



National Open University of Nigeria
Plot 91, Cadastral Zone, NnamdiAzikiwe Expressway, Jabi, Abuja
Faculty of Agricultural Sciences
October/November, 2016

Department: Agricultural Economics and Extension

Course Title: Farm Management

Course Code: AEM 753

Credit Unit: 2

Total Score: 100 Marks

Time Allowed: 2Hours

Instruction: Answer 4 questions only. Each question carries equal marks (25 marks)

1a. Explain briefly the types of enterprises you know and give two examples of each. 15 marks

1b. State the law of demand and supply 10 marks

2a. Define the following and state their formula

- a. Marginal Cost 3 marks
- b. Average Total Cost 3 marks
- c. Average Fixed Cost 3 marks
- d. Average Variable Cost 3 marks
- e. Marginal Physical Product 3 marks

2b. State ten (10) characteristics a good farm manager 10 marks

3a. Define the following terms;

- i. Economics 2 marks
- ii. Agricultural Economics 2 marks
- iii. Farm Management 2 marks
- iv. Risk 2 marks
- v. Calving Index 2 marks

3b. State the law of diminishing return 5 marks

3c. Briefly explain the scope farm management 10 marks

4a. Distinguish between asset and liabilities 5 marks

4b. Enumerate six (6) usefulness of gross margin analysis 7 marks

4c. Outline the six steps of the problems solving approach 6 marks

4d. State five advantages of budgeting to the farmer 7 marks

5. Using the straight line method of calculating depreciation, calculate the depreciation of an asset costing N4,000 initially, salvage value of N400 and expected life of 10 years. Present your answer in tabular form depicting each year's depreciation calculation 25 marks

6. Enumerate and discuss five factors influence crop yields of the farmer in Nigeria 25 marks