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Rural Business Research

# Farm Business Survey

2017/2018

## Horticulture Production in England



Richard Crane, Tim Adams,  
David Deans and Thomas Wedd

**RBR**

*independent research, data and analysis*

Rural Business Research



## **Farm Business Survey**

**2017/18**

# **Horticulture Production in England**

Richard Crane, Tim Adams,  
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## **Foreword to the First Series**

This report is one of a series being produced based on the results of the Farm Business Survey (FBS) for England. The annual Farm Business Survey is the most comprehensive and independent survey of farm incomes and provides a definitive data source on the economic and physical performance of farm businesses in England. It is conducted by a Consortium comprising the Universities of Cambridge, Newcastle upon Tyne, Nottingham and Reading, and Askham Bryan, Duchy and Imperial Colleges. The Consortium is led by the University of Nottingham and its members work in partnership, using uniform and standard practices in reporting on their findings to ensure consistent data quality, accuracy and validity. The Survey is financed by Defra and the Consortium values greatly the input of their staff.

These detailed reports for various farm types and enterprises are in addition to the comprehensive Farm Business Survey Reports for Government Office Regions published at [www.farmbusinesssurvey.co.uk](http://www.farmbusinesssurvey.co.uk). The Consortium is seeking by these additional reports to ensure that timely and relevant information is available to farmers, consultants, advisers and other organisations and individuals interested in farming and land management. The analysis and publication of these reports uses data from farm businesses across England, with an individual member of the Consortium undertaking the research analysis. In line with the ethos of the Consortium, these reports present results in such a way as to ensure a significant element of continuity and consistency from one report to the other, whilst also ensuring that each report captures the contemporary issues of relevance to the sector of agriculture in England to which it relates.

We believe these reports will make a valuable and useful contribution to the farming industry and we commend them to you.

**Prof. Martin Seabrook**

(Chief Executive of the Consortium)

Spring 2007

## Foreword to the Thirteenth Series

This series of reports on the economics of agriculture and horticulture in England from *Rural Business Research (RBR)* represents the thirteenth series of outputs that focus on providing independent data and analysis to the individual sectors of agriculture and horticulture. As the UK edges closer to an outcome following the EU referendum in June 2016, much uncertainty remains in the sector, the UK and across the EU. At the time of writing the political landscape remains uncertain with the three main outcomes still being possible: i) UK departure from the EU with a deal; ii) UK departure from the EU with no deal; iii) a delay in the UK's departure or a 'no Brexit' outcome. On the assumption that the UK will leave the EU, and that a new UK Agriculture Bill will be passed, then the direction of policy travel for UK agriculture and horticulture has become clearer. The seven year transition deal in subsidy payments based on the Basic Payment demonstrates the plan to transition support to farmers away from this broad land-area based payment structure to one which rewards farmers and land managers more for providing environmental public goods. Reflecting on the likely drivers of success for farm and horticultural business in the future, irrespective of the Brexit outcomes and the future trade deals that may follow, the fundamental business drivers of success remain unchanged. Successful businesses focus on margins by understanding their cost, revenue and market base and they undertake comparative analysis of their business performance against other businesses. These successful businesses look for new business opportunities, and are frequently more diversified in their business base than less successful businesses. Within our reports, RBR aims to provide businesses with the independent data, analysis and interpretation to help them identify their strengths and challenges.

For the 2017/18 year, average Farm Business Income (FBI), derived from our work on the Farm Business Survey (FBS), was £56,500, an increase of 49% on the previous year. While a number of factors led to this increase, the devaluation of the pound, leading to UK commodity prices increasing, played a key role in this income boost. Most farm types witnessed an increase in FBI, with the exception of pig farms who faced an increased cost base at the same time as a decreased closing valuations at the year end from a drop in pig prices at that point in time. Dairy farms witnessed the greatest percentage price increase from 2016/17, as they benefited from both increased milk output and improved milk prices. The influence of currency fluctuation on the performance of agriculture is well recognised. The output of the Brexit scenario on the strength or weakness of sterling alone will have a large influence on business profitability moving forward.

With this thirteenth series of reports on the performance of the different sectors of agriculture and horticulture, our core aim of helping inform agricultural and horticultural businesses about the economics in their sector remains unchanged, and is arguably of even greater importance at this historic point in time. This series of reports, and our work on the FBS more generally, would not be possible without the cooperation of the farmers and growers who participate in the FBS to ensure that the data we provide for policy making, and in our reports and free to use online data services at [www.farmbusinesssurvey.co.uk](http://www.farmbusinesssurvey.co.uk), is truly representative of the sectors. Our sincere thanks therefore go to the farmers and growers for their most valuable contribution.

### Professor Paul Wilson

Chief Executive Officer, Rural Business Research  
February 2019

[www.ruralbusinessresearch.co.uk](http://www.ruralbusinessresearch.co.uk)

## Acknowledgements

Rural Business Research thanks sincerely all those farmers and growers who have voluntarily provided records and information on which the annual Farm Business Survey, and this report, is based.

The basic information on which this report is based was collected on behalf of, and largely financed by, the Department for Environment, Food and Rural Affairs and is Crown Copyright.

*The views expressed in this publication are those of the authors and are not necessarily shared by other members of the University or by the University as a whole.*

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## SUMMARY

### Section 1

**An overview of the horticultural industry in the United Kingdom (UK) using external data, including government published statistics and information from the press.**

The report illustrates the importance of horticulture to UK agriculture output, the composition of its sectors and highlights historical and current trends in the output, prices and the areas used for crop production. The review also includes price indices for key products and inputs.

#### Highlights:

- In 2017, the output from horticulture was £3,566 million, 14% of total agricultural output
- During the last decade, there has been an average annual increase of 3% in output (based on current prices) for total horticultural production
- Vegetable production remains the largest horticultural sector, in terms of both land use and output, accounting for 43% of total UK horticultural output and 71% of total productive outdoor horticultural area in 2017
- The proportion of total horticultural output from vegetable production has reduced over the last 30 years, from a decade average of 56% in 1988 to 1997, to 44% in the most recent decade, 2008 to 2017
- Output from non-edibles has remained static at 38% during the decade 2008 to 2017 compared to the previous decade
- Fruit output at 18% has shown an increase from the 14% average in the previous decade
- In 2017 the UK was 37% self-sufficient in all vegetables, 17% in all fruit and 52% in all ornamentals, in terms of value
- The index of producer prices showed some wide variability between 2016 and 2017 with indices for fresh fruit up eight points and fresh vegetables down two points
- The index of purchase prices saw fuel for heating increase in the period 2012 to 2014 (from 118.8 to 132.1), then reduce in 2015 and 2016. Price increased in 2017 to 127.8, this is just below the 2015 level

### Section 2

**A review of the financial results derived from the Farm Business Survey (FBS) for the 2017/18 financial year.**

The stratification of the FBS horticulture sample is explained and key trends are shown for the businesses included, both as a whole, and for the four main sectors of Glass, Fruit, Hardy Nursery Stock (HNS) and Other Horticulture. The results for each group are presented in tables reporting on output, costs and Farm Business Income (FBI) at a business level, per hectare and per £100 of gross output basis.

#### Highlights:

- The number of FBS eligible horticultural businesses in 2017 was 2,745, while the total FBS sample was 188 businesses, representing 6.8% of the national population of eligible horticultural businesses

- Weather conditions for the 2017/18 financial year were variable through the season; there were good weather conditions in the early spring 2017, except for some damaging late frosts, followed by a generally wet and mild summer
- Profitability for all horticultural businesses, as measured by Farm Business Income (FBI), rose by 9.1%, to an average of £47,723 per business in 2017/18
- Specialist Fruit and Specialist Hardy Nursery Stock businesses increased profitability by 25% and 18% respectively
- For the whole sample (All horticultural businesses) the proportion of gross output from fruit and vegetables rose by 11.7% and 15.4% respectively, but fell by 8.7% from ornamentals and 15.3% from other output sources
- Average total costs for all business fell slightly this year, from £373,508 in the 2016/17 year, to £370,745 in 2017/18

## SECTION 1: THE HORTICULTURAL SECTOR

### 1.1 *The contribution of horticulture to UK agricultural output*

- Total agricultural output in the UK in 2017 was £26,340 million, up 10% from the previous year
- Total horticultural output in the UK in 2017 was £3,566 million, contributing 14% to total agricultural output
- Total horticultural output increased between 2016 and 2017 by £105 million, up 3%
- Average horticultural output in the ten-year period 2008 to 2017 was £3,221 million, an increase of £540 million (20%), compared with the average for the previous ten-year period 1998 to 2017

### 1.2 *Historic changes in the composition of the main sectors of horticulture*

- Horticulture can be sub-divided into its three main sectors of fruit, vegetables and non-edibles for reporting purposes
- The area used by each sector has varied over the past thirty years, however, the vegetable sector accounted on average for the largest proportion of the use of land (73%), followed by fruit (20%) and non-edibles (7%) during the past decade, 2008 to 2017
- The total area of land utilised for horticultural production since 1987 averaged 179,483 ha; down from 209,340 ha in 1988, to a low of 161,945 ha in 2016. The total area increased by 3% from 2016 to 167,581 ha in 2017.
- Output has also varied over the past thirty years, which on average, has seen the vegetable sector as the greatest contributor (49%), followed by non-edibles (36%) and fruit (15%)
- In 2017 actual output for the sectors was:

○ Vegetables	43%		42%	}
○ Non-edibles	40%	compared to	38%	}
○ Fruit	17%		20%	}
- In value terms output in 2017 compared with (2016) was:

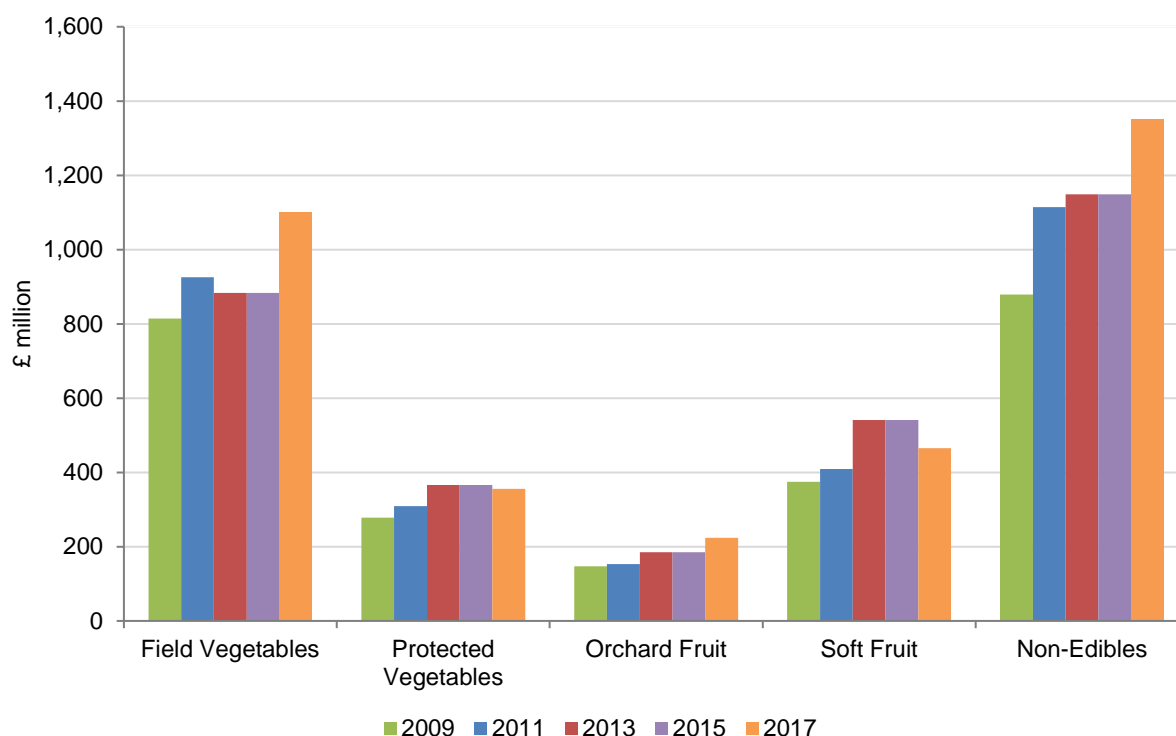
○ £1,456 million for vegetables (£1,436 million),	up 1%
○ £1,351 million for non-edibles (£1,314 million)	up 3%
○ £585 million for fruit (£583 million)	

### 1.3 *Horticultural production in the past decade (in current terms)*

- Total annual horticultural output in the UK has averaged £2,994 million in the decade since 2008
- From a low of £2,399 million in 2008 the output increased to a high of £3,496 million in 2017
- Between 2008 and 2017 total horticultural output grew by 46% with the different sectors showing a wide variation in growth rates as noted below:

○ Vegetables	from £1,093 million to £1,456 million,	up 33%
○ Fruit	from £487 million to £689 million,	up 41%
○ Non-edibles	from £819 million to £1,351 million,	up 65%

**Figure 1.1 Value of horticultural production (current prices: £m)<sup>1</sup>**



**Table 1.1 Area of outdoor and protected crops in the UK (ha)<sup>1,2</sup>**

	2009	2011	2013	2015	2017
Glasshouse fruit	180	192	222	219	217
Protected Vegetables	692	687	818	861	731
Outdoor Non-Edibles	11,243	11,258	11,891	12,730	12,512
Field Vegetables	125,267	134,443	130,089	138,065	146,088
Orchard Fruit	22,254	23,665	23,398	25,887	24,449
Soft Fruit	9,880	9,730	9,580	9,951	10,747

**Note:** The area of crops in table 1.1 relate to the total area, which for some crops will be for more than one crop harvested from the same area of land in the same cropping year (multiple cropping).

- The area of glasshouse fruit increased by 21% since 2009
- The area of protected vegetables increased by 6% since 2009
- The area of outdoor non-edibles increased by 11% since 2009; the area has fluctuated throughout the period, but decreased by 2% between 2015 and 2017
- The area of field vegetables increased by 17% since 2009
- The area of orchard fruit has increased by 10% since 2009
- The area of soft fruit has grown by 9% since 2009, showing 8% growth between 2015 and 2017 alone

#### 1.4 The horticultural sector in 2017

- The total value of horticultural produce in 2017 amounted to £3,720 million
- Field scale vegetables comprised the largest share of total output at 30%
- Flowers and bloom accounted for the lowest share of the total output at 3%

Figure 1.2 Value of horticultural produce in 2017 by proportion of total output <sup>1</sup>

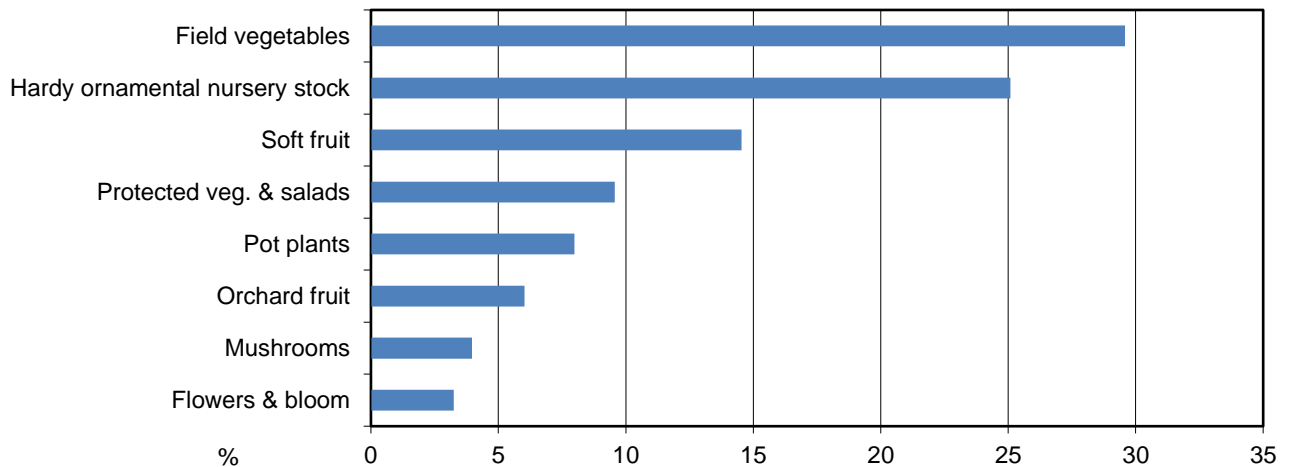
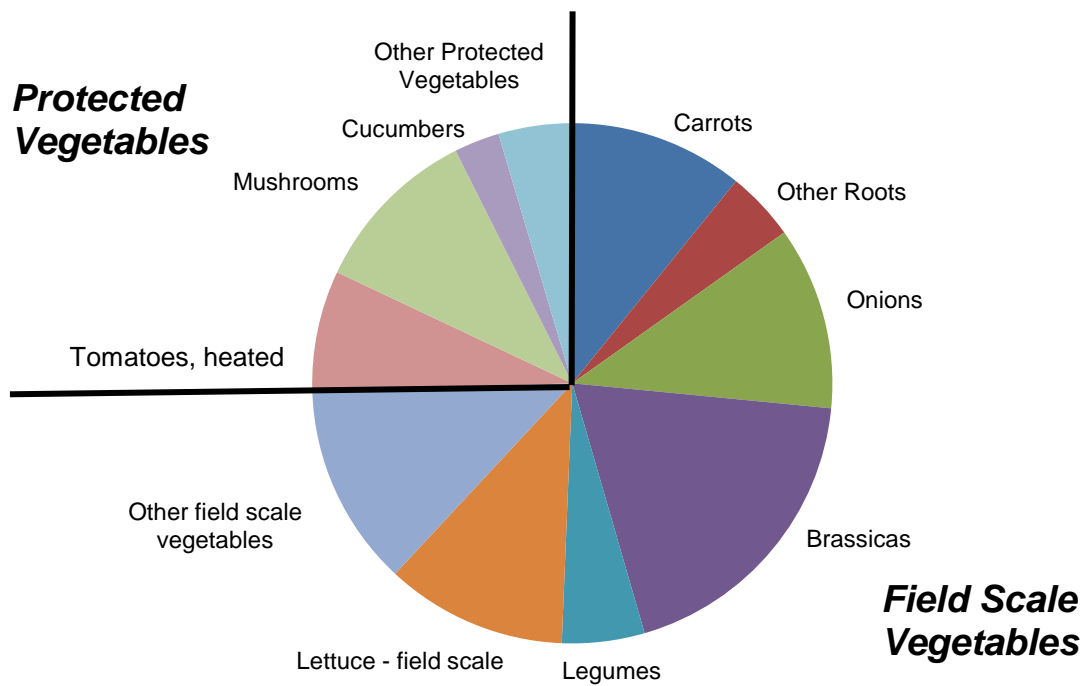
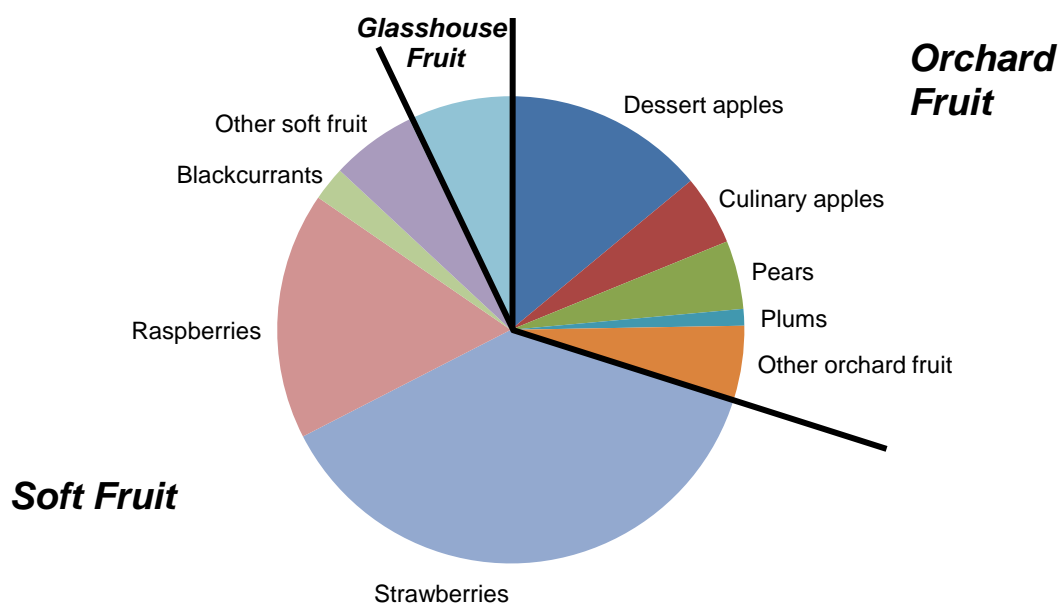


Figure 1.3 Composition of vegetable output in 2017<sup>2</sup>



- Field scale vegetable production accounts for 74% of total value of vegetable produce, including brassicas, carrots, legumes, parsnips, turnips, swede, asparagus, watercress, leeks, lettuce, rhubarb, celery and onions (dry bulb and green)
- Brassicas account for the largest proportion by category of the total value of vegetables at 19%
- Protected vegetables include crops grown in both heated and cold glasshouses and polythene tunnels and account for 26% of total vegetable value
- Mushrooms and tomatoes between them contribute the highest proportion by value of protected vegetables, at 11% and 8% respectively

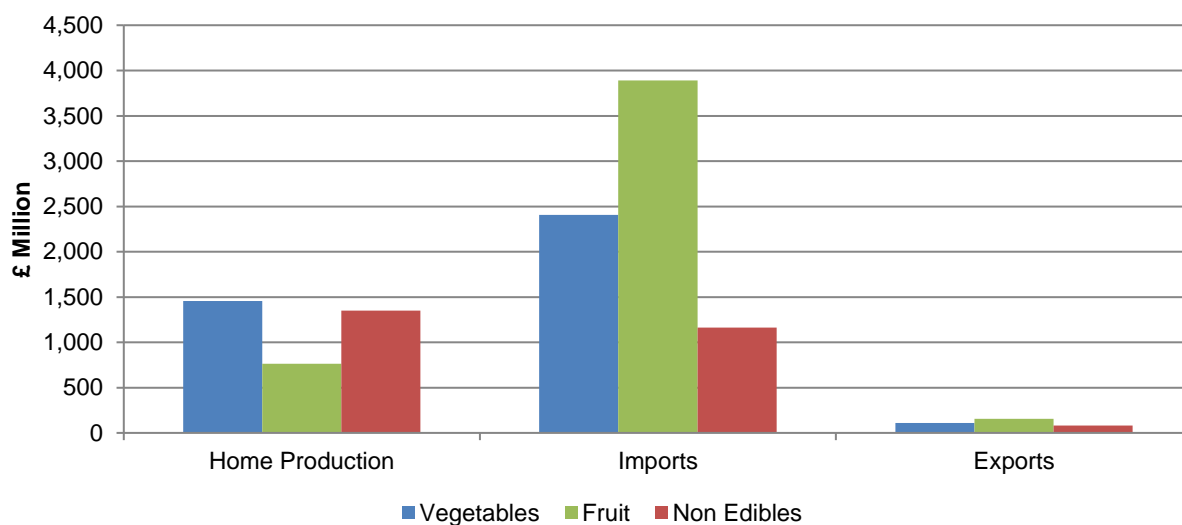
**Figure 1.4 Composition of fruit output in 2017<sup>2</sup>**



- Total fruit output by value was £750 million, with the production of field grown soft fruit generating £473 million (63%), orchard fruit £223 million (30%) and glasshouse fruit £54 million (7%)
- Strawberry production contributed the greatest share of all soft fruit production at £283 million (60%), and 38% of total fruit production
- Dessert apples accounted for 47% of orchard fruit output in 2017
- Plums accounted for 4% of orchard fruit with output down 28% in 2017, compared with the previous year

## 1.5 Imports and exports of horticultural products

Figure 1.5 Value of vegetables, fruit and non-edibles 2017 (£m)<sup>1,2</sup>



### Vegetables

- The UK was 37% self-sufficient in all vegetables in terms of value in 2017, averaging 38% since 2008
- Between 2016 and 2017 the value of exports increased by 2%, whilst the value of imports rose by 4%
- The value of home-produced vegetables in actual prices increased by 33% between 2008 and 2017, to £1,456 million

### Fruit

- In 2017, in terms of value, the UK was around 17% self-sufficient in fruit, averaging the same rate since 2008
- Between 2016 and 2017 the value of exports increased by 34%, whilst the value of imports rose by 6%
- The value of home production in actual prices increased between 2008 and 2017 by 44%, to £765 million

## Non-edibles

- In terms of value, self-sufficiency for ornamentals in 2017 was 52%, averaging 50% since 2008; self-sufficiency has increased by 7% in the past decade
- Between 2016 and 2017 the value of exports increased by 40%, whilst the value of imports rose by 2%
- The value of home production in actual prices increased between 2008 and 2017 by 65%, to £1,351 million

### 1.6 Farm gate prices (actual): recent trends

- The fruit and vegetable sectors have seen significant price fluctuations between 2010 and 2017 with, for example, the minimum and maximum price for plums and calabrese ranging by around 71% and 175% respectively
- The price fluctuation of top fruit has been more marked than soft fruit with an average price increase of 55%, compared with 28%
- Brassica vegetables, namely brussels sprouts, cabbage and calabrese, have shown considerable inter-year variability, with an average price change of 152%, since 2010.
- Vegetables excluding brassicas, namely carrots and parsnips, also showed inter-year variability, with an average price change of 33%, since 2010
- Salad crops, i.e. lettuce, tomatoes and cucumbers recorded price changes of 46%, 67% and 30% respectively over the period 2010 to 2017

Figure 1.6 Average soft fruit farm gate actual prices<sup>3</sup>

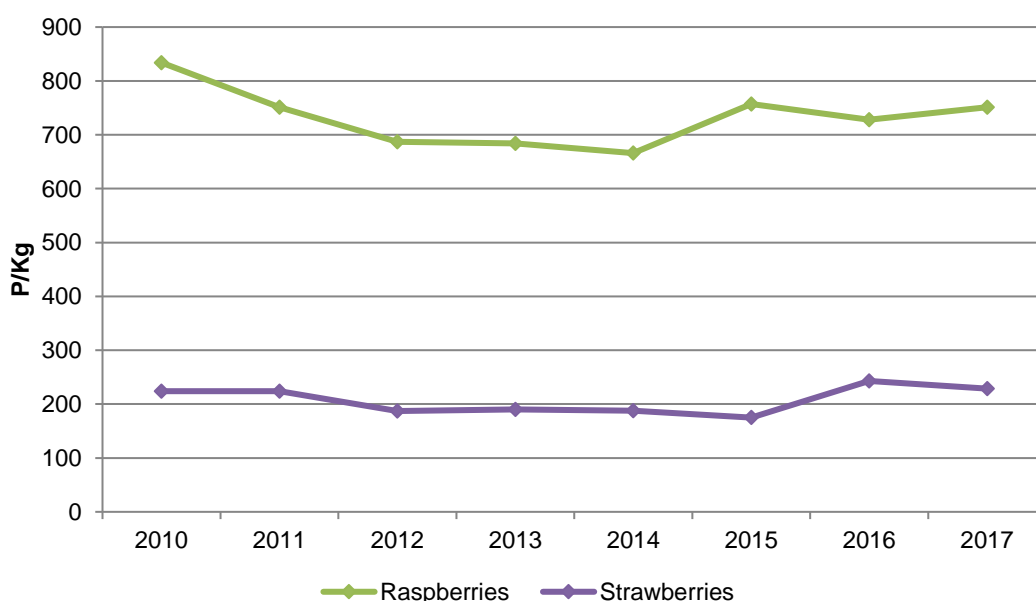




Figure 1.7 Average top fruit farm gate actual prices<sup>3</sup>

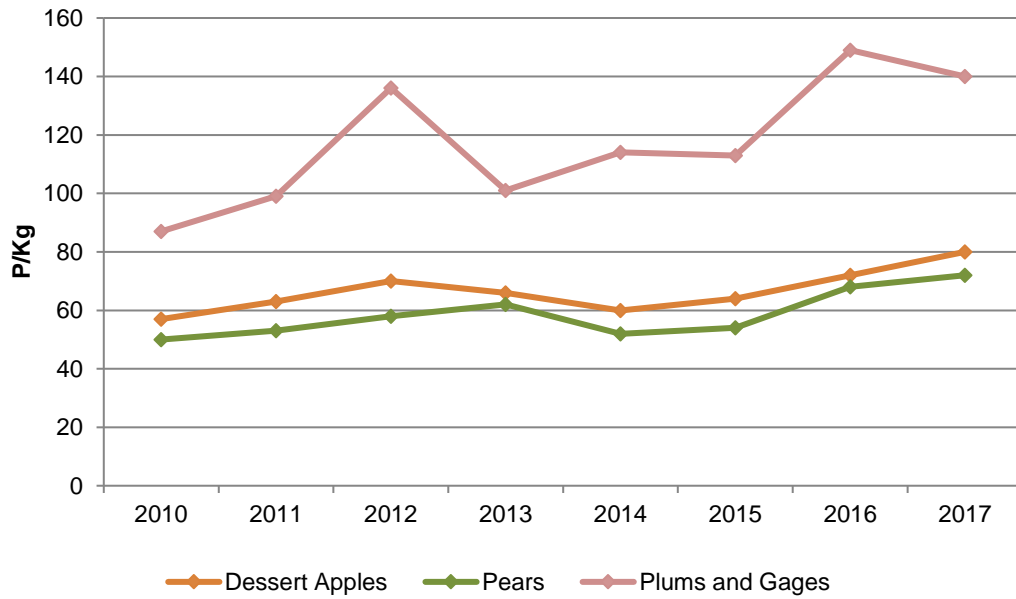
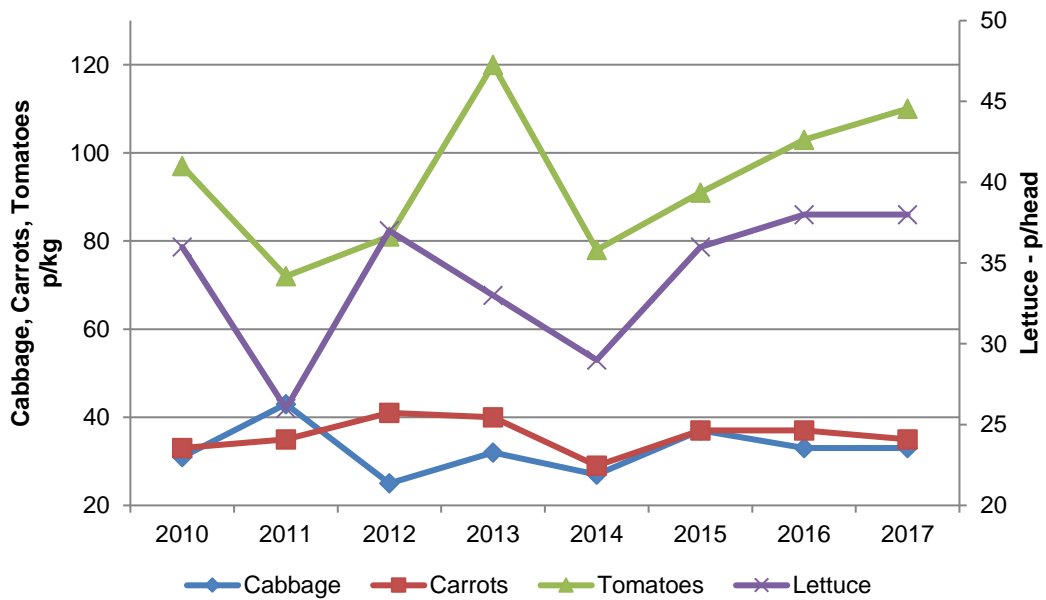


Figure 1.8 Average vegetable farm gate actual prices<sup>3</sup>



## 1.7 Price Indices in the UK

Table 1.2 Index of producer prices (Index: 2010 =100)<sup>4</sup>

	2012	2013	2014	2015	2016	2017
Dessert apples	118.0	117.1	104.0	104.7	103.3	117.5
Dessert pears	116.9	129.4	102.8	99.8	111.3	127.2
Strawberries	87.4	84.0	91.4	95.1	103.7	108.6
All fresh fruit	103.7	104.8	97.6	101.2	106.9	114.9
Lettuce	110.1	104.9	100.0	98.7	108.6	106.3
Onions	68.3	96.9	94.9	93.2	104.9	110.5
Cabbage	120.3	113.4	94.9	106.9	115.4	118.4
All fresh vegetables	108.6	110.2	103.1	105.9	114.7	112.6
Flowers & plants	109.3	110.9	109.5	107.2	106.6	105.7

- Data based on a calendar year. These periods most closely resemble the FBS data
- The 2017 indices for all fresh fruit shows an increase on 2016, whilst all fresh vegetables and flowers and plants show small decreases

**Table 1.3 Index of purchase prices (index 2010 =100)<sup>4,5,6</sup>**

	2012	2013	2014	2015	2016	2017
<b>Current Inputs</b>						
Seeds	105.2	113.9	100.9	95.6	98.1	103.6
Fertilisers & soil improvers	125.2	113.1	106.5	101.5	83.2	89.9
Plant protection	102.0	97.7	102.6	102.5	102.5	106.2
Fuel for heating	118.8	126.8	132.1	127.9	124.1	127.8
Hired labour*	105.8	108.0	111.1	112.5	114.9	118.8
<b>Capital inputs</b>						
Machinery & other equipment	94.3	96.8	115.9	121.4	121.4	122.4
Buildings	107.4	107.7	108.4	107.2	107.0	111.2
<b>Finance inputs</b>						
Bank rate	100.0	100.0	100.0	100.0	80.0	60.0

- The index of purchase prices have shown an increase of six points for seeds, seven points for fertilisers and soil improvers and four points for plant protection between 2016 and 2017
- Fuel for heating increased during the years 2012 to 2014, decreased in 2015 and 2016 and has increased by four points between 2016 and 2017
- Labour costs increased by four points between 2016 and 2017
- The index for machinery & other equipment has shown a negligible increase of one point since 2015
- Buildings showed an increase of four points between 2016 and 2017



## SECTION 2: FINANCIAL RESULTS FOR HORTICULTURE IN ENGLAND

### 2.1 Introduction to the data

The following series of tables are drawn from a sample of farmers and growers who participate in the Farm Business Survey (FBS) in England and whose businesses are classified under one of the four main Defra horticultural type groups. These four type groups of Specialist Glass, Specialist Fruit, Specialist Hardy Nursery Stock and Other Horticulture are defined below.

For the purposes of the Defra classification, field scale vegetable producers are classified as General Cropping farms, and so their results are not included in these tables, although smaller scale outdoor vegetable producers are recorded in the 'Other Horticulture' typology group.

The data in this report were compiled from the 2016/17 and 2017/18 FBS and can be accessed at:

- [www.farmbusinesssurvey.co.uk](http://www.farmbusinesssurvey.co.uk) and at
- <https://www.gov.uk/government/collections/farm-business-survey>

### 2.2 Definition of horticultural type groups

*Horticultural businesses are defined as businesses where horticultural crops or permanent crops including fruit, either alone or in combination, account for over two thirds of total standard output.*

#### **Specialist glass**

- Market garden vegetables and flowers under glass (either alone or in combination) accounting for more than two thirds of the total standard output of the business, including walk-through polythene tunnels
- The specialist glass businesses have been further sub-divided into those businesses with mainly edible crops (more than 50% of crop output from edible crops) and those with mainly non-edible crops (more than 50% of crop output from non-edible crops)
- In addition to this, the specialist glass group has been sub-divided by the level of intensity of glasshouse production, showing both '50% or more' and '90% or more' of total crop output produced from protected crops

The results from these businesses are found in the following tables:-

- Table 2.4 All specialist glass businesses
- Table 2.5 Specialist glass businesses, mainly edible crops
- Table 2.6 Specialist glass, mainly non-edible crops
- Table 2.7 Specialist glass (50% or more of crop output from glasshouse production)
- Table 2.8 Specialist glass (50% or more of crop output from glasshouse production), mainly edible crops
- Table 2.9 Specialist glass (50% or more of crop output from glasshouse production), mainly non-edible crops
- Table 2.10 Specialist glass (90% or more of crop output from glasshouse production)
- Table 2.11 Specialist glass (90% or more of crop output from glasshouse production), mainly edible crops
- Table 2.12 Specialist glass (90% or more of crop output from glasshouse production), mainly non-edible crops

### **Specialist fruit**

- Fruit (top and soft fruit) accounting for more than two thirds of total standard output of the business
- The specialist fruit group has three sub-groups of mainly top fruit businesses

The results from these businesses are found in the following tables:-

- Table 2.13 All specialist fruit businesses
- Table 2.14 Specialist fruit businesses, mainly top fruit
- Table 2.15 Specialist fruit businesses, mainly top fruit-excluding cider
- Table 2.16 Specialist fruit businesses, cider

### **Specialist hardy nursery stock**

- Hardy nursery stock (HNS) accounting for more than two thirds of total standard output of the business
- The specialist HNS group has two sub-groups; intensive HNS crops with output more than £175,000 per hectare and extensive HNS crops with output less than £175,000 per hectare

The results from these businesses are found in the following tables:-

- Table 2.17 All specialist HNS businesses
- Table 2.18 Intensive HNS crops – crop output more than £175,000 per hectare
- Table 2.19 Extensive HNS crops – crop output less than £175,000 per hectare

### **Other horticulture**

- Businesses in which none of the above categories accounts for more than two thirds of standard output
- The 'other horticulture' group has one sub-group of mainly outdoor vegetable growers

The results from these businesses are found in the following tables:-

- Table 2.20 All other horticulture businesses
- Table 2.21 Mainly outdoor vegetables – 50% or more of crop output derived from outdoor vegetables

## **2.3 The Sample**

The Farm Business Survey (FBS) covers businesses with a Standard Output (SO) of 25,000 euros and above. SO is representative of the level of output that could be expected on the average farm under "normal" conditions (i.e. no disease outbreaks or adverse weather) and measures the total value of output of any one enterprise – it is calculated on a per head basis for livestock and per hectare basis for crops.

The sample is drawn from a stratified population of seven regions in England by the four main horticultural typologies of Specialist Glass, Specialist Fruit, Specialist Hardy Nursery Stock and Other Horticulture. Within each stratum a single weight is calculated as the ratio of numbers of businesses in the population and in the sample. The weighting of the FBS results is a two stage process with, firstly, an initial weight being produced and, secondly this initial weight is then adjusted by a calibration procedure. The weights are based on population data from the June business register (see Table 2.1) and are calculated for each design stratum. The initial weights for the FBS are based on the inverse sampling fraction. Suppose for example, there were 250 Cereal farms in the population and of these, 50 were sampled then these 50 sampled farms would be given an initial sample weight of 5 (250/50). These weights are then adjusted (Calibration Weighting) so that they produce representative population totals for a series of calibration variables for which accurate population values are known from other sources. This ensures that the weights produce precise estimates of other variables, with minimal bias, despite the inevitable imperfections of the sampling strategy. This weight when applied to each business represents the number of times that the

business' data must be replicated in order to 'represent' the businesses not selected for the sample, so as to reflect the entire population. This weight is applied to all variables.

Since 2010, the classification to farm type for the June Survey database has been based on Standard Output (SO). A minimum size threshold is also used in order to eliminate those businesses which are not deemed to be commercially active. For horticultural crops, the threshold is: one hectare of orchard, 0.5 hectare of vegetable crops or 0.1 hectare of protected crops.

As the FBS sample is drawn from a business level dataset with a minimum Standard Output (SO) of 25,000 euros, the smallest 'commercial' horticultural businesses by June Survey definition are therefore not eligible for the FBS.

The number of FBS eligible horticultural businesses in 2017 was 2,745, while the total FBS sample for the 2017 cropping year was 188 businesses, representing 6.8% of the national population of eligible horticultural businesses.

**Table 2.1 FBS sample compared with eligible\* horticultural businesses for 2017**

(\*Businesses with Standard Output of 25,000 euros and above)

	<b>England population 2017 June Survey (number of businesses)</b>	<b>FBS sample 2017 (number of businesses)</b>	<b>FBS sample as a % of population</b>
Specialist Glass	280	55	19.6%
Specialist Fruit	662	48	7.3%
Specialist HNS	773	38	4.9%
Other Horticulture	1,030	47	4.6%
<b>All Horticulture</b>	<b>2,745</b>	<b>188</b>	<b>6.8%</b>

The 'All Horticulture' group results are based on a sample of 188 businesses and no outliers have been removed from this group.

Within the four broad horticulture groups, 75 crop types are recorded and they are grown in varying systems ranging from heated glasshouses to orchard fruit production, with market garden and Spanish tunnel production in between. Such diversity makes the raising of a representative sample very difficult, resulting in reporting often being based upon groups of a variety of similar but not identical activities to ensure minimum sample size criteria are met and the robustness of the data is maintained.

## **2.4 Overview of 2017/18**

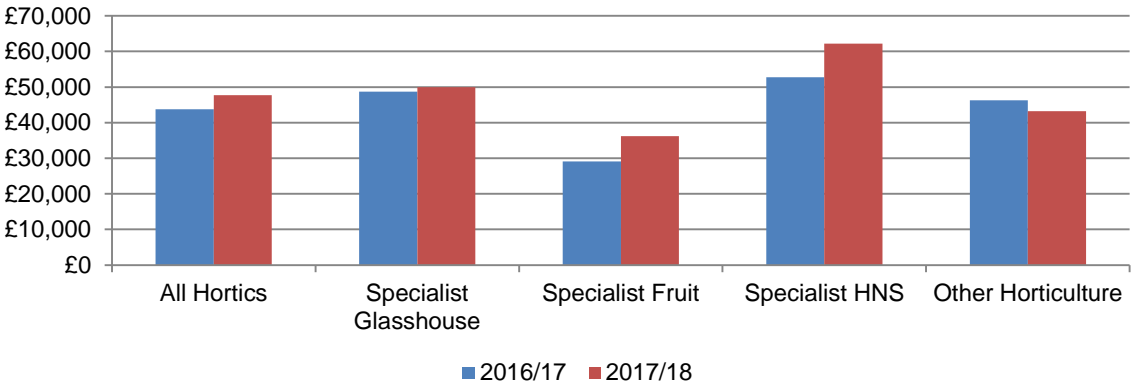
- The average profitability as measured by Farm Business Income (FBI) increased by 9% to £47,723 per business for the whole sample of businesses in 2017/18, when compared with 2016/17
- Three of the four horticultural groups (Specialist glasshouse, Specialist fruit and Specialist hardy nursery stock) experienced an increase in profitability, although All other horticultural businesses had a slight decrease
- Weather conditions in 2017 were mixed across the seasons
  - Early and mid-spring conditions were particularly dry and milder than average, yet a cold snap in April brought late frosts, affecting fruit development particularly in the South East
  - Late spring and early summer began very warm, with exceedingly high temperatures in late June, yet there were periods of heavy rain throughout
  - The remainder of the summer brought numerous storms and continuous wet weather, with few settled, warmer spells

## **2.5 Financial results for 2016/17 and 2017/18**

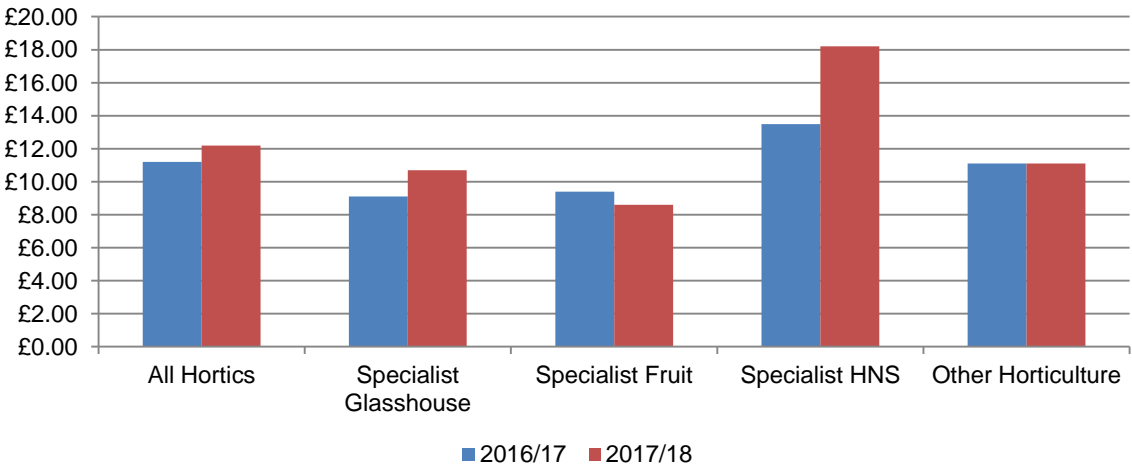
- The results in this section are shown for businesses classified according to the Defra classification system, as described in section 2.3 of this report and are shown on a:
  - 'per business', 'per hectare' and 'per £100 of gross output' basis with
  - results where applicable, based on the productive cropping area of the business
- Average results are shown for the 2016 and 2017 harvest years, together with premium results for the 2017 harvest year, where the sample size is large enough for publication:
  - The premium results are for the top quartile of businesses, as measured by a ratio of farm business output to farm business costs (including unpaid labour) and are shown on a per hectare basis
  - Note that the farm weights are used to allocate farms into quartiles, so the number of farms in a quartile will not necessarily be equivalent to a quarter of the sample; this methodology provides for a better representation of the full farm population
- The horticultural sector represents a very diverse group of growers, with some operating highly intensive glasshouse operations and others engaged in more extensive top fruit and vegetable production
- Overall, average Farm Business Income (FBI) of horticultural businesses increased by 9%, to £47,723 per business in 2017; average total gross output for the sector decreased by 0.3%, to £391,206 per business, compared with 2016, while total costs decreased by 0.7%:
  - There was a rise in profitability for Specialist glasshouse, Specialist fruit and Specialist hardy nursery stock businesses in 2017
  - Specialist fruit businesses again saw the largest increase, up 24.6% to an average of £36,232 per business, followed by Specialist hardy nursery stock up 17.8%, to £62,216
  - Specialist glass business recorded an increase of 2.6%, up to £49,961 per business
  - Other horticulture businesses had a decrease of 6.6% in profitability, with FBI at an average of £43,233 per business
- Where the data is derived from a sample of less than 15 holdings, there is a lower degree of confidence in the figures



**Figure 2.1 Average FBI per business for Horticultural Businesses in England by farm type**



**Figure 2.2 Average FBI per £100 of gross output for Horticultural Businesses in England by farm type**



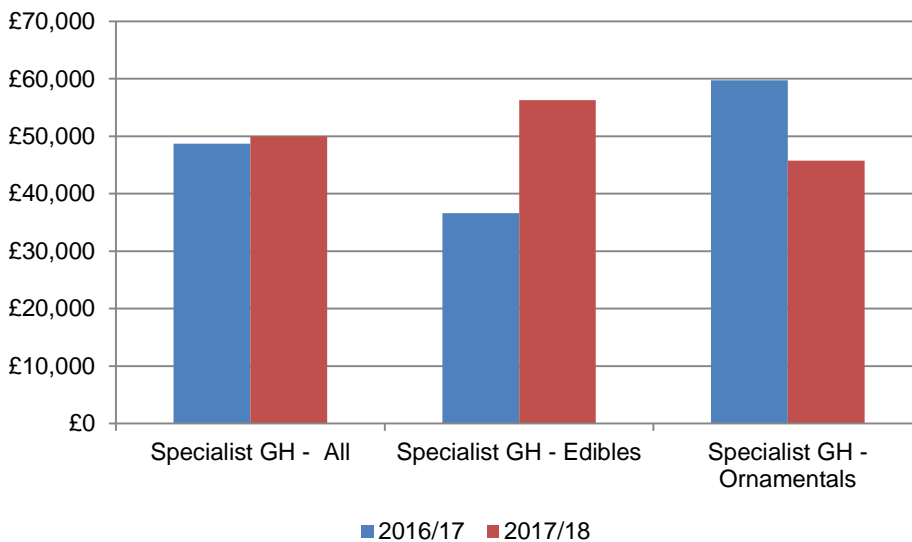
**2.6 Specialist Glass [Tables 2.4 to 2.12]**

*There are nine tables reporting on the financial results of specialist glass businesses, differentiating between crop types (edible crops vs. ornamentals) and the level of glasshouse production.*

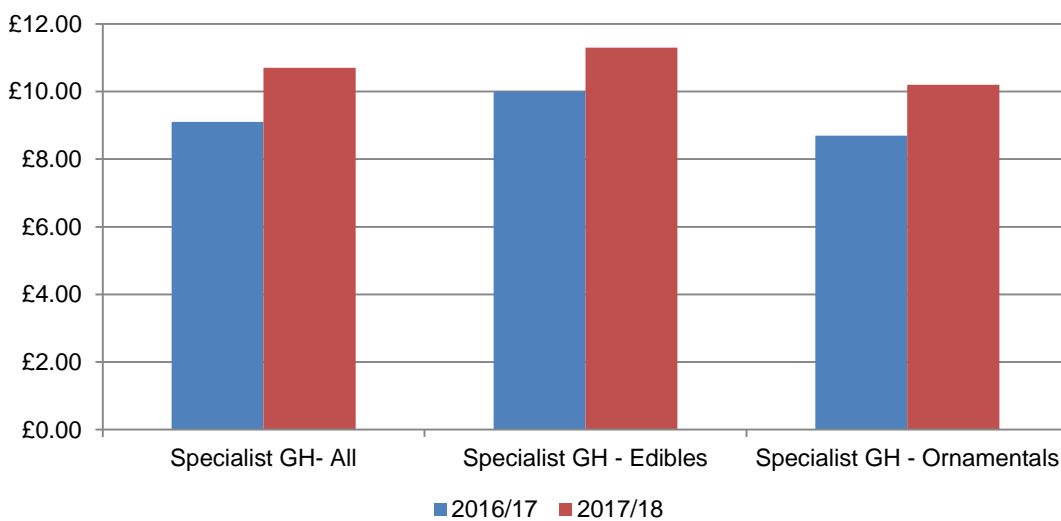
- A number of businesses within the specialist glasshouse group have some outdoor crop production; the group has been sub-divided according to the intensity of glasshouse production between businesses with 50% or more of crop output derived from glasshouse production (Tables 2.7 to 2.9) and those with 90% or more of crop output derived from glasshouse production (Tables 2.10 to 2.12)
- Specialist Glass, all crops [Table 2.4]
  - The group includes both heated and unheated glasshouses and polytunnels
  - Average productive cropping area in 2017 was 2.16ha, of which protected production was 0.92ha
  - The sample of 55 specialist glass businesses is split between 24 businesses specialising in edible crops and 31 businesses specialising in ornamental crops
  - On a per business basis in 2017, Farm Business Income (FBI) increased by 2.6% to £49,961, with this increase derived from the edible sector which had an average FBI increase of 54%, whereas the average ornamental FBI fell by 24%

- FBI showed a decrease of 16% on a per hectare basis, as costs did not fall as significantly as total gross output
- The composition of cropping on Specialist Glasshouse holdings varied slightly between 2016 and 2017; soft fruit and tomatoes production under glass increased, but flowers & nursery stock under glass decreased, although their outdoor production rose slightly
- The financial performance of the premium group (top quartile) was up (20% on per hectare basis) on the previous year; average FBI per hectare for these 16 businesses in the group in 2017 was £47,313/ha, compared with £39,324/ha for the 21 businesses in the premium group in 2016

**Figure 2.3 Average FBI per business for specialist glasshouse businesses in England by farm type**



**Figure 2.4 Average FBI per £100 of gross output for specialist glasshouse businesses in England by farm type**

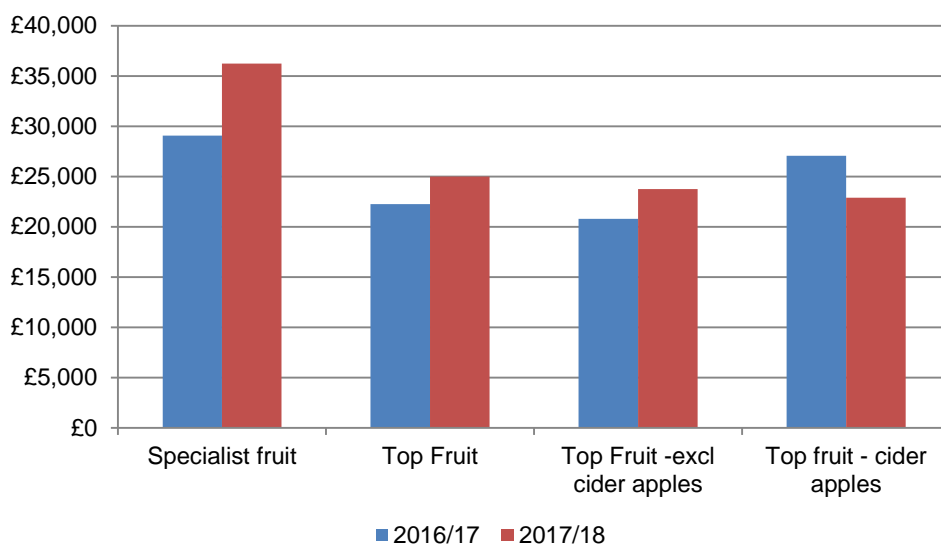


- *Specialist Glass, mainly edible crops [Table 2.5]*
  - Profitability for this group at £56,294 per business, showed an increase of 54% on the previous year
  - Productive cropping area increased by 15%, and on a per hectare basis. Farm Business Income (FBI) increased by 33% to £18,201
  - Total costs per £100 of output were down from £95.50 to £87.60
  
- *Specialist Glass, mainly non-edible crops [Table 2.6]*
  - Profitability for this group decreased by 24% to £45,745 per business
  - The productive cropping area increased by 69% to 1.53ha, leading to a 55% decrease in Farm Business Income (FBI) on a per hectare basis, to £29,804
  - Total variable costs per £100 of output decreased by 14%, whilst total fixed costs increased by 19%
  
- *Specialist glass businesses (50% or more crop output from glasshouse production) [Tables 2.7 – 2.9]*
  - These three tables provide the results for all specialist glasshouse businesses where 50% or more of the output is derived from glasshouse production, and for the sub groups of those specialising in the production of edible and non-edible crops
  - The average profitability per business of this group, at £41,573, is closely aligned with those with 90% or more output from glasshouse production at £41,975, whereas on a per hectare basis they were more dissimilar, at £44,615 and £53,207 respectively
  
- *Specialist glass businesses (90% or more crop output from glasshouse production) [Table 2.10]*
  - These tables provide the results for specialist glasshouse businesses where 90% or more of the output is derived from glasshouse production
  - Average Farm Business Income (FBI) decreased by 7% to £41,975 per business
  
- *Specialist glass businesses (90% or more crop output from glasshouse production) – Mainly edible crops [Table 2.11]*
  - Tomato production accounted for 45% and soft fruit 44% of all glasshouse output for these businesses in 2017
  - Farm Business Income (FBI) per hectare increased by 44% during 2017, up from £20,450 to £29,400
  
- *Specialist glass businesses (90% or more crop output from glasshouse production) – Mainly non-edible crops [Table 2.12]*
  - Both variable and fixed costs per business decreased significantly (32% and 28% respectively)
  - Total cropping area for this group fell by around 30%, from 0.85ha to 0.60ha
  - Consequently, Farm Business Income (FBI) per hectare increased by 16% to £80,238 in 2017, despite the 19.1% fall in FBI per business

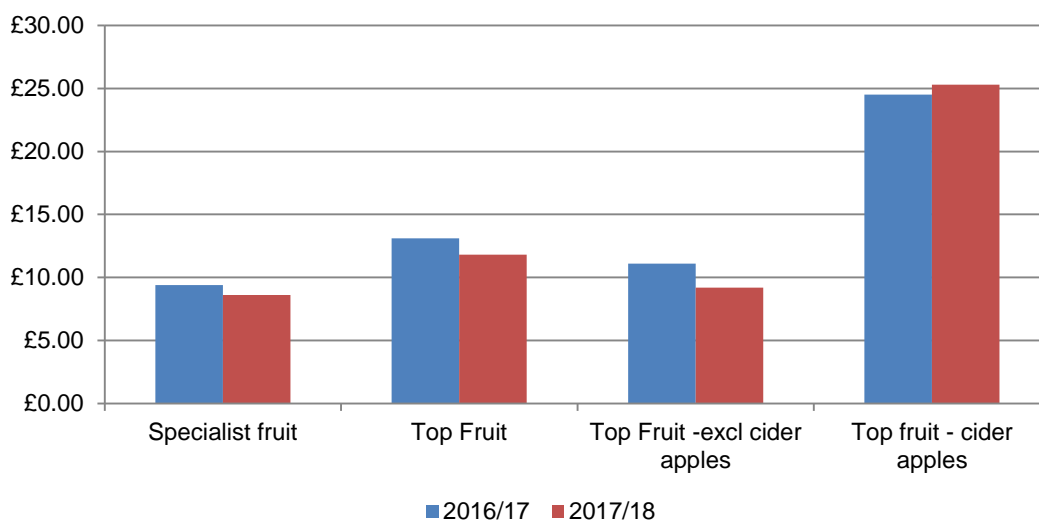
## 2.7 Specialist Fruit [Tables 2.13 to 2.16]

- There are four tables reporting on the financial results for this type group and its sub-groups:
  - Table 2.13 shows the results for all specialist fruit businesses
  - Table 2.14 shows a sub group of this sample for businesses with over 90% of their total crop output derived from top fruit and
  - Tables 2.15 and 2.16 splits this down further to a group excluding cider apple growers and a group of predominantly cider apple growers

**Figure 2.5 Average FBI per business for specialist fruit businesses in England by farm type**



**Figure 2.6 Average FBI per £100 of gross output for specialist fruit businesses in England by farm type**



- *Specialist fruit businesses [Table 2.13]*
  - Within the specialist fruit group in 2017, the proportion of crop output from soft fruit production overtook that from top fruit, at 53% and 46% of the total respectively
  - A significant proportion of the total output (18% in 2017) continues to be derived from other activities, for example, adding value to the crop by means of on-farm processing of fruit or offering customised pack house services to other growers
  - The average Farm Business Income (FBI) per business of £36,232 in 2017/18 was up 25% compared to the year before
  - FBI per hectare in 2017 was £3,734/ha for businesses in the premium group, compared with the average of £1,587/ha
  
- *Mainly top fruit businesses - 90% or more crop output derived from top fruit [Table 2.14]*
  - This group includes businesses that specialise in top fruit production, with 90% or more of their total crop output derived from top fruit
  - In 2017, approximately 61% of crop output was derived from dessert apples & pears and 15% from cider apples
  - Yields decreased significantly for both culinary and dessert apples in the 2017 harvest year, yet their rise in value prevented a substantial loss in output per hectare, and even rose for dessert apples as the price increased from £540/t to £701/t between years
  - Cider apple yields were marginally lower, as were prices, resulting in a slight drop in output
  - Pear yields took the most significant drop (from 19.6t/ha to 11.3t/ha), and a fall in value of more than £150/t meant output was affected considerably
  - Average Farm Business Income (FBI) was £24,979 per business and £1,622 per hectare, in contrast to the £22,252 per business and £1,626 per hectare in 2016
  
- *Mainly top fruit businesses – 90% or more crop output derived from top fruit, excluding cider apple growers [Table 2.15]*
  - This sub-group of specialist top fruit growers consists of 22 growers in 2017, predominantly growing top fruit for eating
  - In 2017/18, around 72% of crop output was from dessert apples and pears, 9% from culinary apples for processing and the fresh market
  - Approximately 27% of the total gross output was derived from other output, i.e. not from cropping
  - Farm Business Income (FBI) per business increased from £20,780 in 2016/17 to £23,745 in 2017/18
  
- *Mainly top fruit businesses – 90% or more crop output derived from cider apples [Table 2.16]*
  - Cider apple growers saw a decrease in Farm Business Income (FBI) of 16% to £22,881 per business in 2017
  - Total cropping area for this group fell by an average of 14%, hence the fall in total output
  - Total costs per hectare for cider apple growers were £5,274, which are minimal compared to those for culinary and dessert apples of £18,207, yet their output is much lower due to the disparity in fruit price per tonne

**Table 2.2 Top fruit yields, prices and output\* – 2016/17 and 2017/18**

Top Fruit		2016/17	2017/18
Culinary Apples	tonnes/ha	24.2	19.6
	£/tonne	494.5	570.2
	<b>£ output/ha</b>	<b>11,970</b>	<b>11,170</b>
Dessert Apples	tonnes/ha	27.2	23.6
	£/tonne	540.1	701.0
	<b>£ output/ha</b>	<b>14,380</b>	<b>15,499</b>
Cider Apples	tonnes/ha	36.2	36.0
	£/tonne	123.4	119.7
	<b>£ output/ha</b>	<b>4,471</b>	<b>4,308</b>
Pears	tonnes/ha	19.6	11.3
	£/tonne	775.5	612.3
	<b>£ output/ha</b>	<b>15,220</b>	<b>6,940</b>

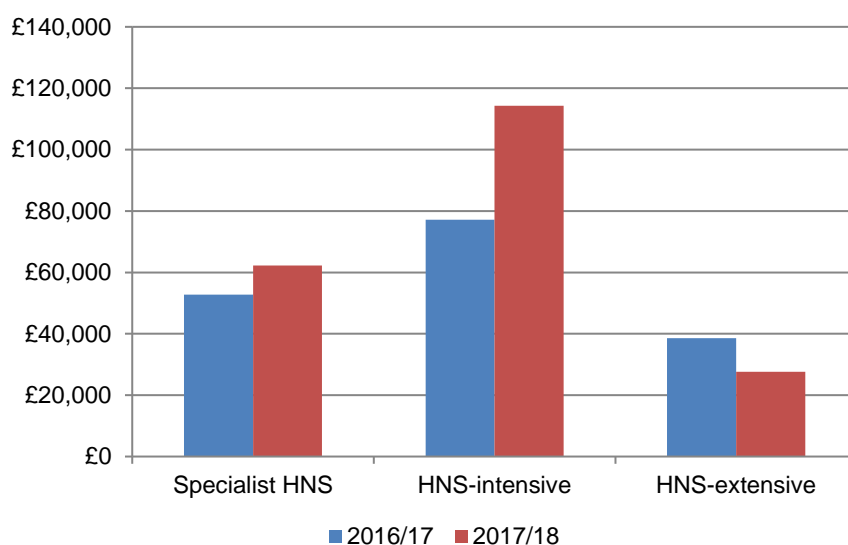
**Note:** \* The areas used when calculating the per hectare figures are field areas (not tree areas) and the fruit tonnage is for all the fruit sold either fresh or for processing and juice.

## 2.8 Specialist Hardy Nursery Stock [Tables 2.17 to 2.19]

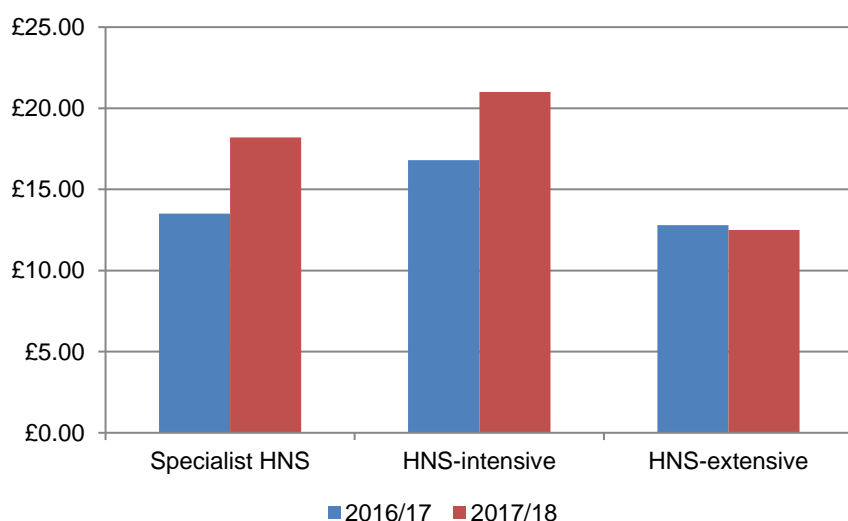
- There are three tables reporting on the financial results of Specialist Hardy Nursery Stock (HNS) businesses:
  - Table 2.17 covers all HNS businesses in the sample with tables 2.18 and 2.19 being sub-groups of the main sample
  - Table 2.18 is for businesses that have a crop output of more than £175,000 per hectare
  - Table 2.19 is for businesses that have a crop output of less than £175,000 per hectare
  
- *Specialist HNS businesses [Table 2.17]*
  - This group of businesses include growers of young HNS plants under protection, those growing plants outdoors and on hard standings, and a combination of these production systems
  - For these businesses, crop output was divided between outdoor production at 81% and protected production at 19%
  - Farm Business Income (FBI) per business increased by 18%, due to a decrease in both variable and fixed costs, although total gross output fell on average as output from other sources fell
  - In 2017/18, the average FBI per hectare of £11,397 remained consistent with that of the previous year at £11,507

- The difference in gross output per hectare between intensive and extensive HNS was more than four times greater, at £353,560, than for extensively produced stock, at £80,403
- Average FBI per £100 of gross output increased by a third on the previous year to £18.20, while for the premium businesses it was £31.40

**Figure 2.7 Average FBI per business for specialist HNS businesses in England, by proportion of output from protected and outdoor crops**



**Figure 2.8 Average FBI per £100 of gross output for specialist HNS businesses in England, by proportion of output from protected and outdoor crops**



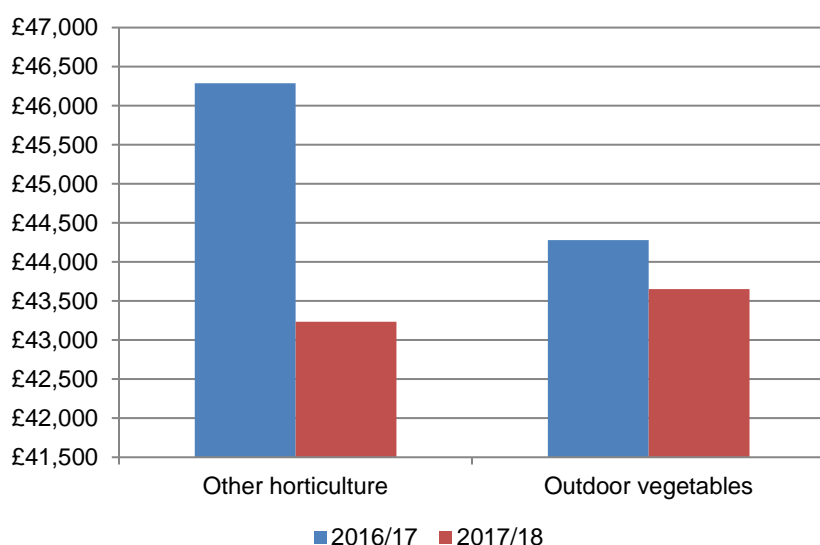
- *Intensive HNS businesses (crop output more than £175,000 per hectare) [Table 2.18]*
  - The sub-group covers businesses with a crop output of more than £175,000 per hectare
  - These businesses grow a significant amount of HNS under glass or walk-through polythene tunnels as well as outdoors on hard standings, and also higher value field crops
  - Average Farm Business Income (FBI) per business was almost 50% higher than the previous year, at £114,315

- *Extensive HNS businesses (crop output less than £175,000 per hectare) [Table 2.19]*
  - The table refers to a group of businesses with crop output of less than £175,000 per hectare, including rootstock and larger trees, as well as shrubs and smaller nursery stock
  - The average cropping areas for extensive production fell by 20% in 2017/18, with glasshouse areas falling by 42%, whereas for intensive production the glasshouse area rose by an average of 24%
  - Farm Business Income (FBI) per business decreased by 28% to £27,628 due to the fall in total gross output

## 2.9 Other Horticulture [Tables 2.20 and 2.21]

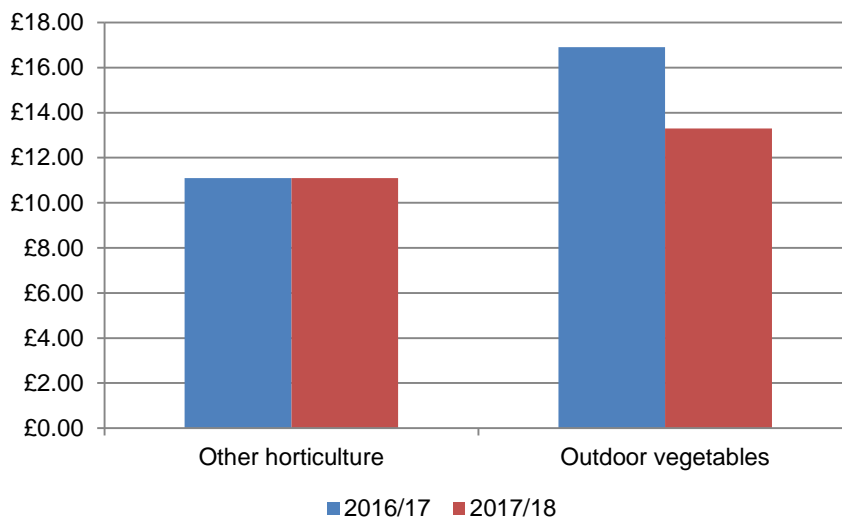
- *Other horticultural businesses [Table 2.20]*
  - The table refers to a diverse group of farms, for which crop output is comprised of a combination of small scale outdoor vegetables, ornamentals, soft fruit, top fruit and farm crops
  - In 2017/18 the output from soft fruit was the greatest proportion at 28%, followed by outdoor vegetables at 26%, farm crops at 25% and glasshouse crops at 11%
  - Total gross margin and total fixed costs per business were consistent between years, which on a per £100 of gross output resulted in the same FBI of £11.10 as in the previous year
  - Premium businesses recorded a FBI per hectare of £3,225, more than twice the average of £1,335
- *Mainly outdoor vegetables – 50% or more output derived from outdoor vegetables [Table 2.21]*
  - Average cropping area of this group increased to 17.71ha in 2017/18, with the area of specialist glass rising by 38%
  - Farm Business Income (FBI) per business fell very slightly, as the 25% increase in total gross output was absorbed by increased variable and fixed costs
  - However, the increase in average cropping area resulted in a 21% fall in FBI per hectare

**Figure 2.9 Average FBI per business for other horticulture businesses and mainly outdoor vegetable crops in England**





**Figure 2.10 Average FBI per £100 of gross output for other horticulture businesses and mainly outdoor vegetable crops in England**



## 2.10 Balance Sheet Information [Tables 2.22 and 2.23]

- The assets, liabilities and net worth for the horticulture sample are reported in table 2.22
- The percentage equity in the business remained much the same during the year for all horticultural businesses types
- The value of the balance sheet total assets rose by just under 1.5% to an average of £902,333 for all horticulture businesses in 2017/18, while the year-on-year change for total external liabilities was up by 2.5% to £144,675 for the period
- Table 2.23 reports on the net worth and percentage equity for the Defra main farm type classifications used in England; the average net worth for all businesses is approximately £1,906,105 per business, representing 89.1% equity
- Those businesses that are predominantly land based have the highest net worth, while those with intensive livestock systems and less land have a lower net worth and percentage equity
- Consequently, lowland cattle & sheep farms and cereal farms have the highest percentage equity at 93% and 92.1% respectively; while pig and poultry farms respectively have the lowest percentage equity at 77% and 66.4%, with horticulture in mid-range at 84.1%

**Table 2.3 All horticultural businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	188	188	188	188	188	188
Productive cropping area (ha)	17.89	19.46	17.89	19.46		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>392,205</b>	<b>391,206</b>	<b>21,919</b>	<b>20,100</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	56,048	47,279	3,132	2,429	14.3	12.1
Fertilisers & composts	10,213	11,054	571	568	2.6	2.8
Crop protection	8,875	9,646	496	496	2.3	2.5
Market charges	26,694	26,096	1,492	1,341	6.8	6.7
Packing materials	19,638	21,287	1,097	1,094	5.0	5.4
Horticultural sundries	12,976	14,350	725	737	3.3	3.7
Glasshouse fuel	2,369	2,436	132	125	0.6	0.6
Other variable costs	1,057	1,057	59	54	0.3	0.3
<b>Total variable costs</b>	<b>137,870</b>	<b>133,206</b>	<b>7,705</b>	<b>6,844</b>	<b>35.2</b>	<b>34.1</b>
<b>Total gross margin</b>	<b>254,335</b>	<b>258,000</b>	<b>14,214</b>	<b>13,256</b>	<b>64.8</b>	<b>65.9</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	68,633	64,523	3,836	3,315	17.5	16.5
Regular unpaid	30,644	32,718	1,713	1,681	7.8	8.4
Casual labour	46,681	52,982	2,609	2,722	11.9	13.5
Power & machinery costs:						
Contract & hire	7,147	8,127	399	418	1.8	2.1
Fuel & electricity	11,663	11,625	652	597	3.0	3.0
Repairs	8,489	9,742	474	501	2.2	2.5
Machinery depreciation	12,706	12,253	710	630	3.2	3.1
Glasshouse depreciation	2,283	1,684	128	87	0.6	0.4
Rent (incl. imputed)	16,429	16,336	918	839	4.2	4.2
Other costs:						
Occupier's repairs	5,873	6,040	328	310	1.5	1.5
Permanent crop depreciation	1,377	1,640	77	84	0.4	0.4
Water	1,637	1,636	91	84	0.4	0.4
Sundries	22,076	18,235	1,234	937	5.6	4.7
<b>Total fixed costs</b>	<b>235,638</b>	<b>237,540</b>	<b>13,169</b>	<b>12,205</b>	<b>60.1</b>	<b>60.7</b>
<b>Management &amp; investment income</b>	<b>18,697</b>	<b>20,460</b>	<b>1,045</b>	<b>1,051</b>	<b>4.8</b>	<b>5.2</b>
Minus: management salaries	414	389	23	20	0.1	0.1
Plus: farmer & spouse labour	23,907	25,574	1,336	1,314	6.1	6.5
<b>Net farm income</b>	<b>42,191</b>	<b>45,646</b>	<b>2,358</b>	<b>2,345</b>	<b>10.8</b>	<b>11.7</b>
<b>Farm business income</b>	<b>43,756</b>	<b>47,723</b>	<b>2,445</b>	<b>2,452</b>	<b>11.2</b>	<b>12.2</b>

### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Glasshouse crops		
Flowers & nursery stock	18.1	12.6
Tomatoes	0.8	1.2
Lettuce	0.2	0.1
Soft fruit	2.1	3.1
Other glasshouse crops	2.2	3.1
Outdoor crops		
Flowers and nursery stock	24.9	25.9
Vegetables	8.4	7.5
Other outdoor crops	10.0	11.3
Top fruit		
Dessert apples and pears	7.2	8.1
Culinary apples	0.8	0.7
Cider apples	1.4	1.3
Plums	0.9	0.9
Other top fruit	1.7	1.2
Soft fruit		
Strawberries	13.0	13.1
Raspberries	6.3	7.5
Blackcurrants	0.1	0.1
Other soft fruit	2.0	2.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops and tillages	16	17
Stores	6	6
Glasshouses	7	5
Equipment	29	28
Livestock	1	1
Other	41	43
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>515,189</b>	<b>522,796</b>

**Table 2.4 All specialist glass businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	61	55	61	55	61	55
Productive cropping area (ha)	1.76	2.16	1.76	2.16		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>532,304</b>	<b>468,764</b>	<b>302,987</b>	<b>217,272</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	95,560	72,273	54,393	33,498	18.0	15.4
Fertilisers & composts	13,529	16,932	7,701	7,848	2.5	3.6
Crop protection	3,516	4,089	2,001	1,895	0.7	0.9
Market charges	24,951	16,618	14,202	7,702	4.7	3.5
Packing materials	37,924	20,853	21,586	9,665	7.1	4.4
Horticultural sundries	23,759	15,884	13,524	7,362	4.5	3.4
Glasshouse fuel	12,753	14,044	7,259	6,509	2.4	3.0
Other variable costs	25	0	14	0	0.0	0.0
<b>Total variable costs</b>	<b>212,016</b>	<b>160,693</b>	<b>120,680</b>	<b>74,481</b>	<b>39.8</b>	<b>34.3</b>
<b>Total gross margin</b>	<b>320,288</b>	<b>308,072</b>	<b>182,307</b>	<b>142,791</b>	<b>60.2</b>	<b>65.7</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	121,455	116,234	69,132	53,875	22.8	24.8
Regular unpaid	33,042	36,133	18,807	16,748	6.2	7.7
Casual labour	35,429	27,856	20,166	12,911	6.7	5.9
Power & machinery costs:						
Contract & hire	4,001	3,437	2,277	1,593	0.8	0.7
Fuel & electricity	17,872	16,953	10,173	7,858	3.4	3.6
Repairs	8,459	8,619	4,815	3,995	1.6	1.8
Machinery depreciation	9,898	10,708	5,634	4,963	1.9	2.3
Glasshouse depreciation	12,385	8,678	7,049	4,022	2.3	1.9
Rent (incl. imputed)	9,803	11,454	5,580	5,309	1.8	2.4
Other costs:						
Occupier's repairs	11,061	8,272	6,296	3,834	2.1	1.8
Permanent crop depreciation	108	116	61	54	0.0	0.0
Water	2,134	2,342	1,215	1,085	0.4	0.5
Sundries	25,667	24,662	14,610	11,431	4.8	5.3
<b>Total fixed costs</b>	<b>291,313</b>	<b>275,464</b>	<b>165,815</b>	<b>127,678</b>	<b>54.7</b>	<b>58.8</b>
<b>Management &amp; investment income</b>	<b>28,974</b>	<b>32,607</b>	<b>16,492</b>	<b>15,114</b>	<b>5.4</b>	<b>7.0</b>
Minus: management salaries	867	587	493	272	0.2	0.1
Plus: farmer & spouse labour	29,758	31,898	16,938	14,785	5.6	6.8
<b>Net farm income</b>	<b>57,866</b>	<b>63,918</b>	<b>32,937</b>	<b>29,626</b>	<b>10.9</b>	<b>13.6</b>
<b>Farm business income</b>	<b>48,706</b>	<b>49,961</b>	<b>27,723</b>	<b>23,157</b>	<b>9.1</b>	<b>10.7</b>

Premium businesses	Per	Per £100	Crop output per cent of total crop output (%)		
	hectare	of gross	Average	Average	Premium
	2017/18	output	2016/17	2017/18	2017/18
		2017/18			
Number of businesses	16	16			
Productive cropping area (ha)	3.53				
		<b>£ per hectare</b>			
		<b>average %</b>			
<b>Gross output</b>	<b>212,415</b>	<b>100.0</b>			
<b>Variable costs</b>					
Seed & young plants	25,111	11.8			
Fertilisers & composts	5,494	2.6			
Crop protection	1,887	0.9			
Market charges	7,075	3.3			
Packing materials	7,133	3.4			
Horticultural sundries	7,098	3.3			
Glasshouse fuel	6,059	2.9			
Other variable costs	0	0.0			
<b>Total variable costs</b>	<b>59,856</b>	<b>28.2</b>			
<b>Total gross margin</b>	<b>152,560</b>	<b>71.8</b>			
<b>Fixed costs</b>					
Labour:					
Regular paid	54,328	25.6			
Regular unpaid	9,348	4.4			
Casual labour	6,421	3.0			
Power & machinery costs:					
Contract & hire	1,267	0.6			
Fuel & electricity	6,206	2.9			
Repairs	3,698	1.7			
Machinery depreciation	4,961	2.3			
Glasshouse depreciation	3,743	1.8			
Rent (incl. imputed)	4,936	2.3			
Other costs:					
Occupier's repairs	3,629	1.7			
Permanent crop depreciation	0	0.0			
Water	728	0.3			
Sundries	10,295	4.8			
<b>Total fixed costs</b>	<b>109,560</b>	<b>51.6</b>			
<b>Management &amp; investment income</b>	<b>43,000</b>	<b>20.2</b>			
Minus: management salaries	595	0.3			
Plus: farmer & spouse labour	8,135	3.8			
<b>Net farm income</b>	<b>50,539</b>	<b>23.8</b>			
<b>Farm business income</b>	<b>47,313</b>	<b>22.3</b>			

Distribution of tenant's type capital (%)			
	Average	Average	Premium
	2016/17	2017/18	2017/18
Glasshouse crops			
Flowers & nursery stock	61.6	48.0	45.6
Tomatoes	6.1	9.6	13.5
Lettuce	0.3	0.3	0.2
Soft fruit	12.0	17.1	28.1
Other glasshouse crops	12.4	15.0	8.8
Outdoor crops			
Flowers & nursery stock	5.9	8.0	1.3
Vegetables	0.8	0.2	0.0
Fruit	0.9	1.1	2.5
Other outdoor crops	0.0	0.8	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Crops & tillages	8	8	3
Stores	9	11	11
Glasshouses	31	25	21
Equipment	16	21	21
Livestock	0	0	0
Other	36	36	44
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>693,659</b>	<b>591,150</b>	<b>954,323</b>

**Table 2.5 Specialist glass businesses, mainly edible crops\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	26	24	26	24	26	24
Productive cropping area (ha)	2.68	3.09	2.68	3.09		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>365,870</b>	<b>496,104</b>	<b>136,298</b>	<b>160,403</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	33,260	40,855	12,391	13,210	9.1	8.2
Fertilisers & composts	8,567	16,922	3,191	5,471	2.3	3.4
Crop protection	3,877	6,828	1,444	2,208	1.1	1.4
Market charges	9,853	14,417	3,670	4,661	2.7	2.9
Packing materials	11,756	15,864	4,379	5,129	3.2	3.2
Horticultural sundries	23,242	19,910	8,658	6,437	6.4	4.0
Glasshouse fuel	14,735	23,629	5,489	7,640	4.0	4.8
Other variable costs	53	0	20	0	0.0	0.0
<b>Total variable costs</b>	<b>105,343</b>	<b>138,424</b>	<b>39,244</b>	<b>44,756</b>	<b>28.8</b>	<b>27.9</b>
<b>Total gross margin</b>	<b>260,526</b>	<b>357,681</b>	<b>97,054</b>	<b>115,647</b>	<b>71.2</b>	<b>72.1</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	84,186	111,472	31,362	36,042	23.0	22.5
Regular unpaid	29,366	31,580	10,940	10,211	8.0	6.4
Casual labour	43,255	50,255	16,114	16,249	11.8	10.1
Power & machinery costs:						
Contract & hire	1,645	2,130	613	689	0.4	0.4
Fuel & electricity	21,247	24,751	7,915	8,003	5.8	5.0
Repairs	6,992	12,223	2,605	3,952	1.9	2.5
Machinery depreciation	7,754	11,894	2,889	3,846	2.1	2.4
Glasshouse depreciation	7,010	10,670	2,612	3,450	1.9	2.2
Rent (incl. imputed)	11,198	13,443	4,171	4,346	3.1	2.7
Other costs:						
Occupier's repairs	11,299	8,774	4,209	2,837	3.1	1.8
Permanent crop depreciation	225	291	84	94	0.1	0.1
Water	2,005	3,230	747	1,044	0.5	0.7
Sundries	17,927	15,548	6,678	5,027	4.9	3.1
<b>Total fixed costs</b>	<b>244,110</b>	<b>296,260</b>	<b>90,939</b>	<b>95,789</b>	<b>66.7</b>	<b>59.7</b>
<b>Management &amp; investment income</b>	<b>16,416</b>	<b>61,420</b>	<b>6,116</b>	<b>19,859</b>	<b>4.5</b>	<b>12.4</b>
Minus: management salaries	504	597	188	193	0.1	0.1
Plus: farmer & spouse labour	26,863	27,437	10,007	8,871	7.3	5.5
<b>Net farm income</b>	<b>42,775</b>	<b>88,260</b>	<b>15,935</b>	<b>28,537</b>	<b>11.7</b>	<b>17.8</b>
<b>Farm business income</b>	<b>36,619</b>	<b>56,294</b>	<b>13,642</b>	<b>18,201</b>	<b>10.0</b>	<b>11.3</b>

### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Glasshouse crops		
Flowers & nursery stock	2.2	1.5
Tomatoes	18.5	21.6
Lettuce	0.8	0.7
Soft fruit	36.4	38.6
Other glasshouse crops	37.1	33.5
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	2.4	0.3
Fruit	2.7	2.4
Other outdoor crops	0.0	1.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops & tillages	3	2
Stores	9	6
Glasshouses	31	34
Equipment	25	24
Livestock	0	0
Other	34	34
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>353,630</b>	<b>529,517</b>

*\* no premium figures, sample too small*

**Table 2.6 Specialist glass businesses, mainly non-edible crops\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	35	31	35	31	35	31
Productive cropping area (ha)	0.91	1.53	0.91	1.53		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>684,641</b>	<b>450,564</b>	<b>754,070</b>	<b>293,558</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	152,583	93,187	168,057	60,715	22.3	20.7
Fertilisers & composts	18,071	16,940	19,904	11,037	2.6	3.8
Crop protection	3,185	2,265	3,508	1,476	0.5	0.5
Market charges	38,770	18,083	42,701	11,782	5.7	4.0
Packing materials	61,875	24,174	68,150	15,750	9.0	5.4
Horticultural sundries	24,232	13,204	26,690	8,603	3.5	2.9
Glasshouse fuel	10,938	7,664	12,047	4,993	1.6	1.7
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>309,654</b>	<b>175,517</b>	<b>341,056</b>	<b>114,355</b>	<b>45.2</b>	<b>39.0</b>
<b>Total gross margin</b>	<b>374,987</b>	<b>275,047</b>	<b>413,014</b>	<b>179,203</b>	<b>54.8</b>	<b>61.0</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	155,567	119,405	171,343	77,796	22.7	26.5
Regular unpaid	36,407	39,164	40,099	25,517	5.3	8.7
Casual labour	28,265	12,945	31,131	8,434	4.1	2.9
Power & machinery costs:						
Contract & hire	6,157	4,307	6,782	2,806	0.9	1.0
Fuel & electricity	14,783	11,762	16,282	7,663	2.2	2.6
Repairs	9,802	6,220	10,796	4,053	1.4	1.4
Machinery depreciation	11,861	9,919	13,063	6,462	1.7	2.2
Glasshouse depreciation	17,304	7,351	19,059	4,790	2.5	1.6
Rent (incl. imputed)	8,527	10,131	9,391	6,600	1.2	2.2
Other costs:						
Occupier's repairs	10,842	7,937	11,942	5,171	1.6	1.8
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,252	1,750	2,481	1,140	0.3	0.4
Sundries	32,752	30,729	36,073	20,021	4.8	6.8
<b>Total fixed costs</b>	<b>334,519</b>	<b>261,620</b>	<b>368,442</b>	<b>170,454</b>	<b>48.9</b>	<b>58.1</b>
<b>Management &amp; investment income</b>	<b>40,469</b>	<b>13,427</b>	<b>44,572</b>	<b>8,748</b>	<b>5.9</b>	<b>3.0</b>
Minus: management salaries	1,199	581	1,320	379	0.2	0.1
Plus: farmer & spouse labour	32,408	34,867	35,695	22,717	4.7	7.7
<b>Net farm income</b>	<b>71,678</b>	<b>47,713</b>	<b>78,947</b>	<b>31,087</b>	<b>10.5</b>	<b>10.6</b>
<b>Farm business income</b>	<b>59,768</b>	<b>45,745</b>	<b>65,829</b>	<b>29,804</b>	<b>8.7</b>	<b>10.2</b>



### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Glasshouse crops		
Flowers & nursery stock	90.9	85.1
Tomatoes	0.0	0.0
Lettuce	0.0	0.0
Soft fruit	0.0	0.0
Other glasshouse crops	0.2	0.3
Outdoor crops		
Flowers & nursery stock	8.9	14.3
Vegetables	0.0	0.0
Fruit	0.0	0.0
Other outdoor crops	0.0	0.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops & tillages	10	11
Stores	9	13
Glasshouses	31	20
Equipment	13	19
Livestock	0	0
Other	37	37
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>693,659</b>	<b>591,150</b>

*\* no premium figures, sample too small*

**Table 2.7 Specialist glass businesses (50% or more of crop output from glasshouse production)**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	53	44	53	44	53	44
Productive cropping area (ha)	1.06	0.93	1.06	0.93		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>375,916</b>	<b>371,016</b>	<b>355,449</b>	<b>398,166</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	59,818	59,122	56,561	63,449	15.9	15.9
Fertilisers & composts	10,942	12,151	10,346	13,040	2.9	3.3
Crop protection	2,584	3,026	2,444	3,247	0.7	0.8
Market charges	15,594	16,044	14,745	17,219	4.1	4.3
Packing materials	23,612	20,706	22,326	22,221	6.3	5.6
Horticultural sundries	17,129	14,960	16,197	16,054	4.6	4.0
Glasshouse fuel	11,801	14,596	11,159	15,664	3.1	3.9
Other variable costs	30	0	28	0	0.0	0.0
<b>Total variable costs</b>	<b>141,511</b>	<b>140,605</b>	<b>133,806</b>	<b>150,894</b>	<b>37.6</b>	<b>37.9</b>
<b>Total gross margin</b>	<b>234,406</b>	<b>230,411</b>	<b>221,644</b>	<b>247,272</b>	<b>62.4</b>	<b>62.1</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	75,956	77,785	71,820	83,477	20.2	21.0
Regular unpaid	33,847	37,243	32,004	39,968	9.0	10.0
Casual labour	35,389	27,353	33,462	29,354	9.4	7.4
Power & machinery costs:						
Contract & hire	2,733	2,117	2,584	2,272	0.7	0.6
Fuel & electricity	14,810	11,866	14,004	12,734	3.9	3.2
Repairs	6,987	5,971	6,606	6,408	1.9	1.6
Machinery depreciation	8,394	8,667	7,937	9,301	2.2	2.3
Glasshouse depreciation	7,504	8,913	7,096	9,565	2.0	2.4
Rent (incl. imputed)	8,055	7,891	7,616	8,468	2.1	2.1
Other costs:						
Occupier's repairs	10,752	8,137	10,166	8,733	2.9	2.2
Permanent crop depreciation	128	158	121	169	0.0	0.0
Water	1,868	2,146	1,766	2,303	0.5	0.6
Sundries	17,205	17,785	16,269	19,087	4.6	4.8
<b>Total fixed costs</b>	<b>223,626</b>	<b>216,030</b>	<b>211,450</b>	<b>231,838</b>	<b>59.5</b>	<b>58.2</b>
<b>Management &amp; investment income</b>	<b>10,780</b>	<b>14,381</b>	<b>10,193</b>	<b>15,433</b>	<b>2.9</b>	<b>3.9</b>
Minus: management salaries	1,025	606	969	651	0.3	0.2
Plus: farmer & spouse labour	30,682	32,898	29,011	35,305	8.2	8.9
<b>Net farm income</b>	<b>40,437</b>	<b>46,673</b>	<b>38,235</b>	<b>50,088</b>	<b>10.8</b>	<b>12.6</b>
<b>Farm business income</b>	<b>35,922</b>	<b>41,573</b>	<b>33,966</b>	<b>44,615</b>	<b>9.6</b>	<b>11.2</b>

Premium businesses	Per	Per £100	Crop output per cent of total crop output (%)		
	hectare	of gross	Average	Average	Premium
	2017/18*	output	2016/17	2017/18	2017/18*
		2017/18*			
Number of businesses	14	14			
Productive cropping area (ha)	1.03				
	<b>£ per hectare</b>	<b>average %</b>			
<b>Gross output</b>	<b>643,896</b>	<b>100.0</b>			
<b>Variable costs</b>					
Seed & young plants	98,020	15.2			
Fertilisers & composts	21,430	3.3			
Crop protection	4,110	0.6			
Market charges	30,772	4.8			
Packing materials	26,554	4.1			
Horticultural sundries	28,222	4.4			
Glasshouse fuel	26,252	4.1			
Other variable costs	0	0.0			
<b>Total variable costs</b>	<b>235,358</b>	<b>36.6</b>			
<b>Total gross margin</b>	<b>408,538</b>	<b>63.4</b>			
<b>Fixed costs</b>					
Labour:					
Regular paid	141,493	22.0			
Regular unpaid	30,742	4.8			
Casual labour	21,794	3.4			
Power & machinery costs:					
Contract & hire	3,765	0.6			
Fuel & electricity	24,298	3.8			
Repairs	12,081	1.9			
Machinery depreciation	13,749	2.1			
Glasshouse depreciation	14,647	2.3			
Rent (incl. imputed)	8,275	1.3			
Other costs:					
Occupier's repairs	14,434	2.2			
Permanent crop depreciation	0	0.0			
Water	2,796	0.4			
Sundries	23,832	3.7			
<b>Total fixed costs</b>	<b>311,906</b>	<b>48.4</b>			
<b>Management &amp; investment income</b>	<b>96,631</b>	<b>15.0</b>			
Minus: management salaries	1,953	0.3			
Plus: farmer & spouse labour	26,642	4.1			
<b>Net farm income</b>	<b>121,320</b>	<b>18.8</b>			
<b>Farm business income</b>	<b>107,446</b>	<b>16.7</b>			

Distribution of tenant's type capital (%)			
	Average	Average	Premium
	2016/17	2017/18	2017/18*
Glasshouse crops			
Flowers & nursery stock	66.0	59.7	59.9
Tomatoes	10.4	13.0	18.5
Lettuce	0.4	0.5	0.3
Soft fruit	11.1	12.6	8.6
Other glasshouse crops	10.2	12.4	12.0
Outdoor crops			
Flowers & nursery stock	1.4	1.4	0.6
Vegetables	0.2	0.2	0.0
Fruit	0.1	0.0	0.0
Other outdoor crops	0.0	0.1	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Distribution of tenant's type capital (%)			
	Average	Average	Premium
	2016/17	2017/18	2017/18*
Crops & tillages	6	4	2
Stores	11	12	11
Glasshouses	26	29	24
Equipment	21	19	18
Livestock	0	0	0
Other	36	35	44
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>460,121</b>	<b>510,119</b>	<b>930,697</b>

\* Data is derived from a modest sample size and thus there is a lower degree of confidence in the figures

**Table 2.8 Specialist glass businesses (50% or more of crop output from glasshouse production) - mainly edible crops\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	23	19	23	19	23	19
Productive cropping area (ha)	1.25	1.23	1.25	1.23		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>261,855</b>	<b>336,567</b>	<b>209,217</b>	<b>274,476</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	22,802	31,220	18,219	25,460	8.7	9.3
Fertilisers & composts	8,278	9,453	6,614	7,709	3.2	2.8
Crop protection	2,585	4,441	2,065	3,622	1.0	1.3
Market charges	11,053	16,673	8,831	13,597	4.2	5.0
Packing materials	10,365	11,876	8,282	9,685	4.0	3.5
Horticultural sundries	12,094	13,688	9,663	11,163	4.6	4.1
Glasshouse fuel	14,270	23,864	11,401	19,462	5.4	7.1
Other variable costs	62	0	50	0	0.0	0.0
<b>Total variable costs</b>	<b>81,510</b>	<b>111,214</b>	<b>65,125</b>	<b>90,697</b>	<b>31.1</b>	<b>33.0</b>
<b>Total gross margin</b>	<b>180,345</b>	<b>225,352</b>	<b>144,092</b>	<b>183,778</b>	<b>68.9</b>	<b>67.0</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	47,696	55,466	38,109	45,233	18.2	16.5
Regular unpaid	28,427	30,717	22,713	25,050	10.9	9.1
Casual labour	37,395	44,997	29,878	36,696	14.3	13.4
Power & machinery costs:						
Contract & hire	1,267	1,447	1,013	1,180	0.5	0.4
Fuel & electricity	19,692	14,390	15,733	11,736	7.5	4.3
Repairs	6,198	9,045	4,952	7,377	2.4	2.7
Machinery depreciation	5,817	8,879	4,648	7,241	2.2	2.6
Glasshouse depreciation	8,165	12,641	6,524	10,309	3.1	3.8
Rent (incl. imputed)	7,411	7,207	5,921	5,877	2.8	2.1
Other costs:						
Occupier's repairs	11,265	7,808	9,000	6,367	4.3	2.3
Permanent crop depreciation	266	361	212	295	0.1	0.1
Water	1,525	2,603	1,219	2,123	0.6	0.8
Sundries	11,438	13,938	9,138	11,367	4.4	4.1
<b>Total fixed costs</b>	<b>186,562</b>	<b>209,500</b>	<b>149,060</b>	<b>170,850</b>	<b>71.2</b>	<b>62.2</b>
<b>Management &amp; investment income</b>	<b>-6,218</b>	<b>15,853</b>	<b>-4,968</b>	<b>12,928</b>	<b>-2.4</b>	<b>4.7</b>
Minus: management salaries	586	730	468	596	0.2	0.2
Plus: farmer & spouse labour	26,047	26,575	20,811	21,672	9.9	7.9
<b>Net farm income</b>	<b>19,244</b>	<b>41,697</b>	<b>15,375</b>	<b>34,005</b>	<b>7.3</b>	<b>12.4</b>
<b>Farm business income</b>	<b>16,919</b>	<b>33,973</b>	<b>13,518</b>	<b>27,706</b>	<b>6.5</b>	<b>10.1</b>

### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Glasshouse crops		
Flowers & nursery stock	0.8	0.7
Tomatoes	32.0	33.2
Lettuce	1.3	1.3
Soft fruit	34.1	32.4
Other glasshouse crops	30.8	31.4
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	0.7	0.6
Fruit	0.3	0.0
Other outdoor crops	0.0	0.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops & tillages	3	3
Stores	5	3
Glasshouses	39	44
Equipment	21	21
Livestock	0	0
Other	32	30
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>323,776</b>	<b>481,250</b>

*\* no premium figures, sample too small*

**Table 2.9 Specialist glass businesses (50% or more of crop output from glasshouse production) - mainly non-edible crops\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	30	25	30	25	30	25
Productive cropping area (ha)	0.98	0.70	0.98	0.70		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>600,470</b>	<b>397,763</b>	<b>615,188</b>	<b>565,624</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	111,075	80,786	113,798	114,879	18.5	20.3
Fertilisers & composts	19,964	14,246	20,454	20,258	3.3	3.6
Crop protection	2,984	1,927	3,057	2,741	0.5	0.5
Market charges	30,084	15,557	30,821	22,122	5.0	3.9
Packing materials	40,797	27,561	41,797	39,192	6.8	6.9
Horticultural sundries	21,868	15,947	22,404	22,676	3.6	4.0
Glasshouse fuel	9,605	7,400	9,840	10,523	1.6	1.9
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>236,376</b>	<b>163,425</b>	<b>242,170</b>	<b>232,392</b>	<b>39.4</b>	<b>41.1</b>
<b>Total gross margin</b>	<b>364,094</b>	<b>234,338</b>	<b>373,019</b>	<b>333,232</b>	<b>60.6</b>	<b>58.9</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	149,837	95,113	153,510	135,252	25.0	23.9
Regular unpaid	38,604	42,309	39,550	60,164	6.4	10.6
Casual labour	33,902	13,653	34,733	19,414	5.6	3.4
Power & machinery costs:						
Contract & hire	6,936	2,637	7,107	3,750	1.2	0.7
Fuel & electricity	15,027	9,906	15,395	14,086	2.5	2.5
Repairs	11,351	3,583	11,629	5,096	1.9	0.9
Machinery depreciation	13,435	8,503	13,764	12,091	2.2	2.1
Glasshouse depreciation	9,606	6,018	9,841	8,558	1.6	1.5
Rent (incl. imputed)	8,664	8,422	8,877	11,977	1.4	2.1
Other costs:						
Occupier's repairs	11,537	8,393	11,820	11,935	1.9	2.1
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,352	1,790	2,410	2,546	0.4	0.5
Sundries	32,123	20,772	32,910	29,538	5.3	5.2
<b>Total fixed costs</b>	<b>333,374</b>	<b>221,100</b>	<b>341,546</b>	<b>314,407</b>	<b>55.5</b>	<b>55.6</b>
<b>Management &amp; investment income</b>	<b>30,720</b>	<b>13,238</b>	<b>31,473</b>	<b>18,825</b>	<b>5.1</b>	<b>3.3</b>
Minus: management salaries	683	510	699	725	0.1	0.1
Plus: farmer & spouse labour	34,489	37,807	35,334	53,762	5.7	9.5
<b>Net farm income</b>	<b>64,526</b>	<b>50,536</b>	<b>66,108</b>	<b>71,862</b>	<b>10.7</b>	<b>12.7</b>
<b>Farm business income</b>	<b>54,207</b>	<b>47,474</b>	<b>55,536</b>	<b>67,509</b>	<b>9.0</b>	<b>11.9</b>

### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Glasshouse crops		
Flowers & nursery stock	90.5	97.4
Tomatoes	0.0	0.0
Lettuce	0.0	0.0
Soft fruit	0.0	0.0
Other glasshouse crops	0.3	0.3
Outdoor crops		
Flowers & nursery stock	9.1	2.3
Vegetables	0.0	0.0
Fruit	0.0	0.0
Other outdoor crops	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops & tillages	8	6
Stores	13	18
Glasshouses	22	19
Equipment	20	19
Livestock	0	0
Other	37	39
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>693,659</b>	<b>591,150</b>

\* no premium figures, sample too small

**Table 2.10 Specialist glass businesses (90% or more of crop output from glasshouse production)**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	39	35	39	35	39	35
Productive cropping area (ha)	0.99	0.79	0.99	0.79		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>453,265</b>	<b>358,453</b>	<b>455,767</b>	<b>454,370</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	71,430	55,108	71,825	69,854	15.8	15.4
Fertilisers & composts	13,699	12,738	13,775	16,146	3.0	3.6
Crop protection	2,744	2,504	2,759	3,174	0.6	0.7
Market charges	18,388	15,900	18,490	20,155	4.1	4.4
Packing materials	28,694	20,399	28,853	25,857	6.3	5.7
Horticultural sundries	19,502	11,638	19,610	14,752	4.3	3.2
Glasshouse fuel	14,184	14,880	14,263	18,862	3.1	4.2
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>168,642</b>	<b>133,166</b>	<b>169,573</b>	<b>168,799</b>	<b>37.2</b>	<b>37.2</b>
<b>Total gross margin</b>	<b>284,623</b>	<b>225,287</b>	<b>286,193</b>	<b>285,571</b>	<b>62.8</b>	<b>62.8</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	90,467	74,710	90,967	94,701	20.0	20.8
Regular unpaid	35,089	36,091	35,283	45,749	7.7	10.1
Casual labour	42,878	23,858	43,114	30,242	9.5	6.7
Power & machinery costs:						
Contract & hire	3,453	2,154	3,472	2,730	0.8	0.6
Fuel & electricity	19,755	12,765	19,864	16,180	4.4	3.6
Repairs	8,633	6,082	8,681	7,710	1.9	1.7
Machinery depreciation	9,559	8,030	9,612	10,179	2.1	2.2
Glasshouse depreciation	9,482	9,530	9,535	12,080	2.1	2.7
Rent (incl. imputed)	8,684	7,562	8,732	9,585	1.9	2.1
Other costs:						
Occupier's repairs	13,573	8,135	13,648	10,312	3.0	2.3
Permanent crop depreciation	188	185	189	235	0.0	0.1
Water	2,127	2,099	2,139	2,660	0.5	0.6
Sundries	19,878	17,477	19,987	22,153	4.4	4.9
<b>Total fixed costs</b>	<b>263,766</b>	<b>208,677</b>	<b>265,222</b>	<b>264,516</b>	<b>58.2</b>	<b>58.2</b>
<b>Management &amp; investment income</b>	<b>20,856</b>	<b>16,610</b>	<b>20,971</b>	<b>21,055</b>	<b>4.6</b>	<b>4.6</b>
Minus: management salaries	581	435	584	552	0.1	0.1
Plus: farmer & spouse labour	31,771	33,110	31,947	41,969	7.0	9.2
<b>Net farm income</b>	<b>52,047</b>	<b>49,284</b>	<b>52,334</b>	<b>62,472</b>	<b>11.5</b>	<b>13.7</b>
<b>Farm business income</b>	<b>45,068</b>	<b>41,975</b>	<b>45,317</b>	<b>53,207</b>	<b>9.9</b>	<b>11.7</b>





**Table 2.11 Specialist glass businesses (90% or more of crop output from glasshouse production) - mainly edible crops\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	2016/17**	2017/18**	2016/17**	2017/18**	2016/17**	2017/18**
Number of businesses	14	14	14	14	14	14
Productive cropping area (ha)	1.21	1.10	1.21	1.10		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>328,018</b>	<b>337,434</b>	<b>272,170</b>	<b>305,660</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	17,416	19,848	14,451	17,979	5.3	5.9
Fertilisers & composts	10,102	9,501	8,382	8,606	3.1	2.8
Crop protection	2,399	3,502	1,990	3,173	0.7	1.0
Market charges	16,495	20,937	13,686	18,965	5.0	6.2
Packing materials	13,489	14,219	11,192	12,880	4.1	4.2
Horticultural sundries	13,077	7,740	10,850	7,011	4.0	2.3
Glasshouse fuel	19,437	27,874	16,128	25,249	5.9	8.3
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>92,415</b>	<b>103,621</b>	<b>76,681</b>	<b>93,863</b>	<b>28.2</b>	<b>30.7</b>
<b>Total gross margin</b>	<b>235,603</b>	<b>233,814</b>	<b>195,490</b>	<b>211,796</b>	<b>71.8</b>	<b>69.3</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	55,118	51,412	45,734	46,571	16.8	15.2
Regular unpaid	27,753	26,796	23,028	24,273	8.5	7.9
Casual labour	52,629	49,587	43,669	44,917	16.0	14.7
Power & machinery costs:						
Contract & hire	1,591	1,693	1,320	1,534	0.5	0.5
Fuel & electricity	31,476	17,852	26,117	16,171	9.6	5.3
Repairs	7,561	10,616	6,273	9,616	2.3	3.1
Machinery depreciation	6,356	9,021	5,274	8,171	1.9	2.7
Glasshouse depreciation	12,385	15,634	10,276	14,161	3.8	4.6
Rent (incl. imputed)	7,174	6,185	5,952	5,602	2.2	1.8
Other costs:						
Occupier's repairs	15,936	7,726	13,223	6,998	4.9	2.3
Permanent crop depreciation	461	488	382	442	0.1	0.1
Water	1,861	2,782	1,544	2,520	0.6	0.8
Sundries	12,149	13,009	10,080	11,784	3.7	3.9
<b>Total fixed costs</b>	<b>232,448</b>	<b>212,799</b>	<b>192,872</b>	<b>192,761</b>	<b>70.9</b>	<b>63.1</b>
<b>Management &amp; investment income</b>	<b>3,155</b>	<b>21,014</b>	<b>2,618</b>	<b>19,035</b>	<b>1.0</b>	<b>6.2</b>
Minus: management salaries	179	259	149	235	0.1	0.1
Plus: farmer & spouse labour	25,039	23,998	20,776	21,738	7.6	7.1
<b>Net farm income</b>	<b>28,014</b>	<b>44,753</b>	<b>23,245</b>	<b>40,539</b>	<b>8.5</b>	<b>13.3</b>
<b>Farm business income</b>	<b>24,647</b>	<b>32,456</b>	<b>20,450</b>	<b>29,400</b>	<b>7.5</b>	<b>9.6</b>

\*\* Data is derived from a modest sample size and thus there is a lower degree of confidence in the figures

### Crop output per cent of total crop output (%)

	Average 2016/17**	Average 2017/18**
Glasshouse crops		
Flowers & nursery stock	0.0	0.0
Tomatoes	44.5	44.9
Lettuce	1.8	1.7
Soft fruit	46.0	43.8
Other glasshouse crops	7.5	9.6
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	0.1	0.0
Fruit	0.0	0.0
Other outdoor crops	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17**	Average 2017/18**
Crops & tillages	2	1
Stores	4	2
Glasshouses	44	49
Equipment	18	19
Livestock	0	0
Other	33	29
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>418,954</b>	<b>530,767</b>

*\* no premium figures, sample too small*

**Table 2.12 Specialist glass businesses (90% or more of crop output from glasshouse production) - mainly non-edible crops\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	25	21	25	21	25	21
Productive cropping area (ha)	0.85	0.60	0.85	0.60		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>539,157</b>	<b>371,333</b>	<b>634,280</b>	<b>623,210</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	108,472	76,715	127,610	128,750	20.1	20.7
Fertilisers & composts	16,166	14,721	19,018	24,706	3.0	4.0
Crop protection	2,981	1,892	3,507	3,175	0.6	0.5
Market charges	19,686	12,814	23,160	21,506	3.7	3.5
Packing materials	39,122	24,186	46,024	40,591	7.3	6.5
Horticultural sundries	23,909	14,027	28,127	23,542	4.4	3.8
Glasshouse fuel	10,582	6,917	12,449	11,610	2.0	1.9
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>220,918</b>	<b>151,271</b>	<b>259,894</b>	<b>253,879</b>	<b>41.0</b>	<b>40.7</b>
<b>Total gross margin</b>	<b>318,239</b>	<b>220,062</b>	<b>374,386</b>	<b>369,331</b>	<b>59.0</b>	<b>59.3</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	114,709	88,987	134,947	149,347	21.3	24.0
Regular unpaid	40,120	41,787	47,198	70,132	7.4	11.3
Casual labour	36,190	8,091	42,575	13,580	6.7	2.2
Power & machinery costs:						
Contract & hire	4,730	2,436	5,564	4,088	0.9	0.7
Fuel & electricity	11,717	9,647	13,784	16,191	2.2	2.6
Repairs	9,369	3,304	11,022	5,545	1.7	0.9
Machinery depreciation	11,756	7,423	13,830	12,458	2.2	2.0
Glasshouse depreciation	7,492	5,789	8,814	9,716	1.4	1.6
Rent (incl. imputed)	9,720	8,406	11,434	14,107	1.8	2.3
Other costs:						
Occupier's repairs	11,953	8,386	14,062	14,075	2.2	2.3
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,310	1,680	2,717	2,819	0.4	0.5
Sundries	25,178	20,214	29,620	33,926	4.7	5.4
<b>Total fixed costs</b>	<b>285,244</b>	<b>206,151</b>	<b>335,569</b>	<b>345,984</b>	<b>52.9</b>	<b>55.5</b>
<b>Management &amp; investment income</b>	<b>32,996</b>	<b>13,911</b>	<b>38,817</b>	<b>23,347</b>	<b>6.1</b>	<b>3.7</b>
Minus: management salaries	856	544	1,007	912	0.2	0.1
Plus: farmer & spouse labour	36,388	38,694	42,808	64,940	6.7	10.4
<b>Net farm income</b>	<b>68,528</b>	<b>52,061</b>	<b>80,618</b>	<b>87,375</b>	<b>12.7</b>	<b>14.0</b>
<b>Farm business income</b>	<b>59,073</b>	<b>47,809</b>	<b>69,495</b>	<b>80,238</b>	<b>11.0</b>	<b>12.9</b>

### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Glasshouse crops		
Flowers & nursery stock	99.5	99.6
Tomatoes	0.0	0.0
Lettuce	0.0	0.0
Soft fruit	0.0	0.0
Other glasshouse crops	0.4	0.4
Outdoor crops		
Flowers & nursery stock	0.1	0.0
Vegetables	0.0	0.0
Fruit	0.0	0.0
Other outdoor crops	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops & tillages	7	5
Stores	15	18
Glasshouses	20	19
Equipment	21	17
Livestock	0	0
Other	38	40
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>644,393</b>	<b>489,020</b>

*\* no premium figures, sample too small*

**Table 2.13 All specialist fruit businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	46	48	46	48	46	48
Productive cropping area (ha)	18.89	22.82	18.89	22.82		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>307,897</b>	<b>419,311</b>	<b>16,301</b>	<b>18,372</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	6,840	11,441	362	501	2.2	2.7
Fertilisers & composts	4,253	4,558	225	200	1.4	1.1
Crop protection	12,978	16,156	687	708	4.2	3.9
Market charges	47,748	61,854	2,528	2,710	15.5	14.8
Packing materials	26,715	41,075	1,414	1,800	8.7	9.8
Horticultural sundries	13,270	20,445	703	896	4.3	4.9
Glasshouse fuel	0	0	0	0	0.0	0.0
Other variable costs	550	727	29	32	0.2	0.2
<b>Total variable costs</b>	<b>112,354</b>	<b>156,257</b>	<b>5,948</b>	<b>6,846</b>	<b>36.5</b>	<b>37.3</b>
<b>Total gross margin</b>	<b>195,543</b>	<b>263,054</b>	<b>10,352</b>	<b>11,525</b>	<b>63.5</b>	<b>62.7</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	25,483	29,800	1,349	1,306	8.3	7.1
Regular unpaid	20,745	21,452	1,098	940	6.7	5.1
Casual labour	67,708	102,426	3,585	4,488	22.0	24.4
Power & machinery costs:						
Contract & hire	6,886	9,582	365	420	2.2	2.3
Fuel & electricity	9,051	11,913	479	522	2.9	2.8
Repairs	7,549	10,739	400	471	2.5	2.6
Machinery depreciation	11,204	13,120	593	575	3.6	3.1
Glasshouse depreciation	196	215	10	9	0.1	0.1
Rent (incl. imputed)	14,983	16,963	793	743	4.9	4.0
Other costs:						
Occupier's repairs	6,242	7,460	330	327	2.0	1.8
Permanent crop depreciation	3,541	5,749	187	252	1.1	1.4
Water	1,426	1,503	75	66	0.5	0.4
Sundries	13,282	16,988	703	744	4.3	4.1
<b>Total fixed costs</b>	<b>188,295</b>	<b>247,909</b>	<b>9,969</b>	<b>10,862</b>	<b>61.2</b>	<b>59.1</b>
<b>Management &amp; investment income</b>	<b>7,249</b>	<b>15,145</b>	<b>384</b>	<b>664</b>	<b>2.4</b>	<b>3.6</b>
Minus: management salaries	264	368	14	16	0.1	0.1
Plus: farmer & spouse labour	18,397	18,601	974	815	6.0	4.4
<b>Net farm income</b>	<b>25,381</b>	<b>33,378</b>	<b>1,344</b>	<b>1,462</b>	<b>8.2</b>	<b>8.0</b>
<b>Farm business income</b>	<b>29,076</b>	<b>36,232</b>	<b>1,539</b>	<b>1,587</b>	<b>9.4</b>	<b>8.6</b>

Premium businesses	Per	Per £100	Crop output per cent of total crop output (%)		
	hectare	of gross	Average	Average	Premium
	2017/18	output	2016/17	2017/18	2017/18
		2017/18			
Number of businesses	19	19			
Productive cropping area (ha)	29.28				
	<b>£ per hectare</b>	<b>average %</b>			
<b>Gross output</b>	<b>15,556</b>	<b>100.0</b>			
<b>Variable costs</b>					
Seed & young plants	329	2.1			
Fertilisers & composts	163	1.0			
Crop protection	609	3.9			
Market charges	1,427	9.2			
Packing materials	756	4.9			
Horticultural sundries	357	2.3			
Glasshouse fuel	0	0.0			
Other variable costs	20	0.1			
<b>Total variable costs</b>	<b>3,661</b>	<b>23.5</b>			
<b>Total gross margin</b>	<b>11,895</b>	<b>76.5</b>			
<b>Fixed costs</b>					
Labour:					
Regular paid	885	5.7			
Regular unpaid	656	4.2			
Casual labour	3,534	22.7			
Power & machinery costs:					
Contract & hire	443	2.8			
Fuel & electricity	361	2.3			
Repairs	379	2.4			
Machinery depreciation	513	3.3			
Glasshouse depreciation	0	0.0			
Rent (incl. imputed)	716	4.6			
Other costs:					
Occupier's repairs	302	1.9			
Permanent crop depreciation	389	2.5			
Water	73	0.5			
Sundries	693	4.5			
<b>Total fixed costs</b>	<b>8,945</b>	<b>57.5</b>			
<b>Management &amp; investment income</b>	<b>2,950</b>	<b>19.0</b>			
Minus: management salaries	17	0.1			
Plus: farmer & spouse labour	509	3.3			
<b>Net farm income</b>	<b>3,441</b>	<b>22.1</b>			
<b>Farm business income</b>	<b>3,734</b>	<b>24.0</b>			
			<b>Distribution of tenant's type capital (%)</b>		
			Average	Average	Premium
			2016/17	2017/18	2017/18
Top fruit					
Dessert apples & pears			28.5	28.3	26.3
Culinary apples			3.9	3.1	1.8
Cider apples			7.0	5.7	13.6
Plums			4.5	3.8	5.4
Other top fruit			8.8	5.2	6.6
Soft fruit					
Strawberries			15.8	17.1	21.4
Raspberries			22.6	26.9	21.0
Blackcurrants			0.3	0.5	2.0
Other soft fruit			7.6	8.2	0.3
Other crops			0.9	1.2	1.4
<b>Total</b>			<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
			Average	Average	Premium
			2016/17	2017/18	2017/18
Crops & tillages			6	7	2
Stores			3	3	4
Glasshouses			0	0	0
Equipment			30	27	22
Livestock			1	1	1
Other			60	61	71
<b>Total</b>			<b>100</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>			<b>474,470</b>	<b>589,364</b>	<b>799,745</b>

**Table 2.14 Specialist fruit businesses, mainly top fruit**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	33	33	33	33	33	33
Productive cropping area (ha)	13.69	15.40	13.69	15.40		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>169,647</b>	<b>211,612</b>	<b>12,396</b>	<b>13,738</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	578	1,941	42	126	0.3	0.9
Fertilisers & composts	2,079	2,263	152	147	1.2	1.1
Crop protection	8,589	10,756	628	698	5.1	5.1
Market charges	28,569	30,890	2,087	2,005	16.8	14.6
Packing materials	9,628	9,910	704	643	5.7	4.7
Horticultural sundries	4,610	12,850	337	834	2.7	6.1
Glasshouse fuel	0	0	0	0	0.0	0.0
Other variable costs	617	1,117	45	73	0.4	0.5
<b>Total variable costs</b>	<b>54,669</b>	<b>69,728</b>	<b>3,994</b>	<b>4,527</b>	<b>32.2</b>	<b>33.0</b>
<b>Total gross margin</b>	<b>114,978</b>	<b>141,884</b>	<b>8,401</b>	<b>9,212</b>	<b>67.8</b>	<b>67.0</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	19,060	22,145	1,393	1,438	11.2	10.5
Regular unpaid	18,681	20,842	1,365	1,353	11.0	9.8
Casual labour	19,565	27,890	1,430	1,811	11.5	13.2
Power & machinery costs:						
Contract & hire	6,518	8,812	476	572	3.8	4.2
Fuel & electricity	6,217	7,313	454	475	3.7	3.5
Repairs	4,918	6,225	359	404	2.9	2.9
Machinery depreciation	8,646	9,251	632	601	5.1	4.4
Glasshouse depreciation	33	47	2	3	0.0	0.0
Rent (incl. imputed)	10,754	11,467	786	744	6.3	5.4
Other costs:						
Occupier's repairs	3,739	4,086	273	265	2.2	1.9
Permanent crop depreciation	4,194	6,835	306	444	2.5	3.2
Water	732	672	53	44	0.4	0.3
Sundries	9,199	12,204	672	792	5.4	5.8
<b>Total fixed costs</b>	<b>112,256</b>	<b>137,791</b>	<b>8,202</b>	<b>8,946</b>	<b>66.2</b>	<b>65.1</b>
<b>Management &amp; investment income</b>	<b>2,722</b>	<b>4,092</b>	<b>199</b>	<b>266</b>	<b>1.6</b>	<b>1.9</b>
Minus: management salaries	188	304	14	20	0.1	0.1
Plus: farmer & spouse labour	16,666	17,838	1,218	1,158	9.8	8.4
<b>Net farm income</b>	<b>19,200</b>	<b>21,626</b>	<b>1,403</b>	<b>1,404</b>	<b>11.3</b>	<b>10.2</b>
<b>Farm business income</b>	<b>22,252</b>	<b>24,979</b>	<b>1,626</b>	<b>1,622</b>	<b>13.1</b>	<b>11.8</b>





**Table 2.15 Specialist fruit businesses, mainly top fruit-excluding cider\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	23	22	23	22	23	22
Productive cropping area (ha)	11.98	14.08	11.98	14.08		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>187,725</b>	<b>258,691</b>	<b>15,666</b>	<b>18,376</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	726	2,865	61	204	0.4	1.1
Fertilisers & composts	1,619	1,892	135	134	0.9	0.7
Crop protection	8,928	13,061	745	928	4.8	5.0
Market charges	36,271	39,448	3,027	2,802	19.3	15.2
Packing materials	12,500	14,780	1,043	1,050	6.7	5.7
Horticultural sundries	5,845	18,275	488	1,298	3.1	7.1
Glasshouse fuel	0	0	0	0	0.0	0.0
Other variable costs	8	95	1	7	0.0	0.0
<b>Total variable costs</b>	<b>65,898</b>	<b>90,417</b>	<b>5,499</b>	<b>6,423</b>	<b>35.1</b>	<b>35.0</b>
<b>Total gross margin</b>	<b>121,827</b>	<b>168,274</b>	<b>10,166</b>	<b>11,953</b>	<b>64.9</b>	<b>65.0</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	22,871	29,835	1,909	2,119	12.2	11.5
Regular unpaid	19,608	22,818	1,636	1,621	10.4	8.8
Casual labour	24,561	39,588	2,050	2,812	13.1	15.3
Power & machinery costs:						
Contract & hire	4,702	6,560	392	466	2.5	2.5
Fuel & electricity	7,022	9,380	586	666	3.7	3.6
Repairs	4,983	6,635	416	471	2.7	2.6
Machinery depreciation	9,214	11,134	769	791	4.9	4.3
Glasshouse depreciation	43	70	4	5	0.0	0.0
Rent (incl. imputed)	10,437	12,272	871	872	5.6	4.7
Other costs:						
Occupier's repairs	3,137	4,236	262	301	1.7	1.6
Permanent crop depreciation	3,924	7,992	327	568	2.1	3.1
Water	831	795	69	56	0.4	0.3
Sundries	9,584	14,577	800	1,035	5.1	5.6
<b>Total fixed costs</b>	<b>120,918</b>	<b>165,892</b>	<b>10,091</b>	<b>11,784</b>	<b>64.4</b>	<b>64.1</b>
<b>Management &amp; investment income</b>	<b>909</b>	<b>2,382</b>	<b>76</b>	<b>169</b>	<b>0.5</b>	<b>0.9</b>
Minus: management salaries	245	434	20	31	0.1	0.2
Plus: farmer & spouse labour	17,612	19,877	1,470	1,412	9.4	7.7
<b>Net farm income</b>	<b>18,275</b>	<b>21,825</b>	<b>1,525</b>	<b>1,550</b>	<b>9.7</b>	<b>8.4</b>
<b>Farm business income</b>	<b>20,780</b>	<b>23,745</b>	<b>1,734</b>	<b>1,687</b>	<b>11.1</b>	<b>9.2</b>

### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Top fruit		
Dessert apples & pears	56.3	71.6
Culinary apples	8.0	8.7
Cider apples	2.3	0.5
Plums	9.9	7.5
Other top fruit	22.7	10.9
Soft fruit		
Strawberries	0.0	0.0
Raspberries	0.0	0.0
Blackcurrants	0.0	0.0
Other soft fruit	0.1	0.1
Other crops	0.7	0.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops & tillages	4	6
Stores	2	2
Glasshouses	0	0
Equipment	30	26
Livestock	0	0
Other	64	66
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>378,352</b>	<b>534,375</b>

*\* no premium figures, sample too small*

**Table 2.16 Specialist fruit businesses, cider\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17**</b>	<b>2017/18**</b>	<b>2016/17**</b>	<b>2017/18**</b>	<b>2016/17**</b>	<b>2017/18**</b>
Number of businesses	10	10	10	10	10	10
Productive cropping area (ha)	19.26	16.54	19.26	16.54		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>110,460</b>	<b>90,349</b>	<b>5,735</b>	<b>5,461</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	90	18	5	1	0.1	0.0
Fertilisers & composts	3,585	2,950	186	178	3.2	3.3
Crop protection	7,478	5,188	388	314	6.8	5.7
Market charges	3,351	2,673	174	162	3.0	3.0
Packing materials	226	2	12	0	0.2	0.0
Horticultural sundries	565	437	29	26	0.5	0.5
Glasshouse fuel	0	0	0	0	0.0	0.0
Other variable costs	2,610	3,367	136	204	2.4	3.7
<b>Total variable costs</b>	<b>17,907</b>	<b>14,634</b>	<b>930</b>	<b>885</b>	<b>16.2</b>	<b>16.2</b>
<b>Total gross margin</b>	<b>92,553</b>	<b>75,715</b>	<b>4,805</b>	<b>4,577</b>	<b>83.8</b>	<b>83.8</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	6,583	4,605	342	278	6.0	5.1
Regular unpaid	15,646	17,289	812	1,045	14.2	19.1
Casual labour	3,206	1,143	166	69	2.9	1.3
Power & machinery costs:						
Contract & hire	12,464	14,074	647	851	11.3	15.6
Fuel & electricity	3,583	2,535	186	153	3.2	2.8
Repairs	4,706	4,833	244	292	4.3	5.3
Machinery depreciation	6,785	3,906	352	236	6.1	4.3
Glasshouse depreciation	0	0	0	0	0.0	0.0
Rent (incl. imputed)	11,790	9,209	612	557	10.7	10.2
Other costs:						
Occupier's repairs	5,708	3,899	296	236	5.2	4.3
Permanent crop depreciation	5,077	3,802	264	230	4.6	4.2
Water	406	427	21	26	0.4	0.5
Sundries	7,939	6,889	412	416	7.2	7.6
<b>Total fixed costs</b>	<b>83,893</b>	<b>72,612</b>	<b>4,355</b>	<b>4,389</b>	<b>75.9</b>	<b>80.4</b>
<b>Management &amp; investment income</b>	<b>8,660</b>	<b>3,103</b>	<b>450</b>	<b>188</b>	<b>7.8</b>	<b>3.4</b>
Minus: management salaries	0	0	0	0	0.0	0.0
Plus: farmer & spouse labour	13,568	13,989	704	846	12.3	15.5
<b>Net farm income</b>	<b>22,228</b>	<b>17,091</b>	<b>1,154</b>	<b>1,033</b>	<b>20.1</b>	<b>18.9</b>
<b>Farm business income</b>	<b>27,070</b>	<b>22,881</b>	<b>1,405</b>	<b>1,383</b>	<b>24.5</b>	<b>25.3</b>

\*\* Data is derived from a modest sample size and thus there is a lower degree of confidence in the figures

### Crop output per cent of total crop output (%)

	Average 2016/17**	Average 2017/18**
Top fruit		
Dessert apples & pears	0.0	0.0
Culinary apples	2.1	0.4
Cider apples	96.7	98.2
Plums	0.0	0.0
Other top fruit	0.1	0.3
Soft fruit		
Strawberries	0.0	0.0
Raspberries	0.0	0.0
Blackcurrants	0.0	0.0
Other soft fruit	0.0	0.0
Other crops	1.1	1.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17**	Average 2017/18**
Crops & tillages	1	1
Stores	4	6
Glasshouses	0	0
Equipment	32	21
Livestock	6	6
Other	58	65
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>273,394</b>	<b>244,902</b>

\* no premium figures, sample too small

**Table 2.17 All specialist hardy nursery stock businesses\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	40	38	40	38	40	38
Productive cropping area (ha)	4.59	5.46	4.59	5.46		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>389,857</b>	<b>342,149</b>	<b>84,972</b>	<b>62,679</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	96,241	82,333	20,976	15,083	24.7	24.1
Fertilisers & composts	12,642	12,983	2,755	2,378	3.2	3.8
Crop protection	2,605	2,943	568	539	0.7	0.9
Market charges	15,056	12,668	3,282	2,321	3.9	3.7
Packing materials	11,713	8,796	2,553	1,611	3.0	2.6
Horticultural sundries	11,555	13,392	2,518	2,453	3.0	3.9
Glasshouse fuel	413	763	90	140	0.1	0.2
Other variable costs	906	1,093	197	200	0.2	0.3
<b>Total variable costs</b>	<b>151,130</b>	<b>134,970</b>	<b>32,940</b>	<b>24,726</b>	<b>38.8</b>	<b>39.4</b>
<b>Total gross margin</b>	<b>238,727</b>	<b>207,178</b>	<b>52,032</b>	<b>37,953</b>	<b>61.2</b>	<b>60.6</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	87,999	65,501	19,180	11,999	22.6	19.1
Regular unpaid	30,743	29,922	6,701	5,482	7.9	8.7
Casual labour	14,246	16,705	3,105	3,060	3.7	4.9
Power & machinery costs:						
Contract & hire	2,558	2,846	558	521	0.7	0.8
Fuel & electricity	8,369	6,807	1,824	1,247	2.1	2.0
Repairs	4,623	5,357	1,008	981	1.2	1.6
Machinery depreciation	8,438	8,252	1,839	1,512	2.2	2.4
Glasshouse depreciation	1,159	1,172	253	215	0.3	0.3
Rent (incl. imputed)	9,349	9,050	2,038	1,658	2.4	2.6
Other costs:						
Occupier's repairs	4,111	5,090	896	932	1.1	1.5
Permanent crop depreciation	52	54	11	10	0.0	0.0
Water	1,418	1,249	309	229	0.4	0.4
Sundries	36,920	18,159	8,047	3,327	9.5	5.3
<b>Total fixed costs</b>	<b>209,988</b>	<b>170,163</b>	<b>45,768</b>	<b>31,173</b>	<b>53.9</b>	<b>49.7</b>
<b>Management &amp; investment income</b>	<b>28,739</b>	<b>37,015</b>	<b>6,264</b>	<b>6,781</b>	<b>7.4</b>	<b>10.8</b>
Minus: management salaries	441	69	96	13	0.1	0.0
Plus: farmer & spouse labour	25,635	24,890	5,587	4,560	6.6	7.3
<b>Net farm income</b>	<b>53,933</b>	<b>61,836</b>	<b>11,755</b>	<b>11,328</b>	<b>13.8</b>	<b>18.1</b>
<b>Farm business income</b>	<b>52,794</b>	<b>62,216</b>	<b>11,507</b>	<b>11,397</b>	<b>13.5</b>	<b>18.2</b>

### Crop output per cent of total crop output (%)

	<b>Average 2016/17</b>	<b>Average 2017/18</b>
Hardy nursery stock		
Glasshouse crops	17.8	18.6
Outdoor crops	81.5	80.3
Other crops	0.8	1.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	<b>Average 2016/17</b>	<b>Average 2017/18</b>
Crops & tillages	37	36
Stores	8	8
Glasshouses	4	4
Equipment	21	19
Livestock	1	1
Other	29	32
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>483,701</b>	<b>489,934</b>

*\* no premium figures, sample too small*

**Table 2.18 Intensive hardy nursery stock - crop output more than £175,000 per hectare\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	18	17	18	17	18	17
Productive cropping area (ha)	1.39	1.54	1.39	1.54		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>460,507</b>	<b>545,162</b>	<b>330,538</b>	<b>353,560</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	112,477	120,853	80,733	78,378	24.4	22.2
Fertilisers & composts	17,694	23,821	12,700	15,449	3.8	4.4
Crop protection	1,809	3,380	1,299	2,192	0.4	0.6
Market charges	22,484	23,831	16,138	15,455	4.9	4.4
Packing materials	20,547	18,405	14,748	11,936	4.5	3.4
Horticultural sundries	14,801	20,282	10,624	13,154	3.2	3.7
Glasshouse fuel	831	1,767	596	1,146	0.2	0.3
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>190,643</b>	<b>212,338</b>	<b>136,838</b>	<b>137,710</b>	<b>41.4</b>	<b>38.9</b>
<b>Total gross margin</b>	<b>269,864</b>	<b>332,823</b>	<b>193,700</b>	<b>215,850</b>	<b>58.6</b>	<b>61.1</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	101,545	107,117	72,886	69,469	22.1	19.6
Regular unpaid	33,051	39,318	23,723	25,500	7.2	7.2
Casual labour	21,873	29,063	15,700	18,849	4.7	5.3
Power & machinery costs:						
Contract & hire	3,086	3,749	2,215	2,431	0.7	0.7
Fuel & electricity	6,446	8,511	4,627	5,520	1.4	1.6
Repairs	4,417	6,862	3,171	4,450	1.0	1.3
Machinery depreciation	6,034	12,139	4,331	7,872	1.3	2.2
Glasshouse depreciation	1,511	1,712	1,084	1,111	0.3	0.3
Rent (incl. imputed)	7,422	7,278	5,328	4,720	1.6	1.3
Other costs:						
Occupier's repairs	5,113	8,116	3,670	5,264	1.1	1.5
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	1,498	1,709	1,076	1,109	0.3	0.3
Sundries	25,401	23,166	18,232	15,024	5.5	4.2
<b>Total fixed costs</b>	<b>217,398</b>	<b>248,740</b>	<b>156,042</b>	<b>161,318</b>	<b>47.2</b>	<b>45.6</b>
<b>Management &amp; investment income</b>	<b>52,465</b>	<b>84,084</b>	<b>37,658</b>	<b>54,532</b>	<b>11.4</b>	<b>15.4</b>
Minus: management salaries	934	169	671	109	0.2	0.0
Plus: farmer & spouse labour	26,867	28,446	19,284	18,449	5.8	5.2
<b>Net farm income</b>	<b>78,398</b>	<b>112,362</b>	<b>56,271</b>	<b>72,871</b>	<b>17.0</b>	<b>20.6</b>
<b>Farm business income</b>	<b>77,164</b>	<b>114,315</b>	<b>55,386</b>	<b>74,138</b>	<b>16.8</b>	<b>21.0</b>



### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Hardy nursery stock		
Glasshouse crops	23.7	24.1
Outdoor crops	75.8	75.9
Other crops	0.5	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops & tillages	44	38
Stores	6	6
Glasshouses	5	4
Equipment	15	20
Livestock	0	0
Other	30	33
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>512,527</b>	<b>695,907</b>

*\* no premium figures, sample too small*

**Table 2.19 Extensive hardy nursery stock - crop output less than £175,000 per hectare\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	16	17	16	17	16	17
Productive cropping area (ha)	3.42	2.75	3.42	2.75		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>301,027</b>	<b>220,747</b>	<b>88,125</b>	<b>80,403</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	96,945	67,398	28,380	24,549	32.2	30.5
Fertilisers & composts	9,709	5,696	2,842	2,075	3.2	2.6
Crop protection	3,396	1,483	994	540	1.1	0.7
Market charges	12,335	5,887	3,611	2,144	4.1	2.7
Packing materials	5,530	2,575	1,619	938	1.8	1.2
Horticultural sundries	12,320	10,153	3,607	3,698	4.1	4.6
Glasshouse fuel	59	80	17	29	0.0	0.0
Other variable costs	0	16	0	6	0.0	0.0
<b>Total variable costs</b>	<b>140,293</b>	<b>93,288</b>	<b>41,071</b>	<b>33,979</b>	<b>46.6</b>	<b>42.3</b>
<b>Total gross margin</b>	<b>160,733</b>	<b>127,458</b>	<b>47,054</b>	<b>46,425</b>	<b>53.4</b>	<b>57.7</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	46,322	43,802	13,561	15,954	15.4	19.8
Regular unpaid	32,662	21,873	9,562	7,967	10.9	9.9
Casual labour	10,811	9,289	3,165	3,383	3.6	4.2
Power & machinery costs:						
Contract & hire	1,518	1,894	444	690	0.5	0.9
Fuel & electricity	7,612	4,921	2,228	1,792	2.5	2.2
Repairs	5,208	4,268	1,525	1,555	1.7	1.9
Machinery depreciation	6,337	4,186	1,855	1,525	2.1	1.9
Glasshouse depreciation	1,257	974	368	355	0.4	0.4
Rent (incl. imputed)	9,829	8,367	2,877	3,048	3.3	3.8
Other costs:						
Occupier's repairs	3,333	2,947	976	1,074	1.1	1.3
Permanent crop depreciation	108	98	32	36	0.0	0.0
Water	1,464	992	429	361	0.5	0.4
Sundries	19,252	14,973	5,636	5,454	6.4	6.8
<b>Total fixed costs</b>	<b>145,715</b>	<b>118,583</b>	<b>42,658</b>	<b>43,192</b>	<b>48.4</b>	<b>53.7</b>
<b>Management &amp; investment income</b>	<b>15,019</b>	<b>8,875</b>	<b>4,397</b>	<b>3,233</b>	<b>5.0</b>	<b>4.0</b>
Minus: management salaries	0	0	0	0	0.0	0.0
Plus: farmer & spouse labour	27,398	21,445	8,021	7,811	9.1	9.7
<b>Net farm income</b>	<b>42,417</b>	<b>30,320</b>	<b>12,417</b>	<b>11,044</b>	<b>14.1</b>	<b>13.7</b>
<b>Farm business income</b>	<b>38,542</b>	<b>27,628</b>	<b>11,283</b>	<b>10,063</b>	<b>12.8</b>	<b>12.5</b>

### Crop output per cent of total crop output (%)

	<b>Average 2016/17</b>	<b>Average 2017/18</b>
Hardy nursery stock		
Glasshouse crops	9.4	7.1
Outdoor crops	90.6	92.9
Other crops	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	<b>Average 2016/17</b>	<b>Average 2017/18</b>
Crops & tillages	36	37
Stores	11	11
Glasshouses	4	5
Equipment	15	14
Livestock	0	0
Other	34	33
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>507,577</b>	<b>353,143</b>

*\* no premium figures, sample too small*

**Table 2.20 All other horticulture businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	41	47	41	47	41	47
Productive cropping area (ha)	30.36	32.37	30.36	32.37		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>417,007</b>	<b>390,368</b>	<b>13,738</b>	<b>12,058</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	52,097	36,022	1,716	1,113	12.5	9.2
Fertilisers & composts	11,780	11,927	388	368	2.8	3.1
Crop protection	11,727	12,208	386	377	2.8	3.1
Market charges	20,840	17,342	687	536	5.0	4.4
Packing materials	15,838	18,913	522	584	3.8	4.8
Horticultural sundries	11,127	11,047	367	341	2.7	2.8
Glasshouse fuel	2,801	2,055	92	63	0.7	0.5
Other variable costs	1,758	1,504	58	46	0.4	0.4
<b>Total variable costs</b>	<b>127,967</b>	<b>111,017</b>	<b>4,216</b>	<b>3,429</b>	<b>30.7</b>	<b>28.4</b>
<b>Total gross margin</b>	<b>289,040</b>	<b>279,351</b>	<b>9,522</b>	<b>8,629</b>	<b>69.3</b>	<b>71.6</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	71,712	70,734	2,362	2,185	17.2	18.1
Regular unpaid	36,728	40,551	1,210	1,253	8.8	10.4
Casual labour	57,549	57,123	1,896	1,764	13.8	14.6
Power & machinery costs:						
Contract & hire	11,265	12,402	371	383	2.7	3.2
Fuel & electricity	14,203	13,609	468	420	3.4	3.5
Repairs	11,808	12,685	389	392	2.8	3.2
Machinery depreciation	17,366	15,101	572	466	4.2	3.9
Glasshouse depreciation	2,015	1,090	66	34	0.5	0.3
Rent (incl. imputed)	23,926	22,631	788	699	5.7	5.8
Other costs:						
Occupier's repairs	5,574	5,314	184	164	1.3	1.4
Permanent crop depreciation	1,131	780	37	24	0.3	0.2
Water	1,810	1,814	60	56	0.4	0.5
Sundries	16,919	17,336	557	535	4.1	4.4
<b>Total fixed costs</b>	<b>272,005</b>	<b>271,170</b>	<b>8,961</b>	<b>8,376</b>	<b>65.2</b>	<b>69.5</b>
<b>Management &amp; investment income</b>	<b>17,035</b>	<b>8,182</b>	<b>561</b>	<b>253</b>	<b>4.1</b>	<b>2.1</b>
Minus: management salaries	386	585	13	18	0.1	0.1
Plus: farmer & spouse labour	25,035	28,541	825	882	6.0	7.3
<b>Net farm income</b>	<b>41,684</b>	<b>36,138</b>	<b>1,373</b>	<b>1,116</b>	<b>10.0</b>	<b>9.3</b>
<b>Farm business income</b>	<b>46,287</b>	<b>43,233</b>	<b>1,525</b>	<b>1,335</b>	<b>11.1</b>	<b>11.1</b>

Premium businesses	Per	Per £100	Crop output per cent of total crop output (%)			
	hectare	of gross output	Average	Average	Premium	
	2017/18	2017/18	2016/17	2017/18	2017/18	
Number of businesses	16	16				
Productive cropping area (ha)	38.19					
	<b>£ per hectare</b>	<b>average %</b>				
<b>Gross output</b>	<b>18,746</b>	<b>100.0</b>				
<b>Variable costs</b>						
Seed & young plants	1,512	8.1	Glasshouse crops	15.4	11.2	8.0
Fertilisers & composts	456	2.4	Outdoor vegetables:			
Crop protection	334	1.8	Brassicas	4.5	4.5	3.5
			Legumes	2.7	3.7	6.7
Market charges	693	3.7	Salad crops	0.3	0.1	0.0
Packing materials	953	5.1	Other outdoor vegetables	15.3	18.0	23.8
Horticultural sundries	389	2.1	Flowers & nursery stock	7.8	9.5	11.8
Glasshouse fuel	6	0.0	Soft fruit	29.4	27.8	18.3
Other variable costs	105	0.6	Top fruit	0.6	0.6	0.1
			Farm crops	23.9	24.7	27.8
<b>Total variable costs</b>	<b>4,448</b>	<b>23.7</b>	<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Total gross margin</b>	<b>14,298</b>	<b>76.3</b>	<b>Distribution of tenant's type capital (%)</b>			
<b>Fixed costs</b>				Average	Average	Premium
Labour:				2016/17	2017/18	2017/18
Regular paid	2,646	14.1	Crops & tillages	10	12	5
Regular unpaid	681	3.6	Stores	6	5	5
Casual labour	3,563	19.0	Glasshouses	7	4	0
Power & machinery costs:			Equipment	39	39	39
Contract & hire	625	3.3	Livestock	1	1	1
Fuel & electricity	557	3.0	Other	38	39	50
Repairs	565	3.0	<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>
Machinery depreciation	691	3.7	<b>Tenant's capital (£)</b>	<b>521,114</b>	<b>489,654</b>	<b>803,244</b>
Glasshouse depreciation	6	0.0				
Rent (incl. imputed)	891	4.8				
Other costs:						
Occupier's repairs	242	1.3				
Permanent crop depreciation	31	0.2				
Water	75	0.4				
Sundries	736	3.9				
<b>Total fixed costs</b>	<b>11,309</b>	<b>60.3</b>				
<b>Management &amp; investment income</b>	<b>2,989</b>	<b>15.9</b>				
Minus: management salaries	24	0.1				
Plus: farmer & spouse labour	580	3.1				
<b>Net farm income</b>	<b>3,545</b>	<b>18.9</b>				
<b>Farm business income</b>	<b>3,225</b>	<b>17.2</b>				

**Table 2.21 Other horticulture businesses, mainly outdoor vegetable crops\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2017/18</b>
Number of businesses	17	20	17	20	17	20
Productive cropping area (ha)	14.12	17.71	14.12	17.71		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>261,711</b>	<b>327,387</b>	<b>18,530</b>	<b>18,484</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	21,292	24,130	1,508	1,362	8.1	7.4
Fertilisers & composts	5,529	7,231	391	408	2.1	2.2
Crop protection	4,449	5,443	315	307	1.7	1.7
Market charges	9,633	11,757	682	664	3.7	3.6
Packing materials	13,698	24,980	970	1,410	5.2	7.6
Horticultural sundries	3,184	5,681	225	321	1.2	1.7
Glasshouse fuel	174	441	12	25	0.1	0.1
Other variable costs	860	1,551	61	88	0.3	0.5
<b>Total variable costs</b>	<b>58,819</b>	<b>81,214</b>	<b>4,165</b>	<b>4,585</b>	<b>22.5</b>	<b>24.8</b>
<b>Total gross margin</b>	<b>202,891</b>	<b>246,173</b>	<b>14,365</b>	<b>13,899</b>	<b>77.5</b>	<b>75.2</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	36,892	62,473	2,612	3,527	14.1	19.1
Regular unpaid	37,274	40,999	2,639	2,315	14.2	12.5
Casual labour	42,115	49,201	2,982	2,778	16.1	15.0
Power & machinery costs:						
Contract & hire	9,091	10,166	644	574	3.5	3.1
Fuel & electricity	7,634	10,832	541	612	2.9	3.3
Repairs	8,014	11,355	567	641	3.1	3.5
Machinery depreciation	11,591	11,644	821	657	4.4	3.6
Glasshouse depreciation	597	596	42	34	0.2	0.2
Rent (incl. imputed)	16,771	17,523	1,187	989	6.4	5.4
Other costs:						
Occupier's repairs	3,560	2,838	252	160	1.4	0.9
Permanent crop depreciation	465	690	33	39	0.2	0.2
Water	1,105	1,173	78	66	0.4	0.4
Sundries	14,239	16,128	1,008	911	5.4	4.9
<b>Total fixed costs</b>	<b>189,349</b>	<b>235,618</b>	<b>13,406</b>	<b>13,303</b>	<b>72.4</b>	<b>72.0</b>
<b>Management &amp; investment income</b>	<b>13,542</b>	<b>10,556</b>	<b>959</b>	<b>596</b>	<b>5.2</b>	<b>3.2</b>
Minus: management salaries	543	993	38	56	0.2	0.3
Plus: farmer & spouse labour	27,058	30,162	1,916	1,703	10.3	9.2
<b>Net farm income</b>	<b>40,058</b>	<b>39,725</b>	<b>2,836</b>	<b>2,243</b>	<b>15.3</b>	<b>12.1</b>
<b>Farm business income</b>	<b>44,280</b>	<b>43,651</b>	<b>3,135</b>	<b>2,464</b>	<b>16.9</b>	<b>13.3</b>

### Crop output per cent of total crop output (%)

	Average 2016/17	Average 2017/18
Glasshouse crops	4.9	8.5
Outdoor vegetables:		
Brassicas	15.4	10.7
Legumes	8.1	8.6
Salad crops	1.1	0.3
Other outdoor vegetable	50.5	45.4
Flowers & nursery stock	0.1	0.0
Soft fruit	0.1	2.3
Top fruit	0.2	0.1
Farm crops	19.8	24.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Distribution of tenant's type capital (%)

	Average 2016/17	Average 2017/18
Crops & tillages	1	2
Stores	4	4
Glasshouses	3	3
Equipment	40	40
Livestock	2	2
Other	49	49
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>334,524</b>	<b>364,691</b>

*\* no premium figures, sample too small*

**Table 2.22 Balance sheet data for horticultural businesses**

Group	All horticulture		Specialist glass		Specialist fruit	
	188		55		48	
Number of businesses						
Harvest year	2017/18	2017/18	2017/18	2017/18	2017/18	2017/18
	Opening	Closing	Opening	Closing	Opening	Closing
<b>Assets</b>						
Fixed assets						
Land, buildings & SPS entitlement	654,117	652,394	420,212	430,382	961,279	965,054
Breeding livestock	490	598	0	0	930	1,058
Machinery & glasshouses	73,771	74,935	58,075	64,115	80,308	79,920
Permanent crops	19,440	19,133	121	148	73,255	72,780
Miscellaneous business assets	282	320	45	416	378	378
<b>Total fixed assets</b>	<b>748,100</b>	<b>747,379</b>	<b>478,453</b>	<b>495,062</b>	<b>1,116,150</b>	<b>1,119,190</b>
Current assets						
Crops & trading livestock	45,953	44,158	22,523	24,181	24,286	20,891
Goods in store	15,131	16,349	32,515	31,978	8,559	9,814
Liquid assets	80,045	94,447	99,076	109,828	93,595	108,400
<b>Total current assets</b>	<b>141,129</b>	<b>154,954</b>	<b>154,113</b>	<b>165,987</b>	<b>126,440</b>	<b>139,106</b>
<b>Total assets</b>	<b>889,229</b>	<b>902,333</b>	<b>632,566</b>	<b>661,049</b>	<b>1,242,591</b>	<b>1,258,296</b>
<b>Liabilities</b>						
Bank term loan	40,544	35,399	52,388	47,027	48,828	49,374
Other loans	40,591	35,810	15,668	10,268	51,251	47,354
Bank overdraft	17,011	20,446	8,821	7,103	15,147	18,708
Other short term loans	42,933	53,020	49,453	61,549	35,004	46,190
<b>Total external liabilities</b>	<b>141,078</b>	<b>144,675</b>	<b>126,330</b>	<b>125,946</b>	<b>150,230</b>	<b>161,626</b>
<b>Net worth</b>	<b>748,151</b>	<b>757,659</b>	<b>506,236</b>	<b>535,102</b>	<b>1,092,361</b>	<b>1,096,669</b>
Percentage equity (%)	84.1%	84.0%	80.0%	80.9%	87.9%	87.2%

**Table 2.23 A comparison of net worth and percentage equity by farm type**

	Average Assets 2017/18	Average Liabilities 2017/18	Average Net Worth 2017/18	Average % Equity 2017/18
<b>Defra main farm type</b>				
Lowland cattle & sheep	1,309,760	92,247	1,217,513	93.0%
Cereals	3,007,058	238,362	2,768,696	92.1%
General cropping	3,709,030	386,895	3,322,135	89.6%
Mixed	2,334,839	247,221	2,087,618	89.4%
Horticulture	895,781	142,877	752,905	84.1%
Dairy	2,262,838	422,731	1,840,107	81.3%
Pigs	1,233,756	284,274	949,483	77.0%
Poultry	1,834,533	615,858	1,218,676	66.4%
<b>All businesses</b>	<b>2,138,694</b>	<b>232,589</b>	<b>1,906,105</b>	<b>89.1%</b>



Group	Specialist HNS		Other horticulture	
	2017/18 Opening	2017/18 Closing	2017/18 Opening	2017/18 Closing
Number of businesses	38		47	
Harvest year	2017/18 Opening	2017/18 Closing	2017/18 Opening	2017/18 Closing
<b>Assets</b>				
Fixed assets				
Land, buildings & SPS entitlement	336,727	335,837	768,298	759,572
Breeding livestock	646	543	243	523
Machinery & glasshouses	47,940	46,714	93,113	95,674
Permanent crops	330	367	6,786	6,236
Miscellaneous business assets	498	498	129	129
<b>Total fixed assets</b>	<b>386,141</b>	<b>383,958</b>	<b>868,569</b>	<b>862,135</b>
Current assets				
Crops & trading livestock	87,827	92,032	34,028	27,839
Goods in store	18,573	19,178	11,899	14,012
Liquid assets	63,496	88,023	79,233	86,879
<b>Total current assets</b>	<b>169,896</b>	<b>199,232</b>	<b>125,159</b>	<b>128,731</b>
<b>Total assets</b>	<b>556,037</b>	<b>583,191</b>	<b>993,728</b>	<b>990,866</b>
<b>Liabilities</b>				
Bank term loan	25,600	26,791	43,556	30,421
Other loans	30,739	25,896	48,122	43,026
Bank overdraft	15,812	21,111	21,157	24,498
Other short term loans	35,249	41,640	51,583	63,220
<b>Total external liabilities</b>	<b>107,400</b>	<b>115,438</b>	<b>164,418</b>	<b>161,165</b>
<b>Net worth</b>	<b>448,637</b>	<b>467,753</b>	<b>829,310</b>	<b>829,701</b>
Percentage equity (%)	80.7%	80.2%	83.5%	83.7%



### SECTION 3: CROP ENTERPRISE GROSS MARGINS 2017/18 financial year

**Table 3.1 Crop enterprise gross margins for the 2017 harvest year\***

Only holdings growing single crops have been included in these results, hence the low number of crops reported here

	<b>Cider apples</b>	<b>Desert apples</b>	<b>Strawberries extensive</b>	<b>Strawberries intensive</b>
Number of holdings	10	6	8	6
Average area (ha)	19.9	17.6	4.7	6.3
Yield (t/ha)	30.0	13.4	3.3	36.9
Price (£/t)	121	583	2,975	4,046
<b>Average £/hectare</b>				
<b>Gross output</b>	<b>3,617</b>	<b>8,796</b>	<b>26,008</b>	<b>152,985</b>
<b>Variable costs</b>				
Seed	4	400	954	18,913
Fertiliser	135	68	316	5,848
Crop protection	280	757	846	3,993
Other crop costs	208	2,993	2,435	28,031
Heating costs	0	0	0	2,853
<b>Total variable costs</b>	<b>627</b>	<b>4,217</b>	<b>4,551</b>	<b>59,638</b>
<b>Total gross margin</b>	<b>2,990</b>	<b>4,579</b>	<b>21,457</b>	<b>93,348</b>

	<b>Protected bedding plants</b>	<b>Container grown plants</b>	<b>Ornamental trees &amp; shrubs extensive</b>
Number of holdings	7	15	8
Average area (ha)	0.9	2.7	3.3
<b>Average £/hectare</b>			
<b>Gross output</b>	<b>323,000</b>	<b>171,059</b>	<b>65,761</b>
<b>Variable costs</b>			
Seed	81,660	42,919	14,586
Fertiliser	23,297	7,161	2,356
Crop protection	695	1,200	544
Other crop costs	34,494	21,985	4,553
Heating costs	601	456	45
<b>Total variable costs</b>	<b>140,746</b>	<b>73,720</b>	<b>22,084</b>
<b>Total gross margin</b>	<b>182,254</b>	<b>97,339</b>	<b>43,677</b>

\* Data is derived from a modest sample size and thus there is a lower degree of confidence in the figures

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## **Glossary**

### **Costs**

Expenditure plus opening valuation less closing valuation (where appropriate). Interest on borrowed capital, including bank overdrafts is not included in these calculations.

### **Farm Business Income (FBI)**

Represents the return to all unpaid labour (farmers, spouses and others with an entrepreneurial interest in the farm business) and to all their capital invested in the farm business including land and farm buildings. It is defined as Total Farm Output (TFO) minus cost (C): where TFO is defined as the sum of output from: crop enterprises, adjustment for disposal of previous crops, livestock enterprises, separable non-agricultural diversifications, basic payment scheme, agri-environmental payments, other grants and subsidies, miscellaneous receipts; C is defined as variable costs plus fixed costs.

### **Farm crops**

Comprise cereals and other non-horticultural cash crops, fodder crops and grassland.

### **Fixed costs**

These include rent (or imputed rent), regular wages, unpaid manual labour, casual labour, power and machinery costs, glasshouse depreciation, building and general repairs, insurance, water, office expenses and miscellaneous expenditure.

### **Gross output**

Total revenue inclusive of marketing charges, where known, adjusted for changes in valuation of crops and tillage, and less purchases of livestock, or produce for resale. Gross output per hectare reflects the intensity of the system as well as the yields and prices obtained.

### **Labour**

Covers not only the costs of hired labour, but also an appropriate allowance for the unpaid manual labour of the grower and members of the family.

### **Management and investment income**

Total gross output less all costs (including the value of unpaid labour) other than salaried management. It represents the reward to management and use of 'tenant's capital' whether that capital is borrowed or not.

### **Management salaries**

Includes all paid managerial input and represents that part of total paid labour which relates to managerial work

### **Marketing charges**

Include, where known, packhouse charges, paid carriage and commission and handling charges levied on sales.

### **Net farm income**

Represents the return to the grower and spouse for their manual labour as well as for their management and capital investment.

### **Occupier's repairs**

This includes maintenance of glass and the associated heating equipment, as well as traditional tenant type repairs.

### **Per £100 gross output**

Shows the relative importance of the main resources used in each unit product, and in total provide a useful measure of profitability.

### **Power and machinery**

Include contract and hire, fuel, electricity, repairs and an allowance for depreciation. A deduction is made for the private use of vehicles. Machinery depreciation is calculated on a 'replacement cost' basis.

### ***Premium results***

Farm performance is measured as the ratio of farm business output to farm business costs. An imputed value for unpaid manual labour, including that of the farmer and spouse is added to farm business costs. The value of paid managerial input is subtracted. The farms are ranked in descending order according to this ratio and allocated to quartiles with the top quartile (25 percent) representing the high performance band (Premium Group). Note that the farm weights are used to allocate farms to quartiles so the number of farms in a quartile will not necessarily be equivalent to a quarter of the sample.

### ***Rent***

In the case of an owner occupier, an imputed rent is charged in accordance with what a tenant in similar circumstances, including length of occupation, would be paying.

### ***Standards***

Average results are drawn from all businesses in a particular group.

### ***Tenant's capital***

Assets normally provided by tenants and includes growing crops, stores, machinery, livestock, cash and other assets needed to run the business. Permanent crops (including orchards) and glasshouses are also considered to be tenant-type capital. It represents approximately the capital currently invested in the horticultural business. The difficulties involved in making realistic assessments of tenant's capital, particularly of permanent fruit crops, should be kept in mind when interpreting these results.

### ***Total gross margin***

This is the difference between total gross output and total variable costs and measures the contribution of the business towards covering its fixed costs and providing for a profit.

### ***Variable costs***

These vary in direct proportion to the size of each business enterprise and include all purchased seed & plants, fertiliser & composts, crop protection, market charges, packing materials, horticultural sundries, glasshouse fuel and other variable costs.

## **Abbreviations used in this Publication**

/	per
£	pounds (stirling)
Defra	Department for Environment, Food and Rural Affairs
Ave	Average
depn.	Depreciation
Fert	Fertiliser
ha	hectare
HNS	Hardy nursery stock
no.	number
n/a	not applicable

## ***Rounding***

Totals are calculated from unrounded components and may not therefore be the total of the rounded components shown.

### **Derivation of Farm Business Income**

Net Farm Income

Plus:

Value of unpaid labour [excluding farmer & spouse; already taken into account in deriving Net Farm Income]

Imputed rent and rental value

Less:

Net interest payments

Ownership charges [buildings & works depreciation; insurance of farm buildings; landlord-type repairs and upkeep]

Director's remuneration

Equals:

Farm Business Income

## **Appendix 1: Reports in this series**

- **Crop Production in England**
- **Dairy Farming in England**
- **Hill Farming in England**
- **Horticulture Production in England**
- **Lowland Grazing Livestock in England**
- **Organic Farming in England**
- **Pig Production in England**
- **Poultry Production in England**

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