



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

**AGRIBUSINESS
NQF LEVEL 3**

(1011033)

**7 December 2020 (X-paper)
09:00–12:00**

This question paper consists of 9 pages.

321Q1N2007




<p>TIME: 3 HOURS MARKS: 150</p>



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. Use only a black or blue pen.
 6. Write neatly and legibly.
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SECTION A**QUESTION 1**

Various options are given as possible answers to the following questions. Choose the correct answer and write only the letter (A–D) next to the question number (1.1–1.10) in the ANSWER BOOK.


- 1.1 Farmers normally draw up the work plan at the beginning of each ...
- A production season
 - B every month 
 - C every year
 - D production harvesting
- 1.2 The name of the whole group from which samples are taken, is called (a/an) ...
- A capital
 - B population
 - C environment
 - D people
- 1.3 The value of resources such as land, air and water is known as ...
- A fixed costs
 - B valuable costs
 - C natural resources
 - D natural capital 
- 1.4 The value of everything produced on the farm is called the ...
- A retailers
 - B processor
 - C gross production
 - D value adding
- 1.5 ... means looking for and recording pests and diseases.
- A Costing
 - B Sampling
 - C Collecting
 - D Scouting
- 1.6 A business or a middleman that presents a commodity to a consumer in the way and form that the consumer desires and pay for:
- A Retailer
 - B Wholesaler
 - C Distributor
 - D Agent 


- 1.7 Business which transforms commodities either partially or completely into a form that can be consumed:
- A Processing
 - B Distributors
 - C Exporting 
 - D Importing
- 1.8 A policy aimed at limiting imports to protect local producers, enabling them to sell their goods without competition, is called ...
- A local marketing.
 - B market protection.
 - C importing.
 - D selling.
- 1.9 ... is how much money the business has at the end of budget period.
- A Opening balance
 - B Closing balance
 - C Last ending balance
 - D Profit
- 1.10 Selling and receiving messages using telephones, radio or television is called ...
- A marketing. 
 - B television marketing.
 - C telecommunication.
 - D ratio marketing.

(10 × 1) [10]

QUESTION 2



Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (2.1–2.10) in the ANSWER BOOK.

- 2.1 An agribusiness farmer can collect data randomly or systematically.
- 2.2 Import duty is a tariff paid at the border to allow a commodity to pass into that country.
- 2.3 A work plan does not include all the activities of farm operations. 
- 2.4 Best results for soil samples are obtained through random sampling.
- 2.5 The viability of a farm influences its sustainability.
- 2.6 Profit is different from income.

- 2.7 The sorting of products into groups with the same characteristics is random sampling.
- 2.8 Marinating is a process of mixing animal and plant wastes with soil.
- 2.9 Rivers, streams and dams are ground water supplies. 
- 2.10 The health and safety of the person using the machine is governed by law. (10 × 1) **[10]**

QUESTION 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 (3.1–3.10) in the ANSWER BOOK.



COLUMN A		COLUMN B
3.1	Prevents destruction of forestry and farmlands, veld and forestry by burning	A agri-tourist
3.2	Exchange of things between more than two parties	B conservation tillage
3.3	A list of all the different tasks that need to be done 	C multilateral trade
3.4	Visitors to a game farm who are charged a fee	D firebreaks
3.5	Preparing the soil in a manner that leaves something to cover its surface	E operation plan
3.6	Livestock units per square kilometre	F zoning regulations
3.7	Choosing a group of animals to study by chance, not following a specific pattern	G biodiversity
3.8	The frequency at which an animal gives birth and the number of offspring born	H carrying capacity
3.9	Rules that create special areas where law dictates that only certain activities may take place	I breeding rate
3.10	A variety of living organisms found naturally in an area	J random sampling
		K housing regulations
		L mortality rate 

(10 × 1)

[10]

QUESTION 4

Complete the following sentences by writing only the missing word or words next to the question number (4.1–4.10) in the ANSWER BOOK.


- 4.1 A/An ... is a person or organisation that deals with consumers.
- 4.2 A/An ... is an official document that gives permission to bring goods into South Africa. 
- 4.3 ... means securing the future by taking care of finances and other assets.
- 4.4 ... indicates the amount of money a business has at the start of a budget period.
- 4.5 A/An ... is an infrastructure used to store maize and sunflower grains.
- 4.6 ... is using a small part of a group to find information about the whole group.
- 4.7 ... eat more grass than the leaves of bushes or trees.
- 4.8 ... are units of work as performed by humans.
- 4.9 ... is a reduction in value. 
- 4.10 ... is destroying or getting rid of something completely.

(10 × 1) [10]

TOTAL SECTION A: 40

SECTION B**QUESTION 5**

- 5.1 Use the following information from Jininindi Tomato Farm as at 1 April 2018 to answer the questions.



FIXED COSTS	VALUES	VARIABLE COSTS	VALUES
Salaries	R5 000	Fuel costs	R1 500
Building rental	R2 000	Fertilizer costs	R1 000
Land costs	R3 000	Insect control costs	R1 000
Machinery costs	R2 000	Repair costs	R2 500


- 5.1.1 Calculate the total variable costs. Show all the calculations. (2)
- 5.1.2 Calculate the total fixed costs. Show all the calculations. (2)

- 5.2 Use the following information to calculate the return on investment (ROI) of the above-mentioned farm:


$$\text{ROI} = \frac{(\text{Total income} - \text{Total costs})}{\text{Total costs}} \times \frac{100}{1}$$




Jininindi Tomato Farm's total income was R45 000.



- 5.2.1 What will be the return on investment be? Show all calculations. (4)
- 5.2.2 Is this a good return on investment? Give a reason for your answer. (2)
- 5.3 Identify FOUR ways in which the farmer can generate income from the farm business. (4)
- 5.4 Give FOUR reasons why farm infrastructure should be maintained. (4)
- 5.5 State how Jininindi Tomato Farm can benefit from having a budget for the farm. (3)
- 5.6 State FIVE factors that Jininindi Tomato Farm must consider in determining the long-term viability of the business. (5)
- 5.7 Define the following terms:
- 5.7.1 False economy
- 5.7.2 Agro-ecology (2 × 2) (4)
-  [30]

QUESTION 6

- 6.1 Define the following terms as used in the exporting and importing of agricultural products:
- 6.1.1 Risk assessment
- 6.1.2 Bilateral trade (2 × 2) (4)
- 6.2 Distinguish between *export permit* and *import duty*. (4)
- 6.3 Farmers earn a living through selling their farm produce.  (4)
- List FOUR other ways in which farmers can earn income. (4)
- 6.4 Give THREE reasons why trade across national borders occurs. (3 × 2) (6)

- 6.5 Name FOUR rules and regulations that control the import and export of agricultural products that farmers should know. (4 × 2) (8)
- 6.6 The level 3 Primary Agriculture students are doing a practical project at Daisy Farm. The marketing manager, Nala, approaches them and asks their help in marketing the farm effectively. 
- 6.6.1 List THREE exchange functions that would take place in the marketing of a product. (3)
- 6.6.2 Discuss THREE reasons why it is a good idea for Nala to employ middlemen in the marketing process. (6)
- [35]**

QUESTION 7

- 7.1 Briefly describe how you will do the following:
- 7.1.1 Prevent misuse or stealing of tools and equipment by workers you oversee  (5)
- 7.1.2 Collect stock data (3)
- 7.2 A commercial farmer regularly takes soil samples of his/her farming land. The results of the latest soil sample indicate that a soil has 80% clay, 10% loam and 10% sand. The level of potassium in the soil is very high and the pH value is 8,7.
- 7.2.1 Name EIGHT measures that can be applied to improve the production potential of this soil. (8)
- 7.2.2 To find new information, you need to collect data.
Which are the FOUR ways of collecting data?  (4)
- 7.3 7.3.1 Thembi and Thandi spent R800 on chicken feed, R1 000 on electricity and R1 200 on labour. They can get 500 dozen eggs from the chickens.

Calculate the cost of production of one dozen eggs. (Cost of production = costs/output) (3)

- 7.3.2 Mrs Pambu farms with eggs and cabbages. The following represents a part of their budget for both enterprises. Study it and then complete QUESTION 7.3.2.1–7.3.2.4. Write only the answer next to the question number.



Farm budget	Budget for egg production	Budget for cabbage production
Enterprise	Eggs	Cabbages
Yield	500 dozen	1 000
Price	R10/dozen	R3/cabbage
Gross income	R5 000	R3 000
Total variable costs	R1 000	R 1 000
GROSS MARGIN	(a)	(b)
Total gross margin for the whole farm		(c)
Overhead costs	R500	R300
Net farm income	(d)	

(4)

- 7.4 After the farm manager has collected the data, he follows a process whereby he must get an explanation of the data collected.

State FOUR steps which the farm manager will take to explain his observation.



(4)

- 7.5 Explain how whole-farming planning will be beneficial to the farmer.

(4)
[35]

QUESTION 8

- 8.1 Define the following terms:

8.1.1 Investment

8.1.2 Return on investment

(2 × 2) (4)



- 8.2 Name TWO measurements used as maturity index for cabbages.

(2)

- 8.3 Distinguish between the following in the production process:

Balance sheet and cash flow statement.

(4)
[10]

TOTAL SECTION B: 110
GRAND TOTAL: 150