FADN AS AN INDICATOR OF THE SUCCESS OF AGRICULTURAL PRODUCTION

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Abstract

Farm Accountancy Data Network (FADN) is based on the annual bookkeeping collecting production, economic and financial data from a sample of farms, classified into groups according to the criteria of economic farm size, type, or the type of agricultural production and regional affiliation. The aim of this paper is to point out the latent possibilities for use of bookkeeping information in agricultural production, as well as a reliable tool in the hands of managers in planning production, performance of many business activities and decision-making.

Data obtained from the FADN system are submitted to the relevant institutions for the creation of the Croatian and the European Union agricultural policy, as well as feedback to holders of farms. Return information about the operations of the farm can point to weaknesses and inefficiencies, and to point out the possibilities of improving the technological and economic factors of production. Total FADN sample includes about 85,000 farms of the European Union. The 28 member states representing approximately 6,000,000 farms, which comprise 90% of the total cultivated land, 90% of livestock cattle and so the total value of agricultural production. In Croatia in year 2013 evidenced 233,276 farms. FADN area of research relating to the economies that have a production value of above € 4,000, and their number is 92,249 of which a representative sample of 1,251 FADN economy.

Agricultural producers that regularly record accurate data on their own activities are able to control and improve their business results by means of feedback reporting, and are also more successful in reaching right business decisions.

Key words: Farm Accountancy Data Network, Success indicator, *Bookkeeping, Farms.*