



## **NATIONAL OPEN UNIVERSITY OF NIGERIA**

**University Village, Nnamdi Azikwe Express Way, Plot 91,  
Cadastral Zone,  
Jabi, Abuja**

**Faculty of Agricultural Sciences  
FIRST SEMESTER EXAMINATION: June/July**

**Course Code: AEM 753**

**Credit unit 2**

**Course Title:**

**Time Allowed: 2 Hours**

**Instructions: Answer any four (4) Questions only, All Questions carry equal marks**

1. a. what are Assets ? **5 marks**

b. Prepare the Net worth Statement for a given Farm given the information below:

		<b>Naira</b>
	Cash	in hand
1,200.00		
	Crops ready for sale (maize)	3,000.00
	Account receivable now from kofi	4,000.00
		Eggs
1,012.00		
	Livestock:	Hens
400.00		
	Sheep	2,
500.00		
	Bullocks	4,
000.00		
		Machinery
22,200.00		
		Land
126,000.00		

	Building
32,000.00	
Account payable now	14,000.00
	Long-term loan
113,000.00	
	Intermediate debt
20,000.00	
	Owner's equity
44,000.00	

**20 marks**

2. a. Outline the advantages of growing crops in mixtures. **5 mark**  
b. Describe the factors affecting crop yields in Nigeria? **20 marks**
3. a. List the criteria for decision to raise livestock. **8 marks.**  
b. **Distinguish between risk and uncertainty. 17 marks.**
4. a. What are the limitations of budgeting techniques? **10 marks.**  
b. Discuss the pattern information needed to prepare a complete farm budget.  
**7 marks.**