



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,
PoP Examination, September 2020_1

Course Title: Farm Management

Course Code: AEM753

Credit Unit: 2

Total Score: 70 Marks

Time Allowed: 2 ½ Hours

INSTRUCTION:

Answer compulsory question 1 (25 marks) and any other 3 questions (15 marks each).

QUESTION ONE

- Define Economics (3 mks)
- What is Agricultural Economics? (3 mks)
- The importance of keeping farm records cannot be over emphasized. Describe FOUR advantages of keeping farm records in farm organization (6 mks)
- Write short note on how the concept of opportunity cost operates in our farms (4 mks)
- Explain the declining balance method of asset depreciation (3 mks)
- Using the declining balance method of asset depreciation, calculate the depreciation value of an asset whose cost was ₦65,000 and depreciated at 20% for 6 years (6 mks)

QUESTION TWO

- Define the term profit (3 mks)
- Advance TWO reasons why farm management is termed as Jack of all trade (4 mks)
- Define demand and supply (5 mks)
- What do you understand as equilibrium price (3 mks)

QUESTION THREE

- What are liabilities in the farm (3 mks)
- Enumerate and explain the types of liabilities that occur in the farm (4 mks)
- Define the Asset to Debt Ratio. How is the ratio used to judge or assess the farm or investment (4 mks)
- Enumerate FOUR areas or items management makes decisions on (4 mks)

QUESTION FOUR

- Mention THREE effects of price fluctuations on farmers (3 mks)
- The Participatory Rural Appraisal is a data gathering method. Briefly discuss this method (4 mks)
- Management carries out functions to produce desired output. Itemize and discuss FOUR of the functions carried out. (8 mks)

QUESTION FIVE

- Define resources (3 mks)
- List and explain the principal or major resources used in the farm (6 mks)
- A good manager is judged by certain characteristics. Mention SIX of these characteristics (6 mks)

QUESTION SIX

- Differentiate between fixed and variable cost incurred in asset acquisition (3 mks)
- Using your knowledge about agriculture, supply THREE reasons why agricultural products fluctuate more than industrial products (6 mks)
- Write short notes on Leadership, Motivation and Communication as a tool to successful managerial performance (6 mks)