



AGRIBUSINESS FINANCIAL MANAGEMENT

Basic data of the subject	
Academic Unit:	Faculty of Life and Environmental Sciences
Course title:	Agribusiness Financial Management
Study program:	Agribusiness
Level:	Bachelor (BSc)
Course status:	Obligatory (O)
Study year:	2 year / 4 semester
Number of hours per week:	2 + 2
Credit value – ECTS:	6 ECTS
Time / location:	To be announced
Lecturer:	Prof. Asoc. Dr. Florije Govori
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Course description:	
	<p>The subject aims to provide students with the necessary knowledge in the analysis of the financial management of agribusinesses, their financial and economic situation and the control of performance against the implemented decisions. The knowledge provided in this module is sufficient to enable students to understand contemporary concepts throughout the financial management chain of agribusiness. The core of the module includes integral financial issues, such as investment planning and decisions on physical and financial assets, tangible or intangible, short-term and long-term, financing decisions and optimization of financial resources using time value of money concepts and risk, as well as working capital management - the concept and components of working capital, the need for working capital in agribusiness, cash management and accounts receivable, and inventory for agribusiness.</p>
Course objectives:	
	<p>The main objective of the course is to provide students with a working knowledge of financial management concepts and their applications in solving problems faced by firms operating in the agribusiness sector. The course covers basic topics and tools of financial analysis, including financial arithmetic and asset and risk assessment. Topics covered include current asset management, capital budgeting, cost of capital, and capital structure.</p>
Learning outcomes:	
	<p>After completing this course students should be able to:</p> <ul style="list-style-type: none"> • prepare, analyze and use financial information for making appropriate financial decisions in the company, • make financial planning, • make fair investment decisions, • make the right decisions regarding the company's financing sources, • manage financial risk as well, • properly manage the company's working capital <p>Understand how operating and financing activities affect the completion of financial statement reports</p>



Contribution on student load (must correspond with learning outcomes)			
Activity	Hours	Days/week	Total
Lectures	2	13	26
Exercise theoretical/laboratory	2	13	26
Practice work	2	3	6
Contact with lecturer/consultations	1	15	15
Field exercises	/	/	/
Mid-terms, seminars	3	1	3
Homework	1	13	13
Individual time spent studying (at the library or home)	2	15	30
Final preparation for the exam	3	8	24
Time spent in evaluation (tests, quiz, final exam)	2	2	4
Projects, presentations, etc.	3	1	3
Total			150 hours (6 ECTS)
Teaching methods:	Lectures, exercises, discussions, consultations, course projects, homework, midterm exam, final exam.		
Evaluation methods:	<ul style="list-style-type: none"> ▪ Regular and active attendance: 10%, ▪ Midterm exam (colloquium): 20%, ▪ Course project: 10%, ▪ Final exam: 60%. 		
Literature			
Basic Literature:	<p>Eugene F. Brigham and Joel F. Houston 2019, Fundamentals of Financial Management, Fifteenth edition</p> <p>Wesley J. O, Rob Graham and Graham Christie. 2007, Financial Management for AGRIBUSINESS National Library of Australia Cataloguing-in-Publication entry</p> <p>Moss, Charles B. Agricultural Finance. New York: Routledge, 1st edition, 2013. ISBN 978-0-415-59904-7 (hbk), 978-0-415-59907-8 (pbk) or in the Mullins Library Catalog, 2012, ISBN 978-0-203-54935</p> <p>Barry, Peter J., and Paul N. Ellinger. Financial Management in Agriculture. Prentice Hall, 7th edition, 2012. ISBN-10: 0-13-503759-X; ISBN-13: 978-0-13-503759-1.</p> <p>Fundamentals of Financial Management James C. Van Horne, John M. Wachowicz Prentice Hall, New Jersey 2004</p>		



	Chandra, P. 2011. Financial Management Theory and Practices 8th E, McGraw Hill Education Private Limited, 2011
Additional Literature:	James G. Beierlein, Kenneth C. Schneeberger, Donald D. Osburn 2008, Principles of Agribusiness Management BRIGHAM / BESLEY, Essentials of Managerial Finance, botimi i 13-te, International Student Edition Thomson Sowth-Western, ShBA, 2005.

Designed study plan:		
Week	Lectures	Exercises
<i>First week:</i>	The importance and scope of financial management	Discussion and distribution of the semestral project topics.
<i>Second week:</i>	Funding sources (Classification, funds, the need for changing the functions of financing the agricultural scenario and investment financing)	Assignments, quizzes and case studies related to the topic of the first week lecture.
<i>Third week:</i>	Financial analysis (Balance sheet, income statement, cash flow statement for agribusiness)	Assignments, quizzes and case studies related to the topic of the second week lecture.
<i>Fourth week:</i>	Financial planning and control (Assessment of the financial requirements of an agribusiness unit)	Assignments, quizzes and case studies related to the topic of the third week lecture.
<i>Fifth week:</i>	Loan capital (debt) ratio (the concept of leverage, financial and operating leverage; factor affecting the capital structure, features of an optimal capital structure)	Assignments, quizzes and case studies related to the topic of the fourth week lecture.
<i>Sixth week:</i>	Working capital management (The concept and components of working capital, the need for working capital in agribusiness)	Assignments, quizzes and case studies related to the topic of the fifth week lecture.
<i>Seventh week:</i>	Cash and accounts receivable and inventory management for agribusiness (Cash Management, Accounts Receivable Management, Inventory Management and Inventory Calculation Methods)	Assignments, quizzes and case studies related to the topic of the sixth week lecture.
<i>Eighth week:</i>	Midterm exam (colloquium)	Assignments, quizzes and case studies related to the topic of the seventh week lecture.
<i>Ninth week:</i>	Financing decisions and forecasting financial performance	Assignments, quizzes and case studies related to the topic of the



	(Financial leverage, Degree of financial leverage, Borrowing amount, Choice of maturity structure-Inflation and financing strategy)	eight week lecture.
<i>Tenth week:</i>	Capital Budgeting, Operating Plan and Forecasts (Budgeting process, Operating plan, Business financial forecasts)	Assignments, quizzes and case studies related to the topic of the ninth week lecture.
<i>Eleventh week:</i>	Investment evaluation criteria (Payback period, average rate of return, net present value, benefit-cost ratio and internal rate of return)	Assignments, quizzes and case studies related to the topic of the tenth week lecture.
<i>Twelfth week:</i>	Valuation of Stocks and Bonds (Mathematical Model of Stock Valuation and Mathematical Model of Bond Valuation)	Assignments, quizzes and case studies related to the topic of the eleventh week lecture.
<i>Thirteenth week:</i>	The agribusiness financing system in Kosovo (State financial support, grants, operation of cooperative credit institutions, joint production organizations, policy measures for the implementation of agribusiness strategies, the role of family farming)	Assignments, quizzes and case studies related to the topic of the twelfth week lecture.
<i>Fourteenth week:</i>	Economic evaluation of selected agribusiness units (Application of various economic tests, financial forecasts, risk management)	Assignments, quizzes and case studies related to the topic of the thirtieth week lecture.
<i>Fifteenth week:</i>	Presentation and discussion of the students semestral projects.	Presentation of the course projects.
Academic policies and rules of conduct:		
<ul style="list-style-type: none"> ▪ Students should be aware of and respect the institution and Code of ethics. ▪ Students should respect the schedule of lectures, and exercises and be attentive. ▪ It is mandatory to possess and presents a student ID card in the mid-terms and exam, ▪ During the compilation of course projects, students must adhere to the instructions given by the professor. ▪ During the exam is forbidden the use of mobile phones. 		