



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS**  
**SCHOOL OF SCIENCES AND TECHNOLOGY**  
**MAY/JUNE 2012 EXAMINATION**

**AEM 653: FARM MANAGEMENT**  
**TIME ALLOWED: 2 HOURS**

**INSTRUCTION: ANSWER ONLY 4 QUESTIONS**

- 1a. What is farm management?
  - b. State the advantages of keeping farm records.
  - c. What are the basic informations needed for farm records?
  - d. State the characteristics a good farm manager.
  - e. Outline the importance of farm management in developing economies.
- 2a. What are Resources?
- II. Name the different types of resources.
  - III. Why do we manage resources?
- b. Mention the steps in problem solving approach in farm management.
  - c. Differentiate between budgeting and farm budget.
  - d. Name the different budgeting types.
  - e. What is gross margin?
  - f. What are the uses of gross margin?
- 3a. What are the methods of gathering farm data?
- b. I. Define valuation.
  - II. What are the various methods of valuation?
- c. Name the two steps involved in taken a farm inventory.
  - d. Define an asset.
  - e. Mention the classes of assets, given examples.
  - f. Define farm liability.
  - g. Mention the classes of liabilities, giving examples.

4a. What is net worth statement?

b. I. What are the measures of financial success and capital position of a farm?

II. Define each of these measures.

d. When is a farm said to be solvent?

e. What are the indicators of solvency?

f. Define each of these three indicators.

5a. I. What is efficiency?

II. What are the measures of efficiency of a farm?

b. Mention the decision rules and strategies to deal with risk and uncertainties.

c. State the uses of Resources.

d. Outline the tips for making profit in a livestock enterprise.

e. What are the factors affecting crop yields?

6a. What are the characteristics of farm land?

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. Outline the ways of land acquisition.

e. Define risk and uncertainty.

f. Mention the sources of risk in agriculture.

g. Identify five measures generally used by Nigeria small scale farmers to reduce risk.