



(University of Choice)
**MASINDE MULIRO UNIVERSITY OF
SCIENCE AND TECHNOLOGY
(MMUST)**

MAIN CAMPUS

**UNIVERSITY EXAMINATIONS
2022/2023 ACADEMIC YEAR**

MAIN EXAMINATION

**FOR THE DEGREE
OF
BACHELOR OF SCIENCE IN AGRIBUSINESS AND MARKETING**

COURSE CODE: AEC289

COURSE TITLE: FARM BUSINESS MANAGEMENT

DATE: 13th April 2023 Time: 12-2 PM

INSTRUCTIONS TO CANDIDATES

Instructions: Answer ALL questions in A and any two questions in B

SECTION A: Answer ALL questions in this section (30mks)

1. Briefly explain the concept of farm management (2marks)
2. State and explain any 3 objectives of farm management(2marks)
3. Outline the process of decision making (2marks)
4. Briefly explain the following terms as used in farm management
 - a) Fixed cost (2mk)
 - b) Farm budgeting (2mk)
 - (c) Inventory (2mk)
 - d) Balance sheet (2mk)
 - e) Net income or loss (2mk)
 - f) Risk and uncertainty (2mk)
5. Farm management is characterized by certain features/ characteristics. State them. (4marks)
6. State and briefly explain importance of farm planning in Kenya(4marks)
7. State and explain the 4 factors of production (4marks)

SECTION B: Answer any 2 questions from this section (20marks each)

8. Discuss risks and uncertainties faced by farmers and explain measures farmers take to mitigate them. (20marks)
9. What are the major problems facing farm management in Kenya? Discuss. (20 marks)
- 10 a) briefly explain the concept of farm planning and budgeting (5marks)
- b) Farm records and accounts play an important role in farm management. Discuss (5marks)
- c) Discuss the different types of budgets used on the farm. (10marks)