



(Knowledge for Development)

UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

SECOND YEAR 2nd SEMESTER

MAIN EXAMINATION

FOR THE DEGREE OF BACHELOR OF SCIENCE IN AGRICULTURAL
ECONOMICS & RESOURCE MANAGEMENT

COURSE CODE: AEC 228

COURSE TITLE: FARM MANAGEMENT 1 (PRINCIPLES)

DATE: 17th MAY 2022

TIME: 9 – 11 AM

INSTRUCTIONS TO CANDIDATES

Answer **Question 1** and any other two (2) Questions.

QUESTION ONE

- a. Using relevant examples where necessary, clearly explain the following concepts as used in farm management
- i. Farm management (5 marks)
 - ii. Specialization (5 marks)
 - iii. Complete budgeting (5 marks)
- b. You have been hired as a farm manager for Mashariki dairy firm. Discuss any five possible types of farm management decisions (10 marks)
- c. Highlight any five usefulness of Gross margin analysis in farm management (5 marks)

QUESTION TWO

State and explain essential steps farm manager must follow when making a sound decision that affects general operation in a production firm. (20 marks)

QUESTION THREE

ABC freshfruit firm has approached you to offer management advises on their day to day operations. You have noticed that the firm has never hired a farm manager despite having other operations employees. Clearly explain the importance of hiring a farm manager to the board of directors. (20 marks)

QUESTION FOUR

- iii. Despite importance of Maize as a staple food in the country, its production has been dwindling in the recent past. Discuss any seven factors affecting maize crop yields in the country (14 marks)
- iv. Discuss any three limitations of budgeting techniques a farm manager encounters (6 marks)

QUESTION FIVE

- iii. Your closest friend is thinking of investing in livestock farming. Highlight some of the advices on criteria he should consider on his decision to raise livestock. (10 marks)
- iv. Explain any five types of risks that farm management. (10 marks)