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**SOUTH AFRICAN QUALIFICATIONS AUTHORITY
REGISTERED UNIT STANDARD:**

Prepare a whole farm budget and establish a proper integrated information system for an agri-business

SAQA US ID		UNIT STANDARD TITLE		
116319		Prepare a whole farm budget and establish a proper integrated information system for an agri-business		
ORIGINATOR		ORIGINATING PROVIDER		
SGB Primary Agriculture				
QUALITY ASSURING BODY				
-				
FIELD			SUBFIELD	
Field 01 - Agriculture and Nature Conservation			Primary Agriculture	
ABET BAND	UNIT STANDARD TYPE	OLD NQF LEVEL	NEW NQF LEVEL	CREDITS
Undefined	Regular	Level 4	NQF Level 04	3
REGISTRATION STATUS		REGISTRATION START DATE	REGISTRATION END DATE	SAQA DECISION NUMBER
Reregistered		2009-07-01	2012-06-30	SAQA 0480/09
LAST DATE FOR ENROLMENT		LAST DATE FOR ACHIEVEMENT		
2013-06-30		2016-06-30		

In all of the tables in this document, both the old and the new NQF Levels are shown. In the text (purpose statements, qualification rules, etc), any reference to NQF Levels are to the old levels unless specifically stated otherwise.

This unit standard does not replace any other unit standard and is not replaced by any other unit standard.

PURPOSE OF THE UNIT STANDARD

The learner achieving this unit standard will be able to accept full responsibility for the development of an integrated whole farm budget as well as the implementation of an advanced information system for a commercially driven agri-business.

In addition the learner will be well positioned to extend their learning and practice in to other areas of strategic management and systems thinking. The profession will in general benefit from this holistic approach to systems thinking and application.

Learners will understand the importance of the application of business principles in agricultural

production with specific reference to financial support.

They will be able to 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.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

It is assumed that a learner attempting this unit standard will demonstrate competence against the unit standards or equivalent:

- NQF 3: Explain costing and the viability of an agri-business.

UNIT STANDARD RANGE

Whilst range statements have been defined generically to include as wide a set of alternatives as possible, all range statements should be interpreted within the specific context of application.

Range statements are neither comprehensive nor necessarily appropriate to all contexts. Alternatives must however be comparable in scope and complexity. These are only as a general guide to scope and complexity of what is required.

Specific Outcomes and Assessment Criteria:

SPECIFIC OUTCOME 1

Prepare an integrated whole farm budget.

OUTCOME RANGE

Use a set of templates or a computer program. Budget should include at least the gross farm incomes from all sources including interest sources, variable and fixed costs, foreign factor costs, net farm income and farming profit/loss.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The previous year's cash-flow statement is utilised independently as major input for the following year's cash-flow budget ensuring that monthly income and all costs are clearly indicated.

ASSESSMENT CRITERION 2

The previous year's income statement is utilised independently as major input for the following year's income budget ensuring that all income and all costs are clearly indicated.

ASSESSMENT CRITERION 3

Various whole farm budgets are cross-referenced independently to ensure horizontal compatibility.

ASSESSMENT CRITERION 4

A clear understanding of the need for a whole farm budget with specific indication to how it will be applied in managerial decision-making is demonstrated.

SPECIFIC OUTCOME 2

Utilise sensitive analysis (what-if functions) to determine the economic and financial viability of a business.

OUTCOME RANGE

What-if situations include but are not limited to cash, credit income, direct and indirect costs, marketing scenarios, etc.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

Changes in selected values of income variables such as yield or product price and how it impact on farm/enterprise profitability are explained.

ASSESSMENT CRITERION 2

Changes in values of selected cost variables such as input price and amounts and how it impact on farm/enterprise profitability are explained.

ASSESSMENT CRITERION 3

Different outcomes (when the business environment changes) are predicted via the whole farm budget.

ASSESSMENT CRITERION 4

Break-even analysis is executed to determine break-even points.

ASSESSMENT CRITERION 5

The return on investment and cash flow is calculated and explained.

ASSESSMENT CRITERION 6

The concept of stock turnover rate as well as the implications thereof is explained.

ASSESSMENT CRITERION 7

Good practices in the buying of agricultural inputs are explained.

ASSESSMENT CRITERION 8

Factors that can influence income, material, labour, fixed and variable costs are described.

SPECIFIC OUTCOME 3

Develop an information system for a commercially driven agri-business.

OUTCOME RANGE

Includes but is not limited to templates or a computer program.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The functioning of a system where cash and credit income is recorded, is demonstrated.

ASSESSMENT CRITERION 2

All material, labour, vehicle and other direct production costs is timely recorded.

ASSESSMENT CRITERION 3

The functioning of an asset register, debtors and creditors control is explained.

ASSESSMENT CRITERION 4

A detailed physical record system, which includes a full inventory, rainfall records, etc. is operated.

SPECIFIC OUTCOME 4

Utilise the information system to generate managerial information for improved decision-making.

OUTCOME RANGE

Comparison with historical figures as well as the utilisation of the figures for future planning.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

Present indicators with historical indicators and to make rational deductions for improved managerial decision-making from it (R/ha, R/ton, etc). are compared.

ASSESSMENT CRITERION 2

Present year figures/data/information within the drafting of future budgets are utilised.

ASSESSMENT CRITERION 3

The economic and financial results are transferred and communicated to lower levels of employees in order to educate and motivate them.

UNIT STANDARD ACCREDITATION AND MODERATION OPTIONS

The assessment of qualifying learners against this standard should meet the requirements of established assessment principles.

It will be necessary to develop assessment activities and tools, which are appropriate to the contexts in which the qualifying learners are working. These activities and tools may include an appropriate combination of self-assessment and peer assessment, formative and summative assessment, portfolios and observations etc.

The assessment should ensure that all the specific outcomes, critical cross-field outcomes and essential embedded knowledge are assessed.

The specific outcomes must be assessed through observation of performance. Supporting evidence should be used to prove competence of specific outcomes only when they are not clearly seen in the actual performance.

Essential embedded knowledge must be assessed in its own right, through oral or written evidence and cannot be assessed only by being observed.

The specific outcomes and essential embedded knowledge must be assessed in relation to each other. If a qualifying learner is able to explain the essential embedded knowledge but is unable to perform the specific outcomes, they should not be assessed as competent. Similarly, if a qualifying learner is able to perform the specific outcomes but is unable to explain or justify their performance in terms of the essential embedded knowledge, then they should not be assessed as competent.

Evidence of the specified critical cross-field outcomes should be found both in performance and in the essential embedded knowledge.

Performance of specific outcomes must actively affirm target groups of qualifying learners, not unfairly discriminate against them. Qualifying learners should be able to justify their performance in terms of these values.

- Anyone assessing a learner against this unit standard must be registered as an assessor with the relevant ETQA.
- Any institution offering learning that will enable achievement of this unit standard or assessing this unit standard must be accredited as a provider with the relevant ETQA.
- Moderation of assessment will be overseen by the relevant ETQA according to the moderation guidelines in the relevant qualification and the agreed ETQA procedures.

UNIT STANDARD ESSENTIAL EMBEDDED KNOWLEDGE

The person is able to demonstrate a basic knowledge of:

- Integrated budget.
- Causes and effects of changes in the value / supply chain on a budget.
- Rules and principles of an information system for a commercialised agri-business.
- The utilisation of present financial statements to generate managerial information.
- Sensitivity analysis and break-even points.
- Record-keeping.
- Communication.
- Utilisation of technology.

UNIT STANDARD DEVELOPMENTAL OUTCOME

N/A

UNIT STANDARD LINKAGES

N/A

Critical Cross-field Outcomes (CCFO):

UNIT STANDARD CCFO IDENTIFYING

Problem solving relates to all specific outcomes.

UNIT STANDARD CCFO ORGANISING

Self-organisation and management relates to all specific outcomes.

UNIT STANDARD CCFO COLLECTING

Information evaluation relates to all specific outcomes.

UNIT STANDARD CCFO SCIENCE

Use science and technology relates to all specific outcomes.

UNIT STANDARD CCFO DEMONSTRATING

Inter-relatedness of systems relates to all specific outcomes.

UNIT STANDARD CCFO CONTRIBUTING

Self-development relates to all specific outcomes.

QUALIFICATIONS UTILISING THIS UNIT STANDARD:

	ID	QUALIFICATION TITLE	OLD LEVEL	NEW LEVEL	STATUS	END DATE	QUALITY ASSURING BODY
Core	48979	National Certificate: Animal Production	Level 4	New Level Assignment Pend.	Reregistered	2012-06-30	AgriSETA
Core	49009	National Certificate: Plant Production	Level 4	New Level Assignment Pend.	Reregistered	2012-06-30	AgriSETA

PROVIDERS CURRENTLY ACCREDITED TO OFFER THIS UNIT STANDARD: