



**NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF AGRICULTURAL SCIENCES
DEPARTMENT OF AGRICULTURAL ECONOMICS AND EXTENSION
KM. 4 KADUNA-ZARIA EXPRESS WAY
POP EXAMINATION 2021 12345**

Course Code: AEM 451
Course Title: Farm Business Organisation
Credit Unit: 3
Exam Question: POP 2021_2
Total Score: 70 Marks
Instruction: Answer any 4 questions only.
Time Allowed: 2 HR

- 1a. Describe the five indicators of profitability (7.5 marks).
 - b. State any five relevance of resource productivity (5 marks).
 - c. Outline the five recommended practices for good farm management and enhancing risk minimization (5 marks).
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- 2a. Describe any five measures for reducing risks (7.5 marks).
 - b. How does the farm manager answer the question of how to produce (5 marks).
 - c. Mention the three divisions of the farm layout (5 marks).
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- 3a. Explain the four major functions of a farm manager (8 marks).
 - b. Mention any four limitations of budgeting (6 marks).
 - c. All budgeting is forecasting. Discuss (3.5 marks).
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- 4a. Describe the three methods of collecting management information under the positive approach (7.5 marks).
 - b. Mention the five most common uses of farm records (5 marks).
 - c. Differentiate between balance sheet and income statement (5 marks).
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- 5a. Distinguish between the three types of efficiency (7.5 marks).
 - b. Define return on equity and express it mathematically (5 marks).
 - c. Mention any five sequential steps involved in decision making (5 marks).