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POLICY AND ECONOMICS DIVISION

Farm Incomes in Northern Ireland

2010/11



**Department of Agriculture and Rural Development
Policy and Economics Division**

**FARM INCOMES
IN
NORTHERN IRELAND
2010/11**

A National Statistics Publication

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FOREWORD AND ACKNOWLEDGEMENTS

This report on Farm Incomes in Northern Ireland, the nineteenth in the series, is based on information collected in the annual Farm Business Survey (FBS) which is undertaken by Policy and Economics Division within the Department of Agriculture and Rural Development. The report includes much of the detailed information collected in the FBS and also provides an analytical commentary on the figures.

Most of the data in this report refer to the 2010/11 account year, which has an average year end of mid-February 2011 for the 373 farms in the survey. The farmers who participate in the survey do so voluntarily and their accounting information is provided on a confidential basis. Their co-operation in this survey is greatly appreciated, both for the information it provides on income levels and for the contribution it makes to knowledge of the economics of production.

Within the report, Farm Business Income is the headline measure of farm incomes. This measure was introduced in 2008 following consultation in 2006/07. In light of views expressed during the consultation it was decided that the previous headline measure, Net Farm Income, would continue to be published for an interim period, but as a secondary measure.

There are a number of key personnel in the Division whose contributions are important to the smooth operation of the data collection and analysis within the Farm Business Survey. These include Paul Caskie and Paul Keatley who have day to day responsibility for managing the survey, and the Farm Accounts Officers who provide guidance to the farmers in the FBS on the keeping of accounts and ensure that the information collected is comprehensive and accurate. Acknowledgement is also made of the vital contributions made by administrative staff, especially Rosemary Kerr and Frankie Quinn who are involved in the preparation and analysis of the accounting information.

It is hoped that those working in or otherwise involved with the agri-food sector will find the information contained in this publication useful. Suggestions for changes in content or format are always welcome and should be forwarded to:

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Director of Policy and Economics
March 2012

EXECUTIVE SUMMARY

1. The average Farm Business Income across all farm businesses above 0.5 Standard Labour Requirements (SLRs) increased from £22,377 to £29,159 per farm between 2009/10 and 2010/11. This resulted from an increase of 13.3% in the average value of farm output and an average increase in expenditure on inputs of 9.2%.
2. For the main farming enterprises, increases in gross margin between 2009/10 and 2010/11 were recorded for dairy cows, SDA beef cows, SDA breeding ewes, DA breeding ewes, spring barley, winter barley, winter wheat, and potatoes, whereas, decreases were recorded for DA beef cows, Lowland beef cows, Lowland breeding ewes, and pigs.
3. Between 2009/10 and 2010/11 increases in Farm Business Income were recorded on 3 of the 6 main types of farm covered in the Farm Business Survey (FBS). The three farm types showing an increase in average Farm Business Income were Cereal, Dairy, and Mixed Farms. Income results show that average Farm Business Income increased by £25,837 on Cereal farms, £33,708 on Dairy farms, and £10,250 on Mixed farms.
4. A Farm Business Income above £10,000 was achieved by 68% of the farm businesses in the FBS in 2010/11; 13% of the farms incurred a loss.
5. Cash Income per farm, which is the difference between cash receipts and expenditure, increased from an average of £35,848 in 2009/10 to £43,331 in 2010/11. This income measure provides the average amount of cash available per farm to cover living expenses and investment expenditure.
6. Direct payments decreased by £556 per farm between 2009/10 and 2010/11 and averaged £27,281 per farm and £311 per hectare in 2010/11. (Section 2.4). Direct payments represented 94% of Farm Business Income and 63% of Cash Income generated across all types of farm in Northern Ireland.
7. Four of the six main types of farm business generated a positive Farm Business Income in 2010/11 when direct subsidy receipts were not included in the value of farm output. (Section 2.5).
8. During the past 8 years the Farm Business Income on Dairy farms has been on average £21,352 per farm higher than that for Cattle and Sheep (LFA) farms. Dairy and LFA Cattle and Sheep type farms account for 68% of the farms classified as full-time businesses. (Section 2.6)
9. Off-farm income of the farmer and spouse averaged £7,019 per farm in 2010/11. However, on 45% of farm businesses no off-farm income was received by the farmer and spouse. This income source includes other employment off the farm and social payments. (Section 2.7).
10. In 2010/11, only the spouse of the farmer on 26% of the farms had off-farm employment, on a further 6% of farms the farmer had off-farm employment

and on another 3% of farms both the farmer and spouse had off-farm employment.

11. The average level of net investment per farm decreased from £31,930 in 2009/10 to £23,536 in 2010/11. Investment levels in 2010/11 were the third highest recorded in the past 10 years when inflation is taken into account. (Section 2.8).
12. External liabilities (mainly bank borrowings) averaged £39,714 per farm and equated to 3.1% of the total value of farm assets. On only 4% of farms, external liabilities represented more than 15% of the value of farm assets. (Section 3.1).
13. There were no bank borrowings recorded by 51% of farms in 2010/11 and 87% had borrowings of less than £50,000 per farm. (Section 3.3).
14. At farm enterprise level:

Dairy Cows

- (i) The average gross margin per dairy cow increased by £375, from £531 in 2009/10 to £906 in 2010/11. This increase was due to a rise in milk receipts.
- (ii) The difference in herd gross margin between those in the top 25% and bottom 25% performance groups amounted to £44,445 for a herd of average size in the Farm Business Survey. (Section 4.1).

Suckler Cows

- (i) The average gross margins for Lowland and DA cows decreased by £25 and £14 per cow respectively between 2009/10 and 2010/11, whereas the gross margin of SDA cows increased by £47 per cow.
- (ii) SDA suckler cow herds had the highest average gross margin per cow, at £165, while DA herds averaged £151 and Lowland herds £102 in 2010/11. (Section 4.2).

Sheep

- (i) Between 2009/10 and 2010/11 the average gross margins per breeding ewe in the DA and lowland flocks remained at similar levels, whereas, SDA flocks showed a notable increase of £5 per ewe.
- (ii) In 2010/11, the highest average gross margin per ewe of £57 was achieved by the Lowland flocks. This gross margin was £5 higher than for ewes in DA flocks and £31 higher than for ewes in SDA flocks. (Section 4.3).

Pigs

On birth to bacon pig units the average gross margin per pig decreased from £40.37 in 2009/10 to £28.26 in 2010/11. Between 2009/10 and 2010/11, the average output for pigs decreased by £4.14 per pig and the average cost of feedstuffs increased by £7.66 per pig. (Section 4.4).

Cereals

- (i) The average gross margins per hectare for spring barley, winter barley and winter wheat crops were higher in 2010/11 than in 2009/10. Increases in gross margin per hectare were spring barley (£305), winter barley (£398), and winter wheat (£570).
- (ii) The winter wheat crop had the highest average gross margin of the three main cereal crops, at £1,129 per hectare, followed by winter barley at £984 and spring barley at £678. (Sections 4.5-4.7).

Potatoes

The average gross margin for ware potatoes increased from £2,103 per hectare in 2009/10 to £2,779 per hectare in 2010/11, an increase of £676. The ware crop yield per hectare increased from 29.4 tonnes in 2009/10 to 30.5 tonnes in 2010/11, whereas, the ware potato price per tonne increased by £15 per tonne from £125 per tonne in 2009/10 to £140 per tonne in 2010/11. (Sections 4.8).

Fixed Costs

15. The average levels of fixed costs (excluding labour) per hectare across all farm types were higher in 2010/11 than in 2009/10, at £485 and £447 respectively. (Section 5.0).

Revised Method for Farm Type Classification (Section 6)

16. From the 2010/11 accounting year, the method for classification of farms into different types was revised. Farms are now classified in terms of their total levels of Standard Output (SO) as opposed to Standard Gross Margin (SGM) which was used previously. This change was necessitated by revisions to the EU system of farm classification.
17. At the overall level, this change in classification method has had only a slight impact on the average level of Farm Business Income i.e. a decrease of 0.8% in 2010/11.
18. When analysed at the level of individual farm types, more substantial changes in Farm Business Income are shown for the smaller, more diverse sectors when changing between classification methods. This occurred because farms in these sectors were more likely to change type when moving to the revised classification. For these sectors, the change therefore had a more substantial impact on farm weightings, the composition of the FBS sample, and the average level of Income.

1. THE FARM BUSINESS SURVEY

1.1 Introduction

The data on farm incomes presented in this report are based on accounting information collected in the Farm Business Survey (FBS), which is conducted annually by the Policy and Economics Division of the Department of Agriculture and Rural Development. Similar surveys are carried out in the other countries of the UK and these, along with the Northern Ireland FBS constitute the UK's contribution to the Farm Accounts Data Network (FADN) of the European Union, which was established under EC Regulation 79/65. The Northern Ireland accounting data, along with those for the other regions of the UK are forwarded to the EU Commission in Brussels. There, the information together with that from the other EU Member States is used in the formulation and appraisal of agricultural policy as well as in monitoring the income levels in each Member State. Further information on FADN and the results for all Member States are available on the following websites:

- <http://ec.europa.eu/agriculture/rica/index.cfm>
- http://ec.europa.eu/agriculture/analysis/fadn/index_en.htm

Extensive use of the Northern Ireland data is also made at regional and UK levels to monitor and assess the impact of policy changes and for advisory, teaching and research purposes. UK farm incomes data are published on the Internet at <http://www.defra.gov.uk/statistics/foodfarm/cross-cutting/auk/> by the Department of Environment, Food and Rural Affairs (DEFRA). "Farm Incomes in Northern Ireland" provides more detailed results for Northern Ireland, and more extensive analyses and interpretation of the information, than is possible at UK level.

1.2 Farm Business Survey Sample

The sample of farms in the FBS is representative in terms of types and sizes of almost all of the population of farm businesses above 0.5 Standard Labour Requirements (SLRs) (see Appendix 4 for definition) in Northern Ireland. The only significant types of farm business excluded from the FBS are Horticulture and Poultry. However, in the 2010/11 accounting period, it was not possible to obtain an adequate sample to permit the estimation of robust average income figures for General Cropping type farms. Those General Cropping type farms within the sample are included in the estimation of average incomes for the 'All types' category.

The size threshold of 0.5 SLRs for farms in the survey corresponds with that in the other 3 countries of the UK. However, in recognition of the fact that Northern Ireland has 12,865 Cattle and Sheep farms which have an employment requirement of less than 0.5 SLRs, a sub-sample of farms of this type is included in the farms surveyed.

In Northern Ireland, farm accounts information was received from 373 farm businesses for the 2010/11 accounting year. All of these farms participate on a voluntary basis with 65% having provided information for at least 10 years. A smaller sample of 287 farm businesses over 0.5 SLRs in size provided information for both the 2009/10 and 2010/11 account years and this constitutes the 'identical sample' of farms. The end of the account year for 89% of the farms falls between 31 December

and 30 April. Thus, the 2010/11 account year information presented in this report refers to the 2010 crop and grassland production years.

Each year, a small proportion of farms in the survey are replaced. This occurs for a number of reasons such as retirement or simply a decision by the farmers concerned not to continue to record farming activities in the detail required for the FBS. When farms cease to participate, their replacements are selected on a random basis so that the sample is representative of the total farm population. To ensure that changes in the sample do not affect comparisons between years, an identical sample of farms in both years is used.

With crops utilising only 5%, and forestry 1%, of the land on agricultural holdings in Northern Ireland, the main land using farm enterprises are grass based. The main enterprises are, therefore, dairying, beef cattle and sheep. This is reflected in the FBS sample of farms, details of which are given in Table 1. On average, a target sampling rate of farms of 2.75% has been used across all farm types since 1992/93.

Table 1 Numbers of farms in Northern Ireland and in the Farm Business Survey above 0.5 SLR's by type of farming, 2010/11

| Type of Farm Business ^{***} | Number of Farm Businesses | |
|--------------------------------------|---------------------------|--------------|
| | Northern Ireland* | FBS Sample** |
| Cereals | 116 | 8 |
| General Cropping | 164 | 5 |
| Horticulture | 228 | - |
| Pigs | 147 | 9 |
| Poultry | 382 | - |
| Dairy | 2,705 | 102 |
| Cattle and Sheep (LFA) | 4,333 | 113 |
| Cattle and Sheep (Lowland) | 1,648 | 35 |
| Mixed | 393 | 15 |
| Others | 253 | - |
| All Types | 10,369 | 287 |

* Number of farm businesses above 0.5 SLRs in size at June 2010 Census; there are 14,102 farms in Northern Ireland under 0.5 SLRs.

** Refers to the number of farms above 0.5 SLRs in size, which provided information in both the 2009/10 and 2010/11 account years, and which were used in the analyses. A further 45 cattle and sheep farms of less than 0.5 SLRs in size provided information in both years.

*** The EU and UK system for classification of farms into particular types has been revised this year. Farms are now classified in terms of Standard Output (SO) compared to Standard Gross Margin (SGM) previously. Further details of this change and its impact on the measurement of Farm Incomes are presented in section 6.

2. FARMING INCOMES

2.1 Measures of Income

As indicated in Figure 1, it is possible to define farm income in a number of ways. **Farm Business Income (FBI)** was introduced in 2008 as the headline measure of farm income following consultation by DARD in 2006-07. FBI was also introduced in England, Scotland, and Wales and will be used for UK farm income statistics. It is closely aligned to the main EU measure of farm incomes 'Family Farm Income' and therefore allows easier comparison between Northern Ireland and other Member States. FBI is the return to all unpaid labour (farmer, spouses and others with an entrepreneurial interest in the farm business) and to their capital invested in the farm business which includes land and buildings.

Net Farm Income (NFI), the previous headline measure of farm income will continue to be published for an interim period, but as a secondary measure as decided during the consultation. NFI represents the return to the farmer and spouse for their manual and managerial labour and tenant-type capital invested in the farm business. In order for NFI to represent the return to farmer and spouse alone, a notional deduction is made for any unpaid labour that is provided in addition to that of the farmer or spouse. Also, to confine NFI to tenant type activities and assets of the business an imputed rent is firstly deducted for owner occupied land and buildings and for landlord-type improvements made by the tenant. Secondly, no account is taken of interest paid on any farming loans, overdrafts or mortgages or any interest earned on financial assets.

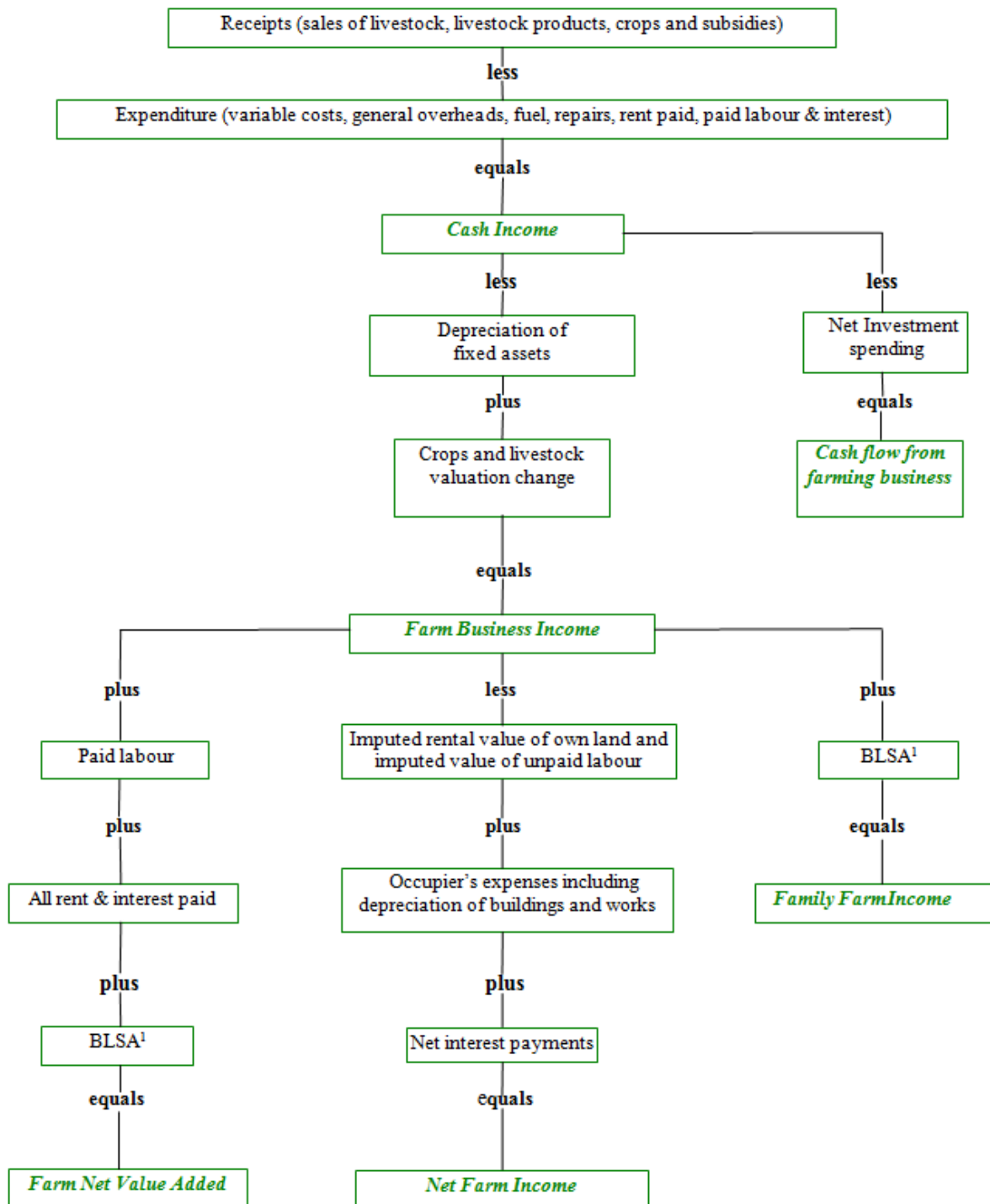
FBI differs from NFI in that it represents the return to all unpaid labour, not just the farmer and spouse and it treats the tenure of farms as it is: tenants as tenants, owner occupiers as owner occupiers and those with both types of tenure as mixed.

Another useful income measure is **Cash Income (CI)** which is simply cash receipts less expenditure. This measure excludes notional items such as depreciation and the effects of livestock and crop valuation changes. It is a measure of the return to all those with an entrepreneurial stake in the business. **Cash flow** from the farm business may be derived from Cash Income by deducting net investment expenditure.

Farm Net Value Added (FNVA) and **Family Farm Income (FFI)** are the two measures used in EU farm incomes publications. FNVA is the sum which is available to reward all factors of production i.e. all the labour, land, and capital used on the farm, irrespective of who owns them. Thus, no charge is made against these factors in the determination of FNVA. Family Farm Income is almost identical to Farm Business Income.

These various measures of income make it possible to provide a more comprehensive assessment of the changes which take place between years on farms than would the use of one measure on its own. The relationship between each of these measures is shown in Figure 1.

Figure 1: Measures of Farm Income



1. Breeding Livestock Stock Appreciation

Having different measures of income, the infrequent user of income data may be in a quandary as to which income measure to use. However, as with many statistics, the various income measures have specific roles. Quite often the wrong income measure is used. Farm Business Income is an appropriate measure of the return to the farm household for their labour and capital resources invested in the farm business. Net Farm Income is an appropriate measure of income where the aim is to put different types of farm tenure on an equal basis. Cash Income is calculated as the difference between cash receipts and cash expenditures (excluding investments) and therefore provides a measure of the cash available to the farm household.

There are many measures of farm income available to enable users to have at their disposal a range of measures which can be used to assist with descriptions of a number of specific farming situations. Their misuse can of course result in misleading conclusions. This is very evident when the range in the absolute levels of income from the different measures is considered.

2.2 Income Levels in 2009/10 and 2010/11

Average Farm Business Income, Cash Income, and Net Farm Income measured across all farm types is shown in table 2a for the accounting years 2009/10 and 2010/11. As shown, average Farm Business Income increased between 2009/10 and 2010/11 by £6,782 or 30.3% per farm. This resulted from a 13.3% increase in the value of outputs and a 9.2% increase in expenditure on inputs between 2009/10 and 2010/11. On the other hand, average Cash Income increased by £7,483 or 20.9% when compared to the previous year. When measuring Farm Income using the previous headline measure Net Farm Income, an average increase of £7,541 or 53.2% per farm occurred between 2009/10 and 2010/11.

Table 2a Average farm income (all types, above 0.5 SLRs) ¹

| | 2009/10 £ | 2010/11 £ |
|----------------------|--------------|--------------|
| Farm Business Income | 22,377 | 29,159 |
| Cash Income | 35,848 | 43,331 |
| Net Farm Income | 14,186 | 21,727 |

1. Based on data from an identical sample of farms.

Farm Business Incomes by individual farm types are presented in table 2b for the 2009/10 and 2010/11 account years. This shows that Average Farm Business Income increased between 2009/10 and 2010/11 on 3 of the 6 main farm types. The three farm types which showed an increase in Average Farm Business Income were Cereal, Dairy, and Mixed farms.

On Dairy farms the average Farm Business Income increased from £17,847 in 2009/10 to £51,555 in 2010/11, which is an increase of £33,708 per farm. This resulted from a 29.3% (£52,926) increase in the value of outputs and an 11.8% (£19,218) increase in expenditure on inputs between 2009/10 and 2010/11. The main reason for the increase in output between the years was the £49,880 increase in milk value that arose from the higher milk prices and yields in 2010. In terms of inputs, the main increases in expenditure were recorded for purchased concentrate

feed and fodder (£7,773), machinery running costs (£2,190), and depreciation of plant, machinery & vehicles (£1,594).

Cattle and Sheep farms (LFA) generated an average Farm Business Income of £19,257 per farm in 2010/11, which was 16.2% lower than the 2009/10 income of £22,992 per farm. This reduction in income was the net result of a 1.0% (£764) increase in the value of farm output and an 8.6% (£4,499) increase in expenditure on inputs. The main reason for the modest increase in output value was the £1,598 increase in the value achieved for sheep & wool products. However, any gains achieved were counteracted to a certain extent by decreases of £1,356 in receipts from the Single Farm Payment. This reduction in the value of the Single Farm Payment was due to less favourable exchange and modulation rates in 2010/11. The main increases in expenditure on inputs were recorded for machinery running costs (£1,116) and purchased concentrate feed and fodder (£658).

Cattle and Sheep (Lowland) farms also recorded a decrease in Farm Business Income between 2009/10 and 2010/11. For this farm type, Farm Business Income decreased from £18,660 to £9,354, which is a decrease of 49.9%. This was the net result of a 8.1% (£6,772) decrease in the value of farm output and a 3.9% (£2,534) increase in expenditure on inputs. The main factors contributing to the decrease in output value were decreases in returns from both Cattle Rearing & Fattening activities (£5,649) and the Single Farm Payment (£1,700). These decreases were counteracted to a certain extent by improved returns from mainly crop production (£923) and sheep & wool products (£276). The main changes within expenditure on inputs were a £1,351 increase for purchased concentrate feed and fodder and a £807 increase for machinery running costs.

On the other 3 types of farm, which account for 6.9% of farms above 0.5 SLR's, changes in the total value of farm output between 2009/10 and 2010/11 ranged from -2.7% (Pig farms) to 30.9% (Cereal farms). Whereas, change in expenditure on inputs between years ranged from 3.6% (Cereal farms) to 7.9% (Pig farms). These three farm types showed changes in average Farm Business Income between years, which ranged from -£29,456 on Pig farms to £25,837 on Cereal farms.

Comprehensive data on the values of livestock output, crop output, inputs, and incomes for each of the 6 farm types are given in Appendix 1. Information is also provided for 4 farm size groupings for Dairy and Cattle and Sheep (LFA) farms and for 2 size groupings for lowland Cattle and Sheep farms. These data include information on the physical and financial characteristics of the average farm within each farm type and size in the FBS sample and for the "all sizes" Northern Ireland weighted averages for each farm type. They show, amongst other things, that the levels of changes in the various components of output and input recorded between 2009/10 and 2010/11 may differ for each farm size grouping within farm types. For instance, in the case of dairy farms, the total value of farm inputs increased by 1.0% in the 0.5 < 1 SLR size group which compares with a 14.5% increase in the >3 SLR size group.

The average levels of income per farm included in this report for each of the 6 farm types in 2009/10 (i.e. the 2009/10 – 2010/11 identical sample) are different to those in the previous year's report (i.e. the 2008/09 – 2009/10 identical sample). This

occurs when an identical sample basis for reporting farm incomes is used, because the sample of farms for 2009/10 in the 2009/10– 2010/11 identical samples will not be exactly the same as those for the same year in the 2008/09 – 2009/10 sample. However, for the 'all types' averages the Net Farm Income, Farm Business Income, and Cash Income should not be significantly different between the same years of the different matched samples.

The identical sample results refer to all farms above 0.5 SLRs, whereas between the 1998/99 and 2002/03 account years the FBS data related to farm businesses above 8 ESUs in size. This change in threshold and the way in which farm size is determined is considered to have produced a more accurate and meaningful measure of farm business sizes. Overall, the FBS is representative of 9,506 farm businesses of which 5,233 are considered to be of sufficient size to employ at least one person on a full-time basis.

Table 2b Incomes by type of farm in 2009/10 and 2010/11 (£ per farm) ¹

| | | Farm Business Income | Cash Income | Net Farm Income |
|-------------------------------|--------------|-------------------------------------|------------------------|----------------------------|
| Cereals | 09/10 | 10,105 | 29,413 | 1,446 |
| | 10/11 | 35,942 | 63,337 | 27,992 |
| Pigs | 09/10 | 85,735 | 95,818 | 93,720 |
| | 10/11 | 56,279 | 71,488 | 64,814 |
| Dairy | 09/10 | 17,847 | 41,221 | 13,834 |
| | 10/11 | 51,555 | 77,682 | 48,808 |
| Cattle and Sheep (LFA) | 09/10 | 22,992 | 31,522 | 13,700 |
| | 10/11 | 19,257 | 27,102 | 10,709 |
| Cattle and Sheep (Lowland) | 09/10 | 18,660 | 26,192 | 8,779 |
| | 10/11 | 9,354 | 17,529 | -359 |
| Mixed | 09/10 | 33,675 | 51,977 | 17,818 |
| | 10/11 | 43,925 | 61,064 | 28,497 |
| All Types | 09/10 | 22,337 | 35,848 | 14,186 |
| | 10/11 | 29,159 | 43,331 | 21,727 |

1. Based on data from an identical sample of farms.

On many farm businesses, decisions about future levels of investment in assets are based on the level of Cash Income generated during the year and on the level of the farm's other cash reserves. For this reason alone, it is important to know the level of Cash Income as well as Farm Business Income. Cash Income may be regarded as the net amount of cash that is generated (receipts less expenditure) by the business and is available to cover living expenses, income tax payments and net investment expenditure. Any surplus that remains is credited to the farm bank account. In 2010/11 the average level of Cash Income per farm generated across all types of

farm in Northern Ireland was £43,331 which is £7,483 higher than in 2009/10. Increases in average Cash Income occurred in 2010/11 on 3 of the 6 farm types and these increases ranged from £9,087 per farm on Mixed farms to £36,461 per farm on Dairy farms. Decreases in average Cash Income occurred in 2010/11 on Cattle & Sheep (LFA), Cattle & Sheep (Lowland), and Pig farms. These decreases ranged from £4,420 on Cattle & Sheep (LFA) farms to £24,330 on Pig farms. The lowest level of Cash Income in 2010/11 was recorded for Cattle and Sheep (Lowland) farms at £17,529 per farm, whereas the highest was recorded on Dairy farms at £77,682 per farm.

Net Farm Income showed similar changes to Farm Business Income between 2009/10 and 2010/11 for each of the farm types. However, on average, Farm Business Income was £7,432 higher than Net Farm Income in 2010/11. This occurred because the level of imputed rent and labour, which is deducted in the calculation of Net Farm Income, is more than the sum of interest payments, depreciation charges for buildings and works, and other ownership expenses which replace them in the calculation of Farm Business Income. This was also the case for each individual farm type in both years with the exception of Pig farms. In Northern Ireland, Farm Business Income is a better absolute measure of income than Net Farm Income because almost all of the land farmed is either owned or farmed on short-term lettings (i.e. conacre) and almost all labour is provided from within the farm family.

Table 3 shows the variations that occurred between 2005/06 and 2010/11 in average Farm Business Income, Cash Income and Net Farm Income when measured across all farm types. Over the period Cash Income was always higher than Farm Business Income and Farm Business Income was always higher than Net Farm Income. Increases in Farm Business Income and Net Farm Income from the previous year were also observed each year over the period, with the exception of both 2008/09 and 2009/10, whereas, Cash Income showed an increase each year with the exception of 2006/07, 2008/09 and 2009/10.

When comparing the average income figures measured across all farm types for 2010/11 against those of 2005/06, the results show that average Farm Business Income increased by 68%, Cash Income increased by 48% and Net Farm Income increased by 114% per farm between the two years.

Table 3 Income per farm, 2005/06 to 2010/11 (£ per farm) ¹

| | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 |
|----------------------|---------|---------|---------|---------|---------|---------|
| Farm Business Income | 17,328 | 18,135 | 30,127 | 27,195 | 21,586 | 29,159 |
| Cash Income | 29,340 | 28,536 | 40,563 | 38,751 | 35,091 | 43,331 |
| Net Farm Income | 10,165 | 11,492 | 22,619 | 19,910 | 14,223 | 21,727 |

1. Based on data from all farms.

The distributions of farms by income level as presented in Table 4 provides a more comprehensive picture of income levels generated in 2010/11. When compared with those in 2009/10 they show that the increase in average Farm Business Income across all types of farm between 2009/10 and 2010/11 had no impact on the number of farms which incurred a negative Farm Business Income (13% in both years) but resulted in 6% more farms (i.e. 34% in 2010/11) which incurred a Farm Business Income of at least £30,000. In comparison, the rise in average Net Farm Income

across all types of farm in 2010/11 resulted in 1% less farms (i.e. 27% in 2010/11) recording a negative Net Farm Income and 6% more farms (i.e. 23% in 2010/11) recording a Net Farm Income of at least £30,000. In Cash Income terms, the proportion of farms with negative incomes was the same (i.e. 6%) in both 2009/10 and 2010/11. Similarly, the proportion of farms with a Cash Income of at least £30,000 was the same (i.e. 47%) in both 2009/10 and 2010/11. Finally, it goes without saying that on those farms with a negative Cash Income, unless an additional source of income is available, a difficult financial situation will arise.

Table 4 Distribution of farms by level of income, 2009/10 and 2010/11¹

| Income £ per farm | Farm Business Income | | Cash Income (% of farms) | | Net Farm Income | |
|----------------------|-------------------------|-------|--------------------------------|-------|--------------------|-------|
| | 09/10 | 10/11 | 09/10 | 10/11 | 09/10 | 10/11 |
| <0 | 13 | 13 | 6 | 6 | 28 | 27 |
| 0 - 4,999 | 7 | 7 | 4 | 2 | 11 | 8 |
| 5 - 9,999 | 14 | 12 | 6 | 9 | 11 | 9 |
| 10 - 19,999 | 18 | 18 | 21 | 20 | 18 | 18 |
| 20 - 29,999 | 20 | 16 | 16 | 16 | 15 | 15 |
| 30,000 and over | 28 | 34 | 47 | 47 | 17 | 23 |

1. Based on data from an identical sample of farms.

2.3 Spare-time Farms (< 0.5 SLRs)

The average levels of incomes presented in section 2.2 relate to farms above 0.5 SLR's. This therefore excludes those farms which are less than 0.5 SLR's i.e. classified as spare-time. There are 14,102 spare-time farms in Northern Ireland which make a significant contribution to the value of agricultural output. As such, it is important to know the level of income they generate. Most of these farms are managed alongside off-farm employment and their farm income is a small part of overall farm household income. Some 90% of this size group of farms consists of Cattle and Sheep farms. The average incomes for Cattle and Sheep farms below 0.5 SLRs are given in Table 5. This shows that spare-time Cattle and Sheep farms generated average Farm Business Income levels in 2009/10 and 2010/11 that were close to the break-even point.

Table 5 Incomes for ‘spare-time’¹ Cattle and Sheep farms in the LFA and Lowland in 2009/10 and 2010/11 (£ per farm)²

| | | Farm Business Income | Cash Income | Net Farm Income |
|----------------------------|---------|-----------------------------|--------------------|------------------------|
| Cattle and Sheep (LFA) | 2009/10 | 6,611 | 10,029 | 2,874 |
| | 2010/11 | 5,605 | 9,281 | 1,896 |
| Cattle and Sheep (Lowland) | 2009/10 | -1,024 | 5,931 | -4,220 |
| | 2010/11 | -2,078 | 6,210 | -5,377 |

1. Under 0.5 SLRs

2. Based on data from an identical sample of farms.

Probably the most important income measure in Table 5 for the vast majority of farmers is Cash Income as most if not all of these farms are run on a spare-time basis. If negative Cash Incomes were being incurred by these spare-time farms this would show that there was no financial rationale for their existence. This was not the case on the Lowland and LFA farms in both 2009/10 and 2010/11.

2.4 Direct Payments

As a result of reforms to the CAP over the past 2 decades, market support in the form of high EU support prices has been replaced with direct payments to farmers.

These direct payments, which have increased as support prices have been reduced, were intended to compensate for reduced levels of market support following the various CAP reforms. However, it should be recognised that the levels of direct payments do not necessarily indicate relative or total levels of support. For instance, prices in a number of sectors continue to be supported to some extent in the market through tariffs on imports into the EU.

From 1 January 2005 the system of direct payments has been replaced by a decoupled Single Farm Payment (SFP) as an outcome of June 2003 CAP reforms. Farmers in Northern Ireland receive a SFP which takes into account their historic receipts of direct payments and an area payment.

As SFP is decoupled from production it is not included in the gross margin of any particular enterprise. It is however included in total farm output and the various income measures. Previously coupled subsidy receipts were included in enterprise gross margins and therefore the introduction of decoupling has resulted in a significant reduction in many gross margins. SFP is recorded on an ‘as due’ basis of accounting. This means that payments relating to the 2005 SFP scheme year (1st year of SFP) accrue to the 2005/06 FBS accounting period, irrespective of when the money is actually paid. Hence 2009/10 and 2010/11 represents the 5th and 6th years of SFP scheme.

As shown in table 6, direct subsidy receipts per farm (inclusive of BSE related payments) decreased between 2009/10 and 2010/11 on 5 out of the 6 main types of farm when measured on an ‘as due’ basis of accounting. The reduction in direct

payments for these farm types can be mainly attributed to lower Single Farm Payments in 2010/11 as a result of less favourable exchange rates and a higher rate of modulation. Table 6 also shows that Dairy was the only farm type to show an increase in direct payments between 2009/10 and 2010/11. This increase in direct payments for Dairy is due to it receiving payments from the EU Dairy Fund in 2010/11, which more than counteracted the reduction it faced in its Single Farm Payment. When averaged across all Farm Types, table 6 shows that direct subsidy receipts per farm (inclusive of BSE related payments) decreased from £27,837 in 2009/10 to £27,281 in 2010/11 (i.e. £556 less per farm).

Cattle and Sheep (LFA) farms received the highest level of direct subsidy receipts, averaging £31,709 per farm in 2010/11, whereas Pig farms recorded the lowest average of the 6 main types of farms, at £9,840 per farm.

Dairy type farms showed an increase in direct payments of £313 per farm between 2009/10 and 2010/11. This was the net result of a decrease in Single Farm Payment (£1,412 per farm) and increases in LFA Compensatory payments (£11 per farm), Agri-Environmental Scheme payments (£322 per farm) and other subsidies (£1,392 per farm) between 2009/10 and 2010/11. As previously mentioned the increase in other subsidies was mainly due to Dairy farms receiving an EU Dairy Fund Payment in 2010/11.

Cattle and Sheep (LFA) type farms showed a decrease in direct payments of £330 per farm between 2009/10 and 2010/11. This was the net result of a decrease in Single Farm Payment (£1,356 per farm) and increases in LFA Compensatory payments (£467 per farm), Agri-Environmental Scheme payments (£504 per farm) and other subsidies (£55 per farm) between 2009/10 and 2010/11.

For the remaining farm types there was a decrease in direct payments between 2009/10 and 2010/11 of £1,533 for Cereal type farms, £400 for Pig type farms, £2,292 for Lowland Cattle and Sheep type farms, and £1,428 for Mixed type farms. The reduction in direct payments for these farm types is also mainly attributable to lower Single Farm Payments received in the 2010/11 year.

The data presented in Tables 6 and 7 shows how important direct payments are to farmers in Northern Ireland. In 2010/11 direct payments ranged from 3% of the value of total farm output on Pig farms to 42% on Cattle and Sheep (LFA) farms. When expressed on a per hectare basis direct payments range from £286 per hectare on Dairy farms to £419 per hectare on Pig farms.

When measured across all farm types, average direct payments represented 94% of the value of average Farm Business Income, 63% of the value of average Cash Income and 126% of the value of average Net Farm Income for farms in Northern Ireland. Moreover, for Cattle and Sheep (LFA) farms and Cattle and Sheep (lowland) farms, the average direct payments they received were greater than their average Farm Business Income, average Cash Income and average Net Farm Income generated per farm in 2010/11.

Table 6 'As due' Direct payments by type of farm in 2009/10 and 2010/11^{1, 2}

| | 2009/10 | | 2010/11 | |
|-----------------------------------|---------------|-------------|---------------|------------|
| | £ per farm | | | |
| Cereal | 24,019 | (-) | 22,486 | (-) |
| Pigs | 10,240 | (-) | 9,840 | (-) |
| Dairy | 23,032 | (32) | 23,345 | (-) |
| Cattle and Sheep (LFA) | 32,039 | (26) | 31,709 | (-) |
| Cattle and Sheep (Lowland) | 27,755 | (-) | 25,463 | (-) |
| Mixed | 24,257 | (-) | 22,829 | (-) |
| All Types (Inclusive BSE) | 27,837 | (21) | 27,281 | (-) |

1. Of which BSE related payments shown in brackets.
2. Based on data from an identical sample of farms.

Table 7 'As due' Direct payments by type of farm, 2010/11⁵

| | % TFO ¹ | £ per ha | % FBI ² | % CI ³ | % NFI ⁴ |
|----------------------------------|--------------------|------------|--------------------|-------------------|--------------------|
| Cereals | 18 | 299 | 63 | 36 | 80 |
| Pigs | 3 | 419 | 17 | 14 | 15 |
| Dairy | 10 | 286 | 45 | 30 | 48 |
| Cattle and Sheep (LFA) | 42 | 305 | 165 | 117 | 296 |
| Cattle and Sheep (Lowland) | 33 | 382 | 272 | 145 | - |
| Mixed | 13 | 346 | 52 | 37 | 80 |
| All Types | 21 | 311 | 94 | 63 | 126 |
| All Types (exclusive BSE) | 21 | 311 | 94 | 63 | 126 |

1. Total Farm Output.
2. Farm Business Income.
3. Cash Income.
4. Net Farm Income
5. Based on data from an identical sample of farms.

2.5 Farm Business Income and Net Farm Income excluding direct subsidy receipts

Farm Business Incomes including and excluding direct subsidy receipts are presented in Table 7(a). By excluding direct subsidy receipts this provides an indication of the incomes generated from farming activities. The data indicates that Cereal, Pig, Dairy, and Mixed farm types return a positive Farm Business Income when direct payments are removed. Whereas, both Cattle and Sheep (LFA) and Cattle and Sheep (Lowland) farm types generate quite substantial losses. When measured across all farm types the average Farm Business Income with direct payments removed is only £1,878 per farm.

Table 7(a) Farm Business Incomes including and excluding direct payments in 2010/11 (£ per farm) ¹

| | FBI | Direct Payments² | FBI minus Direct Payments |
|------------------|---------------|------------------------------------|----------------------------------|
| Cereals | 35,942 | 22,486 | 13,456 |
| Pigs | 56,279 | 9,840 | 46,439 |
| Dairy | 51,555 | 23,345 | 28,210 |
| C&S (LFA) | 19,257 | 31,709 | -12,452 |
| C&S (Lowland) | 9,354 | 25,463 | -16,109 |
| Mixed | 43,925 | 22,829 | 21,096 |
| All Types | 29,159 | 27,281 | 1,878 |

1. Based on data from an identical sample of farms.

2. Excluding BSE related receipts.

Table 7(b) presents Net Farm Incomes including and excluding direct subsidy receipts. In using this measure as opposed to Farm Business Income, lower levels of income are returned for all the different farm types with the exception of Pig farms. In this instance, the data indicates that Cereal, Pig, Dairy, and Mixed farm types again return a positive Net Farm Income when direct payments are removed. Whereas, both Cattle and Sheep (LFA) and Cattle and Sheep (Lowland) farm types generate more substantial losses. When measured across all farm types the average Net Farm Income with direct payments removed is a loss of £5,554 per farm.

Table 7(b) Net Farm Incomes including and excluding direct payments in 2010/11 (£ per farm) ¹

| | NFI | Direct Payments² | NFI minus Direct Payments |
|---------------|------------|------------------------------------|----------------------------------|
| Cereals | 27,992 | 22,486 | 5,506 |
| Pigs | 64,814 | 9,840 | 54,974 |
| Dairy | 48,808 | 23,345 | 25,463 |
| C&S (LFA) | 10,709 | 31,709 | -21,000 |
| C&S (Lowland) | -359 | 25,463 | -25,822 |
| Mixed | 28,497 | 22,829 | 5,668 |
| All Types | 21,727 | 27,281 | -5,554 |

1. Based on data from an identical sample of farms.

2. Excluding BSE related receipts.

2.6 Trends in Farm Incomes between 2003/04 and 2010/11

Table 8 presents a time series (2003/04 – 2010/11) of average Farm Business Income expressed in real terms for Dairy and Cattle and Sheep (LFA) farm types. These two farm types account for 68% of the farm businesses over 0.5 SLRs in Northern Ireland. These time-series of income shows that in the four most recent years (07/08 to 10/11) the average Farm Business Income for Dairy farms in real terms was 41.7% higher than that in the first four years (03/04 to 06/07) of the 8 year period. Whereas for the Cattle and Sheep farms (LFA) the four most recent years resulted in an average Farm Business Income in real terms which was 52.0% higher than that in the first four years of the 8 year period.

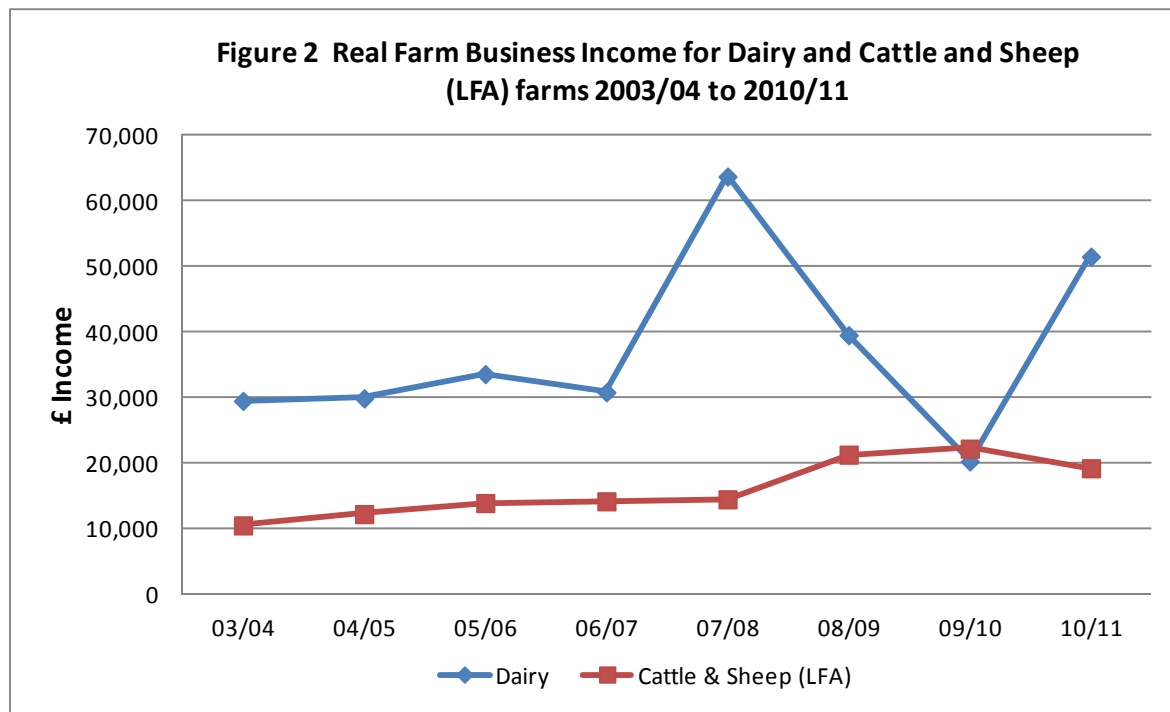
Table 8 Real Farm Business Income for Dairy and Cattle and Sheep farms (LFA) – 2003/04 to 2010/11^{1,2}

| | Dairy | Cattle and Sheep (LFA) |
|---------|--------------|-------------------------------|
| 2003/04 | 100 | 100 |
| 2004/05 | 101 | 116 |
| 2005/06 | 114 | 132 |
| 2006/07 | 104 | 135 |
| 2007/08 | 216 | 138 |
| 2008/09 | 134 | 202 |
| 2009/10 | 69 | 211 |
| 2010/11 | 175 | 183 |

1. Expressed as an index in real terms, 2003/04 = 100

2. Based on data from all farms

The time series (2003/04 – 2010/11) of average Farm Business Income expressed in real terms for Dairy and Cattle and Sheep (LFA) farm types is shown graphically in figure 2. This indicates that the patterns of change in the average incomes for these farm types are very different. For Dairy Farms, levels of Farm Business Income have been relatively volatile over the period with dramatic ups and downs, whereas for LFA Cattle & Sheep Farms they have been gradually increasing. On saying this, the annual average Farm Business Income for Dairy farms has been some £21,352 per farm higher over the period than that of Cattle and Sheep (LFA) farms. Over the 8 year period Dairy farms had an average annual Farm Business Income of £37,391, compared to £16,039 for Cattle and Sheep (LFA) farms. When considering the total asset values of both farm types it can be said that the average Dairy farm of 82 hectares in Northern Ireland, is valued at 7% more than the average Cattle and Sheep (LFA) farm of 104 hectares and has generated about 2.3 times as much Farm Business Income over the past 8 years.



2.7 Other Sources of Income

In the FBS, farmers are asked to indicate into which of 8 ranges of income the joint income of the farmer and spouse falls for each of six off-farm sources of income. Off-farm income includes both earned and unearned sources, such as other employment and social payments. In total, these receipts averaged £7,019 per farm in 2010/11, of which £4,534 was earned income and £2,485 unearned income. However, it should be noted that on 45% of the farm businesses no off-farm income was received. Off-farm income per farm ranged from under £1,000 to in excess of £20,000 per year and included in some situations Social Security payments only. In other cases, the earned income of the spouse was the main off-farm income source. The average amount of off-farm income was highest, at £7,985 per farm for Cattle and Sheep (LFA) farms which is mainly because a relatively higher proportion of spouses were in full-time employment in this farm type.

Table 9 Off-farm Income, 2010/11 (£ per farm)

| | Off-farm Total Income | Employment & Self- employment | Investments, Pensions, Social Payments |
|------------------------|--------------------------------------|--|---|
| Dairy | 5,236 | 2,974 | 2,262 |
| Cattle and Sheep (LFA) | 7,985 | 5,256 | 2,729 |
| Mixed | 3,500 | 1,100 | 2,400 |
| All Types | 7,019 | 4,534 | 2,485 |

The two most common off-farm income sources were other employment and pensions, as shown in Table 10. In 2010/11, on 74 of the 287 farms only the spouse of the farmer had off-farm employment, on a further 18 farms only the farmer had off-farm employment and on another 8 farms both the farmer and spouse had off-farm employment. This equates to 35% of farms having an off-farm employment source of income. The percentages of farms receiving pensions and social payments were 22% and 12% respectively. In many instances social payments relate to child benefit payments and not an income support payment.

Table 10 Off-farm income by type and level of Income, 2010/11

| | £ | | | | |
|--------------------|--------------|----------|-------------|------------------|-----------|
| | Zero | 1-999 | 1,000-4,999 | 5,000- 19,999 | 20,000+ |
| | (% of farms) | | | | |
| Employment | 69 | - | 3 | 22 | 6 |
| Self-employment | 96 | - | 1 | 2 | 1 |
| Investments | 96 | 4 | - | - | - |
| Pensions | 78 | - | 4 | 18 | - |
| Social payments | 88 | 3 | 4 | 5 | - |
| All sources | 45 | 1 | 7 | 36 | 11 |

2.8 Investment Levels on Farms

As shown in table 11, the real level of investment made on FBS farms decreased between 2001/02 and 2002/03. Then in 2003/04 the real level of investment increased by 29% from the previous year. In 2004/05 investment levels fell to a 10 year low which was 42% below the levels of 2003/04. During the period 2005/06 to 2009/10 investment levels have shown year on year increases of 56% in 2005/06, 50% in 2006/07, 13% in 2007/08, 58% in 2008/09 and 31% in 2009/10. In the most recent year (2010/11), the real level of investment decreased by 32% from the previous year.

Table 11 Net investment index per farm, 2001/02 to 2010/11

| | 01/02 | 02/03 | 03/04 | 04/05 | 05/06 | 06/07 | 07/08 | 08/09 | 09/10 | 10/11 |
|-------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Current price index | 152 | 117 | 155 | 92 | 148 | 230 | 270 | 438 | 579 | 415 |
| Real terms index ¹ | 150 | 113 | 146 | 84 | 131 | 197 | 222 | 350 | 460 | 314 |

1 Deflated using the Retail Price Index, 2000/01=100

2 Based on data from all farms.

As shown in table 12 the average net investment (excluding capital grants received) was £23,536 per farm in 2010/11, which is £8,394 less than the previous year. The total average net investment in 2010/11 was composed of plant, machinery and vehicles at £11,541 per farm (which is £2,061 higher than in 2009/10), land and buildings at £2,858 per farm (which is £6,679 lower than in 2009/10) and investment on capital improvements at £9,291 per farm (which is £10,252 lower than 2009/10). Capital grants received were £154 in 2010/11 (which is £6,476 lower than in 2009/10). Average levels of net investment were higher in 2010/11 than 2009/10 for Cereal, Pig and Dairy farm types.

Table 12 Net investment by type of farm, 2009/10 and 2010/11¹

| | 2009/10 | 2010/11 |
|--------------------------|---------------|---------------|
| | £ per farm | |
| Cereals | 13,979 | 23,439 |
| Pigs | 25,658 | 35,931 |
| Dairy | 35,673 | 39,748 |
| Cattle & Sheep (LFA) | 34,202 | 16,517 |
| Cattle & Sheep (Lowland) | 19,200 | 16,443 |
| Mixed | 48,663 | 18,936 |
| All Types | 31,930 | 23,536 |

1. Based on data from an identical sample of farms.

As in 2009/10, the average levels of net investment in 2010/11 were different on each of the farm types. The average levels of net investment in 2010/11 ranged from £16,443 per farm on Cattle & Sheep (Lowland) farms to £39,748 per farm on Dairy farms. Differences in levels of investment by farm type occur for a number of reasons including dissimilarities in farm size, levels of Cash Income and the need for replacement/establishment of assets. In general, the pattern of investment would tend to indicate that farmers increase capital expenditure in or immediately following

years when they have a substantial increase in cash income. However, in recent years there has also been an increase in net investment as farmers have undertaken investment to satisfy the slurry storage requirements of the Nitrates Directive Action Programme.

3. FINANCIAL POSITION OF FARM BUSINESSES

In the 2010/11 account year, the values for land and buildings were revalued on each FBS farm in line with current market prices for farms in each locality. Previous revaluations took place in the 1989/90, 1996/97, and 2006/07 account years. The recent revaluation resulted in an average increase in book values of land and buildings from £1,054,046 in the closing valuation of the 2009/10 account to £1,149,338 in the closing valuation of the 2010/11 account. If comparisons are being made with farm asset values reported for earlier years then recent and previous revaluations should be taken into consideration.

3.1 Assets, Liabilities, and Net Worth of Farms

Information on the values of total assets, external liabilities and net worth by farm type for the 2010/11 account year is presented in Table 13. This shows that average total assets per farm measured across all farm types were £1,281,065 in 2010/11. Whereas, average external liabilities per farm measured across all farm types were £39,714 in 2010/11, which is 0.5% higher than the previous year. When measured across all farm types the average external liabilities (i.e. mainly bank borrowings) per farm in 2010/11 were equivalent to 3.1% of total farm assets. Given these values for assets and liabilities the average net worth per farm measured across all farm types was £1,241,351 in 2010/11. When measured across all farm types, net worth expressed as a percentage of total assets was 96.9% in 2010/11. When making comparisons with earlier years it is important to remember that due to revaluations of book values for land and buildings undertaken in the 2006/07 account year, total assets and net worth values are showing a substantial step-change increase.

Table 13 also shows that when expressed by farm type, total average assets in 2010/11 ranged from £730,932 per farm on Pig type farms to £2,091,126 per farm on Cereal type farms. Also, in 2010/11, Pig type farms had the highest average amount of external liabilities at £116,786 per farm, whereas Cattle and Sheep (Lowland) farms had the lowest external liabilities at £9,870 per farm. When measured as a percentage of total assets, external liabilities ranged from 0.8% on Cattle and Sheep (Lowland) type farms to 16.0% on Pig type farms. When compared to the previous year, external liabilities increased on Pig, Cattle and Sheep (LFA) and Cattle and Sheep (Lowland) type farms, and decreased on Cereals, Dairy, and Mixed type farms.

In terms of net worth, average values by farm type in 2010/11 ranged from £614,146 on Pig farms to £2,038,267 on Cereal farms. When net worth is expressed as a percentage of total assets, average values range from 84.0% on Pig farms to 99.2% on Cattle and Sheep (Lowland) farms.

Table 13 Financial stability of farms in Northern Ireland 2009/10 and 2010/11¹

| | | Farm Area (ha) | Total Assets (£'000) | External Liabilities (£'000) | Net Worth (£'000) | Net Worth (as % of Total Assets) |
|----------------------------|--------------|-----------------------|-----------------------------|-------------------------------------|--------------------------|---|
| Cereals | 09/10 | 72.3 | 2086.8 | 55.1 | 2031.7 | 97.4 |
| | 10/11 | 75.3 | 2091.1 | 52.9 | 2038.3 | 97.5 |
| Pigs | 09/10 | 23.5 | 693.6 | 111.3 | 582.2 | 83.9 |
| | 10/11 | 23.5 | 730.9 | 116.8 | 614.1 | 84.0 |
| Dairy | 09/10 | 80.5 | 1283.9 | 94.6 | 1189.3 | 92.6 |
| | 10/11 | 81.5 | 1351.7 | 93.8 | 1257.9 | 93.1 |
| Cattle and Sheep (LFA) | 09/10 | 104.6 | 1102.1 | 16.4 | 1085.6 | 98.5 |
| | 10/11 | 104.1 | 1260.9 | 16.5 | 1244.3 | 98.7 |
| Cattle and Sheep (Lowland) | 09/10 | 70.1 | 1191.0 | 8.3 | 1182.8 | 99.3 |
| | 10/11 | 66.6 | 1244.0 | 9.9 | 1234.1 | 99.2 |
| Mixed | 09/10 | 67.8 | 1125.3 | 26.8 | 1098.4 | 97.6 |
| | 10/11 | 66.0 | 1251.5 | 24.6 | 1226.9 | 98.0 |
| All Types | 09/10 | 88.2 | 1175.6 | 39.5 | 1136.0 | 96.6 |
| | 10/11 | 87.6 | 1281.1 | 39.7 | 1241.4 | 96.9 |

1. Based on data from an identical sample of farms.

The distribution of farms by their net worth expressed as a percentage of total farm assets is presented in Table 14. Overall, the distribution indicates that in 2010/11 only 4% of farm businesses had liabilities which were more than 15% of the value of total farm assets and that 87% have liabilities which are less than 5% of the value of the farm assets. This is a relatively financially stable status for the farm sector.

Table 14 Distribution of farms by net worth as a percentage of total assets¹

| | Net Worth % | | | | |
|---------|--------------------|----------------|----------------|-----------------|------------|
| | Under 75 | 75-84.9 | 85-94.9 | 95-99.99 | 100 |
| | % of Farms | | | | |
| 2009/10 | 1 | 3 | 9 | 46 | 41 |
| 2010/11 | 1 | 3 | 9 | 48 | 39 |

1. Based on data from an identical sample of farms.

When total farm assets are expressed on an area basis this indicates the amount of capital required to farm one hectare of land. This amount differs between farm types and is affected by factors such as the quality of land and types of enterprise farmed. In 2010/11 the average capital required across all farm types was £14,624 per hectare. At the individual farm type level the average capital required ranged from £12,112 per hectare on Cattle and Sheep (LFA) type farms to £31,103 per hectare on Pigs type farms. Cattle and sheep (LFA) farms have a relatively low capital requirement as they tend to operate extensive enterprises on comparatively lower valued land, whereas, Pig and Poultry farms have a relatively high capital requirement per hectare as they operate an intensive enterprise on a small area of land.

Measured across all farm types the average value of land and buildings accounted for 90% of the average capital requirement on Northern Ireland farms in 2010/11. When measured by individual farm type, the percentage of total assets tied up in land and buildings ranged from 79% on Pig farms to 96% on Cereal farms.

Assets other than land and buildings are collectively referred to as operating capital. As shown in table 15, in 2010/11 the average amount of operating capital (which excludes debtors) measured across all farm types was £118,763 per farm or 9.3% of total assets. This operating capital can be broken down into breeding livestock (29% of operating capital), machinery (32%), trading livestock (32%), and crops and stocks (7%). When measured at the individual farm type level, the average operating capital in 2010/11 ranged from £88,168 for Cattle and Sheep (LFA) farms to £165,163 for Dairy farms. Alternatively, when measuring average operating capital as a percentage of average total assets for individual farm types in 2010/11, the values ranged from 4.3% for Cereal farms to 20.5% for Pig farms.

Table 15 Amount of operating capital by type of farm, 2010/11

| | Operating Capital | |
|----------------------------|-------------------|----------------------------|
| | £ Per farm | % of total farm Capital |
| Cereals | 90,303 | 4.3 |
| Pigs | 149,910 | 20.5 |
| Dairy | 165,163 | 12.2 |
| Cattle and Sheep (LFA) | 88,168 | 7.0 |
| Cattle and Sheep (Lowland) | 112,520 | 9.0 |
| Mixed | 155,182 | 12.4 |
| All Types | 118,763 | 9.3 |

3.2 Rate of Return on Capital

There is a number of ways to calculate the rate of return on capital employed on farms. For many years, management and investment income (Net Farm Income minus the value of farmer and spouse labour) expressed as a percentage of tenant's capital was the most widely used measure. However, as this measure was not very meaningful for owner occupied farms, another measure, Occupier's Net Income expressed as a percentage of net worth, was used. This expression represents the rate of return that the farmer and spouse obtain for their manual and managerial labour on all of their investment in the business. From the 2007/08 account year, the new headline income measure (i.e. Farm Business Income) expressed as a percentage of net worth is used. This expression represents the return that all unpaid labour (farmer, spouses and others with an entrepreneurial interest in the farm business) obtains for their manual and managerial labour and all of their investment in the business.

As indicated in Table 16, the rate of return to capital and labour achieved by some farm types in 2010/11 is low when compared to other investment opportunities. The average rate of return in 2010/11 ranged from 0.8% on Cattle and Sheep (Lowland) farms to 9.2% on Pig farms.

Table 16 Farm Business Income as a percentage of net worth by type of farm

| | Farm Business Income as a % of Net Worth |
|----------------------------|---|
| | 10/11 |
| Cereals | 1.8 |
| Pigs | 9.2 |
| Dairy | 4.1 |
| Cattle and Sheep (LFA) | 1.5 |
| Cattle and Sheep (Lowland) | 0.8 |
| Mixed | 3.6 |
| All Types | 2.3 |

3.3 Bank Borrowings

In the 2010/11 year, the average level of bank borrowings measured across all farm types was £34,547 per farm. This is an average decrease of £155 per farm when compared to 2009/10. As shown in Table 17, Pig farms had the highest level of borrowings with an average of £101,990 per farm in 2010/11. The largest increase in borrowings between 2009/10 and 2010/11 also occurred on Pig farms, with an average increase of £4,225 per farm. The largest decrease in borrowing was on Cereal farms where borrowing decreased on average by £2,832 per farm.

Banks are the main source of lending to farming with others such as family loans, hire purchase and leasing, providing on average a further £5,167 per farm. The latter two sources are used, to quite an extent, to purchase tractors and other vehicles, whereas bank lending is used mainly for funding land, buildings and working capital requirements.

Table 17 Average bank borrowings per farm by type of farm, 2009/10 and 2010/11¹

| | Bank borrowings (£ per farm) | |
|----------------------------|------------------------------|---------------|
| | 2009/10 | 2010/11 |
| Cereals | 47,655 | 44,823 |
| Pigs | 97,765 | 101,990 |
| Dairy | 84,307 | 82,469 |
| Cattle and Sheep (LFA) | 14,641 | 14,914 |
| Cattle and Sheep (Lowland) | 6,152 | 6,876 |
| Mixed | 17,175 | 19,234 |
| All Types | 34,702 | 34,547 |

1. Based on data from an identical sample of farms.

The distribution of farms by level of borrowing per farm in 2009/10 and 2010/11 are presented in Table 18. This shows that 51% of the farms recorded no bank borrowings in 2010/11 whereas 13% of farms recorded borrowings in excess of £50,000. When comparing the distributions for 2009/10 and 2010/11 the overall picture is very similar with only a 2% increase in the number of farms with borrowing in excess of £50,000 in 2010/11.

Table 18 Distributions of farms by level of bank borrowings, 2009/10 and 2010/11¹

| Bank Borrowings (£ per farm) | 2009/10 | 2010/11 |
|------------------------------|------------|---------|
| | % of farms | |
| Nil | 54 | 51 |
| 1 to 20,000 | 23 | 25 |
| 20,000 to 49,999 | 12 | 11 |
| 50,000 to 99,999 | 3 | 5 |
| 100,000 and over | 8 | 8 |

1. Based on data from an identical sample of farms.

The ability of farms to carry different levels of borrowings depends on their profitability, which in turn, is closely related to the size of business. For this reason, those farms with borrowings in excess of £50,000 cannot necessarily be considered to be in financial difficulty. Even so, borrowings in excess of £50,000 do incur a significant interest cost. At the average bank lending rate recorded during 2010 borrowings of £50,000 would have incurred interest costs of around £2,250 per annum.

Farms with borrowings in excess of £50,000 are found across most types of farm. In particular, there are relatively high proportions of Dairy (31%) and Pig (35%) farms in this position. Some of these farms have borrowed to purchase land, buildings, machinery and farm improvement materials. For other farms poor market and/or physical performance has contributed to their high levels of borrowings. The

difficulty with such high levels of borrowing is that the annual interest cost may reach a level where the farm cash income is inadequate to cover living expenses and essential new on-farm investment.

4. ENTERPRISE GROSS MARGINS

In this section of the report, the gross margins generated by each of the main enterprises in Northern Ireland are compared for the two accounting years 2009/10 and 2010/11. As the average account year end for the sample of farms is mid-February, the results refer to the 2009 and 2010 grassland and crop years. Average Gross Margin by enterprise is presented in Table 19(a). It is important to note that as the Single Farm Payment is decoupled from production and not linked to any particular enterprise it is not included in the gross margin figures. For similar reasons, Less Favoured Area Compensatory Allowance is also not included. The overall situation was that higher gross margins were recorded in 2010/11 for dairy cows, SDA beef cows, SDA breeding ewes, DA breeding ewes, spring barley, winter barley, winter wheat, and potato enterprises, whereas, lower gross margins were recorded for DA beef cows, lowland beef cows, lowland breeding ewes, and pig enterprises.

Table 19(a) Average gross margins by enterprise in 2009/10 and 2010/11¹

| | | Average gross margins | |
|-----------------|-----------|------------------------------|----------------|
| | | 2009/10 | 2010/11 |
| | | £ per head | |
| Dairy Cows | | 531 | 906 |
| Suckler Cows | - SDA | 118 | 165 |
| | - DA | 165 | 151 |
| | - Lowland | 127 | 102 |
| Breeding Ewes | - SDA | 21 | 26 |
| | - DA | 51 | 52 |
| | - Lowland | 59 | 57 |
| Pigs | | 40.37 | 28.26 |
| | | £ per hectare | |
| Spring Barley | | 373 | 678 |
| Winter Barley | | 586 | 984 |
| Winter Wheat | | 559 | 1,129 |
| Potatoes – ware | | 2,103 | 2,779 |

1. Based on data from an identical sample of farms.

4.1 Dairy Cows

As shown in Table 19(b), the average gross margin per dairy cow increased from £531 in 2009/10 to £906 in 2010/11 for the 106 dairy herds which provided information in both years. This increase of £375 in average gross margin is the net result of a £457 increase in output value and a £82 increase in total variable costs in 2010/11. The main reason for the increase in output value was that milk receipts were on average £457 higher per cow in 2010/11. The higher milk receipts per cow were due to increases in milk price of 5.1 pence per litre and milk yield of 597 litres

per cow. The increase in total variable costs per cow resulted mainly from a £65 increase in concentrate cost per cow. The increase in concentrate costs per cow was due to higher concentrate prices and usage in 2010/11.

Stocking rates remained the same at 1.99 cow equivalents per hectare in 2010/11. Given this and the increase in average gross margin per cow, then average gross margin per hectare also increased from £1,045 in 2009/10 to £1,783 in 2010/11, which is an increase of £738 per hectare.

Table 19(b) Average outputs, variable costs and gross margins per dairy cow in 2009/10 and 2010/11¹

| | 2009/10 | 2010/11 |
|-----------------------------|--------------|------------------|
| Number of herds | | 106 |
| Enterprise output | | £ per cow |
| Milk | 1,216 | 1,673 |
| Calves | 85 | 90 |
| Herd replacement | -124 | -129 |
| Output | 1,177 | 1,634 |
| Quota leasing receipts | - | - |
| Quota leasing costs | - | - |
| Super levy | - | - |
| Adjusted Output | 1,177 | 1,634 |
| Variable Costs | | |
| Concentrates | 402 | 467 |
| Hay, silage & grazing | 141 | 144 |
| Sundries & Vet | 103 | 117 |
| Total Variable Costs | 646 | 728 |
| Gross Margin | 531 | 906 |
| Average herd size (cows) | 84 | 85 |
| Concentrates per litre (kg) | 0.33 | 0.33 |
| Stocking rate (ce/ha) | 1.99 | 1.99 |
| Summer milk (%) | 54 | 55 |
| Milk yield (l/cow) | 5,939 | 6,536 |
| Milk price (p/l) | 20.5 | 25.6 |

1. Based on data from an identical sample of farms.

As shown in Table 20, the difference in performance in 2010/11 between the 'top' and 'bottom' quartiles was, as in previous years, substantial. The 'top' quartile had an average gross margin per cow of £1,129 compared with £606 for the 'bottom' quartile. The main reasons for this difference in performance are that the 'top' quartile had an average milk yield 2,178 litres per cow above and a milk price 1.1 pence per litre above the 'bottom' quartile. For the average herd size of 85 dairy cows in the sample, the difference in gross margin between the 'top' and 'bottom' quartiles equates to a total value of £44,455 per herd.

Table 20 Average outputs, variable costs and gross margins per dairy cow in the top 25% and bottom 25% groups, 2010/11

| | Top 25% | Bottom 25% |
|-----------------------|------------------|------------|
| | £ per cow | |
| Gross Margin | 1,129 | 606 |
| Milk Sales | 1,884 | 1,267 |
| Calf Sales | 94 | 84 |
| Total Output | 1,879 | 1,211 |
| Variable Costs | 750 | 605 |
| Milk Yield – litres | 7,313 | 5,135 |
| Av milk price – ppl | 25.8 | 24.7 |
| Stocking rate - ce/ha | 2.00 | 1.90 |

4.2 Suckler Cows

In the 2010/11 account year all of the three main categories of suckler herds had average gross margins that were very similar to those in 2009/10 (Table 21). For SDA suckler cows the average gross margin per cow increased from £118 in 2009/10 to £165 in 2010/11. This increase was the net result of a £57 increase in output and £10 increase in total variable costs. The £57 increase in output resulted from a £61 increase in value of calves and a £4 increase in herd replacement cost. For DA suckler cows the average gross margin decreased by £14 per cow due to a £9 decrease in total output and a £5 increase in total variable costs. The £9 decrease in output value was due to a £12 increase in the value of calves and a £21 increase in herd replacement cost. For lowland suckler cows the average gross margin decreased by £25 per cow, due to a decrease of £18 in total output and an increase of £7 in total variable costs. The £18 decrease in output value was due to a £2 decrease in the value of calves and a £16 increase in herd replacement cost. Across all 3 herd types, there were increases in total variable costs between 2009/10 and 2010/11, which ranged from £5 per cow in the DA to £10 per cow in the SDA.

Table 21 Average outputs, variable costs and gross margins per cow for SDA, DA and Lowland suckler herds, 2009/10 and 2010/11¹

| | SDA | | DA | | Lowland | |
|----------------------------------|------------------|------------|------------|------------|------------|------------|
| | 09/10 | 10/11 | 09/10 | 10/11 | 09/10 | 10/11 |
| Number of herds | 71 | | 29 | | 23 | |
| Enterprise Output | £ per cow | | | | | |
| Calves | 350 | 411 | 383 | 395 | 349 | 347 |
| Herd rep | -37 | -41 | -30 | -51 | -30 | -46 |
| Total Output | 313 | 370 | 353 | 344 | 319 | 301 |
| Variable Costs | | | | | | |
| Concentrates | 45 | 49 | 34 | 35 | 26 | 26 |
| HSG | 110 | 113 | 103 | 106 | 118 | 116 |
| Sundries & Vet | 40 | 43 | 51 | 52 | 48 | 57 |
| Total Variable Costs | 195 | 205 | 188 | 193 | 192 | 199 |
| Gross Margin | 118 | 165 | 165 | 151 | 127 | 102 |
| Calves reared per cow | 0.91 | 0.96 | 0.97 | 0.95 | 0.92 | 0.86 |
| Av price per calf sold/trans (£) | 390 | 415 | 403 | 416 | 386 | 410 |

1. Based on data from an identical sample of farms.

The data presented in Table 22 for the 'top 25%' and 'bottom 25%' of suckler herds show that there were a difference of £279 in gross margin per cow between the 'top' and 'bottom' groups of SDA suckler herds in 2010/11. This is accounted for by differences of £209 in calf returns, £51 in herd replacement costs, and £18 in total variable costs between the top and bottom groups. Similarly for DA suckler herds there were a difference of £329 in gross margin per cow between the 'top' and 'bottom' groups of herds in 2010/11. This is accounted for by differences of £149 in calf returns, £72 in herd replacement costs, and £109 in total variable costs.

Table 22 Average calf receipts, variable costs and gross margins per cow for SDA and DA suckler herds in the top 25% and bottom 25% groups, 2010/11

| | Top 25% | Bottom 25% |
|-----------------------|-----------|------------|
| | £ per cow | |
| Gross Margin | | |
| - SDA | 277 | -2 |
| - DA | 261 | -68 |
| Calf Returns | | |
| - SDA | 502 | 293 |
| - DA | 463 | 314 |
| Herd replacement cost | | |
| - SDA | -26 | -77 |
| - DA | -37 | -109 |
| Variable Costs | | |
| - SDA | 200 | 218 |
| - DA | 164 | 273 |

4.3 Breeding Ewes

As shown in Table 23, gross margins per ewe for Lowland and Upland flock types remained at similar levels between 2009/10 and 2010/11, whereas, the gross margin per ewe for Hill flocks showed a noticeable increase. For lowland breeding ewes the average gross margin per ewe decreased from £58.68 in 2009/10 to £57.32 in 2010/11, which is a decrease of £1.36. This decrease was the net result of a £2.80 increase in output and a £4.16 increase in total variable costs. For upland breeding ewes the average gross margin per ewe increased from £51.10 in 2009/10 to £51.95 in 2010/11, which is an increase of £0.85. This increase was the net result of a £9.79 increase in output and a £8.94 increase in total variable costs. For hill breeding ewes the average gross margin per ewe increased from £21.22 in 2009/10 to £26.37 in 2010/11, which is an increase of £5.15. This increase was the net result of a £9.57 increase in output and a £4.42 increase in total variable costs.

Table 24 presents the gross margin per ewe results for the 'top 25%' and 'bottom 25%' of Lowland, Upland, and Hill flocks in 2010/11. This shows that there were a difference in gross margin between the 'top 25%' and 'bottom 25%' of £57 per ewe in the Lowland, £63 per ewe in the Upland, and £50 in the Hill. The main reason for these differences in gross margin between the 'top 25%' and 'bottom 25%', is the considerable range found in the value of lamb sales per ewe which averaged £119 in

the top group and £63 in the bottom group. Another reason is the differing levels of variable costs due to associated levels of input usage.

Table 23 Average outputs, variable costs and gross margins per ewe for Lowland, DA and SDA breeding flocks, 2009/10 and 2010/11¹

| | Lowland | | Upland (DA) | | Hill (SDA) | |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2009/10 | 2010/11 | 2009/10 | 2010/11 | 2009/10 | 2010/11 |
| Number of flocks | 26 | | 20 | | 24 | |
| Output | | | | | | |
| Lambs | 92.86 | 100.41 | 85.71 | 98.91 | 51.47 | 57.01 |
| Wool | 1.50 | 1.88 | 1.26 | 2.07 | 1.00 | 1.70 |
| Flock Replacements | 2.76 | -2.37 | 2.83 | -1.39 | 4.52 | 7.85 |
| TOTAL OUTPUT | 97.12 | 99.92 | 89.80 | 99.59 | 56.99 | 66.56 |
| Variable Costs | | | | | | |
| Concentrates + OPF | 11.10 | 13.39 | 14.00 | 16.92 | 12.47 | 16.34 |
| Hay, silage, & grazing | 17.42 | 17.87 | 16.19 | 19.29 | 14.05 | 14.10 |
| Sundries + Vet | 9.92 | 11.34 | 8.51 | 11.43 | 9.25 | 9.75 |
| TOTAL VARIABLE COSTS | 38.44 | 42.60 | 38.70 | 47.64 | 35.77 | 40.19 |
| GROSS MARGIN | 58.68 | 57.32 | 51.10 | 51.95 | 21.22 | 26.37 |
| Lambs reared per ewe | 1.51 | 1.43 | 1.39 | 1.46 | 1.09 | 1.02 |
| Ave fat lamb price (£) | 68.09 | 76.76 | 68.79 | 76.37 | 62.76 | 75.76 |
| Av store lamb price (£) | 52.16 | 63.82 | 44.13 | 59.84 | 47.94 | 57.51 |
| Ewe mortality % | 4.6 | 5.4 | 5.1 | 6.8 | 9.7 | 8.4 |
| Lamb mortality % | 9.9 | 8.3 | 7.7 | 10.3 | 11.3 | 13.6 |
| Ave flock size (ewes) | 160 | 164 | 153 | 142 | 285 | 289 |

1. Based on data from an identical sample of farms.

Table 24 Average gross margins, lamb sales and lambs reared per ewe for the top 25% and bottom 25% groups, 2010/11

| | Top 25% | Bottom 25% |
|------------------|---------|------------|
| | Per Ewe | |
| Gross Margin (£) | | |
| - Lowland | 87 | 30 |
| - Upland | 84 | 21 |
| - Hill | 54 | 4 |
| Lamb Sales (£) | | |
| - Lowland | 125 | 79 |
| - Upland | 132 | 75 |
| - Hill | 99 | 35 |
| Lambs Reared | | |
| - Lowland | 1.63 | 1.16 |
| - Upland | 1.65 | 1.31 |
| - Hill | 1.34 | 0.76 |

4.4 Pigs

On the 8 farms which had rearing and finishing units, the average gross margin per pig decreased from £40.37 in 2009/10 to £28.26 in 2010/11 (Table 25). This decrease in margin of £12.11 per pig between 2009/10 and 2010/11 was the result of a decrease in output of £4.14 per pig and an increase in total variable cost of £7.97 per pig. The decrease in output was due to the less favourable pig prices in 2010/11, whereas, the increase in total variable costs was due to the £7.66 increase in the cost of feedstuffs per pig and the £0.31 increase in the cost of veterinary, medicine and sundries per pig. The increase in cost of feedstuffs was due to higher concentrate prices and a small increase in usage in 2010/11. The average gross margin of £28 per pig is the second highest result in the 10 years since 2001/02. The average gross margins per pig in previous years were £19 in 2001/02, £15 in 2002/03, £16 in 2003/04, £15 in 2004/05, £20 in 2005/06, £21 in 2006/07, £10 in 2007/08, £21 in 2008/09, and £38 in 2009/10.

Table 25 Average sales, variable costs and gross margins per pig for pig rearing and finishing units, 2009/2010 and 2010/11¹

| | 2009/10 | 8 £ per pig | 2010/11 |
|---------------------------------|--------------|----------------|--------------|
| Number of herds | | | |
| Output | 106.31 | | 102.17 |
| Variable Costs | | | |
| Feeding stuffs | 62.10 | | 69.76 |
| Vet and medicines | 1.66 | | 2.03 |
| Sundries | 2.18 | | 2.12 |
| Total Variable Costs | 65.94 | | 73.91 |
| Gross Margin | 40.37 | | 28.26 |
| Meal equivalent per pig (kg) | 305 | | 312 |
| Price of concentrates (£/tonne) | 203 | | 224 |
| Pigs weaned per sow | 20.49 | | 21.22 |

1. Based on data from an identical sample of farms.

4.5 Spring Barley

As shown in Table 26 the average gross margin per hectare for the spring barley crop increased from £373 in 2009 to £678 in 2010 (a rise of £305 per hectare). This increase was the result of a £257 increase in output value and a £48 decrease in total variable costs in 2010. The rise in output value was due to higher crop yields and prices in 2010. Grain prices per tonne increased from £102 in 2009 to £143 in 2010, whereas, straw prices per tonne increased from £59 in 2009 to £63 in 2010. In comparison to 2009 levels, average grain yield increased by 0.26 tonnes per hectare and average straw yield increased slightly by 40 kilograms per hectare. The decrease in variable costs between 2009 and 2010 was the result of lower fertiliser, seed, and spray costs in 2010.

Table 26 Average outputs, variable costs and gross margins per hectare for spring barley, 2009/10 and 2010/11¹

| | 2009/10 | 2010/11 |
|-----------------------------|------------|----------------------|
| Number of farms | | 29 |
| Output | | £ per hectare |
| Grain | 505 | 747 |
| Straw | 200 | 215 |
| Total Output | 705 | 962 |
| Variable Costs | | |
| Seed | 65 | 51 |
| Fertilisers | 171 | 129 |
| Sprays | 78 | 77 |
| Sundries | 19 | 27 |
| Total Variable Costs | 332 | 284 |
| Gross Margin | 373 | 678 |
| Grain yield (tonnes per ha) | 4.97 | 5.23 |
| Straw yield (tonnes per ha) | 3.37 | 3.41 |

1. Based on data from an identical sample of farms.

The 'top' performance group of farms in 2010 had an average grain yield of 5.68 tonnes per hectare compared with 4.15 tonnes in the 'bottom' group. These yields generated grain sales of £829 for the 'top group' and £537 for the 'bottom group'. Associated with the higher grain yield was also a higher straw yield which generated straw sales of £278 per hectare in the 'top' group compared with £199 in the 'bottom' group. The average grain price per tonne received by the 'top' group was £17 higher than the 'bottom' group, whereas, the average straw price per tonne in the 'top' performance group was £4 lower than the 'bottom' group. In terms of inputs, the total variable costs were £249 per hectare for the 'top group' and £270 for the 'bottom group'. These differences in output and inputs between the 'top' and 'bottom' groups resulted in a gross margin of £858 per hectare for the 'top' group and £466 per hectare for the 'bottom' group i.e. a difference of £392 per hectare.

4.6 Winter Barley

As shown in Table 27, the average gross margin per hectare for the winter barley crop increased from £586 in 2009 to £984 in 2010, which is a rise of £398. This increase was the combined effect of a £298 increase in output and a £100 decrease in variable costs in 2010. The increase in output value resulted from increases in grain yield and price between 2009 and 2010. In this instance, grain yield increased by 0.21 tonnes per hectare whereas, straw yield decreased by 0.72 tonnes per hectare. Grain price also increased by £36 per tonne, whereas, straw prices increased by £11 per tonne. The decrease in total variable costs from £450 per hectare in 2009 to £350 per hectare in 2010 was mainly caused by lower fertiliser and costs in 2010.

Table 27 Average outputs, variable costs and gross margins per hectare for winter barley, 2009/10 and 2010/11¹

| | 2009/10 | 2010/11 |
|-----------------------------|--------------|----------------------|
| Number of farms | | 9 |
| Output | | £ per hectare |
| Grain | 753 | 1,042 |
| Straw | 283 | 292 |
| Total Output | 1,036 | 1,334 |
| Variable Costs | | |
| Seed | 65 | 58 |
| Fertilisers | 208 | 131 |
| Sprays | 122 | 132 |
| Sundries | 55 | 29 |
| Total Variable Costs | 450 | 350 |
| Gross Margin | 586 | 984 |
| Grain yield (tonnes per ha) | 7.12 | 7.33 |
| Straw yield (tonnes per ha) | 5.08 | 4.36 |

1. Based on data from an identical sample of farms.

The 'above average' group of farms in 2010 had an average grain yield of 7.57 tonnes per hectare, and this was 0.82 tonnes more than the 'below average' group. Higher values for grain and straw output resulted in an output value of £1,444 per hectare for the above average group, some £276 above that of the below average group. Total variable costs per hectare were £66 lower in the 'above average' group at £318 per hectare. The gross margins per hectare were £1126 for the above average group and £784 for the below average group.

On average, the winter barley crop gross margin in 2010 was £304 per hectare higher than that for the spring crop. It is usually the case that the winter barley crop out-performs the spring barley crop as the higher returns associated with the higher yield of the winter barley crop more than cover the additional variable costs incurred when compared with the spring barley crop. The last time the average spring barley crop outperformed the average winter barley crop was in 2001.

4.7 Winter Wheat

As shown in Table 28 the average gross margin per hectare for the winter wheat crop increased from £559 in 2009 to £1,129 in 2010, which is a rise of £570. This was the effect of a £449 increase in output and a £121 decrease in variable costs in 2010. The rise in output value was the result of higher average grain prices and yields in 2010. Average grain prices increased from £104 per tonne in 2009 to £155 per tonne in 2010. Average straw prices also increased from £46 per tonne in 2009 to £58 per tonne in 2010. The average grain yield increased slightly by 80 kilograms per hectare, whereas, straw yield decreased by 0.72 tonnes per hectare. As a result of these changes in yields and prices, total output increased from £1,087 in 2009 to £1,536 in 2010. The decrease in total variable costs of £121 per hectare in 2010 was mainly the result of lower fertiliser costs in 2010.

Table 28 Average outputs, variable costs and gross margins per hectare for winter wheat, 2009/10 and 2010/11¹

| | 2009/10 | 2010/11 |
|-----------------------------|--------------|----------------------|
| Number of farms | | 10 |
| Output | | £ per hectare |
| Grain | 840 | 1,265 |
| Straw | 247 | 271 |
| Total Output | 1,087 | 1,536 |
| Variable Costs | | |
| Seed | 76 | 67 |
| Fertilisers | 223 | 132 |
| Sprays | 151 | 152 |
| Sundries | 78 | 56 |
| Total Variable Costs | 528 | 407 |
| Gross Margin | 559 | 1,129 |
| Grain yield (tonnes per ha) | 8.06 | 8.14 |
| Straw yield (tonnes per ha) | 5.37 | 4.65 |

1. Based on data from an identical sample of farms.

The 'above average' group of farms in 2010 had an average grain yield of 9.61 tonnes per hectare, and this was 2.33 tonnes more than the 'below average' group. Higher values for grain and straw output resulted in an output value of £1,891 per hectare for the above average group, some £537 above that of the below average group. Total variable costs per hectare were £65 higher in the 'above average' group at £458 per hectare. The gross margins per hectare were £1,433 for the above average group and £961 for the below average group.

The 2010 crop results show that the highest gross margin per hectare was obtained by winter wheat (£1,129) followed by winter barley (£984) and then spring barley (£678). This order is what would be expected in a normal year, as usually winter wheat is highest, followed by winter barley and then spring barley. In saying this, the ranges in performances for the crops show that they overlap to quite an extent with many of the better performing winter barley crops having higher gross margins than the poorer performing winter wheat crops and some of the better performing spring barley crops having higher gross margins than the poorer performing winter barley crops.

4.8 Potatoes

The gross margin performances for the 2009 and 2010 ware potato crops were £2,103 and £2,779 per hectare respectively. This increase in gross margin of £676 per hectare was the combined result of a £508 increase in output and a £168 decrease in variable costs between 2009 and 2010. The increase in output resulted from increases in both ware potato prices and yields in 2010. Ware potatoes prices increased from £125 per tonne in 2009/10 to £140 per tonne in 2010/11, whereas, ware potato yield increased from 29.4 tonnes per hectare in 2009 to 30.5 tonnes per hectare in 2010. The total variable costs incurred decreased from £1,564 per hectare in 2009/10 to £1,396 per hectare in 2010/11, which is a decrease of £168 per hectare. In terms of individual costs, fertiliser showed the most decrease, falling from £429 per hectare in 2009/10 to £310 per hectare in 2010/11 (i.e. a decrease of £119 per hectare). In addition, there were also important decreases in the costs of

seed (£39 per hectare) and sprays (£61 per hectare) between 2009 and 2010. In total, the average variable costs of production per tonne for the ware crop decreased from £53.20 in 2009 to £45.77 in 2010. It should however be noted that the costs included in determining the gross margin for potatoes do not include machinery, conacre rent and hired full-time labour costs. Such costs would be taken into account when determining the full cost of growing potatoes.

Table 29 Average outputs, variable costs and gross margins per hectare for ware potato crops, 2009/10 and 2010/11¹

| | Ware Crop | |
|-----------------------------|--------------|----------------------|
| | 2009/10 | 2010/11 |
| Number of farms | | 8 |
| | | £ per hectare |
| Potato Output | 3,667 | 4,175 |
| Variable costs | | |
| Seed | 512 | 473 |
| Fertiliser | 429 | 310 |
| Sprays | 322 | 261 |
| Contract/Casual Wages | 181 | 232 |
| Sundries | 120 | 120 |
| Total Variable costs | 1,564 | 1,396 |
| Gross Margin | 2,103 | 2,779 |
| Total yield (tonnes/ha) | 29.4 | 30.5 |
| Av price per tonne (£) | 125 | 140 |

1. Based on data from an identical sample of farms.

Gross margins for the 'top' and 'bottom' performance groups for the main enterprises are summarised in Table 30. They show that for all 7 enterprises, the gross margin for the 'top' group is at least 80% more than that of the 'bottom' group. This outcome is typical of most years and arises because of differing farmer skills and resources. The data, while illustrating the wide range in performance levels found on farms also suggests that there is a possibility for improvements on some farms.

Table 30 Gross margins of the 'top' and 'bottom' performance groups for selected enterprises, 2010/11

| | | | Top ¹ Group | Bottom ¹ Group |
|---------------|---|---------|---------------------------|------------------------------|
| | | | £ Per head | |
| Dairy cows | | | 1,129 | 606 |
| Suckler cows | - | DA | 261 | -68 |
| | - | SDA | 277 | -2 |
| Breeding ewes | - | DA | 84 | 21 |
| | - | SDA | 54 | 4 |
| | - | Lowland | 87 | 30 |
| Spring barley | | | 858 | 466 |

1 For livestock enterprises the 'top' and 'bottom' groups refer to 25% of the samples and for crop enterprises 15% of the samples.

5. FIXED COSTS

As shown in table 31 the average levels of fixed costs per hectare (excluding labour costs) measured across all farm types increased from £447 in 2009/10 to £485 in 2010/11. At the individual farm type level, all of the six farm types recorded increases in fixed costs. Increases in fixed costs per hectare ranged from £6 on Pig farms to £63 on Dairy farms.

Table 31 Fixed costs per hectare by type of farm, 2009/10 and 2010/11^{1, 2}

| | 2009/10 | 2010/11 |
|----------------------------|------------|------------|
| | £ per ha | |
| Cereals | 605 | 638 |
| Pigs | 2177 | 2183 |
| Dairy | 724 | 787 |
| Cattle and Sheep (LFA) | 269 | 295 |
| Cattle and Sheep (Lowland) | 415 | 447 |
| Mixed | 789 | 828 |
| All Types | 447 | 485 |

1. Excludes labour costs.

2. Based on data from an identical sample of farms.

Table 32 gives a breakdown of fixed costs in both years. Three major components of fixed costs (excluding labour) are depreciation of buildings and works, machinery depreciation, and machinery running costs. In both 2009/10 and 2010/11, these three cost categories, on average accounted for 70% of total fixed costs across all types of farm.

Table 32 Fixed costs per hectare, by category, 2009/10 and 2010/11¹

| | 2009/10 | 2010/11 |
|-------------------------------------|------------|------------|
| | £ per ha | |
| Depreciation of buildings and works | 93 | 101 |
| Depreciation of machinery | 113 | 121 |
| Machinery running costs | 106 | 119 |
| Farm insurance | 11 | 12 |
| Farm fuel | 21 | 22 |
| Rates and water charges | 12 | 13 |
| Building repairs and miscellaneous | 68 | 74 |
| Interest payments | 23 | 23 |
| Total | 447 | 485 |

1. Based on data from an identical sample of farms.

When cost savings are sought they are most likely to be found in the main expenditure areas. During low-income periods this has resulted in a reduction in the level of capital expenditure on machinery and equipment, as farmers have tended to replace machinery less frequently. Other fixed costs such as farm fuel, rates, building repairs and insurance cannot be reduced so readily.

6. Revised Method for Farm Type Classification

For UK statistical purposes, farms are grouped into 10 'robust' farm types which have particular relevance to UK conditions i.e. Cereals, General Cropping, Horticulture, Specialist Pigs, Specialist Poultry, Dairy, Cattle & Sheep (LFA), Cattle & Sheep (Lowland), Mixed and Other.

From the 2010/11 accounting year, the system for the classification of farms into the different types is based on that set out in Commission Regulation (EC) 1242/2008 and explained in greater detail in the EU Farm Accountancy Data Network (FADN) Typology Handbook RI/CC 1500 rev.3. This system classifies farms based on the distribution of their Standard Output (SO) between enterprises. In contrast, in previous accounting years and past editions of the 'Farm Incomes in Northern Ireland' publication, farms were classified according to their distribution of Standard Gross Margin (SGM) between enterprises¹. The impact of this change in methodology upon the classification of all farms in Northern Ireland is shown in annex 1 of 'The Agricultural Census in Northern Ireland 2011' publication which is available on the DARD website at: <http://www.dardni.gov.uk/index/publications/pubs-dard-statistics/ni-agri-census-2011.htm>

To assess the impact of this change on average Farm Incomes, Table 33 shows Farm Business Incomes for the accounting years 2009/10 and 2010/11 using the old (SGM) and new (SO) methods. As can be seen, the change of classification method results in a slight decrease of 2.6% in 2009/10 and 0.8% in 2010/11 to the average level of Farm Business Income when measured across all farm types above 0.5 Standard Labour Requirements (SLR's). Also, when considered for individual farm size groupings, the change in classification between SGM and SO methods results in changes to average Farm Business Incomes of between -6.9% to 0.5% in 2009/10 and between -13.7% to 2.8% in 2010/11.

For the six individual farm types covered by the Farm Business Survey (FBS), Table 34 shows Farm Business Incomes in 2009/10 and 2010/11 under the old (SGM) and new (SO) methods. As can be seen, the levels of Farm Business Income show only a slight change for Dairy and LFA Cattle & Sheep farms, whereas, Cereals, Pig, Lowland Cattle & Sheep, and Mixed farms show more substantial changes. The reason for this more substantial change is that farms in the latter groups were more likely to change classification type when the new methodology was applied. In moving to the new method the weights and sample composition of FBS farms for each of these farm types has changed. As a result of this revision to the farm classification method, incomes presented in this edition of the 'Farm Incomes in Northern Ireland' publication will not be directly comparable with those published in earlier editions.

¹ See Appendix 4 for further details on Farm Types, Standard Output (SO) and Standard Gross Margin (SGM).

Table 33 Farm Business Incomes by Farm Size (All Types) under the old (SGM) and new (SO) farm classification methods (£ per Farm) ²

| Farm Size | | SGM Method | SO Method | % Change |
|-----------|-------|------------|-----------|----------|
| 0.5-1 SLR | 09/10 | 12,622 | 11,749 | -6.9 |
| | 10/11 | 11,139 | 9,617 | -13.7 |
| 1-2 SLR | 09/10 | 24,222 | 23,335 | -3.7 |
| | 10/11 | 25,924 | 26,659 | 2.8 |
| 2-3 SLR | 09/10 | 30,623 | 30,018 | -2.0 |
| | 10/11 | 43,825 | 42,386 | -3.3 |
| 3+ SLR | 09/10 | 47,414 | 47,673 | 0.5 |
| | 10/11 | 84,324 | 85,380 | 1.3 |
| 0.5+ SLR | 09/10 | 22,983 | 22,377 | -2.6 |
| | 10/11 | 29,397 | 29,159 | -0.8 |

Table 34 Farm Business Incomes by Farm Type (> 0.5 SLR) under the old (SGM) and the new (SO) farm classification methods (£ per Farm) ²

| Farm Type | | SGM Method | SO Method | % Change |
|--------------------------|--------------|---------------|---------------|--------------|
| Cereals | 09/10 | 11,253 | 10,105 | -10.2 |
| | 10/11 | 32,556 | 35,942 | 10.4 |
| Pigs | 09/10 | 71,422 | 85,735 | 20.0 |
| | 10/11 | 34,950 | 56,279 | 61.0 |
| Dairy | 09/10 | 18,110 | 17,847 | -1.5 |
| | 10/11 | 49,994 | 51,555 | 3.1 |
| Cattle & Sheep (LFA) | 09/10 | 21,940 | 22,992 | 4.8 |
| | 10/11 | 18,687 | 19,257 | 3.1 |
| Cattle & Sheep (Lowland) | 09/10 | 18,737 | 18,660 | -0.4 |
| | 10/11 | 10,469 | 9,354 | -10.7 |
| Mixed | 09/10 | 39,692 | 33,675 | -15.2 |
| | 10/11 | 40,911 | 43,925 | 7.4 |
| ALL TYPES | 09/10 | 22,983 | 22,377 | - 2.6 |
| | 10/11 | 29,397 | 29,159 | -0.8 |

²For each individual classification method, the Farm Business Income results of both years are based on a matched sample of farms. However, the same matched sample does not exist for both methods as some farms changed type when moving between methods.

APPENDICES 1.1 – 1.7

**Table 1.1 – CEREAL FARMS – ALL SIZES
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2009/10 AND 2010/11¹**

| | Cereals | | % Change |
|--|--------------|---------------|-------------|
| | 2009/10 | 2010/11 | |
| Number of farms | | | |
| Average size of business (ESUs) | | 42.7 | |
| Total Area of Farm (ha) | 72.3 | 75.3 | 4.1 |
| of which: Crops and grass | 69.4 | 72.4 | 4.3 |
| Rough grazing | 0.8 | 1.1 | 37.5 |
| SIZE OF ENTERPRISES: | | | |
| Hectares - Total crops (of which cereals) | 60.3 54.5 | 62.9 56.2 | 4.3 3.1 |
| Av. no. - Dairy cows | - | - | - |
| Av. no. - Beef cows | - | - | - |
| Av. no. - Other cattle | 6.6 | 8.4 | 27.3 |
| Av. no. - Ewes | 29.5 | 28.0 | -5.1 |
| Av. no. - Sows/gilts | - | - | - |
| CROP OUTPUT: | | | |
| Cereals | 40423 | 66954 | 65.6 |
| Potatoes | - | - | - |
| Misc. crop output | 15214 | 19117 | 25.7 |
| TOTAL CROP PRODUCTION | 55637 | 86071 | 54.7 |
| LIVESTOCK OUTPUT: | | | |
| Cattle – rearing & fattening | 2191 | 1944 | -11.3 |
| Cattle – dairy | - | - | - |
| Milk | - | - | - |
| Sheep and wool | 3866 | 4577 | 18.4 |
| Pigs | - | - | - |
| Poultry and eggs | - | - | - |
| Other livestock | - | - | - |
| TOTAL LIVESTOCK OUTPUT | 6057 | 6521 | 7.7 |
| Single Farm Payment | 21188 | 19812 | -6.5 |
| LFA Compensatory Allowance Scheme | - | - | - |
| Agri Environmental Scheme | 2831 | 2674 | -5.5 |
| Miscellaneous Subsidies | - | - | - |
| Miscellaneous revenue | 7290 | 6664 | -8.6 |
| On Farm - Non Farm Income | - | - | - |
| Adjustment for disposal of previous years crop | 331 | 443 | 33.8 |
| TOTAL FARM OUTPUT | 93333 | 122184 | 30.9 |

1. Based on data from an identical sample of farms.

| INPUTS | Cereals | | % Change |
|---|-------------------|----------------|-----------------|
| | 2009/10 | 2010/11 | |
| | £ per farm | | |
| Purchased concentrate feed & fodder | 903 | 1183 | 31.0 |
| Home grown concentrate feed | 134 | 158 | 17.9 |
| Veterinary fees & medicines | 497 | 701 | 41.0 |
| Other livestock costs | 159 | 166 | 4.4 |
| Purchased & home grown seed | 4023 | 4215 | 4.8 |
| Fertilisers | 14399 | 10606 | -26.3 |
| Other crop costs | 9332 | 9013 | -3.4 |
| Regular & casual labour | 640 | 892 | 39.4 |
| Machinery excluding depreciation | 18039 | 21072 | 16.8 |
| Depreciation of plant machinery & vehicles | 16846 | 17924 | 6.4 |
| Depreciation of building & works | 3903 | 4074 | 4.4 |
| Land & building inputs | 5191 | 7270 | 40.1 |
| Interest payments | 2283 | 2253 | -1.3 |
| Other general farming costs | 6879 | 6715 | -2.4 |
| TOTAL VARIABLE COSTS | 37761 | 36279 | -3.9 |
| TOTAL FIXED COSTS | 45467 | 49963 | 9.9 |
| TOTAL INPUTS | 83228 | 86242 | 3.6 |
| FARM BUSINESS INCOME | 10105 | 35942 | 255.7 |
| (plus) depreciation of buildings & works | 3903 | 4074 | 4.4 |
| (plus) depreciation of plant machinery & vehicles | 16846 | 17924 | 6.4 |
| (minus) valuation change | 1441 | -5397 | -474.5 |
| (equals) CASH INCOME | 29413 | 63337 | 115.3 |
| (minus) Net capital investment | 13979 | 23439 | 67.7 |
| CASH FLOW FARM BUSINESS | 15434 | 39898 | 158.5 |
| AVERAGE VALUATIONS | 94440 | 90303 | -4.4 |

**TABLE 1.2 – MIXED AND PIG FARMS – ALL SIZES
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2009/10 AND 2010/11¹**

| | 2009/10 | Mixed 2010/11 | % Change | 2009/10 | Pigs 2010/11 | % Change |
|---|---------------|-------------------|-------------|---------------|-------------------|-------------|
| Number of farms | | | | | | |
| Average size of business (ESUs) | | 53.2 | | | 47.8 | |
| Total Area of Farm (ha) | 67.8 | 66.0 | -2.7 | 23.5 | 23.5 | - |
| of which: Crops and grass | 65.0 | 63.1 | -2.9 | 22.5 | 22.5 | - |
| Rough grazing | 0.2 | 0.3 | 50.0 | 0.1 | 0.1 | - |
| SIZE OF ENTERPRISES: | | | | | | |
| Hectares - Total crops | 14.9 | 15.2 | 2.0 | 2.2 | 2.6 | 18.2 |
| (of which cereals) | 12.5 | 13.1 | 4.8 | 1.9 | 2.3 | 21.1 |
| Av. no. - Dairy cows | 15.2 | 15.6 | 2.6 | - | - | - |
| Av. no. - Beef cows | 18.4 | 19.3 | 4.9 | - | - | - |
| Av. no. - Other cattle | 91.4 | 89.6 | -2.0 | 33.3 | 34.1 | 2.4 |
| Av. no. - Ewes | 71.7 | 73.1 | 2.0 | 51.1 | 45.5 | -11.0 |
| Av. no. - Sows/gilts | 16.2 | 20.5 | 26.5 | 148.6 | 152.5 | 2.6 |
| CROP OUTPUT: | | | | | | |
| | | £ per farm | | | £ per farm | |
| Cereals | 8538 | 14441 | 69.1 | 1108 | 2240 | 102.2 |
| Potatoes | 6413 | 7332 | 14.3 | - | - | - |
| Misc. crop output | 3991 | 4841 | 21.3 | 614 | 594 | -3.3 |
| TOTAL CROP PRODUCTION | 18942 | 26613 | 40.5 | 1722 | 2835 | 64.6 |
| LIVESTOCK OUTPUT: | | | | | | |
| Cattle – rearing & fattening | 35621 | 35508 | -0.3 | 12185 | 10979 | -9.9 |
| Cattle – dairy | 13 | -812 | -6346.2 | - | - | - |
| Milk | 17755 | 24314 | 36.9 | - | - | - |
| Sheep and wool | 8243 | 7840 | -4.9 | 6582 | 6771 | 2.9 |
| Pigs | 20808 | 28288 | 35.9 | 309122 | 300069 | -2.9 |
| Poultry and eggs | 1829 | 2010 | 9.9 | - | - | - |
| Other livestock | 51 | - | -100.0 | - | - | - |
| TOTAL LIVESTOCK OUTPUT | 84320 | 97147 | 15.2 | 327890 | 317819 | -3.1 |
| Single Farm Payment | 22157 | 20731 | -6.4 | 8887 | 8364 | -5.9 |
| LFA Compensatory scheme | 316 | 348 | 10.1 | 245 | 253 | 3.3 |
| Agri Environmental Scheme | 1682 | 1548 | -8.0 | 940 | 357 | -62.0 |
| Miscellaneous subsidies | 102 | 202 | 98.0 | 168 | 866 | 415.5 |
| Miscellaneous revenue | 15643 | 15286 | -2.3 | 424 | 408 | -3.8 |
| On Farm - Non Farm Income | 7277 | 7277 | - | 140 | 168 | 20.0 |
| Adjustment for disposal of previous years crop | 90 | 143 | 58.9 | - | - | - |
| TOTAL FARM OUTPUT | 150530 | 169295 | 12.5 | 340415 | 331070 | -2.7 |

1. Based on data from an identical sample of farms.

| INPUTS | Mixed | | | Pigs | | |
|---|-----------------------|---------------|---------------|-----------------------|---------------|--------------|
| | 2009/10 £ per farm | 2010/11 | % change | 2009/10 £ per farm | 2010/11 | % change |
| Purchased concentrate feed & fodder | 30683 | 36649 | 19.4 | 174569 | 192685 | 10.4 |
| Home grown concentrate feed | 3445 | 4163 | 20.8 | - | - | - |
| Veterinary fees & medicines | 3234 | 3873 | 19.8 | 7520 | 8263 | 9.9 |
| Other livestock costs | 2113 | 2334 | 10.5 | 8380 | 9679 | 15.5 |
| Purchased & home grown seed | 2487 | 1973 | -20.7 | 148 | 222 | 50.0 |
| Fertilisers | 8695 | 7977 | -8.3 | 1153 | 1490 | 29.2 |
| Other crop costs | 3065 | 3716 | 21.2 | 351 | 368 | 4.8 |
| Regular & casual labour | 2488 | 2731 | 9.8 | 9145 | 8501 | -7.0 |
| Machinery excluding depreciation | 17292 | 19419 | 12.3 | 9915 | 8513 | -14.1 |
| Depreciation of plant machinery & vehicles | 17052 | 16649 | -2.4 | 10248 | 10181 | -0.7 |
| Depreciation of building & works | 6575 | 6265 | -4.7 | 6926 | 9568 | 38.1 |
| Land & building inputs | 10058 | 9983 | -0.7 | 7060 | 8101 | 14.7 |
| Interest payments | 1251 | 1111 | -11.2 | 4777 | 3097 | -35.2 |
| Other general farming costs | 8415 | 8526 | 1.3 | 14489 | 14122 | -2.5 |
| TOTAL VARIABLE COSTS | 59014 | 66357 | 12.4 | 196291 | 216685 | 10.4 |
| TOTAL FIXED COSTS | 57841 | 59012 | 2.0 | 58389 | 58106 | -0.5 |
| TOTAL INPUTS | 116855 | 125369 | 7.3 | 254680 | 274791 | 7.9 |
| FARM BUSINESS INCOME | 33675 | 43925 | 30.4 | 85735 | 56279 | -34.4 |
| (plus) depreciation of buildings & works | 6575 | 6265 | -4.7 | 6926 | 9568 | 38.1 |
| (plus) depreciation of plant machinery & vehicles | 17052 | 16649 | -2.4 | 10248 | 10181 | -0.7 |
| (minus) valuation change | 5325 | 5776 | 8.5 | 7089 | 4541 | -35.9 |
| (equals) CASH INCOME | 51977 | 61064 | 17.5 | 95818 | 71488 | -25.4 |
| (minus) Net capital investment | 48663 | 18936 | -61.1 | 25658 | 35931 | 40.0 |
| (equals) CASH FLOW FARM BUSINESS | 3314 | 42128 | 1171.2 | 70161 | 35556 | -49.3 |
| AVERAGE VALUATIONS | 143145 | 155182 | 8.4 | 137506 | 149910 | 9.0 |

**TABLE 1.3 LOWLAND CATTLE AND SHEEP
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2009/10 AND 2010/11¹**

| | 0.5 < 1 SLR | | | 1 < 2 SLR | | | ALL SIZES | | |
|--|--------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change |
| Number of farms | | 11 | | | 20 | | | 35 | |
| Average size of business (ESUs) | | 18.1 | | | 30.9 | | | 29.3 | |
| Total Area of Farm (ha) | 51.0 | 50.3 | -1.4 | 82.6 | 75.8 | -8.2 | 70.1 | 66.6 | -5.0 |
| of which: Crops and grass | 44.5 | 43.8 | -1.6 | 71.3 | 72.4 | 1.5 | 62.3 | 61.4 | -1.4 |
| Rough grazing | 4.0 | 4.3 | 7.5 | 10.0 | 2.1 | -79.0 | 5.8 | 3.4 | -41.4 |
| SIZE OF ENTERPRISES: | | | | | | | | | |
| Hectares - Total crops | 2.7 | 2.2 | -18.5 | 4.9 | 4.3 | -12.2 | 4.8 | 4.3 | -10.4 |
| Av. No. - Dairy cows | - | - | - | 1.1 | 1.4 | 27.3 | 0.4 | 0.5 | 25.0 |
| Av. No. - Beef cows | 23.9 | 23.7 | -0.8 | 26.4 | 26.8 | 1.5 | 34.7 | 34.6 | -0.3 |
| Av. No. - Other cattle | 58.0 | 55.0 | -5.2 | 114.2 | 115.2 | 0.9 | 95 | 94.2 | -0.8 |
| Av. No. - Ewes | 68.7 | 68.4 | -0.4 | 95.0 | 92.6 | -2.5 | 91.3 | 90.1 | -1.3 |
| Av. No. - Sows/gilts | - | - | - | - | - | - | - | - | - |
| CROP OUTPUT: | | | | | | | | | |
| Cereals | 994 | 1559 | 56.8 | 2396 | 3392 | 41.6 | 1918 | 2996 | 56.2 |
| Potatoes | - | - | - | 1097 | 1140 | 3.9 | 1226 | 1147 | -6.4 |
| Misc. crop output | 439 | 678 | 54.4 | 790 | 525 | -33.5 | 936 | 860 | -8.1 |
| Total Crop Production | 1432 | 2238 | 56.3 | 4283 | 5057 | 18.1 | 4080 | 5003 | 22.6 |
| Livestock Output: | | | | | | | | | |
| Cattle – rearing & fattening | 23899 | 20240 | -15.3 | 44287 | 39540 | -10.7 | 41471 | 35822 | -13.6 |
| Cattle – dairy | - | - | - | -248 | -262 | -5.6 | -80 | -84 | -5.0 |
| Milk | - | - | - | 1082 | 1975 | 82.5 | 348 | 635 | 82.5 |
| Sheep and wool | 6100 | 5400 | -11.5 | 8350 | 9898 | 18.5 | 8508 | 8784 | 3.2 |
| Pigs | - | - | - | 180 | 200 | 11.1 | 58 | 64 | 10.3 |
| Poultry and eggs | - | - | - | 198 | 244 | 23.2 | 64 | 78 | 21.9 |
| Other livestock | - | 12 | - | - | - | - | - | 7 | - |
| TOTAL LIVESTOCK OUTPUT | 29999 | 25652 | -14.5 | 53848 | 51595 | -4.2 | 50368 | 45305 | -10.1 |
| Single Farm Payment | 14736 | 13691 | -7.1 | 26302 | 24505 | -6.8 | 24910 | 23210 | -6.8 |
| LFA Compensatory scheme | 158 | 166 | 5.1 | 518 | 572 | 10.4 | 323 | 349 | 8.0 |
| Agri Environmental Scheme | 2581 | 891 | -65.5 | 1762 | 2124 | 20.5 | 2400 | 1593 | -33.6 |
| Miscellaneous subsidies | - | - | - | 51 | 50 | -2.0 | 122 | 311 | 154.9 |
| Miscellaneous revenue | 395 | 249 | -37.0 | 797 | 974 | 22.2 | 1145 | 817 | -28.6 |
| On Farm - Non Farm Income | - | - | - | 325 | 325 | - | 105 | 105 | - |
| Adjustment for disposal of previous years crop | -31 | - | 100.0 | -4 | 15 | 475.0 | - | -13 | - |
| TOTAL FARM OUTPUT | 49270 | 42886 | -13.0 | 87883 | 85216 | -3.0 | 83452 | 76680 | -8.1 |

1. Based on data from an identical sample of farms.

| | 0.5 < 1 SLR | | | 1 < 2 SLR | | | ALL SIZES | | |
|---|--------------|--------------|---------------|---------------|---------------|--------------|---------------|---------------|--------------|
| | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change |
| INPUTS | £ per farm | | | £ per farm | | | £ per farm | | |
| Purchased concentrate feed & fodder | 7430 | 7027 | -5.4 | 13642 | 14453 | 5.9 | 13118 | 14469 | 10.3 |
| Home grown concentrate feed | 676 | 573 | -15.2 | 1802 | 2438 | 35.3 | 1463 | 1931 | 32.0 |
| Veterinary fees & medicines | 1303 | 1335 | 2.5 | 1822 | 2407 | 32.1 | 2034 | 2365 | 16.3 |
| Other livestock costs | 1633 | 1495 | -8.5 | 1593 | 1464 | -8.1 | 1830 | 1791 | -2.1 |
| Purchased & home grown seed | 475 | 333 | -29.9 | 554 | 614 | 10.8 | 620 | 611 | -1.5 |
| Fertilisers | 3871 | 3065 | -20.8 | 5634 | 5976 | 6.1 | 5827 | 5821 | -0.1 |
| Other crop costs | 362 | 393 | 8.6 | 1013 | 902 | -11.0 | 1072 | 895 | -16.5 |
| Regular & casual labour | 2825 | 2906 | 2.9 | 1629 | 1604 | -1.5 | 2540 | 2390 | -5.9 |
| Machinery excluding depreciation | 7106 | 7683 | 8.1 | 10199 | 10885 | 6.7 | 9688 | 10495 | 8.3 |
| Depreciation of plant machinery & vehicles | 4313 | 4237 | -1.8 | 7287 | 8031 | 10.2 | 8201 | 8392 | 2.3 |
| Depreciation of building & works | 2848 | 3223 | 13.2 | 3205 | 3460 | 8.0 | 4577 | 4899 | 7.0 |
| Land & building inputs | 3673 | 2836 | -22.8 | 8009 | 8635 | 7.8 | 7521 | 6634 | -11.8 |
| Interest payments | 295 | 77 | -73.9 | 877 | 763 | -13.0 | 717 | 636 | -11.3 |
| Other general farming costs | 4525 | 4836 | 6.9 | 5507 | 5895 | 7.0 | 5584 | 5998 | 7.4 |
| TOTAL VARIABLE COSTS | 19424 | 18353 | -5.5 | 30947 | 32879 | 6.2 | 30775 | 32641 | 6.1 |
| TOTAL FIXED COSTS | 21913 | 21665 | -1.1 | 31826 | 34648 | 8.9 | 34017 | 34686 | 2.0 |
| TOTAL INPUTS | 41337 | 40019 | -3.2 | 62773 | 67526 | 7.6 | 64792 | 67326 | 3.9 |
| FARM BUSINESS INCOME | 7933 | 2867 | -63.9 | 25110 | 17690 | -29.5 | 18660 | 9354 | -49.9 |
| (plus) depreciation of buildings & works | 2848 | 3223 | 13.2 | 3205 | 3460 | 8.0 | 4577 | 4899 | 7.0 |
| (plus) depreciation of plant machinery & vehicles | 4313 | 4237 | -1.8 | 7287 | 8031 | 10.2 | 8201 | 8392 | 2.3 |
| (minus) valuation change | 839 | 3004 | 258.0 | 2351 | 4510 | 91.8 | 5246 | 5116 | -2.5 |
| (equals) CASH INCOME | 14255 | 7323 | -48.6 | 33251 | 24671 | -25.8 | 26192 | 17529 | -33.1 |
| (minus) Net capital investment | 11632 | 7397 | -36.4 | 13282 | 12427 | -6.4 | 19200 | 16443 | -14.4 |
| (equals) CASH FLOW FARM BUSINESS | 2624 | -73 | -102.8 | 19968 | 12245 | -38.7 | 6993 | 1086 | -84.5 |
| AVERAGE VALUATIONS | 60871 | 64952 | 6.7 | 114664 | 122661 | 7.0 | 103106 | 112520 | 9.1 |

**TABLE 1.4 – DAIRY FARMS
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2009/10 AND 2010/11¹**

| | 0.5 < 1 SLR | | | 1 < 2 SLR | | | 2 < 3 SLR | | | > 3 SLR | | |
|---|--------------|--------------|-------------|--------------|---------------|--------------|---------------|---------------|-------------|---------------|---------------|-------------|
| | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change |
| Number of farms | | 11 | | | 38 | | | 23 | | | 30 | |
| Average size of business (ESUs) | | 26.7 | | | 48.3 | | | 83.2 | | | 183.0 | |
| Total Area of Farm (ha) | 34.0 | 33.9 | -0.3 | 44.4 | 45.3 | 2.0 | 69.5 | 69.3 | -0.3 | 136.8 | 139.2 | 1.8 |
| of which: Crops and grass | 32.6 | 32.4 | -0.6 | 42.0 | 42.8 | 1.9 | 63.5 | 63.4 | -0.2 | 127.6 | 130.4 | 2.2 |
| Rough grazing | - | 0.2 | - | 1.2 | 1.2 | - | 4.8 | 4.7 | -2.1 | 7.0 | 5.8 | -17.1 |
| SIZE OF ENTERPRISES: | | | | | | | | | | | | |
| Hectares - Total crops | 1.0 | 0.7 | -30.0 | 0.6 | 0.9 | 50.0 | 0.8 | 0.5 | -37.5 | 4.4 | 5.6 | 27.3 |
| Av. no - Dairy cows | 31.6 | 29.9 | -5.4 | 53.7 | 55.5 | 3.4 | 98.8 | 99.6 | 0.8 | 215.0 | 214.4 | -0.3 |
| Av. no - Beef cows | 1.8 | 1.3 | -27.8 | 2.3 | 2.5 | 8.7 | 1.4 | 1.2 | -14.3 | 3.5 | 2.9 | -17.1 |
| Av. no - Other cattle | 27.0 | 27.9 | 3.3 | 42.7 | 40.8 | -4.4 | 75.8 | 73.6 | -2.9 | 149.7 | 163.2 | 9.0 |
| Av. no - Ewes | - | - | - | 4.0 | 4.4 | 10.0 | - | - | - | 14.0 | 14.0 | - |
| Av. no - Sows/gilts | - | - | - | - | - | - | - | - | - | - | - | - |
| CROP OUTPUT: | | | | | | | | | | | | |
| Cereals | 653 | 526 | -19.4 | 232 | 507 | 118.5 | 142 | 394 | 177.5 | 1980 | 3655 | 84.6 |
| Potatoes | - | - | - | - | - | - | - | - | - | - | - | - |
| Misc. crop output | 242 | 805 | 232.6 | 232 | 986 | 325.0 | 662 | 1099 | 66.0 | 2228 | 524 | -76.5 |
| Total Crop Production | 895 | 1331 | 48.7 | 464 | 1493 | 221.8 | 804 | 1493 | 85.7 | 4208 | 4178 | -0.7 |
| Livestock Output: | | | | | | | | | | | | |
| Cattle – rearing & fattening | 8222 | 8670 | 5.4 | 14195 | 14815 | 4.4 | 25408 | 25139 | -1.1 | 50057 | 53329 | 6.5 |
| Cattle – dairy | 147 | -213 | -244.9 | -500 | -1821 | -264.2 | -2345 | -2285 | 2.6 | -12828 | -9471 | 26.2 |
| Milk | 28649 | 37109 | 29.5 | 53843 | 75223 | 39.7 | 94141 | 127747 | 35.7 | 258144 | 359733 | 39.4 |
| Sheep and wool | - | - | - | 393 | 388 | -1.3 | 68 | - | -100.0 | 1361 | 1291 | -5.1 |
| Pigs | - | - | - | - | - | - | - | - | - | - | - | - |
| Poultry and eggs | - | - | - | - | - | - | 1418 | 2212 | 56.0 | - | - | - |
| Other livestock | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL LIVESTOCK OUTPUT | 37019 | 45565 | 23.1 | 67931 | 88606 | 30.4 | 118689 | 152814 | 28.8 | 296735 | 404882 | 36.4 |
| Single Farm Payment | 8261 | 7638 | -7.5 | 12260 | 11460 | -6.5 | 19140 | 17924 | -6.4 | 36149 | 33773 | -6.6 |
| LFA Compensatory scheme | 57 | 54 | -5.3 | 260 | 288 | 10.8 | 122 | 158 | 29.5 | 249 | 232 | -6.8 |
| Agricultural Environment Schemes | 347 | 312 | -10.1 | 487 | 1030 | 111.5 | 1172 | 958 | -18.3 | 1306 | 1932 | 47.9 |
| Miscellaneous Subsidies | - | 330 | - | 60 | 837 | 1295.0 | 494 | 1634 | 230.8 | 602 | 3184 | 428.9 |
| Miscellaneous Revenue | 571 | 511 | -10.5 | 274 | 337 | 23.0 | 1319 | 1201 | -8.9 | 2088 | 2314 | 10.8 |
| On Farm - Non Farm Income | 517 | 517 | - | - | - | - | - | - | - | 1527 | 1527 | - |
| Adjustment for disposal of previous years crop | -1 | 16 | 1700.0 | - | - | - | - | - | - | - | - | - |
| Total Farm Output | 47665 | 56275 | 18.1 | 81735 | 104052 | 27.3 | 141741 | 176182 | 24.3 | 342863 | 452022 | 31.8 |

1. Based on data from an identical sample of farms.

| | 0.5 < 1 SLR | | | 1 < 2 SLR | | | 2 < 3 SLR | | | > 3 SLR | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|--------------|---------------|---------------|---------------|
| | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change |
| | £ per farm | | | £ per farm | | | £ per farm | | | £ per farm | | |
| INPUTS | | | | | | | | | | | | |
| Purchased concentrate feed & fodder | 12807 | 12730 | -0.6 | 20682 | 22665 | 9.6 | 37153 | 37023 | -0.3 | 118847 | 140375 | 18.1 |
| Home grown concentrate feed | 1216 | 1292 | 6.3 | 1708 | 2152 | 26.0 | 2151 | 2589 | 20.4 | 5513 | 8270 | 50.0 |
| Veterinary fees & medicines | 1622 | 1884 | 16.2 | 2639 | 2753 | 4.3 | 3877 | 4329 | 11.7 | 10338 | 13152 | 27.2 |
| Other livestock costs | 1889 | 1966 | 4.1 | 2892 | 3234 | 11.8 | 5030 | 5189 | 3.2 | 15170 | 18228 | 20.2 |
| Purchased & home grown seed | 135 | 137 | 1.5 | 126 | 280 | 122.2 | 153 | 309 | 102.0 | 2365 | 2454 | 3.8 |
| Fertilisers | 3204 | 2968 | -7.4 | 5531 | 5924 | 7.1 | 10068 | 9224 | -8.4 | 17281 | 18135 | 4.9 |
| Other crop costs | 315 | 342 | 8.6 | 447 | 589 | 31.8 | 834 | 764 | -8.4 | 4032 | 4674 | 15.9 |
| Regular & casual labour | 664 | 678 | 2.1 | 1023 | 1080 | 5.6 | 2601 | 3194 | 22.8 | 10903 | 12247 | 12.3 |
| Machinery excluding depreciation | 6567 | 6851 | 4.3 | 9058 | 10386 | 14.7 | 15237 | 17327 | 13.7 | 34545 | 38213 | 10.6 |
| Depreciation of plant machinery & vehicles | 3399 | 2953 | -13.1 | 5801 | 6576 | 13.4 | 10324 | 11337 | 9.8 | 20151 | 23580 | 17.0 |
| Depreciation of building & works | 1995 | 1853 | -7.1 | 6262 | 6622 | 5.7 | 14973 | 16572 | 10.7 | 29994 | 31245 | 4.2 |
| Land & building inputs | 2794 | 3279 | 17.4 | 4458 | 4514 | 1.3 | 7835 | 9597 | 22.5 | 22084 | 24568 | 11.2 |
| Interest payments | 594 | 690 | 16.2 | 902 | 820 | -9.1 | 3373 | 3266 | -3.2 | 8974 | 9508 | 6.0 |
| Other general farming costs | 5894 | 5906 | 0.2 | 7025 | 7499 | 6.7 | 9652 | 9736 | 0.9 | 16778 | 18225 | 8.6 |
| TOTAL VARIABLE COSTS | 24432 | 24489 | 0.2 | 38317 | 42087 | 9.8 | 68753 | 70155 | 2.0 | 197369 | 232371 | 17.7 |
| TOTAL FIXED COSTS | 18663 | 19038 | 2.0 | 30238 | 33008 | 9.2 | 54507 | 60302 | 10.6 | 119606 | 130501 | 9.1 |
| TOTAL INPUTS | 43095 | 43528 | 1.0 | 68555 | 75095 | 9.5 | 123260 | 130457 | 5.8 | 316974 | 362872 | 14.5 |
| FARM BUSINESS INCOME | 4571 | 12747 | 178.9 | 13180 | 28957 | 119.7 | 18481 | 45725 | 147.4 | 25888 | 89149 | 244.4 |
| (plus) depreciation of buildings & works | 1995 | 1853 | -7.1 | 6262 | 6622 | 5.7 | 14973 | 16572 | 10.7 | 29994 | 31245 | 4.2 |
| (plus) depreciation of plant machinery & vehicles | 3399 | 2953 | -13.1 | 5801 | 6576 | 13.4 | 10324 | 11337 | 9.8 | 20151 | 23580 | 17.0 |
| (minus) valuation change | -490 | -199 | 59.4 | 464 | 3235 | 597.2 | 2791 | 3460 | 24.0 | 9655 | 5744 | -40.5 |
| (equals) CASH INCOME | 10455 | 17751 | 69.8 | 24779 | 38920 | 57.1 | 40986 | 70175 | 71.2 | 66379 | 138230 | 108.2 |
| (minus) Net capital investment | 5459 | 2155 | -60.5 | 16910 | 17621 | 4.2 | 35670 | 38640 | 8.3 | 62651 | 73000 | 16.5 |
| (equals) CASH FLOW FARM BUSINESS | 4996 | 15596 | 212.2 | 7869 | 21299 | 170.7 | 5316 | 31534 | 493.2 | 3728 | 65230 | 1649.7 |
| AVERAGE VALUATIONS | 46747 | 47531 | 1.7 | 76374 | 83108 | 8.8 | 128140 | 137957 | 7.7 | 277572 | 298880 | 7.7 |

**TABLE 1.5 – LFA CATTLE AND SHEEP
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2009/10 AND 2010/11¹**

| | 0.5 < 1 SLR | | | 1 < 2 SLR | | | 2 < 3 SLR | | | > 3 SLR | | |
|---|--------------|--------------|-------------|--------------|--------------|------------|---------------|---------------|--------------|---------------|---------------|--------------|
| | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change |
| Number of farms | | 50 | | | 43 | | | 14 | | | 6 | |
| Average size of business (SLRs) | | 16.8 | | | 30.9 | | | 54.5 | | | 83.4 | |
| Total Area of Farm (ha) | 74.7 | 73.8 | -1.2 | 121.5 | 122.3 | 0.7 | 198.4 | 201.2 | 1.4 | 366.9 | 359.8 | -1.9 |
| of which: Crops and grass | 46.3 | 45.9 | -0.9 | 68.5 | 69.5 | 1.5 | 109.7 | 107.1 | -2.4 | 158.6 | 150.3 | -5.2 |
| Rough grazing | 20.7 | 20.5 | -1.0 | 48.6 | 48.3 | -0.6 | 56.4 | 60.0 | 6.4 | 138.7 | 140.0 | 0.9 |
| SIZE OF ENTERPRISES: | | | | | | | | | | | | |
| Hectares - Total crops | 1.0 | 0.9 | -10.0 | 0.6 | 1.0 | 66.7 | 3.5 | 2.5 | -28.6 | 1.7 | 2.9 | 70.6 |
| Av. no. - Dairy cows | - | - | - | 1.7 | 1.7 | - | - | - | - | - | - | - |
| Av. no. - Beef cows | 25.2 | 25.5 | 1.2 | 40.0 | 40.1 | 0.3 | 75.3 | 72.1 | -4.2 | 61.9 | 60.0 | -3.1 |
| Av. no. - Other cattle | 44.8 | 44.9 | 0.2 | 75.8 | 76.8 | 1.3 | 133.5 | 120.9 | -9.4 | 343.7 | 393.8 | 14.6 |
| Av. no. - Ewes | 88.4 | 81.9 | -7.4 | 174.9 | 179.7 | 2.7 | 279.6 | 343.4 | 22.8 | 511.8 | 517.6 | 1.1 |
| Av. no. - Sows/gilts | - | - | - | - | - | - | - | - | - | - | - | - |
| CROP OUTPUT: | | | | | | | | | | | | |
| Cereals | 110 | 190 | 72.7 | 312 | 794 | 154.5 | 1240 | 1564 | 26.1 | 681 | 1333 | 95.7 |
| Potatoes | - | - | - | - | - | - | 4321 | 1546 | -64.2 | - | - | - |
| Misc. crop output | 890 | 792 | -11.0 | 685 | 290 | -57.7 | 1420 | 540 | -62.0 | 1527 | 621 | -59.3 |
| Total Crop Production | 1000 | 981 | -1.9 | 998 | 1084 | 8.6 | 6980 | 3650 | -47.7 | 2209 | 1954 | -11.5 |
| Livestock Output: | | | | | | | | | | | | |
| Cattle – rearing & fattening | 17332 | 17168 | -0.9 | 34381 | 34557 | 0.5 | 64349 | 59060 | -8.2 | 163653 | 154976 | -5.3 |
| Cattle – dairy | - | - | - | 123 | 91 | -26.0 | - | - | - | - | - | - |
| Milk | - | - | - | 1931 | 2290 | 18.6 | - | - | - | - | - | - |
| Sheep and wool | 7138 | 7845 | 9.9 | 13061 | 16629 | 27.3 | 21923 | 25224 | 15.1 | 33641 | 33027 | -1.8 |
| Pigs | - | - | - | - | - | - | - | - | - | - | - | - |
| Poultry and eggs | - | - | - | - | - | - | - | - | - | - | - | - |
| Other livestock | - | - | - | 4 | - | -100.0 | - | - | - | - | - | - |
| Total Livestock Output | 24470 | 25013 | 2.2 | 49501 | 53566 | 8.2 | 86272 | 84284 | -2.3 | 197294 | 188003 | -4.7 |
| Single Farm Payment | 18123 | 17504 | -3.4 | 29472 | 27376 | -7.1 | 52901 | 49536 | -6.4 | 78508 | 72753 | -7.3 |
| LFA Compensatory scheme | 2937 | 3241 | 10.4 | 5212 | 5491 | 5.4 | 7623 | 8465 | 11.0 | 10861 | 15267 | 40.6 |
| Agricultural Environment Schemes | 2393 | 2514 | 5.1 | 2755 | 3688 | 33.9 | 2616 | 2711 | 3.6 | 4042 | 8854 | 119.0 |
| Miscellaneous Subsidies | 22 | 55 | 150.0 | 237 | 258 | 8.9 | 12 | 976 | 8033.3 | - | - | - |
| Miscellaneous Revenue | 930 | 1155 | 24.2 | 1341 | 1750 | 30.5 | 3436 | 2844 | -17.2 | 2557 | 2232 | -12.7 |
| On Farm – Non Farm Income | - | - | - | - | - | - | - | - | - | - | - | - |
| Adjustment for disposal of previous years crop | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Farm Output | 49875 | 50469 | 1.2 | 89515 | 93213 | 4.1 | 159841 | 152467 | -4.6 | 295470 | 289063 | -2.2 |

1. Based on data from an identical sample of farms.

| INPUTS | 0.5 < 1 SLR | | | 1 < 2 SLR | | | 2 < 3 SLR | | | > 3 SLR | | |
|---|----------------------|--------------|--------------|----------------------|---------------|--------------|----------------------|---------------|--------------|----------------------|---------------|--------------|
| | 2009/10 £ per fam | 2010/11 | % Change | 2009/10 £ per fam | 2010/11 | % Change | 2009/10 £ per fam | 2010/11 | % Change | 2009/10 £ per fam | 2010/11 | % Change |
| Purchased concentrate feed & fodder | 6659 | 6675 | 0.2 | 13500 | 12613 | -6.6 | 22622 | 23423 | 3.5 | 58493 | 83499 | 42.8 |
| Home grown concentrate feed | 58 | 57 | -1.7 | 444 | 758 | 70.7 | 579 | 1469 | 153.7 | 681 | 1333 | 95.7 |
| Veterinary fees & medicines | 1565 | 1638 | 4.7 | 2812 | 2961 | 5.3 | 3627 | 3906 | 7.7 | 5268 | 6600 | 25.3 |
| Other livestock costs | 1074 | 1221 | 13.7 | 1925 | 2138 | 11.1 | 2590 | 2877 | 11.1 | 2396 | 3321 | 38.6 |
| Purchased & home grown seed | 99 | 115 | 16.2 | 300 | 351 | 17.0 | 1003 | 797 | -20.5 | 311 | 111 | -64.3 |
| Fertilisers | 3535 | 3595 | 1.7 | 5704 | 6588 | 15.5 | 12120 | 10880 | -10.2 | 9329 | 12972 | 39.1 |
| Other crop costs | 379 | 543 | 43.3 | 441 | 567 | 28.6 | 1608 | 1391 | -13.5 | 545 | 1123 | -106.1 |
| Regular & casual labour | 877 | 1220 | 39.1 | 1546 | 1619 | 4.7 | 3857 | 3980 | 3.2 | 5431 | 8088 | 48.9 |
| Machinery excluding depreciation | 6684 | 7670 | 14.8 | 9768 | 10904 | 11.6 | 15549 | 17092 | 9.9 | 18291 | 20958 | 14.6 |
| Depreciation of plant machinery & vehicles | 5783 | 5831 | 0.8 | 8353 | 8719 | 4.4 | 12452 | 13416 | 7.7 | 14642 | 14663 | 0.1 |
| Depreciation of building & works | 2694 | 3461 | 28.5 | 4978 | 5395 | 8.4 | 8953 | 8912 | -0.5 | 16716 | 17773 | 6.3 |
| Land & building inputs | 4004 | 4601 | 14.9 | 5002 | 5568 | 11.2 | 11864 | 14831 | 25.0 | 15492 | 9672 | -37.6 |
| Interest payments | 500 | 526 | 5.2 | 1002 | 870 | -13.2 | 1060 | 946 | -10.8 | 6268 | 5993 | -4.4 |
| Other general farming costs | 4067 | 4119 | 1.3 | 5385 | 5603 | 4.0 | 6831 | 6778 | -0.8 | 8748 | 9222 | 5.4 |
| TOTAL VARIABLE COSTS | 16237 | 16988 | 4.6 | 29074 | 30158 | 3.7 | 49843 | 49771 | -0.1 | 84751 | 116355 | 37.3 |
| TOTAL FIXED COSTS | 21741 | 24284 | 11.7 | 32086 | 34492 | 7.5 | 54870 | 60927 | 11.0 | 77860 | 78972 | 1.4 |
| TOTAL INPUTS | 37978 | 41272 | 8.7 | 61160 | 64650 | 5.7 | 104713 | 110697 | 5.7 | 162612 | 195328 | 20.1 |
| FARM BUSINESS INCOME | 11897 | 9197 | -22.7 | 28355 | 28563 | 0.7 | 55128 | 41770 | -24.2 | 132858 | 93735 | -29.4 |
| (plus) depreciation of buildings & works | 2694 | 3461 | 28.5 | 4978 | 5395 | 8.4 | 8953 | 8912 | -0.5 | 16716 | 17778 | 6.3 |
| (plus) depreciation of plant machinery & vehicles | 5783 | 5831 | 0.8 | 8353 | 8719 | 4.4 | 12452 | 13416 | 7.7 | 14642 | 14663 | 0.1 |
| (minus) valuation change | 2504 | -297 | -111.9 | 344 | 8258 | 2300.6 | -2980 | 6135 | 305.9 | 37793 | 54831 | 45.1 |
| (equals) CASH INCOME | 17870 | 18785 | 5.1 | 41342 | 34419 | -16.7 | 79512 | 57962 | -27.1 | 126422 | 71340 | -43.6 |
| (minus) Net capital investment | 39190 | 14105 | -64.0 | 19106 | 18565 | -2.8 | 31987 | 27210 | -14.9 | 67704 | 27041 | -60.1 |
| (equals) CASH FLOW FARM BUSINESS | -21320 | 4680 | 122.0 | 22236 | 15855 | -28.7 | 47525 | 30751 | -35.3 | 58719 | 44299 | -24.6 |
| AVERAGE VALUATIONS | 57960 | 61376 | 5.9 | 93818 | 101257 | 7.9 | 152765 | 161344 | 5.6 | 308072 | 359729 | 16.8 |

**TABLE 1.6 – DAIRY AND LFA CATTLE AND SHEEP – ALL SIZES
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2009/10 AND 2010/11¹**

| | DAIRY | | | LFA CATTLE AND SHEEP | | |
|--|---------------|---------------|-------------|----------------------|--------------|--------------|
| | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change |
| Number of farms | | | | | | |
| Average size of business (SLRs) | | 99.8 | | | 25.1 | |
| Total Area of Farm (ha) | 80.5 | 81.5 | 1.2 | 104.6 | 104.1 | -0.5 |
| of which: Crops and grass | 75.0 | 76.1 | 1.5 | 59.8 | 59.4 | -0.7 |
| Rough grazing | 3.9 | 3.5 | -10.3 | 34.4 | 34.5 | 0.3 |
| SIZE OF ENTERPRISES: | | | | | | |
| Hectares - Total crops | 2.0 | 2.3 | 15.0 | 1.1 | 1.1 | - |
| Av. No. - Dairy cows | 116.6 | 117.0 | 0.3 | 0.5 | 0.4 | -20.0 |
| Av. No. - Beef cows | 2.4 | 2.2 | -8.3 | 33.4 | 33.4 | - |
| Av. No. - Other cattle | 84.9 | 88.7 | 4.5 | 68.6 | 69.8 | 1.7 |
| Av. No. - Ewes | 5.9 | 6.1 | 3.4 | 137.4 | 138.5 | 0.8 |
| Av. No. - Sows/gilts | - | - | - | - | - | - |
| CROP OUTPUT: | | | | | | |
| Cereals | 838 | 1533 | 82.9 | 249 | 473 | 90.0 |
| Potatoes | - | - | - | 244 | 87 | -64.3 |
| Misc. crop output | 1007 | 841 | -16.5 | 885 | 633 | -28.5 |
| Total Crop Production | 1845 | 2373 | 28.6 | 1378 | 1194 | -13.4 |
| Livestock Output: | | | | | | |
| Cattle – rearing & fattening | 28349 | 29616 | 4.5 | 29664 | 29016 | -2.2 |
| Cattle – dairy | -5012 | -4325 | 13.7 | 34 | 25 | -26.5 |
| Milk | 129525 | 179405 | 38.5 | 533 | 633 | 18.8 |
| Sheep and wool | 594 | 553 | -6.9 | 10510 | 12108 | 15.2 |
| Pigs | - | - | - | - | - | - |
| Poultry and eggs | 353 | 551 | 56.1 | - | - | - |
| Other livestock | - | - | - | 1 | - | -100.0 |
| TOTAL LIVESTOCK OUTPUT | 153810 | 205800 | 33.8 | 40743 | 41782 | 2.6 |
| Single Farm Payment | 21540 | 20128 | -6.6 | 25273 | 23917 | -5.4 |
| LFA Compensatory scheme | 201 | 212 | 5.5 | 4099 | 4566 | 11.4 |
| Agricultural Environment Schemes | 916 | 1238 | 35.2 | 2561 | 3065 | 19.7 |
| Miscellaneous Subsidies | 343 | 1767 | 415.2 | 80 | 161 | 101.3 |
| Miscellaneous Revenue | 1172 | 1232 | 5.1 | 1240 | 1451 | 17.0 |
| On Farm - Non Farm Income | 564 | 564 | - | - | - | - |
| Adjustment for disposal of previous years crop | - | 2 | - | - | - | - |
| TOTAL FARM OUTPUT | 180390 | 233316 | 29.3 | 75375 | 76139 | 1.0 |

1. Based on data from an identical sample of farms.

| | | | | | | |
|---|---------------|---------------|--------------|--------------|--------------|--------------|
| Purchased concentrate feed & fodder | 56768 | 64541 | 13.7 | 11210 | 11868 | 5.9 |
| Home grown concentrate feed | 3039 | 4216 | 38.7 | 215 | 374 | 74.0 |
| Veterinary fees & medicines | 5414 | 6530 | 20.6 | 2151 | 2300 | 6.9 |
| Other livestock costs | 7423 | 8599 | 15.8 | 1440 | 1639 | 13.8 |
| Purchased & home grown seed | 882 | 999 | 13.3 | 213 | 219 | 2.8 |
| Fertilisers | 10345 | 10518 | 1.7 | 4816 | 5152 | 7.0 |
| Other crop costs | 1728 | 1972 | 14.1 | 471 | 617 | 31.0 |
| Regular & casual labour | 4680 | 5297 | 13.2 | 1385 | 1719 | 24.1 |
| Machinery excluding depreciation | 18855 | 21045 | 11.6 | 8431 | 9547 | 13.2 |
| Depreciation of plant machinery & vehicles | 11472 | 13066 | 13.9 | 7170 | 7357 | 2.6 |
| Depreciation of building & works | 15917 | 16831 | 5.7 | 4155 | 4789 | 15.3 |
| Land & building inputs | 11016 | 12353 | 12.1 | 5114 | 5618 | 9.9 |
| Interest payments | 4183 | 4320 | 3.3 | 866 | 830 | -4.2 |
| Other general farming costs | 10820 | 11474 | 6.0 | 4746 | 4852 | 2.2 |
| TOTAL VARIABLE COSTS | 97602 | 110832 | 13.6 | 24008 | 25851 | 7.7 |
| TOTAL FIXED COSTS | 64940 | 70929 | 9.2 | 28376 | 31031 | 9.4 |
| TOTAL INPUTS | 162543 | 181761 | 11.8 | 52383 | 56882 | 8.6 |
| FARM BUSINESS INCOME | 17847 | 51555 | 188.9 | 22992 | 19257 | -16.2 |
| (plus) depreciation of buildings & works | 15917 | 16831 | 5.7 | 4155 | 4789 | 15.3 |
| (plus) depreciation of plant machinery & vehicles | 11472 | 13066 | 13.9 | 7170 | 7357 | 2.6 |
| (minus) valuation change | 4016 | 3770 | -6.1 | 2795 | 4301 | 53.9 |
| (equals) CASH INCOME | 41221 | 77682 | 88.5 | 31522 | 27102 | -14.0 |
| (minus) Net capital investment | 35673 | 39748 | 11.4 | 34202 | 16517 | -51.7 |
| (equals) CASH FLOW FARM BUSINESS | 5548 | 37934 | 583.7 | -2679 | 10585 | 495.1 |
| AVERAGE VALUATIONS | 153412 | 165163 | 7.7 | 81712 | 88168 | 7.9 |

**TABLE 1.7 – ALL TYPES – 4 SIZE GROUPS
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2009/10 AND 2010/11¹**

| | 0.5 < 1 SLR | | | 1 < 2 SLR | | | 2 < 3 SLR | | | ALL SIZES | | |
|--|--------------|--------------|-------------|--------------|---------------|-------------|---------------|---------------|-------------|---------------|---------------|-------------|
| | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change | 2009/10 | 2010/11 | % Change |
| Number of farms | | 79 | | | 113 | | | 52 | | | 287 | |
| Average size of business (ESUs) | | 18.0 | | | 37.5 | | | 74.0 | | | 49.7 | |
| Total Area of Farm (ha) | 64.4 | 63.8 | -0.9 | 86.0 | 85.3 | -0.8 | 103.3 | 103.4 | 0.1 | 88.2 | 87.6 | -0.7 |
| of which: Crops and grass | 44.3 | 44.0 | -0.7 | 60.2 | 61.1 | 1.5 | 80.3 | 79.3 | -1.2 | 64.6 | 64.5 | -0.2 |
| Rough grazing | 14.3 | 14.3 | - | 23.2 | 21.6 | -6.9 | 15.0 | 15.8 | 5.3 | 17.9 | 17.5 | -2.2 |
| SIZE OF ENTERPRISES: | | | | | | | | | | | | |
| Hectares - Total crops | 2.7 | 2.5 | -7.4 | 3.9 | 4.2 | 7.7 | 7.5 | 7.1 | -5.3 | 4.0 | 4.1 | 2.5 |
| Av. no. - Dairy cows | 2.2 | 2.0 | -9.1 | 17.3 | 17.9 | 3.5 | 58.6 | 59.2 | 1.0 | 34.1 | 34.2 | 0.3 |
| Av. no. - Beef cows | 21.9 | 22.1 | 0.9 | 23.6 | 23.8 | 0.8 | 24.9 | 24.4 | -2.0 | 23.0 | 23.0 | - |
| Av. no. - Other cattle | 45.5 | 44.2 | -2.9 | 72.0 | 72.1 | 0.1 | 94.0 | 89.4 | -4.9 | 77.1 | 78.1 | 1.3 |
| Av. no. - Ewes | 75.2 | 70.9 | -5.7 | 96.5 | 98.2 | 1.8 | 88.7 | 103.6 | 16.8 | 85.6 | 85.6 | - |
| Av. no. - Sows/gilts | 0.4 | 0.5 | 25.0 | 1.3 | 1.3 | - | 5.5 | 5.5 | - | 3.0 | 3.2 | 6.7 |
| CROP OUTPUT: | | | | | | | | | | | | |
| Cereals | 1211 | 1800 | 48.6 | 2031 | 3496 | 72.1 | 3331 | 5198 | 56.0 | 1790 | 2905 | 62.3 |
| Potatoes | - | - | - | 2246 | 1693 | -24.6 | 3076 | 2495 | -18.9 | 1951 | 2046 | 4.9 |
| Misc. crop output | 1112 | 1174 | 5.6 | 1099 | 1269 | 15.5 | 2250 | 1968 | -12.5 | 1334 | 1239 | -7.1 |
| Total Crop Production | 2323 | 2974 | 28.0 | 5376 | 6458 | 20.1 | 8657 | 9660 | 11.6 | 5075 | 6191 | 22.0 |
| Livestock Output: | | | | | | | | | | | | |
| Cattle – rearing & fattening | 17832 | 16684 | -6.4 | 29304 | 28661 | -2.2 | 37813 | 34589 | -8.5 | 30800 | 29758 | -3.4 |
| Cattle – dairy | 10 | -14 | -240.0 | -146 | -563 | -285.6 | -1397 | -1341 | 4.0 | -1425 | -1269 | 10.9 |
| Milk | 1916 | 2482 | 29.5 | 17366 | 24174 | 39.2 | 55945 | 76026 | 35.9 | 37931 | 52504 | 38.4 |
| Sheep and wool | 6343 | 6657 | 5.0 | 7522 | 9333 | 24.1 | 7873 | 8880 | 12.8 | 7015 | 7775 | 10.8 |
| Pigs | 880 | 878 | -0.2 | 2569 | 2370 | -7.7 | 8847 | 7437 | -15.9 | 5656 | 5826 | 3.0 |
| Poultry and eggs | - | - | - | 195 | 230 | 17.9 | 1063 | 1524 | 43.4 | 187 | 254 | 35.8 |
| Other livestock | - | 3 | - | 2 | - | -100.0 | - | - | - | 3 | 1 | -66.7 |
| Total Livestock Output | 26981 | 26689 | -1.1 | 56812 | 64206 | 13.0 | 110145 | 127115 | 15.4 | 80167 | 94849 | 18.3 |
| Single Farm Payment | 16544 | 15807 | -4.5 | 22667 | 21097 | -6.9 | 30437 | 28488 | -6.4 | 23634 | 22211 | -6.0 |
| LFA Compensatory scheme | 1943 | 2142 | 10.2 | 2439 | 2580 | 5.8 | 1782 | 1996 | 12.0 | 2017 | 2241 | 11.1 |
| Agricultural Environment Schemes | 2268 | 1968 | -13.2 | 1779 | 2447 | 37.5 | 1728 | 1582 | -8.4 | 2001 | 2166 | 8.2 |
| Miscellaneous Subsidies | 14 | 58 | 314.3 | 152 | 396 | 160.5 | 454 | 1644 | 262.1 | 164 | 663 | 304.3 |
| Miscellaneous Revenue | 999 | 1006 | 0.7 | 2966 | 3217 | 8.5 | 2012 | 1773 | -11.9 | 1860 | 1888 | 1.5 |
| On Farm - Non Farm Income | 711 | 711 | - | 69 | 71 | 2.9 | - | - | - | 482 | 483 | 0.2 |
| Adjustment for disposal of previous years crop | 9 | 23 | 155.6 | 9 | 17 | 88.9 | 76 | 48 | -36.8 | 16 | 19 | 18.8 |
| Total Farm Output | 51791 | 51377 | -0.8 | 92269 | 100488 | 8.9 | 155291 | 172307 | 11.0 | 115415 | 130711 | 13.3 |

1. Based on data from an identical sample of farms.

| | 0.5 < 1 SLR | | | 1 < 2 SLR | | | 2 < 3 SLR | | | ALL SIZES | | |
|---|-----------------------|--------------|--------------|-----------------------|---------------|-------------|-----------------------|---------------|--------------|-----------------------|---------------|--------------|
| | 2009/10 £ per farm | 2010/11 | % Change | 2009/10 £ per farm | 2010/11 | % Change | 2009/10 £ per farm | 2010/11 | % Change | 2009/10 £ per farm | 2010/11 | % Change |
| INPUTS | | | | | | | | | | | | |
| Purchased concentrate feed & fodder | 7527 | 7398 | -1.7 | 17037 | 17497 | 2.7 | 33291 | 32918 | -1.1 | 27654 | 30854 | 11.6 |
| Home grown concentrate feed | 412 | 319 | -22.6 | 1156 | 1579 | 36.6 | 2209 | 3158 | 43.0 | 1398 | 1886 | 34.9 |
| Veterinary fees & medicines | 1494 | 1572 | 5.2 | 2487 | 2710 | 9.0 | 3888 | 4239 | 9.0 | 3158 | 3633 | 15.0 |
| Other livestock costs | 1219 | 1302 | 6.8 | 2121 | 2284 | 7.7 | 3922 | 4022 | 2.5 | 3338 | 3767 | 12.9 |
| Purchased & home grown seed | 278 | 245 | -11.9 | 589 | 599 | 1.7 | 940 | 1015 | 8.0 | 786 | 801 | 1.9 |
| Fertilisers | 3791 | 3525 | -7.0 | 5811 | 6409 | 10.3 | 11418 | 10539 | -7.7 | 6932 | 7028 | 1.4 |
| Other crop costs | 482 | 621 | 28.8 | 1000 | 1209 | 20.9 | 2078 | 1667 | -19.8 | 1291 | 1446 | 12.0 |
| Regular & casual labour | 1246 | 1484 | 19.1 | 1557 | 1572 | 1.0 | 3542 | 3665 | 3.5 | 2687 | 2981 | 10.9 |
| Machinery excluding depreciation | 7002 | 7792 | 11.3 | 10422 | 11724 | 12.5 | 15999 | 17923 | 12.0 | 12281 | 13659 | 11.2 |
| Depreciation of plant machinery & vehicles | 5345 | 5309 | -0.7 | 8896 | 9421 | 5.9 | 12976 | 13477 | 3.9 | 9349 | 9902 | 5.9 |
| Depreciation of building & works | 2593 | 3144 | 21.2 | 5060 | 5426 | 7.2 | 12401 | 13405 | 8.1 | 7682 | 8317 | 8.3 |
| Land & building inputs | 3777 | 4085 | 8.2 | 5614 | 6056 | 7.9 | 10671 | 11786 | 10.4 | 7619 | 8126 | 6.7 |
| Interest payments | 482 | 436 | -9.5 | 1047 | 907 | -13.4 | 2730 | 2759 | 1.1 | 1884 | 1849 | -1.9 |
| Other general farming costs | 4393 | 4527 | 3.1 | 6137 | 6437 | 4.9 | 9207 | 9348 | 1.5 | 6978 | 7302 | 4.6 |
| TOTAL VARIABLE COSTS | 18341 | 18393 | 0.3 | 34531 | 36703 | 6.3 | 66836 | 66906 | 0.1 | 50880 | 56246 | 10.5 |
| TOTAL FIXED COSTS | 21701 | 23367 | 7.7 | 34403 | 37126 | 7.9 | 58437 | 63014 | 7.8 | 42158 | 45306 | 7.5 |
| TOTAL INPUTS | 40041 | 41760 | 4.3 | 68934 | 73828 | 7.1 | 125274 | 129920 | 3.7 | 93038 | 101552 | 9.2 |
| FARM BUSINESS INCOME | 11749 | 9617 | -18.1 | 23335 | 26659 | 14.2 | 30018 | 42386 | 41.2 | 22377 | 29159 | 30.3 |
| (plus) depreciation of buildings & works | 2593 | 3144 | 21.2 | 5060 | 5426 | 7.2 | 12401 | 13405 | 8.1 | 7682 | 8317 | 8.3 |
| (plus) depreciation of plant machinery & vehicles | 5345 | 5309 | -0.7 | 8896 | 9421 | 5.9 | 12976 | 13477 | 3.9 | 9349 | 9902 | 5.9 |
| (minus) valuation change | 1482 | 542 | -63.4 | 809 | 5163 | 538.2 | 4091 | 2305 | -43.7 | 3559 | 4047 | 13.7 |
| (equals) CASH INCOME | 18205 | 17527 | -3.7 | 36482 | 36343 | -0.4 | 51304 | 66964 | 30.5 | 35848 | 43331 | 20.9 |
| (minus) Net capital investment | 28696 | 11197 | -61.0 | 21574 | 18174 | -15.8 | 36201 | 32699 | -9.7 | 31930 | 23536 | -26.3 |
| (equals) CASH FLOW FARM BUSINESS | -10492 | 6330 | 160.3 | 14907 | 18169 | 21.9 | 15103 | 34265 | 126.9 | 3918 | 19794 | 405.2 |
| AVERAGE VALUATIONS | 58093 | 61148 | 5.3 | 97536 | 104522 | 7.2 | 147515 | 157617 | 6.8 | 110379 | 118763 | 7.6 |

**INCOMES ON CATTLE & SHEEP (LFA & LOWLAND),
DAIRY AND ALL FARM TYPES ABOVE 1SLR IN 2009/10 AND 2010/11¹**

£ PER FARM

| | | Farm Business Income | Cash Income | Net Farm Income |
|---------------------------------------|--------------|-------------------------------------|------------------------|----------------------------|
| Dairy | 09/10 | 19,399 | 44,816 | 15,319 |
| | 10/11 | 56,090 | 84,684 | 53,473 |
| Cattle and Sheep (LFA) | 09/10 | 42,150 | 55,098 | 28,781 |
| | 10/11 | 36,629 | 41,465 | 23,742 |
| Cattle and Sheep (Lowland) | 09/10 | 32,250 | 41,315 | 18,873 |
| | 10/11 | 17,571 | 30,457 | 5,250 |
| All Types | 09/10 | 30,915 | 50,023 | 21,738 |
| | 10/11 | 44,860 | 64,062 | 36,714 |

1. Based on data from an identical sample of farms.

APPENDIX 2

ASSETS AND LIABILITIES OF CEREAL FARMS, 2010/11
AVERAGE FARM SIZE 75.3 HECTARES

| | Opening Valuation | £ | Closing Valuation |
|-----------------------------------|----------------------|---|----------------------|
| Land and Buildings | 1,995,861 | | 2,000,927 |
| Other fixed assets | 65,807 | | 70,058 |
| TOTAL FIXED ASSETS | 2,061,668 | | 2,070,985 |
| Trading livestock, crops & stores | 25,113 | | 19,627 |
| Debtors and short-term lending | - | | - |
| Cash in hand and at bank | - | | 514 |
| TOTAL CURRENT ASSETS | 25,113 | | 20,141 |
| TOTAL ASSETS | 2,086,781 | | 2,091,126 |
| Bank & other institutional loans | 519 | | - |
| Family & other loans | - | | - |
| TOTAL LONG-TERM LOANS | 519 | | - |
| Bank overdraft | 47,136 | | 44,823 |
| Other short-term borrowing | 7,421 | | 8,036 |
| TOTAL SHORT-TERM LOANS | 54,557 | | 52,859 |
| TOTAL EXTERNAL LIABILITIES | 55,076 | | 52,859 |
| NET WORTH | 2,031,705 | | 2,038,267 |

**ASSETS AND LIABILITIES OF PIGS FARMS, 2010/11
AVERAGE FARM SIZE 23.5 HECTARES**

| | Opening Valuation | £ | Closing Valuation |
|-----------------------------------|----------------------|---|----------------------|
| Land and Buildings | 546,661 | | 578,574 |
| Other fixed assets | 59,669 | | 61,771 |
| TOTAL FIXED ASSETS | 606,330 | | 640,345 |
| Trading livestock, crops & stores | 87,245 | | 90,587 |
| Debtors and short-term lending | - | | - |
| Cash in hand and at bank | - | | - |
| TOTAL CURRENT ASSETS | 87,245 | | 90,587 |
| TOTAL ASSETS | 693,575 | | 730,932 |
| Bank & other institutional loans | - | | 78,061 |
| Family & other loans | - | | - |
| TOTAL LONG-TERM LOANS | - | | 78,061 |
| Bank overdraft | 97,765 | | 23,929 |
| Other short-term borrowing | 13,573 | | 14,796 |
| TOTAL SHORT-TERM LOANS | 111,338 | | 38,725 |
| TOTAL EXTERNAL LIABILITIES | 111,338 | | 116,786 |
| NET WORTH | 582,237 | | 614,146 |

**ASSETS AND LIABILITIES OF DAIRY FARMS, 2010/11
AVERAGE FARM SIZE 81.5 HECTARES**

| | Opening Valuation | £ | Closing Valuation |
|-----------------------------------|----------------------|---|----------------------|
| Land and Buildings | 1,114,204 | | 1,164,963 |
| Other fixed assets | 116,315 | | 126,136 |
| TOTAL FIXED ASSETS | 1,230,519 | | 1,291,099 |
| Trading livestock, crops & stores | 40,961 | | 45,084 |
| Debtors and short-term lending | 12,443 | | 15,369 |
| Cash in hand and at bank | 23 | | 134 |
| TOTAL CURRENT ASSETS | 53,427 | | 60,587 |
| TOTAL ASSETS | 1,283,946 | | 1,351,686 |
| Bank & other institutional loans | 68,334 | | 67,686 |
| Family & other loans | 5,009 | | 4,056 |
| TOTAL LONG-TERM LOANS | 73,343 | | 71,742 |
| Bank overdraft | 15,973 | | 14,783 |
| Other short-term borrowing | 5,308 | | 7,292 |
| TOTAL SHORT-TERM LOANS | 21,281 | | 22,075 |
| TOTAL EXTERNAL LIABILITIES | 94,624 | | 93,817 |
| NET WORTH | 1,189,322 | | 1,257,869 |

**ASSETS AND LIABILITIES OF CATTLE AND SHEEP FARMS (LFA), 2010/11
AVERAGE FARM SIZE 104.1 HECTARES**

| | Opening Valuation | £ | Closing Valuation |
|-----------------------------------|----------------------|---|----------------------|
| Land and Buildings | 1,010,799 | | 1,162,417 |
| Other fixed assets | 52,454 | | 56,136 |
| TOTAL FIXED ASSETS | 1,063,253 | | 1,218,553 |
| Trading livestock, crops & stores | 38,756 | | 42,244 |
| Debtors and short-term lending | 39 | | 54 |
| Cash in hand and at bank | 3 | | - |
| TOTAL CURRENT ASSETS | 38,798 | | 42,298 |
| TOTAL ASSETS | 1,102,051 | | 1,260,851 |
| Bank & other institutional loans | 4,190 | | 6,866 |
| Family & other loans | 56 | | 56 |
| TOTAL LONG-TERM LOANS | 4,246 | | 6,922 |
| Bank overdraft | 10,541 | | 8,048 |
| Other short-term borrowing | 1,710 | | 1,574 |
| TOTAL SHORT-TERM LOANS | 12,161 | | 9,622 |
| TOTAL EXTERNAL LIABILITIES | 16,407 | | 16,544 |
| NET WORTH | 1,085,644 | | 1,244,307 |

**ASSETS AND LIABILITIES OF CATTLE AND SHEEP FARMS
(LOWLAND) 2010/11
AVERAGE FARM SIZE 66.6 HECTARES**

| | Opening Valuation | £ | Closing Valuation |
|-----------------------------------|----------------------|---|----------------------|
| Land and Buildings | 1,077,446 | | 1,120,999 |
| Other fixed assets | 55,269 | | 58,573 |
| TOTAL FIXED ASSETS | 1,132,715 | | 1,179,572 |
| Trading livestock, crops & stores | 58,283 | | 64,359 |
| Debtors and short-term lending | 48 | | 82 |
| Cash in hand and at bank | - | | - |
| TOTAL CURRENT ASSETS | 58,331 | | 64,441 |
| TOTAL ASSETS | 1,191,046 | | 1,244,013 |
| Bank & other institutional loans | 2,208 | | 1,986 |
| Family & other loans | - | | - |
| TOTAL LONG-TERM LOANS | 2,208 | | 1,986 |
| Bank overdraft | 3,944 | | 4,890 |
| Other short-term borrowing | 2,103 | | 2,994 |
| TOTAL SHORT-TERM LOANS | 6,047 | | 7,884 |
| TOTAL EXTERNAL LIABILITIES | 8,255 | | 9,870 |
| NET WORTH | 1,182,791 | | 1,234,143 |

**ASSETS AND LIABILITIES OF MIXED FARMS, 2010/11
AVERAGE FARM SIZE 66.0 HECTARES**

| | Opening Valuation | £ | Closing Valuation |
|-----------------------------------|----------------------|---|----------------------|
| Land and Buildings | 973,275 | | 1,087,918 |
| Other fixed assets | 89,080 | | 97,663 |
| TOTAL FIXED ASSETS | 1,062,355 | | 1,185,581 |
| Trading livestock, crops & stores | 61,089 | | 63,656 |
| Debtors and short-term lending | 1,807 | | 2,264 |
| Cash in hand and at bank | - | | - |
| TOTAL CURRENT ASSETS | 62,896 | | 65,920 |
| TOTAL ASSETS | 1,125,251 | | 1,251,501 |
| Bank & other institutional loans | 11,869 | | 11,851 |
| Family & other loans | - | | - |
| TOTAL LONG-TERM LOANS | 11,869 | | 11,851 |
| Bank overdraft | 5,306 | | 7,383 |
| Other short-term borrowing | 9,653 | | 5,367 |
| TOTAL SHORT-TERM LOANS | 14,959 | | 12,750 |
| TOTAL EXTERNAL LIABILITIES | 26,828 | | 24,601 |
| NET WORTH | 1,098,423 | | 1,226,900 |

**ASSETS AND LIABILITIES OF ALL TYPES, 2010/11
AVERAGE FARM SIZE 87.6 HECTARES**

| | Opening Valuation | £ | Closing Valuation |
|-----------------------------------|----------------------|---|----------------------|
| Land and Buildings | 1,054,046 | | 1,149,338 |
| Other fixed assets | 73,613 | | 79,051 |
| TOTAL FIXED ASSETS | 1,127,659 | | 1,228,389 |
| Trading livestock, crops & stores | 44,252 | | 48,122 |
| Debtors and short-term lending | 3,645 | | 4,510 |
| Cash in hand and at bank | 8 | | 44 |
| TOTAL CURRENT ASSETS | 47,905 | | 52,676 |
| TOTAL ASSETS | 1,175,564 | | 1,281,065 |
| Bank & other institutional loans | 22,255 | | 24,454 |
| Family & other loans | 1,452 | | 1,181 |
| TOTAL LONG-TERM LOANS | 23,707 | | 25,635 |
| Bank overdraft | 12,447 | | 10,093 |
| Other short-term borrowing | 3,374 | | 3,986 |
| TOTAL SHORT-TERM LOANS | 15,821 | | 14,079 |
| TOTAL EXTERNAL LIABILITIES | 39,528 | | 39,714 |
| NET WORTH | 1,136,036 | | 1,241,351 |

APPENDIX 3

ENTERPRISE GROSS MARGIN RESULTS CLASSIFIED INTO FOUR PERFORMANCE CATEGORIES

This Appendix contains the 2010/11 gross margin results, presented in 4 performance categories, for each of the main farm enterprises found on farms in the Farm Business Survey (FBS). The results are presented in this way so that farmers in Northern Ireland may assess the level of performance achieved in their main farming activities. Comparisons between the FBS results and individual farm results will quickly establish the level of performance achieved and the scope, if any, for improvements.

The 4 performance categories are 'excellent', 'good', 'moderate' and 'poor'. The good and moderate categories comprise all those farms in the FBS with gross margins which are within one standard deviation above and below the mean result respectively. Those farms with performances which fall within the range 1 and 2 standard deviations, above and below the mean performance respectively, comprise the excellent and poor categories. When there is a normal distribution of results, the excellent category includes approximately 15% of the farms, good 33%, moderate 33% and poor 15%. Approximately 5% of the farms in the sample are excluded, that is the 2.5% of results which are beyond 2 standard deviations on either side of the mean result.

The results for each enterprise have been allocated to the 4 performance categories on the basis of either their gross margin per head or per hectare. Because of the importance of dairy farming in Northern Ireland, the dairy herd gross margins are classified on both basis. This will enable farmers who consider land to be their main limiting resource to assess their own results using the classification of herds by gross margin per hectare, while for those where this is not the case may use the per cow classification. The basis of classification used for each enterprise is given on each table. It should be noted that the comparisons will be most meaningful for farm accounts with year ending dates between January and June 2011.

DAIRY COWS (CLASSIFIED BY GROSS MARGIN PER COW) 2010/11

| | Excellent | Good | Moderate | Poor | Average |
|----------------------------------|------------------|-------------|-----------------|-------------|----------------|
| % of survey farms | 14 | 39 | 33 | 14 | 100 |
| Average herd size | 107 | 97 | 68 | 62 | 84 |
| ENTERPRISE OUTPUT | £ per cow | | | | |
| Milk | 2029 | 1724 | 1427 | 1285 | 1655 |
| Calves | 97 | 85 | 101 | 71 | 90 |
| Herd replacement | -116 | -128 | -128 | -165 | -130 |
| Leasing receipts | - | - | - | - | - |
| TOTAL ENTERPRISE OUTPUT | 2010 | 1681 | 1400 | 1191 | 1615 |
| Variable Costs | | | | | |
| Concentrates | 606 | 465 | 382 | 393 | 461 |
| Hay, silage, forage & grazing | 139 | 143 | 140 | 130 | 140 |
| Vet, medicines & sundries | 118 | 118 | 101 | 86 | 110 |
| Leasing costs | - | - | - | - | - |
| TOTAL VARIABLE COSTS | 863 | 726 | 623 | 609 | 711 |
| GROSS MARGIN | | | | | |
| - per cow | 1147 | 955 | 777 | 582 | 904 |
| - per hectare | 2466 | 1967 | 1368 | 1170 | 1790 |
| - per 1000 litres | 147 | 143 | 136 | 111 | 140 |
| Milk yield per cow (litres) | 7791 | 6676 | 5726 | 5240 | 6476 |
| Milk price per litre (pence) | 26.0 | 25.8 | 24.9 | 24.5 | 25.6 |
| Concentrates per litre (kg) | 0.34 | 0.31 | 0.32 | 0.36 | 0.32 |
| Concentrates price per tonne (£) | 197 | 206 | 202 | 202 | 203 |
| Stocking rate (ce per ha) | 2.15 | 2.06 | 1.76 | 2.01 | 1.98 |
| Nitrogen per hectare (kg) | 168 | 164 | 131 | 152 | 153 |

DAIRY COWS (CLASSIFIED BY GROSS MARGIN PER HECTARE) 2010/11

| | Excellent | Good | Moderate | Poor | Average |
|----------------------------------|------------------|------|----------|------|---------|
| % of survey farms | 16 | 34 | 30 | 20 | 100 |
| Average herd size | 98 | 98 | 68 | 47 | 79 |
| ENTERPRISE OUTPUT | £ per cow | | | | |
| Milk | 1806 | 1688 | 1469 | 1339 | 1613 |
| Calves | 93 | 88 | 92 | 89 | 90 |
| Herd replacement | -103 | -135 | -127 | -138 | -127 |
| Leasing receipts | - | - | - | - | - |
| TOTAL ENTERPRISE OUTPUT | 1796 | 1641 | 1434 | 1290 | 1576 |
| Variable Costs | | | | | |
| Concentrates | 518 | 418 | 427 | 373 | 435 |
| Hay, silage, forage & grazing | 129 | 157 | 120 | 141 | 140 |
| Vet, medicines & sundries | 112 | 117 | 103 | 91 | 109 |
| Leasing Costs | - | - | - | - | - |
| TOTAL VARIABLE COSTS | 759 | 692 | 650 | 605 | 684 |
| GROSS MARGIN | | | | | |
| - per cow | 1037 | 949 | 784 | 685 | 892 |
| - per hectare | 2530 | 1964 | 1380 | 952 | 1722 |
| - per 1000 litres | 147 | 144 | 135 | 126 | 141 |
| Milk yield per cow (litres) | 7066 | 6578 | 5802 | 5430 | 6338 |
| Milk price per litre (pence) | 25.6 | 25.7 | 25.3 | 24.7 | 25.5 |
| Concentrates per litre (kg) | 0.33 | 0.30 | 0.32 | 0.32 | 0.32 |
| Concentrates price per tonne (£) | 207 | 196 | 215 | 206 | 204 |
| Stocking rate (ce per ha) | 2.44 | 2.07 | 1.76 | 1.39 | 1.93 |
| Nitrogen used per hectare (kg) | 187 | 184 | 112 | 112 | 150 |

**DAIRY CALVES REARED AS REPLACEMENTS, 2010/11
(CLASSIFIED BY GROSS MARGIN PER HECTARE)**

| | Excellent | Good | Moderate | Poor | Average |
|---|------------------|-------------|-----------------|-------------|----------------|
| % of survey farms | 10 | 32 | 39 | 19 | 100 |
| ENTERPRISE OUTPUT | 1378 | 1227 | 1008 | 1448 | 1196 |
| Variable Costs | | | | | |
| Concentrates* | 352 | 417 | 403 | 813 | 509 |
| Hay, silage, forage and grazing | 229 | 278 | 343 | 586 | 383 |
| Vet and medicines | 29 | 38 | 49 | 132 | 67 |
| Sundries | 17 | 39 | 51 | 96 | 58 |
| TOTAL VARIABLE COSTS | 627 | 772 | 846 | 1627 | 1017 |
| GROSS MARGIN | 751 | 455 | 162 | -179 | 179 |
| Concentrates per ce (kg) | 526 | 693 | 634 | 1099 | 779 |
| Concentrates price per tonne (£) | 208 | 204 | 212 | 213 | 211 |
| Stocking rate (ce per ha) | 1.97 | 2.07 | 2.30 | 2.65 | 2.31 |
| Price per calf bought/transferred in (£) | 98 | 104 | 96 | 89 | 95 |
| Price per heifer sold/transferred out (£) | 839 | 887 | 831 | 947 | 881 |
| Mortality % | 0.7 | 2.2 | 2.3 | 3.0 | 2.4 |

* Includes milk fed to calves

**SUCKLER COWS - SEVERELY DISADVANTAGED AREA, 2010/11
(CLASSIFIED BY GROSS MARGIN PER COW)**

| | Excellent | Good | Moderate | Poor | Average |
|--|------------------|-------------|------------------|-------------|----------------|
| % of survey farms | 12 | 44 | 29 | 15 | 100 |
| Number of cows per farm | 65 | 47 | 32 | 29 | 42 |
| ENTERPRISE OUTPUT | | | | | |
| | | | £ per cow | | |
| Calves | 512 | 408 | 336 | 318 | 402 |
| Herd Replacement | -39 | -31 | -65 | -73 | -44 |
| TOTAL ENTERPRISE OUTPUT | 473 | 377 | 271 | 245 | 358 |
| Variable Costs | | | | | |
| Concentrates | 46 | 49 | 45 | 92 | 52 |
| Hay, silage, forage and grazing | 100 | 111 | 108 | 135 | 110 |
| Vet and medicines | 25 | 25 | 24 | 33 | 26 |
| Sundries | 14 | 16 | 23 | 25 | 18 |
| TOTAL VARIABLE COSTS | 185 | 201 | 200 | 285 | 206 |
| GROSS MARGIN | 288 | 176 | 71 | -40 | 152 |
| GROSS MARGIN PER COW EQUIVALENT | 258 | 160 | 67 | -38 | 139 |
| Calves reared per cow | 1.04 | 0.98 | 0.84 | 0.80 | 0.95 |
| Price per calf sold or transferred-out (£) | 462 | 405 | 397 | 390 | 413 |
| Mortality - birth to weaning (%) | 1.8 | 2.2 | 2.7 | 6.1 | 2.6 |
| Concentrates per cow (kg) | 262 | 278 | 247 | 494 | 290 |
| Concentrates price per tonne (£) | 177 | 175 | 179 | 186 | 178 |

* LFA compensatory allowances are excluded from this analysis

**SUCKLER COWS - DISADVANTAGED AREA, 2010/11
(CLASSIFIED BY GROSS MARGIN PER HECTARE)**

| | Excellent | Good | Moderate | Poor | Average |
|--|------------------|-------------|-----------------|-------------|----------------|
| % of survey farms | 17 | 28 | 41 | 14 | 100 |
| Number of cows per farm | 87 | 51 | 31 | 30 | 46 |
| ENTERPRISE OUTPUT | £ per cow | | | | |
| Calves | 473 | 394 | 329 | 271 | 390 |
| Herd replacement | -37 | -29 | -41 | -85 | -40 |
| TOTAL ENTERPRISE OUTPUT | 436 | 365 | 288 | 186 | 350 |
| Variable Costs | | | | | |
| Concentrates | 31 | 35 | 35 | 47 | 35 |
| Hay, silage, forage and grazing | 90 | 95 | 104 | 153 | 101 |
| Vet and medicines | 16 | 25 | 27 | 35 | 24 |
| Sundries | 31 | 21 | 24 | 39 | 26 |
| TOTAL VARIABLE COSTS | 168 | 176 | 190 | 274 | 186 |
| GROSS MARGIN | 268 | 189 | 98 | -88 | 164 |
| GROSS MARGIN PER COW EQUIVALENT | 246 | 178 | 93 | -83 | 154 |
| Calves reared per cow | 0.98 | 0.98 | 0.88 | 0.72 | 0.93 |
| Price per calf sold or transferred out (£) | 474 | 399 | 374 | 364 | 416 |
| Mortality - birth to weaning (%) | 0.7 | 2.2 | 3.8 | 1.1 | 2.0 |
| Concentrates per cow (kg) | 178 | 178 | 184 | 245 | 185 |
| Price of concentrates per tonne (£) | 162 | 187 | 179 | 191 | 178 |

* LFA compensatory allowances are excluded from this analysis

**BREEDING EWES - SEVERELY DISADVANTAGED AREA
(CROSS BRED FLOCKS), 2010/11
(CLASSIFIED BY GROSS MARGIN PER EWE)**

| | Excellent | Good | Moderate | Poor | Average |
|----------------------------------|-----------|------|----------|------|------------------|
| % of survey farms | 12 | 38 | 31 | 19 | 100 |
| Number of ewes per farm | 123 | 142 | 131 | 197 | 146 |
| ENTERPRISE OUTPUT | | | | | £ per ewe |
| Lambs | 106 | 89 | 95 | 86 | 91 |
| Wool | 2 | 2 | 2 | 2 | 2 |
| Flock replacement | 8 | 8 | -5 | -19 | -2 |
| TOTAL ENTERPRISE OUTPUT | 116 | 99 | 92 | 69 | 91 |
| Variable Costs | | | | | |
| Concentrates | 18 | 18 | 17 | 23 | 19 |
| Hay, silage, forage and grazing | 20 | 19 | 27 | 10 | 19 |
| Vet, medicines and sundries | 11 | 11 | 12 | 19 | 13 |
| TOTAL VARIABLE COSTS | 49 | 48 | 56 | 52 | 51 |
| GROSS MARGIN | 67 | 51 | 36 | 17 | 40 |
| Price per lamb sold (£) | 76 | 75 | 75 | 73 | 75 |
| Lambing percentage | 171 | 158 | 152 | 126 | 150 |
| Lambs reared per 100 ewes | 162 | 151 | 143 | 121 | 142 |
| Wool per ewe (kg) | 3.0 | 2.8 | 2.9 | 2.0 | 2.7 |
| Wool per kg (p) | 73 | 71 | 66 | 101 | 76 |
| Concentrates per ewe (kg) | 90 | 92 | 80 | 123 | 96 |
| Concentrates price per tonne (£) | 197 | 193 | 210 | 191 | 197 |
| Mortality - ewes (%) | 4.5 | 4.5 | 4.8 | 6.4 | 5.1 |
| Mortality - lambs per 100 ewes | 8.7 | 7.1 | 9.3 | 5.5 | 7.5 |

* LFA compensatory allowances are excluded from this analysis

**BREEDING EWES - SEVERELY DISADVANTAGED AREA
(HARDY HILL BREEDS), 2010/11
(CLASSIFIED BY GROSS MARGIN PER EWE)**

| | Excellent | Good | Moderate | Poor | Average |
|----------------------------------|------------------|-------------|-----------------|-------------|----------------|
| % of survey farms | 21 | 33 | 38 | 8 | 100 |
| Number of ewes per farm | 171 | 284 | 256 | 338 | 254 |
| ENTERPRISE OUTPUT | £ per ewe | | | | |
| Lambs | 99 | 74 | 55 | 52 | 68 |
| Wool | 2 | 2 | 2 | 2 | 2 |
| Flock replacement | 17 | 7 | 8 | 16 | 9 |
| TOTAL ENTERPRISE OUTPUT | 118 | 83 | 65 | 70 | 79 |
| Variable Costs | | | | | |
| Concentrates | 30 | 17 | 19 | 17 | 19 |
| Hay, silage, forage and grazing | 20 | 14 | 12 | 31 | 16 |
| Vet, medicines and sundries | 13 | 11 | 11 | 7 | 11 |
| Leasing costs | | | | | |
| TOTAL VARIABLE COSTS | 63 | 42 | 42 | 55 | 46 |
| GROSS MARGIN | 55 | 41 | 23 | 15 | 33 |
| Price per lamb sold (£) | 77 | 78 | 74 | 77 | 77 |
| Lambing percentage | 138 | 134 | 123 | 111 | 128 |
| Lambs reared per 100 ewes | 132 | 120 | 112 | 107 | 117 |
| Wool per ewe (kg) | 3.2 | 2.3 | 2.4 | 2.9 | 2.5 |
| Wool per kg (p) | 59 | 70 | 76 | 84 | 72 |
| Concentrates per ewe (kg) | 159 | 91 | 86 | 88 | 98 |
| Concentrates price per tonne (£) | 190 | 188 | 211 | 191 | 196 |
| Mortality - ewes % | 5.0 | 8.1 | 5.1 | 6.1 | 6.3 |
| Mortality - lambs % | 6.4 | 14.6 | 11.1 | 4.6 | 11.1 |

* LFA compensatory allowances are excluded from this analysis

**BREEDING EWES - DISADVANTAGED AREA, 2010/11
(CLASSIFIED BY GROSS MARGIN PER HECTARE)**

| | Excellent | Good | Moderate | Poor | Average |
|----------------------------------|------------------|-------------|-----------------|-------------|----------------|
| % of survey farms | 22 | 26 | 30 | 22 | 100 |
| Number of ewes per farm | 153 | 187 | 88 | 160 | 144 |
| ENTERPRISE OUTPUT | £ per Ewe | | | | |
| Lambs | 94 | 113 | 98 | 65 | 94 |
| Wool | 2 | 2 | 2 | 2 | 2 |
| Flock replacement | -1 | -2 | -8 | -2 | -3 |
| TOTAL ENTERPRISE OUTPUT | 95 | 113 | 92 | 65 | 93 |
| Variable Costs | | | | | |
| Concentrates | 11 | 22 | 19 | 12 | 16 |
| Hay, silage, forage and grazing | 15 | 19 | 21 | 19 | 19 |
| Vet, medicines and sundries | 9 | 12 | 11 | 16 | 12 |
| TOTAL VARIABLE COSTS | 35 | 53 | 51 | 47 | 47 |
| GROSS MARGIN | 60 | 60 | 41 | 18 | 46 |
| Price per lamb sold (£) | 76 | 77 | 76 | 81 | 77 |
| Lambing percentage | 142 | 174 | 152 | 125 | 151 |
| Lambs reared per 100 ewes | 134 | 160 | 142 | 120 | 141 |
| Wool per ewe (kg) | 2.9 | 3.1 | 2.6 | 2.8 | 2.9 |
| Wool per kg (p) | 75 | 67 | 78 | 71 | 72 |
| Concentrates per ewe (kg) | 58 | 102 | 97 | 60 | 80 |
| Concentrates price per tonne (£) | 192 | 213 | 197 | 203 | 204 |
| Ewes per hectare | 10.11 | 7.56 | 6.85 | 6.87 | 7.67 |
| Stocking rate (ce per ha) | 2.03 | 1.61 | 1.53 | 1.55 | 1.65 |
| Mortality - ewes % | 6.1 | 5.3 | 9.7 | 8.7 | 7.1 |
| Mortality - lambs per 100 ewes | 7.8 | 13.8 | 9.9 | 4.9 | 9.5 |

* LFA compensatory allowances are excluded from this analysis

BREEDING EWES - NON LFA, 2010/11
(CLASSIFIED BY GROSS MARGIN PER HECTARE)

| | Excellent | Good | Moderate | Poor | Average |
|-------------------------------------|------------------|-------------|-----------------|-------------|----------------|
| % of survey farms | 19 | 19 | 51 | 11 | 100 |
| Number of ewes per farm | 213 | 115 | 162 | 143 | 160 |
| ENTERPRISE OUTPUT | £ per ewe | | | | |
| Lambs | 108 | 109 | 98 | 99 | 102 |
| Wool | 2 | 2 | 2 | 2 | 2 |
| Flock replacement | 9 | -3 | -4 | -21 | -2 |
| TOTAL ENTERPRISE OUTPUT | 119 | 108 | 96 | 80 | 102 |
| Variable Costs | | | | | |
| Concentrates | 10 | 11 | 13 | 16 | 13 |
| Hay, silage, forage and grazing | 17 | 18 | 18 | 22 | 18 |
| Vet, medicines and sundries | 11 | 15 | 11 | 14 | 12 |
| TOTAL VARIABLE COSTS | 38 | 44 | 42 | 52 | 43 |
| GROSS MARGIN | 81 | 64 | 54 | 28 | 59 |
| Gross Margin (per hectare) | 871 | 593 | 370 | 249 | 477 |
| Price per lamb sold (£) | 76 | 78 | 77 | 76 | 77 |
| Lambing percentage | 158 | 161 | 152 | 148 | 154 |
| Lambs reared per 100 ewes | 154 | 151 | 142 | 138 | 146 |
| Wool per ewe (kg) | 2.3 | 2.9 | 2.9 | 4.6 | 2.9 |
| Wool per kg (p) | 91 | 73 | 61 | 36 | 64 |
| Concentrates per ewe (kg) | 65 | 66 | 68 | 73 | 67 |
| Concentrates price per tonne (£) | 153 | 174 | 199 | 218 | 187 |
| Ewes per hectare | 10.75 | 9.22 | 6.88 | 8.90 | 8.04 |
| Stocking rate (ce per ha) | 2.03 | 1.77 | 1.40 | 1.80 | 1.60 |
| Mortality - ewes % | 2.8 | 4.3 | 6.1 | 8.2 | 5.2 |
| Mortality - lambs per 100 ewes | 4.1 | 10.6 | 9.1 | 10.0 | 8.2 |

PIGS - BIRTH TO BACON, 2010/11
(CLASSIFIED BY GROSS MARGIN PER FINISHED PIG)

| | Above | Below | Average |
|--|--------------|------------------|----------------|
| % of survey farms | 50 | 50 | 100 |
| Number of pigs finished per farm | 2963 | 1504 | 2234 |
| Number of sows per farm | 130 | 91 | 111 |
| | | £ per pig | |
| ENTERPRISE OUTPUT | 104 | 99 | 102 |
| Variable Costs | | | |
| Feedingstuffs | 65 | 79 | 70 |
| Vet. and medicines | 2 | 3 | 2 |
| Sundries | 2 | 2 | 2 |
| TOTAL VARIABLE COSTS | 69 | 84 | 74 |
| GROSS MARGIN | 35 | 15 | 28 |
| Price of meal equivalent per tonne (£) | 216 | 238 | 224 |
| Meal equivalent per finished pig (kg) | 301 | 334 | 312 |
| Litters per sow per year | 2.2 | 1.9 | 2.1 |
| Live births per litter | 12.3 | 10.3 | 11.5 |
| Pigs weaned per litter | 10.8 | 9.2 | 10.2 |
| Pigs weaned per sow per year | 23.9 | 17.4 | 21.2 |
| Price of finished pig sold (£) | 103.77 | 99.03 | 102.11 |
| Mortality - suckers % | 11.7 | 11.5 | 11.6 |
| Mortality - weaners % | 2.3 | 3.6 | 2.7 |

SPRING BARLEY (2010 CROP)

| | Excellent | Good | Moderate | Poor | Average |
|-----------------------------------|----------------------|------|----------|------|---------|
| % of survey farms | 17 | 34 | 32 | 17 | 100 |
| Hectares per farm | 9.4 | 18.5 | 9.6 | 4.7 | 11.8 |
| ENTERPRISE OUTPUT | £ per hectare | | | | |
| Grain | 829 | 796 | 632 | 537 | 740 |
| Straw | 278 | 223 | 185 | 199 | 219 |
| TOTAL ENTERPRISE OUTPUT | 1107 | 1019 | 817 | 736 | 959 |
| Variable Costs | | | | | |
| Seed | 46 | 54 | 49 | 62 | 52 |
| Fertilisers | 108 | 138 | 119 | 108 | 127 |
| Sprays | 82 | 90 | 59 | 64 | 79 |
| Sundries | 13 | 26 | 23 | 36 | 24 |
| TOTAL VARIABLE COSTS | 249 | 308 | 250 | 270 | 282 |
| GROSS MARGIN | 858 | 711 | 567 | 466 | 677 |
| Grain (tonnes per ha) | 5.68 | 5.60 | 4.56 | 4.15 | 5.24 |
| Straw (tonnes per ha) | 4.34 | 3.62 | 2.89 | 2.94 | 3.48 |
| Fertilisers used per hectare (kg) | 453 | 513 | 439 | 418 | 479 |
| Grain per tonne (£) | 146 | 142 | 139 | 129 | 141 |
| Straw per tonne (£) | 64 | 62 | 64 | 68 | 63 |

WINTER BARLEY (2010 CROP)

| | Above Average | Below Average | Average |
|-----------------------------------|--------------------------|--------------------------|----------------|
| % of survey farms | 58 | 42 | 100 |
| Hectares per farm | 10.4 | 10.6 | 10.5 |
| Enterprise Output | | £ per hectare | |
| Grain | 1069 | 892 | 994 |
| Straw | 375 | 276 | 333 |
| TOTAL ENTERPRISE OUTPUT | 1444 | 1168 | 1327 |
| Variable Costs | | | |
| Seed | 59 | 69 | 63 |
| Fertilisers | 117 | 160 | 135 |
| Sprays | 115 | 131 | 122 |
| Sundries | 27 | 24 | 26 |
| TOTAL VARIABLE COSTS | 318 | 384 | 346 |
| GROSS MARGIN | 1126 | 784 | 981 |
| Grain (tonnes per ha) | 7.57 | 6.75 | 7.23 |
| Straw (tonnes per ha) | 5.30 | 4.66 | 5.03 |
| Fertilisers used per hectare (kg) | 532 | 680 | 594 |
| Grain per tonne (£) | 141 | 132 | 138 |
| Straw per tonne (£) | 71 | 59 | 66 |

WINTER WHEAT (2010 CROP)

| | Above Average | Below Average | Average |
|-----------------------------------|--------------------------|--------------------------|----------------|
| % of survey farms | 55 | 45 | 100 |
| Hectares per farm | 19.1 | 15.7 | 17.6 |
| ENTERPRISE OUTPUT | | £ per hectare | |
| Grain | 1529 | 1135 | 1370 |
| Straw | 362 | 219 | 305 |
| TOTAL ENTERPRISE OUTPUT | 1891 | 1354 | 1675 |
| Variable Costs | | | |
| Seed | 56 | 68 | 61 |
| Fertilisers | 209 | 123 | 175 |
| Sprays | 162 | 148 | 156 |
| Sundries | 31 | 54 | 40 |
| TOTAL VARIABLE COSTS | 458 | 393 | 432 |
| GROSS MARGIN | 1433 | 961 | 1243 |
| Grain (tonnes per ha) | 9.61 | 7.28 | 8.67 |
| Straw (tonnes per ha) | 5.26 | 4.04 | 4.77 |
| Fertilisers used per hectare (kg) | 954 | 446 | 750 |
| Grain per tonne (£) | 159 | 156 | 158 |
| Straw per tonne (£) | 69 | 54 | 64 |

WARE POTATOES (2010 CROP)

| | Above Average | Below Average | Average |
|------------------------------------|----------------------|----------------------|----------------|
| % of survey farms | 50 | 50 | 100 |
| Hectares per farm | 13.6 | 6.1 | 9.8 |
| ENTERPRISE OUTPUT | | £ per hectare | |
| Current Crop | 5185 | 3254 | 4586 |
| Variable Costs | | | |
| Seed | 511 | 398 | 476 |
| Fertilisers | 285 | 331 | 299 |
| Sprays | 278 | 247 | 269 |
| Contract/Casual Wages | 275 | 128 | 229 |
| Sundries | 149 | 159 | 152 |
| TOTAL VARIABLE COSTS | 1498 | 1263 | 1425 |
| GROSS MARGIN | 3687 | 1991 | 3161 |
| Yield of ware per hectare (tonnes) | 31 | 22 | 28 |
| Seed used per hectare (tonnes) | 2.73 | 2.40 | 2.62 |
| Fertiliser used per hectare (kg) | 945 | 1072 | 985 |
| Price per tonne sold (£) | 157 | 144 | 154 |

DEFINITIONS OF TERMS USED

A4.1 Farm Business Size

Farm business size is determined by calculating each farm's total Standard Labour Requirement (SLR). Standards or norms have been calculated for all major enterprises (see section A4.4). The total SLR for each farm is calculated by multiplying its crop areas and livestock numbers by the appropriate SLR and then summing the result for all enterprises on the farm.

In UK agricultural statistics from 2003/04 onwards, business size is described in terms of four SLR size bands. These are:-

| Term | SLR* |
|------------|-----------|
| Part-time | ≥ 0.5 <1 |
| Small | ≥ 1 to <2 |
| Medium | ≥ 2 to <3 |
| Large | ≥ 3 to <5 |
| Very large | ≥ 5 |

*1 Standard Labour Requirement = 1900 hours

Since there are very few farms in the Very Large size range in Northern Ireland, these are included in the Large category for the purposes Farm Business Survey analyses.

A4.2 Farm Business Type³

The system of classifying farms according to the type of farming found on a holding is set out in Commission Regulation (EC) 1242/2008 and explained in greater detail in the EU Farm Accountancy Data Network (FADN) Typology Handbook RI/CC 1500 rev.3.

Depending on the amount of detail required, farms can be classified into 1 of 62 types. Individual farms are allocated to a type category on the basis of the aggregate value of farm outputs. As it is not feasible to estimate the value of outputs on a farm-by-farm basis, Standard Outputs (SOs) are calculated as reference values for a variety of farm products. The SO of a specific product (crop or livestock) is the average monetary value (per ha or head) of agricultural output based on regional farm-gate prices over a 5 year period. The SO excludes direct payments and no costs are deducted. Once the numbers of livestock and hectares of crop for an individual farm have been multiplied by the relevant SOs, it is allocated to a type category depending on where most of the total SO comes from. To ensure a stable framework for comparison and analysis SO values, once calculated, are held

³ The EU typology in operation between 1985 and 2010 classified farms based on the distribution of Standard Gross Margin (SGM) between enterprises. The impact of the change from SGM to SO can be seen in section 6.

constant for a number of years. The SO values in use at the moment cover the five year period centred on 2007 and can be found below in section A4.5.

For UK statistical purposes, the 62 farm types (not all of which are found in Northern Ireland) are grouped into 10 'robust' categories which have particular relevance to UK conditions. These are:

| | |
|-------------------------------------|--|
| Cereals | Farms on which cereals and combinable crops account for more than two-thirds of the total SO. |
| General cropping | Farms which do not qualify as cereals farms but have more than two-thirds of the total SO in arable, including field scale vegetable, crops or in a mixture of arable and horticultural crops where arable crops account for more than one-third of the total SO and no other grouping accounts for more than one-third. |
| Horticulture | Farms with more than two-thirds of the total SO in horticultural crops (including specialist mushroom growers). |
| Specialist pigs | Farms of which pigs account for more than two-thirds of total SO. |
| Specialist poultry | Farms on which poultry account for more than two-thirds of total SO. |
| Dairy | Farms on which dairy cows account for more than two-thirds of the total SO. |
| Cattle & Sheep (LFA) | Farms wholly or mainly in the Less Favoured Area which do not qualify as Dairy farms but have more than two-thirds of the total SO in grazing livestock (cattle and sheep). |
| Cattle & Sheep (Lowland) | Farms wholly or mainly outside the Less Favoured Area which do not qualify as Dairy farms but have more than two-thirds of the total SO in grazing livestock (cattle and sheep). |
| Mixed | Farms that have no dominant enterprise and do not fit into the above categories. |
| Other types | Farms that specialise in enterprises which do not fit the definitions of mainstream agricultural activities. For the most part this category is made up of specialist horse farms plus other farms that are unclassified. |

A4.3 Other Terms

Weighted sample averages are calculated for each type of farm by weighting the sample data within each size group according to the distribution of farm businesses by size in the June 2010 Agricultural Census. Data, where given, for individual size groups within farm types are simple sample averages.

Standard Output (SO) for a specific enterprise (crop or livestock) is the average monetary value (per ha or head) of its output. It is based on regional farm-gate prices over a 5 year period. The SO excludes direct payments and no costs are deducted.

Standard Gross Margin (SGM) for a specific enterprise (crop or livestock) is the average monetary value (per ha or head) of its output *minus* associated variable costs. It is based on regional farm-gate prices and costs over a 3 year period. The SGM excludes direct payments and only variable costs are deducted.

Standard Labour Requirement (SLR) for a specific enterprise (crop or livestock) is its annual labour requirement (per ha or head) under typical conditions.

Breeding Livestock Stock Appreciation (BLSA) is that part of the change between the opening and closing valuations of breeding animals due to changes in value.

Enterprise output of a crop is the sum of: crop sales, market value of crop unsold, fed to livestock, used for seed, consumed in the farmhouse and by farm workers, and subsidies received. **Single farm payment is not included in enterprise output of a crop.**

Enterprise output of a livestock enterprise is the total of livestock and product sales; transfers to other enterprises; produce consumed in the farmhouse and by farm workers; compensation payments and net leasing receipts/payments; and closing valuation *minus* purchases of livestock, transfers-in of livestock from other enterprises and opening valuation of livestock. **Single Farm Payment and LFA compensatory allowance is not included in livestock enterprise output.**

Direct Subsidy receipts includes: Less Favoured Area Compensatory Allowance, Single Farm Payment, Agri-environmental payments, Rural Development payments and BSE related receipts.

Miscellaneous receipts include hire work, adjustments for the difference between the opening valuation of any stocks of previous crops and their ultimate disposal value.

Feedingstuffs: Expenditure on feed and feed additives including the value of milk transferred from the dairy herd and fed to livestock; adjustments for changes in stock; market value of home-grown cereals fed.

Seeds: Expenditure on seed; adjustments for changes in stock; market value of home-grown seeds used including potatoes.

Labour: Salaries; wages; employers' insurance contributions; unpaid family labour imputed at the appropriate rate for comparable paid labour. No charge is made for farmer and spouse labour.

Fertilisers: Expenditure on fertilisers and lime.

Machinery and Power: Expenditure on vehicle fuel and oil; repairs; contract work; small tools.

Miscellaneous: Veterinary charges; AI fees; twine; sprays for crop protection; electricity; insurance; vehicle taxation; water rates; other general farming costs.

Land and Building Costs: Imputed rental value of own land farmed; conacre and other paid rents; farm rates (at one-third); minor building repair costs.

Depreciation: Depreciation costs for machinery calculated on a diminishing balance basis, whereas depreciation costs for buildings, fixed equipment and land improvements calculated on a linear basis.

Variable costs are those costs which can both be readily allocated to a specific enterprise and will vary in approximately direct proportion to changes in the scale of that enterprise. They include fertilisers, sprays, seed, concentrate feedingstuffs and veterinary costs.

Fixed costs are those costs which do not vary with small changes in the scale of individual enterprises or cannot be readily allocated to individual enterprises. Examples are regular labour, machinery costs, rent and rates, and general overhead expenses.

Gross Margin of an enterprise is its enterprise output less its variable costs. For a livestock enterprise the variable costs include the allocated variable costs of grass and other forage crops.

Farm Business Income is the return to all unpaid labour (farmer, spouses and others with an entrepreneurial interest in the farm business) and to their capital invested in the farm business which includes land and buildings.

Net Farm Income is the total gross margin less fixed costs including notional labour costs and a notional rent but excluding interest paid and ownership expenses. It represents the reward to the farmer and spouse for their manual labour and management and their return on tenant-type capital invested in the farm.

Occupier's expenses: Farm rates and fire insurance premia.

Occupier's Net Income is net farm income plus imputed rent less depreciation of buildings and improvements and land ownership expenses and interest payments. It represents the return to the farmer and spouse for their manual and managerial labour and investment in the farm business.

Cash income is receipts less expenditure.

Total assets comprise fixed assets and current assets. Fixed assets consist of land, buildings, quotas, machinery, equipment and breeding livestock. Current assets comprise trading livestock, harvested and growing crops, stocks of livestock products and stocks of inputs, cash and sundry debtors.

Valuations

Land, buildings, improvements, fixed equipment and quotas are valued at conservative market prices.

Plant, machinery, vehicles, glasshouses and permanent crops are valued on a current replacement cost basis.

Breeding livestock and trading livestock are valued on an estimated conservative market value basis less the cost of marketing.

Stocks of livestock products, purchased feed, seeds, fertilisers and other miscellaneous items are valued at estimated cost.

Tenant's capital/Operating Capital includes investment in machinery, livestock and crops, stocks, work in progress, cash and other assets (excluding land and buildings) needed to run the business. It is calculated by averaging the opening and closing valuations of these items.

Liabilities are claims on the assets of the business by the suppliers of funds to it. They comprise long and medium-term loans, which are not usually liable to recall within 12 months, and short-term loans, such as bank overdrafts, hire purchase and leasing debt which may have to be repaid within the next 12 months.

Net Worth/Owner's equity represents the interest of the owner in the business. It is the balance sheet value of assets available to the owner of the business after all other claims against the assets have been met.

A4.4 Standard Labour Requirements

The following factors have been used to classify farms into size categories

| | Item | Unit | Standard Labour Requirement (hours) | Units per 1900 hours |
|---------|------------------------|-------------|--|-----------------------------|
| Crops | Cereals | ha | 30 | 63 |
| | Oilseeds | ha | 22.5 | 84 |
| | Potatoes | ha | 135 | 14 |
| | Out door vegetables | ha | 150 | 12.7 |
| | Fruit | ha | 450 | 4.2 |
| | Ornamentals | ha | 1,500 | 1.3 |
| | Glasshouse vegetables | ha | 5,000 | 0.4 |
| | Other glasshouse | ha | 25,000 | 0.1 |
| | Mushrooms | house | 1,050 | 1.8 |
| | Setaside | ha | 1.5 | 1,267 |
| | Forage crops | ha | 9 | 211 |
| | Grass | ha | 6 | 317 |
| | Rough grazing | ha | 2.25 | 844 |
| Cattle | Dairy cows | head | 39 | 49 |
| | Beef cows | head | 12 | 158 |
| | Other cattle | head | 9 | 211 |
| Sheep | Ewes and rams: Lowland | head | 5.2 | 365 |
| | Ewes and rams: LFA | head | 4.2 | 452 |
| | Other sheep: Lowland | head | 3.3 | 576 |
| | Other sheep: LFA | head | 2.6 | 730 |
| Pigs | Sows and gilts | head | 16 | 119 |
| | Piglets | head | 1.0 | 1,900 |
| | Other pigs | head | 1.3 | 1,462 |
| Poultry | Laying hens | head | 0.17 | 11,176 |
| | Pullets | head | 0.12 | 15,833 |
| | Broilers | head | 0.04 | 47,500 |
| | Turkeys, Ducks etc. | head | 0.045 | 42,222 |
| Other | Horses | head | 150 | 12 |
| | Goats | head | 20 | 95 |
| | Deer | head | 15 | 127 |

A4.5 Standard Outputs

| | | € | |
|----------------|-----------------------|---------|------------------------------|
| Crops | Wheat | 1,554 | per ha |
| | Barley | 1,025 | per ha |
| | Oats | 892 | per ha |
| | Mixed corn | 889 | per ha |
| | Potatoes | 6,054 | per ha |
| | Oilseed rape | 940 | per ha |
| | Linseed | 526 | per ha |
| | Open-air horticulture | | |
| | Vegetables | 7,254 | per ha |
| | Fruit | 8,795 | per ha |
| | Flowers/nursery | 41,348 | per ha |
| | Glasshouses: | | |
| | Vegetables | 177,234 | per ha |
| | Flowers | 404,400 | per ha |
| | Mushrooms | 37,787 | per 100 m ² |
| | Forage Maize | 539 | per ha |
| | Other fodder crops | 489 | per ha |
| Other crops | 689 | per ha | |
| Grassland | 221 | per ha | |
| Cattle | Dairy cows | 1,808 | per head |
| | Beef cows | 347 | per head |
| | Heifers 2 yrs + | 301 | per head |
| | Heifers 1-2 yrs | 351 | per head |
| | Bulls/steers 2 yrs + | 532 | per head |
| | Bulls/steers 1-2 yrs | 271 | per head |
| | Calves under 1 year | 332 | per head |
| Sheep | Ewes | 81 | per head |
| | Other sheep | 1 | per head |
| | Lambs | 0 | per head (included with ewe) |
| Horses | Mares, stallions | 1,576 | per head |
| | Others | 0 | per head |
| Pigs | Sows | 693 | per head |
| | Piglets (under 20kg) | 0 | per head (included with sow) |
| | Other pigs | 189 | per head |
| Poultry | Hens | 1,457 | per 100 |
| | Broilers | 877 | per 100 |
| | Others | 6,368 | per 100 |

Notes:

1. These SOs are applied to the average crop areas and livestock numbers of the farm.
2. These SOs refer cover a five year period (2005-2009) centred on 2007.
3. At the time of calculation, 1 euro = £0.75

OTHER PUBLICATIONS FROM THE POLICY AND ECONOMICS DIVISION

Economics and Statistics Unit produce a range of publications and statistical series, which are now available free of charge on the DARD website at www.dardni.gov.uk. The following publications are also available in hard copy on request using the order form below. The year of issue is given in brackets.

EU Structure Survey 2010 Northern Ireland: Report on the agricultural labour force, farm diversification, use of contractors (2011) £10.00

The Agricultural Census in Northern Ireland: Results for June 2011 (2012) £10.00

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