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**NATIONAL OPEN UNIVERSITY OF NIGERIA**

**FACULTY OF AGRICULTURAL SCIENCES**

**DEPARTMENT OF AGRIULTURAL ECONOMICS AND EXTENSION**

**FIRST SEMESTER POP EXAMINATION, 2019**

**COURSE TITLE: PRINCIPLES OF FARM MANAGEMENT**

**COURSE CODE: AEC308**

**TIME ALLOWED: 2 HOUR CREDIT UNIT: 2**

**INSTRUCTION: Answer question 1(25 marks) and any other 3 questions (15 marks each)**

1 a. i Give a definition of farm management as a science. **3½ marks**

 ii Describe the scope of farm management. **4 marks**

 b. i Explain division of work as a general principle of management. **2½ marks**

 ii Identify (5) methods through which the effects of risks and uncertainties can be

 reduced in farming. **5Marks**

 c. i Describe the law of diminishing returns in farm management. **2½ marks**

 ii Identify Abbott and Makeham (1980) 5 main farm costs involved in agricultural

 production. **2½ marks**

 d. i Mention any five (5) factors that should be taken into consideration in the use of

 land for production. **2½ marks**

 ii Outline (5) types of cooperative society in business. **2 ½ marks**

2a. Mention ten (10) general principles of management. **5marks**

 b. Briefly explain ‘’motivation” as a basic principle of farm management**. 5marks**

 c. Differentiate between risk and uncertainty that affects farm management

 decisions**. 5marks**

3 a. Briefly explain the concepts diversification and specialization as principles in farm

 management.  **5 marks**

 b. Discuss any five ( 5) advantages of cooperative society**. 10 marks**

4 a. State (5) importance of keeping farm records and accounts **5marks**

 b. Identify essential farm records in a crop enterprise. **5marks**

 c. Mention the (5) costs to be identified in agricultural projects**. 5marks**

5 ai. Clearly differentiate between” total product on return and total expenditure” as

 ways of assessing ones business **6 marks**

 ii. Highlight two (2) essential features in each case of total product on return and total

 expenditure 4 marks

 b. Briefly explain what is meant by costs benefits in projects**. 5marks**

6 a. Outline five (5) characteristics of limited liability company **5marks**

 b. List five (5) essential steps to be followed when making decision in farm

 management**. 5 marks**

 c. Identify five (5) characteristics of Nigerian agriculture. **5marks**