This memorandum consists of 14 pages.
SECTION A

QUESTION 1.1

<p>| | | | |</p>
<table>
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<tbody>
<tr>
<td>1.1.1</td>
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<td>B</td>
<td>C</td>
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<td>1.1.7</td>
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<td>1.1.8</td>
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<td>1.1.9</td>
<td>A</td>
<td>B</td>
<td>C</td>
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<tr>
<td>1.1.10</td>
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(10 x 2) (20)

QUESTION 1.2

<p>| | |</p>
<table>
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<tbody>
<tr>
<td>1.2.1</td>
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<tr>
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<td>1.2.3</td>
<td>G</td>
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<td>1.2.4</td>
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<td>1.2.5</td>
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<td>1.2.6</td>
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<td>1.2.7</td>
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<td>1.2.8</td>
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<td>1.2.9</td>
<td>B</td>
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<tr>
<td>1.2.10</td>
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</tbody>
</table>

(10 x 2) (20)

QUESTION 1.3

1.3.1 Soil erosion ✓
1.3.2 Closer/Nearer/lesser ✓
1.3.3 Optimum/ideal/best ✓
1.3.4 Calibration ✓
1.3.5 Short-term/production loan ✓
1.3.6 Loss ✓
1.3.7 Control/monitoring ✓
1.3.8 Organic/Biological/perma culture ✓
1.3.9 Depreciation ✓
1.3.10 Marketing ✓

(10 x 1) (10)

TOTAL SECTION A: 50
SECTION B

QUESTION 2: ANIMAL AND CROP PRODUCTION

2.1.1 Explain basic procedure of farm planning
   a) Collection of recent data:
      • To analyse the present situation. ✓
      • Any data that is relevant to enterprise – climate, soil, markets ✓ (Any 1)

   b) Classification and evaluation of data
      • To determine the land capability and determine field layout. ✓
      • Data has to be classified in different categories and the influence that this aspect will have on the enterprise ✓ (Any 1)

   c) Actual plan on utilisation of resources
      • To coordinate farm activities and/or determine the soil and water management. ✓
      • Final planning for the year/season/day to ensure that objectives are reached. ✓
      • Setting of business plan ✓ (Any 1) (3)

2.1.2 Two important aspects
   • Finances/capital needed ✓
   • Farm activities/work for the day ✓
   • Advertising/Marketing of the products ✓
   • Availability of resources/water ✓ (Any 2) (2)

2.1.3 Four ways to improve soil structure
   • Add organic material/compost/manure/organic fertilisers/green manuring ✓
   • Practise crop rotation ✓
   • Conservation cultivation methods ✓
   • Correct cultivation methods ✓
   • Add lime/gypsum to soils ✓
   • Organic/Biological farming methods ✓ (Any 4) (4)

2.2 Classify type of capital
   • A – Movable capital: ✓
   • B – Fixed capital ✓
   • C – Working (floating) capital/fixed capital ✓
   • D – Working (floating) capital ✓
   • E – Fixed capital ✓ (5)

2.3 Four factors for soil to produce
   • Agricultural/production capacity of the soil/grazing capacity of pastures ✓
   • Vulnerability of the soil to change or total destruction ✓
   • Climate ✓
   • Correct management practices ✓ (4)
2.4 **Type of farming system AND one reason**
- **A = Subsistence farming system** – ✓
  - AND
  - Hand tools/no mechanisation ✓ Small area planted for family ✓
  - When a farmer is growing enough food to feed the family. ✓
  - But not selling much at all / there is no profit. ✓
  - A farmer does not spend more than they need on inputs. ✓ (Any 1)
- **B = Commercial farming system** – ✓
  - AND
  - More expensive technology/Mechanisation ✓
  - When a farmer produces products mainly for sale. ✓
  - It is aimed at profit making. ✓
  - They spend more on inputs. ✓ (Any 1)

2.5 **Describe procedure of caring**
- Clean the implements/Remove the mud ✓ Wash it thoroughly with clean water ✓
- Service the implement/Grease the equipment if applicable ✓
- Releasing the tension of all belts and chains. ✓
- Replacing/repair all broken or worn out parts. ✓
- Protect it from rusting/ensure it is dried ✓
- Keep in a safe/sheltered place ✓ (4)

2.6 **Name perspective**

2.6.1 **Science perspective** ✓ (1)

2.6.2 **Technical perspective/labour perspective** ✓ (1)

2.6.3 **Environmental perspectives** ✓ (1)

2.6.4 **Economic perspective** ✓ (1)

2.7 **Differentiate two groups of labourers**

2.7.1 **Skilled labourers**
- Are those labourers who are trained and provided with certificates ✓
- Know how to do specific tasks in the farm ✓

**Unskilled labourers**
- Are not trained ✓
- Perform common tasks/tasks which can be learned and done by most people quickly. ✓ (4)
2.7.2 **Explain advantages of skilled labourers**
- Higher income possibilities for farm ✓
- Skilled agricultural workforce ✓
- Increased productivity / Commitment for better work ✓
- Better quality product produced ✓
- Less damages/longer use of implements/equipment ✓
- More efficient use of equipment ✓
- More stable workforce. ✓

(4)

2.8.1 **Identification from graph**
(a) Week 2 ✓
(b) Week 5 ✓

(2)

2.8.2 **Higher yield – verification**
- No ✓
- The temperatures during week 5 and week 6 are too low for maximum production. ✓

(2)

2.8.3 **Two practices to solve problem**
- Plant the crop earlier. ✓
- Make use of a cultivar with a shorter growing season. ✓
- Produce the crop in a green house / environmental controlled enclosure ✓
- Cover the plants when temperature decreases. ✓
- Burning of material next to the field when temperatures drop below the optimum temperature. ✓
- Plant crop on a northern slope ✓

(Any 2)
2.9 Organogram

Footnote
- Schematic representation
- Straight line chain of command = 3 marks – farm owner, farm manager, any one of the foreman. Thereafter no marks
- Placing the worker under wrong foreman = 5 marks

(6) [50]
QUESTION 3: RECORDING, FINANCIAL STATEMENTS AND ENTREPRENEURSHIP

3.1.1 Name four agricultural budgets
- Enterprise budgets/production budget
- Partial budgets
- Break-even budgets
- Capital budget
- Whole farm budget
- Cash flow budget
- Mechanisation budget
- Budget for maintenance of infrastructure

(Any 4) (4)

3.1.2 Redraw partial budget
Rubric for marking:

Expected income:
- The name of the product / item to be sold
- **Amount**
- Unit price
- Total **(Correct)**

Expected expenses:
- Name of item
- **Amount**
- Unit price
- Total **(Correct)** (8)

3.2 Five types of records
- Financial record
- Labour record
- General record
- Grazing and fodder record
- Livestock record
- Mechanisation record
- Production record/weaning records
- **Medicine records**
- **Pedigree records**

Footnote: Any relevant agricultural livestock records (Any 5) (5)
3.3 **Copy and complete forms of loans**

<table>
<thead>
<tr>
<th>DURATION</th>
<th>LONG-TERM LOAN</th>
<th>MEDIUM-TERM LOAN</th>
<th>SHORT-TERM LOAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period</td>
<td>10 yrs and longer✓</td>
<td>2 to 10 years (not only 2 or 10 years)✓</td>
<td>2 years and less✓</td>
</tr>
<tr>
<td>Use of capital</td>
<td>Purchase of land✓</td>
<td>Purchase of machinery✓</td>
<td>Purchase of fertilisers✓</td>
</tr>
</tbody>
</table>

3.4 **Complete balance sheet**

3.4.1 (a) Cash - R2 000✓ or Stock - R100 000✓
(b) Stock - R100 000✓ or Cash - R2 000✓
(c) Creditors - R11 613✓
(d) Total liabilities - R392 795✓ (CA apply Mark positively) (4 x 1) (4)

3.4.2 **Calculate net worth** *(incorrect calculation must be mark positively)*
- R442 000 – R392 795✓ = R49 205✓
- If only answer: Net worth = R49 205✓ (CA apply) (2)

3.5 **Identify source documents**
3.5.1 Cash invoice/ Invoice✓
3.5.2 Cash/account deposit slip✓
3.5.3 Credit note/Account/VAT invoice✓
3.5.4 Receipt /Proof of payment✓ (4)

3.6 **Differentiate cash flow and income statement**
- Cash flow is the movement of funds through the business✓ during a specific period and is represented by receipts and payment. ✓
- Income statement is the record of financial transactions✓ and the resulting profit/loss on a farm. ✓ (4)

3.7.1 **Indicate equal month**
February✓ (1)

3.7.2 **Two reasons for sudden drop in price**
- The farmer doesn't have many livestock or livestock products to sell so the income is less✓
- The demand for the specific livestock products was lower and therefore less were sold✓
- There was an over supply on the market and prices drop suddenly✓
- A sudden loss of animals (diseases/natural disaster / theft / predators/ problem animals) thus less to sell✓
- Restrictions on export/quarantine✓ (Any 2) (2)
3.7.3 **Calculate profit/loss**

**Calculations**

Income = \(200\,000 + 75\,000 + 60\,000 + 50\,000 + 40\,000 + 40\,000 + 40\,000 + 50\,000 + 100\,000 + 150\,000 + 250\,000 + 350\,000\)

= R1 425 000

Expenditure = \(70\,000 + 75\,000 + 80\,000 + 85\,000 + 90\,000 + 95\,000 + 100\,000 + 100\,000 + 90\,000 + 80\,000 + 70\,000 + 80\,000\)

= R995 000

And determine

Farmer had made a profit of R430 000. (Mark positively/CA apply) (4)

3.8 **Redraw and categorise in appropriate column in business plan**

<table>
<thead>
<tr>
<th>SECTION OF A BUSINESS PLAN</th>
<th>MARKETING</th>
<th>FINANCIAL PLANNING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>What are the set quality standards for selling my product?</strong></td>
<td>✅</td>
<td>Where am I going to get the capital? ✅</td>
</tr>
<tr>
<td>Where am I going to sell my product? ✅</td>
<td></td>
<td>When will I reach the break even point? ✅</td>
</tr>
<tr>
<td>What are the customers’ needs? ✅</td>
<td></td>
<td>How much are business registration fees and taxes? ✅</td>
</tr>
</tbody>
</table>

(6) [50]
QUESTION 4: HARVESTING, VALUE-ADDING, MARKETING, AGRITOURISM AND INDUSTRY

4.1 Explain importance of grading
- To ensure quality control/better quality of product ✓
- Grading is necessary to determine the appropriate use of the product/to ease marketing ✓
- The higher the quality of the raw product, the higher the quality of the processed product/motivation for farmer to produce better product ✓
- To group harvested products in prescribed classes ✓
- To guide the consumer in the available categories ✓
- Improved price of product ✓ (Any 3) (3)

4.2 Aims of processing
- To increase the value of the product/increased income ✓
- To increase the shelf/storage life of the product/To preserve the product ✓
- To meet consumer taste/consumer friendly ✓
- To cope with over supply of products ✓
- Easier packaging/handling of product ✓ (Any 3) (3)

4.3 Three non-chemical methods to control micro-organisms
- Heating ✓
- Pasteurisation ✓
- Sterilisation ✓
- Blanching ✓
- Smoking ✓
- Sugaring ✓
- Salting ✓
- Refrigeration/cooling/cold storage/freezing/chilling ✓
- Filtration ✓
- Ultraviolet light (uv)/radiation ✓
- Vacuum packaging ✓
- Drying/spray drying/sun-drying/air-drying ✓
- Tinning ✓ (Any 3) (3)

4.4 Role of producer organisations
- Do market research/Marketing ✓
- Advertise the produce/Promote the product/Promotion ✓
- Assist farmers on regulatory/policy issues and market trends ✓
- Advisory service to farmers ✓
- Financial advice ✓ (Any 3) (3)
4.5 **Five requirements of packaging material for meat**

- Non-toxic ✓
- Transparent ✓
- Cleanable ✓
- Easily disposable/degradable ✓
- Suited for meat ✓
- Impermeable to gases and odours ✓
- Resistant to mechanical and temperature damage ✓
- Recyclable ✓
- Cheap ✓
- Lightweight ✓
- Appealing ✓
- Strong ✓

(Any 5) (5)

4.6 **Aims of Agri-BEE**

- Ensure equal, fair income distribution ✓
- Participation of previous disadvantage people in the economy ✓
- Economic empowerment of previous disadvantage people ✓
- Correcting inequalities of past ✓
- Gender equity ✓
- Land reform targets ✓

(Any 3) (3)

4.7.1 **Define Agri-tourism**

- Attracting travellers, visitors/ tourists ✓
- To an area that is used for farming/agricultural purposes (agrarian activities) ✓
- With conservation in mind and buildings with agrarian function ✓

(Any 2) (2)

4.7.2 **Three benefits of Agri-tourism**

- Efficient use of resources ✓
- Increase in income generated by farm workers/farm workers produce articles to sell ✓
- Increased job creation ✓
- Beneficiary to the community involved ✓
- Uplifting the quality of life for the people involved ✓
- Protection/Conservation of environment ✓
- Diversification extra income ✓
- Marketing tool ✓

(Any 3) (3)
4.8 **Six factors to consider before harvesting**

- Size of the farm ✓
- Crop/cultivars ✓
- Weather/climate/ soil conditions ✓
- Harvesting method ✓
- Time frames/when to start when to finish ✓
- Storing facilities ✓
- Condition and availability of harvesting tools/equipment/ machinery ✓
- Availability of labour ✓
- Option of hiring harvesting contractors ✓
- Service harvesting equipments ✓
- Employment of seasonal labour ✓
- Transportation of harvested product ✓
- Measurement of the readiness of crop to be harvested ✓
  - Sorting and grading
  - Market research

(Any 6) (6)

4.9.1 **Define agricultural market**

- A place where the supply of agricultural products ✓
- Will meet the demand to the product by the consumer ✓
  
  OR

- Any place where an agriculturist ✓
- Can sell his/her produce to a consumer ✓
4.9.2 GRAPH SUPPLY AND DEMAND

![Graph of supply and demand](image)

Check list:
- Heading ✓
- Label Y-axis ✓
- X-axis ✓
- Supply curve ✓
- Demand curve ✓

(5)

4.9.3 Ideal point of supply and demand
At R1 100 per ton or at 8 million tons ✓

(1)

4.9.4 Term ideal point
Market equilibrium ✓

(1)

4.9.5 Explain ideal point
This is the point where the quantity of the crop supplied to the market is equal to the quantity of the crop demanded from the market ✓✓

(2)

4.10.1 Reason why farm equipment is dangerous
- Sharp ✓
- Fast moving ✓
- Mechanical ✓
- Open machinery ✓
- Heavy ✓

(Any 1)

(1)

4.10.2 State legislation
OHS Act/(ACT 85 OF 1993)/Safety act ✓

(1)
4.11 REPORT FOR SMALL SCALE FARMER

A. Agritourism
   - Donkey cart rides for tourists ✔
   - Demonstrations of oxen at work ✔

B. Irrigation
   - Borehole to supply water ✔
   - Dam to store water ✔
   - Land to irrigate ✔ (Any 2)

C. Mechanisation
   - Mules work ✔
   - Sale of products to buy tractor ✔
   - Sale of mules to buy tractor ✔
   - Selling of donkey cart to buy a wagon
   - Contractor to cultivate soil ✔  (Any 2) (6)

TOTAL SECTION B: 150
GRAND TOTAL: 200