



SIR ARTHUR LEWIS COMMUNITY COLLEGE
DIVISION OF AGRICULTURE



Final Exam Semester II – Certificate Students

Course: Farm Business & Marketing
Duration: 2 Hours

Date: 09/05/2002

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Please Answer Question 1 and 2 and other Three (3) Questions

1. a) List and describe four (4) factors that affect the demand for agricultural goods by consumers.
- b) List and describe five factors that make the marketing of fresh produce more difficult and costly than manufactured goods.
- c) You are a banana farmer who is interested in changing to vegetable and food crop production. Describe the steps you would take in order to decide which crops to grow, who to sell those crops to, how much to grow and what prices to charge. **(20 marks)**
2. a) What is the reason for budgeting? Describe two types of budgets necessary to effectively manage a farm.
- b) A farmer has decided to go into fish farming, he plans to take a loan of \$50,000 and use \$20,000 of his own money to start the farm. The loan will be repaid in 3 annual installments of \$20,500 in October each year. He expects to receive the loan in January and plans to construct four ponds at a cost of \$ 14,000 each in that same month. He will also purchase equipment costing \$9,000 in that same month and fingerlings costing \$1200. He expects to spend \$ 200 in food monthly and will harvest 8,000 lbs of fish in each of September and October. The fish will be sold at an average of \$3.00 per lb. Prepare a cash flow budget for the farm from January to October of the first year of operation. **(20 marks)**
3. List four reasons why a pig farmer should keep records? Give a **brief** description of the types of records that he/she should keep **(10 marks)**
4. Information technology has made the management of farm businesses easier and more effective. Why is this? Use examples form the College farm. **(10 marks)**
5. You are a supervisor on a private farm. Productivity of workers is low, explain the strategies you would use for the following:
 - i. Determine workers who produce below targets
 - ii. Deal with those workers who produce below target
 - iii. Raise the enthusiasm and productivity of all workers **(10 Marks)**
6. You are required to conduct an inventory of the college farm. Describe the methods you would use to value each of the following:
 - i. Vehicles, tractor and equipment
 - ii. Land
 - iii. Buildings
 - iv. Crops in the Field
 - v. Livestock **(10 Marks)**
7. You have developed a business plan to start a landscaping business. Describe the main steps required for you to actually start providing landscaping services. **(10 Marks)**

