



***NATIONAL OPEN UNIVERSITY OF NIGERIA***

***University Village, Nnamdi Azikiwe Expressway, Plot 91, Cadastral Zone, Jabi, Abuja***

***Faculty of Agricultural Sciences,***

***Dept. of Agricultural Economics and Extension,***

***2020\_2 Examination***

**Course Title:** Farm Business Organization

**Course Code:** AEA310

**Credit Unit:** 3

**Total Score:** 70 Marks

**Time Allowed:** 3Hours

**INSTRUCTION:**

**Answer Compulsory question 1 (30 marks) and any four (4) questions (10 marks each)**

1. a) i) Define Resources. (2 marks)  
ii) Discuss the four main groups of resources. (8 marks)
- b) Define and explain gross margin. (10 marks)
- c) Explain the following:
  - i) Farm management (2mks)

- ii) Budgeting (2mks)
  - iii) A farmer budget. (2mks)
  - iv) Economics in terms of resources allocation (2mks)
  - v) Farm production records. (2mks)
2. a) Who is a farm manager? (2mks)
- b) State four(4) attributes of a farm manager (4mks)
- c) Outline four(4) requirements for an effective control system in managerial function of a farm manager.(4mks)
- 3 Explain the following: (10marks)
- i) Efficiency (2 marks)
  - ii) Physical measures (2 marks)
  - iii) Financial measures (2 marks)
  - iv) Solvency (2 marks)
  - v) Networth (2 marks)
- 4 a) State five (5) uses of gross margin. (5 marks)
- b) Mention five (5) procedural steps used for gross margin analysis. (5marks)
- 5 Discuss the following: (10marks)
- i) The Balance sheet (2 marks)
    - ii) Asset (4 marks)
    - iii) Liabilities (4 marks)
- 6 . a) Explain what you understand by term decision making (5 marks)

b) State any five (5) steps involved in decision making. (5 marks)

7 a) State two (2) perceptions of farm management (4marks)

b) Outline the researchers perspectives of farm management (2mks)

c) Explain the following:

i) Farm organization. (2mks)

ii) Farm operations. (2mks)