

## **Course Content Farm Expansion workshop**

<b>9:00 – 9:30 am</b>	<b>Introduction and expectations of the day</b>
<b>9:30 – 10:00 am</b>	<b>Why buy more farm land?</b> Wealth creation from expansion Scale advantages – what can I expect? Operating efficiency – how good is it? Is getting bigger the key to labour and machinery efficiency?
<b>10:30 – 11:00 am</b>	<b>What is leverage and how does it work?</b> Why is debt cheaper than equity? Profit from equity versus profit from debt. Sensitivity of returns from leveraged investments?
<b>10:30 – 11:00 am</b>	<b>MORNING TEA</b>
<b>11:00 – 11:45 am</b>	<b>Financing the expansion and risk</b> How important is interest rate? What information is my financier looking for? Character, cashflow, collateral – how do I compare? How can I become a low margin borrower? Understanding your risk profile Managing financial risk when expanding
<b>11:45 – 12:30pm</b>	<b>Due diligence procedures</b> Assessing productive potential Operating efficiency – infrastructure and layout The neighbouring farm – how much more valuable? The value of production lift Exit strategies
<b>12:30 – 1:10 pm</b>	<b>LUNCH</b>
<b>1:10 – 2:10pm</b>	<b>Principles of investment in agricultural ventures</b> Market and economic value How to conduct an investment analysis Setting a risk premium A capital allocation example
<b>2:10 – 4:00 pm</b>	<b>Case studies and scenarios</b> Case study and scenario analysis Demonstration of outcome sensitivities Questions and answers
	Wrap up and close