing instrument.
 - It gives effective guidance to all stakeholders.
 - It aids in obtaining financial aid from banks/loans if required.
 - A business plan includes stockholders in your company.
 - It facilitates administration and control.
- (6)
[30]

QUESTION 6

- 6.1 6.1.1 Adding value to a raw product by advancing it to the next stage of processing or any additional features or economic value that a company adds to its products or services before offering them to its clients. (2)
- 6.1.2
- To manufacture wheat grain for use in feed or food goods.
 - Wheat straw can be harvested, processed, and then used for construction.
 - To graze it with stocker cattle, which raises wheat income by producing income from cattle operations.
 - Organic natural foods can be created and sold in health food stores.
- (Any 3 × 1) (3)
- 6.1.3
- Ensure that you have sufficient resources to meet and beat the competition.
 - Do not bite off more than you can chew by attempting to capture too large a market share – do not take unnecessary risks.
 - Do your research – those who fail to plan, plan to fail.
 - Keep the expenses associated with market research in mind.
 - Consider the size of the business.
- (Any 3 × 1)
(To make provision for any correct alternative answer) (3)

- 6.2 6.2.1 • Physical enterprise planning – poor worker allocation.
 • Daily planning – he should attend to vital topics every day.
 • Supervision – workers only work productively while he is present.
 • Mechanisation that works – the majority of the work is done by hand.
 • Training – labourers have little or no education. (5)
- 6.2.2 • Workers must be aware that if they violate the rules, they will face repercussions.
 • Disciplinary action is taken against individuals.
 • Disciplinary action should be taken as soon as possible after the offense.
 • Be responsible in taking disciplinary action.
 • Restore the relationship following disciplinary action. (5)
- 6.3 6.3.1 Phila:
 • Examine the trees for diseases and insects.
 • Repair the fence.
 • Clean the sorting machine, as well as sorting rooms.
- John:
 • Water the trees.
 • Spray the trees.
 • Fix leaks in the drip irrigation system. (6)
- 6.3.2 Long-term assets:
 • Land
 • Sorting room
 • Irrigation system
- Medium-term assets:
 • Fence
 • Machines
 • Trees (6)

[30]

QUESTION 7**7.1 Cashbook for Shama farm:**

SALES				PAYMENTS			
Date	Detail	Rec.no	Cash in (R)	Date	Detail	Cheque No	Cash out (R)
1 Nov	Opening balance		2 200 ✓				
3 Nov	30 boxes sold	1	3 000 ✓	15 Nov	Wages		6 000 ✓
10 Nov	24 boxes sold	2	2 400 ✓	30 Nov	Co-op	08	800 ✓
15 Nov	50 boxes sold	3	5 000 ✓				
23 Nov	54 boxes sold	4	5 400 ✓				
	Total		18 000 ✓✓				6 800 ✓✓

Cash in - cash out = Balance

$$18\,000\checkmark - 6\,800\checkmark = 11\,200\checkmark\checkmark$$

(15)

7.2 7.2.1 Puritech's price = R 104 000

(1)

$$7.2.2 \quad \text{LEO Pump's price} = \frac{115\checkmark\checkmark}{100} \times 80\,000\checkmark\checkmark$$

$$= R\,92\,000\checkmark$$

OR

$$= \frac{15}{100} \times 80\,000$$

$$= 12\,000$$

$$= 80\,000 + 12\,000$$

$$= R92\,000$$

(5)

$$7.2.3 \quad \text{Honda Fit's price} = \frac{115\checkmark\checkmark}{100} \times 94\,000\checkmark$$

$$= 108\,100\checkmark$$

$$\text{Less 10\% Discount} = 108\,100 \times \frac{90\checkmark}{100}$$

$$= R\,97\,290\checkmark\checkmark$$

(7)

7.2.4 The pump and filter from LEO Pump Suppliers will be the best choice because it is the most affordable.

(2)

[30]

QUESTION 8

- 8.1 8.1.1 Transfer the employee to another enterprise or task. (2)
- 8.1.2 • Transferring the employee will honour the right of the worker with regard to their choice of religion and religious practices.
• In the workplace, one cannot discriminate against someone because of their religion. (2 × 2) (4)
- 8.1.3 • Labour Relations Act
• Occupational Health and Safety Act
• The Compensation for Occupational Injuries and Diseases Act
• The Basic Conditions of Employment Act (4)
- 8.2 8.2.1 Breakeven yield = $\frac{\text{Total costs}}{\text{Output price}}$
 $= \frac{200\,000}{10\,000} \checkmark \checkmark$
 $= 20 \text{ tons/hectare} \checkmark$ (3)
- 8.2.2. Breakeven price = $\frac{\text{Total costs}}{\text{Expected yield}}$
 $= \frac{200\,000}{20} \checkmark \checkmark$
 $= R10\,000 \checkmark$ (3)
- 8.2.3 The breakeven price is the price at which you have to sell your produce to fully recover your costs $\checkmark \checkmark$ and the breakeven yield tells a farmer how much must be produced to fully recover costs. $\checkmark \checkmark$ (4)
- 8.3 Year 1: Depreciation $= 20\% \times 700\,000$
 $= 140\,000 \checkmark$
- Remaining value $= 700\,000 - 140\,000$
 $= 560\,000 \checkmark$
- Year 2: Depreciation $= 20\% \times 560\,000$
 $= 112\,000 \checkmark$
- Remaining value $= 560\,000 - 112\,000$
 $= 448\,000 \checkmark$

$$\begin{aligned}\text{Year 3: Depreciation} &= 20\% \times 448\,000 \\ &= 89\,600\checkmark\end{aligned}$$

$$\begin{aligned}\text{Remaining value} &= 448\,000 - 89\,600 \\ &= 358\,400\checkmark\end{aligned}$$

(6)

8.4

- Advertising
- Personal selling
- Placing billboards on the road to direct clients to the business
- Door-to-door selling
- Using agents

(Any 4 × 1)

(4)

[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150