THE STATE OF ACCOUNTING IN AGRICULTURAL HOLDINGS. A TOOL FOR SUSTAINABLE RURAL DEVELOPMENT

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Abstract

This paper analyses the role of accounting in agricultural holdings, highlighting its importance in the efficient management of resources and in managerial decision-making. Accounting provides relevant information regarding the economic performance of holdings and contributes to increasing the efficiency of agricultural activities. Therefore, the correct use of accounting tools supports the sustainable development of rural areas.

Keywords: Accounting, agricultural, rural development

INTRODUCTION

Agriculture is one of the most important sectors of the economy. It plays a key role in ensuring food security and maintaining the social and economic balance of rural areas. In the context of globalisation and climate change, farms are facing increasing pressure to be economically efficient, sustainable, and able to adapt to market demands.

In this context, agricultural accounting becomes an essential tool for managing resources effectively and for making informed management decisions.

Agricultural activity has specific characteristics – such as seasonality, dependence on natural factors, and the presence of biological assets – which require a distinct approach to accounting, adapted to these particular features. As a result, the information provided by accounting helps to accurately reflect the financial and asset situation of farms, as well as to evaluate their economic performance.

Accounting also plays an important role in promoting sustainable rural development, by making it easier to access funding and supporting the use of responsible farming practices. Using accounting information effectively helps to optimise the use of resources and increase the competitiveness of the agricultural sector.

This paper aims to analyse the state of accounting in agricultural farms and to highlight its role as a tool for sustainable rural development. The research is based on a comparative study carried out on a sample of ten agricultural companies, selected according to relevant criteria such as turnover and economic performance.

RESEARCH METHOD

This research uses a quantitative and comparative approach. Its aim is to analyse the state of accounting in agricultural farms and to highlight the role of accounting in supporting sustainable rural development. The study is based on financial data from a sample of ten agricultural companies, selected according to their economic relevance.

The companies were chosen based on criteria such as turnover, level of profit, and their importance in the agricultural sector. The selected entities are representative of the field and provide a relevant picture of the accounting practices used in agricultural farms.

The data used in the research comes from secondary sources, specifically annual financial statements, public reports, and official databases. The information has been processed and summarised to allow a comparative analysis between the selected companies.

To evaluate economic and financial performance, a number of relevant indicators were used, including: turnover, net profit, profitability rate, total assets, and degree of indebtedness. These indicators allow an assessment of operational efficiency and of how resources are managed within agricultural farms.

The main method of analysis used is comparison, which helps to identify differences and similarities between the companies studied. Through this method, the aim is to highlight good practices in agricultural accounting and to show how these contribute to improving performance and supporting sustainable development.

The results of the analysis are interpreted in relation to the research objectives, with the goal of drawing relevant conclusions about the role of accounting in agricultural farms and its impact on rural development.

RESEARCH RESULTS

Following the proposed methodology, a comparative analysis was carried out on a sample of ten agricultural companies from Romania, selected based on turnover and their relevance in the agricultural sector. The data analysed covers the main economic and financial indicators, with the aim of highlighting performance and resource management practices.

Table 1.

Economic and Financial Indicators of the Main Agricultural Companies in Romania

No.	Agricultural holding	Turnover	Net profit	Total liabilities	Non-current assets	Current assets	Shareholder' equity	No. of employees
1.	**Agro Chirnogi SA**	**731 053 238**	**5 254 818**	**781 558 921**	**473 056 913**	**640 502 630**	**330 692 030**	**345**
2.	**Agricost SA**	**653 542 913**	**78 616 453**	**302 657 980**	**609 145 719**	**438 763 621**	**741 875 325**	**834**
3.	**Maria Trading SRL**	**221 334 786**	**5 726 308**	**317 004 108**	**331 749 048**	**177 284 101**	**190 654 225**	**319**
4.	**Al Dahra Agriculture SRL**	**1 031 810 983**	**-22 227 516**	**178 615 937**	**438 343**	**178 585 374**	**-10 228 120**	**23**
5.	**Agro Nevada Tim**	**105 164 244**	**-17 820 923**	**264 277 013**	**309 697 444**	**62 440 431**	**92 606 164**	**40**
6.	**SC JD Agro Cocora**	**100 397 124**	**-14 913 118**	**290 770 645**	**735 109 533**	**81 228 027**	**532 549 779**	**56**
7.	**Holde Agri Invest SA**	**0**	**-1 360 802**	**35 261 162**	**72 701 515**	**59 780 023**	**100 881 830**	**7**
8.	**Agrozootehnica Pietroiu SA**	**35 035 547**	**1 862 031**	**67 132 162**	**72 303 456**	**55 040 671**	**55 256 108**	**88**
9.	**Dorna Agri SA**	**42 407 292**	**-6 787 017**	**73 017 626**	**36 946 609**	**39 115 956**	**3 128 070**	**88**
10.	**A & S International 2000 SRL**	**39 068 158**	**39 324 230**	**24 285 938**	**66 871 219**	**34 195 204**	**72 843 579**	**106**

The table shows the main agricultural companies in Romania and highlights significant differences in financial performance, levels of debt, and efficiency in using resources.

It can be seen that only some companies are making a profit, while others are experiencing losses and high debts. This reflects an agricultural sector that is vulnerable, yet at the same time dominated by a few strong players.

Table 2.

Top 10 Societăți Agricole - Indicatori Economici (2022-2024)

No.	Name of company	Financial indicator	2022	2023	2024

1.	Agro Chirnogi SA	*Turnover*	1 614 885 528	1 242 074 677	731 053 238
		Net profit	75 074 748	6 451 216	5 254 818
2.	Agricost SA	*Turnover*	860 431 419	616 514 113	653 542 913
		Net profit	202 855 094	84 023 200	78 616 453
3.	Maria Trading SRL	*Turnover*	371 128 844	326 453 619	221 334 786
		Net profit	3 918 376	-9 597 782	5 726 308
4.	Al Dahra Agriculture SRL	*Turnover*	3 787 299 204	1 105 594 191	1 031 810 983
		Net profit	-94 035 360	-7 249 914	-22 227 516
5.	Agro Nevada Tim SRL	*Turnover*	135 432 786	93 428 276	105 164 244
		Net profit	51 584 590	13 053 370	-17 820 923
6.	SC JD Agro Cocora	*Turnover*	115 264 199	87 758 667	100 397 124
		Net profit	30 554 285	-13 016 585	-14 913 118
7.	Holde Agri Invest SA	*Turnover*	0	0	0
		Net profit	-5 535 300	-10 109 094	-1 360 802
8.	Agrozootehnica Pietroiu SA	*Turnover*	71 334 859	54 079 792	35 035 547
		Net profit	24 819 455	1 743 322	1 862 031
9.	Dorna Agri SA	*Turnover*	54 163 553	35 885 061	42 407 292
		Net profit	7 440 987	-13 678 731	-6 787 017
10.	A & S International 2000 SRL	*Turnover*	68 643 011	63 469 342	39 068 158
		Net profit	29 431 927	4 264 118	39 324 230

Interpretation of Results

Agro Chirnogi farms approximately 10,000 hectares, of which 8,300 hectares of land from the State Domain Agency. Its turnover fell from 1,614.9 million lei in 2022 to 1,242.1 million lei in 2023 – a decrease of 372.8 million lei, or 23.08%, which indicates a significant reduction in activity. In 2024, the decline continued to 731.1 million lei, a drop of 511.0 million lei compared to 2023, or 41.14%, showing a strong downward trend.

For Agricost SA, turnover fell in 2023 from 860.4 million lei to 616.5 million lei – a decrease of 243.9 million lei (28.34%), reflecting lower revenues. In 2024, a slight recovery is seen, with turnover rising to 653.5 million lei, an increase of 37.0 million lei (6.01%).

For Maria Trading SRL, turnover decreased in 2023 from 371.1 million lei to 326.5 million lei, a fall of 44.7 million lei (12.04%). In 2024, the decline continued more sharply to 221.3 million lei, a fall of 105.1 million lei (32.20%), showing a significant reduction in activity.

Al Dahra Agriculture SRL experienced a very sharp drop in turnover in 2023 compared to 2022, falling from 3,787.3 million lei to 1,105.6 million lei – a decrease of 2,681.7 million lei (70.78%). In 2024, the decline continued slightly to 1,031.8 million lei, a fall of 73.8 million lei (6.67%), suggesting a relative stabilisation at a lower level.

For Agro Nevada Tim SRL, turnover fell in 2023 from 135.4 million lei to 93.4 million lei, a decrease of 42.0 million lei (31.01%). In 2024, there was a recovery to 105.2 million lei, an increase of 11.7 million lei (12.56%), suggesting a partial rebound.

For SC JD Agro Cocora, turnover fell in 2023 from 115.3 million lei to 87.8 million lei, a decrease of 27.5 million lei (23.86%). In 2024, it increased to 100.4 million lei, a rise of 12.6 million lei (14.41%), indicating a recovery.

For Holde Agri Invest SA, turnover remained at zero in all years analysed, with no variation.

Agrozootehnica Pietroiu SA saw its turnover fall in 2023 from 71.3 million lei to 54.1 million lei, a decrease of 17.3 million lei (24.19%). In 2024, the decline continued to 35.0 million lei, a further fall of 19.0 million lei (35.21%), showing a constant decline.

For Dorna Agri SA, turnover fell in 2023 from 54.2 million lei to 35.9 million lei, a decrease of 18.3 million lei (33.74%). In 2024, it recovered to 42.4 million lei, an increase of 6.5 million lei (18.18%).

For A & S International 2000 SRL, turnover fell in 2023 from 68.6 million lei to 63.5 million lei, a decrease of 5.2 million lei

(7.53%). In 2024, it fell more significantly to 39.1 million lei, a drop of 24.4 million lei (38.45%), showing a sharp reduction in activity.

The analysis of turnover in the period 2022-2024 shows a general downward trend in revenues in 2023 for most of the companies studied. In 2024, performance was uneven – some companies showed slight recoveries while others continued to decline. The most affected companies experienced significant drops in turnover, while only a few managed to stabilise or grow their activity.

This trend reflects a difficult economic environment for the agricultural sector, marked by instability and influenced by external factors.

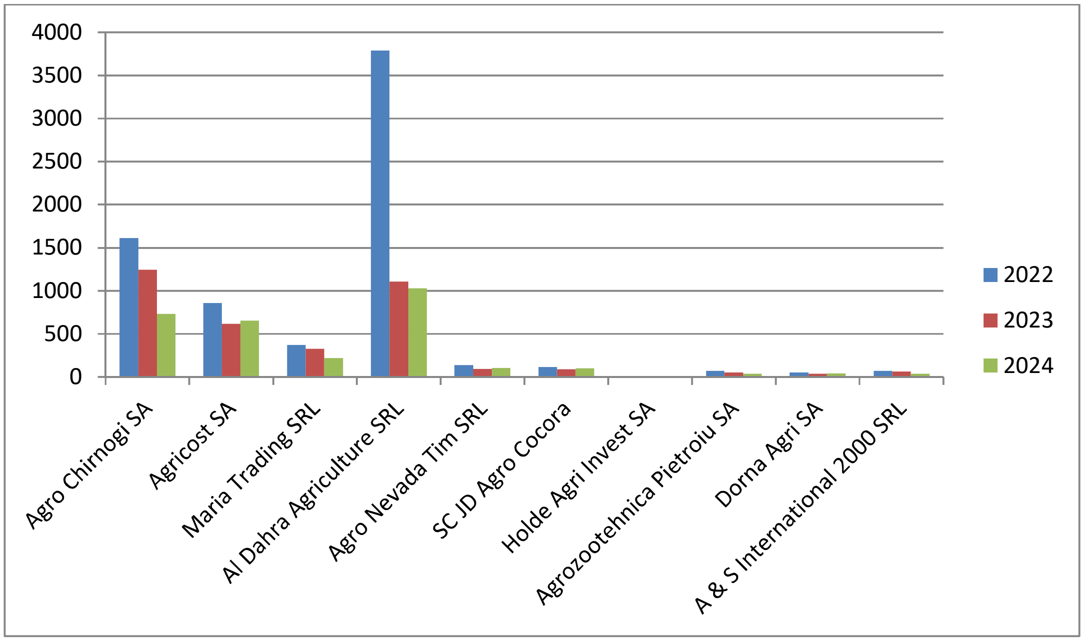

Figure 1. Evolution of Turnover for the Main Agricultural Holdings (2022-2024)

CONCLUSIONS

The analysis of ten Romanian agricultural companies for the period 2022–2024 highlights several key points. Most companies experienced a significant fall in turnover, which reflects an agricultural sector under pressure from external economic and climate-related factors. Financial performance is uneven – Agricost SA and A&S International 2000 SRL maintained consistent profitability, while others accumulated losses and considerable debt.
Careful and accurate accounting proved to be directly linked to better resource management and a greater ability to adapt to market fluctuations. The high level of debt in some farms indicates an excessive dependence on external financing, which highlights the importance of financial planning supported by accurate and up-to-date accounting data.

Agricultural accounting, when applied correctly and adapted to the specific characteristics of the sector, is a key factor in gaining access to European funds and in implementing sustainable farming practices.

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