

Prifysgol  
Aberystwyth  
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**Wales Farm Income Booklet**  
**2011/12 Results**

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## **Foreword**

Aberystwyth University has been researching Welsh farm incomes since before the Second World War and 2011/12 is 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**  
**Farm Business Survey Director**

## **Introduction**

Farm profitability is central to any farm business, although farmers will have many other business and personal objectives. The variation in performance and return demonstrated in this booklet shows the scope for change. By comparing or 'benchmarking' farm performance, potential strengths and weaknesses within the farming operation can be identified. All producers should be aware of both their own production costs and how they compare with other farmers.

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)**

The 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 ESA. Includes Tir Mynydd for lowland and all dairy farm types if applicable.
<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><i>Gross Margin Data</i></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><i>Production Costs Data</i></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 : 129

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Beef	38597	327	382
Sheep	45446	385	538
Crops and forage	3863	33	39
Single Payment Scheme	33450	283	334
Tir Mynydd	4022	34	38
Indirect subsidies	5379	46	61
Miscellaneous income	5338	45	50
<b>TOTAL OUTPUTS</b>	<b>136095</b>	<b>1153</b>	<b>1442</b>
<b>INPUTS</b>			
Feeds	16733	142	142
Tack and grass keep	5170	44	42
Veterinary and medicines	4241	36	40
Other livestock costs	8060	68	73
Fertilisers	8054	68	82
Other crop costs	1993	17	20
Allocatable contracting	3890	33	37
<b>TOTAL VARIABLE COSTS</b>	<b>48141</b>	<b>408</b>	<b>436</b>
Paid labour	3973	34	31
Other contracting / machinery hire	863	7	9
Fuel and repairs	10843	92	99
Machinery depreciation	11201	95	105
General farming costs	9877	84	88
Land expenses	4102	35	36
Buildings depreciation	3122	26	24
<b>TOTAL OVERHEAD COSTS</b>	<b>43981</b>	<b>373</b>	<b>392</b>
<b>TOTAL INPUTS</b>	<b>92122</b>	<b>781</b>	<b>828</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>43973</b>	<b>372</b>	<b>614</b>
Rent	2207	19	18
Finance	3408	29	28
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>38358</b>	<b>324</b>	<b>568</b>
Unpaid labour	6119	52	70

	Owned	Tenant	Mixed
<b>BALANCE SHEET</b>	<b>£/farm</b>	<b>£/farm</b>	<b>£/farm</b>
Number of farms by tenure type	69	5	55
TOTAL ASSETS	947552	259091	948827
TOTAL EXTERNAL LIABILITIES	79219	35740	66727
<b>NET WORTH</b>	<b>868333</b>	<b>223351</b>	<b>882100</b>
Owner equity (%)	92	86	93

<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	105.24	97.70
Cereals and other crops	1.06	1.68
Rough grazing, fallow, woods etc.	39.92	50.21
<b>TOTAL AREA (actual)</b>	<b>146.22</b>	<b>149.59</b>
<b>TOTAL AREA (effective)</b>	<b>118.11</b>	<b>110.36</b>

<b>LIVESTOCK</b>	<b>All farms</b>	<b>Top third</b>
	<b>Numbers</b>	<b>Numbers</b>
Suckler cows	43	38
Other cattle	89	87
Breeding sheep	575	627
Other sheep	385	441

<b>PERFORMANCE INDICATORS</b>	<b>All farms</b>	<b>Top third</b>
Lambs reared (numbers per ewe)	1.25	1.34
Finished lamb sales (numbers per ewe)	0.84	1.08
Finished lamb sales (£ per lamb)	73.80	77.34
Calves reared (numbers per cow)	0.89	0.92
Finished cattle sales (£ per head)	1146	1167
Store cattle sales (£ per head)	782	881
Stocking rate (glu/adj. forage ha.)	1.05	1.12

## WHOLE FARM DATA

Number of farms : 121

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Beef	12041	81	108
Sheep	58780	397	637
Crops and forage	1586	11	15
Single Payment Scheme	32854	222	298
Tir Mynydd	5408	37	42
Indirect subsidies	6416	43	50
Miscellaneous income	4289	29	49
<b>TOTAL OUTPUTS</b>	<b>121374</b>	<b>820</b>	<b>1199</b>
<b>INPUTS</b>			
Feeds	13423	91	120
Tack and grass keep	5137	35	54
Veterinary and medicines	3922	27	38
Other livestock costs	5526	37	55
Fertilisers	6263	42	62
Other crop costs	1329	9	11
Allocatable contracting	2657	18	27
<b>TOTAL VARIABLE COSTS</b>	<b>38257</b>	<b>259</b>	<b>367</b>
Paid labour	3235	22	22
Other contracting / machinery hire	783	5	6
Fuel and repairs	9518	64	82
Machinery depreciation	9833	66	78
General farming costs	8424	57	66
Land expenses	3038	21	25
Buildings depreciation	2295	16	17
<b>TOTAL OVERHEAD COSTS</b>	<b>37126</b>	<b>251</b>	<b>296</b>
<b>TOTAL INPUTS</b>	<b>75383</b>	<b>510</b>	<b>663</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>45991</b>	<b>310</b>	<b>536</b>
Rent	3192	22	24
Finance	2434	16	12
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>40365</b>	<b>272</b>	<b>500</b>
Unpaid labour	5025	34	34



	<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	60	11	50
TOTAL ASSETS	964679	200268	676073
TOTAL EXTERNAL LIABILITIES	60562	32745	77139
<b>NET WORTH</b>	<b>904117</b>	<b>167523</b>	<b>598934</b>
Owner equity (%)	94	84	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	124.07	99.28
Cereals and other crops	0.36	0.14
Rough grazing, fallow, woods etc.	85.16	37.15
<b>TOTAL AREA (actual)</b>	<b>209.59</b>	<b>136.57</b>
<b>TOTAL AREA (effective)</b>	<b>147.97</b>	<b>111.32</b>

<b>LIVESTOCK</b>	<b>All farms</b>	<b>Top third</b>
	<b>Numbers</b>	<b>Numbers</b>
Suckler cows	15	13
Other cattle	29	25
Breeding sheep	947	952
Other sheep	616	696

<b>PERFORMANCE INDICATORS</b>	<b>All farms</b>	<b>Top third</b>
Lambs reared (numbers per ewe)	1.11	1.21
Finished lamb sales (numbers per ewe)	0.74	0.82
Finished lamb sales (£ per lamb)	65.83	69.44
Calves reared (numbers per cow)	0.87	0.90
Finished cattle sales (£ per head)	1056	1011
Store cattle sales (£ per head)	748	787
Stocking rate (glu/adj. forage ha.)	0.73	0.89

## WHOLE FARM DATA

Number of farms : 88

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Beef	41111	409	570
Sheep	42984	428	598
Crops and forage	7601	76	121
Single Payment Scheme	26951	268	326
Tir Mynydd	2265	23	23
Indirect subsidies	3115	31	22
Miscellaneous income	4538	45	58
<b>TOTAL OUTPUTS</b>	<b>128565</b>	<b>1280</b>	<b>1718</b>
<b>INPUTS</b>			
Feeds	14907	148	201
Tack and grass keep	3608	36	64
Veterinary and medicines	3387	34	35
Other livestock costs	6744	67	78
Fertilisers	8864	88	120
Other crop costs	2625	26	31
Allocatable contracting	4462	44	52
<b>TOTAL VARIABLE COSTS</b>	<b>44597</b>	<b>443</b>	<b>581</b>
Paid labour	3098	31	36
Other contracting / machinery hire	876	9	10
Fuel and repairs	10507	105	117
Machinery depreciation	10620	106	92
General farming costs	8756	87	87
Land expenses	3824	38	45
Buildings depreciation	2773	28	28
<b>TOTAL OVERHEAD COSTS</b>	<b>40454</b>	<b>404</b>	<b>415</b>
<b>TOTAL INPUTS</b>	<b>85051</b>	<b>847</b>	<b>996</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>43514</b>	<b>433</b>	<b>722</b>
Rent	3095	31	39
Finance	2641	26	21
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>37778</b>	<b>376</b>	<b>662</b>
Unpaid labour	4510	45	60

	Owned	Tenant	Mixed
<b>BALANCE SHEET</b>	<b>£/farm</b>	<b>£/farm</b>	<b>£/farm</b>
Number of farms by tenure type	48	6	34
TOTAL ASSETS	778021	159175	861591
TOTAL EXTERNAL LIABILITIES	48779	3755	94693
<b>NET WORTH</b>	<b>729242</b>	<b>155420</b>	<b>766898</b>
Owner equity (%)	94	98	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	94.53	106.18
Cereals and other crops	3.17	5.25
Rough grazing, fallow, woods etc.	9.59	8.09
<b>TOTAL AREA (actual)</b>	<b>107.29</b>	<b>119.52</b>
<b>TOTAL AREA (effective)</b>	<b>100.47</b>	<b>114.36</b>

<b>LIVESTOCK</b>	<b>All farms</b>	<b>Top third</b>
	<b>Numbers</b>	<b>Numbers</b>
Suckler cows	32	30
Other cattle	88	119
Breeding sheep	453	654
Other sheep	351	541

<b>PERFORMANCE INDICATORS</b>	<b>All farms</b>	<b>Top third</b>
Lambs reared (numbers per ewe)	1.37	1.39
Finished lamb sales (numbers per ewe)	1.09	1.16
Finished lamb sales (£ per lamb)	80.23	82.53
Calves reared (numbers per cow)	0.90	0.91
Finished cattle sales (£ per head)	1081	1082
Store cattle sales (£ per head)	707	859
Stocking rate (glu/adj. forage ha.)	1.15	1.30

## WHOLE FARM DATA

Number of farms : 56

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Beef	32977	449	609
Sheep	33604	457	712
Crops and forage	10898	148	165
Single Payment Scheme	21091	287	347
Indirect subsidies	2249	31	36
Miscellaneous income	5130	70	128
<b>TOTAL OUTPUTS</b>	<b>105949</b>	<b>1442</b>	<b>1997</b>
<b>INPUTS</b>			
Feeds	11320	154	178
Tack and grass keep	2602	35	83
Veterinary and medicines	2511	34	43
Other livestock costs	5460	74	108
Fertilisers	6560	89	101
Other crop costs	2623	36	43
Allocatable contracting	3584	49	54
<b>TOTAL VARIABLE COSTS</b>	<b>34660</b>	<b>471</b>	<b>610</b>
Paid labour	2307	31	32
Other contracting / machinery hire	598	8	10
Fuel and repairs	7801	106	141
Machinery depreciation	8564	117	134
General farming costs	8236	112	137
Land expenses	3513	48	55
Buildings depreciation	2261	31	33
<b>TOTAL OVERHEAD COSTS</b>	<b>33280</b>	<b>453</b>	<b>542</b>
<b>TOTAL INPUTS</b>	<b>67940</b>	<b>924</b>	<b>1152</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>38009</b>	<b>518</b>	<b>845</b>
Rent	3797	52	23
Finance	1659	23	12
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>32553</b>	<b>443</b>	<b>810</b>
Unpaid labour	3559	48	81

	Owned	Tenant	Mixed
<b>BALANCE SHEET</b>	£/farm	£/farm	£/farm
Number of farms by tenure type	24	10	22
TOTAL ASSETS	688332	151434	804848
TOTAL EXTERNAL LIABILITIES	26566	13309	91312
<b>NET WORTH</b>	<b>661766</b>	<b>138125</b>	<b>713536</b>
Owner equity (%)	96	91	89

<b>PHYSICAL DATA</b>	All farms	Top third
<b>LAND AREA</b>	Hectares	Hectares
Grassland and forage crops	64.76	53.51
Cereals and other crops	5.17	3.75
Rough grazing, fallow, woods etc.	8.45	7.64
<b>TOTAL AREA (actual)</b>	<b>78.38</b>	<b>64.90</b>
<b>TOTAL AREA (effective)</b>	<b>73.46</b>	<b>59.51</b>

<b>LIVESTOCK</b>	All farms	Top third
	Numbers	Numbers
Suckler cows	17	11
Other cattle	77	82
Breeding sheep	335	360
Other sheep	278	342

<b>PERFORMANCE INDICATORS</b>	All farms	Top third
Lambs reared (numbers per ewe)	1.40	1.42
Finished lamb sales (numbers per ewe)	1.20	1.24
Finished lamb sales (£ per lamb)	83.05	85.64
Calves reared (numbers per cow)	0.94	0.84
Finished cattle sales (£ per head)	1143	1172
Store cattle sales (£ per head)	706	912
Stocking rate (glu/adj. forage ha.)	1.30	1.41

## WHOLE FARM DATA

Number of farms : 65

	All farms £/farm	All farms £/eff. ha.	Top third £/eff. ha.
<b>OUTPUTS</b>			
Dairy - milk	201720	2289	3847
- other output	492	6	3
Other cattle	33533	381	461
Sheep	14263	162	71
Crops and forage	3872	44	31
Single Payment Scheme	26608	302	411
Indirect subsidies	2383	27	15
Miscellaneous income	2911	33	44
<b>TOTAL OUTPUTS</b>	<b>285782</b>	<b>3244</b>	<b>4883</b>
<b>INPUTS</b>			
Feeds	70840	804	1104
Tack and grass keep	9013	102	168
Veterinary and medicines	8505	97	141
Other livestock costs	18864	214	296
Fertilisers	16535	188	261
Other crop costs	4290	49	58
Allocatable contracting	12799	145	188
<b>TOTAL VARIABLE COSTS</b>	<b>140846</b>	<b>1599</b>	<b>2216</b>
Paid labour	8679	98	172
Other contracting / machinery hire	1324	15	21
Fuel and repairs	16052	182	259
Machinery depreciation	15436	175	249
General farming costs	14487	164	232
Land expenses	7736	88	126
Buildings depreciation	7447	85	108
<b>TOTAL OVERHEAD COSTS</b>	<b>71161</b>	<b>807</b>	<b>1167</b>
<b>TOTAL INPUTS</b>	<b>212007</b>	<b>2406</b>	<b>3383</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>73775</b>	<b>838</b>	<b>1500</b>
Rent	4093	46	40
Finance	6069	69	58
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>63613</b>	<b>723</b>	<b>1402</b>
Unpaid labour	8507	97	157

	Owned £/farm	Tenant £/farm	Mixed £/farm
<b>BALANCE SHEET</b>			
Number of farms by tenure type	33	2	30
TOTAL ASSETS	1013079	-	781046
TOTAL EXTERNAL LIABILITIES	138809	-	166483
<b>NET WORTH</b>	<b>874270</b>	-	<b>614563</b>
Owner equity (%)	86	-	79

	All farms Hectares	Top third Hectares
<b>PHYSICAL DATA</b>		
<b>LAND AREA</b>		
Grassland and forage crops	83.56	59.58
Cereals and other crops	1.54	0.18
Rough grazing, fallow, woods etc.	11.75	6.23
<b>TOTAL AREA (actual)</b>	<b>96.85</b>	<b>65.99</b>
<b>TOTAL AREA (effective)</b>	<b>88.13</b>	<b>61.01</b>

	All farms Numbers	Top third Numbers
<b>LIVESTOCK</b>		
Dairy cattle	107	118
Suckler cows	1	0
Other cattle	103	88
Breeding sheep	220	73
Other sheep	122	37

	All farms	Top third
<b>PERFORMANCE INDICATORS</b>		
Milk yield (litres per cow)	7045	7391
Margin over concentrates (£ per cow)	1317	1461
Milk disposal (£ per cow)	1849	1956
Milk price (pence per litre)	26.71	26.91
Stocking rate (glu/adj. forage ha.)	1.82	2.15

## WHOLE FARM DATA

Number of farms : 57

	All farms £/farm	All farms £/eff.ha.	Top third £/eff.ha.
<b>OUTPUTS</b>			
Dairy - milk	304724	2777	3681
- other output	-2069	-19	17
Other cattle	45637	416	506
Sheep	3271	30	12
Crops and forage	6078	55	62
Single Payment Scheme	33578	306	356
Indirect subsidies	2335	21	29
Miscellaneous income	4874	44	62
<b>TOTAL OUTPUTS</b>	<b>398428</b>	<b>3630</b>	<b>4725</b>
<b>INPUTS</b>			
Feeds	91642	835	1010
Tack and grass keep	9823	90	163
Veterinary and medicines	11838	108	120
Other livestock costs	25288	230	227
Fertilisers	19695	179	200
Other crop costs	7920	72	84
Allocatable contracting	16529	151	144
<b>TOTAL VARIABLE COSTS</b>	<b>182735</b>	<b>1665</b>	<b>1948</b>
Paid labour	22141	202	206
Other contracting / machinery hire	2374	22	26
Fuel and repairs	23693	216	239
Machinery depreciation	20332	185	208
General farming costs	22688	207	250
Land expenses	8601	78	110
Buildings depreciation	9578	87	110
<b>TOTAL OVERHEAD COSTS</b>	<b>109407</b>	<b>997</b>	<b>1149</b>
<b>TOTAL INPUTS</b>	<b>292142</b>	<b>2662</b>	<b>3097</b>
<b>PROFIT BEFORE RENT AND FINANCE</b>	<b>106286</b>	<b>968</b>	<b>1628</b>
Rent	7280	66	71
Finance	10514	96	99
<b>PROFIT AFTER RENT AND FINANCE</b>	<b>88492</b>	<b>806</b>	<b>1458</b>
Unpaid labour	9925	90	114



	Owned	Tenant	Mixed
<b>BALANCE SHEET</b>	<b>£/farm</b>	<b>£/farm</b>	<b>£/farm</b>
Number of farms by tenure type	23	7	27
TOTAL ASSETS	1480806	295375	1201154
TOTAL EXTERNAL LIABILITIES	297705	42874	247967
<b>NET WORTH</b>	<b>1183101</b>	<b>252501</b>	<b>953187</b>
Owner equity (%)	80	85	79

<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	105.23	104.41
Cereals and other crops	3.72	4.00
Rough grazing, fallow, woods etc.	6.37	10.20
<b>TOTAL AREA (actual)</b>	<b>115.32</b>	<b>118.61</b>
<b>TOTAL AREA (effective)</b>	<b>109.73</b>	<b>110.21</b>

<b>LIVESTOCK</b>	<b>All farms</b>	<b>Top third</b>
	<b>Numbers</b>	<b>Numbers</b>
Dairy cattle	159	198
Suckler cows	0	0
Other cattle	147	174
Breeding sheep	60	30
Other sheep	30	11

<b>PERFORMANCE INDICATORS</b>	<b>All farms</b>	<b>Top third</b>
Milk yield (litres per cow)	6867	7192
Margin over concentrates (£ per cow)	1400	1542
Milk disposal (£ per cow)	1886	2019
Milk price (pence per litre)	27.85	28.47
Stocking rate (glu/adj. forage ha.)	2.11	2.52

<b>GROSS MARGINS : HILL SHEEP</b>	<b>2011/12</b>	
	<b>All flocks</b>	<b>Top third</b>
Number of flocks in sample	229	76
Flock size (ewes and ewe lambs put to ram)	657	564
Lambs reared (numbers per ewe)	1.17	1.41
<b>ENTERPRISE OUTPUT</b>	<b>£ per ewe</b>	<b>£ per ewe</b>
Lamb sales - store	3.87	2.75
- finished	57.78	87.10
Other sheep sales	16.15	20.11
Wool sales	2.09	2.47
Miscellaneous	0.17	0.11
Valuation change	3.55	7.16
Sheep purchases	-8.10	-13.41
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>75.51</b>	<b>106.29</b>
<b>VARIABLE COSTS</b>		
Concentrates and bulk feed	13.71	15.98
Stock keep	3.20	1.74
Veterinary and medicines	4.12	4.68
Other livestock costs	5.11	6.31
Allocatable contracting	1.08	1.32
Forage variable costs	10.75	12.36
<b>TOTAL VARIABLE COSTS</b>	<b>37.97</b>	<b>42.39</b>
<b>GROSS MARGIN</b>	<b>37.54</b>	<b>63.90</b>

<b>GROSS MARGINS : UPLAND SHEEP</b>	<b>2011/12</b>	
	<b>All flocks</b>	<b>Top third</b>
Number of flocks in sample	66	22
Flock size (ewes and ewe lambs put to ram)	498	573
Lambs reared (numbers per ewe)	1.41	1.59
<b>ENTERPRISE OUTPUT</b>	<b>£ per ewe</b>	<b>£ per ewe</b>
Lamb sales - store	3.71	0.65
- finished	92.72	123.75
Other sheep sales	17.62	23.01
Wool sales	2.41	2.64
Miscellaneous	0.05	0.08
Valuation change	6.17	6.00
Sheep purchases	-17.51	-22.46
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>105.17</b>	<b>133.67</b>
<b>VARIABLE COSTS</b>		
Concentrates and bulk feed	16.64	18.49
Stock keep	1.39	0.88
Veterinary and medicines	4.62	4.59
Other livestock costs	6.73	7.01
Allocatable contracting	1.24	1.53
Forage variable costs	16.47	14.35
<b>TOTAL VARIABLE COSTS</b>	<b>47.09</b>	<b>46.85</b>
<b>GROSS MARGIN</b>	<b>58.08</b>	<b>86.82</b>

<b>GROSS MARGINS : LOWLAND SHEEP</b>	<b>2011/12</b>	
	<b>All flocks</b>	<b>Top third</b>
Number of flocks in sample	47	16
Flock size (ewes and ewe lambs put to ram)	382	387
Lambs reared (numbers per ewe)	1.40	1.55
<b>ENTERPRISE OUTPUT</b>	<b>£ per ewe</b>	<b>£ per ewe</b>
Lamb sales - store	0.89	0.00
- finished	106.44	132.43
Other sheep sales	16.63	23.05
Wool sales	2.69	2.88
Miscellaneous	0.03	0.10
Valuation change	9.76	8.56
Sheep purchases	-22.89	-29.79
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>113.55</b>	<b>137.23</b>
<b>VARIABLE COSTS</b>		
Concentrates and bulk feed	15.04	17.09
Stock keep	1.62	1.66
Veterinary and medicines	5.10	4.89
Other livestock costs	7.66	9.67
Allocatable contracting	1.44	1.28
Forage variable costs	16.26	13.95
<b>TOTAL VARIABLE COSTS</b>	<b>47.12</b>	<b>48.54</b>
<b>GROSS MARGIN</b>	<b>66.43</b>	<b>88.69</b>

<b>GROSS MARGINS : LOWLAND SUCKLER COWS</b>	<b>2011/12</b>	
	<b>All herds</b>	<b>Top third</b>
Number of herds in sample	15	5
Herd size (breeding cows)	39	41
Calves reared (numbers per cow)	0.86	0.97
Finished cattle sales (£ per head)	1108	1218
Store cattle sales (£ per head)	602	888
<b>ENTERPRISE OUTPUT</b>	<b>£ per cow</b>	<b>£ per cow</b>
Calf and store cattle sales	338.79	404.60
Bull and cow sales	76.14	83.45
Finished cattle sales	472.48	642.16
Valuation change	12.41	-0.96
Cattle purchases	-108.91	-108.91
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>790.91</b>	<b>1020.34</b>
<b>VARIABLE COSTS</b>		
Concentrates and bulk feed	100.28	104.57
Veterinary and medicines	30.39	21.17
Other livestock costs	87.65	83.53
Allocatable contracting	0.06	0.00
Forage variable costs	186.68	194.33
<b>TOTAL VARIABLE COSTS</b>	<b>405.06</b>	<b>403.60</b>
<b>GROSS MARGIN</b>	<b>385.85</b>	<b>616.74</b>

<b>GROSS MARGINS : UPLAND SUCKLER COWS</b>		<b>2011/12</b>	
	<b>All herds</b>	<b>Top third</b>	
Number of herds in sample	42	14	
Herd size (breeding cows)	51	54	
Calves reared (numbers per cow)	0.91	0.94	
Finished cattle sales (£ per head)	1107	1146	
Store cattle sales (£ per head)	731	756	
<b>ENTERPRISE OUTPUT</b>			
	<b>£ per cow</b>	<b>£ per cow</b>	
Calf and store cattle sales	506.73	332.28	
Bull and cow sales	108.67	133.22	
Finished cattle sales	336.07	574.23	
Valuation change	17.12	73.86	
Cattle purchases	-172.26	-194.21	
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>796.33</b>	<b>919.38</b>	
<b>VARIABLE COSTS</b>			
Concentrates and bulk feed	144.40	128.09	
Veterinary and medicines	35.73	31.69	
Other livestock costs	74.59	69.62	
Allocatable contracting	5.72	6.72	
Forage variable costs	197.89	176.75	
<b>TOTAL VARIABLE COSTS</b>	<b>458.33</b>	<b>412.87</b>	
<b>GROSS MARGIN</b>	<b>338.00</b>	<b>506.51</b>	

<b>GROSS MARGINS : HILL SUCKLER COWS</b>		<b>2011/12</b>	
	<b>All herds</b>	<b>Top third</b>	
Number of herds in sample	152	51	
Herd size (breeding cows)	38	39	
Calves reared (numbers per cow)	0.89	0.93	
Finished cattle sales (£ per head)	1121	1100	
Store cattle sales (£ per head)	794	875	
<b>ENTERPRISE OUTPUT</b>			
	<b>£ per cow</b>	<b>£ per cow</b>	
Calf and store cattle sales	636.68	746.03	
Bull and cow sales	128.83	135.97	
Finished cattle sales	168.35	178.37	
Valuation change	-1.47	20.44	
Cattle purchases	-170.70	-180.33	
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>761.69</b>	<b>900.48</b>	
<b>VARIABLE COSTS</b>			
Concentrates and bulk feed	165.18	143.45	
Veterinary and medicines	40.87	39.67	
Other livestock costs	92.68	87.39	
Allocatable contracting	4.15	4.48	
Forage variable costs	164.48	153.93	
<b>TOTAL VARIABLE COSTS</b>	<b>467.36</b>	<b>428.92</b>	
<b>GROSS MARGIN</b>	<b>294.33</b>	<b>471.56</b>	

<b>GROSS MARGINS : HILL AND UPLAND DAIRY</b>		<b>2011/12</b>	
	<b>All herds</b>	<b>Top third</b>	
Number of herds in sample	64	21	
Herd size (dairy cows)	106	120	
Milk yield (litres per cow)	6946	8053	
Milk price (pence per litre)	26.78	27.74	
<b>ENTERPRISE OUTPUT</b>			
	<b>£ per cow</b>	<b>£ per cow</b>	
Milk	1860.45	2233.48	
Calves	95.51	106.61	
Bull and cow sales	156.31	172.93	
Valuation change	37.15	57.01	
Cattle purchases	-286.62	-311.42	
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>1862.80</b>	<b>2258.61</b>	
<b>VARIABLE COSTS</b>			
Concentrates and bulk feed	522.19	617.25	
Veterinary and medicines	61.33	63.09	
Other livestock costs	138.57	135.07	
Allocatable contracting	18.13	14.37	
Forage variable costs	198.89	207.50	
<b>TOTAL VARIABLE COSTS</b>	<b>939.11</b>	<b>1037.28</b>	
<b>GROSS MARGIN</b>	<b>923.69</b>	<b>1221.33</b>	

<b>GROSS MARGINS : LOWLAND DAIRY</b>		<b>2011/12</b>	
	<b>All herds</b>	<b>Top third</b>	
Number of herds in sample	58	19	
Herd size (dairy cows)	159	148	
Milk yield (litres per cow)	6849	7879	
Milk price (pence per litre)	27.83	27.70	
<b>ENTERPRISE OUTPUT</b>			
	<b>£ per cow</b>	<b>£ per cow</b>	
Milk	1905.99	2182.23	
Calves	79.65	95.21	
Bull and cow sales	141.86	167.10	
Valuation change	33.42	33.68	
Cattle purchases	-267.32	-239.09	
<b>TOTAL ENTERPRISE OUTPUT</b>	<b>1893.60</b>	<b>2239.13</b>	
<b>VARIABLE COSTS</b>			
Concentrates and bulk feed	517.73	537.38	
Veterinary and medicines	63.37	63.32	
Other livestock costs	130.61	117.44	
Allocatable contracting	23.60	14.63	
Forage variable costs	173.45	174.39	
<b>TOTAL VARIABLE COSTS</b>	<b>908.76</b>	<b>907.16</b>	
<b>GROSS MARGIN</b>	<b>984.84</b>	<b>1331.97</b>	

<b>LAMB PRODUCTION COSTS</b>		<b>2011/12</b>		
<b>Pence per kg liveweight</b>		<b>All farms</b>	<b>Top third</b>	<b>Bottom third</b>
Number of farms		115	38	38
Feed	32.87	28.10	37.74	
Veterinary and medicines	9.27	7.63	11.13	
Other livestock costs	15.54	14.15	16.33	
Forage	26.09	20.59	30.52	
<b>TOTAL VARIABLE COSTS</b>	<b>83.77</b>	<b>70.47</b>	<b>95.72</b>	
<b>FLOCK REPLACEMENT</b>	<b>14.18</b>	<b>11.63</b>	<b>20.04</b>	
Paid labour	5.22	2.54	7.47	
Power and machinery	38.84	27.95	52.35	
Buildings	10.80	7.15	14.35	
General farm costs	17.12	12.35	22.82	
Rent	5.33	4.42	6.36	
Finance	4.00	1.55	6.87	
<b>TOTAL OVERHEAD COSTS</b>	<b>81.31</b>	<b>55.96</b>	<b>110.22</b>	
<b>TOTAL COSTS</b>	<b>179.26</b>	<b>138.06</b>	<b>225.98</b>	
<b>NET MARGIN</b>	<b>18.35</b>	<b>66.39</b>	<b>-35.20</b>	
Lambs reared (numbers per ewe)	1.33	1.45	1.20	
Flock size	651	614	719	
Average lamb liveweight (kg)	39.50	40.94	37.56	

<b>MILK PRODUCTION COSTS</b>		<b>2011/12</b>		
<b>Pence per litre</b>		<b>All farms</b>	<b>Top third</b>	<b>Bottom third</b>
Number of farms		122	41	41
Feed	7.26	6.31	8.31	
Veterinary and medicines	0.88	0.80	0.93	
Other livestock costs	2.35	1.72	3.02	
Forage	2.70	2.18	3.13	
<b>TOTAL VARIABLE COSTS</b>	<b>13.19</b>	<b>11.01</b>	<b>15.39</b>	
<b>HERD REPLACEMENT</b>	<b>1.47</b>	<b>1.06</b>	<b>2.14</b>	
Paid labour	0.84	0.50	1.34	
Power and machinery	2.79	2.84	2.93	
Buildings	1.14	0.99	1.37	
General farm costs	1.34	1.21	1.52	
Rent	0.36	0.26	0.42	
Finance	0.47	0.17	0.84	
<b>TOTAL OVERHEAD COSTS</b>	<b>6.94</b>	<b>5.97</b>	<b>8.42</b>	
<b>TOTAL COSTS</b>	<b>21.60</b>	<b>18.04</b>	<b>25.95</b>	
<b>NET MARGIN</b>	<b>6.68</b>	<b>10.80</b>	<b>2.00</b>	
Margin over concentrates	20.22	21.29	19.05	
Milk price	26.91	27.41	26.68	

**BEEF PRODUCTION COSTS : SUCKLED CALF** 2011/12

<b>Pence per kg liveweight</b>		<b>Bottom third</b>		
	<b>All farms</b>	<b>Top third</b>		
Number of farms	52	17	17	
Feed	16.67	6.24	34.32	
Veterinary and medicines	10.52	9.31	11.52	
Other livestock costs	15.17	8.91	24.27	
Forage	40.82	26.31	53.73	
<b>Total variable costs</b>	<b>83.18</b>	<b>50.77</b>	<b>123.84</b>	
<b>Herd replacement</b>	<b>5.27</b>	<b>4.40</b>	<b>11.72</b>	
Paid labour	9.97	5.31	14.91	
Power and machinery	63.46	45.30	88.85	
Buildings	17.91	14.10	23.64	
General farm costs	26.54	24.04	32.91	
Rent	6.74	6.93	6.26	
Finance	4.22	0.92	7.67	
<b>Total overhead costs</b>	<b>128.84</b>	<b>96.60</b>	<b>174.24</b>	
<b>Total costs</b>	<b>217.29</b>	<b>151.77</b>	<b>309.80</b>	
<b>Margin</b>	<b>-80.39</b>	<b>-5.81</b>	<b>-177.24</b>	

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

**BEEF PRODUCTION COSTS : FINISHING** 2011/12

<b>Pence per kg liveweight</b>		<b>Bottom third</b>		
	<b>All farms</b>	<b>Top third</b>		
Number of farms	24	8	8	
Feed	55.01	51.53	67.86	
Veterinary and medicines	4.01	4.38	4.25	
Other livestock costs	23.02	24.55	27.11	
Forage	34.86	33.84	33.72	
<b>Total variable costs</b>	<b>116.90</b>	<b>114.30</b>	<b>132.94</b>	
Paid labour	6.47	4.75	5.77	
Power and machinery	48.41	41.44	58.13	
Buildings	12.23	7.95	18.14	
General farm costs	20.42	18.45	27.31	
Rent	3.11	2.27	3.62	
Finance	3.38	2.93	2.63	
<b>Total overhead costs</b>	<b>94.02</b>	<b>77.79</b>	<b>115.60</b>	
<b>Total costs</b>	<b>210.92</b>	<b>192.09</b>	<b>248.54</b>	
<b>Margin</b>	<b>9.43</b>	<b>74.98</b>	<b>-50.65</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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