

ANALYSIS OF THE SCALE OF CAPITAL COSTS IN AGRICULTURE

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Abstract

The economic situation of farms is determined by high stocks, spatial concentration and seasonal production. The aim of the research is the analysis of capital structure and capital costs at the cooperative level, with the objectives: (1) analysis of capital structure in an agricultural cooperative; (2) analysis of capital costs in an agricultural cooperative. The research objectives were achieved using a case study of a group of agricultural producers. The case study was structured in two components: analysis of accounting data and focus group with managers, activities that were carried out in the first part of 2023 at the premises of the researched unit (as appropriate) and online. The average capital used in the surveyed agricultural units is 1,527.0 lei/ha. The dynamics of turnover from 568.6 lei/ha to express the variability of income specific to the crop sector of agriculture. The analysis of multiple correlations between the main indicators shows weak relationships for pairs of indicators: except for the coefficient of 0.46 between total capital of members and total income of the cooperative. The structure of capital used in the surveyed agricultural units is dominated by the category of agricultural machinery and equipment with a share of 43.1% followed by construction with 18.6% and land with a share of 13.5%. This structure tends to change in the future due to farmers' interest in storage facilities for primary agricultural products.

Key words: capital structure, cost of capital, agriculture, agricultural cooperative