



NQF Level: **1** US No: **116159**

Facilitator Guide

Primary Agriculture

**Recording of the
Income and Different
Costs in an Agri-
business**

My name:

Company:

Commodity: Date:

The availability of this product is due to the financial support of
the National Department of Agriculture and the AgriSETA.

AgriSETA

agriculture

Department:
Agriculture
REPUBLIC OF SOUTH AFRICA

Before you get started...

Dear Facilitator,

This Facilitator Guide (together with the relevant Learner Guide) is aimed at facilitators who will be assisting learners wishing to complete the following unit standard:

Title:	Identify the need for capital and understand the need for the recording of the income and different costs in an agri-business		
US No:	116159	NQF Level:	1
		Credits:	2

This guide contains all necessary facilitation instructions to ensure that learners will attain the expected competencies required by the above-mentioned unit standard. This guide is designed to be used during the presentation of a learning session based on this unit standard. The full unit standard is attached at the end of this guide as well as at the end of the relevant Learner Guide. Learners are advised to read the unit standard at their time. Please discuss the unit standard with the learners to ensure that they understand what is expected from them to achieve the outcomes of the unit standard.

This unit standard is one of the building blocks in the qualifications listed below. Please mark the qualification you are currently facilitating, because that will be determined by the context of application:

Title	ID Number	NQF Level	Credits	Mark
National Certificate in Animal Production	48970	1	120	<input type="checkbox"/>
National Certificate in Mixed Farming Systems	48971	1	120	<input type="checkbox"/>
National Certificate in Plant Production	48972	1	120	<input type="checkbox"/>

Please mark the learning program the learners are enrolled in:

Are you facilitating a:	Y	N
Learnership?	<input type="checkbox"/>	<input type="checkbox"/>
Skills Program?	<input type="checkbox"/>	<input type="checkbox"/>
Short Course?	<input type="checkbox"/>	<input type="checkbox"/>

Note to Facilitator:

If you are presenting this module as part of a full qualification or learnership, please ensure that you have familiarised yourself with the content of the qualification.

Please explain the above concepts to the learner.

There are four guides, namely the Learner Guide, the Learner Workbook, the Assessor Guide and the Facilitator Guide. These guides have been developed to address specific aspects of the learning experience. You therefore need to use these guides additional each other.

Make this an enjoyable learning experience!

Context of Application ...

Primary Agriculture is a diverse sector and a wide range of commodities is being produced for both national and international market. Each commodity has its own production requirements and practices. You will be facilitating the learning process within a specific context where a specific agricultural commodity is being produced. The learning material has been written in a **generic** manner, as it is aimed to be available on national level and should be suitable to be applied within a variety of commodities. It is therefore inclusive of all agricultural commodities and crop in this field. Therefore, the examples that are being used in the materials may not always be applicable to your specific community, commodity, environment or region.

This presents you, the facilitator, with the challenge to **contextualise** the learning material. It is imperative that you, the Facilitator and Assessor interpret and present activities, case studies and projects related to the material in such a way that learners can easily identify and apply their knowledge within their own context. This will require from you to add examples of crop, which are applicable to the community or farm. Learners must be guided with examples from their own communities, commodities, environment or regions. This should be done supplementary to the learning material:

- Examples relevant to the commodity,
- Including commodity specific requirements,
- Including operating procedures of the farm,
- Including agricultural practice specific requirements,
- Agricultural markets,
- Guiding learners to write these specificities down in the learning guide,
- Etc.

The contextualisation of the learning material is a very important step in preparing for and facilitating the learning experience and enough time and effort should be put into this exercise.

According to the qualifications mentioned on page 2, this module could be contextualised to fit the following groups of commodities:

Plant Production	Animal Production	
<ul style="list-style-type: none"> • Organic production, • Hydroponic production, • Perma-culture production, • Agronomy, • Horticulture, Natural resources harvesting. 	<ul style="list-style-type: none"> • Small stock production, • Large stock production, • Dairy production, • Pig production, • Poultry production, • Game, • Aqua / mari culture, • Commercial insects • Animal fibres harvesting, • Bee keeping. 	<ul style="list-style-type: none"> • Natural resources harvesting • Organic production, • Perma-culture production, • Eco/Agri Tourism, • Agro Chemicals, • Horse Breeding, etc.

How to use this guide ...

Throughout the guide information is given specifically aimed at you, the facilitator, to **assist** in the actual presentation of the learning material and/or facilitation of the learning process. Although this guide contains all the information required for attaining competency in this unit standard, references to additional resources, both printed and electronic, are provided for additional reference by the facilitator and further study by the learner.

Please note that the purpose of this information is merely to **guide** you, the facilitator, and is provided as a suggestion of possibilities. It remains the responsibility of every facilitator to re-assess the learner/s in each learning situation throughout the learning process in order to stay in touch with their specific learning needs. This should be the determining factor in the choice of the learning approach to follow.

Use the different boxes listed below for identification purposes:



Instructions regarding **activities**, whether group or individual activities will be described in this box.



Facilitators' Tip ...

My Notes ...

You can use this box for your own notes/comments.

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What & How will you be Facilitating?

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The Learning Experience...

When learners have achieved this unit standard, they will be able to:

- ◆ Identify the need for capital and how to collect data to record income and different costs in an agri-business.
- ◆ Understand the utilization of a simple record-keeping system in order to make basic managerial decisions.
- ◆ Understand the importance of the application of business principles in agricultural production with specific reference to agricultural financial support.
- ◆ Operate farming practices as businesses and will gain the knowledge and skills to move from a subsistence orientation to an economic orientation in agriculture. Farmers will gain the knowledge and skills to access mainstream agriculture through a business-orientated approach to agriculture.

Learners will specifically be able to:

- ◆ Describe the need for investment capital, where it can be acquired and how it can be categorised within an agri-business.
- ◆ Explain the flow of money in an agric-business.
- ◆ Describe the flow of costs in an agri-business.
- ◆ Identify the basic components of financial information and record keeping system and the basic administration procedures regarding source documents.
- ◆ Provide inputs to a simple record keeping system for an agri-business, and be able to extract managerial information from it.

Learners will also gain basic knowledge of:

- ◆ The function of a balance sheet equation.
- ◆ Principles of balance sheet equation.
- ◆ Procedures to acquire capital.
- ◆ Different cost aspects in a production environment.
- ◆ Purpose of a simple record keeping system.
- ◆ Rules and principles to use a simple financial record keeping system.
- ◆ Basic accounting concepts.
- ◆ The utilization of a record-keeping system to make basic managerial decisions.

Introduction

Agriculture is regarded as a business; more specifically, that part of a modern national economy devoted to the production, processing, and distribution of food and fibre products and by-products.

In highly industrialized countries, many activities essential to agriculture are carried on separately from the farm. These include the development and production of equipment, fertilizers, and seeds; in some countries the processing, storage, preservation, and delivery of products have also been separated from basic farming. In consequence, farming itself has become increasingly specialized and businesslike. Some business firms even raise crops, as in the case of a winery that operates its own vineyards or a large commercial producer of fast-frozen or canned vegetables that maintains its own farm. Many of these farms use extensive mechanization and computer technology to increase production.

In recent years, conglomerate companies that are involved in non-agricultural businesses have entered agribusiness by buying and operating large farms. Some food-processing firms that operate farms have begun to market fresh produce under their brand names.

My Notes ...

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Learning Program Time Frames

	Total time allocated (hours)	Theoretical learning time allocated (hours)	Practical learning time allocated (hours)	Activities to be completed
Complete Program (including summative assessment)	20 hours	7.95 hours	12.05 hours	17
Learner Orientation and "Ice Breaker"	1 hour	0.5 (30 minutes)	0.5 (30 minutes)	N/A
Purpose, Introduction and Learner Directions	0.50 (30 minutes)	0.25 (15 minutes)	0.25 (30 minutes)	N/A
Session 1	4.70 hours	1.40 hours	3.3 hours	1 – 6
Session 2	3.2 hours	1.45 hours	1.75 hours	7 – 10
Session 3	4.2 hours	1.45 hours	2.75 hours	11
Session 4	2.2 hours	1.45 hours	0.75 hours	12 – 13
Session 5	4.2 hours	1.45 hours	2.75 hours	14 – 16
Preparation for Assessment & revision				

Tips for level of learning



Remember the following before you get started:

This unit standard is aimed at level 1 learners.

- ◆ A typical level 1 learner might be exposed to the world of work through this learning program for the first time.
- ◆ Explain concepts and define words in a simple, clear and concise method throughout the learning program.
- ◆ Take special care to facilitate for ALL learners. Allow them opportunities to share experiences, prior knowledge, translate into their mother tongue for each other and enjoy the learning process.
- ◆ The examples given in this resource guide might be for a different geographical area or commodity to what the learner is exposed to – please adapt your examples accordingly.
- ◆ There should always be good communication between facilitators and mentors to ensure effective learning experience.
- ◆ During practical activities facilitators should be present at all times. Should that not be possible, the mentor should be available for attendance.

Facilitator's Checklist & Training Aids

Learner support strategies

Learners are supplied with all resources and aids as required by the programme – including:

- Objects & devices such as equipment, protective clothing, safety gear, etc.
- Learner Guides and Learner Workbook
- Visual aids, etc.

Use this checklist below during your preparation to ensure that you have all the equipment, documents and training aids for a successful session.

Preparation	Yes	No
Qualification Knowledge – I have familiarised myself with the content of the applicable qualification		
Unit Standard Knowledge – I have familiarised myself with the content of all aspects of the applicable unit standard		
Content Knowledge – I have sufficient knowledge of the content to enable me to facilitate with ease		
Application knowledge – I understand the programme matrix & have prepared for programme delivery accordingly		
Contextualisation – I have included information which is specific to the commodity and practices related to the commodity		
Ability to respond to learners background & experience – I have studied the learner demographics, age group, experience & circumstances & prepared for programme delivery accordingly		
Enthusiasm & Commitment – I am passionate about my subject & have prepared my programme delivery to create a motivating environment with real commitment to success		
Enterprise knowledge – I know & understand the values, ethics, vision & mission of the workplace & have prepared my programme delivery, reporting & administrative tasks accordingly.		
Equipment check:		
Learner guides x 1 per learner		
Assessment guides x 1 per learner		
Writing materials & stationary (facilitator & learner)		
White board & pens		
Flip chart paper		
Proxima projector & screen		

Laptop & programme disk		
Sample Hand-outs and examples of laws and other relevant documents		
Safety gear as prescribed by unit standard and applicable legislation		
Documentation checklist:		
Attendance Register		
Course Evaluation		
Learner Course Evaluation		
Portfolios of evidence		

Contextualisation of Content!

Go through this module and indicate what specific **information / activities / examples** should be included in this module.

Contextualisation	
What specific information / activities / examples should I include in this module?	
<ul style="list-style-type: none"> Commodity specific? 	
<ul style="list-style-type: none"> Operating procedures of the farm? 	
<ul style="list-style-type: none"> Agricultural practices? 	
<ul style="list-style-type: none"> Agricultural markets? 	

Session

1 Investment capital within an agri-business

Learner Guide:
Page 7

After completing this session, the learner should be able to:

SO 1: Describe the need for investment capital, where it can be acquired and how it can be categorised within an agri-business.

Concept (SO 1)	Time frame	Activities related to the concept
The need for capital within a business environment is explained.	4.70 hours	Activity 1 – 6
An effective understanding of where money/capital is coming from and where money/capital is going to are demonstrated.		
The ability to deposit money in a financial institution is demonstrated.		
The ability to withdraw funds from a financial institution is demonstrated.		
A basic understanding of assets, liabilities and owners equity in a business is demonstrated by using the basic balance sheet and defining the different sub-sections.		
Possible sources for capital such as banks, own capital, etc. are described.		



Please allow learners to complete Activity 1 – 6 in their workbooks

Type of activity	Resources	Instructions to give to the learners	Conclusions
1. Discuss with your group and answer questions.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
2. Answer the questions.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
3. Answer the questions.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
4. Brainstorm with your group.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
5. Individual activity.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
6. Group work.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.

My Notes ...

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Session

2 The flow of money in agri-business

Learner Guide:
Page 19

After completing this session, the learner should be able to:
SO 2: Explain the flow of money in an agric-business.

Concept (SO 2)	Time frame	Activities related to the concept
Financial inputs related to capital, material, labour, overheads, etc. are identified and described.	3.2 hours	Activity 7 – 10
Different costs such as material, labour, direct overheads and indirect overheads in an agri-business are described.		
The importance of a profit in a business is described.		
An understanding that profit as managerial goal is not restricted to financial profits is demonstrated.		



Please allow learners to complete Activity 7 – 10 in their workbooks

Type of activity	Resources	Instructions to give to the learners	Conclusions
7. As a group explain diagram.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
8. Work with a co-worker.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.



Please allow learners to complete Activity 9 – 10 in their workbooks

Type of activity	Resources	Instructions to give to the learners	Conclusions
9. Interview	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
10. Draw a mindmap	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.

My Notes ...

Dotted lines for writing notes.

Session

3 The flow of costs in an agri-business

Learner Guide:
Page 28

After completing this session, the learner should be able to:
SO 3: Describe the flow of costs in an agri-business.

Concept (SO 3)	Time frame	Activities related to the concept
The different costs, including fixed and variable, and direct and indirect costs, are defined, with acceptable examples given.	4.2 hours	Activity 11
The flow of cost in a production environment is described.		
The different types of stock in a production process related to agriculture are described.		

Please allow learners to complete Activity 11 in their workbooks

Type of activity	Resources	Instructions to give to the learners	Conclusions
11. Speak to an expert on the farm and find out	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.



Session 4 Financial and administration procedures

Learner Guide:
Page 33

After completing this session, the learner should be able to:

SO 4: Identify the basic components of financial information and record keeping system and the basic administration procedures regarding source documents.

Concept (SO 4)	Time frame	Activities related to the concept
Reasons why there is a need for a record-keeping system are demonstrated.	2.2 hours	Activity 12 – 13
The need for an effective record-keeping system is motivated.		
An understanding of different source documents to be used to compile financial information is demonstrated and examples are given.		
The basic concepts of a financial record keeping system is described and used such as the recording of income, costs and a cashbook.		

Please allow learners to complete Activity 12 – 13 in their workbooks



Type of activity	Resources	Instructions to give to the learners	Conclusions
12. Draw mind map.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
13. Brainstorm as a group.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.

Session

5 Inputs and record-keeping system for an agri-business

Learner Guide:
Page 43

After completing this session, the learner should be able to:
SO 5: Provide inputs to a simple record keeping system for an agri-business, and be able to extract managerial information from it.

Concept (SO 5)	Time frame	Activities related to the concept
Income is recorded correctly, using the correct formats.	4.2 hours	Activity 14 – 16
Correct information for material, labour, direct and indirect costs is recorded correctly and accurately whilst using the correct formats.		
Profit / loss are identified and the reasons explained.		
The ability to formulate basic managerial decisions from the record keeping system is demonstrated.		



Please allow learners to complete Activity 16 – 17 in their workbooks

Type of activity	Resources	Instructions to give to the learners	Conclusions
14. Group work.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
15. Group work.	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.
16. Class discussion	Learner guide and workbook	As per instructions in learner workbook.	As per relevant assessment criteria.

What will I do differently next time?

Take some time to **reflect** on your own activities as facilitator of this Unit Standard. Then write down five of the most important lessons you have learnt and include a motivation:

What will I do differently next time?	Motivate how or why (Give examples, reasons, etc.)
1.	
2.	
3.	
4.	
5.	

As facilitator, you have hands on experience in the application of the unit standard. And you might experience difficulties with the unit standard that the developers did not anticipate. Also, the unit standard will be revised at the end of the registration period. Your comments below can be an important contribution in the revision process and should be brought to the attention of either the AgriSETA ETQA manager or the SGB chairperson.

Please take some time to reflect on your experience and list a few of the difficulties you had to address.

Difficulties I had with the Unit Standard	Recommended Changes to Address the Difficulty
6.	
7.	
8.	
9.	
10.	