

Prifysgol  
Aberystwyth  
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**Wales Farm Income Booklet**  
**2012/13 Results**

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## **Foreword**

Aberystwyth University has been researching Welsh farm incomes since before the Second World War and 2011/12 was the 75<sup>th</sup> Anniversary of the Survey. The Survey, recognised as the most authoritative of the financial position and performance of farm incomes, provides policy-makers with information on the economic state of the industry and provides valuable comparative data for assessing individual farm performance.

This booklet is based on the full Farm Business Survey (FBS) which collects information from over 550 randomly selected Welsh farms. The booklet is aimed at providing farmers with a user friendly benchmarking tool and incorporates the latest financial and physical information for the main farm types in Wales. The results shown are contrary to some aspects of FBS methodology and presentation of results, for example notional inputs such as rental value for owner occupied farms and unpaid labour have been taken out, whereas finance charges have been included, so that the figures represent actual costs incurred. This booklet only shows unpaid labour for reference purposes, and also only includes selected farm types. For undertaking detailed, comprehensive analysis and for year on year analysis on income trends please refer to the full results published as the annual report 'Farm Business Survey in Wales: Statistical Results' (available online).

Aberystwyth University has been associated with land-based studies since 1878 and the FBS is its oldest research contract. It is therefore appropriate that I gratefully acknowledge the many farmers throughout Wales who have made detailed information available; the Welsh Government who finance the present Survey; Farming Connect for the sponsorship of this booklet and the past and present staff of the Survey.

**Tony O'Regan**  
**Director of Farm Business Survey**

## **Introduction**

Farm profitability is central to any farm business, although farmers will have many other business and personal objectives. With the upcoming changes to the Single Payment Scheme all farmers should be aware of their production costs and how these compare with those of other producers. The variation in performance and return demonstrated in this booklet shows the scope for improvement and by comparing or 'benchmarking' farm performance, potential strengths and weaknesses within the farming operation can be identified.

The results in this booklet are laid out as follows with data shown for the average and top third performers:

### **1. Whole Farm Data (Pages 5 – 16)**

A profit and loss account and summarised balance sheet for six different types of farm are presented, showing the average profit or loss for these farms and its equivalent per hectare. Also shown is the size and stocking of these farms and relevant key performance indicators.

### **2. Gross Margin Data (Pages 17 – 20)**

This booklet presents data for eight different farm enterprises. Gross margins compare income with the direct costs incurred for production. Care is needed when using gross margins since no account is taken of indirect production costs (overheads).

### **3. Production Costs Data (Pages 21 – 22)**

Production costs are presented for four farm outputs. These examine the total unit cost of production and, by allocating both direct and indirect costs (the latter being allocated on a livestock unit basis), the producer is better able to determine both the competitiveness and efficiency of the enterprise.

## DEFINITION OF TERMS AND EXPLANATORY NOTES

<i>Effective Hectares (Eff. Ha.)</i>	Constitutes total farm area minus area occupied by roads, woodland, wasteland and buildings, and rough grazing expressed in terms of pasture equivalent.
<i>Single Payment Scheme (SPS)</i>	Replaced all production linked subsidies as part of the restructuring of the CAP.
<b>Farm Types</b>	
<i>Hill</i>	Mainly in Severely Disadvantaged Area.
<i>Upland</i>	Mainly in Disadvantaged Area.
<i>Lowland</i>	Mainly outside Less Favoured Area.
<b>Whole Farm Data</b>	
<i>Ranking of whole farm data</i>	Top producers are ranked by profit after rent and finance per effective hectare.
<i>Indirect subsidies</i>	Subsidies not subject to de-coupling e.g. Organic Scheme, Tir Gofal and Glastir.
<i>Other crop costs</i>	Includes all arable and forage costs except for fertilisers and contracting, e.g. seeds, sprays, wrap, twine etc.
<i>Allocatable contracting</i>	Contracting allocated to enterprises e.g. combining, shearing and slurry spreading.
<i>General farm costs</i>	Includes electricity, telephone, licences, insurances, professional fees and subscriptions.
<i>Miscellaneous income</i>	Comprises contracting, cottage rents, wayleaves and any other miscellaneous income. Includes revenue from other enterprises not shown.
<i>Owner equity</i>	Net worth as percentage of total assets.
<i>Stocking Rate (glu/adj.forage ha),</i>	Grazing Livestock Units per adjusted forage hectare of land.
<i>Livestock Units (LU) and Grazing Livestock Units (GLU)</i>	Livestock numbers are converted to livestock units, based on estimated energy requirements, to calculate the total stocking of grazing livestock on the farm.
<i>Dairy other output</i>	Net output from sales/purchases of cows and calves. Includes valuation changes.

<i>Paid labour</i>	Includes actual paid casual, part-time and whole-time labour.
<i>Unpaid labour (not including farmer and spouse)</i>	Unpaid labour or labour receiving less remuneration than the market rate. Unpaid labour is not included in profit after rent and finance.
<i>Land expenses</i>	Repairs to building and land resources e.g. hedges, fences, walls, ditches and gates. Also includes water costs.
<i>Finance</i>	Includes bank charges, interest and lease/hire purchase interest. No capital repayments included.
<b>Gross Margin Data</b>	On a per head basis. Calculated by subtracting the direct (variable) costs from the relevant output.
<i>Other livestock costs</i>	Purchased bedding materials, sales commission and other costs incurred specifically for livestock enterprises.
<i>Forage variable costs / Forage</i>	Includes other crop costs for forage, fertilisers, forage contracting and grass keep.
<b>Production Costs Data</b>	Calculated by dividing all variable and overhead costs by kilograms of meat (in liveweight terms) or litres of milk produced. Overheads are allocated on a livestock unit basis after a share for any arable and/or miscellaneous income enterprises have been deducted. Ranked by net margin.
<i>Herd / Flock replacement</i>	Breeding livestock valuation change less culls, plus breeding stock purchases.
<i>Power and machinery</i>	Includes machinery repairs, fuel, other contracting and machinery depreciation.
<i>Buildings</i>	Land expenses and building depreciation.
<i>Net margin</i>	Output less input/costs for enterprise.

## WHOLE FARM DATA

Number of farms : 127

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Beef	41862	341	421
Sheep	41725	340	473
Crops and forage	2175	18	19
Single Payment Scheme	31119	254	315
Indirect subsidies	6675	54	65
Miscellaneous income	5928	48	59
<b>TOTAL OUTPUTS</b>	<b>129484</b>	<b>1055</b>	<b>1352</b>
<b>INPUTS</b>			
Feeds	21016	171	189
Tack and grass keep	4967	41	50
Veterinary and medicines	4955	40	48
Other livestock costs	9056	74	85
Fertilisers	8405	69	75
Other crop costs	1822	15	18
Allocatable contracting	3796	31	40
<b>TOTAL VARIABLE COSTS</b>	<b>54017</b>	<b>441</b>	<b>505</b>
Paid labour	4062	33	26
Other contracting / machinery hire	829	7	8
Fuel and repairs	11318	92	102
Machinery depreciation	12464	102	112
General farming costs	10025	82	87
Land expenses	4324	35	36
Buildings depreciation	3242	26	29
<b>TOTAL OVERHEAD COSTS</b>	<b>46264</b>	<b>377</b>	<b>400</b>
<b>TOTAL INPUTS</b>	<b>100281</b>	<b>818</b>	<b>905</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>29203</b>	<b>237</b>	<b>447</b>
Rent	2371	19	20
Finance	3019	25	22
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>23813</b>	<b>193</b>	<b>405</b>
Unpaid labour	6609	54	62

	Owned £/farm	Tenant £/farm	Mixed £/farm
<b>BALANCE SHEET</b>			
Number of farms by tenure type	66	5	56
TOTAL ASSETS	1017243	260038	984513
TOTAL EXTERNAL LIABILITIES	69349	46031	80539
<b>NET WORTH</b>	<b>947894</b>	<b>214007</b>	<b>903974</b>
Owner equity (%)	93	82	92

	All farms Hectares	Top third Hectares
<b>PHYSICAL DATA</b>		
<b>LAND AREA</b>		
Grassland and forage crops	109.31	98.66
Cereals and other crops	0.84	1.39
Rough grazing, fallow, woods etc.	41.41	45.77
<b>TOTAL AREA (actual)</b>	<b>151.56</b>	<b>145.82</b>
<b>TOTAL AREA (effective)</b>	<b>122.59</b>	<b>111.28</b>

	All farms Numbers	Top third Numbers
<b>LIVESTOCK</b>		
Suckler cows	43	43
Other cattle	89	86
Breeding sheep	602	668
Other sheep	400	463

	All farms	Top third
<b>PERFORMANCE INDICATORS</b>		
Lambs reared (numbers per ewe)	1.24	1.35
Finished lamb sales (numbers per ewe)	0.91	1.01
Finished lamb sales (£ per lamb)	67.44	69.54
Calves reared (numbers per cow)	0.89	0.91
Finished cattle sales (£ per head)	1206	1294
Store cattle sales (£ per head)	883	972
Stocking rate (glu/adj. forage ha.)	1.05	1.16

## WHOLE FARM DATA

Number of farms : 117

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Beef	14307	95	168
Sheep	52663	350	535
Crops and forage	865	6	6
Single Payment Scheme	30713	204	276
Indirect subsidies	9273	62	68
Miscellaneous income	5245	35	73
<b>TOTAL OUTPUTS</b>	<b>113066</b>	<b>752</b>	<b>1126</b>
<b>INPUTS</b>			
Feeds	15739	105	140
Tack and grass keep	5232	35	51
Veterinary and medicines	4069	27	41
Other livestock costs	5953	40	56
Fertilisers	6141	41	62
Other crop costs	1339	9	11
Allocatable contracting	2670	18	22
<b>TOTAL VARIABLE COSTS</b>	<b>41143</b>	<b>275</b>	<b>383</b>
Paid labour	3257	22	26
Other contracting / machinery hire	898	6	9
Fuel and repairs	10651	71	104
Machinery depreciation	11152	74	95
General farming costs	8877	59	73
Land expenses	3561	24	33
Buildings depreciation	2399	16	16
<b>TOTAL OVERHEAD COSTS</b>	<b>40795</b>	<b>272</b>	<b>356</b>
<b>TOTAL INPUTS</b>	<b>81938</b>	<b>547</b>	<b>739</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>31128</b>	<b>205</b>	<b>387</b>
Rent	3392	23	23
Finance	2739	18	17
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>24997</b>	<b>164</b>	<b>347</b>
Unpaid labour	5341	36	47

	<b>Owned</b>	<b>Tenant</b>	<b>Mixed</b>
<b>BALANCE SHEET</b>	<b>£/farm</b>	<b>£/farm</b>	<b>£/farm</b>
Number of farms by tenure type	58	11	48
TOTAL ASSETS	1016505	207117	705697
TOTAL EXTERNAL LIABILITIES	66483	45800	85670
<b>NET WORTH</b>	<b>950022</b>	<b>161317</b>	<b>620027</b>
Owner equity (%)	93	78	88

<b>PHYSICAL DATA</b>	<b>All farms</b>	<b>Top third</b>
<b>LAND AREA</b>	<b>Hectares</b>	<b>Hectares</b>
Grassland and forage crops	124.91	92.54
Cereals and other crops	0.29	0.05
Rough grazing, fallow, woods etc.	90.28	57.11
<b>TOTAL AREA (actual)</b>	<b>215.48</b>	<b>149.70</b>
<b>TOTAL AREA (effective)</b>	<b>150.35</b>	<b>107.28</b>

<b>LIVESTOCK</b>	<b>All farms</b>	<b>Top third</b>
	<b>Numbers</b>	<b>Numbers</b>
Suckler cows	14	14
Other cattle	30	35
Breeding sheep	957	898
Other sheep	616	549

<b>PERFORMANCE INDICATORS</b>	<b>All farms</b>	<b>Top third</b>
Lambs reared (numbers per ewe)	1.13	1.17
Finished lamb sales (numbers per ewe)	0.78	0.81
Finished lamb sales (£ per lamb)	60.88	62.66
Calves reared (numbers per cow)	0.92	0.93
Finished cattle sales (£ per head)	1217	1145
Store cattle sales (£ per head)	826	891
Stocking rate (glu/adj. forage ha.)	0.72	0.98

## WHOLE FARM DATA

Number of farms : 91

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Beef	42139	414	549
Sheep	35943	353	563
Crops and forage	6359	62	67
Single Payment Scheme	23996	236	300
Indirect subsidies	3680	36	42
Miscellaneous income	5255	52	69
<b>TOTAL OUTPUTS</b>	<b>117372</b>	<b>1153</b>	<b>1590</b>
<b>INPUTS</b>			
Feeds	16807	165	225
Tack and grass keep	3440	34	37
Veterinary and medicines	3910	38	46
Other livestock costs	7585	75	84
Fertilisers	9759	96	132
Other crop costs	2497	25	27
Allocatable contracting	4318	42	36
<b>TOTAL VARIABLE COSTS</b>	<b>48316</b>	<b>475</b>	<b>587</b>
Paid labour	3438	34	33
Other contracting / machinery hire	1127	11	11
Fuel and repairs	10750	106	123
Machinery depreciation	12341	121	131
General farming costs	8982	88	96
Land expenses	3584	35	39
Buildings depreciation	3017	30	32
<b>TOTAL OVERHEAD COSTS</b>	<b>43239</b>	<b>425</b>	<b>465</b>
<b>TOTAL INPUTS</b>	<b>91555</b>	<b>900</b>	<b>1052</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>25817</b>	<b>253</b>	<b>538</b>
Rent	3288	32	28
Finance	2561	25	24
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>19968</b>	<b>196</b>	<b>486</b>
Unpaid labour	4380	43	73

	Owned	Tenant	Mixed
<b>BALANCE SHEET</b>	<b>£/farm</b>	<b>£/farm</b>	<b>£/farm</b>
Number of farms by tenure type	52	5	34
TOTAL ASSETS	803747	168608	900231
TOTAL EXTERNAL LIABILITIES	45352	1734	96424
<b>NET WORTH</b>	<b>758395</b>	<b>166874</b>	<b>803807</b>
Owner equity (%)	94	99	89

<b>PHYSICAL DATA</b>	<b>All farms</b>	<b>Top third</b>
<b>LAND AREA</b>	<b>Hectares</b>	<b>Hectares</b>
Grassland and forage crops	95.80	101.15
Cereals and other crops	3.23	4.20
Rough grazing, fallow, woods etc.	9.11	8.77
<b>TOTAL AREA (actual)</b>	<b>108.14</b>	<b>114.12</b>
<b>TOTAL AREA (effective)</b>	<b>101.80</b>	<b>108.83</b>

<b>LIVESTOCK</b>	<b>All farms</b>	<b>Top third</b>
	<b>Numbers</b>	<b>Numbers</b>
Suckler cows	33	29
Other cattle	89	104
Breeding sheep	457	604
Other sheep	325	498

<b>PERFORMANCE INDICATORS</b>	<b>All farms</b>	<b>Top third</b>
Lambs reared (numbers per ewe)	1.34	1.48
Finished lamb sales (numbers per ewe)	1.18	1.30
Finished lamb sales (£ per lamb)	72.79	79.11
Calves reared (numbers per cow)	0.90	0.94
Finished cattle sales (£ per head)	1193	1279
Store cattle sales (£ per head)	878	1168
Stocking rate (glu/adj. forage ha.)	1.16	1.31

## WHOLE FARM DATA

Number of farms : 57

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Beef	34480	453	595
Sheep	32480	427	664
Crops and forage	11946	157	129
Single Payment Scheme	20129	265	306
Indirect subsidies	2446	32	31
Miscellaneous income	6057	80	106
<b>TOTAL OUTPUTS</b>	<b>107538</b>	<b>1414</b>	<b>1831</b>
<b>INPUTS</b>			
Feeds	14099	185	203
Tack and grass keep	2663	35	60
Veterinary and medicines	2599	34	38
Other livestock costs	5772	76	101
Fertilisers	6387	84	82
Other crop costs	3154	41	32
Allocatable contracting	3817	50	57
<b>TOTAL VARIABLE COSTS</b>	<b>38491</b>	<b>505</b>	<b>573</b>
Paid labour	2784	37	36
Other contracting / machinery hire	708	9	9
Fuel and repairs	8910	117	130
Machinery depreciation	10127	133	131
General farming costs	8671	114	136
Land expenses	3004	39	35
Buildings depreciation	2335	31	34
<b>TOTAL OVERHEAD COSTS</b>	<b>36539</b>	<b>480</b>	<b>511</b>
<b>TOTAL INPUTS</b>	<b>75030</b>	<b>985</b>	<b>1084</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>32508</b>	<b>429</b>	<b>747</b>
Rent	4712	62	21
Finance	2169	29	12
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>25627</b>	<b>338</b>	<b>714</b>
Unpaid labour	3594	47	65

	Owned	Tenant	Mixed
<b>BALANCE SHEET</b>	<b>£/farm</b>	<b>£/farm</b>	<b>£/farm</b>
Number of farms by tenure type	25	10	22
TOTAL ASSETS	705254	181761	850939
TOTAL EXTERNAL LIABILITIES	26303	23576	92624
<b>NET WORTH</b>	<b>678951</b>	<b>158185</b>	<b>758315</b>
Owner equity (%)	96	87	89

<b>PHYSICAL DATA</b>	<b>All farms</b>	<b>Top third</b>
<b>LAND AREA</b>	<b>Hectares</b>	<b>Hectares</b>
Grassland and forage crops	67.36	51.95
Cereals and other crops	4.71	3.38
Rough grazing, fallow, woods etc.	9.12	7.72
<b>TOTAL AREA (actual)</b>	<b>81.19</b>	<b>63.05</b>
<b>TOTAL AREA (effective)</b>	<b>76.09</b>	<b>58.29</b>

<b>LIVESTOCK</b>	<b>All farms</b>	<b>Top third</b>
	<b>Numbers</b>	<b>Numbers</b>
Suckler cows	18	14
Other cattle	76	73
Breeding sheep	339	299
Other sheep	301	348

<b>PERFORMANCE INDICATORS</b>	<b>All farms</b>	<b>Top third</b>
Lambs reared (numbers per ewe)	1.41	1.46
Finished lamb sales (numbers per ewe)	1.30	1.44
Finished lamb sales (£ per lamb)	78.87	83.63
Calves reared (numbers per cow)	0.92	0.94
Finished cattle sales (£ per head)	1254	1321
Store cattle sales (£ per head)	875	821
Stocking rate (glu/adj. forage ha.)	1.31	1.45

## WHOLE FARM DATA

Number of farms : 68

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Dairy - milk	209638	2365	3111
- other output	2745	31	58
Other cattle	39194	442	489
Sheep	10432	118	100
Crops and forage	5804	65	39
Single Payment Scheme	23917	270	327
Indirect subsidies	1783	20	23
Miscellaneous income	3633	41	56
<b>TOTAL OUTPUTS</b>	<b>297146</b>	<b>3352</b>	<b>4203</b>
<b>INPUTS</b>			
Feeds	81044	914	1033
Tack and grass keep	11067	125	141
Veterinary and medicines	9435	106	119
Other livestock costs	21926	247	271
Fertilisers	18397	208	211
Other crop costs	5621	63	59
Allocatable contracting	12910	146	143
<b>TOTAL VARIABLE COSTS</b>	<b>160400</b>	<b>1809</b>	<b>1977</b>
Paid labour	9963	112	133
Other contracting / machinery hire	2045	23	15
Fuel and repairs	17988	203	213
Machinery depreciation	17751	200	250
General farming costs	16612	187	197
Land expenses	7599	86	92
Buildings depreciation	8387	95	83
<b>TOTAL OVERHEAD COSTS</b>	<b>80345</b>	<b>906</b>	<b>983</b>
<b>TOTAL INPUTS</b>	<b>240745</b>	<b>2715</b>	<b>2960</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>56401</b>	<b>637</b>	<b>1243</b>
Rent	3991	45	55
Finance	7951	90	45
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>44459</b>	<b>502</b>	<b>1143</b>
Unpaid labour	9815	111	145

	Owned	Tenant	Mixed
	£/farm	£/farm	£/farm
<b>BALANCE SHEET</b>			
Number of farms by tenure type	35	2	31
TOTAL ASSETS	1166607	-	851078
TOTAL EXTERNAL LIABILITIES	197529	-	198880
<b>NET WORTH</b>	<b>969078</b>	-	<b>652198</b>
Owner equity (%)	83	-	77

	All farms	Top third
	Hectares	Hectares
<b>PHYSICAL DATA</b>		
<b>LAND AREA</b>		
Grassland and forage crops	84.14	76.21
Cereals and other crops	1.80	0.96
Rough grazing, fallow, woods etc.	10.47	8.28
<b>TOTAL AREA (actual)</b>	<b>96.41</b>	<b>85.45</b>
<b>TOTAL AREA (effective)</b>	<b>88.65</b>	<b>78.88</b>

	All farms	Top third
	Numbers	Numbers
<b>LIVESTOCK</b>		
Dairy cattle	114	122
Suckler cows	1	2
Other cattle	109	102
Breeding sheep	195	147
Other sheep	87	62

	All farms	Top third
<b>PERFORMANCE INDICATORS</b>		
Milk yield (litres per cow)	6720	7164
Margin over concentrates (£ per cow)	1219	1401
Milk disposal (£ per cow)	1799	1976
Milk price (pence per litre)	27.26	28.04
Stocking rate (glu/adj. forage ha.)	1.91	2.00

## WHOLE FARM DATA

Number of farms : 58

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Dairy - milk	320866	2797	3285
- other output	-5042	-44	9
Other cattle	51013	445	485
Sheep	4264	37	63
Crops and forage	7036	61	98
Single Payment Scheme	33579	293	322
Indirect subsidies	2492	22	15
Miscellaneous income	4951	43	33
<b>TOTAL OUTPUTS</b>	<b>419159</b>	<b>3654</b>	<b>4310</b>
<b>INPUTS</b>			
Feeds	111356	971	1116
Tack and grass keep	12465	109	112
Veterinary and medicines	12757	111	118
Other livestock costs	28585	249	238
Fertilisers	22420	195	179
Other crop costs	8679	76	89
Allocatable contracting	19245	168	157
<b>TOTAL VARIABLE COSTS</b>	<b>215507</b>	<b>1879</b>	<b>2009</b>
Paid labour	25361	221	131
Other contracting / machinery hire	3108	27	22
Fuel and repairs	25408	221	212
Machinery depreciation	22954	200	228
General farming costs	25139	219	209
Land expenses	7983	70	85
Buildings depreciation	10866	95	104
<b>TOTAL OVERHEAD COSTS</b>	<b>120819</b>	<b>1053</b>	<b>991</b>
<b>TOTAL INPUTS</b>	<b>336326</b>	<b>2932</b>	<b>3000</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>82833</b>	<b>722</b>	<b>1310</b>
Rent	7202	63	39
Finance	9884	86	28
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>65747</b>	<b>573</b>	<b>1243</b>
Unpaid labour	10562	92	136

	Owned	Tenant	Mixed
<b>BALANCE SHEET</b>	<b>£/farm</b>	<b>£/farm</b>	<b>£/farm</b>
Number of farms by tenure type	25	6	27
TOTAL ASSETS	1602312	275015	1380232
TOTAL EXTERNAL LIABILITIES	274182	36953	275500
<b>NET WORTH</b>	<b>1328130</b>	<b>238062</b>	<b>1104732</b>
Owner equity (%)	83	87	80

<b>PHYSICAL DATA</b>	<b>All farms</b>	<b>Top third</b>
<b>LAND AREA</b>	<b>Hectares</b>	<b>Hectares</b>
Grassland and forage crops	108.98	90.75
Cereals and other crops	5.17	6.61
Rough grazing, fallow, woods etc.	6.97	6.70
<b>TOTAL AREA (actual)</b>	<b>121.12</b>	<b>104.06</b>
<b>TOTAL AREA (effective)</b>	<b>114.73</b>	<b>98.23</b>

<b>LIVESTOCK</b>	<b>All farms</b>	<b>Top third</b>
	<b>Numbers</b>	<b>Numbers</b>
Dairy cattle	169	147
Suckler cows	0	0
Other cattle	151	128
Breeding sheep	80	112
Other sheep	35	38

<b>PERFORMANCE INDICATORS</b>	<b>All farms</b>	<b>Top third</b>
Milk yield (litres per cow)	6655	7573
Margin over concentrates (£ per cow)	1315	1536
Milk disposal (£ per cow)	1875	2159
Milk price (pence per litre)	28.57	29.00
Stocking rate (glu/adj. forage ha.)	2.13	2.18

<b>GROSS MARGINS : HILL SHEEP</b>	<b>2012/13</b>	
	<b>All flocks</b>	<b>Top third</b>
Number of flocks in sample	211	70
Flock size (ewes and ewe lambs put to ram)	661	528
Lambs reared (numbers per ewe)	1.18	1.35
<b>ENTERPRISE OUTPUT</b>	<b>£ per ewe</b>	<b>£ per ewe</b>
Lamb sales - store	3.32	1.34
- finished	52.17	74.43
Other sheep sales	14.31	20.27
Wool sales	2.65	3.09
Miscellaneous	0.10	0.08
Valuation change	2.28	3.23
Sheep purchases	-6.35	-8.84
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>68.48</b>	<b>93.60</b>
<b>VARIABLE COSTS</b>		
Concentrates and bulk feed	16.73	17.74
Stock keep	2.90	1.80
Veterinary and medicines	4.57	5.39
Other livestock costs	5.52	6.28
Allocatable contracting	1.05	1.09
Forage variable costs	11.15	11.56
<b>TOTAL VARIABLE COSTS</b>	<b>41.92</b>	<b>43.86</b>
<b>GROSS MARGIN</b>	<b>26.56</b>	<b>49.74</b>

<b>GROSS MARGINS : UPLAND SHEEP</b>	<b>2012/13</b>	
	<b>All flocks</b>	<b>Top third</b>
Number of flocks in sample	73	24
Flock size (ewes and ewe lambs put to ram)	478	591
Lambs reared (numbers per ewe)	1.36	1.58
<b>ENTERPRISE OUTPUT</b>	<b>£ per ewe</b>	<b>£ per ewe</b>
Lamb sales - store	2.77	0.66
- finished	88.64	117.96
Other sheep sales	14.00	18.73
Wool sales	3.12	3.52
Miscellaneous	0.00	0.00
Valuation change	1.62	3.97
Sheep purchases	-18.14	-24.01
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>92.01</b>	<b>120.83</b>
<b>VARIABLE COSTS</b>		
Concentrates and bulk feed	20.15	21.10
Stock keep	1.51	1.13
Veterinary and medicines	5.28	5.15
Other livestock costs	6.85	7.05
Allocatable contracting	1.09	1.21
Forage variable costs	17.07	17.91
<b>TOTAL VARIABLE COSTS</b>	<b>51.95</b>	<b>53.55</b>
<b>GROSS MARGIN</b>	<b>40.06</b>	<b>67.28</b>

<b>GROSS MARGINS : LOWLAND SHEEP</b>	<b>2012/13</b>	
	<b>All flocks</b>	<b>Top third</b>
Number of flocks in sample	45	15
Flock size (ewes and ewe lambs put to ram)	326	341
Lambs reared (numbers per ewe)	1.46	1.61
<b>ENTERPRISE OUTPUT</b>	<b>£ per ewe</b>	<b>£ per ewe</b>
Lamb sales - store	0.45	0.61
- finished	101.85	120.08
Other sheep sales	16.56	24.24
Wool sales	3.22	3.71
Miscellaneous	0.04	0.12
Valuation change	3.23	1.94
Sheep purchases	-18.22	-21.26
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>107.13</b>	<b>129.44</b>
<b>VARIABLE COSTS</b>		
Concentrates and bulk feed	20.77	18.58
Stock keep	1.06	1.09
Veterinary and medicines	6.26	6.17
Other livestock costs	7.77	8.50
Allocatable contracting	1.24	1.41
Forage variable costs	16.70	15.38
<b>TOTAL VARIABLE COSTS</b>	<b>53.80</b>	<b>51.13</b>
<b>GROSS MARGIN</b>	<b>53.33</b>	<b>78.31</b>

<b>GROSS MARGINS : LOWLAND SUCKLER COWS</b>	<b>2012/13</b>	
	<b>All herds</b>	<b>Top third</b>
Number of herds in sample	24	8
Herd size (breeding cows)	41	57
Calves reared (numbers per cow)	0.91	0.94
Finished cattle sales (£ per head)	1253	1286
Store cattle sales (£ per head)	813	1111
<b>ENTERPRISE OUTPUT</b>	<b>£ per cow</b>	<b>£ per cow</b>
Calf and store cattle sales	225.33	124.12
Bull and cow sales	149.89	186.56
Finished cattle sales	854.85	1283.27
Valuation change	56.19	-45.33
Cattle purchases	-140.87	-78.88
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>1145.39</b>	<b>1469.74</b>
<b>VARIABLE COSTS</b>		
Concentrates and bulk feed	191.39	267.64
Veterinary and medicines	40.16	46.04
Other livestock costs	98.01	91.51
Allocatable contracting	10.72	19.88
Forage variable costs	225.55	217.79
<b>TOTAL VARIABLE COSTS</b>	<b>565.83</b>	<b>642.86</b>
<b>GROSS MARGIN</b>	<b>579.56</b>	<b>826.88</b>

<b>GROSS MARGINS : UPLAND SUCKLER COWS</b>		<b>2012/13</b>	
	<b>All herds</b>	<b>Top third</b>	
Number of herds in sample	49	16	
Herd size (breeding cows)	49	47	
Calves reared (numbers per cow)	0.88	0.88	
Finished cattle sales (£ per head)	1198	1253	
Store cattle sales (£ per head)	859	983	
<b>ENTERPRISE OUTPUT</b>			
	<b>£ per cow</b>	<b>£ per cow</b>	
Calf and store cattle sales	588.21	581.75	
Bull and cow sales	126.54	174.61	
Finished cattle sales	316.22	480.39	
Valuation change	77.95	174.84	
Cattle purchases	-225.80	-282.07	
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>883.12</b>	<b>1129.52</b>	
<b>VARIABLE COSTS</b>			
Concentrates and bulk feed	177.96	187.88	
Veterinary and medicines	43.07	38.95	
Other livestock costs	93.89	119.12	
Allocatable contracting	5.42	3.51	
Forage variable costs	209.60	218.62	
<b>TOTAL VARIABLE COSTS</b>	<b>529.94</b>	<b>568.08</b>	
<b>GROSS MARGIN</b>	<b>353.18</b>	<b>561.44</b>	

<b>GROSS MARGINS : HILL SUCKLER COWS</b>		<b>2012/13</b>	
	<b>All herds</b>	<b>Top third</b>	
Number of herds in sample	151	50	
Herd size (breeding cows)	36	31	
Calves reared (numbers per cow)	0.89	0.93	
Finished cattle sales (£ per head)	1139	1203	
Store cattle sales (£ per head)	887	980	
<b>ENTERPRISE OUTPUT</b>			
	<b>£ per cow</b>	<b>£ per cow</b>	
Calf and store cattle sales	684.32	707.77	
Bull and cow sales	127.73	128.19	
Finished cattle sales	204.78	377.90	
Valuation change	74.74	98.34	
Cattle purchases	-221.25	-220.75	
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>870.32</b>	<b>1091.45</b>	
<b>VARIABLE COSTS</b>			
Concentrates and bulk feed	208.12	192.58	
Veterinary and medicines	50.21	49.05	
Other livestock costs	102.59	100.34	
Allocatable contracting	4.00	2.78	
Forage variable costs	168.63	163.41	
<b>TOTAL VARIABLE COSTS</b>	<b>533.55</b>	<b>508.16</b>	
<b>GROSS MARGIN</b>	<b>336.77</b>	<b>583.29</b>	

<b>GROSS MARGINS : HILL AND UPLAND DAIRY</b>		<b>2012/13</b>	
	<b>All herds</b>	<b>Top third</b>	
Number of herds in sample	68	23	
Herd size (dairy cows)	111	116	
Milk yield (litres per cow)	6759	7637	
Milk price (pence per litre)	27.24	28.23	
<b>ENTERPRISE OUTPUT</b>			
	<b>£ per cow</b>	<b>£ per cow</b>	
Milk	1840.52	2155.50	
Calves	112.75	118.89	
Bull and cow sales	170.65	193.52	
Valuation change	6.84	15.34	
Cattle purchases	-272.49	-280.56	
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>1858.27</b>	<b>2202.69</b>	
<b>VARIABLE COSTS</b>			
Concentrates and bulk feed	599.23	629.94	
Veterinary and medicines	64.36	67.29	
Other livestock costs	155.02	151.39	
Allocatable contracting	21.63	15.80	
Forage variable costs	202.43	205.23	
<b>TOTAL VARIABLE COSTS</b>	<b>1042.67</b>	<b>1069.65</b>	
<b>GROSS MARGIN</b>	<b>815.60</b>	<b>1133.04</b>	

<b>GROSS MARGINS : LOWLAND DAIRY</b>		<b>2012/13</b>	
	<b>All herds</b>	<b>Top third</b>	
Number of herds in sample	56	19	
Herd size (dairy cows)	172	154	
Milk yield (litres per cow)	6653	7731	
Milk price (pence per litre)	28.63	29.07	
<b>ENTERPRISE OUTPUT</b>			
	<b>£ per cow</b>	<b>£ per cow</b>	
Milk	1904.41	2247.68	
Calves	92.51	108.24	
Bull and cow sales	151.44	175.30	
Valuation change	1.03	0.53	
Cattle purchases	-274.02	-236.10	
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>1875.37</b>	<b>2295.65</b>	
<b>VARIABLE COSTS</b>			
Concentrates and bulk feed	599.57	632.60	
Veterinary and medicines	65.13	68.02	
Other livestock costs	139.39	143.98	
Allocatable contracting	27.52	20.86	
Forage variable costs	189.78	194.46	
<b>TOTAL VARIABLE COSTS</b>	<b>1021.39</b>	<b>1059.92</b>	
<b>GROSS MARGIN</b>	<b>853.98</b>	<b>1235.73</b>	

**LAMB PRODUCTION COSTS****2012/13****Pence per kg liveweight**

	<b>All farms</b>	<b>Top third</b>	<b>Bottom third</b>
Number of farms	124	41	41
Feed	39.42	32.21	45.03
Veterinary and medicines	10.73	9.03	12.33
Other livestock costs	16.47	14.21	17.34
Forage	27.66	20.69	33.07
<b>TOTAL VARIABLE COSTS</b>	<b>94.28</b>	<b>76.14</b>	<b>107.77</b>
<b>FLOCK REPLACEMENT</b>	<b>14.97</b>	<b>8.68</b>	<b>23.78</b>
Paid labour	6.27	3.77	8.56
Power and machinery	45.77	32.58	63.78
Buildings	12.83	9.51	17.59
General farm costs	18.95	13.89	24.97
Rent	7.20	3.60	14.19
Finance	5.09	2.41	7.90
<b>TOTAL OVERHEAD COSTS</b>	<b>96.11</b>	<b>65.76</b>	<b>136.99</b>
<b>TOTAL COSTS</b>	<b>205.36</b>	<b>150.58</b>	<b>268.54</b>
<b>NET MARGIN</b>	<b>-26.32</b>	<b>32.03</b>	<b>-96.19</b>
Lambs reared (nos. per ewe)	1.32	1.44	1.18
Flock size	642	579	681
Average lamb liveweight (kg)	38.77	41.20	35.50

**MILK PRODUCTION COSTS****2012/13****Pence per litre**

	<b>All farms</b>	<b>Top third</b>	<b>Bottom third</b>
Number of farms	124	41	41
Feed	8.50	7.55	9.63
Veterinary and medicines	0.94	0.87	1.04
Other livestock costs	2.62	1.93	3.20
Forage	2.81	2.26	3.50
<b>TOTAL VARIABLE COSTS</b>	<b>14.87</b>	<b>12.61</b>	<b>17.37</b>
<b>HERD REPLACEMENT</b>	<b>1.65</b>	<b>0.74</b>	<b>2.56</b>
Paid labour	0.91	0.49	1.53
Power and machinery	3.05	2.82	3.16
Buildings	1.09	0.97	1.17
General farm costs	1.46	1.28	1.67
Rent	0.34	0.28	0.36
Finance	0.50	0.16	0.85
<b>TOTAL OVERHEAD COSTS</b>	<b>7.35</b>	<b>6.00</b>	<b>8.74</b>
<b>TOTAL COSTS</b>	<b>23.87</b>	<b>19.35</b>	<b>28.67</b>
<b>NET MARGIN</b>	<b>5.18</b>	<b>10.01</b>	<b>0.04</b>
Margin over concentrates	19.54	20.71	18.59
Milk price	27.40	27.77	27.02

**BEEF PRODUCTION COSTS : SUCKLED CALF 2012/13**

<b>Pence per kg liveweight</b>		<b>Top</b>	<b>Bottom</b>
	<b>All farms</b>	<b>third</b>	<b>third</b>
Number of farms	37	12	12
Feed	22.75	10.52	38.59
Veterinary and medicines	12.79	10.28	12.12
Other livestock costs	16.90	14.78	25.00
Forage	45.88	32.02	62.71
<b>TOTAL VARIABLE COSTS</b>	<b>98.32</b>	<b>67.60</b>	<b>138.42</b>
<b>HERD REPLACEMENT</b>	<b>4.34</b>	<b>1.17</b>	<b>5.58</b>
Paid labour	12.28	2.02	28.14
Power and machinery	80.30	61.19	102.27
Buildings	23.34	15.56	29.03
General farm costs	31.80	22.63	39.32
Rent	7.42	2.84	6.73
Finance	5.38	2.60	6.62
<b>TOTAL OVERHEAD COSTS</b>	<b>160.52</b>	<b>106.84</b>	<b>212.11</b>
<b>TOTAL COSTS</b>	<b>263.18</b>	<b>175.61</b>	<b>356.11</b>
<b>NET MARGIN</b>	<b>-108.42</b>	<b>-20.01</b>	<b>-211.26</b>

Suckled calf production covers suckler cow and calf costs up to weaning.

**BEEF PRODUCTION COSTS : FINISHING 2012/13**

<b>Pence per kg liveweight</b>		<b>Top</b>	<b>Bottom</b>
	<b>All farms</b>	<b>third</b>	<b>third</b>
Number of farms	20	7	7
Feed	66.11	54.17	90.02
Veterinary and medicines	5.02	5.44	4.30
Other livestock costs	28.74	21.12	38.70
Forage	34.78	30.39	31.58
<b>TOTAL VARIABLE COSTS</b>	<b>134.65</b>	<b>111.12</b>	<b>164.60</b>
Paid labour	8.23	11.50	8.53
Power and machinery	59.55	43.40	69.71
Buildings	15.73	9.90	17.54
General farm costs	25.52	17.56	30.64
Rent	4.62	3.11	5.89
Finance	3.82	1.56	2.79
<b>TOTAL OVERHEAD COSTS</b>	<b>117.47</b>	<b>87.03</b>	<b>135.10</b>
<b>TOTAL COSTS</b>	<b>252.12</b>	<b>198.15</b>	<b>299.70</b>
<b>NET MARGIN</b>	<b>-12.53</b>	<b>41.35</b>	<b>-78.11</b>

Finishing enterprises include those purchasing young and forward store cattle, as well as those finishing weaned home-bred calves.

## Farming Connect – support to develop your business

**Farming Connect is the Welsh Government's support service for farm and forestry businesses in Wales.** Our regionally based delivery staff can help you access a package of support, tailored to supporting and developing your business.

- **Knowledge Transfer Programme** – our wide range of fully funded Farming Connect events, meetings and workshops will keep you up to date with the latest technical information and guidance, while also enabling you to share best practice and learn from industry specialists.
- **Whole Farm Plan and Farm Advisory Service** - providing eligible businesses with business and technical guidance. Eligible farmers can **claim back 80%** funding towards the cost of one-to-one support and advice on a wide range of topics.
- **Skills Development Programme** – a wide range of training courses available to eligible farmers, who can **claim back 80%** of the cost. Ask for a free skills assessment and learn how to improve your working practices, meet statutory requirements or diversify into new areas.
- **Events and networking** - join our facilitated local discussion groups and wide range of networking events or one-to-one surgeries to share experiences with other farmers, discuss topical issues with specialists and develop your business.
- **Diversification and business management** - Our Agrisgôp groups meet on a regular basis providing support on a wide range of topics.

**Call the Farming Connect Service Centre on 08456 000 813 or visit [www.farmingconnect.co.uk](http://www.farmingconnect.co.uk)**

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