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 Exam Question November/December, 2019

Course Code: ---- AEC 308
Course Title: --- Principles of Farm Management
Credit Unit: ----2
Total Score: ----70 Marks
Time Allowed: - 2 Hrs
Instruction: Answer compulsory question 1 (25 mks) and any three (3) questions (15 mks each)

Question One
a. Define farm management (3 mks)
b. Advance any four (4) types of management decisions that can be taken in any functioning farm (4 mks)
c. Briefly discuss any four (4) basic principles of management as perceived by Henri Fayol (8 mks)
d. Explain any three (3) types of risk that affect farm management (6 mks)
e. Identify any four (4) methods that can be used to manage risks in agricultural business (4 mks)

Question Two
a. As a farm manager, explain any four (4) major functions you are expected to perform in improving the activities of the farm (10 mks)
b. Define the law of diminishing returns as an important concept in farm management.
   Also state the significance of the law.

Question Three
a. Attempt any three (3) of the following:
   i) Variable cost (3 mks) (ii) Capital cost (3 mks) (iii) Marginal Costs (3 mks)
  (iv) Average cost (3 mks) (v) Personal cost (3 mks)

b. Mention four (4) importance of keeping farm records and accounts (6 mks)

Question Four
a. Define capital as a resource of farm production (2 ½ mks)
b. Explain the three (3) types of capital based on its life span in the farm. (4 ½ mks)
c. Describe four (4) sources of acquiring capital for farm operations (8 mks)

Question Five
a. Define cooperative society (3 mks)
b. Mention three (3) advantages and three (3) disadvantages of limited liability company (6 mks)
c. Expatiate any four (4) reasons why farmers are advised to belong to cooperative societies (6 mks)

Question Six
a. Define labour efficiency (2 ½ mks)
b. State five (5) characteristics of labour (5 mks)
c. Define land (3 mks)
d. State three (3) characteristics of land (4 ½ mks)