



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

AEC 308: PRINCIPLES OF FARM MANAGEMENT

TIME ALLOWE: 2HRS

INSTRUCTION: ANSWER ONLY 4 QUESTIONS

- 1a.
 - i. Define farm management.
 - ii. Identify the nature of farm management.
 - iii. "The broad scope of farm management could be viewed from its broad functions". List these functions.
- b.
 - i. Mention the general principles of management.
 - ii. Define risks and uncertainties in farming.
 - iii. Name the methods that can be used to reduce the effect of risks and uncertainties in farming.
- 2a.
 - i. Identify the essential steps in decision making process
 - ii. Mention the functions of a farm manager.
- b. State/define the following:
 - i. Law of diminishing returns;
 - ii. Principles of substitution;
 - iii. Diversification; and
 - iv. Specialization.
- 3a.
 - i. Mention the different types of cost.
 - ii. Define farm valuation.
 - iii. Mention the methods of farm valuation.
- b. If an asset cost N10, 000.00 and can be sold off in the next ten years for N2, 000.00, calculate the annual depreciation.
- c. List the major characteristics of Nigerian agriculture.
- 4a.
 - i. List the characteristics of land.
 - ii. What are the major steps usually taken to maintain the productivity of land?
 - iii. Mention the different classes of Capital.
- b.
 - i. Name the various sources of acquiring capital for farm operations.
 - ii. What are the factors affecting the efficiency of labour?
- 5a.
 - i. Mention the functions of an entrepreneur.
 - ii. Describe with the aid of a sketch diagram only, an organizational structure of a poultry farm.
- b.
 - i. Enumerate the disadvantages of sole-proprietorship
 - ii Enumerate the disadvantages of partnership.
 - iii. Enumerate the disadvantages of limited liability company.
- 6a.
 - i. What are the characteristics of a cooperative society?
 - ii. List the disadvantages of a cooperative a cooperative society.
- b.i. Mention the importance of keeping farm records and accounts.
- ii. Mention the different types of farm records
- c.i. Define the following:
 - ii. Networth
 - iii. Asset