NATIONAL OPEN UNIVERSITY OF NIGERIA
University Village, Nnamdi Azikiwe Expressway, Plot 91, Cadastral Zone, Jabi, Abuja
Faculty of Agricultural Sciences,
Dept. of Agricultural Economics and Extension,
2025_1 EXAMINATION

Course Title: Farm Management
Course Code: AEM753
Credit Unit: 2
Total Score: 70 Marks
Time Allowed: 2 Hours
Instruction: Answer compulsory question 1 (30 marks) and other 2 questions (20 marks each).

Question 1:
i. Define resources (3 marks)
ii. At what stage of the production process and what index or factor is a farm manager expected to into consideration in order to maintain the combination of his resources for a given level of output? (5 marks)
iii. Justify giving 4 reasons why the keeping of farm record should be taken very seriously by the farm manager (6 marks)
iv. With the aid of a flow-chart, explain the problem-solving approach using the six steps (8 marks)
v. Itemize and discuss 4 major functions needed to be carried out by the Management of any farm to actualize the production of a product (8 marks)

Question 2:
i. Mention 3 types of assets that can be owned by a farm and 3 liabilities a farm can owe (6 marks)
ii. Using definition, differentiate demand from supply (4 marks)
iii. Itemize any 6 qualities that can make someone to be rated as a good farm manager (6 marks)
vi. Define the Asset to Debt Ratio. How is the ratio used to judge or assess the farm or investment (4 marks)

Question 3:
i. Define production function (3 marks)
ii. Define the following acronym: AVC, AFC, ATC, MC (4 marks)
iii. In detail, describe what happens to TPP, APP and MPP at stage III of the production process (9 marks)
iv. State any 2 principles guiding the culling of animals in an animal farm (4 marks)

Question 4:
i. What is marginal benefit or marginal utility of a commodity? (3 marks)
ii. The need for keeping farm records in the farm cannot be over-emphasized. Expatiate on 6 types of records that can be kept in this regard (6 marks)
iii. What is depreciation of an asset (3 marks)
iv. What will be the salvage or residual value of a machine whose cost value was ₦200,000 with a salvage value of ₦50,000 and it is expected to last for 8 years? (8 marks)