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| **STUDY PROGRAMME:** | **Professional Undergraduate Study Programme Agriculture**  Specific field of study**:** Management in Agriculture | |
| **Course:** | **BASICS OF AGRICULTURAL ECONOMICS** | |
| **Course code: 273295**  **Course status**: compulsory | **Semester:** V | **ECTS credits: 5** |
| **Course holder:** | **Lidija Firšt Godek,** MSc., senior lecturer | |
| **Course associates:** | **Milan Suša**, Mag.Eng.Agr., assistant | |
| **Modes of delivery:** | **Number of hours** | |
| Lectures | 30 | |
| Excersises | 20 | |
| Seminars | 10 | |
| Practical trainig: | 15 | |

**Course objectives:** introduce students to the basic economic indicators important for analyzing the performance of agricultural enterprises, with a focus on costs, and enable them to independently prepare various types of calculations for agricultural production as a basis for making business decisions..

**Course content**

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|  | **Course units** | **Modes of delivery** | | | **Places of delivery** |
| L | E | S |
| 1. | Introduction to the Course  Syllabus, Teaching Methods, Knowledge Assessment. | 1 |  |  | Lecture hall |
| 2. | Production Theory  Functioning of the Production Process. Production Factors. | 2 |  |  | Lecture hall |
| Value and Capacity of Fixed Assets. Working Capital. | 2 | 1 |  |
| Production Function: Concept, Forms, and Applications. | 1 | 1 |  |
| Calculation of Total, Average, and Marginal Product. |  | 1 |  |
| 3. | Cost Theory  Fundamental Concepts of Costs.  Costs, Expenditures, Expenses, and Investments. | 2 |  |  | Lecture hall |
| Types of Costs by Origin and Composition.  Cost Centers and Cost Bearers.  Material Costs. | 1 |  |  |
| Determining Direct Costs and Allocating Overhead Costs in Agricultural Production. |  | 1 | 1 |
| Concept and Functions of Depreciation.  Methods of Calculating Depreciation: Time-based and Functional.  Determining the Depreciation Base.  Depreciation Revaluation. | 2 | 1 | 1 |
| 4. | Cost Variability  Dependence of Costs on Changes in Capacity Utilization.  Fixed and Variable Costs. | 2 | 1 |  | Lecture hall |
| Marginal Costs.  Cost Residuals and Responsiveness.  Determining Production Optimum Based on Marginal Cost Criteria.  Relationship Between Costs and Revenues, Break-Even Point Model. | 2 | 2 |  |
| Knowledge Assessment – I. Colloquium. | 1 |  |  |
| 5. | Costs of Using Machinery  Management of Machinery Assets  Use of Owned Machinery  Contractual Machinery Services | 2 |  | 1 | Lecture hall |
| Costs of Ownership and Disposal.  Costs of Storage and Insurance for Machinery. | 1 | 1 |  |
| Calculation of Costs for Using Agricultural Machinery.  Calculation of the Critical Point. |  | 1 | 1 |
| 6. | Calculations  Concept, Purpose, Elements, and Principles.  Types and Methods of Calculations. | 2 |  |  | Lecture hall |
| Analytical Calculations in Agricultural Production. | 1 | 1 | 1 |
| Coverage Calculations for Variable Costs.  Differential Calculation. | 1 | 1 |  |
| Concept and Types of Investments.  Investment Calculations.  Dynamic and Static Methods of Investment Calculation. | 2 | 1 |  |
| Preparation of Calculations for Crop Production (field crops, fruit growing, viticulture, winemaking, vegetable growing). |  | 2 | 1 |
| Preparation of Calculations for Livestock Production (cattle farming, dairy farming, sheep farming, pig farming). |  | 2 | 1 |
| 7. | Business Accounting  Concept of Business Accounting  Financial Statements: Balance Sheet, Income Statement, Cash Flow Statement, and Notes to Financial Statements. | 2 | 2 | 1 | Lecture hall |
| Revenues, Expenses, Business Results.  Measuring Business Performance: Absolute Performance Metrics, Labor Productivity, Profitability and Efficiency. | 2 | 1 | 2 |
| Knowledge Assessment – II. Colloquium. | 1 |  |  |
|  | **In total** | 30 | 20 | 10 |  |
| PT/IPT | Students will complete an integrated assignment on the topic "Developing a Business Plan for an Entrepreneur."  Supporting subjects include: “Forms of Financing in Agriculture,” “Costs and Calculations,” “Market and Distribution of Agricultural and Food Products,” and “Entrepreneurship in Agriculture.”  In relation to the subject “Costs and Calculations,” students will identify different types of costs in the operation of an agricultural enterprise/business/farm. They will prepare cost calculations and production value calculations using various methods. These calculations will be an integral part of the business plan. Students will analyze and present the research results. | 15 | | | Outside KUAS and Lecture hall |
|  | **In total** | 15 | | |  |

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

**Learning outcomes (LO)**

LO 1. Connect basic concepts from production theory and cost theory,

LO 2. Compare the movement of fixed and variable costs in agricultural production,

LO 3. Determine basic concepts, principles, and types of calculations,

LO 4. Prepare an analytical calculation and a calculation for covering variable costs,

LO 5. Evaluate financial results based on calculated examples,

LO 6. Develop and present a business plan.

Course holder:

Lidija Firšt Godek, MSc., senior lecturer

Križevci, July 2024