

Farm Incomes in Northern Ireland

2019/20



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**FARM INCOMES
IN
NORTHERN IRELAND
2019/20**

A National Statistics Publication

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Foreword and Acknowledgements

This report on Farm Incomes in Northern Ireland, the twenty-eighth in the series, is based on information collected in the annual Farm Business Survey (FBS) which is undertaken by Policy, Economics and Statistics Division within the Department of Agriculture, Environment and Rural Affairs. 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 2019/20 account year, which has an average year end of mid-February 2020 for the 325 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 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 Keatley and Myles Patton 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 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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June 2021

EXECUTIVE SUMMARY

1. The average Farm Business Income across all farm businesses above 0.5 Standard Labour Requirements (SLRs) decreased from £29,657 to £25,935 per farm between 2018/19 and 2019/20. This resulted from the average value of farm output decreasing by more (minus 4.3%) than input expenditure (minus 2.3%).
2. For the main farming enterprises, decreases in gross margin between 2018/19 and 2019/20 were recorded for Dairy cows, Lowland breeding ewes, Spring Barley, Winter Barley, Winter Wheat and Potato enterprises. Whereas, increases were recorded for SDA beef cows, DA beef cows, Lowland beef cows, SDA breeding ewes, DA breeding ewes and Pig enterprises.
3. Between 2018/19 and 2019/20 increases in Farm Business Income were recorded on 2 of the 7 main types of farm covered in the Farm Business Survey (FBS). Income results show that average Farm Business Income increased by £6,890 on Pig farms and £976 on LFA Cattle and Sheep farms.
4. A Farm Business Income above £10,000 was achieved by 63% of the farm businesses in the FBS in 2019/20; 17% of the farms incurred a loss.
5. Cash Income per farm, which is the difference between cash receipts and expenditure, decreased from an average of £49,440 in 2018/19 to £44,395 in 2019/20. This income measure provides the average amount of cash available per farm to cover living expenses and investment expenditure.
6. Direct payments decreased by £1,266 per farm between 2018/19 and 2019/20 and averaged £24,774 per farm and £283 per hectare in 2019/20 (Section 2.4). Direct payments represented 96% of Farm Business Income and 56% of Cash Income generated across all types of farm in Northern Ireland.
7. Three of the seven main types of farm business generated a positive Farm Business Income in 2019/20 when direct subsidy receipts were not included in the value of farm output (Section 2.5). These three farm types are Cereal, Pig and Dairy farm types. Those generating a negative Farm Business Income were General Cropping, Cattle and Sheep (LFA) and Cattle and Sheep (Lowland) and Mixed farm types.
8. During the past 8 years the Farm Business Income on Dairy farms has been on average £29,377 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 £10,637 per farm in 2019/20. However, on 28% of farm businesses no off-farm income was received by the farmer and spouse. This income source includes other employment off the farm, investments, pensions and social payments. (Section 2.7)

10. In 2019/20, only the spouse of the farmer on 23% of the farms had off-farm employment, on a further 6% of farms only the farmer had off-farm employment and on another 4% of farms both the farmer and spouse had off-farm employment.
11. The average level of net investment per farm decreased from £24,289 in 2018/19 to £21,574 in 2019/20. Investment levels in 2019/20 were the third lowest recorded in the past 10 years when inflation is taken into account. (Section 2.8)
12. External liabilities (mainly bank borrowings) averaged £47,496 per farm and equated to 3.5% 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 47% of farms in 2019/20 and 81% 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 decreased by £60, from £969 in 2018/19 to £910 in 2019/20. This decrease was due to a fall in the value of output.
- (ii) The difference in herd gross margin between those in the top 25% and bottom 25% performance groups amounted to £70,263 for a herd of average size in the Farm Business Survey. (Section 4.1)

Suckler Cows

- (i) The average gross margins for SDA, DA and Lowland cows increased by £21, £36 and £26 per cow respectively between 2018/19 and 2019/20.
- (ii) Lowland suckler cow herds had the highest average gross margin per cow, at £286, while DA herds averaged £236 and SDA herds £207 in 2019/20. (Section 4.2)

Sheep

- (i) The average gross margins for Lowland breeding ewes decreased by £2 per ewe between 2018/19 and 2019/20. Whereas, the average gross margins for Upland and Hill breeding ewes increased by £4 and £7 respectively per ewe.
- (ii) In 2019/20, the highest average gross margin per ewe of £58 was achieved by the Lowland flocks. This gross margin was £22 higher than for ewes in DA flocks and £39 higher than for ewes in SDA (hill) flocks. (Section 4.3)

Pigs

On birth to bacon pig units the average gross margin per pig increased from £37.65 in 2018/19 to £41.80 in 2019/20. Between 2018/19 and 2019/20, the average output for pigs increased by £6.83 per pig and the average cost of variable inputs increased by £2.69 per pig. (Section 4.4)

Cereals

- (i) The average gross margins per hectare for spring barley, winter barley and winter wheat crops were lower in 2019/20 than in 2018/19. Decreases in gross margin per hectare were £119 for spring barley, £695 for winter barley and £472 for winter wheat.
- (ii) The winter wheat crop had the highest average gross margin of the three main cereal crops, at £1,128 per hectare, followed by winter barley at £980 and spring barley at £791. (Sections 4.5-4.7)

Potatoes

The average gross margin for ware potatoes decreased from £5,920 per hectare in 2018/19 to £3,508 per hectare in 2019/20, a decrease of £2,412. The ware crop yield per hectare increased slightly from 31.7 tonnes in 2018/19 to 32.7 tonnes in 2019/20, whereas, the ware potato price per tonne decreased by £105 per tonne from £284 per tonne in 2018/19 to £179 per tonne in 2019/20. (Sections 4.8)

Fixed Costs

- 15. The average levels of fixed costs (excluding labour) per hectare across all farm types were lower in 2019/20 than in 2018/19, at £555 and £583 respectively. (Section 5.0)

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, Economics and Statistics Division of the Department of Agriculture, Environment and Rural Affairs. 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 <https://www.gov.uk/agriculture-in-the-united-kingdom> 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.

The size threshold of 0.5 SLRs for farms in the survey corresponds with that in the other three countries of the UK. However, in recognition of the fact that Northern Ireland has 13,603 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 325 farm businesses for the 2019/20 accounting year. All of these farms participate on a voluntary basis, with 69% having provided information for at least 10 years. A smaller sample of 247 farm businesses over 0.5 SLRs in size provided information for both the 2018/19 and 2019/20 account years and this constitutes the 'identical sample' of farms. The end of the account year for 86% of the farms falls between 31 December and 30 April. Thus, the 2019/20 account year information presented in this report refers to the 2019 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 4%, and forestry 2%, 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, 2019/20

Type of Farm Business ^{***}	Number of Farm Businesses	
	Northern Ireland*	FBS Sample**
Cereals	104	5
General Cropping	136	3
Horticulture	202	0
Pigs	136	7
Poultry	528	0
Dairy	2538	93
Cattle and Sheep (LFA)	4130	93
Cattle and Sheep (Lowland)	1725	32
Mixed	338	14
Others	28	0
All Types	9865 *	247 **

* Number of farm businesses above 0.5 SLRs in size at June 2019 Census; there are 14,515 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 2018/19 and 2019/20 account years, and which were used in the analyses. A further 53 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 was revised in the 2010/11 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 of the Farm Incomes in Northern Ireland 2010/11 publication.

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 DAERA in 2006-07. FBI was also introduced in England, Scotland, and Wales and is now 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 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.

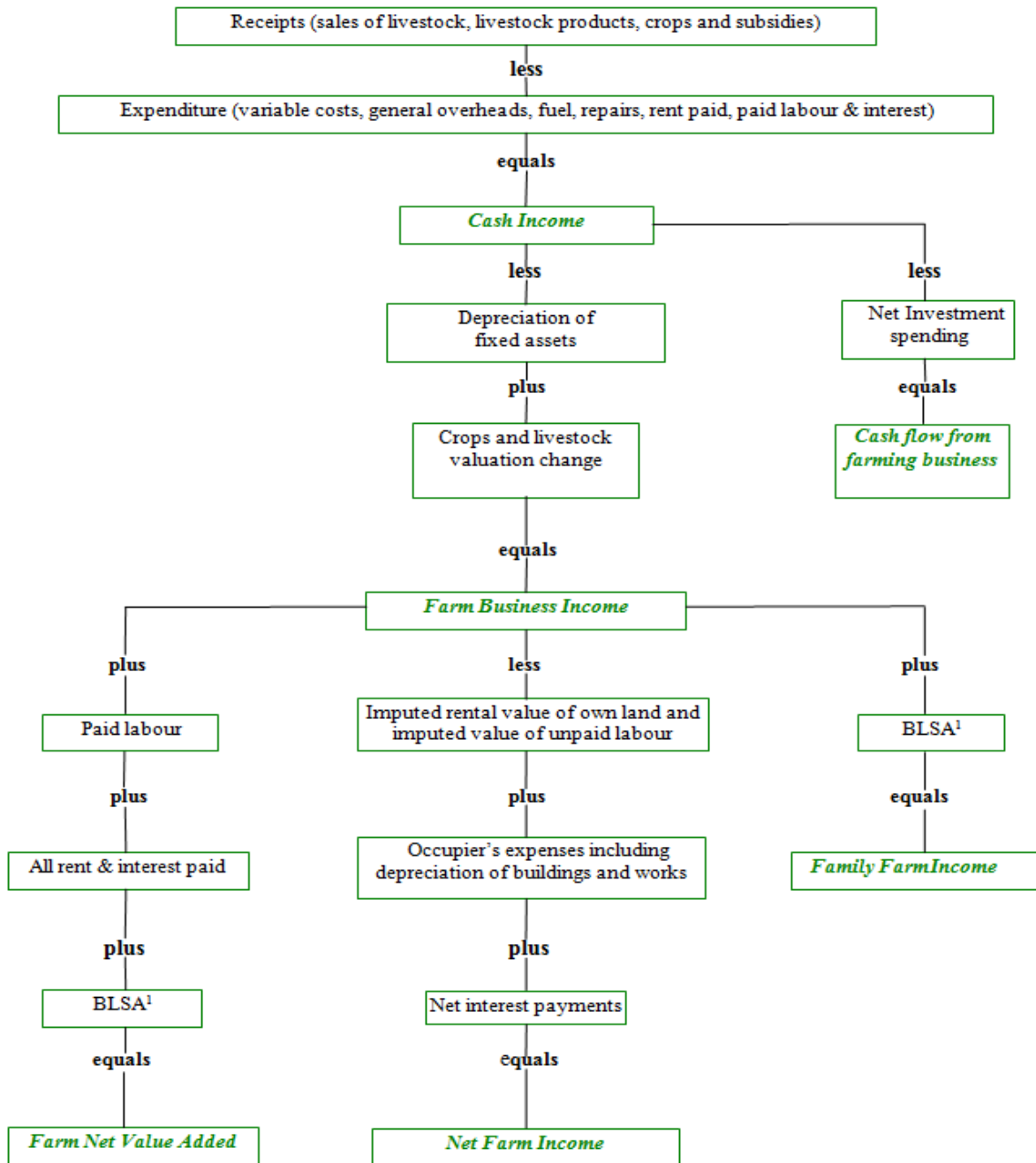
FBI differs from NFI in that it represents the return to all unpaid labour, not just the farmer and spouse and it treats the tenure of farms as it is: tenants as tenants, owner occupiers as owner occupiers and those with both types of tenure as mixed.

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 2018/19 and 2019/20

Average Farm Business Income, Cash Income, and Net Farm Income measured across all farm types is shown in Table 2a for the accounting years 2018/19 and 2019/20. As shown, average Farm Business Income decreased between 2018/19 and 2019/20 by £3,722 or 12.6% per farm. This resulted from the average value of farm output decreasing by more (minus 4.3%) than input expenditure (minus 2.3%). Average Cash Income decreased by £5,045 or 10.2% when compared to the previous year. When measuring Farm Income using the previous headline measure Net Farm Income, an average decrease of £5,107 or 21.9% per farm occurred between 2018/19 and 2019/20.

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

	2018/19	2019/20
	£	£
Farm Business Income	29,657	25,935
Cash Income	49,440	44,395
Net Farm Income	23,276	18,169

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

Farm Business Incomes by individual farm types are presented in Table 2b for the 2018/19 and 2019/20 account years. This shows that average Farm Business Income increased between 2018/19 and 2019/20 on 2 of the 7 main farm types. The two farm types which showed an increase in average Farm Business Income were Pig and LFA Cattle and Sheep farms.

On Dairy farms the average Farm Business Income decreased from £58,576 in 2018/19 to £51,803 in 2019/20, which is a decrease of £6,772 per farm. This decrease in income was the net result of a 3.2% (£9,391) decrease in the value of outputs and a 1.1% (£2,619) decrease in expenditure on inputs between 2018/19 and 2019/20. The main reason for the decrease in output between the years was the £5,602 decrease in milk output. In terms of inputs, the main decreases in expenditure were recorded for purchased concentrate feed and fodder (£2,047) and depreciation of buildings and works (£1,670). These decreases were counteracted by decreases in expenditure for some inputs such as regular and casual labour (£709).

Cattle and Sheep farms (LFA) generated an average Farm Business Income of £15,244 per farm in 2019/20, which was 6.8% higher than the 2018/19 income of £14,268 per farm. This increase in income was the net result of a 4.0% (£3,197) decrease in the value of farm output and a 6.4% (£4,173) decrease in expenditure on inputs. The main

reasons for the decrease in output value were the decreases in Area of Natural Constraint payments (£1,658) and miscellaneous subsidies (£840). The main decreases in expenditure on inputs were recorded for purchased concentrate feed and fodder (£1,437), depreciation of buildings and works (£1,007) and fertilisers (£699).

Cattle and Sheep (Lowland) farms recorded a decrease in Farm Business Income between 2018/19 and 2019/20. For this farm type, Farm Business Income decreased from £14,524 to £11,869, which is a decrease of 18.3%. This was the net result of a 7.6% (£6980) decrease in the value of farm output and a 5.6% (£4,324) decrease in expenditure on inputs. The main factors contributing to the decrease in output value were the decreases in cattle output (£5,173) and sheep output (£964). The main changes within expenditure on inputs were decreases in purchased concentrate feed and fodder (£2,527), depreciation of plant machinery and vehicles (£1,047) and fertilisers (£484). There was also an increase in expenditure on some other inputs such as other crop costs (£451).

On the other 4 types of farm, which account for 7.8% of farms above 0.5 SLR's, changes in the total value of farm output between 2018/19 and 2019/20 ranged from -42.0% (General Cropping farms) to 7.9% (Mixed farms). Whereas, change in expenditure on inputs between years ranged from 1.0% (Cereal farms) to 8.3% (General Cropping farms). These four farm types showed changes in average Farm Business Income between years, which ranged from -£109,997 on General Cropping farms to £6,890 on Pig farms.

Comprehensive data on the values of livestock output, crop output, inputs, and incomes for each of the 7 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 2018/19 and 2019/20 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 1.4% in the $0.5 < 1$ SLR size group, which compares with a 4.8% decrease in the $1 < 2$ SLR size group.

The average levels of income per farm included in this report for each of the 7 farm types in 2018/19 (i.e. the 2018/19 – 2019/20 identical sample) are different to those in the previous year's report (i.e. the 2017/18 – 2018/19 identical sample). This occurs when an identical sample basis for reporting farm incomes is used, because the sample of farms for 2018/19 in the 2018/19– 2019/20 identical samples will not be exactly the same as those for the same year in the 2017/18 – 2018/19 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 9,107 farm businesses of which 5,022 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 2018/19 and 2019/20 (£ per farm)¹

		Farm Business Income	Cash Income	Net Farm Income
Cereals	18/19	47,344	73,820	41,783
	19/20	30,440	53,503	25,619
General Cropping	18/19	112,961	138,805	104,900
	19/20	2,964	25,215	-5,148
Pigs	18/19	52,838	81,412	54,536
	19/20	59,728	80,915	61,745
Dairy	18/19	58,576	91,905	54,725
	19/20	51,803	82,038	45,195
Cattle and Sheep (LFA)	18/19	14,268	27,257	6,701
	19/20	15,244	26,830	6,466
Cattle and Sheep (Lowland)	18/19	14,524	29,057	5,761
	19/20	11,869	24,962	2,876
Mixed	18/19	36,328	58,172	36,290
	19/20	30,029	75,582	29,277
All Types	18/19	29,657	49,440	23,276
	19/20	25,935	44,395	18,169

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 2019/20 the average level of Cash Income per farm generated across all types of farm in Northern Ireland was £44,395 which is £5,045 lower than in 2018/19. Increases in average Cash Income occurred in 2019/20 on 1 of the 7 farm types. This increase was £17,410 per farm on Mixed farms. The decreases in average Cash Income ranged from £427 per farm on Cattle and Sheep (LFA) farms to £113,590 per farm on General Cropping farms. The lowest level of Cash Income in 2019/20 was recorded for Cattle and Sheep (Lowland) farms at £24,962 per farm, whereas the highest was recorded on Dairy farms at £82,038 per farm.

Net Farm Income showed similar changes to Farm Business Income between 2018/19 and 2019/20 for each of the farm types. However, on average, Farm Business Income was £7,766 higher than Net Farm Income in 2019/20. 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 2014/15 and 2019/20 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, Cash Income and Net Farm Income from the previous year were observed over the period for the years 2016/17 and 2017/18, whereas, decreases were recorded in 2015/16, 2018/19 and 2019/20. When comparing the average income figures measured across all farm types for 2019/20 against those of 2014/15, the results show that average Farm Business Income increased by 4%, Cash Income increased by 5% and Net Farm Income decreased by 9% per farm between the two years.

Table 3 Income per farm, 2014/15 to 2019/20 (£ per farm)¹

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Farm Business Income	24,942	14,788	21,928	33,870	28,612	25,935
Cash Income	42,411	33,673	38,741	53,345	48,419	44,395
Net Farm Income	19,899	10,082	16,387	28,550	21,925	18,169

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 2019/20. When compared with those in 2018/19 they show that both the proportion of farms that incurred a negative Farm Business Income and those that incurred a Farm Business Income of at least £30,000 remained unchanged. In comparison, the fall in average Net Farm Income across all types of farm in 2019/20 resulted in 5% more farms (i.e. 34% in 2019/20) recording a negative Net Farm Income and 2% less farms (i.e. 26% in 2019/20) recording a Net Farm Income of at least £30,000. In Cash Income terms, the proportion of farms with negative incomes increased by 1% (i.e. 6% of farms) in 2019/20, whereas, the proportion of farms with a Cash Income of at least £30,000 decreased by 7% (i.e. 46%) in 2019/20. Finally, it goes without saying that a difficult financial situation will arise on those farms with a negative Cash Income, unless an additional source of income is available.

Table 4 Distribution of farms by level of income, 2018/19 and 2019/20¹

Income £ per farm	Farm Business Income		Cash Income (% of farms)		Net Farm Income	
	18/19	19/20	18/19	19/20	18/19	19/20
<0	17	17	5	6	29	34
0-4,999	8	8	5	4	6	5
5-9,999	7	12	7	7	7	12
10-19,999	18	20	15	18	17	18
20-29,999	17	9	15	19	13	6
30,000 and over	34	34	53	46	28	26

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 14,515 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 94% 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 2018/19 and 2019/20 that were above the break-even point.

Table 5 Incomes for 'spare-time'¹ Cattle and Sheep farms in the LFA and Lowland in 2018/19 and 2019/20 (£ per farm)²

		Farm Business Income	Cash Income	Net Farm Income
Cattle and Sheep (LFA)	2018/19	2,726	12,006	-194
	2019/20	3,782	10,120	835
Cattle and Sheep (Lowland)	2018/19	6,452	18,382	1,435
	2019/20	991	10,864	-4,629

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 2018/19 and 2019/20.

2.4 Direct Payments

From 1 January 2005, direct payments to farmers were replaced by decoupled payments under the Single Farm Payment (SFP) scheme and subsequently the Basic Payment Scheme (BPS) from 1 January 2015. These decoupled payments are referred to as the Single Payment (SP) in this report. Under these decoupled schemes, farmers in Northern Ireland receive an annual SP which takes into account their historic receipts of direct payments and an area payment.

As SP 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. SP is recorded on an 'as due' basis of accounting. This means that payments relating to the 2019 SP scheme year accrue to the 2019/20 FBS accounting period, irrespective of when the money is actually paid.

As shown in table 6, direct subsidy receipts per farm decreased between 2018/19 and 2019/20 on 5 out of the 7 main types of farm. In contrast, Cereal and General Cropping farms showed an increase in direct payments. When averaged across all Farm Types, table 6 shows that direct subsidy receipts per farm decreased from £26,040 in 2018/19 to £24,774 in 2019/20 (i.e. £1,266 less per farm).

Mixed farms received the highest level of direct subsidy receipts, averaging £30,507 per farm in 2019/20. Cattle and Sheep (LFA) farms had the next highest amount of direct subsidy receipts received at £28,030 per farm in 2019/20. Whereas Pig farms recorded the lowest average of the 7 main types of farms, at £3,902 per farm.

Dairy type farms showed a decrease in direct payments of £496 per farm between 2018/19 and 2019/20. This was the result of decreases in LFA Compensatory payments (£95 per farm) and miscellaneous subsidies (£456 per farm) between 2018/19 and 2019/20.

Cattle and Sheep (LFA) type farms showed a decrease in direct payments of £1,657 per farm between 2018/19 and 2019/20. This was the net result of increases in Single Payment (£343 per farm) and Agri-Environmental Scheme payments (£498 per farm) and decreases in miscellaneous subsidies (£840 per farm) and LFA Compensatory payments (£1,658 per farm) between 2018/19 and 2019/20.

For the remaining farm types there were firstly increases in direct payments between 2018/19 and 2019/20 of £354 for Cereal farms and £1,866 for General Cropping farms. The increase in direct payments for Cereal farms reflected increases in Single Payment (£328) and Agri-Environmental Scheme receipts (£712 per farm), while General Cropping farms received higher Single Payment amounts received (£1,814).

Secondly, Lowland Cattle and Sheep (£1,601), Pig (£1,289) and Mixed (£2,396) farms experienced decreases in direct payments. The decrease in direct payments for Lowland Cattle and Sheep and Pigs farms is mainly attributable to lower Single Payment amounts received. Whereas, the reduction in direct payments for Mixed farms is mainly due to lower miscellaneous subsidies payments.

The data presented in tables 6 and 7 shows how important direct payments are to farmers in Northern Ireland. In 2019/20 direct payments ranged from 1% of the value of total farm output on Pig farms to 37% on Cattle and Sheep (LFA) farms. When expressed on a per hectare basis direct payments range from £225 per hectare on General Cropping farms to £313 per hectare on Cattle and Sheep (Lowland) farms.

When measured across all farm types, average direct payments represented 96% of the value of average Farm Business Income, 56% of the value of average Cash Income and 136% of the value of average Net Farm Income for farms in Northern Ireland. Moreover, for Cattle and Sheep (LFA), Cattle and Sheep (Lowland) and Mixed farms the average direct payments they received were greater than their average Net Farm Income and average Farm Business Income generated per farm in 2019/20. Whereas, for Cattle and Sheep (LFA) farms the direct payments they received were also greater than the average Cash Income that they generated for 2019/20.

Table 6 'As due' direct payments by type of farm in 2018/19 and 2019/20¹

	2018/19	2019/20
	£ per farm	
Cereal	23,973	24,327
General Cropping	10,479	12,345
Pigs	5,190	3,902
Dairy	24,082	23,586
Cattle & Sheep (LFA)	29,687	28,030
Cattle & Sheep (Lowland)	21,889	20,288
Mixed	32,903	30,507
All types	26,040	24,774

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

Table 7 'As due' direct payments by type of farm, 2019/20⁵

	% TFO ¹	£ per ha	% FBI ²	% CI ³	% NFI ⁴
Cereals	18	273	80	45	95
General Cropping	9	225	417	49	-
Pigs	1	296	7	5	6
Dairy	8	276	46	29	52
Cattle and Sheep (LFA)	37	279	184	104	434
Cattle and Sheep (Lowland)	24	313	171	81	705
Mixed	11	294	102	40	104
All Types	17	283	96	56	136

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 and Dairy farm types return a positive Farm Business Income when direct payments are removed. Whereas, General Cropping, Cattle and Sheep (LFA), Cattle and Sheep (Lowland) and Mixed farm types generate losses. When measured across all farm types the average Farm Business Income with direct payments removed is a gain of £1,162 per farm.

Table 7(a) Farm Business Incomes including and excluding direct payments in 2019/20 (£ per farm)¹

	FBI	Direct Payments	FBI minus Direct Payments
Cereals	30,440	24,327	6,113
General Cropping	2,964	12,345	-9,382
Pigs	59,728	3,902	55,826
Dairy	51,803	23,586	28,217
Cattle and Sheep (LFA)	15,244	28,030	-12,787
Cattle and Sheep (Lowland)	11,869	20,288	-8,420
Mixed	30,029	30,507	-478
All Types	25,935	24,774	1,162

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

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 each individual farm type with the exceptions of Pig farms. In this instance, the data indicates that Cereal, Pig and Dairy farm types return a positive Net Farm Income when direct payments are removed, while General Cropping, Cattle and Sheep (LFA), Cattle and Sheep (Lowland) and Mixed farm types generate losses. When

measured across all farm types the average Net Farm Income with direct payments removed is a loss of £6,605 per farm.

Table 7(b) Net Farm Incomes including and excluding direct payments in 2019/20 (£ per farm)¹

	NFI	Direct Payments	NFI minus Direct Payments
Cereals	25,619	24,327	1,292
General Cropping	-5,148	12,345	-17,494
Pigs	61,745	3,902	57,844
Dairy	45,195	23,586	21,609
Cattle and Sheep (LFA)	6,466	28,030	-21,565
Cattle and Sheep (Lowland)	2,876	20,288	-17,412
Mixed	29,277	30,507	-1,230
All Types	18,169	24,774	-6,605

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

2.6 Trends in Farm Incomes between 2012/13 and 2019/20

Table 8 presents a time series (2012/13 – 2019/20) of average Farm Business Income expressed in real terms for Dairy and Cattle and Sheep (LFA) farm types. These two farm types account for approximately 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 (16/17 to 19/20) the average Farm Business Income for Dairy farms in real terms was 26.7% higher than that in the first four years (12/13 to 15/16) 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 8.5% 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) – 2012/13 to 2019/20^{1,2}

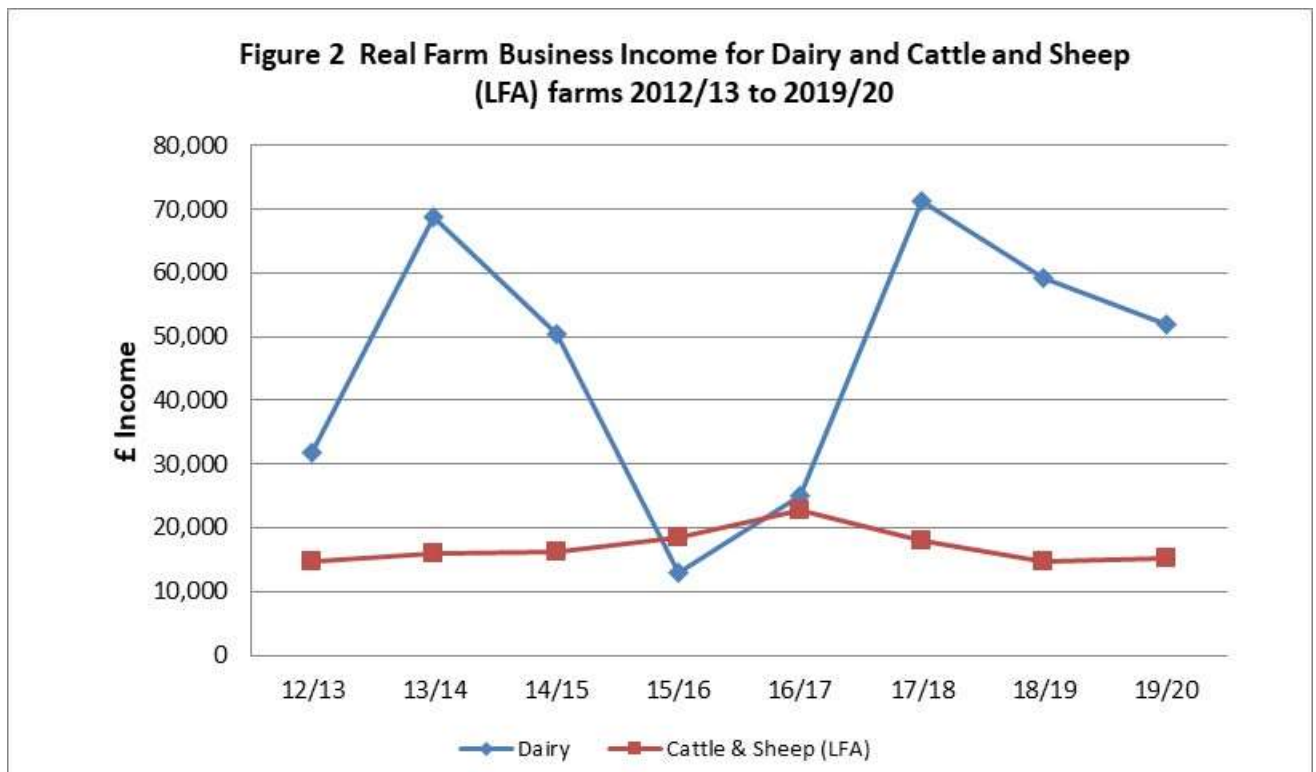
	Dairy	Cattle & Sheep (LFA)
2012/13	100	100
2013/14	216	109
2014/15	159	110
2015/16	41	125
2016/17	79	155
2017/18	225	123
2018/19	186	100
2019/20	163	104

1. Expressed as an index in real terms, 2012/13 = 100

2. Based on data from all farms

The time series (2012/13 – 2019/20) 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 relatively steady. On saying this, the annual average Farm Business Income for Dairy farms has been some £29,377 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 £46,372, compared to £16,997 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 86 hectares in Northern Ireland, is valued at 22% more than the average Cattle and Sheep (LFA) farm of 100 hectares and has generated about 2.7 times as much Farm Business Income over the past 8 years.



1. Adjusted to 2019/20 prices based on GDP deflator

2.7 Other Sources of Income

In the FBS, farmers are asked to indicate into which of 9 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 £10,637 per farm in 2019/20, of which £5,295 was earned income and £5,342 unearned income. However, it should be noted that on 28% of 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. The average amount of off-farm income was highest, at £12,835 per farm for Mixed farms because of the higher amount of investments, pensions and social payments income in this farm type.

Table 9 Off-farm income, 2019/20 (£ per farm)

	Off-farm Total Income	Emplyments & Self- employment	Investments, Pensions, Social Payments
Dairy	9,875	5,073	4,801
Cattle & Sheep (LFA)	11,374	5,980	5,394
Mixed	12,835	6,611	6,224
All Types	10,637	5,295	5,342

The two most common off-farm income sources were other employment and pensions, as shown in Table 10. The earned income of the spouse was the main off-farm income source. In 2019/20, on 56 of the 247 farms (23%) only the spouse of the farmer had off-farm employment, on a further 14 farms (6%) only the farmer had off-farm employment and on another 10 farms (4%) both the farmer and spouse had off-farm employment. This equates to 32% of farms having an off-farm employment source of income. The percentages of farms receiving pensions and social payments were 42% and 7% respectively.

Table 10 Off-farm income by type and level of Income, 2019/20

	£				
	Zero	1-999	1,000-4,999	5,000-19,999	20,000+
	(% of farms)				
Employment	70	-	2	16	12
Self-employment	95	-	-	3	3
Investments	95	1	1	3	0
Pensions	58	-	3	35	4
Social payments	93	1	3	3	-
All sources	28	1	1	46	23

2.8 Investment Levels on Farms

Within table 11, the real level of investment made on FBS farms over the past 10 years is shown. This shows that investment levels have decreased in both current and real terms over the ten year period. The real level decrease between 2010/11 and 2019/20 was 22%. In the most recent year, the real level of investment decreased by 18%, resulting in the third lowest level in the past 10 years.

Table 11 Net investment index per farm, 2010/11 to 2019/20

	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20
Current price Index	100	105	77	85	110	95	51	90	109	92
Real terms index ¹	100	104	74	81	103	89	46	80	95	78

1. Deflated using the GDP deflator, 2010/11 = 100

2. Based on data from all farms.

As shown in table 12 the average net investment (excluding capital grants received) was £21,574 per farm in 2019/20, which is £2,715 less than the previous year. The total average net investment in 2019/20 was composed of plant, machinery and vehicles at £9,593 per farm (which is £4,322 less than in 2018/19), land and buildings at £3,707 per farm (which is £198 higher than in 2018/19) and investment on capital improvements at £9,220 per farm (which is £1,757 higher than 2018/19). Capital grants received were £946 in 2019/20 (which is £349 higher than in 2018/19). Average levels of net investment were higher in 2019/20 than 2018/19 for Cereal, General Cropping, Pigs and Mixed farm types.

Table 12 Net investment by type of farm, 2018/19 and 2019/20¹

	2018/19	2019/20
	£ per farm	
Cereal	7,191	13,018
General Cropping	9,140	33,354
Pigs	20,187	24,553
Dairy	43,059	40,899
Cattle & Sheep (LFA)	16,038	10,978
Cattle & Sheep (Lowland)	17,384	13,857
Mixed	36,262	51,670
All types	24,289	21,574

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

The average levels of net investment were different on each of the farm types, with Mixed farms having the highest average level of net investment in 2019/20. 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.

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 revaluation in 2010/11 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 2019/20 account year is presented in Table 13. This shows that average total assets per farm measured across all farm types were £1,343,569 in 2019/20. Whereas, average external liabilities per farm measured across all farm types were £47,496 in 2019/20, which is 5.3% lower than the previous year. When measured across all farm types the average external liabilities (i.e. mainly bank borrowings) per farm in 2019/20 were equivalent to 3.5% of total farm assets. Given these values for assets and liabilities the average net worth per farm measured across all farm types was £1,296,073 in 2019/20. When measured across all farm types, net worth expressed as a percentage of total assets was 96.5% in 2019/20. 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 2010/11 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 2019/20 ranged from £644,655 per farm on Pig type farms to £1,926,210 per farm on Mixed type farms. In 2019/20, Cattle and Sheep (LFA) farms had the lowest external liabilities at £13,862 per farm, which equates to 1.1% when measured as a percentage of total assets. When compared to the previous year, external liabilities decreased on each individual farm type.

In terms of net worth, average values by farm type in 2019/20 ranged from £618,280 on Pig farms to £1,802,349 on Mixed farms. When net worth is expressed as a percentage of total assets, average values range from 83.8% on General Cropping farms to 99.1% on Cereal farms.

Table 13 Financial stability of farms in Northern Ireland 2018/19 and 2019/20¹

		Farm Area (ha)	Total Assets (£'000)	External Liabilities (£'000)	Net Worth (£'000)	Net Worth (as a % of Total Assets)
Cereals	18/19	86.8	1536.0	19.5	1516.5	98.7
	19/20	89.0	1527.3	14.2	1513.1	99.1
General Cropping	18/19	52.2	1319.4	266.7	1052.6	79.8
	19/20	54.9	1336.5	215.9	1120.6	83.8
Pigs	18/19	13.2	641.0	29.3	611.8	95.4
	19/20	13.2	644.7	26.4	618.3	95.9
Dairy	18/19	85.9	1461.5	110.5	1351.0	92.4
	19/20	85.5	1483.9	106.8	1377.1	92.8
Cattle and Sheep (LFA)	18/19	98.3	1209.8	14.4	1195.4	98.8
	19/20	100.4	1217.5	13.9	1203.6	98.9
Cattle and Sheep (Lowland)	18/19	64.4	1407.7	22.4	1385.3	98.4
	19/20	64.9	1407.4	22.0	1385.4	98.4
Mixed	18/19	103.7	1918.8	140.7	1778.2	92.7
	19/20	103.9	1926.2	123.9	1802.3	93.6
All Types	18/19	86.6	1333.4	50.1	1283.3	96.2
	19/20	87.6	1343.6	47.5	1296.1	96.5

1. Based on data from all 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 2019/20 only 4% of farm businesses had liabilities which were more than 15% of the value of total farm assets and that 82% 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)				
2018/19	1	4	13	57	25
2019/20	1	3	14	58	24

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 2019/20 the average capital required across all farm types was £15,341 per hectare. At the individual farm type level the average capital required ranged from £12,127 per hectare on Cattle and Sheep (LFA) type farms to £48,841 per hectare on Pig 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 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 87% of the average capital requirement on Northern Ireland farms in 2019/20. When measured by individual farm type, the percentage of total assets tied up in land and buildings ranged from 81% on Pig farms to 94% on Cereal farms.

Assets other than land and buildings are collectively referred to as operating capital. As shown in table 15, in 2019/20 the average amount of operating capital (which excludes debtors) measured across all farm types was £156,275 per farm or 11.6% of total assets. This operating capital can be broken down into breeding livestock (34% of operating capital), machinery (29%), trading livestock (29%), and crops and stocks (8%). When measured at the individual farm type level, the average operating capital in 2019/20 ranged from £72,710 for Cereal farms to £273,834 for Mixed farms. Alternatively, when measuring average operating capital as a percentage of average total assets for individual farm types in 2018/19, the values ranged from 4.8% for Cereal farms to 16.5% for Pig farms.

Table 15 Amount of operating capital by type of farm, 2019/20

	Operating Capital	
	£ per farm	% of total farm Capital
Cereal	72,710	4.8
General Cropping	107,471	8.0
Pigs	106,368	16.5
Dairy	227,410	15.3
Cattle & Sheep (LFA)	116,252	9.5
Cattle & Sheep (Lowland)	144,276	10.3
Mixed	273,834	14.2
All types	156,275	11.6

3.2 Rate of Return on Capital

There are a range of metrics to measure 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, 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 2019/20 is low when compared to other investment opportunities. The average rate of return in 2018/19 ranged from 0.3% on General Cropping farms to 9.7% on Pig farms.

Table 16 Farm Business Income as a percentage of net worth by type of farm, 2019/20

	Farm Business Income as a % of Net Worth 2019/20
Cereal	2.0
General Cropping	0.3
Pigs	9.7
Dairy	3.8
Cattle & Sheep (LFA)	1.3
Cattle & Sheep (Lowland)	0.9
Mixed	1.7
All types	2.0

3.3 Bank Borrowings

In the 2019/20 year, the average level of bank borrowings measured across all farm types was £41,726 per farm. This is an average decrease of £2,377 per farm when compared to 2018/19. The largest decrease in borrowings was on General Cropping farms with an average decrease of £29,052 per farm. No individual farm types showed an increase in borrowings.

Banks are the main source of lending to farming with others such as family loans, hire purchase and leasing, providing on average a further £5,770 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, 2018/19 and 2019/20¹

	2018/19	2019/20
	£ per farm	
Cereal	11,064	8,511
General Cropping	240,984	211,931
Pigs	13,782	11,508
Dairy	97,985	93,404
Cattle & Sheep (LFA)	12,190	11,859
Cattle & Sheep (Lowland)	20,920	20,782
Mixed	121,841	105,889
All types	44,103	41,726

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

The distribution of farms by level of borrowing per farm in 2018/19 and 2019/20 are presented in Table 18. This shows that 47% of the farms recorded no bank borrowings in 2019/20 whereas 19% of farms recorded borrowings in excess of £50,000. When comparing the distributions for 2018/19 and 2019/20 the overall picture is very similar but with a 2% decrease in the number of farms having borrowings in excess of £20,000 in 2019/20.

Table 18 Distributions of farms by level of bank borrowings, 2018/19 and 2019/20¹

Bank Borrowings (£ per farm)	2018/19	2019/20
	% of farms	
Nil	45	47
1 to 20,000	20	20
20,000 to 49,999	17	15
50,000 to 99,999	6	7
100,000 and over	12	12

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 an average bank lending rate of 4.5% borrowings of £50,000 would have incurred interest costs of around £2,250 per annum.

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 2018/19 and 2019/20. As the average account year end for the sample of farms is mid-February, the results refer to the 2018 and 2019 grassland and crop years. Average Gross Margin by enterprise is presented in Table 19(a). It is important to note that as the Single Payment is decoupled from production and not linked to any particular enterprise it is not included in the gross margin figures. For similar reasons, Areas of Natural Constraint payments are also not included. The overall situation was that higher gross margins were recorded in 2019/20 for SDA beef cows, DA beef cows, Lowland beef cows, SDA breeding ewes, DA breeding ewes and Pig enterprises. Whereas, lower gross margins were recorded for Dairy cows, Lowland breeding ewes, Spring Barley, Winter Barley, Winter Wheat and Potato enterprises.

Table 19(a) Average gross margins by enterprise in 2018/19 and 2019/20¹

	Average gross margins	
	2018/2019	2019/2020
	£ per head	
Dairy Cows	969	910
Suckler Cows - SDA	187	207
- DA	200	236
- Lowland	260	286
Breeding Ewes - SDA	12	19
- DA	32	36
- Lowland	61	58
Pigs	38	42
	£ per hectare	
Spring Barley	910	791
Winter Barley	1,676	980
Winter Wheat	1,600	1,128
Potatoes – ware	5,920	3,508

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 decreased from £969 in 2018/19 to £910 in 2019/20 for the 100 dairy herds which provided information in both years. This decrease of £60 in average gross margin is the net result of a £79 decrease in output value and a £19 decrease in total variable costs in 2019/20. The main reason for the decrease in output value was that milk receipts were on average £83 lower per cow in 2019/20. The lower milk receipts per cow were due to a decrease in average milk price of 1.5 pence per litre. The decrease in total variable costs per cow resulted from a £12 decrease in concentrate costs and a £11 decrease in hay, silage and grazing costs per cow. The decrease in concentrate costs per cow was primarily due to lower concentrate usage per cow.

Stocking rates increased slightly from 2.08 cow equivalents per hectare in 2018/19 to 2.10 cow equivalents per hectare in 2019/20. Given these similar stocking rates and the decrease in average gross margin per cow, then average gross margin per hectare also decreased from £2,004 in 2018/19 to £1,895 in 2019/20, which is a decrease of £109 per hectare.

Table 19(b) Average outputs, variable costs and gross margins per dairy cow in 2018/19 and 2019/20¹

	2018/2019	2019/2020
Number of herds		100
Enterprise output		£ per cow
Milk	2,094	2,011
Calves	100	110
Herd replacement	-165	-172
Output	2,028	1,949
Variable Costs		
Concentrates	681	669
Hay, silage & grazing	202	191
Sundries & Vet	175	179
Total Variable Costs	1,059	1,040
Gross Margin	969	910
Average herd size (cows)	109	111
Concentrates per litre (kg)	0.37	0.36
Stocking rate (ce/ha)	2.08	2.10
Summer milk (%)	51	51
Milk yield (l/cow)	7,284	7,375
Milk price (p/l)	28.7	27.3

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

As shown in Table 20, the difference in performance in 2019/20 between the 'top' and 'bottom' quartiles was, as in previous years, substantial. The 'top' quartile had an average gross margin per cow of £1,188 compared with £555 for the 'bottom' quartile. The main reasons for this difference in performance are that the 'top' quartile had an average milk yield 2,798 litres per cow above and a milk price 1.5 pence per litre above the 'bottom' quartile. For the average herd size of 111 dairy cows in the sample, the difference in gross margin between the 'top' and 'bottom' quartiles equates to a total value of £70,263 per herd.

Table 20 Average outputs, variable costs and gross margins per dairy cow in the top 25% and bottom 25% groups, 2019/20

	Top 25%	Bottom 25%
	£ per cow	
Gross Margin	1,188	555
Milk Sales	2,382	1,512
Calf Sales	132	85
Total Output	2,371	1,421
Variable Costs	1,183	866
Milk Yield – litres	8,509	5,712
Av milk price – ppl	28.0	26.5
Stocking rate - ce/ha	2.00	2.11

4.2 Suckler Cows

In the 2019/20 account year all of the three main categories of suckler herds had average gross margins that were higher than those in 2018/19 (Table 21). For SDA suckler cows the average gross margin per cow increased from £187 in 2018/19 to £207 in 2019/20. This increase of £21 per cow was the result of a £21 decrease in total variable costs in combination with the output value remaining the same. The unchanged output value was the net result of a £25 increase in the value of calves and a £25 increase in herd replacement cost. For DA suckler cows the average gross margin increased by £36 per cow due to a £42 increase in total output and a £6 increase in total variable costs. The increase in output value was the combined result of a £50 increase in the value of calves and a £8 increase in herd replacement cost. For Lowland suckler cows the average gross margin increased by £26 per cow, which was the combined result from a decrease of £2 in total output and a decrease of £29 in total variable costs. The decrease in output value was the combined result of a £11 increase in the value of calves and a £14 increase in herd replacement cost.

Table 21 Average outputs, variable costs and gross margins per cow for SDA, DA and Lowland suckler herds, 2018/19 and 2019/20¹

	SDA		DA		Lowland	
	2018/2019	2019/2020	2018/2019	2019/2020	2018/2019	2019/2020
Number of herds	60		23		27	
Enterprise Output	£ per cow					
Calves	503	528	530	580	547	558
Herd replacement	-41	-66	-67	-75	-39	-52
Total Output	462	462	463	505	508	506
Variable Costs						
Concentrates	56	52	48	40	32	27
HSG	146	131	137	138	142	123
Sundries & Vet	73	71	79	91	74	70
Total Variable Costs	275	255	263	269	248	220
Gross Margin	187	207	200	236	260	286
Calves reared per cow	0.91	0.97	0.93	1.00	0.99	0.98
Av price per calf sold/trans (£)	549	559	577	591	566	567

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 was a difference of £321 in gross margin per cow between the 'top' and 'bottom' groups of SDA suckler herds in 2019/20. This is accounted for by differences of £213 in calf returns, £52 in herd replacement costs, and £56 in total variable costs between the top and bottom groups. Similarly for DA suckler herds there was a difference of £414 in gross margin per cow between the 'top' and 'bottom' groups of herds in 2019/20. This is accounted for by differences of £146 in calf returns, £106 in herd replacement costs, and £162 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, 2019/20

	Top 25%	Bottom 25%
	£ per cow	
Gross Margin		
- SDA	383	62
- DA	398	-16
Calf Returns		
- SDA	652	439
- DA	682	537
Herd replacement cost		
- SDA	-47	-100
- DA	-48	-154
Variable Costs		
- SDA	222	277
- DA	237	399

4.3 Breeding Ewes

As shown in table 23, gross margins per ewe for Lowland flocks declined between 2018/19 and 2019/20, while Upland and Hill flocks showed an increase. For Lowland breeding ewes the average gross margin per ewe decreased from £60.75 in 2018/19 to £58.33 in 2019/20, which is a decrease of £2.41. This decrease was the net result of a £7.06 decrease in output and a £4.64 decrease in total variable costs. For Upland breeding ewes the average gross margin per ewe increased from £32.29 in 2018/19 to £36.31 in 2019/20, which is an increase of £4.02. This increase was the net result of a £3.76 decrease in output and a £7.78 decrease in total variable costs. For Hill breeding ewes the average gross margin per ewe increased from £11.78 in 2018/19 to £19.13 in 2019/20, which is an increase of £7.35. This increase was the combined result of a £3.81 increase in output and a £3.53 decrease 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 2019/20. This shows a difference in gross margin between the 'top 25%' and 'bottom 25%' of £46 per ewe in the Lowland, £82 per ewe in the Upland, and £65 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 £113 in the top group and £64 in the bottom group.

Table 23 Average outputs, variable costs and gross margins per ewe for Lowland, DA and SDA breeding flocks, 2018/19 and 2019/20¹

	Lowland		Upland (DA)		Hill (SDA)	
	2018/2019	2019/2020	2018/2019	2019/2020	2018/2019	2019/2020
Number of flocks	25		14		18	
Output	£ per ewe					
Lambs	115.92	102.87	102.25	97.34	59.23	58.10
Wool	1.85	1.77	1.83	1.38	1.47	1.30
Flock Replacements	3.14	9.21	-6.35	-4.75	3.53	8.64
Total Output	120.91	113.85	97.73	93.97	64.23	68.04
Variable Costs						
Concentrates + OPF	19.18	15.16	20.60	16.72	17.09	16.48
Hay, silage, & grazing	22.88	22.19	28.99	25.96	20.67	17.90
Sundries + Vet	18.10	18.17	15.84	14.98	14.69	14.53
Total Variable Costs	60.16	55.52	65.44	57.66	52.45	48.91
Gross Margin	60.75	58.33	32.29	36.31	11.78	19.13
Lambs reared per ewe	1.50	1.49	1.33	1.38	1.05	1.15
Ave lamb price (£)	86.49	81.93	79.77	76.30	71.62	67.99
Ewe mortality %	4.4	5.0	7.1	5.8	8.3	7.1
Lamb mortality per 100 ewes	9.1	8.8	7.5	7.7	6.5	5.9
Ave flock size (ewes)	193	187	123	120	283	279

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, 2019/20

	Top 25%	Bottom 25%
	Per Ewe	
Gross Margin (£)		
- Lowland	81	35
- Upland	72	-10
- Hill	57	-8
Lamb Sales (£)		
- Lowland	124	93
- Upland	131	64
- Hill	85	36
Lambs Reared		
- Lowland	1.71	1.27
- Upland	1.69	1.10
- Hill	1.56	0.97

4.4 Pigs

On the 6 farms which had rearing and finishing units, the average gross margin per pig increased from £37.65 in 2018/19 to £41.80 in 2019/20 (Table 25). This increase in margin of £4.15 per pig between 2018/19 and 2019/20 was the combined result of an increase in output of £6.83 per pig and an increase in total variable costs of £2.69 per pig. The increase in output was due to the more favourable pig prices in 2019/20, whereas, the increase in total variable costs was mainly due to the £2.05 increase in the

cost of feedstuffs per pig. The average gross margin of £42 per pig is the second highest result in the 10 years since 2010/11. The average gross margins per pig in previous years were £28 in 2010/11, £22 in 2011/12, £21 in 2012/13, £32 in 2013/14, £26 in 2014/15, £17 in 2015/16, £28 in 2016/17, £45 in 2017/18 and £37 in 2018/19.

Table 25 Average sales, variable costs and gross margins per pig for pig rearing and finishing units, 2018/19 and 2019/20¹

	2018/2019	2019/2020
Number of herds		6
		£ per pig
Output	125.35	132.18
Variable Costs		
Feeding stuffs	79.33	81.38
Vet and medicines	3.69	3.74
Sundries	4.68	5.26
Total Variable Costs	87.69	90.38
Gross Margin	37.65	41.80
Meal equivalent per pig (kg)	306	306
Price of concentrates (£/tonne)	259	266
Pigs weaned per sow	24.99	24.68

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 decreased from £910 in 2018 to £791 in 2019 (a decline of £119 per hectare). This decrease was the combined result of a £87 decrease in output value and a £32 increase in total variable costs in 2019. The decrease in output value was due to lower grain and straw prices in 2019. Grain prices per tonne decreased from £181 in 2018 to £157 in 2019, whereas, straw prices per tonne decreased from £109 in 2018 to £78 in 2018. In comparison to 2018 levels, average grain yield increased by 0.36 tonnes per hectare and average straw yield increased by 0.64 tonnes per hectare. The increase in variable costs between 2018 and 2019 was mainly the result of higher fertiliser, seed and sundry costs in 2019.

Table 26 Average outputs, variable costs and gross margins per hectare for spring barley, 2018/19 and 2019/20¹

	2018/2019	2019/2020
Number of farms		36
		£ per hectare
Output		
Grain	971	901
Straw	236	219
Total Output	1,207	1,120
Variable Costs		
Seed	70	77
Fertilisers	105	119
Sprays	98	101
Sundries	24	31
Total Variable Costs	297	328
Gross Margin	910	791
Grain yield (tonnes per ha)	5.38	5.74
Straw yield (tonnes per ha)	2.15	2.79

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

The 'top 25%' performance group of farms in 2019 had an average grain yield of 6.38 tonnes per hectare compared with 4.79 tonnes in the 'bottom 25%' group. These yields generated grain sales of £1,020 for the 'top' group and £645 for the 'bottom' group. Associated with the higher grain yield was also a higher straw yield which generated straw sales of £253 per hectare in the 'top' group compared with £149 in the 'bottom' group. The average grain price per tonne received by the 'top' group was £25 higher than the 'bottom' group, whereas, the average straw price per tonne in the 'top' performance group was £26 higher than the 'bottom' group. In terms of inputs, the total variable costs were £319 per hectare for the 'top' group and £338 for the 'bottom' group. These differences in output and inputs between the 'top' and 'bottom' groups resulted in a gross margin of £955 per hectare for the 'top' group and £455 per hectare for the 'bottom' group, i.e. a difference of £499 per hectare.

4.6 Winter Barley

As shown in Table 27, the average gross margin per hectare for the winter barley crop decreased from £1,676 in 2018 to £980 in 2019, which is a decline of £695. This decrease was the net effect of a £674 decrease in output and a £22 increase in variable costs in 2019. The decrease in output value resulted from lower grain and straw prices and yields in 2019. Grain prices per tonne decreased from £189 in 2018 to £148 in 2019, whereas, straw prices per tonne decreased from £122 in 2018 to £89 in 2019. In comparison to 2018 levels, average grain yield decreased by 0.91 tonnes per hectare and average straw yield decreased by 0.57 tonnes per hectare. The increase in variable costs between 2018 and 2019 was the result of higher spray and sundry costs in 2019.

Table 27 Average outputs, variable costs and gross margins per hectare for winter barley, 2018/19 and 2019/20¹

	2018/2019	2019/2020
Number of farms		18
		£ per hectare
Output		
Grain	1,546	1,076
Straw	558	354
Total Output	2,104	1,430
Variable Costs		
Seed	91	86
Fertilisers	154	155
Sprays	166	174
Sundries	18	34
Total Variable Costs	428	450
Gross Margin	1,676	980
Grain yield (tonnes per ha)	8.17	7.26
Straw yield (tonnes per ha)	4.55	3.98

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

The 'top 25%' group of farms in 2019 had an average grain yield of 9.37 tonnes per hectare, and this was 3.04 tonnes more than the 'bottom 25%' group. Higher values for grain and straw output resulted in an output value of £1,873 per hectare for the 'top' group, some £703 above that of the 'bottom' group. Total variable costs per hectare were £137 higher in the 'top' group at £547 per hectare. The gross margins per hectare were £1,326 for the 'top' group and £760 for the 'bottom' group.

On average, the winter barley crop gross margin in 2019 was £189 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 decreased from £1,600 in 2018 to £1,128 in 2019, which is a decline of £472. This was the net effect of a £439 decrease in output and a £33 increase in variable costs in 2019. The rise in output value was the result of lower grain and straw prices in 2019. Average grain prices decreased by £34 per tonne, whereas, average straw prices decreased by £55 per tonne. In terms of yields, average grain yield increased slightly by 0.07 tonnes per hectare and average straw yield increased by 0.71 tonnes per hectare. As a result of these changes in yields and prices, total output decreased from £2,096 in 2018 to £1,657 in 2019. The increase in total variable costs of £33 per hectare in 2019 was mainly the result of higher sundry costs in 2019.

Table 28 Average outputs, variable costs and gross margins per hectare for winter wheat, 2018/19 and 2019/20¹

	2018/2019	2019/2020
Number of farms	8	
	£ per hectare	
Output		
Grain	1,581	1,295
Straw	515	363
Total Output	2,096	1,657
Variable Costs		
Seed	94	102
Fertilisers	166	171
Sprays	218	210
Sundries	19	46
Total Variable Costs	496	529
Gross Margin	1,600	1,128
Grain yield (tonnes per ha)	8.61	8.67
Straw yield (tonnes per ha)	3.82	4.53

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

The 'top 25%' group of farms in 2019 had an average grain yield of 9.68 tonnes per hectare, and this was 1.60 tonnes more than the 'bottom 25%' group. Higher grain and straw yields resulted in an output value of £1,933 per hectare for the 'top' group, some £480 above that of the 'bottom' group. Total variable costs per hectare were £179 lower in the 'top' group at £384 per hectare. The gross margins per hectare were £1,548 for the 'top' group and £889 for the 'bottom' group.

The 2019 crop results show that the highest gross margin per hectare was obtained by winter wheat (£1,128) followed by winter barley (£980) and then spring barley (£791). This order is typical of a normal year. In saying this, the ranges in performances for the crops show that they overlap to quite an extent.

4.8 Potatoes

The gross margin performances for the 2018 and 2019 ware potato crops were £5,920 and £3,508 per hectare respectively. This decrease in gross margin of £2,412 per hectare was the net result of a £2,486 decrease in output and a £74 decrease in variable costs between 2018 and 2019. The decrease in output resulted from a decrease in ware potato prices, with prices decreasing from £284 per tonne in 2018 to £179 per tonne in 2019. In terms of yield, the average ware potato yield increased slightly from 31.7 tonnes per hectare in 2018 to 32.7 tonnes per hectare in 2019. The total variable costs incurred decreased from £2,075 per hectare in 2018 to £2,001 per hectare in 2019, which is a decrease of £74 per hectare. In terms of individual costs, sundry costs showed the most decrease, falling from £202 per hectare in 2018 to £133 per hectare in 2019 (i.e. a decrease of £69 per hectare). Whereas, fertiliser costs showed the most increase, by rising from £365 per hectare in 2018 to £376 per hectare in 2019 (i.e. an increase of £12 per hectare). Overall, the average variable costs of production per tonne for the ware crop decreased from £65.45 in 2018 to £61.24 in 2019. 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, 2018/19 and 2019/20¹

	Ware Crop	
	2018/2019	2019/2020
Number of farms	5	
	£ per hectare	
Potato Output	7,995	5,510
Variable costs		
Seed	610	595
Fertiliser	365	376
Sprays	319	314
Contract/Casual Wages	580	583
Sundries	202	133
Total Variable costs	2,075	2,001
Gross Margin	5,920	3,508
Total yield (tonnes/ha)	31.7	32.7
Av price per tonne (£)	284	179

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 9 enterprises, the gross margin for the 'top' group is at least 74% 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, 2019/20

	Top ¹	Bottom ¹
	Group	Group
	£ Per head	
Dairy cows	1,188	555
Suckler cows		
- DA	398	-16
- SDA	383	62
Breeding ewes		
- DA	72	-10
- SDA	57	-8
- Lowland	81	35
Spring barley	955	455
Winter barley	1,326	760
Winter wheat	1,548	889

1. For all enterprises the 'top' and 'bottom' groups refer to 25% 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 decreased from £583 in 2018/19 to £555 in 2019/20. At the individual farm type level, five of the seven farm types recorded decreases in fixed costs (i.e. Cereal, General Cropping, Dairy, Cattle and Sheep (LFA) and Cattle and Sheep (Lowland)), ranging from £27 per ha on Cattle and Sheep (LFA) farms to £131 per ha on General Cropping farms. On the other hand, Pig and Mixed farms showed increases in fixed costs of £254 and £12 per ha respectively.

Table 31 Fixed costs per hectare by type of farm, 2018/19 and 2019/20^{1, 2}

	2018/19	2019/20
	£ per ha	
Cereal	609	576
General Cropping	1,380	1,249
Pigs	4,136	4,391
Dairy	880	847
Cattle & Sheep (LFA)	351	324
Cattle & Sheep (Lowland)	580	548
Mixed	958	971
All Types	583	555

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 2018/19 and 2019/20, these three cost categories on average accounted for 69% of total fixed costs across all types of farm.

Table 32 Fixed costs per hectare, by category, 2018/19 and 2019/20¹

	2018/19	2019/20
	£ per ha	
Depreciation of buildings and works	113	100
Depreciation of machinery	142	138
Machinery running costs	150	146
Farm insurance	17	18
Farm fuel	25	26
Rates and water charges	16	15
Building repairs and miscellaneous	95	87
Interest payments	25	25
Total	583	555

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.

APPENDICES 1.1 – 1.7

**Table 1.1 – CEREAL & GENERAL CROPPING FARMS – ALL SIZES
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2018/19 AND 2019/20**

	Cereals			General Cropping		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Number of Farms	5	5		3	3	
Average size of business (SLRs)	1.2	1.2		1.7	1.9	
Total area of farm (ha)	86.8	89.0	2.5	52.2	54.9	5.2
of which: crops & grass	82.5	85.2	3.2	49.5	52.2	5.5
rough grazing	0.9	0.9	0.0	0.0	0.0	-
Hectares - Total crops	77.8	80.5	3.4	40.3	40.4	0.5
(of which cereals)	64.0	67.6	5.5	16.9	19.2	13.9
Av.no - Dairy cows	0.0	0.0	-	0.0	0.0	-
Av.no - Beef cows	0.0	0.0	-	0.0	0.0	-
Av.no - Other cattle	0.0	0.0	-	9.6	8.0	-16.9
Av.no - Ewes	10.4	9.1	-12.5	0.0	0.0	-
Av.no - Sows/gilts	0.0	0.0	-	0.0	0.0	-
Crop output :	£ per farm			£ per farm		
Cereals	81,060	74,302	-8.3	15,772	16,806	6.6
Potatoes	2,113	2,223	5.2	197,699	97,347	-50.8
Misc. crop output	40,290	30,817	-23.5	9,981	4,081	-59.1
Total crop output	123,462	107,342	-13.1	223,452	118,234	-47.1
Livestock output :						
Cattle rearing & fattening	0	0	-	978	4,783	389.0
Cattle - dairy	0	0	-	0	0	-
Milk	0	0	-	0	0	-
Sheep & wool	795	691	-13.1	0	0	-
Pigs	0	0	-	0	0	-
Poultry & eggs	0	0	-	0	0	-
Other livestock	0	0	-	0	0	-
Total livestock output	795	691	-13.1	978	4,783	389.0
Single Payment	22,915	23,243	1.4	10,335	12,149	17.6
ANC/LFA Compensatory scheme	0	0	-	0	0	-
Agri Environment schemes	0	712	-	0	0	-
Miscellaneous subsidies	1,058	372	-64.9	145	197	36.1
Miscellaneous revenue	3,974	4,136	4.1	2,270	2,832	24.7
On farm - non farm income	0	0	-	0	0	-
Adjustments for disposal of previous year's crop	-8	-114	-1368.3	0	-696	-
Total farm output	152,196	136,382	-10.4	237,180	137,498	-42.0

Table 1.1 Contd.

	Cereals			General Cropping		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Inputs :	£ per farm			£ per farm		
Purchased concentrate feed & fodder	153	97	-36.7	265	740	179.1
Home grown concentrate feed	0	0	-	226	328	45.0
Veterinary fees & medicines	196	159	-18.9	71	92	30.3
Other livestock costs	41	50	21.9	120	195	62.8
Purchased & home grown seed	5,911	6,453	9.2	11,610	12,395	6.8
Fertilisers	13,718	11,831	-13.8	10,904	12,878	18.1
Other crop costs	11,645	15,333	31.7	10,424	12,529	20.2
Regular & casual labour	3,942	3,566	-9.5	5,846	6,074	3.9
Machinery excluding depreciation	20,683	22,624	9.4	24,484	25,059	2.4
Depreciation of plant machinery & vehicles	17,977	16,101	-10.4	23,158	21,548	-7.0
Depreciation of buildings & works	7,399	6,622	-10.5	706	1,834	159.8
Land & building inputs	13,502	13,445	-0.4	12,215	18,730	53.3
Interest payments	1,288	526	-59.2	14,064	12,523	-11.0
Other general farming costs	8,397	9,134	8.8	10,127	9,610	-5.1
Total variable costs	40,459	43,626	7.8	45,912	53,618	16.8
Total fixed costs	64,393	62,316	-3.2	78,308	80,916	3.3
Total farm inputs	104,852	105,941	1.0	124,220	134,534	8.3
Farm Business Income	47,344	30,440	-35.7	112,961	2,964	-97.4
(plus) depreciation of buildings & works	7,399	6,622	-10.5	706	1,834	159.8
(plus) depreciation of plant machinery & vehicles	17,977	16,101	-10.4	23,158	21,548	-7.0
(minus) valuation change	-1,100	-340	69.1	-1,980	1,131	157.1
(equals) cash income	73,820	53,503	-27.5	138,805	25,215	-81.8
(minus) net investment	7,191	13,018	81.0	9,140	33,354	264.9
(equals) Cash flow	66,629	40,486	-39.2	129,665	-8,139	-106.3
Average valuations	68,804	72,710	5.7	112,766	107,471	-4.7

**Table 1.2 – MIXED & PIG FARMS – ALL SIZES
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2018/19 AND 2019/20¹**

	Mixed			Pigs		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Number of Farms	14	14		7	7	
Average size of business (SLRs)	2.7	2.9		2.7	2.6	
Total area of farm (ha)	103.7	103.9	0.2	13.2	13.2	-0.4
of which: crops & grass	92.8	93.0	0.3	12.1	12.1	0.0
rough grazing	3.3	3.3	0.0	0.3	0.3	0.0
Hectares - Total crops	26.1	27.4	5.1	1.5	1.5	-3.2
(of which cereals)	20.2	21.8	7.9	1.3	1.2	-3.8
Av.no - Dairy cows	33.3	38.5	15.8	0.0	0.0	-
Av.no - Beef cows	14.3	16.3	14.1	1.0	0.9	-11.1
Av.no - Other cattle	100.8	108.0	7.2	17.4	13.2	-24.4
Av.no - Ewes	103.7	103.2	-0.5	13.1	10.8	-18.0
Av.no - Sows/gilts	15.0	14.5	-3.6	204.9	193.1	-5.8
Crop output :	£ per farm			£ per farm		
Cereals	22,379	22,152	-1.0	1,450	1,287	-11.3
Potatoes	14,988	12,240	-18.3	0	0	-
Misc. crop output	10,764	9,507	-11.7	389	467	20.1
Total crop output	48,132	43,899	-8.8	1,839	1,754	-4.6
Livestock output :						
Cattle rearing & fattening	51,253	45,033	-12.1	6,567	3,896	-40.7
Cattle - dairy	-5,652	-3,014	46.7	0	0	-
Milk	66,323	77,896	17.4	0	0	-
Sheep & wool	8,883	8,006	-9.9	1,571	849	-45.9
Pigs	41,599	42,106	1.2	312,347	342,909	9.8
Poultry & eggs	13,187	14,555	10.4	0	0	-
Other livestock	6	0	-100.0	0	0	-
Total livestock output	175,600	184,581	5.1	320,484	347,654	8.5
Single Payment	30,977	30,045	-3.0	4,891	3,830	-21.7
ANC/LFA Compensatory scheme	398	0	-100.0	34	0	-100.0
Agri Environment schemes	0	61	-	0	0	-
Miscellaneous subsidies	1,528	401	-73.8	264	71	-73.1
Miscellaneous revenue	14,005	10,106	-27.8	374	413	10.3
On farm - non farm income	0	0	-	0	0	-
Adjustments for disposal of previous year's crop	1,013	2,155	112.8	0	0	-
Total farm output	271,653	271,248	-0.1	327,887	353,722	7.9

Table 1.2 Contd.

	Mixed			Pigs		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Inputs :	£ per farm			£ per farm		
Purchased concentrate feed & fodder	73,932	72,946	-1.3	188,889	202,636	7.3
Home grown concentrate feed	4,306	5,723	32.9	0	0	-
Veterinary fees & medicines	5,393	5,187	-3.8	11,131	12,680	13.9
Other livestock costs	8,389	9,591	14.3	12,910	14,190	9.9
Purchased & home grown seed	3,483	4,861	39.6	116	142	22.4
Fertilisers	11,388	10,897	-4.3	824	517	-37.2
Other crop costs	6,801	6,260	-8.0	272	399	46.8
Regular & casual labour	10,569	11,639	10.1	7,229	7,022	-2.9
Machinery excluding depreciation	28,970	29,207	0.8	5,579	7,304	30.9
Depreciation of plant machinery & vehicles	23,933	25,227	5.4	5,251	7,094	35.1
Depreciation of buildings & works	22,988	22,911	-0.3	16,775	17,888	6.6
Land & building inputs	15,135	15,747	4.0	9,571	7,095	-25.9
Interest payments	5,909	5,847	-1.0	931	721	-22.5
Other general farming costs	14,130	15,176	7.4	15,571	16,305	4.7
Total variable costs	125,409	128,455	2.4	218,348	233,528	7.0
Total fixed costs	109,916	112,764	2.6	56,701	60,466	6.6
Total farm inputs	235,325	241,219	2.5	275,049	293,994	6.9
Farm Business Income	36,328	30,029	-17.3	52,838	59,728	13.0
(plus) depreciation of buildings & works	22,988	22,911	-0.3	16,775	17,888	6.6
(plus) depreciation of plant machinery & vehicles	23,933	25,227	5.4	5,251	7,094	35.1
(minus) valuation change	25,076	2,585	-89.7	-6,548	3,795	158.0
(equals) cash income	58,172	75,582	29.9	81,412	80,915	-0.6
(minus) net investment	36,262	51,670	42.5	20,187	24,553	21.6
(equals) Cash flow	21,910	23,911	9.1	61,225	56,362	-7.9
Average valuations	253,316	273,834	8.1	102,398	106,368	3.9

**TABLE 1.3 LOWLAND CATTLE AND SHEEP
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2018/19 AND 2019/20¹**

	0.5 < 1 SLR			1 < 2 SLR			All SIZES		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Number of Farms	14	14		11	11		32	32	
Average size of business (SLRs)	0.8	0.8		1.4	1.4		1.1	1.1	
Total area of farm (ha)	47.2	48.1	1.9	88.3	88.0	-0.2	64.4	64.9	0.9
of which: crops & grass	44.2	45.1	2.0	86.4	86.2	-0.3	61.6	62.2	0.9
rough grazing	1.3	1.3	0.0	0.5	0.5	0.0	1.1	1.1	0.0
Size of enterprises :									
Hectares - Total crops	4.0	4.3	9.1	5.2	6.1	16.5	4.7	5.3	13.1
Av.no - Dairy cows	0.0	0.0	-	0.0	1.0	-	0.2	1.0	403.6
Av.no - Beef cows	16.2	16.2	-0.1	42.7	41.8	-2.1	27.2	26.4	-3.2
Av.no - Other cattle	65.2	60.8	-6.7	141.6	141.8	0.2	95.4	92.6	-3.0
Av.no - Ewes	69.9	68.2	-2.4	59.7	48.3	-19.1	80.8	75.5	-6.5
Av.no - Sows/gilts	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-
Crop output :									
	£ per farm			£ per farm			£ per farm		
Cereals	4,568	3,739	-18.2	5,381	4,854	-9.8	4,967	4,497	-9.5
Potatoes	0	0	-	0	0	-	0	0	-
Misc. crop output	2,186	2,424	10.8	3,212	984	-69.4	2,694	2,289	-15.0
Total crop output	6,754	6,162	-8.8	8,593	5,838	-32.1	7,662	6,786	-11.4
Livestock output :									
Cattle rearing & fattening	30,535	25,837	-15.4	73,973	70,184	-5.1	47,711	42,538	-10.8
Cattle - dairy	0	0	-	0	-55	-	14	-119	-973.3
Milk	0	0	-	0	934	-	402	1,860	363.2
Sheep & wool	7,691	7,321	-4.8	6,315	5,566	-11.9	9,776	8,812	-9.9
Pigs	0	0	-	0	0	-	0	0	-
Poultry & eggs	0	0	-	0	0	-	0	0	-
Other livestock	0	0	-	0	0	-	0	0	-
Total livestock output	38,225	33,158	-13.3	80,289	76,629	-4.6	57,903	53,092	-8.3
Single Payment	14,303	14,072	-1.6	30,026	28,078	-6.5	20,721	19,826	-4.3
ANC/LFA Compensatory scheme	17	0	-100.0	13	0	-100.0	26	0	-100.0
Agri Environment schemes	337	30	-91.0	0	71	-	252	202	-19.6
Miscellaneous subsidies	528	133	-74.8	1,505	387	-74.3	890	260	-70.8
Miscellaneous revenue	3,698	3,898	5.4	2,842	4,673	64.4	4,394	4,708	7.1
On farm - non farm income	536	536	0.0	0	0	-	331	331	0.0
Adjustments for disposal of previous year's crop	0	0	-	0	0	-	76	70	-8.8
Total farm output	64,397	57,990	-9.9	123,268	115,677	-6.2	92,255	85,275	-7.6

Table 1.3 Contd.

	0.5 < 1 SLR			1 < 2 SLR			All SIZES		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Inputs :	£ per farm			£ per farm			£ per farm		
Purchased concentrate feed & fodder	10,784	8,527	-20.9	18,641	14,748	-20.9	14,299	11,772	-17.7
Home grown concentrate feed	1,141	1,235	8.3	2,212	2,442	10.4	1,852	1,995	7.7
Veterinary fees & medicines	2,044	1,888	-7.6	3,169	2,891	-8.8	2,726	2,557	-6.2
Other livestock costs	1,902	1,973	3.7	4,373	4,143	-5.3	2,974	2,994	0.7
Purchased & home grown seed	495	431	-12.8	1,012	927	-8.4	716	664	-7.2
Fertilisers	4,528	4,369	-3.5	9,185	8,381	-8.7	6,675	6,191	-7.2
Other crop costs	997	1,215	21.8	1,696	2,006	18.3	1,272	1,723	35.5
Regular & casual labour	491	512	4.1	1,654	2,055	24.3	1,204	1,411	17.2
Machinery excluding depreciation	10,530	10,158	-3.5	17,948	17,738	-1.2	14,240	13,821	-2.9
Depreciation of plant machinery & vehicles	5,470	4,646	-15.1	13,765	12,497	-9.2	9,508	8,460	-11.0
Depreciation of buildings & works	3,909	3,569	-8.7	4,535	5,062	11.6	5,152	4,947	-4.0
Land & building inputs	5,042	5,060	0.4	13,918	12,234	-12.1	8,909	8,496	-4.6
Interest payments	229	263	15.0	1,904	2,031	6.7	855	903	5.6
Other general farming costs	6,525	6,858	5.1	7,435	7,727	3.9	7,349	7,472	1.7
Total variable costs	25,948	23,514	-9.4	48,260	43,770	-9.3	36,548	33,783	-7.6
Total fixed costs	28,138	27,190	-3.4	53,187	51,112	-3.9	41,182	39,623	-3.8
Total farm inputs	54,086	50,704	-6.3	101,447	94,882	-6.5	77,730	73,407	-5.6
Farm Business Income	10,311	7,285	-29.3	21,821	20,795	-4.7	14,524	11,869	-18.3
(plus) depreciation of buildings & works	3,909	3,569	-8.7	4,535	5,062	11.6	5,152	4,947	-4.0
(plus) depreciation of plant machinery & vehicles	5,470	4,646	-15.1	13,765	12,497	-9.2	9,508	8,460	-11.0
(minus) valuation change	1,982	2,852	43.9	-2,501	-4,948	-97.8	127	314	147.6
(equals) cash income	17,708	12,647	-28.6	42,622	43,302	1.6	29,057	24,962	-14.1
(minus) net investment	8,758	8,488	-3.1	16,610	22,617	36.2	17,384	13,857	-20.3
(equals) Cash flow	8,949	4,159	-53.5	26,012	20,685	-20.5	11,673	11,105	-4.9
Average valuations	96,234	98,188	2.0	201,977	201,359	-0.3	142,918	144,276	1.0

**TABLE 1.4 – DAIRY FARMS
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2018/19 AND 2019/20**

	0.5 < 1 SLR			1 < 2 SLR			2 < 3 SLR			> 3 SLR		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Number of Farms	4	4		28	28		21	21		40	40	
Average size of business (SLRs)	0.9	0.9		1.6	1.6		2.4	2.4		4.6	4.7	
Total area of farm (ha)	24.7	24.7	0.0	52.2	52.9	1.4	74.3	73.5	-1.1	123.9	122.9	-0.8
of which: crops & grass	23.2	23.2	0.0	47.1	47.9	1.6	67.4	67.0	-0.5	115.5	116.8	1.2
rough grazing	0.4	0.4	0.0	3.8	3.8	0.0	5.3	4.8	-8.6	2.9	3.8	30.4
Size of enterprises :												
Hectares - Total crops	0.0	0.0	-	0.7	1.3	100.2	1.4	1.4	5.5	4.1	3.3	-17.8
Av.no - Dairy cows	38.5	36.8	-4.5	56.2	56.8	0.9	93.8	94.0	0.2	188.8	192.8	2.1
Av.no - Beef cows	0.0	0.3	-	3.9	3.9	0.1	1.5	0.9	-41.5	1.0	0.6	-45.4
Av.no - Other cattle	16.1	18.3	13.5	52.1	52.2	0.1	77.8	80.8	3.8	134.2	132.8	-1.1
Av.no - Ewes	0.0	0.0	-	19.5	18.8	-3.7	12.2	12.2	-0.3	5.7	5.6	-0.8
Av.no - Sows/gilts	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-
Crop output :												
	£ per farm			£ per farm			£ per farm			£ per farm		
Cereals	0	0	-	572	919	60.7	857	1,141	33.1	1,274	1,528	20.0
Potatoes	0	0	-	0	0	-	0	0	-	0	0	-
Misc. crop output	0	0	-	1,183	750	-36.6	1,637	86	-94.8	5,796	1,861	-67.9
Total crop output	0	0	-	1,755	1,669	-4.9	2,494	1,227	-50.8	7,070	3,390	-52.1
Livestock output :												
Cattle rearing & fattening	8,257	5,873	-28.9	23,630	22,177	-6.1	32,782	35,399	8.0	60,839	58,551	-3.8
Cattle - dairy	1,127	-996	-188.3	-1,303	-611	53.1	-3,556	-3,178	10.6	-8,720	-10,762	-23.4
Milk	55,582	53,951	-2.9	96,448	87,757	-9.0	170,427	160,734	-5.7	365,312	363,620	-0.5
Sheep & wool	0	0	-	1,532	1,726	12.6	899	1,014	12.7	650	708	9.0
Pigs	0	0	-	0	0	-	0	0	-	0	0	-
Poultry & eggs	0	0	-	0	0	-	1,249	2,252	80.3	1,061	581	-45.2
Other livestock	0	0	-	0	0	-	0	0	-	0	0	-
Total livestock output	64,966	58,828	-9.4	120,307	111,049	-7.7	201,801	196,220	-2.8	419,141	412,698	-1.5
Single Payment	6,921	6,824	-1.4	13,815	13,995	1.3	19,785	19,517	-1.4	33,433	33,579	0.4
ANC/LFA Compensatory scheme	45	0	-100.0	171	0	-100.0	149	0	-99.8	19	0	-100.0
Agri Environment schemes	0	0	-	44	170	289.6	0	0	-	62	12	-80.0
Miscellaneous subsidies	313	109	-65.1	392	175	-55.2	679	430	-36.7	1,412	638	-54.8
Miscellaneous revenue	11	11	0.0	905	1,046	15.5	6,226	4,748	-23.7	7,790	8,515	9.3
On farm - non farm income	0	0	-	0	0	-	0	0	-	0	0	-
Adjustments for disposal of previous year's crop	0	0	-	0	-8	-	0	0	-	0	0	-
Total farm output	72,255	65,773	-9.0	137,388	128,098	-6.8	231,135	222,142	-3.9	468,928	458,833	-2.2

Table 1.4 Contd.

	0.5 < 1 SLR			1 < 2 SLR			2 < 3 SLR			> 3 SLR		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Inputs :	£ per farm			£ per farm			£ per farm			£ per farm		
Purchased concentrate feed & fodder	17,828	17,708	-0.7	35,172	31,852	-9.4	62,348	65,579	5.2	153,163	148,624	-3.0
Home grown concentrate feed	1,565	1,699	8.5	2,589	2,919	12.8	3,779	2,939	-22.2	5,226	5,170	-1.1
Veterinary fees & medicines	2,176	1,818	-16.5	3,969	3,750	-5.5	5,522	5,491	-0.5	13,451	13,212	-1.8
Other livestock costs	2,637	2,280	-13.6	5,780	5,718	-1.1	11,779	11,639	-1.2	22,255	23,935	7.5
Purchased & home grown seed	154	133	-13.5	244	260	6.5	680	343	-49.6	1,253	1,087	-13.2
Fertilisers	3,214	3,443	7.1	6,968	6,389	-8.3	10,524	10,123	-3.8	18,392	18,970	3.1
Other crop costs	312	261	-16.4	1,021	893	-12.5	1,058	1,760	66.4	3,694	4,097	10.9
Regular & casual labour	1,019	1,082	6.2	964	1,053	9.2	6,208	6,601	6.3	14,016	15,417	10.0
Machinery excluding depreciation	7,319	9,356	27.8	14,448	14,243	-1.4	23,258	19,856	-14.6	47,909	48,713	1.7
Depreciation of plant machinery & vehicles	3,473	4,005	15.3	9,022	9,203	2.0	15,834	15,982	0.9	22,784	22,816	0.1
Depreciation of buildings & works	1,780	857	-51.8	7,079	6,952	-1.8	15,753	14,405	-8.6	26,637	23,637	-11.3
Land & building inputs	4,223	3,265	-22.7	8,119	6,975	-14.1	10,704	10,929	2.1	24,393	24,504	0.5
Interest payments	157	221	40.4	882	627	-28.9	3,740	3,846	2.9	7,287	7,747	6.3
Other general farming costs	7,430	7,923	6.6	9,048	9,459	4.5	12,120	13,157	8.6	20,333	20,238	-0.5
Total variable costs	32,748	32,479	-0.8	62,603	58,542	-6.5	111,388	112,091	0.6	252,035	251,405	-0.2
Total fixed costs	20,537	21,570	5.0	42,703	41,751	-2.2	71,916	70,560	-1.9	128,757	126,760	-1.6
Total farm inputs	53,286	54,048	1.4	105,306	100,292	-4.8	183,305	182,651	-0.4	380,792	378,165	-0.7
Farm Business Income	18,970	11,724	-38.2	32,082	27,805	-13.3	47,830	39,491	-17.4	88,136	80,667	-8.5
(plus) depreciation of buildings & works	1,780	857	-51.8	7,079	6,952	-1.8	15,753	14,405	-8.6	26,637	23,637	-11.3
(plus) depreciation of plant machinery & vehicles	3,473	4,005	15.3	9,022	9,203	2.0	15,834	15,982	0.9	22,784	22,816	0.1
(minus) valuation change	957	-3,331	-447.9	1,456	-190	-113.1	-387	4,231	1193.8	-1,278	1,452	213.6
(equals) cash income	23,265	19,918	-14.4	46,727	44,151	-5.5	79,804	65,648	-17.7	138,835	125,670	-9.5
(minus) net investment	8,943	4,812	-46.2	25,164	25,576	1.6	45,904	32,046	-30.2	58,151	61,365	5.5
(equals) Cash flow	14,322	15,106	5.5	21,563	18,575	-13.9	33,899	33,602	-0.9	80,684	64,304	-20.3
Average valuations	55,700	54,941	-1.4	119,224	123,000	3.2	180,763	192,209	6.3	329,049	342,010	3.9

**TABLE 1.5 – LFA CATTLE AND SHEEP
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2018/19 AND 2019/20**

	0.5 < 1 SLR			1 < 2 SLR			2 < 3 SLR			> 3 SLR		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Number of Farms	41	41		35	35		14	14		3	3	
Average size of business (SLRs)	0.7	0.7		1.4	1.4		2.5	2.4		3.6	3.5	
Total area of farm (ha)	67.5	68.7	1.8	125.3	129.1	3.0	261.2	258.9	-0.9	238.5	256.8	7.7
of which: crops & grass	43.7	43.8	0.2	75.0	73.6	-1.9	112.8	109.8	-2.7	198.6	206.3	3.9
rough grazing	16.8	18.0	6.9	33.7	33.8	0.4	73.5	73.7	0.2	27.1	38.1	40.4
Size of enterprises :												
Hectares - Total crops	0.1	0.0	-69.6	1.5	1.6	4.1	2.9	2.7	-7.9	3.0	1.6	-47.7
Av.no - Dairy cows	0.2	0.2	6.6	0.8	0.9	7.1	0.0	0.0	-	0.0	0.0	-
Av.no - Beef cows	24.4	24.1	-1.4	38.2	38.2	0.0	75.2	75.7	0.7	122.9	123.2	0.3
Av.no - Other cattle	36.8	36.3	-1.3	77.0	77.2	0.2	152.2	145.4	-4.4	178.0	181.0	1.7
Av.no - Ewes	89.2	90.0	0.9	199.3	190.5	-4.4	312.1	318.7	2.1	566.0	498.8	-11.9
Av.no - Sows/gilts	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-
Crop output :												
	£ per farm			£ per farm			£ per farm			£ per farm		
Cereals	23	33	41.2	1,192	1,101	-7.7	1,533	1,495	-2.5	1,431	763	-46.7
Potatoes	0	0	-	0	0	-	4,141	1,530	-63.1	0	0	-
Misc. crop output	447	231	-48.2	1,758	1,286	-26.8	2,631	1,746	-33.7	2,351	947	-59.7
Total crop output	470	264	-43.8	2,950	2,387	-19.1	8,306	4,770	-42.6	3,783	1,710	-54.8
Livestock output :												
Cattle rearing & fattening	20,604	20,809	1.0	41,312	39,852	-3.5	83,621	82,053	-1.9	114,968	113,333	-1.4
Cattle - dairy	4	15	307.3	182	60	-67.1	0	0	-	0	0	-
Milk	243	229	-5.7	1,109	1,132	2.1	0	0	-	0	0	-
Sheep & wool	8,795	8,516	-3.2	18,578	18,107	-2.5	20,439	23,551	15.2	63,507	51,779	-18.5
Pigs	0	0	-	0	0	-	0	0	-	0	0	-
Poultry & eggs	0	0	-	0	0	-	0	0	-	0	0	-
Other livestock	262	206	-21.4	0	0	-	444	0	-100.0	0	313	-
Total livestock output	29,908	29,775	-0.4	61,181	59,151	-3.3	104,504	105,603	1.1	178,474	165,425	-7.3
Single Payment	17,747	17,964	1.2	33,536	34,616	3.2	69,765	69,335	-0.6	74,872	71,526	-4.5
ANC/LFA Compensatory scheme	1,191	0	-100.0	2,076	22	-98.9	4,552	3	-99.9	2,753	0	-100.0
Agri Environment schemes	888	723	-18.6	242	1,597	559.1	0	3,907	-	0	65	-
Miscellaneous subsidies	957	104	-89.2	732	306	-58.2	3,206	682	-78.7	2,576	1,415	-45.0
Miscellaneous revenue	1,649	1,607	-2.5	2,150	1,747	-18.8	3,852	3,521	-8.6	10,166	10,056	-1.1
On farm - non farm income	0	0	-	0	0	-	0	0	-	0	0	-
Adjustments for disposal of previous year's crop	0	0	-	0	0	-	74	138	86.2	0	0	-
Total farm output	52,810	50,437	-4.5	102,868	99,827	-3.0	194,259	187,959	-3.2	272,624	250,197	-8.2

Table 1.5 Contd.

	0.5 < 1 SLR			1 < 2 SLR			2 < 3 SLR			> 3 SLR		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Inputs :	£ per farm			£ per farm			£ per farm			£ per farm		
Purchased concentrate feed & fodder	8,922	8,217	-7.9	16,825	15,125	-10.1	34,741	27,989	-19.4	37,146	31,442	-15.4
Home grown concentrate feed	34	44	30.8	819	966	18.0	1,340	1,457	8.7	1,431	573	-60.0
Veterinary fees & medicines	2,434	2,375	-2.5	3,829	4,251	11.0	6,587	8,697	32.0	13,171	11,645	-11.6
Other livestock costs	1,857	1,814	-2.3	3,227	2,961	-8.2	4,355	4,284	-1.6	9,932	8,729	-12.1
Purchased & home grown seed	138	95	-31.2	459	266	-42.2	818	648	-20.8	1,789	261	-85.4
Fertilisers	3,757	3,246	-13.6	7,698	7,078	-8.1	13,061	12,306	-5.8	24,141	16,602	-31.2
Other crop costs	433	409	-5.5	1,012	1,071	5.8	1,667	1,473	-11.6	1,830	1,003	-45.2
Regular & casual labour	602	583	-3.2	2,765	2,639	-4.6	4,492	4,299	-4.3	5,152	7,504	45.6
Machinery excluding depreciation	8,263	8,134	-1.6	12,862	12,545	-2.5	23,447	23,681	1.0	40,388	33,619	-16.8
Depreciation of plant machinery & vehicles	5,778	5,644	-2.3	8,804	9,080	3.1	18,850	17,269	-8.4	23,183	21,934	-5.4
Depreciation of buildings & works	2,943	2,143	-27.2	7,113	6,064	-14.7	11,318	7,725	-31.7	4,426	4,911	11.0
Land & building inputs	5,234	4,850	-7.3	9,745	8,708	-10.6	17,751	17,941	1.1	19,910	17,858	-10.3
Interest payments	359	353	-1.5	594	534	-10.0	1,565	1,646	5.2	4,439	5,695	28.3
Other general farming costs	5,252	5,174	-1.5	6,437	6,607	2.6	8,692	8,968	3.2	12,245	12,977	6.0
Total variable costs	21,002	19,874	-5.4	39,544	37,342	-5.6	73,013	66,781	-8.5	110,551	90,417	-18.2
Total fixed costs	25,001	23,207	-7.2	42,643	40,554	-4.9	75,669	71,603	-5.4	88,633	84,335	-4.8
Total farm inputs	46,003	43,081	-6.4	82,188	77,895	-5.2	148,682	138,384	-6.9	199,184	174,752	-12.3
Farm Business Income	6,806	7,356	8.1	20,680	21,931	6.1	45,577	49,575	8.8	73,440	75,445	2.7
(plus) depreciation of buildings & works	2,943	2,143	-27.2	7,113	6,064	-14.7	11,318	7,725	-31.7	4,426	4,911	11.0
(plus) depreciation of plant machinery & vehicles	5,778	5,644	-2.3	8,804	9,080	3.1	18,850	17,269	-8.4	23,183	21,934	-5.4
(minus) valuation change	-1,506	-1,084	28.0	296	1,672	464.8	6,900	-4,786	-169.4	-7,611	7,340	196.4
(equals) cash income	17,033	16,226	-4.7	36,300	35,404	-2.5	68,845	79,355	15.3	108,660	94,950	-12.6
(minus) net investment	10,460	5,806	-44.5	20,931	16,490	-21.2	43,883	26,225	-40.2	46,085	56,276	22.1
(equals) Cash flow	6,573	10,420	58.5	15,369	18,914	23.1	24,962	53,130	112.8	62,576	38,674	-38.2
Average valuations	77,277	77,421	0.2	144,899	149,011	2.8	287,909	291,795	1.3	400,941	396,044	-1.2

**TABLE 1.6 – DAIRY AND LFA CATTLE AND SHEEP – ALL SIZES
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2018/19 AND 2019/20**

	Dairy			LFA Cattle & Sheep		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Number of Farms	93	93		93	93	
Average size of business (SLRs)	3.0	3.0		1.1	1.0	
Total area of farm (ha)	85.9	85.5	-0.4	98.3	100.4	2.1
of which: crops & grass	79.2	79.9	0.9	59.6	59.2	-0.6
rough grazing	3.6	3.9	7.3	25.0	26.0	4.1
Hectares - Total crops	2.2	2.1	-4.4	0.7	0.6	-11.9
Av.no - Dairy cows	119.7	121.5	1.5	0.3	0.4	7.0
Av.no - Beef cows	1.9	1.6	-17.5	33.2	33.0	-0.6
Av.no - Other cattle	90.6	90.9	0.3	57.5	56.9	-1.0
Av.no - Ewes	10.8	10.6	-2.1	142.4	139.5	-2.0
Av.no - Sows/gilts	0.0	0.0	-	0.0	0.0	-
Crop output :	£ per farm			£ per farm		
Cereals	902	1,174	30.2	463	428	-7.5
Potatoes	0	0	-	244	90	-63.1
Misc. crop output	3,152	1,009	-68.0	975	625	-35.9
Total crop output	4,054	2,183	-46.1	1,682	1,143	-32.0
Livestock output :						
Cattle rearing & fattening	40,513	39,649	-2.1	31,941	31,546	-1.2
Cattle - dairy	-4,810	-5,499	-14.3	53	26	-50.0
Milk	224,423	218,821	-2.5	462	459	-0.6
Sheep & wool	921	1,027	11.6	13,288	12,923	-2.7
Pigs	0	0	-	0	0	-
Poultry & eggs	748	792	5.9	0	0	-
Other livestock	0	0	-	195	139	-28.6
Total livestock output	261,794	254,789	-2.7	45,939	45,093	-1.8
Single Payment	23,065	23,106	0.2	26,322	26,666	1.3
ANC/LFA Compensatory scheme	95	0	-99.9	1,664	6	-99.6
Agri Environment schemes	38	53	38.2	640	1,138	77.8
Miscellaneous subsidies	883	427	-51.7	1,061	220	-79.2
Miscellaneous revenue	5,026	5,009	-0.4	2,090	1,931	-7.6
On farm - non farm income	0	0	-	0	0	-
Adjustments for disposal of previous year's crop	0	-2	-	4	8	86.3
Total farm output	294,956	285,564	-3.2	79,403	76,206	-4.0

Table 1.6 Contd.

	Dairy			LFA Cattle & Sheep		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Inputs :	£ per farm			£ per farm		
Purchased concentrate feed & fodder	90,079	88,032	-2.3	13,194	11,757	-10.9
Home grown concentrate feed	3,921	3,793	-3.3	355	392	10.3
Veterinary fees & medicines	8,205	8,015	-2.3	3,282	3,453	5.2
Other livestock costs	13,942	14,571	4.5	2,546	2,416	-5.1
Purchased & home grown seed	766	618	-19.3	300	178	-40.8
Fertilisers	12,389	12,384	0.0	5,805	5,106	-12.0
Other crop costs	2,105	2,406	14.3	694	666	-3.9
Regular & casual labour	7,698	8,407	9.2	1,519	1,509	-0.7
Machinery excluding depreciation	30,160	29,727	-1.4	11,079	10,784	-2.7
Depreciation of plant machinery & vehicles	16,109	16,241	0.8	7,736	7,607	-1.7
Depreciation of buildings & works	17,056	15,386	-9.8	4,614	3,607	-21.8
Land & building inputs	15,321	15,046	-1.8	7,512	6,949	-7.5
Interest payments	4,212	4,362	3.6	578	588	1.8
Other general farming costs	14,417	14,774	2.5	5,923	5,951	0.5
Total variable costs	151,894	150,648	-0.8	30,996	28,883	-6.8
Total fixed costs	84,486	83,114	-1.6	34,140	32,079	-6.0
Total farm inputs	236,380	233,761	-1.1	65,135	60,962	-6.4
Farm Business Income	58,576	51,803	-11.6	14,268	15,244	6.8
(plus) depreciation of buildings & works	17,056	15,386	-9.8	4,614	3,607	-21.8
(plus) depreciation of plant machinery & vehicles	16,109	16,241	0.8	7,736	7,607	-1.7
(minus) valuation change	-164	1,391	946.7	-639	-372	41.7
(equals) cash income	91,905	82,038	-10.7	27,257	26,830	-1.6
(minus) net investment	43,059	40,899	-5.0	16,038	10,978	-31.5
(equals) Cash flow	48,847	41,139	-15.8	11,219	15,851	41.3
Average valuations	218,191	227,410	4.2	114,899	116,252	1.2

**TABLE 1.7 – ALL TYPES – 4 SIZE GROUPS
OUTPUTS, INPUTS AND INCOMES BY TYPE OF FARMING -
IDENTICAL SAMPLE 2018/19 AND 2019/20**

	0.5 < 1 SLR			1 < 2 SLR			2 < 3 SLR			All Sizes		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Number of Farms	63	63		83	83		48	48		247	247	
Average size of business (SLRs)	0.7	0.7		1.5	1.5		2.4	2.4		1.7	1.7	
Total area of farm (ha)	59.6	60.6	1.8	94.7	96.5	2.0	120.2	119.4	-0.6	86.6	87.6	1.2
of which: crops & grass	42.7	43.0	0.6	69.8	69.3	-0.7	81.8	81.1	-0.8	65.8	66.0	0.3
rough grazing	11.7	12.4	6.7	16.5	16.6	0.4	20.0	19.8	-1.1	12.9	13.5	4.2
Size of enterprises :												
Hectares - Total crops	1.8	1.8	-0.7	4.9	5.3	7.3	4.3	4.7	8.0	4.0	4.1	2.9
Av.no - Dairy cows	1.5	1.5	-3.5	16.0	16.3	2.4	54.8	56.6	3.3	34.6	35.4	2.3
Av.no - Beef cows	20.7	20.4	-1.1	27.3	27.1	-0.8	24.8	23.9	-3.8	21.5	21.2	-1.4
Av.no - Other cattle	42.6	41.2	-3.4	81.9	82.0	0.1	101.5	101.3	-0.1	73.2	72.6	-0.8
Av.no - Ewes	78.2	78.3	0.1	110.0	103.6	-5.8	115.8	115.6	-0.2	87.5	85.1	-2.8
Av.no - Sows/gilts	0.2	0.2	-12.0	0.4	0.5	9.4	4.5	4.8	5.5	3.6	3.4	-5.5
Crop output :	£ per farm			£ per farm			£ per farm			£ per farm		
Cereals	1,676	1,573	-6.2	4,323	3,972	-8.1	3,259	3,730	14.5	3,139	3,044	-3.0
Potatoes	611	491	-19.5	3,605	2,498	-30.7	945	349	-63.1	3,312	1,766	-46.7
Misc. crop output	1,090	898	-17.6	2,960	1,922	-35.1	3,032	2,136	-29.6	2,719	1,664	-38.8
Total crop output	3,377	2,963	-12.3	10,888	8,392	-22.9	7,235	6,215	-14.1	9,170	6,473	-29.4
Livestock output :												
Cattle rearing & fattening	22,142	21,094	-4.7	42,155	39,708	-5.8	49,642	48,825	-1.6	36,666	35,109	-4.2
Cattle - dairy	44	-26	-159.9	-279	-153	45.1	-2,038	-2,057	-0.9	-1,477	-1,633	-10.5
Milk	2,185	2,116	-3.1	27,229	25,017	-8.1	99,576	98,071	-1.5	64,923	63,953	-1.5
Sheep & wool	7,916	7,632	-3.6	10,363	10,023	-3.3	10,860	10,499	-3.3	8,546	8,189	-4.2
Pigs	689	704	2.2	828	1,136	37.3	13,044	14,262	9.3	6,020	6,509	8.1
Poultry & eggs	0	0	-	291	341	17.3	1,183	1,792	51.5	580	630	8.8
Other livestock	176	139	-21.4	0	0	-	101	0	-100.0	91	65	-28.8
Total livestock output	33,152	31,659	-4.5	80,587	76,072	-5.6	172,368	171,392	-0.6	115,349	112,822	-2.2
Single Payment	16,103	16,207	0.6	26,709	26,758	0.2	33,075	32,525	-1.7	23,901	23,890	0.0
ANC/LFA Compensatory scheme	807	0	-100.0	994	10	-99.0	1,161	1	-99.9	817	3	-99.6
Agri Environment schemes	685	494	-27.8	121	793	553.0	67	1,144	1596.0	355	591	66.3
Miscellaneous subsidies	798	108	-86.4	788	282	-64.2	1,321	504	-61.8	967	289	-70.1
Miscellaneous revenue	2,073	2,097	1.2	2,220	2,341	5.5	7,344	5,566	-24.2	3,674	3,554	-3.3
On farm - non farm income	139	139	0.0	0	0	-	0	0	-	62	62	0.0
Adjustments for disposal of previous year's crop	0	0	-	92	76	-17.1	136	140	2.8	45	66	47.3
Total farm output	57,135	53,668	-6.1	122,399	114,726	-6.3	222,707	217,487	-2.3	154,339	147,751	-4.3

Table 1.7 Contd.

	0.5 < 1 SLR			1 < 2 SLR			2 < 3 SLR			All Sizes		
	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change	2018/19	2019/20	% Change
Inputs :	£ per farm			£ per farm			£ per farm			£ per farm		
Purchased concentrate feed & fodder	9,804	8,765	-10.6	22,734	20,116	-11.5	56,904	58,783	3.3	39,020	37,499	-3.9
Home grown concentrate feed	383	423	10.3	1,686	1,964	16.5	3,288	2,882	-12.3	1,733	1,782	2.8
Veterinary fees & medicines	2,261	2,172	-3.9	3,601	3,679	2.2	5,881	6,359	8.1	4,658	4,671	0.3
Other livestock costs	1,878	1,847	-1.6	4,139	3,999	-3.4	9,187	9,377	2.1	6,078	6,252	2.9
Purchased & home grown seed	318	272	-14.5	913	870	-4.7	868	685	-21.1	813	761	-6.4
Fertilisers	3,970	3,599	-9.3	8,014	7,398	-7.7	11,230	10,670	-5.0	8,045	7,617	-5.3
Other crop costs	694	764	10.1	1,787	1,797	0.6	1,465	2,194	49.7	1,615	1,827	13.1
Regular & casual labour	604	603	-0.1	2,480	2,543	2.6	5,400	5,791	7.2	3,618	3,876	7.1
Machinery excluding depreciation	8,906	8,812	-1.1	14,877	14,696	-1.2	23,935	21,753	-9.1	17,715	17,440	-1.5
Depreciation of plant machinery & vehicles	5,593	5,277	-5.6	10,330	10,132	-1.9	17,975	17,976	0.0	11,151	10,954	-1.8
Depreciation of buildings & works	3,140	2,510	-20.0	6,502	6,008	-7.6	15,364	13,985	-9.0	8,875	7,924	-10.7
Land & building inputs	5,127	4,854	-5.3	10,170	9,152	-10.0	13,427	13,731	2.3	10,334	9,987	-3.4
Interest payments	335	330	-1.7	1,102	992	-10.0	3,319	3,483	4.9	1,997	2,018	1.1
Other general farming costs	5,672	5,750	1.4	7,680	7,911	3.0	11,538	12,168	5.5	9,031	9,209	2.0
Total variable costs	23,093	21,743	-5.8	49,600	46,707	-5.8	102,199	103,244	1.0	71,722	70,337	-1.9
Total fixed costs	25,590	24,234	-5.3	46,413	44,550	-4.0	77,581	76,592	-1.3	52,960	51,479	-2.8
Total farm inputs	48,683	45,977	-5.6	96,014	91,257	-5.0	179,781	179,836	0.0	124,682	121,816	-2.3
Farm Business Income	8,451	7,691	-9.0	26,385	23,469	-11.1	42,927	37,651	-12.3	29,657	25,935	-12.6
(plus) depreciation of buildings & works	3,140	2,510	-20.0	6,502	6,008	-7.6	15,364	13,985	-9.0	8,875	7,924	-10.7
(plus) depreciation of plant machinery & vehicles	5,593	5,277	-5.6	10,330	10,132	-1.9	17,975	17,976	0.0	11,151	10,954	-1.8
(minus) valuation change	-621	-85	86.3	1,418	-914	-164.5	1,485	3,383	127.8	244	419	71.4
(equals) cash income	17,805	15,563	-12.6	41,800	40,523	-3.1	74,781	66,229	-11.4	49,440	44,395	-10.2
(minus) net investment	9,929	6,584	-33.7	21,144	19,651	-7.1	51,470	36,495	-29.1	24,289	21,574	-11.2
(equals) Cash flow	7,875	8,979	14.0	20,656	20,871	1.0	23,311	29,733	27.6	25,151	22,821	-9.3
Average valuations	80,115	80,590	0.6	148,704	151,767	2.1	217,084	228,635	5.3	152,207	156,275	2.7

**INCOMES ON CATTLE & SHEEP (LFA & LOWLAND),
DAIRY AND ALL FARM TYPES ABOVE 1SLR IN 2018/19 AND 2019/20¹**

£ PER FARM

		Farm Business	Cash Income	Net Farm Income
Dairy	18/19	61,013	96,130	56,938
	19/20	54,270	85,862	47,295
Cattle and Sheep (LFA)	18/19	27,860	45,882	14,440
	19/20	29,613	46,146	14,291
Cattle and Sheep (Lowland)	18/19	21,349	47,441	14,445
	19/20	19,292	44,909	11,834
All Types	18/19	46,720	74,894	39,666
	19/20	40,615	67,594	31,523

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

**ASSETS AND LIABILITIES OF CEREAL FARMS, 2019/20
AVERAGE FARM SIZE 89.0 HECTARES**

	Opening Valuation	£	Closing Valuation
Land and Buildings	1,442,732		1,440,964
Other fixed assets	69,831		65,684
TOTAL FIXED ASSETS	1,512,563		1,506,649
Trading livestock, crops & stores	5,747		4,156
Debtors and short-term lending	4,780		4,233
Cash in hand and at bank	12,907		12,263
TOTAL CURRENT ASSETS	23,434		20,652
TOTAL ASSETS	1,535,997		1,527,300
Bank & other institutional loans	4,255		4,255
Family & other loans	0		0
TOTAL LONG-TERM LOANS	4,255		4,255
Bank overdraft	6,809		4,255
Other short-term borrowing	8,405		5,670
TOTAL SHORT-TERM LOANS	15,214		9,925
TOTAL EXTERNAL LIABILITIES	19,469		14,181
NET WORTH	1,516,528		1,513,120

**ASSETS AND LIABILITIES OF GENERAL CROPPING FARMS, 2019/20
AVERAGE FARM SIZE 54.9 HECTARES**

	Opening Valuation	£	Closing Valuation
Land and Buildings	1,210,029		1,222,410
Other fixed assets	82,168		85,427
TOTAL FIXED ASSETS	1,292,197		1,307,837
Trading livestock, crops & stores	23,180		24,166
Debtors and short-term lending	0		0
Cash in hand and at bank	3,974		4,528
TOTAL CURRENT ASSETS	27,154		28,694
TOTAL ASSETS	1,319,352		1,336,531
Bank & other institutional loans	181,148		159,836
Family & other loans	0		0
TOTAL LONG-TERM LOANS	181,148		159,836
Bank overdraft	59,836		52,095
Other short-term borrowing	25,723		3,963
TOTAL SHORT-TERM LOANS	85,559		56,058
TOTAL EXTERNAL LIABILITIES	266,706		215,894
NET WORTH	1,052,645		1,120,637

**ASSETS AND LIABILITIES OF PIGS FARMS, 2019/20
AVERAGE FARM SIZE 13.2 HECTARES**

	Opening Valuation	£	Closing Valuation
Land and Buildings	527,915		522,905
Other fixed assets	43,715		50,527
TOTAL FIXED ASSETS	571,630		573,433
Trading livestock, crops & stores	57,579		61,042
Debtors and short-term lending	897		1,234
Cash in hand and at bank	10,936		8,947
TOTAL CURRENT ASSETS	69,412		71,222
TOTAL ASSETS	641,042		644,655
Bank & other institutional loans	2,187		699
Family & other loans	3,676		3,676
TOTAL LONG-TERM LOANS	5,863		4,376
Bank overdraft	11,596		10,809
Other short-term borrowing	11,829		11,191
TOTAL SHORT-TERM LOANS	23,425		22,000
TOTAL EXTERNAL LIABILITIES	29,288		26,375
NET WORTH	611,754		618,280

**ASSETS AND LIABILITIES OF DAIRY FARMS, 2019/20
AVERAGE FARM SIZE 85.5 HECTARES**

	Opening Valuation	£	Closing Valuation
Land and Buildings	1,206,204		1,224,040
Other fixed assets	161,620		165,531
TOTAL FIXED ASSETS	1,367,824		1,389,571
Trading livestock, crops & stores	62,407		63,075
Debtors and short-term lending	19,207		19,262
Cash in hand and at bank	12,071		12,026
TOTAL CURRENT ASSETS	93,685		94,363
TOTAL ASSETS	1,461,509		1,483,934
Bank & other institutional loans	77,729		74,864
Family & other loans	178		137
TOTAL LONG-TERM LOANS	77,907		75,001
Bank overdraft	20,257		18,540
Other short-term borrowing	12,379		13,293
TOTAL SHORT-TERM LOANS	32,636		31,833
TOTAL EXTERNAL LIABILITIES	110,542		106,834
NET WORTH	1,350,966		1,377,099

**ASSETS AND LIABILITIES OF CATTLE AND SHEEP FARMS (LFA), 2019/20
AVERAGE FARM SIZE 100.4 HECTARES**

	Opening Valuation	£	Closing Valuation
Land and Buildings	1,081,984		1,088,056
Other fixed assets	69,495		70,419
TOTAL FIXED ASSETS	1,151,479		1,158,476
Trading livestock, crops & stores	46,040		45,601
Debtors and short-term lending	454		330
Cash in hand and at bank	11,864		13,044
TOTAL CURRENT ASSETS	58,359		58,975
TOTAL ASSETS	1,209,837		1,217,451
Bank & other institutional loans	6,119		5,373
Family & other loans	29		11
TOTAL LONG-TERM LOANS	6,148		5,384
Bank overdraft	6,071		6,486
Other short-term borrowing	2,180		1,992
TOTAL SHORT-TERM LOANS	8,250		8,478
TOTAL EXTERNAL LIABILITIES	14,399		13,862
NET WORTH	1,195,439		1,203,589

**ASSETS AND LIABILITIES OF CATTLE AND SHEEP FARMS
(LOWLAND) 2019/20
AVERAGE FARM SIZE 64.9 HECTARES**

	Opening Valuation	£	Closing Valuation
Land and Buildings	1,247,484		1,252,535
Other fixed assets	66,743		64,975
TOTAL FIXED ASSETS	1,314,227		1,317,510
Trading livestock, crops & stores	79,038		77,459
Debtors and short-term lending	619		701
Cash in hand and at bank	13,770		11,762
TOTAL CURRENT ASSETS	93,428		89,922
TOTAL ASSETS	1,407,655		1,407,432
Bank & other institutional loans	13,384		15,566
Family & other loans	0		0
TOTAL LONG-TERM LOANS	13,384		15,566
Bank overdraft	7,536		5,216
Other short-term borrowing	1,450		1,235
TOTAL SHORT-TERM LOANS	8,986		6,451
TOTAL EXTERNAL LIABILITIES	22,370		22,017
NET WORTH	1,385,285		1,385,415

**ASSETS AND LIABILITIES OF MIXED FARMS, 2019/20
AVERAGE FARM SIZE 103.9 HECTARES**

	Opening Valuation	£	Closing Valuation
Land and Buildings	1,622,285		1,622,046
Other fixed assets	151,416		169,981
TOTAL FIXED ASSETS	1,773,701		1,792,027
Trading livestock, crops & stores	115,808		109,853
Debtors and short-term lending	8,712		9,954
Cash in hand and at bank	20,591		14,376
TOTAL CURRENT ASSETS	145,112		134,183
TOTAL ASSETS	1,918,813		1,926,210
Bank & other institutional loans	105,505		84,663
Family & other loans	2,933		2,933
TOTAL LONG-TERM LOANS	108,438		87,596
Bank overdraft	16,336		21,226
Other short-term borrowing	15,887		15,038
TOTAL SHORT-TERM LOANS	32,223		36,265
TOTAL EXTERNAL LIABILITIES	140,660		123,860
NET WORTH	1,778,152		1,802,349

**ASSETS AND LIABILITIES OF ALL TYPES, 2019/20
AVERAGE FARM SIZE 87.6 HECTARES**

	Opening Valuation	£	Closing Valuation
Land and Buildings	1,159,956		1,168,782
Other fixed assets	96,828		98,648
TOTAL FIXED ASSETS	1,256,784		1,267,430
Trading livestock, crops & stores	58,186		57,757
Debtors and short-term lending	6,009		6,016
Cash in hand and at bank	12,411		12,366
TOTAL CURRENT ASSETS	76,607		76,139
TOTAL ASSETS	1,333,391		1,343,569
Bank & other institutional loans	32,658		31,014
Family & other loans	203		183
TOTAL LONG-TERM LOANS	32,861		31,196
Bank overdraft	11,444		10,712
Other short-term borrowing	5,825		5,587
of which: Hire purchase	2,848		2,742
Leasing	74		155
Creditors	2,163		2,196
Other	741		495
TOTAL SHORT-TERM LOANS	17,270		16,300
TOTAL EXTERNAL LIABILITIES	50,131		47,496
NET WORTH	1,283,260		1,296,073

APPENDIX 3

ENTERPRISE GROSS MARGIN RESULTS CLASSIFIED INTO PERFORMANCE CATEGORIES

This Appendix contains the 2019/20 gross margin results, presented by 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.

Four performance categories are applied for enterprises with sufficient observations: '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 2020.

DAIRY COWS (CLASSIFIED BY GROSS MARGIN PER COW) 2019/20

	Excellent	Good	Moderate	Poor	Average
% of survey farms	11	40	33	15	100
Average herd size	78	129	106	86	109
Enterprise Output					
			£ per cow		
Milk	2,204	2,262	1,825	1,444	2,019
Calves	132	121	99	88	111
Herd replacement	-112	-170	-190	-159	-170
Leasing receipts	-	-	-	-	-
TOTAL ENTERPRISE OUTPUT	2,224	2,213	1,735	1,373	1,959
Variable Costs					
Concentrates	596	762	601	530	669
Hay, silage, forage & grazing	199	202	183	164	191
Vet, medicines & sundries	190	208	163	131	183
Leasing costs	-	-	-	-	-
TOTAL VARIABLE COSTS	986	1,172	947	824	1,043
GROSS MARGIN					
- per cow	1,239	1,041	788	549	916
- per hectare	2,399	2,177	1,683	1,170	1,921
- per 1000 litres	157	126	117	100	123
Milk yield per cow (litres)	7,890	8,269	6,762	5,459	7,416
Milk price per litre (pence)	27.9	27.4	27.0	26.5	27.2
Concentrates per litre (kg)	0.30	0.36	0.35	0.39	0.36
Concentrates price per tonne (£)	245	245	240	245	243
Stocking rate (ce per ha)	1.94	2.11	2.16	2.16	2.11
Nitrogen per hectare (kg)	158	155	145	146	151

DAIRY COWS (CLASSIFIED BY GROSS MARGIN PER HECTARE) 2019/20

	Excellent	Good	Moderate	Poor	Average
% of survey farms	15	39	31	15	100
Average herd size	159	128	81	64	109
Enterprise Output			£ per cow		
Milk	2,401	2,116	1,688	1,522	2,026
Calves	123	110	104	111	112
Herd replacement	-157	-182	-159	-153	-169
Leasing receipts	-	-	-	-	-
TOTAL ENTERPRISE OUTPUT	2,368	2,044	1,633	1,480	1,969
Variable Costs					
Concentrates	771	700	551	552	668
Hay, silage, forage & grazing	218	195	164	167	190
Vet, medicines & sundries	228	191	146	129	183
Leasing costs	-	-	-	-	-
TOTAL VARIABLE COSTS	1,217	1,086	861	848	1,042
GROSS MARGIN					
- per cow	1,150	958	771	632	928
- per hectare	2,605	2,130	1,539	980	1,944
- per 1000 litres	133	124	122	111	125
Milk yield per cow (litres)	8,627	7,739	6,343	5,708	7,429
Milk price per litre (pence)	27.8	27.3	26.6	26.7	27.3
Concentrates per litre (kg)	0.36	0.36	0.34	0.37	0.36
Concentrates price per tonne (£)	240	244	250	250	245
Stocking rate (ce per ha)	2.26	2.22	2.00	1.55	2.09
Nitrogen per hectare (kg)	185	161	139	90	150

**DAIRY CALVES REARED AS REPLACEMENTS, 2019/20
(CLASSIFIED BY GROSS MARGIN PER HECTARE)**

	Excellent	Good	Moderate	Poor	Average
% of survey farms	17	31	42	11	100
Enterprise Output	£ per hectare				
	2,206	1,776	1,662	867	1,596
Variable Costs					
Concentrates	640	608	672	475	611
Hay, silage, forage & grazing	345	334	527	376	424
Vet and medicines	47	59	63	39	55
Sundries	83	87	117	148	112
TOTAL VARIABLE COSTS	1,114	1,088	1,380	1,039	1,201
GROSS MARGIN	1,092	688	283	-171	395
Concentrates per ce (kg)	903	732	739	733	758
Concentrates price per tonne (£)	213	245	245	217	235
Stocking rate (ce per ha)	2.30	2.31	2.33	2.01	2.26
Price per calf bought/transferred in (£)	115	132	111	111	116
Price per heifer sold/transferred out (£)	1,120	1,209	1,052	833	1,065
Mortality %	0.5	2.4	2.9	1.5	2.2

**SUCKLER COWS - SEVERELY DISADVANTAGED AREA, 2019/20
(CLASSIFIED BY GROSS MARGIN PER COW)**

	Excellent	Good	Moderate	Poor	Average
% of survey farms	12	33	48	7	100
Number of cows per farm	42	40	40	30	40
Enterprise Output					
			£ per cow		
Calves	652	579	443	474	516
Herd replacement	-46	-59	-75	-80	-66
TOTAL ENTERPRISE OUTPUT	606	520	368	394	450
Variable Costs					
Concentrates	25	63	55	52	53
Hay, silage, forage & grazing	120	123	126	209	128
Vet and medicines	38	40	41	57	41
Sundries	30	35	27	20	29
TOTAL VARIABLE COSTS	213	260	248	339	253
GROSS MARGIN	393	259	120	55	198
GROSS MARGIN PER COW EQUIVALENT	369	246	116	52	189
Calves reared per cow	1.05	1.04	0.86	0.96	0.95
Price per calf sold or transferred-out (£)	624	578	533	506	561
Mortality - birth to weaning (%)	1.0	0.5	2.8	0.9	1.6
Concentrates per cow (kg)	99	270	246	249	235
Concentrates price per tonne (£)	219	223	218	211	220

**SUCKLER COWS - DISADVANTAGED AREA, 2019/20
(CLASSIFIED BY GROSS MARGIN PER HECTARE)**

	Excellent	Good	Moderate	Poor	Average
% of survey farms	17	35	26	22	100
Number of cows per farm	72	43	23	41	43
Enterprise Output					
			£ per cow		
Calves	643	588	475	541	578
Herd replacement	-42	-57	-53	-151	-72
TOTAL ENTERPRISE OUTPUT	600	531	423	390	506
Variable Costs					
Concentrates	27	44	46	80	47
Hay, silage, forage & grazing	115	122	150	218	144
Vet and medicines	50	42	33	66	48
Sundries	34	43	38	46	40
TOTAL VARIABLE COSTS	226	251	266	410	279
GROSS MARGIN	375	279	156	-21	227
GROSS MARGIN PER COW EQUIVALENT	341	267	149	-19	213
Calves reared per cow	0.99	1.05	0.93	0.96	1.00
Price per calf sold or transferred-out (£)	637	595	505	592	592
Mortality - birth to weaning (%)	1.0	0.8	5.1	2.5	1.8
Concentrates per cow (kg)	112	185	215	303	192
Concentrates price per tonne (£)	235	229	212	237	230

**BREEDING EWES - SEVERELY DISADVANTAGED AREA
(CROSS BRED FLOCKS), 2019/20
(CLASSIFIED BY GROSS MARGIN PER EWE)**

	Excellent	Good	Moderate	Poor	Average
% of survey farms	13	32	45	11	100
Number of ewes per farm	233	181	212	126	196
Enterprise Output					
			£ per ewe		
Lambs	141	108	82	88	99
Wool	2	2	1	1	2
Flock replacement	-25	-2	3	-12	-4
TOTAL ENTERPRISE OUTPUT	117	107	87	77	97
Variable Costs					
Concentrates	15	18	19	28	19
Hay, silage, forage & grazing	16	23	22	19	21
Vet, medicines and sundries	14	17	17	19	17
TOTAL VARIABLE COSTS	45	58	58	66	57
GROSS MARGIN	73	49	29	11	40
Price per lamb sold (£)	80	78	74	81	77
Lambing percentage	178	156	141	133	150
Lambs reared per 100 ewes	169	150	131	118	141
Wool per ewe (kg)	3.8	2.6	2.6	2.5	2.8
Wool per kg (p)	52	58	57	52	56
Concentrates per ewe (kg)	62	71	65	115	70
Concentrates price per tonne (£)	241	246	244	248	245
Mortality - ewes (%)	4.9	6.4	5.9	9.1	6.1
Mortality - lambs per 100 ewes	8.4	6.8	9.8	15.0	9.0

**BREEDING EWES - SEVERELY DISADVANTAGED AREA
(HARDY HILL BREEDS), 2019/20
(CLASSIFIED BY GROSS MARGIN PER EWE)**

	Excellent	Good	Moderate	Poor	Average
% of survey farms	28	17	44	11	100
Number of ewes per farm	161	234	378	314	287
Enterprise Output			£ per ewe		
Lambs	90	92	51	28	60
Wool	1	1	1	1	1
Flock replacement	22	11	4	7	8
TOTAL ENTERPRISE OUTPUT	113	104	56	37	69
Variable Costs					
Concentrates	26	25	14	10	17
Hay, silage, forage & grazing	19	26	14	23	18
Vet, medicines and sundries	13	15	15	11	15
TOTAL VARIABLE COSTS	58	66	44	44	49
GROSS MARGIN	55	37	12	-8	20
Price per lamb sold (£)	75	78	65	55	69
Lambing percentage	160	148	111	96	122
Lambs reared per 100 ewes	155	139	105	89	116
Wool per ewe (kg)	2.9	2.1	2.5	2.4	2.5
Wool per kg (p)	52	56	52	49	52
Concentrates per ewe (kg)	94	101	48	41	62
Concentrates price per tonne (£)	255	238	251	241	248
Mortality - ewes (%)	6.0	3.3	6.8	13.9	7.0
Mortality - lambs per 100 ewes	4.2	8.5	5.6	7.8	6.0

**BREEDING EWES - DISADVANTAGED AREA, 2019/20
(CLASSIFIED BY GROSS MARGIN PER HECTARE)**

	Excellent	Good	Moderate	Poor	Average
% of survey farms	19	25	38	19	100
Number of ewes per farm	66	82	154	134	116
Enterprise Output					
			£ per ewe		
Lambs	118	120	103	64	99
Wool	2	1	1	1	1
Flock replacment	7	-8	-7	-3	-5
TOTAL ENTERPRISE OUTPUT	127	114	97	62	96
Variable Costs					
Concentrates	14	19	17	17	17
Hay, silage, forage & grazing	19	27	21	36	25
Vet, medicines and sundries	16	11	14	20	15
TOTAL VARIABLE COSTS	48	56	53	72	57
GROSS MARGIN	79	58	45	-10	39
Price per lamb sold (£)	79	80	78	66	76
Lambing percentage	176	163	149	115	147
Lambs reared per 100 ewes	167	155	140	110	139
Wool per ewe (kg)	2.1	2.8	2.3	2.9	2.5
Wool per kg (p)	73	51	57	51	56
Concentrates per ewe (kg)	54	72	68	51	64
Concentrates price per tonne (£)	235	259	239	282	250
Ewes per hectare	10.08	9.18	6.05	6.46	6.85
Stocking rate (ce per ha)	2.03	1.66	1.27	1.52	1.44
Mortality - ewes (%)	4.5	4.0	7.9	4.0	6.0
Mortality - lambs per 100 ewes	9.5	8.2	8.8	4.5	7.8

BREEDING EWES - NON LFA, 2019/20
(CLASSIFIED BY GROSS MARGIN PER HECTARE)

	Excellent	Good	Moderate	Poor	Average
% of survey farms	15	31	42	12	100
Number of ewes per farm	266	149	214	89	188
Enterprise Output					
			£ per ewe		
Lambs	141	102	89	96	104
Wool	3	2	1	2	2
Flock replacement	6	13	7	-8	7
TOTAL ENTERPRISE OUTPUT	150	117	97	89	113
Variable Costs					
Concentrates	19	13	13	17	15
Hay, silage, forage & grazing	29	22	19	15	22
Vet, medicines and sundries	23	16	18	20	18
TOTAL VARIABLE COSTS	72	51	50	52	55
GROSS MARGIN	78	65	47	37	58
Price per lamb sold (£)	87	82	79	79	82
Lambing percentage	188	160	144	139	157
Lambs reared per 100 ewes	182	151	135	126	148
Wool per ewe (kg)	2.8	3.2	1.7	2.9	2.4
Wool per kg (p)	98	61	71	53	73
Concentrates per ewe (kg)	79	45	49	54	55
Concentrates price per tonne (£)	245	247	258	220	250
Ewes per hectare	11.27	8.41	8.26	3.73	8.23
Stocking rate (ce per ha)	2.59	1.70	1.65	0.85	1.71
Mortality - ewes (%)	4.0	4.6	5.6	5.2	5.0
Mortality - lambs per 100 ewes	6.7	8.5	9.9	13.1	9.0

PIGS - BIRTH TO BACON, 2019/20
(CLASSIFIED BY GROSS MARGIN PER FINISHED PIG)

	Above	Below	Average
% of survey farms	43	57	100
Number of pigs finished per farm	4,161	3,201	3,612
Number of sows per farm	163	131	144
		£ per pig	
ENTERPRISE OUTPUT	131.85	127.93	129.86
Variable Costs			
Feedingstuffs	76.03	82.48	79.30
Vet. and medicines	2.43	4.19	3.32
Sundries	3.27	5.12	4.21
TOTAL VARIABLE COSTS	81.74	91.80	86.83
GROSS MARGIN	50.11	36.13	43.03
Price of meal equivalent per tonne (£)	256	273	265
Meal equivalent per finished pig (kg)	297	302	300
Litters per sow per year	2.1	1.9	2.0
Live births per litter	13.5	13.5	13.5
Pigs weaned per litter	12.7	12.3	12.5
Pigs weaned per sow per year	27.3	23.9	25.5
Price of finished pig sold (£)	132.03	127.68	129.73
Mortality - suckers %	5.1	9.1	7.1
Mortality - weaners %	3.7	3.3	3.5

SPRING BARLEY (2019 CROP)

	Excellent	Good	Moderate	Poor	Average
% of survey farms	11	38	35	16	100
Hectares per farm	17.9	17.1	9.9	7.8	13.1
Enterprise Output					
			£ per hectare		
Grain	1,073	962	741	633	888
Straw	254	243	170	133	215
TOTAL ENTERPRISE OUTPUT	1,327	1,205	911	766	1,103
Variable Costs					
Seed	88	81	65	76	77
Fertilisers	113	123	121	116	120
Sprays	88	99	96	99	96
Sundries	18	36	22	49	31
TOTAL VARIABLE COSTS	307	338	305	340	325
GROSS MARGIN	1,019	867	607	426	778
Grain (tonnes per ha)	7.16	5.99	4.61	4.75	5.68
Straw (tonnes per ha)	3.24	2.86	2.26	2.53	2.72
Fertilisers used per hectare (kg)	374	465	446	395	440
Grain per tonne (£)	150	161	161	133	156
Straw per tonne (£)	78	85	75	53	79

WINTER BARLEY (2019 CROP)

	Above	Below	Average
% of survey farms	48	52	100
Hectares per farm	13.3	20.2	16.9
Enterprise Output		£ per hectare	
Grain	1,258	932	1,055
Straw	428	298	347
TOTAL ENTERPRISE OUTPUT	1,686	1,230	1,403
Variable Costs			
Seed	84	92	89
Fertilisers	156	156	156
Sprays	184	159	169
Sundries	56	25	37
TOTAL VARIABLE COSTS	479	433	450
GROSS MARGIN	1,207	797	952
Grain (tonnes per ha)	8.61	6.23	7.13
Straw (tonnes per ha)	4.92	3.46	4.01
Fertilisers used per hectare (kg)	631	598	610
Grain per tonne (£)	146	150	148
Straw per tonne (£)	87	86	87

WINTER WHEAT (2019 CROP)

	Above	Below	Average
% of survey farms	42	58	100
Hectares per farm	19.4	9.3	13.5
Enterprise Output		£ per hectare	
Grain	1,339	1,151	1,263
Straw	388	273	342
TOTAL ENTERPRISE OUTPUT	1,726	1,424	1,605
Variable Costs			
Seed	104	90	98
Fertilisers	159	188	171
Sprays	226	170	203
Sundries	62	54	59
TOTAL VARIABLE COSTS	551	502	531
GROSS MARGIN	1,175	923	1,074
Grain (tonnes per ha)	8.59	7.76	8.26
Straw (tonnes per ha)	4.38	3.61	4.07
Fertilisers used per hectare (kg)	650	701	671
Grain per tonne (£)	156	148	153
Straw per tonne (£)	89	76	84

WARE POTATOES (2019 CROP)

	Above	Below	Average
% of survey farms	50	50	100
Hectares per farm	9.2	17.1	13.1
Enterprise Output		£ per hectare	
Current Crop	6,084	3,977	4,712
Variable Costs			
Seed	556	591	579
Fertilisers	393	400	398
Sprays	304	448	398
Contract/Casual Wages	757	157	367
Sundries	114	52	74
TOTAL VARIABLE COSTS	2,124	1,649	1,815
GROSS MARGIN	3,959	2,328	2,897
Yield of ware per hectare (tonnes)	32	22	26
Seed used per hectare (tonnes)	2.16	2.34	2.28
Fertiliser used per hectare (kg)	1,204	1,205	1,204
Price per tonne sold (£)	176	158	166

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 Type¹

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 constant for a number of years. The SO values in use at the moment cover the five year period centred on 2013 and can be found below in section A4.5.

¹ 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 of Farm Incomes in Northern Ireland 2010/11.

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 2018 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. **Area based subsidy payments are 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. **Area based subsidy payments are not included in livestock enterprise output.**

Direct Subsidy receipts includes: Single Payment (Single Farm Payment prior to 2015/16 year and Basic, Greening and Young Farmers' Payment after), Areas of Natural Constraint, Agri-environmental payments and other miscellaneous subsidies.

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
	Outdoor 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
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	1,801	per ha
	Barley	1,332	per ha
	Oats	1,081	per ha
	Mixed corn	966	per ha
	Potatoes	6,276	per ha
	Oilseed rape	1,412	per ha
	Linseed	755	per ha
	Open-air horticulture		
	Vegetables	4,160	per ha
	Fruit	9,929	per ha
	Flowers/nursery	41,479	per ha
	Glasshouses:		
	Vegetables	159,801	per ha
	Flowers	364,658	per ha
	Mushrooms	50,932	per 100 m ²
	Forage Maize	567	per ha
	Other fodder crops	281	per ha
Other crops	780	per ha	
Grassland	260	per ha	
Cattle	Dairy cows	2,589	per head
	Beef cows	511	per head
	Heifers 2 yrs +	426	per head
	Heifers 1-2 yrs	477	per head
	Bulls/steers 2 yrs +	569	per head
	Bulls/steers 1-2 yrs	584	per head
	Calves under 1 year	545	per head
Sheep	Ewes	109	per head
	Other sheep	24	per head
	Lambs	0	per head (included with ewe)
Horses	Mares, stallions	371	per head
	Others	0	per head
Pigs	Sows	934	per head
	Piglets (under 20kg)	107	per head
	Other pigs	241	per head
Poultry	Hens	2,222	per 100
	Broilers	1,032	per 100
	Others	4,217	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 (2011-2015) centred on 2013.
3. At the time of calculation, 1 euro = £0.80

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