



PAMIBIA UNIVERSITY
FACULTY OF NATURAL OF SCIENCE AND TECHNOLOGY RESOURCES AND
SPATIAL SCIENCES

DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES SCIENCES

QUALIFICATION: BACHELOR OF AGRICULTURE	
QUALIFICATION CODE: 27BAGR	LEVEL: 7
COURSE CODE: ABM720S	COURSE NAME: AGRIBUSINESS MANAGEMENT
SESSION: JANUARY 2020	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SUPPLEMENTARY / SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	MR TEOFILUS SHIIMI
MODERATOR:	MR FRANK KANGUATJIVI

INSTRUCTIONS
1. Answer ALL the questions. 2. Write clearly and neatly. 3. Number the answers clearly.

PERMISSIBLE MATERIALS

1. Calculator
2. Pen
3. Ruler

THIS QUESTION PAPER CONSISTS OF 3 PAGES (Including this front page)

Question 1

(a) "In agribusiness controlling assets is becoming more important than owning them". Discuss what this statement mean to you? [2]

(b) In todays' economy why agribusiness are always interested in using resources effectively and efficiently? [4]

(c) Explain how any of the three influences the operation of production sector in agribusiness? [6]

Insurance

Transport

Government policy

Education

(d) Explain how is unpredicted weather and diseases a challenge to a farm manager? [6]

(e) In processing – manufacturing sector what is meant by responsive to consume taste/preferences? [2]

Sub-Total Marks: 20

Question 2

(a) "Planning bridges the gap of where we are to where we want to go". With four points explain why do you need to make planning in your organization? [8]

(b) What is the difference between recognition and appreciation? [4]

(c) "Leadership as an element of directing plays an important role in the whole process of business management" Discuss any three roles that leadership plays in the management of the business? [6]

(d) "Staffing is a process of identifying the need of finding someone to fill the vacant, it involves advertising, recruitment, selection, interviewing, promotion and retaining" which one of the afore-mentioned processes involved in staffing is more important than others and why? [2]

Sub-Total Marks: 20

Question 3

(a) What is the importance of balance sheet in an agribusiness? [6]

(b) How do you assess the performance of an agribusiness in terms of profitability and healthy financial conditions? [6]

(c) What is the importance of cost control and break-even analysis in agribusiness management? [4]

(d) "In marketing research the more you know how competitors operates the better you know their weakness" What is the advantage of knowing the operation of your competitors? [2]

(e) What is the benefit of having a product certified by the international recognised organ? [2]

Sub-Total Marks:20

Question 4

- (a) Discuss the main challengers facing the entrepreneurs? [6]
- (b) Discuss any three (3) importance of the business plan to an entrepreneur who wants to establish an agribusiness. [6]
- (c) Explain how forecasting is important to modern agribusiness? [6]
- (d) Explain how a work place can satisfy safety needs of its workers? [2]

Sub-Total Marks: 20

Question 5

Below is a simplified balance sheet for Hyden house garden distributor as of December 31, 2018.

Assets		Liabilities	
	N\$		N\$
Current assets		Current Liabilities	200 000
Cash	100 000	Non-current liabilities	200 000
Inventory	100 000	Total Liabilities	400 000
Account Receivables	100 000		
Total Current assets	300 000		
Non-current assets	200 000	Owners' Equity	100 000
Total assets	500 000	Total Liabilities +Equity	500 000

- (a) Use the Balance Sheet and calculate the following ratios: [10]
 - (i) The Quick Ratio
 - (ii) The acid Test Ratio
 - (iii) The Debt to Equity Ratio
 - (iv) Equity ration
 - (v) The Debt to Asset ratio
- (b) Assume you are selling oranges at N\$56/bag, which costed you a variable cost of N\$15 and you incurred N\$ 40 000 to set up your packaging warehouse.
 - (i) Calculate how many bags of oranges you need to sell in order for you to break-even? [4]
 - (ii) How much money are you going to generate if you sell the break-even bags at N\$65/bag? [3]
 - (iii) How much profit you will generate if you increase the selling price to N\$65/bag and managed to sell out all your break-even quantity bags? [3]

Sub-Total Marks: 20

Total Mark: 100

End!