Scott Christian UNIVERSITY

SCHOOL OF PROFESSIONAL STUDIES

DIPLOMA IN AGRIBUSINESS

UNIT CODE/NAME: DAG 104: FARM MANAGEMENT AND ACCOUNTING II

September- December 2019/2020 End Semester Exam - Time: 2 Hours

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Instructions: Answer Question ONE (Compulsory) and any other TWO questions.

QUESTION ONE

Farm management entails making decisions on daily on farm operations

a) Explain **five** factors influencing farm management decisions **(10 Marks)**
b) Analyze **three** reasons for efficient use resources in farm management **(6 Marks)**
c) Differentiate between gross cash income and gross farm income **(4 Marks)**
d) Explain **five** attributes of a good farm manager **(10 Marks)**

QUESTION TWO

a) Describe the first two steps of decision making process in farm management **(10 Marks)**
b) Controlling is important in farm management. Give five reasons **(5 Marks)**

QUESTION THREE

a) Explain **seven** reasons for keeping records in farm management **(7 Marks)**
b) Examine **four** advantages of budgeting in farm management **(8 Marks)**

QUESTION FOUR

a) Explain **three** reasons for preparing farm business plan analysis **(6 Marks)**
b) Given the following records of Mr. Tobot Farm: Current assets ksh 500,000; current liabilities ksh. 800,000; total assets Khs 1,500,000. Total liabilities ksh.1,200,000
   i) Calculate the current ratio **(4 Marks)**
   ii) Make the conclusion. **(5 Marks)**

QUESTION FIVE

a) Explain usefulness of gross margin to a farm manager **(7 Marks)**
c) Describe the **Balance sheet** farm account record **(8 Marks)**