



NATIONAL OPEN UNIVERSITY OF NIGERIA
Department of Agricultural Economics and Extension
FACULTY OF AGRICULTURAL SCIENCES
2025_1 EXAMINATION

Programme: Agricultural Extension and Management

Course Title: Principles of Farm Management

Course Code: AEA308

Credit Unit: 2

Total Score: 70Marks

Time Allowed: 2Hours

INSTRUCTION: Answer question one (1) Compulsory (30marks) and any other two (2) questions (20marks each).

- 1a. i. Highlight the four major types of farm records and accounts you know. (4marks)
ii. Explain the general principles guiding the keeping of farm records and accounts. (9marks)
b. i. Define Capital (3marks)
ii. State at least five (5) sources of capital you know. (5marks)
c. In a tabular form state two (2) distinctions between risk and uncertainty (4marks)

- 2a. Expatiate on the term Entrepreneur (5marks)
b. Give any five (5) reasons why entrepreneur is separated from labour as a factor of production. (15marks)

- 3a. What do you understand by the following terms?
 - i. Benefits (2marks)
 - ii. Costs (2marks)
 - iii. Concept of benefit-cost analysis (6marks)
b. Discuss the two major classes of benefits and costs of agricultural projects. (10marks)

- 4a. i. What do you understand by decision making? (2.5mark).
ii. Discuss in a sequential order the seven essential steps that must be followed when making decision in Farm Management (17.5marks).