



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 Questions, 2021 Academic Session

Course Title: Farm Management

Course Code: AEM 753

Credit Unit: 2 Units

Total Score: 70 Marks

Time Allowed: 2 Hrs

INSTRUCTION: Answer Three Questions Only.

QUESTION ONE

- Using definitions, differentiate the subject of Economics and Agricultural Economics (6 mks)
 - Write short notes on Declining balance method of depreciation (6 mks)
 - Assume the private of a big farm procured a big processing plant for processing their product at the cost of ₦90,000. Using the declining balance method, what will be the salvage value of the asset if it was depreciated at a constant rate of 20% for 6 years? (7 ½ mks)
 - Briefly explain the Measures of Resources Use Efficiency (4 ½ mks)
- (Total = 6+6+7 ½ +4 ½ = 24)

QUESTION TWO

- Discuss any four (4) basic information that would constitute part of farm record that need to be kept in the farm by the farm management (8 mks)
- Account for the difference between partial and complete budget (6 mks)
- Expatiate on six (6) different factors that are responsible for price fluctuation of agricultural products (9 mks)

QUESTION THREE

- What are Assets? (6 mks)
- Management produces decisions in the farm on different matters. Analyze six (6) of the areas where these decisions are made on (7 mks)
- Determine the current ratio (CR) of a farm that has N51,000 at hand otherwise called current asset and same farm is due to pay debt of about N22,000. State the meaning of current ratio and the implication of the result (CR) (9 mks)

QUESTION FOUR

- In a sequential order, list the process of problem solving approach (3 mks)
- What is opportunity cost and how is it important to the farm manager in the course of making decisions? (8 mks)
- Differentiate between marginal cost and marginal benefit (4 mks)
- In where poultry production is concerned, egg production profitability is affected by many factors. Highlight eight (8) of them. (8 mks)