

UGANDA MARTYRS UNIVERSITY
FACULTY OF AGRICULTURE

Bachelor of Science in Agriculture

Year 4 Final Assessment: Academic Year 2014/2015
Module AG15: Farm Planning and Management

Date: Wednesday, 8th July, 2015 Time: 10:00am – 01:00pm

INSTRUCTIONS:

- Read and understand the question before answering
- Question one is compulsory
- Select and answer any **Four Questions**
- Do not write anything on a question paper
- You are allowed **Three Hours** for the examination

Section A:

1. You were walking along the road and found a dirty paper with following information from a competing farm. During 2013, Agri food Ltd sold goods worth Shs 1,700, 000/=. and while selling them the firm incurred a cost of 1,450,000/=. on the next page, you noticed that sales expenses were 60,000/=. , administrative expenses were 30,000/=. , interest expenses 15,000/=. and other expenses were 25,000/=. and because the business was profitable it paid an income tax of 60,000/=. Now you have the opportunity to understand the income statement of your rival.
- a) Construct a loss and profit statement of agriFood ltd.(25 marks)
 - b) Calculate the gross profit (5 marks)
 - c) Calculate operating profit before taxes (5 marks)
 - d) Calculate the net profit of Agrifood Ltd (5 marks)

Section B:

2. Farm management includes making decisions, executing and subsequently evaluating them using the available resources so as to achieve the desired goals.
- With examples describe

- a) five steps of the decision-making process (5 marks).
- b) Outline three differences between partial and complete budgets. (5 marks).
- c) Mention steps followed to construct a partial budget on the farm (10 marks).

3. Managing a farm for the better.

- a) Under what circumstances are changes necessary on a farm? (5 marks)
- b) Why is it always resisted? (5 marks)
- c) Devise a plan of overcoming resistance to change on a farm (10 marks)

4. Managing a farm provides a big challenge to most managers. In an industry of your choice,

- (a) Discuss the tasks performed by a farm manager.
- (b) Describe the various approaches to managing an agribusiness team and which one do you recommend and why?
- c) Discuss the difference between management and leadership

5. With illustration from Uganda distinguish between the following key farm management concepts;

- i) Demand and supply (10 marks)
- ii) average total costs (ATC) and marginal Total costs (MC) (10 marks)

- 6. a) Describing the various marketing functions (10 marks)
- b) Discuss the various marketing channels of agricultural commodities (10 marks).

7. Depreciation is an important management tool in farm operations. a farm intends to depreciate a plough machine with a cost of \$10,000, a salvage value of \$2,000, and a useful life of 10 years. Calculate the depreciation per annum

- a) straight line method (10 marks)
- b) Declining method (10 marks)

8. The mainstay of Uganda is Agriculture which is 80% subsistence in nature.

- (a) Distinguish between the subsistence farming and commercial farming (10 marks).
- (b) Discuss the characteristics of subsistence farming (10 marks)