



**NATIONAL OPEN UNIVERSITY OF NIGERIA FACULTY OF
AGRICULTURAL SCIENCES EXAMINATION**

2025_2 EXAMINATIONS

Programme: Agricultural Extension and Management

Course Title: Principles of Farm Management

Course Code: AEC308

Credit Unit: 2

Total Score: 70Marks

Time Allowed: 2Hours

INSTRUCTION:

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

1a. Define the following terms:

- i. Farm Assets
- ii. Liabilities in farm business
- iii. Current Capital Ratio (CCR)
- iv. Net worth or Net capital
- v. Net farm income (15marks)

b. Why do you think that increasing capital resources is the ultimate goal of any Farm Manager? Discuss five reasons. (15marks)

2a. i. Expatiate on Limited Liability Company (7marks)

ii. Mention the two (2) types of Limited Liability Companies. (3marks)

b. Explain any four (4) advantages of Limited Liability Company (10marks)

3a. Who is a farm manager? (2.5marks)

b. Explain the role of farm manager in the following areas of decision making:

a. Forecasting (3.5marks) b. Planning (3.5marks) c. Organizing (3.5marks) d.

Coordinating (3.5marks) e. Directing (3.5marks) (17.5marks)

4. Explain any five (5) different types of risk that affect farm management (20marks)