**NATIONAL OPEN UNIVERSITY OF NIGERIA**

**14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS**

**SCHOOL OF SCIENCE AND TECHNOLOGY**

**JUNE/JULY EXAMINATION**

**COURSE CODE: AEM 451**

**COURSE TITLE: FARM BUSINESS ORGANIZATION**

**TIME ALLOWED:2 ½ HOURS**

**INSTRUCTION: ANSWER ONLY 5 QUESTIONS**

1. a. Define agriculture.

b. What are the productive resources in agriculture?

c. Define farm management.

d. State four objectives of farm management.

e. Mention five factors usually considered in the organization of a farm set?

f. State five attributes of a farm manager.

2. a. What is land consolidation?

 b. As a professional, what advice would you offer to a farmer when land is limited in supply, in order to enhance his productivity?

 c. In what ways can the gross margin per man-hour be increased?

 d. “The objectives for any organization like commercial farming should be clear and numerical so that all its managers have a commonly accepted goal”. Mention these objectives.

3. a. Mention the four major functions of management.

b. Mention the eight problem solving approach in farm management.

c. By their definition, differentiate between budgeting and farm budget.

d. Mention the two different budgeting types.

4. a. Name the two major approaches of collecting farm management information.

b. Under these two major approaches, list the different methods of collecting farm management information.

c. Name the two steps involved in taking a farm inventory.

d. Define a farm asset.

e. With two examples each, mention three classes of assets.

5. a. What are the practices for enhancing good farm Management and minimizing risks?

 b. For a livestock enterprise, what considerations or practices would you carry out for effective management and risk minimization?

6. a. What are the rewards for using farm resources or factors of production?

b. Mention three methods of acquiring factors of production.

c. State the uses of factors of production.

d. Define the following terms:

 i. Technical efficiency;

 ii. Allocative efficiency;

e. State four relevance of resource productivity.

7. a. What is liquidity?

 b. Mention four main indicators of liquidity.

 c. Define each of the four main indicators of liquidity.

 d. What is solvency?

 e. Name three indicators of solvency.