

NAME	INDEX
SCHOOL	DATE

AGRICULTURAL ECONOMICS (FARM ACCOUNTS)

1. **1996**
 a) List four types of financial books farmers should keep. (2 marks)
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2. **1996**
 State two uses of a balance sheet. (2 marks)
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3. **1998**
 Study the following information which was extracted from Mr. Rambo’s farm record on 31 -12 – 95 and answer the question below.

	Kshs.
Loans payable to bank	300,000
Five milking cows	250,000
400 layers	80,000
20 goats	30,000
Debts payable to cooperative	20,000
Buildings and structures	600,000
Bonus payable to workers	19,000
Cattle feed in store	10,000
Animal drugs in store	4,000
Debts receivable	18,000
Breakages to repair	30,000
I cash at hand	20,000
I Cash in bank	30,000
Spray equipment	12,000

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ii) From the calculations in (i) above, state whether Mrs. Mbuta made a profit or a loss. (1 mark)

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7. 2005

a) What is opening valuation as used in farm account? (1 mark)

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b) State the use of each of the following financial documents (3 marks)

i) Cash receipt

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ii) Purchase order.

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iii) Delivery note.

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8. 2006 Q16 P1

Give two reasons why farmers keep farm accounts

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9. **2008 Q10 P1**

Differentiate between the following terms as use in agricultural economics:

a) Fixed input and variable input. (1 mark)

b) Journal and ledger book. (1 mark)

10. **2009 Q5 P1**

State four financial documents that should be kept on a farm (2 marks)

11. **2010 Q21 P1**

On 1st January 2009, Kaburu Farm started farm operations with Ksh 30,000 cash. During the month, the farm made the following transactions. Study the transactions and prepare a cash analysis for Kaburu Farm for the month of January. (5 marks)

<u>Date</u>	<u>Transaction</u>	<u>Amount (Ksrri)</u>
05/01/09	Livestock sales	80,000
08/01/09	Crop sales	50,000
15/01/09	Bought seed for planting	7,500
20/01/09	Paid K.F.A. for fertilizer	16,400
25/01/09	Bought livestock feeds	50,000
30/01/09	Paid wages for planting & weeding	56,000
31/01/09	Received cash from K.C.C. for milk delivery	120,000
31/01/09	Paid transport charges for milk delivery	9,000

- Purchase of farm inputs Sh. 90,000
- Debts receivable from Farmers co-op society Sh. 100,000
- Maize sales Sh. 55,000

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