MARKS: 200

This memorandum consists of 13 pages.
## SECTION A

### QUESTION 1: SHORT QUESTIONS

1. **Multiple-choice questions**
   1.1.1 B ✔✔
   1.1.2 C ✔✔
   1.1.3 A ✔✔
   1.1.4 D ✔✔
   1.1.5 C ✔✔
   1.1.6 C ✔✔
   1.1.7 A ✔✔
   1.1.8 B ✔✔
   1.1.9 C ✔✔
   1.1.10 B ✔✔

   (10 x 2) (20)

2. **Matching items**
   1.2.1 E ✔✔
   1.2.2 G ✔✔
   1.2.3 B ✔✔
   1.2.4 D ✔✔
   1.2.5 I ✔✔
   1.2.6 C ✔✔
   1.2.7 H ✔✔
   1.2.8 F ✔✔
   1.2.9 K ✔✔
   1.2.10 J ✔✔

   (10 x 2) (20)

3. **Term/Word(s)**
   1.3.1 Marketing/Marketing plan ✔
   1.3.2 Soil ✔
   1.3.3 Crop rotation ✔
   1.3.4 Precision ✔
   1.3.5 Fixed ✔
   1.3.6 Whole farm ✔
   1.3.7 Elasticity ✔
   1.3.8 Controlled ✔
   1.3.9 Equity scheme ✔
   1.3.10 Cash flow ✔

   (10 x 1) (10)

**TOTAL SECTION A:** 50
SECTION B

QUESTION 2: FARM PLANNING

2.1 Soil structure

2.1.1 FOUR main factors that influence soil productivity

- Agricultural capacity ✓
- Vulnerability of soil to change or destruct ✓
- Climate ✓
- Correct management practices ✓

2.1.2 Explain THREE methods to conserve soil moisture

- Mulching of soils to form a protective layer ✓
- Covering of soils with organic material/plastic to reduce evaporation ✓
- Increase the soil depth for water capillary movement of soils ✓
- Planting of crops that cover soil to reduce evaporation ✓

(Any 3) (3)

2.2 Soil reaction

2.2.1 Deduce land for crop production

- Land B ✓

(1)

2.2.2 Explain answer with TWO reasons

- The soil physical characteristics are better ✓
- More nutrients available for the plants ✓

(2)

2.3 Reasons for laying out camps

- To apply rotational grazing ✓
- Highest possible production ✓
- To protect vulnerable pastures from overgrazing ✓
- To allow for stocking the veld according to the carrying capacity of the pasture ✓
- To allow the livestock farmer to have different type of animals ✓
- Separate different sexes/ages/groups ✓
- Controlling of pests ✓

(Any 3) (3)

2.4 Budget

2.4.1 TWO Initial factors that are required for setting up a budget

- Land area to be planted ✓
- Predicted yield / Predicted production ✓
- Predicted fertility ✓
- Labour costs ✓
- Capital needed ✓
- Expenditure on necessities ✓

(Any 2) (2)
2.4.2 **Describe THREE indicators of a cash flow budget**

- Income received for the set period of time ✔
- Cost incurred for the same period of time as the income ✔
- Stages of cash surplus and shortages to review availability of capital ✔
- Amount and type of credit needed to bridge shortages ✔
- Time that credit will be needed ✔
- Differences to the budget to make adjustments ✔  
(Any 3) (3)

2.5 **Safety of labourers**

2.5.1 **Safety clothing**

- Overall/Apron/Laboratory coat ✔
- Gloves ✔
- Goggles ✔
- Safety boots/gum boots ✔
- Head covering ✔
- Mouth and nose mask ✔  
(Any 4) (4)

2.5.2 **Impact of HIV/AIDS on labour**

- Higher absenteeism from work/More days for sick leave/ Productivity is lower ✔
- Low staff morale/psychological impact ✔
- Tension at the work place/stigma attached to status ✔
- High staff turnover ✔
- More expenses for the business ✔  
(Any 4) (4)

2.6 **Steps to prevent environmental pollution**

- Apply poisons only if necessary ✔
- Correct application of poisons ✔
- Make use of organic methods ✔
- Make use of natural enemies as far as possible ✔
- Do not spill poisons on soil/in water ✔
- Correct method to get rid of poison/container ✔  
(Any 5) (5)

2.7 **Precision farming**

2.7.1 **Functions of GPS (Global Positioning System) and GIS (Geographical Information System)**

<table>
<thead>
<tr>
<th>Functions of GPS</th>
<th>Functions of GIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pin points your exact location within one metre ✔</td>
<td>Shows areas in the arable land where there are factors that limit production ✔</td>
</tr>
<tr>
<td>Surveys the land ✔</td>
<td>Supplying information on a piece of land ✔</td>
</tr>
</tbody>
</table>
| Mapping logistics ✔ | Producing yield maps ✔  
(Any 2 comparisons) (4) |
2.7.2 **Meaning of the abbreviation of 'VRT'**

- Variable Rate Technology ✓

**Function of VRT**

- Controls the rate of application of crop inputs and tillage operations ✓ (2)

2.8 **Functions of the Agri-industry**

- Provides food ✓
- Provides raw materials ✓
- Provides jobs/employment opportunities ✓
- Development of secondary industry ✓
- Provides agricultural economic stability and growth ✓ (Any 3) (3)

2.9 **Effect of prices on budget**

2.9.1 **Effect of change in prices on profit**

- As the prices of necessities (inputs) rise ✓
- The lesser the profit of this enterprise will be ✓ OR
- Higher inputs results in lower income ✓
- And less profit ✓ (2)

2.9.2 **Graph Analysis to predict budget**

- The budget for labour will stay the same/at R105 ✓ because the cost stays the same ✓
- Increase the budget on feeds by slightly/10 – 15 % ✓ because the cost increase slightly ✓
- The budget for fertiliser must increase a lot/20 – 30% ✓ because of the steep increase in fertiliser prices ✓
- The budget for the product can increase slightly/1 – 5% because it becomes the end of the year and prices tend to rise ✓ (8) [50]
### QUESTION 3: ENTREPRENEURSHIP, RECORDING, MARKETING AND BUSINESS PLANNING

#### 3.1 Types of computers
- Desktop ✓
- Laptop/Notebook ✓
- Palmtop ✓
- Workstations ✓
- Mainframe computer ✓
- I-pad/tablet ✓
- Cell phone ✓

(Any 2) (2)

#### 3.2 Climatically factors

##### 3.2.1 Graph on rainfall records

![Rainfall Records Graph]

**Marking rubric**
- Heading ✓
- Correct x-axis labelled ✓
- Correct y-axis labelled ✓
- Correct bars ✓
- Bar graph ✓

(5)

##### 3.2.2 Elements of weather measured by these instruments

<table>
<thead>
<tr>
<th>NAME OF INSTRUMENT</th>
<th>ELEMENT OF WEATHER MEASURED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cup anemometer</td>
<td>Wind ✓</td>
</tr>
<tr>
<td>Wet-and-dry bulb thermometer</td>
<td>Humidity ✓</td>
</tr>
<tr>
<td>Rain gauge</td>
<td>Rainfall ✓</td>
</tr>
<tr>
<td>Maximum and minimum thermometer</td>
<td>Day and night temperature ✓</td>
</tr>
</tbody>
</table>

(4)
3.3 Allocate assets

<table>
<thead>
<tr>
<th>DEPRECIABLE ASSETS</th>
<th>NON-DEPRECIABLE ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings ✓</td>
<td>Fertilisers ✓</td>
</tr>
<tr>
<td>Machinery ✓</td>
<td>Marketable livestock ✓</td>
</tr>
</tbody>
</table>

3.4 Source documents

3.4.1 Deposit slip
- The account holder’s name ✓
- The account number ✓
- The branch code ✓
- Details of the person depositing the money ✓
- The amount to be deposited ✓
- Date ✓
- Signature ✓

3.4.2 Cheque payments
- It means that the cheque cannot be passed on to another person ✓
- Must be deposited into a bank account of the person ✓

3.5 Income statement

3.5.1 (a) Total income
- Total income = R25 000,00 + R20 000,00 ✓
  = R45 000,00 ✓

(b) Total expenditure
- Total expenditure = R2 240,00 + R1 200,00 + R1 360,00 + R1 000,00 +
  R2 570,00 + R3 000,00 ✓
  = R11 370,00 ✓

3.5.2 Profit or loss
- Profit/Loss = R45 000,00 – R11 370,00 ✓
  = R33 630,00 ✓
- It was a profit ✓

3.6 Marketing function of an Agribusiness
- Marketing the product at a price that will attract the customers, e.g. utility value ✓
- Continually changing the nature of the product e.g. to satisfy the needs of consumers based on feedback ✓
- Marketing in such a manner so as to obtain a greater share of the market e.g. branding ✓
- Advertising of the product must be in line with ethical advertising ✓ (Any 3)
3.7 Labour records

3.7.1 Gross wage

- Gross wage = 8 hrs × R12,70 × 5 days + 3 hrs (1,5 × R12,70) = R565,15

  OR

- Normal wage = 8 hrs × R12,70 × 5 days = R508,00
- Overtime = 3 hrs (1,5 × R12,70) = R57,15
- Total wage = R508,00 + R57,15 = R565,15

(3)

3.7.2 Net wage

- UIF = R565,15 × 1% = R5,65
- Net wage = income − deductions = R565,15 − R5,65 − R15,00 = R544,50

(4)

3.7.3 Abbreviation UIF

- Unemployment Insurance Fund

(1)

3.7.4 Contribution towards the UIF

- The employer

(1)
3.8 Supply and demand

3.8.1 Demand graph

![Demand Graph]

**Marking Rubric**
- Heading ✓
- Correct x-axis ✓
- Labelling of x-axis with units ✓
- Correct y-axis ✓
- Labelling of y-axis with units ✓
- Line graph ✓  

(6)

3.8.2 Calculate the profit
- Profit margin = \(20 \times \frac{100}{125}\) ✓
- = \(R16,00\) ✓

- Profit = \((R20 - R16,00) \times 1600\) ✓ OR Profit = \(R4 \times 1600\) ✓
- = \(R6 400,00\) ✓ = \(R6 400,00\) ✓  

(4)
QUESTION 4:  HARVESTING, PROCESSING AND MANAGEMENT

4.1  FOUR factors to considered embarking on value adding business
- Government policy and regulations ✓
- Socio-economic conditions ✓
- Level of business skills among the people ✓
- Financial support from the bank or other financial institution ✓
- The availability and cost of infrastructure ✓
- Development of the market ✓
- Access to appropriate technology ✓

(Any 4)  (4)

4.2.1  THREE forms of processing agricultural products

<table>
<thead>
<tr>
<th>AGRICULTURAL ENTERPRISE</th>
<th>DESCRIBE DIFFERENT WAYS OF PROCESSING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frozen/cold storage ✓</td>
<td>Cooling down to a frozen product to preserve ✓</td>
</tr>
<tr>
<td>Baking enterprise ✓</td>
<td>Continuously making of a product like bread ✓</td>
</tr>
<tr>
<td>Meat enterprise ✓</td>
<td>Processing meat in another product like polony ✓</td>
</tr>
<tr>
<td>Fruit enterprise ✓</td>
<td>Juice and cold drink industry ✓ OR Canning/drying of fruit ✓</td>
</tr>
<tr>
<td>Dairy enterprise ✓</td>
<td>Easier bulk handling of the products ✓ OR Processing to make different products like cheeses ✓</td>
</tr>
<tr>
<td>Snack enterprise ✓</td>
<td>Making of products through extraction ✓</td>
</tr>
<tr>
<td>Grain enterprise ✓</td>
<td>Milling ✓ Canning ✓ Freezing ✓ Feeds ✓</td>
</tr>
<tr>
<td>Wool/mohair enterprise ✓</td>
<td>Textile/material ✓</td>
</tr>
<tr>
<td>Oil seeds enterprise ✓</td>
<td>Oil ✓ Feeds ✓</td>
</tr>
<tr>
<td>Cultivated feeds enterprise ✓</td>
<td>Pilling ✓ Feed mixes ✓</td>
</tr>
</tbody>
</table>

(Any 3 x 2)  (6)

4.2.2  TWO disadvantages of processing
- Difficult to access capital for new industries ✓
- New products compete with established product in the market ✓
- Lack of experience and expertise on the side of business owners ✓

(Any 2)  (2)
4.3 Attaching duties to their relevant management function
- 1 = Implementing ✓
- 2 = Control ✓
- 3 = Organising and co-ordinating ✓
- 4 = Planning ✓
- 5 = Decision making ✓ (5)

4.4 Management

4.4.1 Meaning of delegation
- To make other people/workers ✓
- Co-responsible for the execution of tasks ✓
- And the control of workers/tasks ✓ (3)

4.4.2 TWO effects of delegation of tasks
- Higher productivity ✓
- Feel appreciated ✓
- Enrich self confidence ✓
- Feels satisfied ✓
- Feels part of management ✓ (Any 2) (2)

4.5 Differentiate between types of agritourism

4.5.1 Farm stay holidays
- Tourists visit farms, that is a holiday resort with bed and breakfast facilities ✓
- To enjoy the cultural and natural landscape ✓ (2)

4.5.2 Ecotourism
- Is a travel to natural areas to learn about how the people live and natural history of the environment ✓
- Taking care not to change the environment and contribute to the economic welfare of the local people ✓ (2)

4.6 Harvesting

4.6.1 ONE reason for harvesting at correct stage of readiness
- To ensure that it reaches the consumers in good condition ✓
- To prevent rotting and spoilage of crop ✓ (Any 1) (1)

4.6.2 THREE important factors to be considered when planning for harvesting
- Time of harvesting ✓
- Amount of labour ✓
- Availability and amount of harvesting equipment ✓
- Starting date and ending date of harvesting ✓
- Harvesting method ✓
- Protective clothing for harvesting ✓ (Any 3) (3)
4.7 Storing

4.7.1 Verify statement with TWO reasons
- More evenly distribution of products throughout the year ✓
- To sell products when the price at the markets increase ✓ (2)

4.7.2 FOUR types of packaging material
- Cartons ✓
- Packet/bags ✓
- Barrel ✓
- Cup ✓
- Cans ✓
- Bottles ✓ (Any 4) (4)

4.8 Aspects of labelling requirements
- The use of a trade mark and product description of the content. ✓
- Pictorial representation of the content or serving suggestions in which the product is used with a clear distinction in terminology and representation ✓
- The name and street address of the manufacturer of the product ✓
- A list of ingredients in order of contribution in mass to the whole ✓
- The main ingredients are mentioned first and additives are mentioned under collective names except in case of tartrazine, preservatives and phenylalanine ✓
- Nutritional information determined according to RDA tables and which exceeds set minimum values ✓ (Any 4) (4)

4.9 Farm evaluation
- Lacks financial insight and skilled financial management ✓
- Lacks knowledge of target markets and competitors ✓
- Unwillingness to take risks ✓
- Poor customer service ✓ (Any 3) (3)
4.10 **Business plan**

4.10.1 **Design coversheet for business plan**

- Name of the business – TAU Fresh Produce Enterprise ✓
- Address and contact details of Agri-business or farm ✓
- Ownership – (private owner) ✓
- Type of business – fresh produce ✓
- Name(s) of owner(s) – Francis Louw ✓
- Date of plan ✓

AND

- Design with information ✓

(Any 5) (5)

4.10.2 **TWO market information that should be included in the agribusiness plan**

- Market research ✓
- Target market ✓
- Products to be produced ✓
- Distribution ✓
- Competition ✓

(Any 2) (2)

[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200