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(University of Choice)

**MASINDE MULIRO UNIVERISTY OF SCIENCE AND TECHNOLOGY
(MMUST)**

**MAIN CAMPUS
UNIVERSITY EXAMINATIONS**

**2021/2022 ACADEMIC YEAR (REGULAR)
SECOND YEAR SECOND SEMESTER MAIN EXAMS FOR DIPLOMA IN
GENERAL AGRICULTURE AND HORTICULTURE**

COURSE CODE: DAG 079/DAH 079

COURSE TITLE: FARM MANAGEMENT AND ACCOUNTS

DATE: 21ST APRIL, 2022

TIME:8-10AM

INSTRUCTIONS TO STUDENTS

Answer all questions in section A

Answer any TWO questions in section B

Total marks=70

MMUST observes ZERO tolerance to examination cheating

SECTION A: Answer all questions (30 Marks)

1. Define the terminology **management** as used in Farm Management and Accounts. **(2 marks)**
2. Discuss the scope of farm management. **(4 marks)**
3. Describe characteristics of good record books **(5 marks)**
4. Distinguish between a catalogue and an acknowledgement note **(4 marks)**
5. Explain the types of risks in agriculture. **(6 marks)**
6. Highlight FOUR advantages of budgeting. **(4 marks)**
7. Outline the uses of a farm map. **(5 marks)**

SECTION B: Answer any two questions (40 marks)

8. a) Discuss the management strategies to counteract uncertainty in farming. **(10 marks)**
b) Discuss the procedure/steps used to arrive at complete budgets. **(10 marks)**
9. a) Describe the need for farm planning and budgeting **(12 marks)**
b) Discuss the purposes of the farm inventory **(8 marks)**
10. Ms. Mapesa has a two and half hectare farm in Navakholo Sub-County. She has 1 ha under Maize, 0.4 ha under Tomatoes, 0.5 ha under beans and 0.6 ha under Dairy enterprises. The dairy enterprise consists of 10 lactating cows, 3 dry cows and 5 heifers.

She has provided you with the following information:

Enterprise	Gross Output	Price (Kes. Per unit)	Total Variable Costs (Kes. per ha or L.U)
Maize	30 bags/ha	2,700	24,960
Tomatoes	650 crates / ha	850	64,100
Beans	10 bags/ha	5,200	19,310
Dairy	3,050 litres per 305-day lactation per cow	45	100,000
Total			208,370

From the above information:

- (i) Calculate the Gross margin of each of her enterprises. **(17 marks)**
- (ii) Compute her farm's total Gross Margin. **(3 marks)**