



NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS
SCHOOL OF AGRICULTURAL SCIENCES
SEPTEMBER/OCTOBER 2015 EXAMINATION

COURSE CODE: AEM 450

COURSE TITLE: AGRICULTURAL FINANCE AND MARKETING

TIME ALLOWED: 3 HOURS

INSTRUCTION: ANSWER ANY FIVE QUESTIONS

1. (a) Discuss briefly the role of credit in farm business.
(b) Using appropriate example, explain the term “Amortisation”
2. (a) Briefly explain Promissory note as a credit instrument.
(b) Explain the term “Farm Financial Management”
3. (a) Why is proper record keeping of financial records necessary in a farm business?
(b) Prepare a hypothetical balance sheet for a mixed farm.
4. (a) What is budgeting ?
(b) What are the weaknesses of budgeting as a farm planning tool?
5. (a) Explain “Perfect Competition “ as a type of Market
(b) What are the major assumptions of Perfect Competition
6. (a) Discuss briefly some of the factors that can affect the demand of a particular agricultural
Commodity
(b) Explain the term “Farm accounting”
7. (a) Discuss briefly the concept of Annual Budgeting Appraisal.

(b) Write short notes on the basic determinants of Price Elasticity of Supply.