

**TABLE C8. Lowland sheep gross margins in Wales, 2007/08.**

| <b>Flock Size</b>                              | <b>&lt;300</b> | <b>&gt;300</b> | <b>All flocks</b> |
|------------------------------------------------|----------------|----------------|-------------------|
| Number of flocks                               | 24.00          | 30.00          | 54.00             |
| Average farm area - actual hectares            | 82.47          | 145.09         | 117.26            |
| - effective hectares                           | 78.91          | 136.84         | 111.09            |
| Average size of farm business (ESU)            | 59.03          | 72.01          | 66.24             |
| Flock size (numbers)                           | 140.71         | 646.83         | 421.89            |
| Lambs reared per ewe                           | 1.32           | 1.32           | 1.32              |
| Finished lambs sold per ewe                    | 1.39           | 1.27           | 1.29              |
| <b>OUTPUT (£ per ewe)</b>                      |                |                |                   |
| Lamb sales - store                             | 0.23           | 0.13           | 0.14              |
| - finished                                     | 63.43          | 57.79          | 58.63             |
| Ewe and ram sales                              | 1.12           | 0.77           | 0.83              |
| Other sheep sales                              | 5.45           | 5.47           | 5.47              |
| Wool sales                                     | 0.36           | 0.34           | 0.35              |
| Closing valuation                              | 70.54          | 59.32          | 60.98             |
| Less - purchases                               | 10.56          | 9.08           | 9.30              |
| - opening valuation                            | 74.29          | 61.39          | 63.30             |
| <b>Gross output</b>                            | <b>56.28</b>   | <b>53.35</b>   | <b>53.80</b>      |
| <b>VARIABLE COSTS (£ per ewe)</b>              |                |                |                   |
| Purchased concentrates                         | 9.21           | 7.81           | 8.01              |
| Home grown concentrates                        | 1.95           | 3.66           | 3.40              |
| Coarse fodder and tack                         | 0.69           | 1.03           | 0.98              |
| Veterinary and medicines                       | 4.65           | 3.68           | 3.83              |
| Sheep other livestock costs                    | 7.36           | 5.82           | 6.05              |
| Allocatable contracting                        | 0.08           | 0.34           | 0.30              |
| <b>Total variable costs</b>                    | <b>23.94</b>   | <b>22.34</b>   | <b>22.57</b>      |
| <b>Gross margin before forage costs</b>        | <b>32.34</b>   | <b>31.01</b>   | <b>31.23</b>      |
| Forage variable costs per ewe                  | 12.60          | 9.50           | 9.96              |
| <b>Gross margin including forage costs</b>     | <b>19.74</b>   | <b>21.51</b>   | <b>21.27</b>      |
| <b>SHEEP FORAGE VARIABLE COSTS (£ per ewe)</b> |                |                |                   |
| Fertilisers, seeds and sprays                  | 7.37           | 6.09           | 6.28              |
| Forage contracting                             | 2.74           | 2.17           | 2.26              |
| Grass keep                                     | 1.38           | 0.62           | 0.73              |
| Other forage costs                             | 1.11           | 0.62           | 0.69              |
| <b>Total forage variable costs to sheep</b>    | <b>12.60</b>   | <b>9.50</b>    | <b>9.96</b>       |
| % of forage variable costs to sheep            | 20.52          | 56.63          | 40.58             |