



FIJI NATIONAL UNIVERSITY

College of Agriculture, Fisheries & Forestry
School of Veterinary Science and Animal Husbandry
Department of Animal Science
Trade Diploma in Animal Husbandry
Trimester II Final Examination - 2017

AEC405: Livestock Farm Management

Time Allowed: 3.00 hours plus (10 minutes reading time) Total Marks: 100

INSTRUCTIONS:

1. This paper consists of (5) pages and (53) questions.
2. Please check to see that all your paper is complete.
3. Answer Part I and Part II and Part III in the Answer Booklet provided.
4. No written or printed material and mobile phones are allowed in the examination hall.
5. Marks allocated for each question appears at the beginning of each question so allocate your time accordingly.
6. This paper is divided into Three Parts. Part I contains four (4) Sections – A, B and C and D. All questions of this part are compulsory. Part II contains nine (9) Short Answer questions. Attempt ALL 9 questions. Part III contains five (5) long answer questions. Attempt only four (4) out of five (5) of the questions.

PART:

I. OBJECTIVE TYPE QUESTIONS (40 Marks)

To be answered ONLY in the Answer Booklet provided.

Section A: Multiple choice Questions. (10 Marks)

Section B: Matching type. (10 Marks)

Section C: Write True or False. (10 Marks)

Section D One Word Answer Questions. (10 Marks)

II. Short Answer Questions (20 marks)

To be answered ONLY in the Answer Booklet provided (20 marks)

III. DESCRIPTIVE TYPE QUESTIONS (40 marks) To be answered ONLY in the Answer Booklet provided. There are five (5) descriptive type questions provided. Please attempt ONLY four (4) out of five (5) questions only. Answer in the Answer Booklet provided. Answer every question on a new page to facilitate evaluation.

PART I OBJECTIVE TYPE QUESTIONS (40 Marks)

To be answered ONLY in the Answer Booklet provided.

Section A: Multiple choice Questions. (10 marks)

This section consists of 10 questions. Each question is worth one mark each.

- 1 The primary livestock business involves:
A producing chemicals for sale
B raising livestock for sale
C advising farmers through consultancy
D producing inputs for farmers

- 2 Livestock's contribution to GDP in 2015 was:
A 3.8%
B 4.8%
C 5.8%
D 6.8%

- 3 The most important of the functions of management is:
A planning
B implementation
C control
D adjustment

- 4 A mission is a short description of why the business:
A started
B exists
C is profitable
D is competitive

- 5 Work in progress is an example of
A Assets
B Liabilities
C Owners' Equity
D Shareholder

- 6 Solvency ratios measures the:
A profitability of the business.
B health of the business
C efficiency of the business
D ability to meet current obligations normally.

- 7 Liquidity ratios measures the:
A profitability of the business.
B health of the business
C efficiency of the business
D ability to meet current obligations normally.

- 8 Cost of Feed is known as a cost.
A fixed
B variable
C marginal
D opportunity
- 9 One purpose of the gross margin is to:
A calculate net profit of the farm.
B compare similar resourced enterprises.
C make subjective decisions about the farm.
D bring about long term change.
- 10 One component of the gross income part of the livestock gross margin is:
A purchase of drugs
B change in inventory
C purchase of feed
D payment of labour

(10 Marks)

Section B: Write True or False beside the number of the question in the Answer Booklet provided. DO NOT WRITE THE WHOLE STATEMENT. (10 marks)

- 11 Aquaculture is included in the livestock industry.
- 12 A breeder stock is a current asset.
- 13 If an asset is used within the business it is a fixed asset.
- 14 Noncurrent assets are the same long term assets.
- 15 The crop gross margin and the livestock gross margin are exactly the same.
- 16 A breakeven budget equates profit to one.
- 17 Sensitivity analysis looks at the best price and yield combination.
- 18 A 10 sow unit is a livestock unit that can be used in planning.
- 19 The first step in enterprise budgeting is to estimate cost of production
- 20 A cash flow budget displays income and expenditure similar to a whole farm budget.

Section C: Matching type. Match the words/phrases in Column A with word/phrases in Column B. Answer in the Answer Booklet provided. ONLY MATCH THE ROMAN NUMERAL WITH THE APPROPRIATE LETTER AND WRITE AGAINST THE QUESTION NUMBER.

(10 Marks)

		Column A		Column B
21	I	Inventory	A	Livestock and crops
22	II	Primary industry	B	Salvage
23	III	Variable cost	C	The purchase cost of the asset
24	IV	Improved governance	D	Incurred as production occurs
25	V	Mixed livestock enterprise	E	Non cash cost
26	VI	Residual	F	List of assets
27	VII	Original value	G	Sheep Farming
28	VIII	Depreciation	H	Price x Yield
29	IX	Stock unit	I	Improved regulation
30	X	Income	J	Standard livestock measure

Section D: One Word Answer Questions. Answer in the answer booklet provided. Do not write the whole statement. ONLY WRITE THE MISSING WORD IN THE ANSWER BOOLET PROVIDED. Each question is worth 1 mark each (10 marks)

- 31 Hereford is a cattle breed.
- 32 farm owners are only concerned with profit at the expense of the animal.
- 33 A sheet is a systematic listing of everything owed and owned by a business
- 33 Breakeven yield shows the yield needed at a particular price to equate profit to
- 35 The first component of planning is establishing
- 36 Monitoring is the phase of the functions of management.
- 37 A budget shows the periodic cash inflow and cash out flow of a business.
- 38 Increase in costs while income remains the same has the potential to overall profit.
- 39 Increase in income while costs remain the same has the potential to overall profit.
- 40 The is owned by a small number of shareholders.

II. Mix of nine (9) Short Answer Questions. Each question is not of equal value. Answer in the answer booklet provided. This section is worth (20 marks)

- 41 List the three categories of livestock farming? (3 marks)
- 42 List four types of structures of farms in Fiji? (4 marks)
- 43 What is the purpose of depreciation? (2marks)
- 44 What is the difference between solvency ratios and liquidity ratios? (2marks)
- 45 What is the difference between the proforma balance sheet and the account format balance sheet? (2 marks)
- 46 What is another name for “income above variable costs”? (1 mark)
- 47 What does “assume linearity” mean? (2 marks)
- 48 What is opportunity cost? (1 mark)
- 49 With the help of an example differentiate between strategic management and tactical Management. (3marks)

III DESCRIPTIVE TYPE QUESTIONS (40 marks)

There are **five (5)** descriptive type questions provided, please **attempt ONLY four (4) out of five (5) questions only** and write on the Answer Booklet provided. Answer every question on a new page to facilitate evaluation.

- 50 With the help of an example, discuss the balance sheet in detail. (10 marks)
- 51 Discuss the components, advantages and disadvantages of the livestock gross margin in detail. (10 marks)
- 52 Compare and contrast a cash flow budget and a partial budget. (10 marks)
- 53 With the help of an example discuss the functions of management. (10 marks)

54 From the following information, complete an Enterprise budget for Mr. Nemani Qiokata for the period ending June 30th 2017. Note that the information is not in sequence.

Land rent	-	\$200
Rotovator hire	-	\$30,000
Feed	-	\$300
Chemicals	-	\$800
Permanent Labour	-	\$20,000
Casual Labour	-	\$10,000
Insurance	-	\$5,000

144 steers ready for sale at \$1000 per head. In addition to this there are 5 culled cows that will be sold at \$600 each. There will be a sale of 100 young heifer calves at \$400 each but there is an expected survival rate of 80% for this category.

(10 marks)

THE END