



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

**AGRIBUSINESS
NQF LEVEL 3**

7 December 2020

This marking guideline consists of 6 pages.

SECTION A**QUESTION 1**

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

(10 × 1) [10]

QUESTION 2

- 2.1 True
- 2.2 True
- 2.3 False
- 2.4 False
- 2.5 True
- 2.6 True
- 2.7 False
- 2.8 False
- 2.9 True
- 2.10 True

(10 × 1) [10]

QUESTION 3

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

(10 × 1) [10]

QUESTION 4

- 4.1 Trader
- 4.2 Import permit
- 4.3 Economic sustainability
- 4.4 Opening balance
- 4.5 Silo
- 4.6 Sampling
- 4.7 Grazers
- 4.8 Man-hours
- 4.9 Depreciation
- 4.10 Eradicating

(10 × 1) [10]

TOTAL SECTION A: 40**SECTION B****QUESTION 5**

5.1 5.1.1 $R1\ 500 + R1\ 000 + R1\ 000 + R2\ 500 = R6\ 000,00$

5.1.2 $R5\ 000 + R2\ 000 + R3\ 000 + R2\ 000 = R12\ 000,00$

(2 × 2) (4)

5.2 5.2.1
$$ROI = \frac{(R45\ 000 - R18\ 000)}{R18\ 000} \times \frac{100}{1}$$

$$ROI = \frac{R27\ 000}{R18\ 000} \times 100$$

$$= 150\%$$

(4)

5.2.2 Yes, the net income is almost 1.5 times the expected total costs. (2)

- 5.3
- Finding new customers who will pay more
 - Selling more to existing customers
 - Selling compost
 - Exporting products
 - Adding value to products
- (Any 4 × 1) (4)

- 5.4
- Broken fences result in stock losses.
 - Poor storage maintenance result in loss of stored crops.
 - Poor roads may cause damage to vehicles.
 - Blocked and broken pipes result in water shortages.
- (4)

- 5.5
- It will control expenditure and reduce costs, where possible.
 - It helps to identify sources of income.
 - It indicates how much money the business needs to cover the costs.
 - Expected income
 - Expected costs (Any 3 × 1) (3)
- 5.6
- The farmer's cash flow
 - The farmer's equity in the farm business
 - The farmer's management skills
 - Factors such as commodity price changes, government policies
 - Environmental factors such as type of soil and climatic conditions (5)
- 5.7
- 5.7.1 False economy – something which may seem to be saving money at the time, but in fact costs more money in the long run.
- 5.7.2 Agro-ecology – the study of what is purely ecological about the farm, such as relationships between predators and prey or competition between crops and weeds (2 × 2) (4)
- [30]**

QUESTION 6

- 6.1
- 6.1.2 Risk assessment is a test to determine whether a product is likely to be a health risk to humans, animals or plants.
- 6.1.2 Bilateral trade is trade that takes place between only two countries or parties. (2 × 2) (4)
- 6.2
- Export permit is an official document that gives you permission to send goods to other countries.
 - Import duty is a tax that you pay on goods that you buy from another country. (2 × 2) (4)
- 6.3
- Hiring out the land
 - Subcontract workers
 - Sell goods that are not main part of the business
 - Tourism and conservation (4)
- 6.4
- Some resources are not found in other countries.
 - Land price is low.
 - Raw materials are cheaper in some places. (3 × 2) (6)
- 6.5
- Government rules in respect of taxes
 - Customs rules and regulations that control tariffs
 - Transport and packaging rules
 - Import and export controls that deal with safety and the spread of diseases (4 × 2) (8)

QUESTION 7

Please turn over

- 7.3.2 (a) $5000 - 1000 = R\ 4\ 000$
 (b) $3000 - 1000 = R\ 2\ 000$
 (c) $4\ 000 + 2\ 000 = R\ 6\ 000$
 (d) Gross Income – total costs
 $8000 - 2\ 800 = R\ 5\ 200$ (4)

- 7.4
- Ask questions.
 - Verify data.
 - Analyse data.
 - Interpret data. (4)

- 7.5
- It states exactly what the goals of their operations are.
 - It enables the farmer to examine and assess all resources.
 - The farmer can develop short- and long-term plans to meet their goals.
 - The farmer can make decisions on a daily basis that support the goals.
 - The farmer can monitor the progress toward meeting the goals. (Any 4 × 1) (4)
- [35]**

QUESTION 8

- 8.1 8.1.1 Investment is money that is used to a get a profit.
- 8.1.2 Return on investment is how much profit you make from the investment
 (2 × 2) (4)
- 8.2
- Size of the head
 - Tightness of the leaves
 - Firmness to touch (Any 2 × 1) (2)
- 8.3 A balance sheet records assets and liabilities, while a cash flow statement is the record of inflows and outflows. (4)
- [10]**

TOTAL SECTION B: 110
GRAND TOTAL: 150