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| **Study programme:** | **Professional Graduate Study Programme *Management in Agriculture*** |
| **Course:** | **ECONOMICS OF AGRICULTURAL ENTERPRISE** |
| **Course code:**141728  **Course status:** compulsory | **Semester**: **I** | **ECTS credits: 6** |
| **Course holder:**  | **Anton Devčić, Ph.D., professor of professional studies** |
| **Modes of delivery:** | **Number of hours**  |
| Lectures | 35 |
| Exercises | 15 |
| Seminars | 10 |

**COURSE OBJECTIVES:** Analyse and interpret the (macro) economic context of the creation, operation and functioning of an agricultural enterprise, respecting macroeconomic laws and the valid economic theoretical framework, in addition to the existing context of the establishment, operation and functioning of enterprises in the Republic of Croatia and in the EU.

**Course content**

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|  | **Course units** | **Modes of delivery** | **Place of delivery** |
| **L** | **E** | **S** |
| 1. | The concept of economy and its classification into macroeconomics and microeconomics.Three basic economic questions - what and for whom?Growth - development; Economic development-regional development.Market.Forms of the market, division of the market, characteristics of the market today. | 2 |  |  | Lecture hall |
| 2. | Functions of the market of agricultural products.Distribution and sales channels of agricultural products.Supply and demand analysis, law of diminishing demand.Substitution effect and income effect.Elements that affect supply and demand.Elasticity of supply and demand. | 3 |  |  | Lecture hall |
| 3. | Factors of qualitative and quantitative supply and demand of agricultural products.Balance of supply and demand.Price formation, the concept of a price that clears the market.Degree of marketability of agriculture. | 3 |  |  | Lecture hall |
| 4. | Theory of the enterprise.The concept and characteristics of an agricultural enterprise.Objectives and division enterprises.Decision making and planning in business.Association of enterprises - the meaning of association for Croatian enterprises. | 3 |  |  | Lecture hall |
| 5. | Theory of production.Factors of production, classification.The function of agriculture considering the input-output relationship.Permanent assets.Value and capacity of fixed assets.Types of capacity.Degree of capacity utilization. | 3 |  |  | Lecture hall |
| 6. | Theory of production.Current assets – types.Turnover coefficient.Outputs of agricultural production - total average and marginal product.Layers of rational and non-rational production.The law of diminishing returns.Forms and application of the production function in agricultural production. | 5 |  |  | Lecture hall |
| 7. | Cost theory.Concept and classification of costs, types.Material costs.Costs of fixed assets:- depreciation, depreciation calculation, time (linear, degressive, progressive) and functional depreciation methods, depreciation rate, revaluation.- interest as a cost item - simple and complex- technical maintenance costs - preventive, current, corrective, investment- insurance premiums, etc. | 5 |  |  | Lecture hall |
| 8. | Cost price calculations.Principles, types, elements and methods of calculation.Pure division, disaggregated division, multi-phase division, calculation of related and related products, collective and disaggregated additional calculation. | 5 |  |  | Lecture hall |
| 9. | Business functions of an agricultural enterprise.Organizing and organizational structure.Management, guidance and control.Procurement and supplier relations policy.Storage and manipulation of goods.Company information system. | 3 |  |  | Lecture hall |
| 10. | Business calculations of an agricultural enterprise - income, expenses, business result.Company resources.Investments. Audit. | 3 |  |  | Lecture hall |
| 11. | Supply and demand analysis.Shifting supply and demand curves and movement along supply and demand curves - examples from practice.Calculation of elasticity of supply and demand. |  | 3 |  | Lecture hall |
| 12. | Analysis of operating costs of an agricultural enterprise and competitive ability - examples from practice.Tasks - degree of capacity utilization.Tasks – total, average and marginal product. |  | 3 |  | Lecture hall |
| 13. | Current assets - calculation - turnover ratio and stock holding time; examples from practice. |  | 1 |  | Lecture hall  |
| 14. | Production outputs – calculation of total, average, marginal product, curve. |  | 2 |  | Lecture hall |
| 15. | Cost tasks - calculation; work in groups, examples: – amortization,- by time linear, degressive arithmetic and geometric, progressive arithmetic and geometric method of calculation,- functional amortization – tasks,- amortization rate – calculation,- amortization revaluation,– interest by simple and compound method – calculation,- maintenance costs of fixed assets – calculation,- labour costs. |  | 2 | 3 | Lecture hall or IT lecture hall |
| 16. | Cost tasks – fixed, variable, total, average and marginal costsCalculation of income and financial result.Cost recovery point. |  | 1 | 2 | Lecture hall or IT lecture hall |
| 17. | Tasks - transfer of costs in agricultural production; calculation of coefficient and transfer rate in fruit, agricultural and livestock production.Distribution of general costs by production and product lines – costs of branch, administration, sales. |  | 1 | 2 | Lecture hall or IT lecture hall |
| 18. | Tasks - cost price calculations - examples and calculation.Divisional calculation, calculation of related products, calculation of related products.Additional calculation - investment, planning calculation.Cost price, selling price, profit or loss. |  | 1 | 3 | Lecture hall or IT lecture hall |
| 19. | Analysis of enterprise that deals simultaneously with the production of raw materials, finished products and delivery of the final product to the end consumer. Connection of processes from "field to table", production capacity, regional and international associations, enterprise logistics. Examples from practice. |  | 1 |  | Lecture hall |
| **In total** | **35** | **15** | **10** | **60** |

**L=Lectures, E=Exercises, S=Seminars, PT=Practical training**

**Learning outcomes (LO)**

LO 1. Integrate the basic concepts of macroeconomics and the laws of supply and demand in the context of the agricultural market and agricultural production.

LO 2. Combine basic economic theories in the context of the market of agricultural products (theory of the enterprise, theory of production, theory of costs).

LO 3. Classify the business functions of an agricultural enterprise, its business results and business costs.

LO 4. Formulate different types of costs

LO 5. Create different cost price calculations

LO 6. Plan different types of depreciation

 Course holder:

Anton Devčić, Ph.D., professor of professional studies

Križevci, July 2024