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Rural Business Research

# Farm Business Survey

2015/2016

## Horticulture Production in England



Richard Crane, David Deans,  
and Thomas Wedd

**RBR**

*independent research, data and analysis*

Rural Business Research



## **Farm Business Survey**

**2015/16**

# **Horticulture Production in England**

Richard Crane, David Deans  
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March 2017

## **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 Eleventh Series

With this eleventh series of reports on the economics of agriculture and horticulture in England from *Rural Business Research (RBR)*, our focus of providing independent data and analysis to the individual sectors has arguably never been of such importance. The collective decision of the UK voting public on the 23 June 2016 to leave the EU will have large impacts on agricultural and horticultural sectors. Issues of policy, trade, exchange rates and labour availability are now very much front and centre in the minds of many businesses. Ensuring that the enterprises that constitute the farm business are profitable is of even greater importance given the uncertainty which now exists in the industry. Brexit will also bring opportunities, and those seeking to make the most of the opportunities that will arise will need independent data to support effective decision making. In this eleventh series, RBR seeks to provide these independent data in a revised and succinct format which places the data results at the heart of each report; we have focused our succinct comments on key results within the tables to draw to the attention of readers the central highlights. Our increasing focus on the presentation of data and results flows from internal and external feedback.

Setting the context to this series, data from the Farm Business Survey (FBS) for the 2015/16 financial year, shows that average Farm Business Income (FBI) decreased by 21% to £31,400 per farm. Examining results by farm type, on average, only General Cropping, Less Favoured Areas (LFA) Grazing Livestock and Horticulture recorded increases in FBI; by contrast Dairy and Specialist Pig farms recorded FBI decreases of around 50% on 2014/15 levels. Average FBI was at its lowest point for a number of years in 2015/16. The immediate impact of Brexit on exchange rates has however led to recent increases in commodity prices, and the overall outlook for 2016/17 is consequently more positive, though farm type variation remains and not all sectors are likely to witness improvements for 2016/17. Moving forward however, businesses will need to understand the impact of the exchange rate movement on the costs incurred, and a greater focus on budgeting and cost management will be the order of the day in order to capitalise on the exchange rate benefit. Cost comparison from the independent data produced within these reports provides valuable information in relation to costs and returns across each sector to aid managers in this respect.

With respect to the policy environment for agriculture and horticulture moving forward, the rigorous and independent FBS data presented in these reports will be of crucial importance for evidenced-based policy making. Our research work within the FBS programme could not be possible without the direct support of our farmer and grower co-operators and the wider support of agricultural and horticultural businesses and sector stakeholders; our thanks are given to them all.

### Professor Paul Wilson

Chief Executive Officer, Rural Business Research  
March 2017

[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 horticultural crop production. The review also includes price indices for key products and inputs.

#### Highlights:

- In 2015, the output from horticulture was £3,101 million, 13% of total agricultural output
- During the last decade, there has been an average annual increase of just over 4% in output (based on current prices) for total horticultural production
- Both the vegetable and fruit sectors experienced an increase in output between 2014 and 2015; the ornamental sector saw a 1% reduction in the same period
- Vegetable production remains the largest horticultural sector, in terms of both land use and output, accounting for 41% of total UK horticultural output and 76% of total productive horticultural area in 2015
- The proportion of total horticultural output from vegetable production has reduced over the last 30 years from a high of 56% in the decade 1985 to 1994, with output from non-edibles (37%) and fruit (22%), increasing in 2015
- In 2015 the UK was 38% self-sufficient in all vegetables, 18% in all fruit and 51% in all ornamentals, in terms of value
- The index of producer prices showed some wide variability between 2015 and 2016 with indices for dessert apples down 6 points, strawberries up 25 points and lettuce up 11 points
- The index of purchase prices saw fuel for heating increase every year in the period 2011 to 2014, but falling oil prices on the world market in 2015 and 2016 have reversed the trend

### Section 2

**A review of the financial results derived from the Farm Business Survey (FBS) for the 2015/16 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 2015 was 3,491, while the total FBS sample was 193 businesses, representing 5.5% of the national population of eligible horticultural businesses
- Weather conditions for the 2015/16 financial year were more benign than in the previous year, resulting in higher yields, but generally poorer prices

- Profitability for all horticultural businesses, as measured by Farm Business Income (FBI), rose by 9%, to an average of £34,350 per business in 2015/16
- Specialist Glass and Other Horticulture businesses increased profitability by 25% and 18% respectively, whereas profitability for Specialist Hardy Nursery Stock and Specialist Fruit type businesses fell by 4% and 8%
- For the whole sample (All horticultural businesses) gross output fell by 9%, variable costs were 12% lower and fixed costs were 8% less than the previous year

## **SECTION 1: THE HORTICULTURAL SECTOR**

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

- Total agricultural output in the UK in 2015 was £23,813 million, down 8% from the previous year
- Total horticultural output in the UK in 2015 was £3,101 million, contributing 13% to total agricultural output
- Total horticultural output increased between 2014 and 2015 by £92 million, up 3%
- Average horticultural output in the ten year period 2006 to 2015 was £2,726 million, an increase of £818 million (43%), compared with the average for the previous ten year period 1996 to 2005

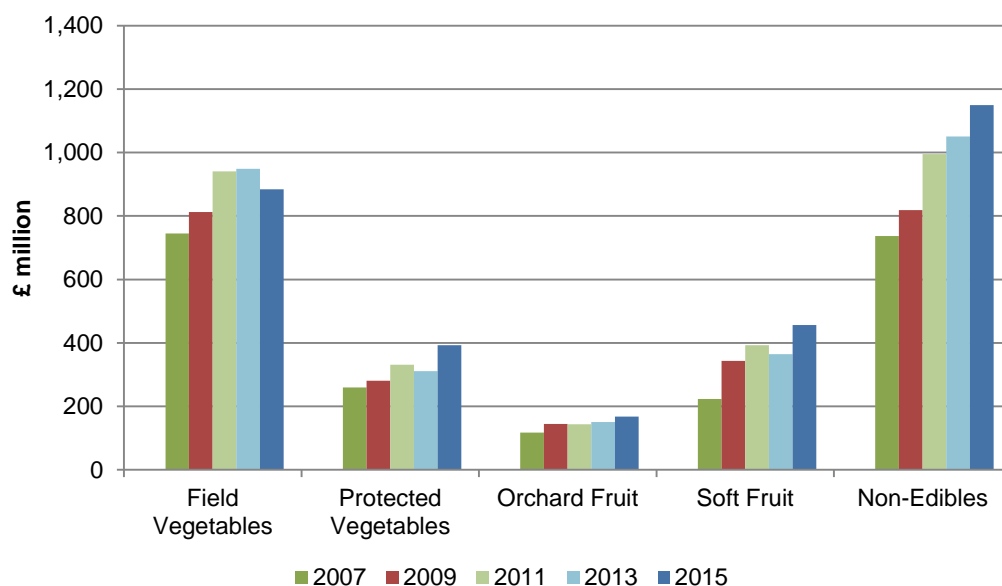
### **1.2 *Historic changes in the composition of the main sectors of horticulture***

- 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 accounts on average for the largest proportion of the use of land (71%), followed by fruit (22%) and non-edibles (7%)
- The total area of land utilised for horticultural production since 1986 averaged 182,286ha; down from 213,648ha in 1986 to a low of 163,355ha in 2013; in 2015, a total of 174,120ha was used for growing horticultural crops, up 6% on the previous year
- 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 (34%) and fruit (17%)
- In 2015 actual output for the sectors was:
  - Vegetables 41%
  - Non-edibles 37%
  - Fruit 22%
- In value terms output in 2015 compared with (2014) was:
  - £1,263 million for vegetables (£1,218 million), up 4%
  - £1,149 million for non-edibles (£1,168 million), down 2%
  - £690 million for fruit (£623 million), up 11%

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

- Total horticultural output in the UK has averaged £2,676 million annually since 2005
- A low of £2,082 million was recorded in 2006 and a high of £3,077 million was achieved in 2013
- In 2015 output was £3,050 million
- Between 2006 and 2015 total horticultural output grew by 46% with the different sectors showing a wide variation in growth rates as noted below:
  - Vegetables from £1,004 million to £1,277 million, up 27%
  - Fruit from £340 million to £624 million, up 84%
  - Non-edibles from £737 million to £1,149 million, up 56%

**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>**

	2007	2009	2011	2013	2015
Glasshouse fruit	166	180	192	222	219
Protected Vegetables	677	692	687	818	861
Outdoor Non-Edibles	12,780	11,243	11,258	11,891	12,730
Field Vegetables	118,231	125,267	134,443	130,089	138,065
Orchard Fruit	18,069	18,777	19,214	19,450	19,683
Soft Fruit	9,207	9,627	9,710	9,584	9,482

**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).

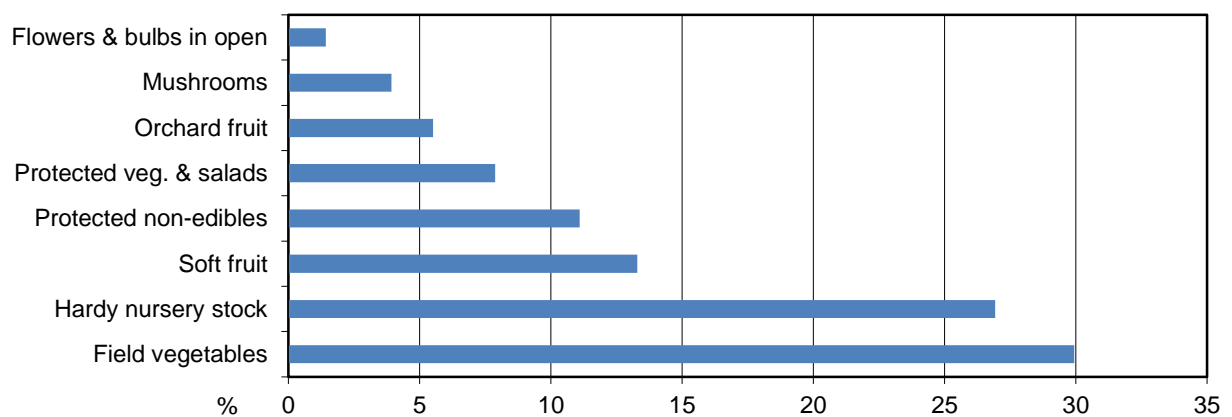
- The area of glasshouse fruit has increased the most among the categories recorded since 2007, up 32%, albeit from a low base
- The area of protected vegetables increased by 27% since 2007, with the biggest inter-years increase recorded between 2011 and 2013, up from 687ha to 818ha, representing an increase of 19%
- The area of outdoor non-edibles has shown negligible change since 2007, however, there have been fluctuations within the time period, notably in 2009, 2011 and 2013, with a reduction to the area of approximately 6%
- The area of field vegetables increased by 17% since 2007 with inter-year increases recorded for all years, except between 2011 and 2013
- The area of most orchard fruit has increased by 9% since 2007 with notable changes in 2012 (-5%) and 2015 (+5%); prior to 2007 large scale grubbing had taken place, with the recent increase in area somewhat offsetting its effects on the sector

- The area of soft fruit has grown by a modest 3% since 2007, peaking in 2011 at 9,710ha, but has reduced in subsequent years, with the 2015 area down just over 2% on its peak

#### 1.4 The horticultural sector in 2015

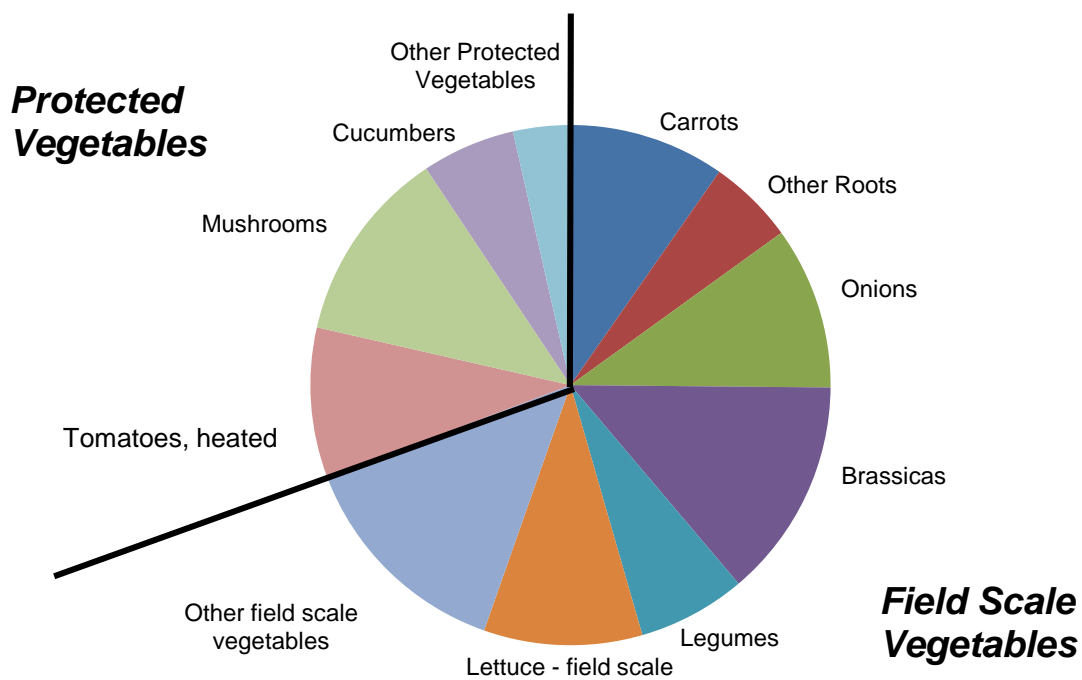
- The total value of horticultural produce in 2015 amounted to £2,984 million
- Field scale vegetables made up the largest share of total output at 30%
- Flowers and bulbs grown in the open accounted for the lowest share of the total output at a little over 1%

Figure 1.2 Value of horticultural produce in 2015 by proportion of total output <sup>1</sup>



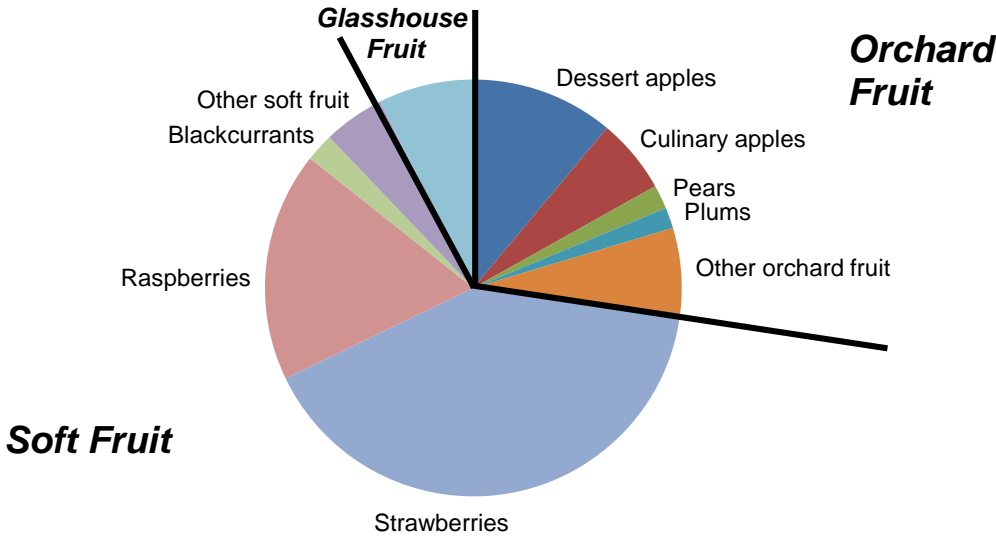
- Field scale vegetable production accounts for 69% of total value of vegetable produce, including brassicas, carrots, beetroot, legumes, parsnips, turnips, swede, asparagus, watercress, leeks, lettuce, rhubarb, celery and onions (dry bulb and green)
- Brassicas account for the largest proportion by category of the total value of vegetables at 14%
- Protected vegetables include crops grown in both heated and cold glasshouses and polythene tunnels and account for 31% of total vegetable value and 13% of the total value of horticultural produce
- Mushrooms and tomatoes between them contribute the highest proportion of value of horticultural produce, at 12% and 9% respectively

Figure 1.3 Composition of vegetable output in 2015<sup>2</sup>



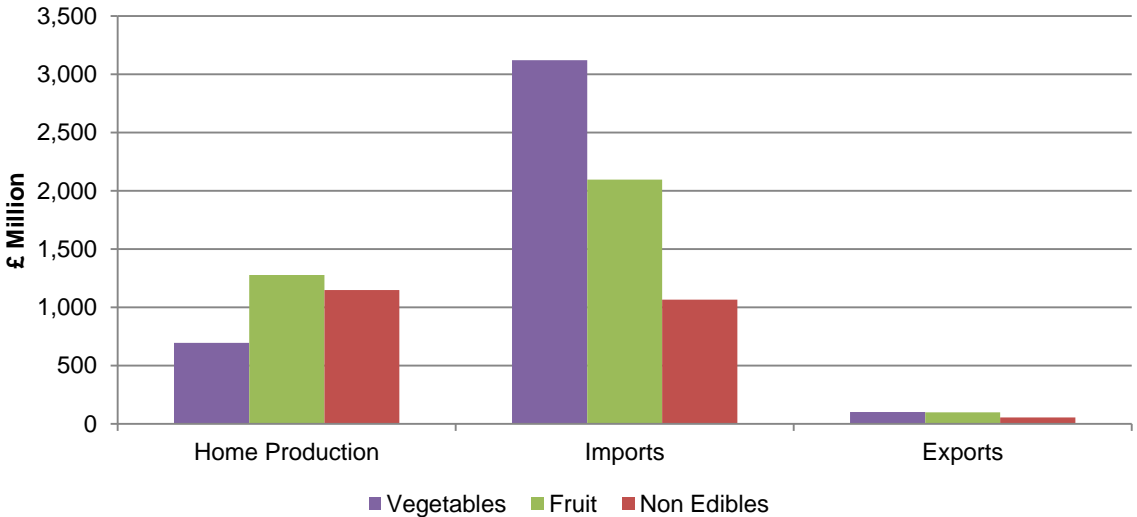
- Total fruit output by value was £695 million, with the production of field grown soft fruit generating £456 million (66%), orchard fruit £188 million (27%) and glasshouse fruit £51 million (7%)
- Strawberry production contributed by far the greatest share of all soft fruit production at £284 million (62%), and 41% of total fruit production
- Strawberries and raspberries recorded significant year-on year increases in output in 2015 at 16% and 14% respectively
- Dessert apples accounted for 41% of orchard fruit output in 2015
- Dessert and culinary apples recorded modest year-on-year increases in output in 2015 at around 3%
- Plums, which accounts for 6% of orchard fruit output was down almost 17% in 2015, compared with the previous year

Figure 1.4 Composition of fruit output in 2015<sup>2</sup>



1.5 Imports and exports of horticultural products

Figure 1.5 Value of vegetables, fruit and non-edibles 2015 (£m)<sup>2</sup>



## **Vegetables**

- The UK was 37% self-sufficient in all vegetables in terms of value in 2015, averaging 38% since 2006
- Between 2014 and 2015 the value of exports increased by 23%, whilst the value of imports rose by 4%
- The value of home produced vegetables in actual prices increased by 27% between 2006 and 2015, to £1,276 million

## **Fruit**

- In 2015, in terms of value, the UK was around 18% self-sufficient in fruit, averaging 17% since 2006
- Values of exports and imports were up 24% and 7% respectively year-on-year in 2015; two thirds of imports cannot be grown in the UK
- The value of home production in actual prices increased between 2006 and 2015 by 77%, to £695 million

## **Non-edibles**

- Self-sufficiency for ornamentals in 2015 was 51%, averaging 48% since 2006, although the rate is up 7% on 2006
- The value of imports and exports fell year-on-year in 2015 by around 4%
- The value of home production in actual prices increased between 2006 and 2015 by 56%, to £1,148 million

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

- The fruit and vegetable sectors have seen significant price fluctuations between 2008 and 2015 with the minimum and maximum price for plums and brassicas ranging by around 75% and over 170% respectively
- The price fluctuation of top fruit has been more marked than soft fruit with an average price spread increase of 44%, compared with 31%
- Vegetables excluding brassicas, mainly carrots and parsnips, have shown considerable inter-year variability, with an average price range change of over 30%
- Salad crops, mainly lettuce and tomatoes, recorded price range changes of 48% and 67% respectively



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

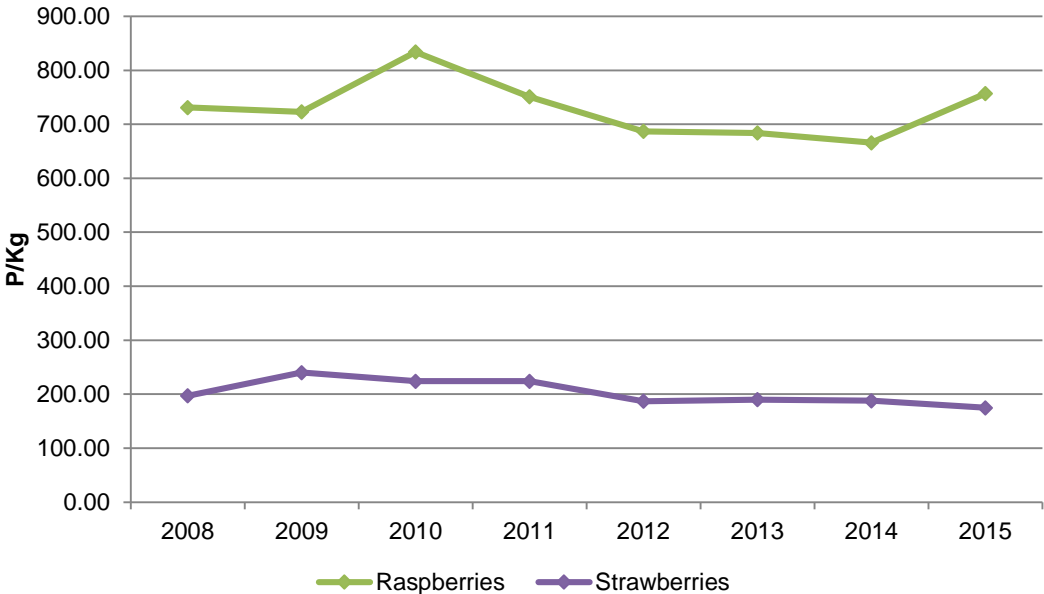
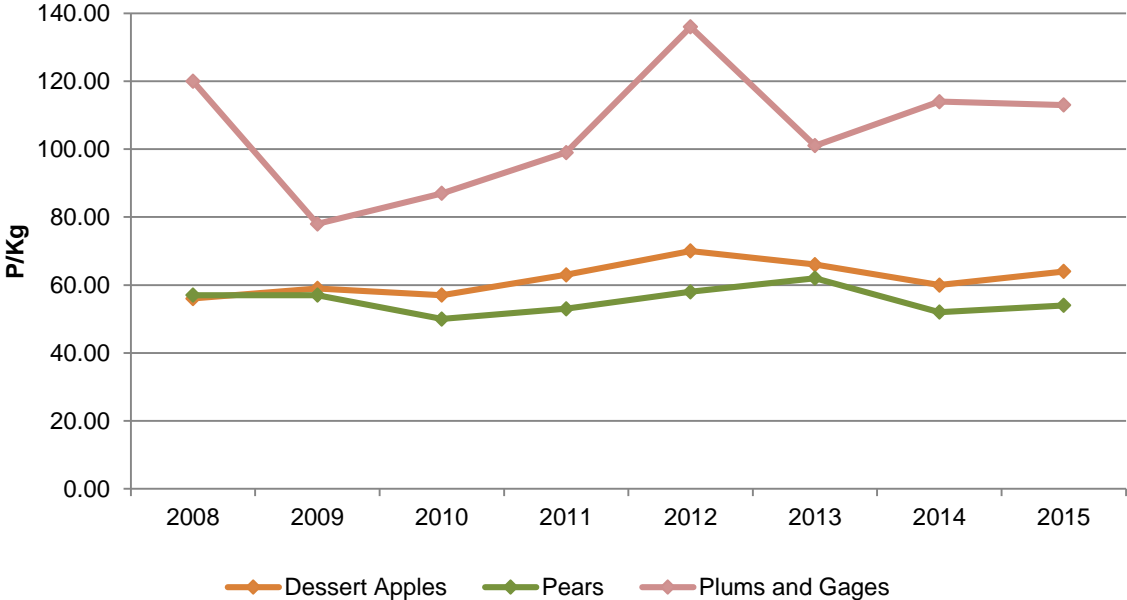
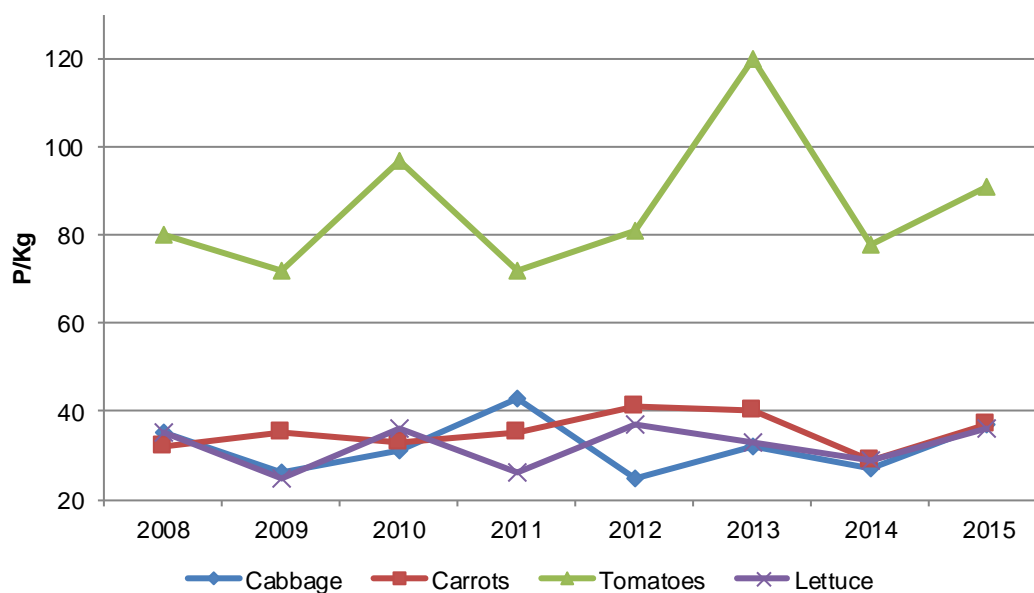


Figure 1.7 Average top fruit farm gate actual prices<sup>3</sup>



**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>**

	2011	2012	2013	2014	2015	2016*
Dessert apples	107.0	118.0	117.1	112.3	112.5	106.6
Dessert pears	101.2	116.9	129.4	114.4	103.4	117.6
Strawberries	91.8	87.4	84.0	87.0	89.3	114.1
All fresh fruit	98.7	103.7	104.8	101.7	100.6	102.3
Lettuce	85.5	110.1	104.9	101.9	100.8	111.9
Onions	94.1	68.3	96.9	102.1	94.8	107.3
Cabbage	108.4	120.3	113.4	95.9	108	117.2
All fresh vegetables	92.7	108.6	110.5	99.9	100.6	106.3
Flowers & plants	101.4	110.3	109.7	114.0	109.3	106.2

\*Note: 2016 is data for January to September inclusive.

- Although the 2016 index only includes data to September, indices for most produce show year-on-year increases, except for dessert apples and flowers and plants
- The index for strawberries is up 25 points, with the indices for dessert pears, lettuce, onions and cabbage recording increases of 14, 11, 12 and 9 points respectively

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

	2011	2012	2013	2014	2015	2016*
<b>Current Inputs</b>						
Seeds	105.8	98.5	110.2	102.4	92.0	97.0
Fertilisers & soil improvers	130.4	125.2	113.1	106.8	104.1	83.2
Plant protection	99.8	97.0	98.8	105.3	105.8	105.6
Fuel for heating	110.7	120.0	128.1	133.6	129.4	123.7
Hired labour	102.8	105.8	108.7	110.5	110.5	110.2
<b>Capital inputs</b>						
Machinery & other equipment	103.8	94.3	96.8	114.4	121.4	121.4
Buildings	105.8	107.4	107.7	108.5	107.5	108.2
<b>Finance inputs</b>						
Bank rate	100	100	100	100	100	50

\***Note:** 2016 is data for January to September inclusive.

- The index of purchase prices have shown a fall of 21 points for fertilisers and soil improvers between 2015 and 2016
- Fuel for heating increased every year in the period 2011 to 2014, but decreased in 2015 and 2016
- Labour costs increased from 2012 to 2014, but showed only negligible change since
- The index for machinery & other equipment rose in 2014 and 2015 by 18 and 7 points respectively



## 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 and smaller scale vegetable producers who do not grow other arable crops are classified as 'Other Horticulture'. Growers of field scale vegetables with other arable crops are classified as General Cropping farms, and their results are not included in these tables.

The data in this report were compiled from the 2014/15 and 2015/16 FBS and can be accessed at:

- [www.farmbusinesssurvey.co.uk](http://www.farmbusinesssurvey.co.uk) and at
- [www.defra.gov.uk/statistics/foodfarm/farmmanage/fbs/publications/farmaccounts](http://www.defra.gov.uk/statistics/foodfarm/farmmanage/fbs/publications/farmaccounts)

### 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, 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 salad crops
- Table 2.13 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 2.14 All specialist fruit businesses
- Table 2.15 Mainly top fruit – 90% or more of crop output derived from top fruit
- Table 2.16 Mainly top fruit – 90% or more of crop output derived from top fruit, excluding cider apples growers
- Table 2.17 Mainly top fruit – 90% or more of crop output derived from cider apples

## 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 2.18 All specialist HNS businesses
- Table 2.19 Intensive HNS crops – crop output more than £175,000 per hectare
- Table 2.20 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 2.21 All other horticulture businesses
- Table 2.22 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 2015 was 3,491, while the total FBS sample for the 2015 cropping year was 193 businesses, representing 5.5% of the national population of eligible horticultural businesses.

**Table 2.1 FBS sample compared with eligible\* horticultural businesses for 2015**  
 (\*Businesses with Standard Output of 25,000 euros and above)

	<b>England population 2015 June Survey (number of businesses)</b>	<b>FBS sample 2015 (number of businesses)</b>	<b>FBS sample as a % of population</b>
Specialist Glass	335	67	20.0%
Specialist Fruit	745	47	6.3%
Specialist HNS	891	37	4.2%
Other Horticulture	1,520	42	2.8%
<b>All Horticulture</b>	<b>3,491</b>	<b>193</b>	<b>5.5%</b>

The 'All Horticulture' group results are based on a sample of 193 businesses and no outliers have been removed from this group.

Within the four broad horticulture groups over 50 different crops and crop groups (e.g. mixed fresh vegetables) 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 2015/16**

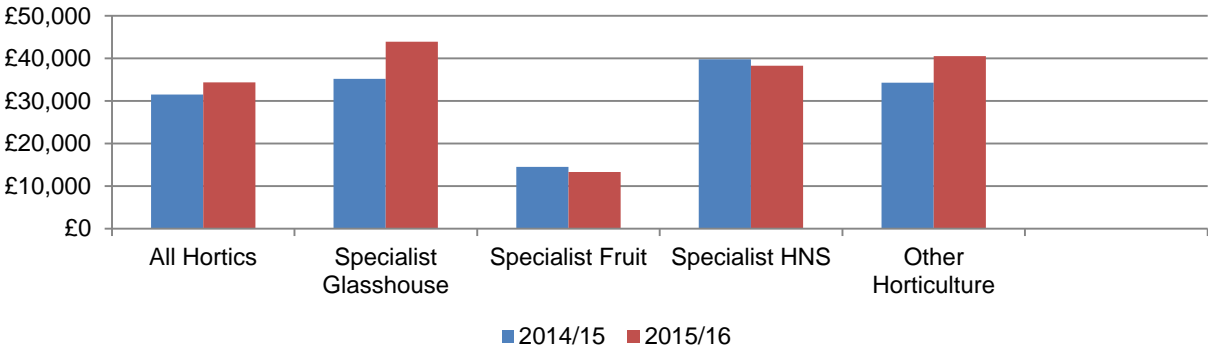
- The average profitability as measured by Farm Business Income (FBI) increased by 9% to £34,351 per business for the whole sample of businesses in 2015/16 when compared with 2014/15
- Although profitability as measured by FBI increased for the sector as a whole, some categories of horticultural production fared better than others:
  - Specialist glass and other horticulture up by around 25% and 18% respectively, whilst
  - Specialist fruit and hardy nursery stock fell by 8% and 4% respectively
- Weather conditions in 2015 until mid-November were mostly uneventful
  - A dry start to the year led to slower growth, although the showery conditions later in the summer helped to increase yields for some vegetable crops
  - The early warm spring helped the ornamental sector giving rise to stronger sales at the start of the season
  - The summer was cool and wet followed by fine and sunny periods in early autumn
  - Weather conditions became less settled later on leading to more variable demand

## **2.5 Financial results for 2014/15 and 2015/16**

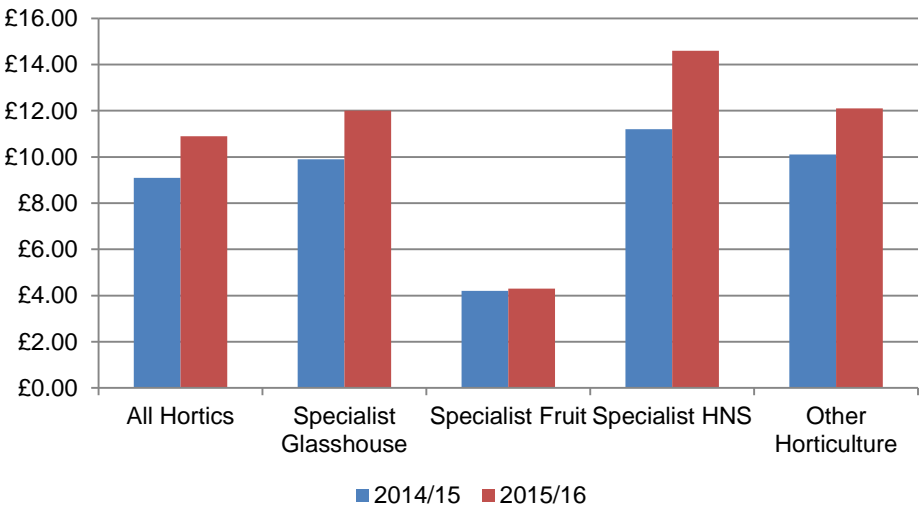
- The results in this section are shown for businesses classified according to the Defra classification system, as described in section 2.3 of this report and are shown on a
  - 'per business', 'per hectare' and 'per £100 of gross output' basis with
  - results where applicable based on the productive cropping area of the business
- Average results are shown for the 2014 and 2015 harvest years, together with premium results for the 2015 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 to 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 £34,351 per business in 2015; average total gross output for the sector fell by 9% to £315,329 per business compared with 2014, while total costs fell by 10%
  - There was a rise in profitability as measured by FBI among two of the four main horticulture type groups in 2015, with Specialist glasshouse and Other horticulture showing increases in FBI and Specialist fruit and Specialist hardy nursery stock recording lower profits
  - Specialist glasshouse group saw the largest increase, up 25% to an average of £43,912 per business followed by other horticulture up 18%, to £40,536
  - Specialist fruit growers saw a fall of 8% in profitability, with FBI dropping back to £13,354 per business, whilst Specialist hardy nursery stock producers recorded a fall to FBI of 4%, down to £38,308 per business



**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**



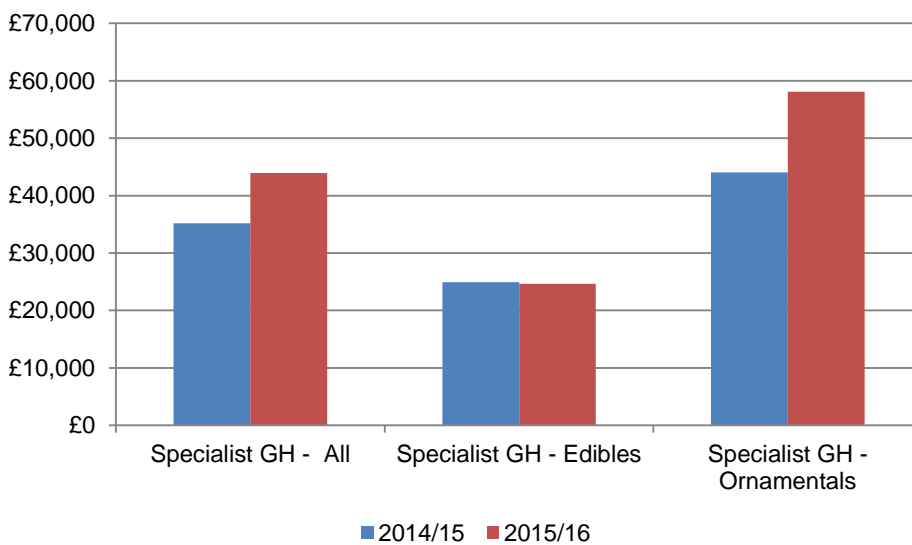
**2.6 Specialist Glass [Tables 2.4 to 2.13]**

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

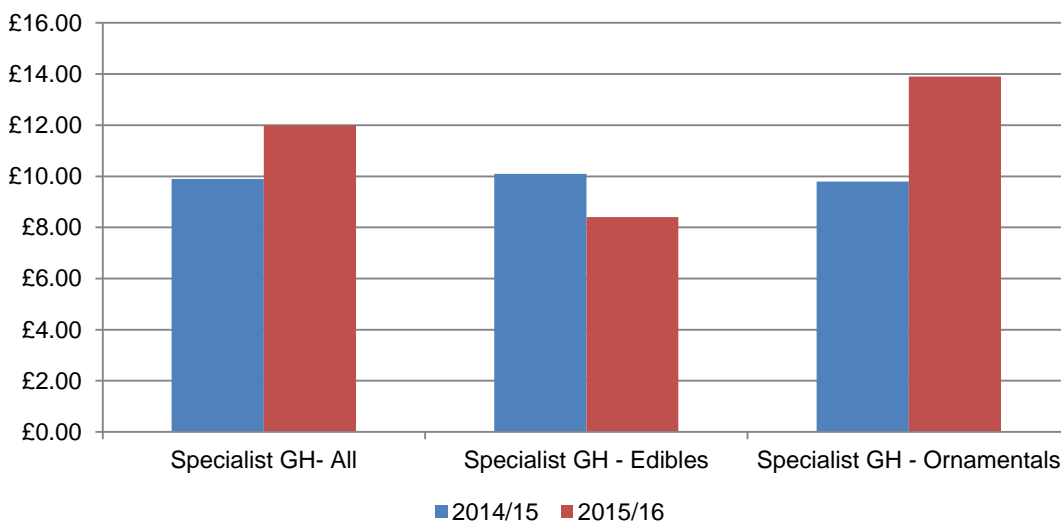
- A number of businesses within the specialist glasshouse group have some outdoor crop production; the group has been sub-divided according to the intensity of glasshouse production between businesses with 50% or more of crop output derived from glasshouse production (Tables 2.7 to 2.9) and those with 90% or more of crop output derived from glasshouse production (Tables 2.10 to 2.13)
- Specialist Glass, all crops [Table 2.4]
  - The group includes both heated and unheated glasshouses and polytunnels
  - Average productive cropping area in 2015 was 1.46ha, of which protected production was 0.77ha
  - The sample of 67 specialist glass businesses is split between 38 businesses specialising in ornamental crops and 29 businesses specialising in edible crops
  - On a per business basis in 2015, Farm Business Income (FBI) increased by 25% to £43,912, with this increase derived entirely from the ornamental sector
  - FBI also showed the same increase on a per hectare basis and costs per £100 of output

- The composition of cropping on these holdings was very similar between 2014 and 2015, except for glasshouse crops which recorded a reduction in soft fruit and an increase in other crops and for outdoor crops there was a reduction in the importance of flowers and nursery stock
- The average FBI for all glasshouse businesses rose by 25%, to £43,912
  - The financial performance of the premium group (top quartile) was up significantly (77% on per hectare basis) on the previous year; average FBI per hectare for these 21 businesses in the group in 2015 was £44,385/ha, compared with £25,031/ha for the 25 businesses in the premium group in 2014, or
  - £15.10 per £100 of gross output in comparison to £11.80 in 2014

**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**



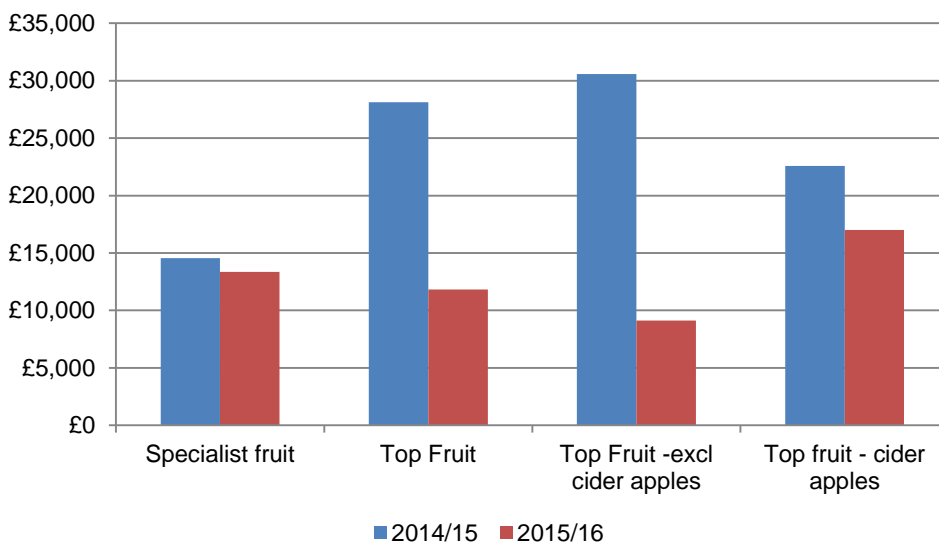
- *Specialist Glass, mainly edible crops [Table 2.5]*
  - Profitability for this group at £24,664 per business, was only marginally less (-1%) than the previous year
  - Productive cropping area fell by 10% and on a per hectare basis, Farm Business Income (FBI) increased by 10% to £10,187
  - Costs per £100 of output were down around 2% overall, with savings for most inputs, particularly glasshouse fuel, but expenditure in seed and young plants rose sharply (36%)
  
- *Specialist Glass, mainly non-edible crops [Table 2.6]*
  - Profitability for this group increased by 32% to a Farm Business Income (FBI) of £58,114 per business
  - The productive cropping area fell by 18% to 0.75ha, leading to an even larger FBI increase on a per hectare basis of 60%, to £77,637
  - The increase in sales meant that total costs per £100 of output were reduced by 3%
  
- *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 hectare of this group is £44,957, which is lower than those with 90% or more output from glasshouse production at £63,522
  
- *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) increased by 26% to £49,765 per business
  - FBI per hectare increased to £63,522 with the premium group recording a FBI of £143,286 per hectare; average FBI per £100 of gross output was £13.60 for the group, compared with £8.60 in the previous year
  
- *Specialist glass businesses (90% or more crop output from glasshouse production) – Mainly edible crops [Table 2.11]*
  - Tomato production accounted for 44% and soft fruit 40% of all glasshouse output for these businesses in 2015
  - Gross margin per hectare increased by 2% in the period, to £195,627, mainly the result of variable costs falling by 15% compared with 2014; total fixed costs per hectare were up by 4%, an increase of 9% for Farm Business Income (FBI) was recorded in 2015, up from £22,837 to £24,891
  
- *Specialist glass businesses (90% or more crop output from glasshouse production) – Mainly salad crops [Table 2.12]*
  - The average Farm Business Income (FBI) per hectare in 2015 was 8% higher for businesses focusing on salad crops under glass compared to 2014; tomato production accounts for around 79% of crop output for these businesses

- *Specialist glass businesses (90% or more crop output from glasshouse production) – Mainly non-edible crops [Table 2.13]*
  - With large decreases in both variable and fixed costs (-30% and -25% respectively), Farm Business Income (FBI) per business increased by 27%, to £62,431 in 2015

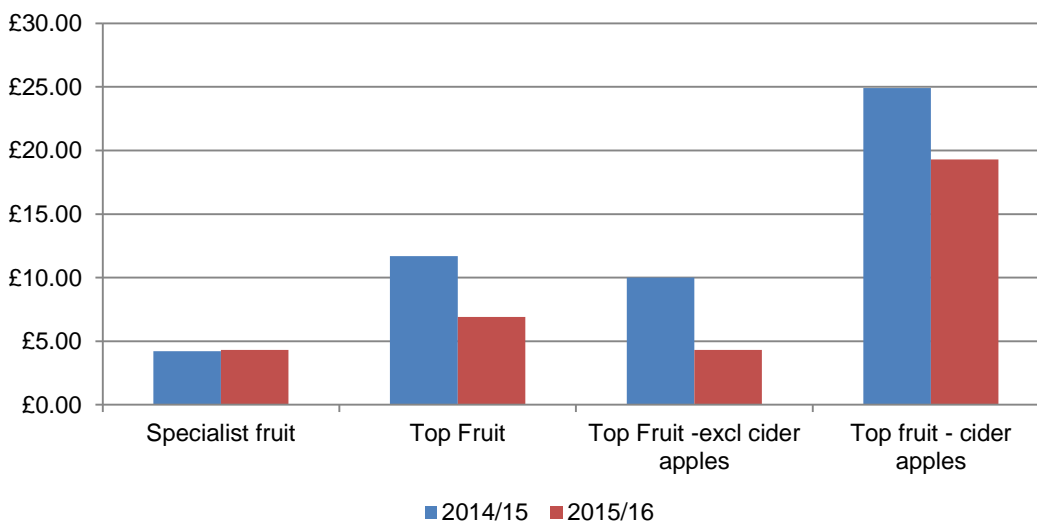
## 2.7 Specialist Fruit [Tables 2.14 to 2.17]

- *There are four tables reporting on the financial results for this type group and its sub-groups:*
  - *Table 2.14 shows the results for all specialist fruit businesses*
  - *Table 2.15 shows a sub group of this sample for businesses with over 90% of their total crop output derived from top fruit and*
  - *Tables 2.16 and 2.17 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 2.14]*
  - Within the specialist fruit group in 2015, around 47% of crop output was from top fruit and 52% from soft fruit production; a significant proportion of the total output (22% in 2015) is 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 £13,354 in 2015/16 was down 8% compared to the year before
  - FBI per hectare in 2015 was £2,412 for businesses in the premium group, compared with the average of £682/ha
  
- *Mainly top fruit businesses - 90% or more crop output derived from top fruit [Table 2.15]*
  - The group includes businesses that specialise in top fruit production, with 90% or more of their total crop output derived from top fruit
  - In 2015, approximately 54% of crop output was derived from dessert apples & pears and 19% from cider apples
  - Yields for dessert apples increased for the 2015 harvest year (29.2 tonnes per hectare) compared with 2014 (23.0 tonnes per hectare), while yields for cider apples increased very marginally (from 34.5 to 35.4 tonnes per hectare)
  - Prices for dessert apples fell as yields improved (from £616 to £450 per tonne), while prices for cider apples improved to £120 per tonne
  - Average Farm Business Income (FBI) was £11,833 per business and £716 per hectare, down from the £28,120 per business and £1,403 per hectare in 2014
  
- *Mainly top fruit businesses – 90% or more crop output derived from top fruit, excluding cider apple growers [Table 2.16]*
  - This sub-group of specialist top fruit growers consists of 21 growers in 2015, predominantly growing top fruit for eating
  - In 2015/16, around 66% of crop output was from dessert apples and pears, 6% from culinary apples for processing and the fresh market and the remaining 27% from other tree fruit
  - Approximately 22% of the total gross output was derived from other output, i.e. not from cropping
  - Farm Business Income (FBI) per business decreased by 70% in 2015 when compared to 2014, falling to £9,123
  
- *Mainly top fruit businesses – 90% or more crop output derived from cider apples [Table 2.17]*
  - Among the sub-groups of top fruit businesses, cider apple growers saw the smallest fall in Farm Business Income (FBI), down by 25% to £17,017 per business in 2015
  - On a 'per hectare' basis, the total gross margin increased by 5% to £3,983
  - Cider apple growers had the highest FBI on a £100 of gross output basis of all horticulture business types, with an average of £19.30 in 2015/16

**Table 2.2 Top fruit yields, prices and output\* – 2014/15 and 2015/16**

Top Fruit		2014/15	2015/16
Culinary Apples	tonnes/ha	28.4	19.4
	£/tonne	376	244
	<b>£ output/ha</b>	<b>10,675</b>	<b>4,734</b>
Dessert Apples	tonnes/ha	23.0	29.2
	£/tonne	616	450
	<b>£ output/ha</b>	<b>13,932</b>	<b>12,855</b>
Cider Apples	tonnes/ha	34.5	35.4
	£/tonne	114	120
	<b>£ output/ha</b>	<b>3,933</b>	<b>4,252</b>
Pears	tonnes/ha	19.9	24.0
	£/tonne	568	447
	<b>£ output/ha</b>	<b>11,305</b>	<b>10,748</b>

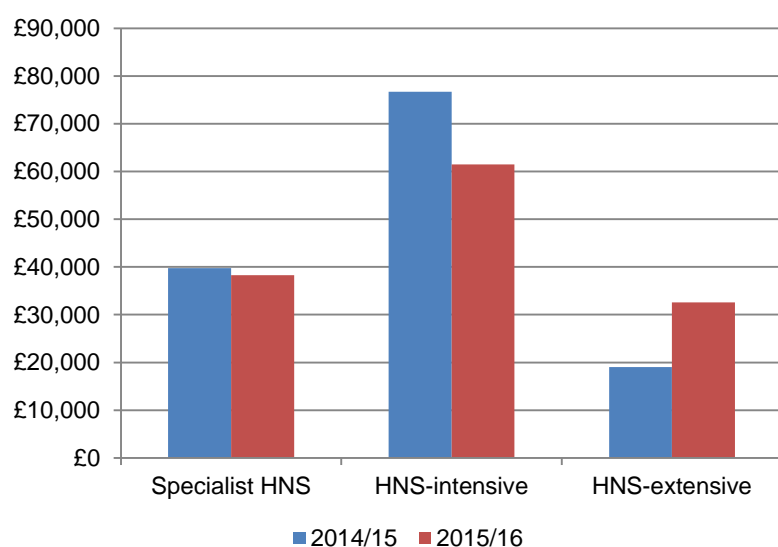
**Note:** \* The areas used when calculating the per hectare figures are field areas (not tree areas) and the fruit tonnage is for all the fruit sold either fresh or for processing and juice.

## 2.8 Specialist Hardy Nursery Stock [Tables 2.18 to 2.20]

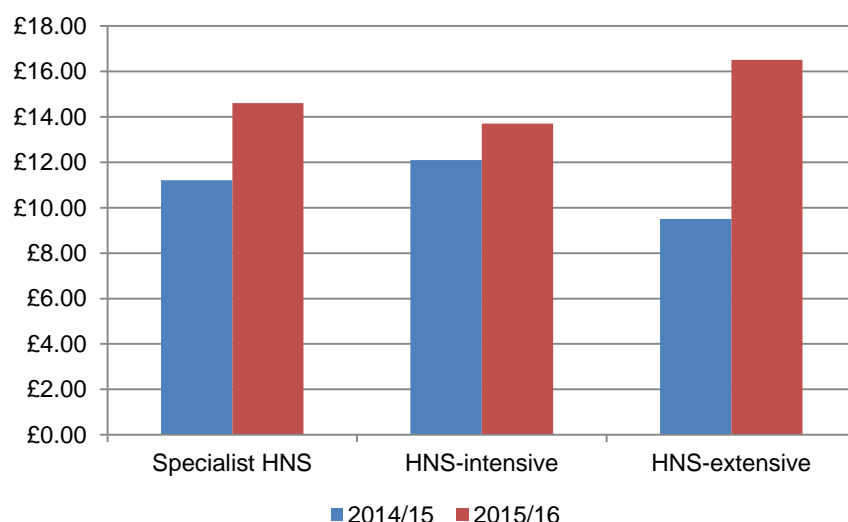
- There are three tables reporting on the financial results of Specialist Hardy Nursery Stock (HNS) businesses:
  - Table 2.18 covers all HNS businesses in the sample with tables 2.19 and 2.20 being sub-groups of the main sample
  - Table 2.19 is for businesses that have a crop output of more than £175,000 per hectare
  - Table 2.20 is for businesses that have a crop output of less than £175,000 per hectare
- *Specialist HNS businesses [Table 2.18]*
  - 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 83% and protected production at 16%
  - Farm Business Income (FBI) per business fell on average by 4%, driven mainly by a fall in gross output, down from £355,415 to £262,445
  - In 2015/16 FBI per hectare was £14,339 for all HNS

- Average FBI per £100 of gross output was £14.60 in 2015/16, while for the premium businesses it was £24.60; just over one and a half times greater than the average
- The gross output per hectare for intensive HNS was more than four times greater at £333,682, than for extensively produced stock, at £79,739

**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**



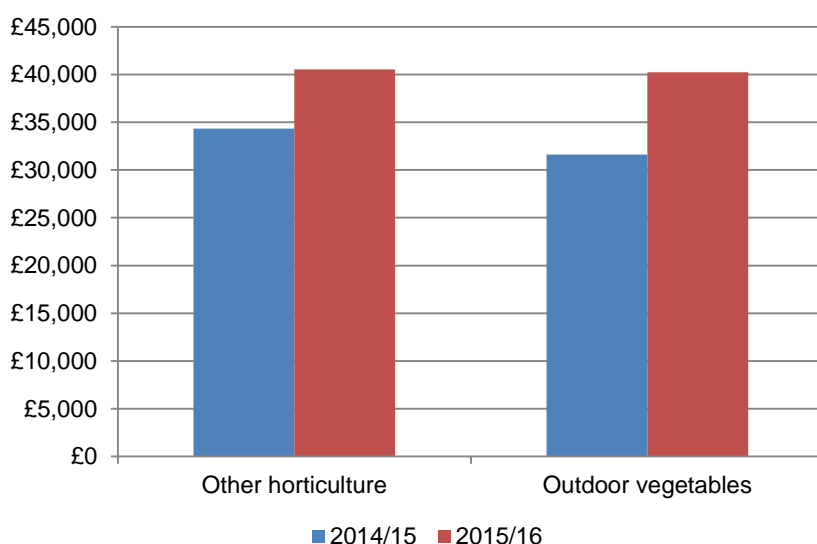
- *Intensive HNS businesses (crop output more than £175,000 per hectare) [Table 2.19]*
  - The sub-group covers businesses with a crop output of more than £175,000 per hectare
  - These businesses grow a significant amount of HNS under glass or walk-through polythene tunnels as well as outdoors on hard standings, and also higher value field crops
  - Average Farm Business Income (FBI) per business decreased by 20%, to £61,472

- *Extensive HNS businesses (crop output less than £175,000 per hectare) [Table 2.20]*
  - 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 area in 2015/16 was 2.47ha
  - Farm Business Income (FBI) per business increased to £32,603, up 71%

## 2.9 Other Horticulture [Tables 2.21 and 2.22]

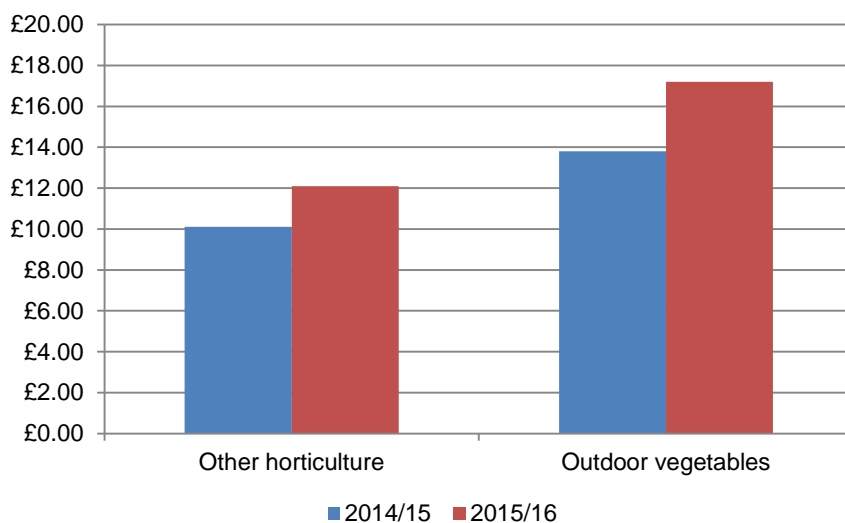
- *Other horticultural businesses [Table 2.21]*
  - The table refers to a diverse group of farms, for which crop output is comprised of a combination of outdoor vegetables, ornamentals, soft fruit, top fruit and farm crops
  - In 2015/16 the output from outdoor vegetables accounted for 37% of total crop, and for soft fruit and glasshouse crops the proportions were 25% and 15% respectively
  - Farm Business Income (FBI) per business for this group of farms increased from £34,332 in 2014 to £40,536 in 2015, up 18%
  - Premium businesses recorded a FBI per hectare of £2,890, almost twice the average of £1,467
- *Mainly outdoor vegetables – 50% or more output derived from outdoor vegetables [Table 2.22]*
  - Average cropping area of this group decreased from 18.5ha in 2014/15 to 15.8ha in 2015/16
  - Farm Business Income (FBI) per business rose by 28% to £40,327 while FBI per hectare increased by 49% to £2,552
  - Gross output per hectare rose 19% in the period, to £14,822, with total variable costs up by 19% to £3,283 per hectare and fixed costs were up by 13% to £10,765 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 2.23 and 2.24]

- The assets, liabilities and net worth for the horticulture sample are reported in table 2.23
- 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 4% to an average of £919,847 for all horticulture businesses in 2015/16, while the year-on-year change for total external liabilities was negligible at £141,311 for the period
- Table 2.24 reports on the net worth and percentage equity for the Defra main farm type classifications used in England; average net worth for all businesses is approximately £1,755,593 per business, representing 90.3% 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
- Lowland cattle & sheep farms and cereal farms have the highest percentage equity at 93%; pig and poultry farms respectively have the lowest percentage equity at 80.1% and 76.2%, with horticulture in mid-range at 84.4%

**Table 2.3 All horticultural businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	186	193	186	193	186	193
Productive cropping area (ha)	16.55	17.12	16.55	17.12		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>346,440</b>	<b>315,329</b>	<b>20,937</b>	<b>18,414</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	47,061	38,411	2,844	2,243	13.6	12.2
Fertilisers & composts	10,102	9,546	611	557	2.9	3.0
Crop protection	8,703	9,369	526	547	2.5	3.0
Market charges	23,744	18,641	1,435	1,089	6.9	5.9
Packing materials	18,445	17,971	1,115	1,049	5.3	5.7
Horticultural sundries	14,285	12,761	863	745	4.1	4.0
Glasshouse fuel	2,998	2,410	181	141	0.9	0.8
Other variable costs	693	1,186	42	69	0.2	0.4
<b>Total variable costs</b>	<b>126,031</b>	<b>110,294</b>	<b>7,617</b>	<b>6,441</b>	<b>36.4</b>	<b>35.0</b>
<b>Total gross margin</b>	<b>220,409</b>	<b>205,035</b>	<b>13,320</b>	<b>11,973</b>	<b>63.6</b>	<b>65.0</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	61,881	46,287	3,740	2,703	17.9	14.7
Regular unpaid	29,927	29,924	1,809	1,747	8.6	9.5
Casual labour	40,660	40,862	2,457	2,386	11.7	13.0
Power & machinery costs:						
Contract & hire	5,953	7,925	360	463	1.7	2.5
Fuel & electricity	11,202	9,805	677	573	3.2	3.1
Repairs	8,400	8,304	508	485	2.4	2.6
Machinery depreciation	10,722	10,590	648	618	3.1	3.4
Glasshouse depreciation	1,837	1,556	111	91	0.5	0.5
Rent (incl. imputed)	15,349	15,020	928	877	4.4	4.8
Other costs:						
Occupier's repairs	6,955	6,437	420	376	2.0	2.0
Permanent crop depreciation	974	993	59	58	0.3	0.3
Water	1,772	1,553	107	91	0.5	0.5
Sundries	17,605	15,929	1,064	930	5.1	5.1
<b>Total fixed costs</b>	<b>213,237</b>	<b>195,185</b>	<b>12,887</b>	<b>11,398</b>	<b>61.6</b>	<b>61.9</b>
<b>Management &amp; investment income</b>	<b>7,171</b>	<b>9,849</b>	<b>433</b>	<b>575</b>	<b>2.1</b>	<b>3.1</b>
Minus: management salaries	623	373	38	22	0.2	0.1
Plus: farmer & spouse labour	23,744	23,804	1,435	1,390	6.9	7.5
<b>Net farm income</b>	<b>30,292</b>	<b>33,280</b>	<b>1,831</b>	<b>1,943</b>	<b>8.7</b>	<b>10.6</b>
<b>Farm business income</b>	<b>31,496</b>	<b>34,351</b>	<b>1,903</b>	<b>2,006</b>	<b>9.1</b>	<b>10.9</b>

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

	Average 2014/15	Average 2015/16
Glasshouse crops		
Flowers & nursery stock	22.4	15.4
Tomatoes	1.0	0.8
Lettuce	0.4	0.2
Soft fruit	1.6	2.4
Other glasshouse crops	1.6	2.3
Outdoor crops		
Flowers and nursery stock	24.4	23.9
Vegetables	14.6	17.2
Other outdoor crops	3.5	4.6
Top fruit		
Dessert apples and pears	6.3	6.4
Culinary apples	1.0	0.6
Cider apples	1.1	1.4
Plums	0.7	0.8
Other top fruit	1.1	1.8
Soft fruit		
Strawberries	11.7	13.8
Raspberries	5.2	5.5
Blackcurrants	0.2	0.1
Other soft fruit	3.0	2.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

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

	Average 2014/15	Average 2015/16
Crops and tillages	18	15
Stores	7	6
Glasshouses	6	6
Equipment	25	28
Livestock	1	1
Other	43	44
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>487,958</b>	<b>451,252</b>

**Table 2.4 All specialist glass businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	68	67	68	67	68	67
Productive cropping area (ha)	1.73	1.46	1.73	1.46		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>355,921</b>	<b>364,822</b>	<b>205,280</b>	<b>250,103</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	52,391	59,974	30,217	41,115	14.7	16.4
Fertilisers & composts	11,148	10,748	6,430	7,368	3.1	2.9
Crop protection	2,502	2,813	1,443	1,929	0.7	0.8
Market charges	17,506	16,914	10,097	11,595	4.9	4.6
Packing materials	19,061	22,094	10,993	15,147	5.4	6.1
Horticultural sundries	14,065	14,358	8,112	9,843	4.0	3.9
Glasshouse fuel	18,859	15,207	10,877	10,425	5.3	4.2
Other variable costs	36	28	21	19	0.0	0.0
<b>Total variable costs</b>	<b>135,568</b>	<b>142,138</b>	<b>78,190</b>	<b>97,443</b>	<b>38.1</b>	<b>39.0</b>
<b>Total gross margin</b>	<b>220,352</b>	<b>222,684</b>	<b>127,090</b>	<b>152,660</b>	<b>61.9</b>	<b>61.0</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	78,078	71,576	45,032	49,069	21.9	19.6
Regular unpaid	31,084	33,129	17,928	22,711	8.7	9.1
Casual labour	29,028	34,296	16,742	23,512	8.2	9.4
Power & machinery costs:						
Contract & hire	2,480	2,338	1,430	1,603	0.7	0.6
Fuel & electricity	8,636	9,384	4,981	6,433	2.4	2.6
Repairs	6,462	5,299	3,727	3,632	1.8	1.5
Machinery depreciation	8,276	6,615	4,773	4,535	2.3	1.8
Glasshouse depreciation	6,789	6,344	3,916	4,349	1.9	1.7
Rent (incl. imputed)	7,470	7,396	4,308	5,070	2.1	2.0
Other costs:						
Occupier's repairs	8,367	7,869	4,826	5,395	2.4	2.2
Permanent crop depreciation	63	36	37	25	0.0	0.0
Water	2,210	2,004	1,275	1,374	0.6	0.5
Sundries	17,510	17,033	10,099	11,677	4.9	4.7
<b>Total fixed costs</b>	<b>206,453</b>	<b>203,320</b>	<b>119,073</b>	<b>139,386</b>	<b>58.0</b>	<b>55.7</b>
<b>Management &amp; investment income</b>	<b>13,899</b>	<b>19,364</b>	<b>8,016</b>	<b>13,275</b>	<b>3.9</b>	<b>5.3</b>
Minus: management salaries	1,921	922	1,108	632	0.5	0.3
Plus: farmer & spouse labour	27,393	29,569	15,799	20,271	7.7	8.1
<b>Net farm income</b>	<b>39,371</b>	<b>48,011</b>	<b>22,707</b>	<b>32,914</b>	<b>11.1</b>	<b>13.2</b>
<b>Farm business income</b>	<b>35,178</b>	<b>43,912</b>	<b>20,289</b>	<b>30,104</b>	<b>9.9</b>	<b>12.0</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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	27	29	27	29	27	29
Productive cropping area (ha)	2.69	2.42	2.69	2.42		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>247,973</b>	<b>292,524</b>	<b>92,343</b>	<b>120,818</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	18,646	29,900	6,944	12,349	7.5	10.2
Fertilisers & composts	6,177	6,342	2,300	2,620	2.5	2.2
Crop protection	2,770	3,740	1,032	1,545	1.1	1.3
Market charges	13,798	10,085	5,138	4,165	5.6	3.4
Packing materials	11,368	10,762	4,233	4,445	4.6	3.7
Horticultural sundries	7,334	14,266	2,731	5,892	3.0	4.9
Glasshouse fuel	28,795	27,437	10,723	11,332	11.6	9.4
Other variable costs	77	66	29	27	0.0	0.0
<b>Total variable costs</b>	<b>88,966</b>	<b>102,598</b>	<b>33,130</b>	<b>42,375</b>	<b>35.9</b>	<b>35.1</b>
<b>Total gross margin</b>	<b>159,007</b>	<b>189,926</b>	<b>59,213</b>	<b>78,443</b>	<b>64.1</b>	<b>64.9</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	41,192	45,825	15,340	18,927	16.6	15.7
Regular unpaid	28,694	32,574	10,685	13,454	11.6	11.1
Casual labour	38,232	57,933	14,237	23,927	15.4	19.8
Power & machinery costs:						
Contract & hire	992	1,173	370	484	0.4	0.4
Fuel & electricity	5,483	7,843	2,042	3,239	2.2	2.7
Repairs	5,958	5,653	2,219	2,335	2.4	1.9
Machinery depreciation	6,222	5,966	2,317	2,464	2.5	2.0
Glasshouse depreciation	7,059	5,992	2,629	2,475	2.8	2.0
Rent (incl. imputed)	6,880	8,210	2,562	3,391	2.8	2.8
Other costs:						
Occupier's repairs	5,504	8,436	2,050	3,484	2.2	2.9
Permanent crop depreciation	137	86	51	35	0.1	0.0
Water	1,596	2,057	594	850	0.6	0.7
Sundries	9,392	11,154	3,497	4,607	3.8	3.8
<b>Total fixed costs</b>	<b>157,342</b>	<b>192,903</b>	<b>58,593</b>	<b>79,672</b>	<b>63.5</b>	<b>65.9</b>
<b>Management &amp; investment income</b>	<b>1,665</b>	<b>-2,977</b>	<b>620</b>	<b>-1,229</b>	<b>0.7</b>	<b>-1.0</b>
Minus: management salaries	453	409	169	169	0.2	0.1
Plus: farmer & spouse labour	25,630	28,557	9,545	11,795	10.3	9.8
<b>Net farm income</b>	<b>26,843</b>	<b>25,171</b>	<b>9,996</b>	<b>10,396</b>	<b>10.8</b>	<b>8.6</b>
<b>Farm business income</b>	<b>24,931</b>	<b>24,664</b>	<b>9,284</b>	<b>10,187</b>	<b>10.1</b>	<b>8.4</b>



**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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	41	38	41	38	41	38
Productive cropping area (ha)	0.91	0.75	0.91	0.75		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>449,381</b>	<b>418,164</b>	<b>493,817</b>	<b>558,645</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	81,608	82,163	89,678	109,766	18.2	19.6
Fertilisers & composts	15,452	13,999	16,980	18,702	3.4	3.3
Crop protection	2,270	2,130	2,495	2,845	0.5	0.5
Market charges	20,716	21,953	22,764	29,327	4.6	5.2
Packing materials	25,721	30,456	28,265	40,687	5.7	7.3
Horticultural sundries	19,892	14,427	21,859	19,273	4.4	3.5
Glasshouse fuel	10,257	6,184	11,271	8,261	2.3	1.5
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>175,916</b>	<b>171,311</b>	<b>193,311</b>	<b>228,862</b>	<b>39.1</b>	<b>41.0</b>
<b>Total gross margin</b>	<b>273,465</b>	<b>246,853</b>	<b>300,506</b>	<b>329,782</b>	<b>60.9</b>	<b>59.0</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	110,014	90,576	120,893	121,005	24.5	21.7
Regular unpaid	33,153	33,538	36,431	44,805	7.4	8.0
Casual labour	21,059	16,857	23,142	22,520	4.7	4.0
Power & machinery costs:						
Contract & hire	3,768	3,198	4,141	4,272	0.8	0.8
Fuel & electricity	11,366	10,521	12,489	14,056	2.5	2.5
Repairs	6,899	5,037	7,581	6,729	1.5	1.2
Machinery depreciation	10,054	7,093	11,048	9,476	2.2	1.7
Glasshouse depreciation	6,556	6,604	7,204	8,823	1.5	1.6
Rent (incl. imputed)	7,980	6,795	8,769	9,078	1.8	1.6
Other costs:						
Occupier's repairs	10,845	7,451	11,917	9,954	2.4	1.8
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,741	1,965	3,012	2,625	0.6	0.5
Sundries	24,538	21,370	26,964	28,549	5.5	5.1
<b>Total fixed costs</b>	<b>248,973</b>	<b>211,006</b>	<b>273,593</b>	<b>281,893</b>	<b>55.4</b>	<b>50.5</b>
<b>Management &amp; investment income</b>	<b>24,491</b>	<b>35,847</b>	<b>26,913</b>	<b>47,890</b>	<b>5.4</b>	<b>8.6</b>
Minus: management salaries	3,193	1,301	3,508	1,737	0.7	0.3
Plus: farmer & spouse labour	28,919	30,316	31,778	40,501	6.4	7.2
<b>Net farm income</b>	<b>50,217</b>	<b>64,863</b>	<b>55,183</b>	<b>86,653</b>	<b>11.2</b>	<b>15.5</b>
<b>Farm business income</b>	<b>44,049</b>	<b>58,114</b>	<b>48,405</b>	<b>77,637</b>	<b>9.8</b>	<b>13.9</b>





**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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	58	57	58	57	58	57
Productive cropping area (ha)	1.09	0.91	1.09	0.91		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>427,616</b>	<b>349,907</b>	<b>391,773</b>	<b>383,759</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	68,698	55,992	62,939	61,409	16.1	16.0
Fertilisers & composts	13,769	12,642	12,615	13,866	3.2	3.6
Crop protection	2,773	2,538	2,541	2,784	0.6	0.7
Market charges	23,215	16,980	21,269	18,623	5.4	4.9
Packing materials	23,054	17,842	21,121	19,569	5.4	5.1
Horticultural sundries	19,120	11,784	17,518	12,924	4.5	3.4
Glasshouse fuel	25,979	17,244	23,801	18,912	6.1	4.9
Other variable costs	50	38	45	41	0.0	0.0
<b>Total variable costs</b>	<b>176,657</b>	<b>135,061</b>	<b>161,850</b>	<b>148,127</b>	<b>41.3</b>	<b>38.6</b>
<b>Total gross margin</b>	<b>250,959</b>	<b>214,846</b>	<b>229,923</b>	<b>235,631</b>	<b>58.7</b>	<b>61.4</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	96,114	76,783	88,058	84,211	22.5	21.9
Regular unpaid	31,372	34,410	28,742	37,739	7.3	9.8
Casual labour	29,542	26,825	27,065	29,420	6.9	7.7
Power & machinery costs:						
Contract & hire	3,250	2,733	2,978	2,998	0.8	0.8
Fuel & electricity	9,942	8,548	9,109	9,375	2.3	2.4
Repairs	7,100	5,457	6,505	5,985	1.7	1.6
Machinery depreciation	9,707	7,132	8,893	7,822	2.3	2.0
Glasshouse depreciation	8,791	6,796	8,054	7,454	2.1	1.9
Rent (incl. imputed)	7,073	6,296	6,480	6,905	1.7	1.8
Other costs:						
Occupier's repairs	9,306	8,319	8,526	9,124	2.2	2.4
Permanent crop depreciation	88	48	81	53	0.0	0.0
Water	2,449	2,079	2,244	2,280	0.6	0.6
Sundries	20,662	17,562	18,930	19,261	4.8	5.0
<b>Total fixed costs</b>	<b>235,397</b>	<b>202,990</b>	<b>215,665</b>	<b>222,628</b>	<b>55.0</b>	<b>58.0</b>
<b>Management &amp; investment income</b>	<b>15,562</b>	<b>11,856</b>	<b>14,258</b>	<b>13,003</b>	<b>3.6</b>	<b>3.4</b>
Minus: management salaries	2,659	471	2,436	517	0.6	0.1
Plus: farmer & spouse labour	28,075	31,105	25,722	34,114	6.6	8.9
<b>Net farm income</b>	<b>40,978</b>	<b>42,490</b>	<b>37,543</b>	<b>46,600</b>	<b>9.6</b>	<b>12.1</b>
<b>Farm business income</b>	<b>34,747</b>	<b>40,991</b>	<b>31,834</b>	<b>44,957</b>	<b>8.1</b>	<b>11.7</b>



**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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	23	25	23	25	23	25
Productive cropping area (ha)	1.10	1.07	1.10	1.07		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>255,296</b>	<b>225,673</b>	<b>233,094</b>	<b>211,443</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	21,123	20,532	19,286	19,237	8.3	9.1
Fertilisers & composts	6,927	6,366	6,324	5,965	2.7	2.8
Crop protection	2,587	2,608	2,362	2,444	1.0	1.2
Market charges	17,594	11,959	16,064	11,205	6.9	5.3
Packing materials	10,075	8,809	9,199	8,254	3.9	3.9
Horticultural sundries	9,284	6,332	8,476	5,932	3.6	2.8
Glasshouse fuel	38,605	29,820	35,248	27,940	15.1	13.2
Other variable costs	103	81	94	76	0.0	0.0
<b>Total variable costs</b>	<b>106,297</b>	<b>86,507</b>	<b>97,053</b>	<b>81,052</b>	<b>41.6</b>	<b>38.3</b>
<b>Total gross margin</b>	<b>148,998</b>	<b>139,166</b>	<b>136,041</b>	<b>130,391</b>	<b>58.4</b>	<b>61.7</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	44,402	41,073	40,541	38,483	17.4	18.2
Regular unpaid	27,212	30,973	24,845	29,020	10.7	13.7
Casual labour	29,267	30,485	26,722	28,563	11.5	13.5
Power & machinery costs:						
Contract & hire	983	880	898	824	0.4	0.4
Fuel & electricity	4,695	4,588	4,286	4,299	1.8	2.0
Repairs	5,920	4,791	5,406	4,489	2.3	2.1
Machinery depreciation	5,437	4,762	4,964	4,462	2.1	2.1
Glasshouse depreciation	9,159	7,019	8,362	6,576	3.6	3.1
Rent (incl. imputed)	5,314	5,309	4,852	4,974	2.1	2.4
Other costs:						
Occupier's repairs	6,130	7,851	5,597	7,356	2.4	3.5
Permanent crop depreciation	183	104	167	97	0.1	0.0
Water	1,530	1,735	1,397	1,626	0.6	0.8
Sundries	10,068	9,548	9,192	8,946	3.9	4.2
<b>Total fixed costs</b>	<b>150,301</b>	<b>149,117</b>	<b>137,230</b>	<b>139,715</b>	<b>58.9</b>	<b>66.1</b>
<b>Management &amp; investment income</b>	<b>-1,302</b>	<b>-9,952</b>	<b>-1,189</b>	<b>-9,324</b>	<b>-0.5</b>	<b>-4.4</b>
Minus: management salaries	597	488	545	457	0.2	0.2
Plus: farmer & spouse labour	24,580	27,728	22,442	25,980	9.6	12.3
<b>Net farm income</b>	<b>22,680</b>	<b>17,288</b>	<b>20,708</b>	<b>16,198</b>	<b>8.9</b>	<b>7.7</b>
<b>Farm business income</b>	<b>21,083</b>	<b>19,001</b>	<b>19,249</b>	<b>17,803</b>	<b>8.3</b>	<b>8.4</b>



**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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	35	32	35	32	35	32
Productive cropping area (ha)	1.09	0.78	1.09	0.78		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>586,648</b>	<b>457,917</b>	<b>539,187</b>	<b>589,654</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	112,604	86,822	103,494	111,800	19.2	19.0
Fertilisers & composts	20,083	18,099	18,458	23,306	3.4	4.0
Crop protection	2,946	2,477	2,708	3,190	0.5	0.5
Market charges	28,403	21,346	26,105	27,487	4.8	4.7
Packing materials	35,032	25,696	32,197	33,088	6.0	5.6
Horticultural sundries	28,199	16,524	25,917	21,277	4.8	3.6
Glasshouse fuel	14,326	6,310	13,167	8,125	2.4	1.4
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>241,591</b>	<b>177,274</b>	<b>222,046</b>	<b>228,273</b>	<b>41.2</b>	<b>38.7</b>
<b>Total gross margin</b>	<b>345,057</b>	<b>280,643</b>	<b>317,141</b>	<b>361,380</b>	<b>58.8</b>	<b>61.3</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	143,839	107,830	132,202	138,851	24.5	23.5
Regular unpaid	35,211	37,399	32,363	48,158	6.0	8.2
Casual labour	29,795	23,643	27,385	30,445	5.1	5.2
Power & machinery costs:						
Contract & hire	5,343	4,345	4,911	5,594	0.9	0.9
Fuel & electricity	14,786	11,991	13,589	15,441	2.5	2.6
Repairs	8,188	6,036	7,526	7,772	1.4	1.3
Machinery depreciation	13,647	9,193	12,543	11,838	2.3	2.0
Glasshouse depreciation	8,453	6,603	7,769	8,502	1.4	1.4
Rent (incl. imputed)	8,696	7,154	7,993	9,212	1.5	1.6
Other costs:						
Occupier's repairs	12,236	8,727	11,246	11,238	2.1	1.9
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	3,298	2,378	3,032	3,062	0.6	0.5
Sundries	30,438	24,529	27,976	31,585	5.2	5.4
<b>Total fixed costs</b>	<b>313,931</b>	<b>249,827</b>	<b>288,533</b>	<b>321,699</b>	<b>53.5</b>	<b>54.6</b>
<b>Management &amp; investment income</b>	<b>31,126</b>	<b>30,816</b>	<b>28,608</b>	<b>39,682</b>	<b>5.3</b>	<b>6.7</b>
Minus: management salaries	4,563	457	4,194	588	0.8	0.1
Plus: farmer & spouse labour	31,301	34,040	28,768	43,833	5.3	7.4
<b>Net farm income</b>	<b>57,864</b>	<b>64,400</b>	<b>53,183</b>	<b>82,927</b>	<b>9.9</b>	<b>14.1</b>
<b>Farm business income</b>	<b>47,357</b>	<b>60,109</b>	<b>43,526</b>	<b>77,402</b>	<b>8.1</b>	<b>13.1</b>



**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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	45	42	45	42	45	42
Productive cropping area (ha)	0.98	0.78	0.98	0.78		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>458,535</b>	<b>366,792</b>	<b>468,935</b>	<b>468,188</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	69,448	57,444	71,023	73,324	15.1	15.7
Fertilisers & composts	15,444	11,663	15,794	14,887	3.4	3.2
Crop protection	3,312	2,703	3,387	3,450	0.7	0.7
Market charges	21,150	15,363	21,630	19,609	4.6	4.2
Packing materials	27,526	19,107	28,150	24,389	6.0	5.2
Horticultural sundries	18,825	13,270	19,252	16,938	4.1	3.6
Glasshouse fuel	35,423	22,008	36,227	28,092	7.7	6.0
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>191,129</b>	<b>141,557</b>	<b>195,464</b>	<b>180,689</b>	<b>41.7</b>	<b>38.6</b>
<b>Total gross margin</b>	<b>267,406</b>	<b>225,235</b>	<b>273,471</b>	<b>287,499</b>	<b>58.3</b>	<b>61.4</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	91,805	70,397	93,888	89,858	20.0	19.2
Regular unpaid	32,881	35,300	33,627	45,058	7.2	9.6
Casual labour	39,658	32,184	40,558	41,081	8.6	8.8
Power & machinery costs:						
Contract & hire	2,862	2,245	2,927	2,866	0.6	0.6
Fuel & electricity	9,775	8,422	9,997	10,750	2.1	2.3
Repairs	7,340	5,744	7,506	7,332	1.6	1.6
Machinery depreciation	11,609	7,756	11,872	9,900	2.5	2.1
Glasshouse depreciation	11,045	7,586	11,295	9,683	2.4	2.1
Rent (incl. imputed)	8,833	7,030	9,033	8,973	1.9	1.9
Other costs:						
Occupier's repairs	11,023	10,263	11,273	13,100	2.4	2.8
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,565	2,185	2,623	2,789	0.6	0.6
Sundries	18,799	15,964	19,225	20,377	4.1	4.4
<b>Total fixed costs</b>	<b>248,196</b>	<b>205,076</b>	<b>253,825</b>	<b>261,767</b>	<b>54.1</b>	<b>55.9</b>
<b>Management &amp; investment income</b>	<b>19,210</b>	<b>20,159</b>	<b>19,646</b>	<b>25,732</b>	<b>4.2</b>	<b>5.5</b>
Minus: management salaries	3,674	440	3,758	561	0.8	0.1
Plus: farmer & spouse labour	29,897	32,186	30,575	41,084	6.5	8.8
<b>Net farm income</b>	<b>45,432</b>	<b>51,906</b>	<b>46,463</b>	<b>66,255</b>	<b>9.9</b>	<b>14.2</b>
<b>Farm business income</b>	<b>39,380</b>	<b>49,765</b>	<b>40,273</b>	<b>63,522</b>	<b>8.6</b>	<b>13.6</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>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	17	16	17	16	17	16
Productive cropping area (ha)	1.11	1.03	1.11	1.03		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>366,705</b>	<b>325,180</b>	<b>331,389</b>	<b>314,460</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	20,774	18,717	18,773	18,100	5.7	5.8
Fertilisers & composts	11,319	8,645	10,229	8,360	3.1	2.7
Crop protection	3,868	3,377	3,495	3,265	1.1	1.0
Market charges	27,771	20,539	25,096	19,862	7.6	6.3
Packing materials	16,081	13,345	14,532	12,905	4.4	4.1
Horticultural sundries	9,981	5,323	9,020	5,148	2.7	1.6
Glasshouse fuel	64,196	52,938	58,014	51,193	17.5	16.3
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>153,989</b>	<b>122,884</b>	<b>139,159</b>	<b>118,833</b>	<b>42.0</b>	<b>37.8</b>
<b>Total gross margin</b>	<b>212,716</b>	<b>202,296</b>	<b>192,230</b>	<b>195,627</b>	<b>58.0</b>	<b>62.2</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	63,287	58,586	57,192	56,655	17.3	18.0
Regular unpaid	27,312	29,245	24,682	28,281	7.4	9.0
Casual labour	47,014	48,218	42,486	46,629	12.8	14.8
Power & machinery costs:						
Contract & hire	1,637	1,524	1,479	1,474	0.4	0.5
Fuel & electricity	6,511	6,271	5,884	6,064	1.8	1.9
Repairs	9,428	7,792	8,520	7,535	2.6	2.4
Machinery depreciation	7,160	6,094	6,470	5,893	2.0	1.9
Glasshouse depreciation	14,847	12,090	13,417	11,692	4.0	3.7
Rent (incl. imputed)	7,227	6,062	6,531	5,862	2.0	1.9
Other costs:						
Occupier's repairs	8,663	12,925	7,829	12,498	2.4	4.0
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	1,895	2,099	1,713	2,030	0.5	0.6
Sundries	12,576	11,213	11,365	10,844	3.4	3.4
<b>Total fixed costs</b>	<b>207,558</b>	<b>202,119</b>	<b>187,568</b>	<b>195,456</b>	<b>56.6</b>	<b>62.2</b>
<b>Management &amp; investment income</b>	<b>5,158</b>	<b>177</b>	<b>4,662</b>	<b>171</b>	<b>1.4</b>	<b>0.1</b>
Minus: management salaries	285	266	257	257	0.1	0.1
Plus: farmer & spouse labour	24,821	25,977	22,430	25,120	6.8	8.0
<b>Net farm income</b>	<b>29,694</b>	<b>25,888</b>	<b>26,834</b>	<b>25,034</b>	<b>8.1</b>	<b>8.0</b>
<b>Farm business income</b>	<b>25,271</b>	<b>25,740</b>	<b>22,837</b>	<b>24,891</b>	<b>6.9</b>	<b>7.9</b>



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

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	11	10	11	10	11	10
Productive cropping area (ha)	0.76	0.83	0.76	0.83		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>332,549</b>	<b>354,042</b>	<b>436,913</b>	<b>426,456</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	16,772	18,942	22,035	22,816	5.0	5.4
Fertilisers & composts	10,918	9,358	14,345	11,272	3.3	2.6
Crop protection	4,360	3,829	5,729	4,612	1.3	1.1
Market charges	16,838	11,276	22,122	13,582	5.1	3.2
Packing materials	12,092	11,922	15,887	14,361	3.6	3.4
Horticultural sundries	4,047	5,396	5,317	6,499	1.2	1.5
Glasshouse fuel	85,872	85,208	112,822	102,637	25.8	24.1
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>150,899</b>	<b>145,931</b>	<b>198,256</b>	<b>175,780</b>	<b>45.4</b>	<b>41.2</b>
<b>Total gross margin</b>	<b>181,650</b>	<b>208,110</b>	<b>238,657</b>	<b>250,676</b>	<b>54.6</b>	<b>58.8</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	75,646	82,509	99,386	99,385	22.7	23.3
Regular unpaid	25,050	26,202	32,912	31,561	7.5	7.4
Casual labour	4,058	9,429	5,332	11,357	1.2	2.7
Power & machinery costs:						
Contract & hire	1,476	1,778	1,939	2,142	0.4	0.5
Fuel & electricity	6,365	6,371	8,363	7,674	1.9	1.8
Repairs	12,057	12,308	15,841	14,825	3.6	3.5
Machinery depreciation	5,618	5,663	7,381	6,821	1.7	1.6
Glasshouse depreciation	20,527	19,903	26,969	23,974	6.2	5.6
Rent (incl. imputed)	6,274	6,348	8,243	7,646	1.9	1.8
Other costs:						
Occupier's repairs	8,902	18,717	11,695	22,545	2.7	5.3
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	1,253	2,063	1,646	2,485	0.4	0.6
Sundries	12,862	12,592	16,899	15,167	3.9	3.6
<b>Total fixed costs</b>	<b>180,089</b>	<b>203,881</b>	<b>236,606</b>	<b>245,582</b>	<b>54.2</b>	<b>57.6</b>
<b>Management &amp; investment income</b>	<b>1,561</b>	<b>4,229</b>	<b>2,051</b>	<b>5,094</b>	<b>0.5</b>	<b>1.2</b>
Minus: management salaries	44	48	58	58	0.0	0.0
Plus: farmer & spouse labour	22,839	23,834	30,007	28,709	6.9	6.7
<b>Net farm income</b>	<b>24,356</b>	<b>28,016</b>	<b>32,000</b>	<b>33,746</b>	<b>7.3</b>	<b>7.9</b>
<b>Farm business income</b>	<b>24,695</b>	<b>28,982</b>	<b>32,445</b>	<b>34,909</b>	<b>7.4</b>	<b>8.2</b>

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

	Average 2014/15	Average 2015/16
Glasshouse crops		
Flowers & nursery stock	0.0	0.0
Tomatoes	76.2	79.1
Lettuce	5.7	6.1
Soft fruit	0.0	0.0
Other glasshouse crops	18.1	14.8
Outdoor crops		
Flowers & nursery stock	0.0	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 2014/15	Average 2015/16
Crops & tillages	0	0
Stores	2	2
Glasshouses	42	52
Equipment	11	12
Livestock	0	0
Other	44	35
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>551,160</b>	<b>534,201</b>

*\* no premium figures, sample too small*

**Table 2.13 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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	28	26	28	26	28	26
Productive cropping area (ha)	0.89	0.65	0.89	0.65		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>523,383</b>	<b>388,729</b>	<b>590,123</b>	<b>596,866</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	103,821	77,860	117,060	119,548	19.8	20.0
Fertilisers & composts	18,357	13,254	20,698	20,350	3.5	3.4
Crop protection	2,920	2,347	3,292	3,604	0.6	0.6
Market charges	16,475	12,634	18,576	19,398	3.1	3.2
Packing materials	35,608	22,145	40,148	34,002	6.8	5.7
Horticultural sundries	25,070	17,460	28,267	26,808	4.8	4.5
Glasshouse fuel	15,105	5,702	17,031	8,755	2.9	1.5
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>217,356</b>	<b>151,401</b>	<b>245,072</b>	<b>232,466</b>	<b>41.5</b>	<b>38.9</b>
<b>Total gross margin</b>	<b>306,027</b>	<b>237,327</b>	<b>345,051</b>	<b>364,400</b>	<b>58.5</b>	<b>61.1</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	111,944	76,623	126,219	117,650	21.4	19.7
Regular unpaid	36,814	38,492	41,509	59,101	7.0	9.9
Casual labour	34,464	23,731	38,859	36,438	6.6	6.1
Power & machinery costs:						
Contract & hire	3,727	2,625	4,203	4,031	0.7	0.7
Fuel & electricity	12,080	9,556	13,621	14,672	2.3	2.5
Repairs	5,865	4,664	6,613	7,161	1.1	1.2
Machinery depreciation	14,751	8,632	16,632	13,254	2.8	2.2
Glasshouse depreciation	8,360	5,211	9,426	8,002	1.6	1.3
Rent (incl. imputed)	9,967	7,540	11,237	11,578	1.9	1.9
Other costs:						
Occupier's repairs	12,689	8,860	14,307	13,604	2.4	2.3
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	3,038	2,230	3,425	3,424	0.6	0.6
Sundries	23,194	18,469	26,151	28,357	4.4	4.8
<b>Total fixed costs</b>	<b>276,893</b>	<b>206,634</b>	<b>312,202</b>	<b>317,272</b>	<b>52.9</b>	<b>53.2</b>
<b>Management &amp; investment income</b>	<b>29,134</b>	<b>30,693</b>	<b>32,849</b>	<b>47,127</b>	<b>5.6</b>	<b>7.9</b>
Minus: management salaries	6,068	531	6,842	816	1.2	0.1
Plus: farmer & spouse labour	33,481	35,460	37,750	54,447	6.4	9.1
<b>Net farm income</b>	<b>56,546</b>	<b>65,622</b>	<b>63,757</b>	<b>100,758</b>	<b>10.8</b>	<b>16.9</b>
<b>Farm business income</b>	<b>49,344</b>	<b>62,431</b>	<b>55,636</b>	<b>95,858</b>	<b>9.4</b>	<b>16.1</b>



**Table 2.14 All specialist fruit businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	51	47	51	47	51	47
Productive cropping area (ha)	22.07	19.57	22.07	19.57		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>349,074</b>	<b>313,961</b>	<b>15,818</b>	<b>16,043</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	8,155	8,006	370	409	2.3	2.5
Fertilisers & composts	5,866	6,608	266	338	1.7	2.1
Crop protection	16,715	17,439	757	891	4.8	5.6
Market charges	48,827	36,422	2,213	1,861	14.0	11.6
Packing materials	37,451	34,419	1,697	1,759	10.7	11.0
Horticultural sundries	17,365	16,075	787	821	5.0	5.1
Glasshouse fuel	0	0	0	0	0.0	0.0
Other variable costs	1,758	1,615	80	83	0.5	0.5
<b>Total variable costs</b>	<b>136,137</b>	<b>120,583</b>	<b>6,169</b>	<b>6,162</b>	<b>39.0</b>	<b>38.4</b>
<b>Total gross margin</b>	<b>212,937</b>	<b>193,378</b>	<b>9,649</b>	<b>9,882</b>	<b>61.0</b>	<b>61.6</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	27,525	22,974	1,247	1,174	7.9	7.3
Regular unpaid	21,546	20,462	976	1,046	6.2	6.5
Casual labour	79,822	69,785	3,617	3,566	22.9	22.2
Power & machinery costs:						
Contract & hire	10,328	7,522	468	384	3.0	2.4
Fuel & electricity	11,404	9,415	517	481	3.3	3.0
Repairs	8,342	9,099	378	465	2.4	2.9
Machinery depreciation	13,502	11,361	612	581	3.9	3.6
Glasshouse depreciation	473	323	21	17	0.1	0.1
Rent (incl. imputed)	18,655	17,147	845	876	5.3	5.5
Other costs:						
Occupier's repairs	6,463	7,335	293	375	1.9	2.3
Permanent crop depreciation	4,033	3,512	183	179	1.2	1.1
Water	1,702	2,139	77	109	0.5	0.7
Sundries	15,645	15,294	709	782	4.5	4.9
<b>Total fixed costs</b>	<b>219,441</b>	<b>196,368</b>	<b>9,944</b>	<b>10,034</b>	<b>62.9</b>	<b>62.5</b>
<b>Management &amp; investment income</b>	<b>-6,504</b>	<b>-2,990</b>	<b>-295</b>	<b>-153</b>	<b>-1.9</b>	<b>-1.0</b>
Minus: management salaries	314	289	14	15	0.1	0.1
Plus: farmer & spouse labour	19,190	18,111	870	925	5.5	5.8
<b>Net farm income</b>	<b>12,372</b>	<b>14,832</b>	<b>561</b>	<b>758</b>	<b>3.5</b>	<b>4.7</b>
<b>Farm business income</b>	<b>14,552</b>	<b>13,354</b>	<b>659</b>	<b>682</b>	<b>4.2</b>	<b>4.3</b>





**Table 2.15 Specialist fruit businesses, mainly top fruit**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	33	31	33	31	33	31
Productive cropping area (ha)	20.05	16.52	20.05	16.52		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>240,377</b>	<b>170,792</b>	<b>11,990</b>	<b>10,341</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	881	771	44	47	0.4	0.5
Fertilisers & composts	2,186	2,565	109	155	0.9	1.5
Crop protection	13,656	11,190	681	678	5.7	6.6
Market charges	39,968	26,087	1,994	1,580	16.6	15.3
Packing materials	18,192	14,661	907	888	7.6	8.6
Horticultural sundries	9,418	7,946	470	481	3.9	4.7
Glasshouse fuel	0	0	0	0	0.0	0.0
Other variable costs	333	332	17	20	0.1	0.2
<b>Total variable costs</b>	<b>84,633</b>	<b>63,551</b>	<b>4,221</b>	<b>3,848</b>	<b>35.2</b>	<b>37.2</b>
<b>Total gross margin</b>	<b>155,744</b>	<b>107,240</b>	<b>7,768</b>	<b>6,493</b>	<b>64.8</b>	<b>62.8</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	20,957	13,768	1,045	834	8.7	8.1
Regular unpaid	21,368	19,973	1,066	1,209	8.9	11.7
Casual labour	40,206	24,078	2,005	1,458	16.7	14.1
Power & machinery costs:						
Contract & hire	4,790	6,396	239	387	2.0	3.7
Fuel & electricity	8,971	6,462	447	391	3.7	3.8
Repairs	6,534	6,986	326	423	2.7	4.1
Machinery depreciation	13,155	9,553	656	578	5.5	5.6
Glasshouse depreciation	18	37	1	2	0.0	0.0
Rent (incl. imputed)	13,420	10,830	669	656	5.6	6.3
Other costs:						
Occupier's repairs	3,870	3,114	193	189	1.6	1.8
Permanent crop depreciation	4,671	4,511	233	273	1.9	2.6
Water	608	655	30	40	0.3	0.4
Sundries	11,584	10,143	578	614	4.8	5.9
<b>Total fixed costs</b>	<b>150,153</b>	<b>116,507</b>	<b>7,489</b>	<b>7,054</b>	<b>62.5</b>	<b>68.2</b>
<b>Management &amp; investment income</b>	<b>5,591</b>	<b>-9,266</b>	<b>279</b>	<b>-561</b>	<b>2.3</b>	<b>-5.4</b>
Minus: management salaries	193	208	10	13	0.1	0.1
Plus: farmer & spouse labour	18,582	17,217	927	1,043	7.7	10.1
<b>Net farm income</b>	<b>23,981</b>	<b>7,743</b>	<b>1,196</b>	<b>469</b>	<b>10.0</b>	<b>4.5</b>
<b>Farm business income</b>	<b>28,120</b>	<b>11,833</b>	<b>1,403</b>	<b>716</b>	<b>11.7</b>	<b>6.9</b>



**Table 2.16 Specialist fruit businesses, mainly top fruit-excluding cider**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	23	21	23	21	23	21
Productive cropping area (ha)	20.08	15.63	20.08	15.63		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>307,012</b>	<b>213,890</b>	<b>15,286</b>	<b>13,685</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	1,208	1,067	60	68	0.4	0.5
Fertilisers & composts	1,940	1,509	97	97	0.6	0.7
Crop protection	17,051	13,806	849	883	5.6	6.5
Market charges	56,586	38,085	2,817	2,437	18.4	17.8
Packing materials	26,047	22,180	1,297	1,419	8.5	10.4
Horticultural sundries	12,898	11,856	642	759	4.2	5.5
Glasshouse fuel	0	0	0	0	0.0	0.0
Other variable costs	4	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>115,734</b>	<b>88,504</b>	<b>5,762</b>	<b>5,663</b>	<b>37.7</b>	<b>41.4</b>
<b>Total gross margin</b>	<b>191,278</b>	<b>125,386</b>	<b>9,523</b>	<b>8,022</b>	<b>62.3</b>	<b>58.6</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	28,568	19,295	1,422	1,234	9.3	9.0
Regular unpaid	23,511	22,255	1,171	1,424	7.7	10.4
Casual labour	56,511	34,572	2,814	2,212	18.4	16.2
Power & machinery costs:						
Contract & hire	3,661	5,487	182	351	1.2	2.6
Fuel & electricity	11,199	8,558	558	548	3.6	4.0
Repairs	7,659	7,570	381	484	2.5	3.5
Machinery depreciation	15,434	10,427	768	667	5.0	4.9
Glasshouse depreciation	26	56	1	4	0.0	0.0
Rent (incl. imputed)	15,065	11,200	750	717	4.9	5.2
Other costs:						
Occupier's repairs	4,209	3,149	210	201	1.4	1.5
Permanent crop depreciation	5,267	5,293	262	339	1.7	2.5
Water	780	835	39	53	0.3	0.4
Sundries	13,937	12,160	694	778	4.5	5.7
<b>Total fixed costs</b>	<b>185,827</b>	<b>140,858</b>	<b>9,252</b>	<b>9,012</b>	<b>60.5</b>	<b>65.9</b>
<b>Management &amp; investment income</b>	<b>5,451</b>	<b>-15,472</b>	<b>271</b>	<b>-990</b>	<b>1.8</b>	<b>-7.2</b>
Minus: management salaries	278	317	14	20	0.1	0.1
Plus: farmer & spouse labour	20,341	18,892	1,013	1,209	6.6	8.8
<b>Net farm income</b>	<b>25,513</b>	<b>3,102</b>	<b>1,270</b>	<b>198</b>	<b>8.3</b>	<b>1.5</b>
<b>Farm business income</b>	<b>30,581</b>	<b>9,123</b>	<b>1,523</b>	<b>584</b>	<b>10.0</b>	<b>4.3</b>



**Table 2.17 Specialist fruit businesses, cider\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
Number of businesses	10	10	10	10	10	10
Productive cropping area (ha)	19.97	18.21	19.97	18.21		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>90,562</b>	<b>88,354</b>	<b>4,535</b>	<b>4,852</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	145	203	7	11	0.2	0.2
Fertilisers & composts	2,742	4,584	137	252	3.0	5.2
Crop protection	6,021	6,185	302	340	6.6	7.0
Market charges	2,603	3,138	130	172	2.9	3.6
Packing materials	532	279	27	15	0.6	0.3
Horticultural sundries	1,592	466	80	26	1.8	0.5
Glasshouse fuel	0	0	0	0	0.0	0.0
Other variable costs	1,075	967	54	53	1.2	1.1
<b>Total variable costs</b>	<b>14,711</b>	<b>15,823</b>	<b>737</b>	<b>869</b>	<b>16.2</b>	<b>17.9</b>
<b>Total gross margin</b>	<b>75,851</b>	<b>72,531</b>	<b>3,799</b>	<b>3,983</b>	<b>83.8</b>	<b>82.1</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	3,846	3,197	193	176	4.2	3.6
Regular unpaid	16,550	15,607	829	857	18.3	17.7
Casual labour	3,547	4,003	178	220	3.9	4.5
Power & machinery costs:						
Contract & hire	7,327	8,134	367	447	8.1	9.2
Fuel & electricity	3,963	2,453	198	135	4.4	2.8
Repairs	4,004	5,867	201	322	4.4	6.6
Machinery depreciation	8,030	7,882	402	433	8.9	8.9
Glasshouse depreciation	0	0	0	0	0.0	0.0
Rent (incl. imputed)	9,723	10,124	487	556	10.7	11.5
Other costs:						
Occupier's repairs	3,106	3,049	156	167	3.4	3.5
Permanent crop depreciation	3,331	3,014	167	166	3.7	3.4
Water	220	311	11	17	0.2	0.4
Sundries	6,296	6,286	315	345	7.0	7.1
<b>Total fixed costs</b>	<b>69,945</b>	<b>69,927</b>	<b>3,503</b>	<b>3,840</b>	<b>77.2</b>	<b>79.1</b>
<b>Management &amp; investment income</b>	<b>5,906</b>	<b>2,604</b>	<b>296</b>	<b>143</b>	<b>6.5</b>	<b>2.9</b>
Minus: management salaries	0	0	0	0	0.0	0.0
Plus: farmer & spouse labour	14,629	14,015	733	770	16.2	15.9
<b>Net farm income</b>	<b>20,535</b>	<b>16,620</b>	<b>1,028</b>	<b>913</b>	<b>22.7</b>	<b>18.8</b>
<b>Farm business income</b>	<b>22,585</b>	<b>17,017</b>	<b>1,131</b>	<b>934</b>	<b>24.9</b>	<b>19.3</b>

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

	Average 2014/15	Average 2015/16
Top fruit		
Dessert apples & pears	0.0	0.0
Culinary apples	0.0	0.0
Cider apples	97.9	98.6
Plums	0.0	0.0
Other top fruit	0.2	0.2
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	1.9	1.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

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

	Average 2014/15	Average 2015/16
Crops & tillages	1	1
Stores	3	3
Glasshouses	0	0
Equipment	33	32
Livestock	3	3
Other	60	61
<b>Total</b>	<b>100</b>	<b>100</b>

**Tenant's capital (£)**                      **293,326**   **283,074**

*\* no premium figures, sample too small*

**Table 2.18 All specialist hardy nursery stock businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	32	37	32	37	32	37
Productive cropping area (ha)	2.38	2.67	2.38	2.67		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>355,415</b>	<b>262,445</b>	<b>149,255</b>	<b>98,233</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	92,736	64,074	38,944	23,983	26.1	24.4
Fertilisers & composts	9,304	10,850	3,907	4,061	2.6	4.1
Crop protection	2,473	1,591	1,039	596	0.7	0.6
Market charges	20,580	11,982	8,642	4,485	5.8	4.6
Packing materials	8,583	9,350	3,604	3,500	2.4	3.6
Horticultural sundries	15,536	11,154	6,524	4,175	4.4	4.3
Glasshouse fuel	649	524	272	196	0.2	0.2
Other variable costs	0	1,283	0	480	0.0	0.5
<b>Total variable costs</b>	<b>149,862</b>	<b>110,808</b>	<b>62,934</b>	<b>41,475</b>	<b>42.2</b>	<b>42.2</b>
<b>Total gross margin</b>	<b>205,553</b>	<b>151,637</b>	<b>86,321</b>	<b>56,758</b>	<b>57.8</b>	<b>57.8</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	82,761	50,002	34,755	18,716	23.3	19.1
Regular unpaid	28,664	30,243	12,037	11,320	8.1	11.5
Casual labour	13,702	9,578	5,754	3,585	3.9	3.6
Power & machinery costs:						
Contract & hire	1,310	3,023	550	1,132	0.4	1.2
Fuel & electricity	6,958	5,469	2,922	2,047	2.0	2.1
Repairs	5,937	3,675	2,493	1,376	1.7	1.4
Machinery depreciation	5,856	5,821	2,459	2,179	1.6	2.2
Glasshouse depreciation	1,479	1,009	621	378	0.4	0.4
Rent (incl. imputed)	8,665	7,068	3,639	2,646	2.4	2.7
Other costs:						
Occupier's repairs	6,293	5,266	2,643	1,971	1.8	2.0
Permanent crop depreciation	8	13	3	5	0.0	0.0
Water	1,894	1,079	795	404	0.5	0.4
Sundries	21,936	15,823	9,212	5,923	6.2	6.0
<b>Total fixed costs</b>	<b>185,463</b>	<b>138,071</b>	<b>77,885</b>	<b>51,680</b>	<b>52.2</b>	<b>52.6</b>
<b>Management &amp; investment income</b>	<b>20,089</b>	<b>13,566</b>	<b>8,437</b>	<b>5,078</b>	<b>5.7</b>	<b>5.2</b>
Minus: management salaries	403	321	169	120	0.1	0.1
Plus: farmer & spouse labour	24,335	26,281	10,219	9,837	6.8	10.0
<b>Net farm income</b>	<b>44,021</b>	<b>39,527</b>	<b>18,487</b>	<b>14,795</b>	<b>12.4</b>	<b>15.1</b>
<b>Farm business income</b>	<b>39,755</b>	<b>38,308</b>	<b>16,695</b>	<b>14,339</b>	<b>11.2</b>	<b>14.6</b>





**Table 2.19 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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	14	15	14	15	14	15
Productive cropping area (ha)	1.99	1.34	1.99	1.34		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>633,491</b>	<b>448,392</b>	<b>318,393</b>	<b>333,682</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	151,680	107,766	76,235	80,197	23.9	24.0
Fertilisers & composts	14,817	20,023	7,447	14,900	2.3	4.5
Crop protection	3,955	1,624	1,988	1,208	0.6	0.4
Market charges	43,935	23,822	22,082	17,728	6.9	5.3
Packing materials	17,028	21,370	8,558	15,903	2.7	4.8
Horticultural sundries	27,022	22,007	13,581	16,377	4.3	4.9
Glasshouse fuel	1,409	1,381	708	1,027	0.2	0.3
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>259,847</b>	<b>197,992</b>	<b>130,599</b>	<b>147,340</b>	<b>41.0</b>	<b>44.2</b>
<b>Total gross margin</b>	<b>373,644</b>	<b>250,401</b>	<b>187,794</b>	<b>186,341</b>	<b>59.0</b>	<b>55.8</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	165,037	93,098	82,948	69,281	26.1	20.8
Regular unpaid	33,660	35,092	16,917	26,115	5.3	7.8
Casual labour	25,316	20,017	12,724	14,896	4.0	4.5
Power & machinery costs:						
Contract & hire	2,013	2,698	1,012	2,008	0.3	0.6
Fuel & electricity	8,736	6,847	4,391	5,095	1.4	1.5
Repairs	8,604	4,691	4,324	3,491	1.4	1.0
Machinery depreciation	7,385	5,971	3,712	4,443	1.2	1.3
Glasshouse depreciation	2,255	1,632	1,133	1,214	0.4	0.4
Rent (incl. imputed)	9,291	6,297	4,670	4,686	1.5	1.4
Other costs:						
Occupier's repairs	9,487	7,332	4,768	5,456	1.5	1.6
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	3,297	1,580	1,657	1,176	0.5	0.4
Sundries	37,150	25,502	18,672	18,978	5.9	5.7
<b>Total fixed costs</b>	<b>312,232</b>	<b>210,757</b>	<b>156,928</b>	<b>156,840</b>	<b>49.3</b>	<b>47.0</b>
<b>Management &amp; investment income</b>	<b>61,412</b>	<b>39,644</b>	<b>30,866</b>	<b>29,502</b>	<b>9.7</b>	<b>8.8</b>
Minus: management salaries	1,047	953	526	709	0.2	0.2
Plus: farmer & spouse labour	24,554	27,561	12,341	20,510	3.9	6.1
<b>Net farm income</b>	<b>84,918</b>	<b>66,252</b>	<b>42,680</b>	<b>49,303</b>	<b>13.4</b>	<b>14.8</b>
<b>Farm business income</b>	<b>76,722</b>	<b>61,472</b>	<b>38,561</b>	<b>45,746</b>	<b>12.1</b>	<b>13.7</b>

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

	Average 2014/15	Average 2015/16
Hardy nursery stock		
Glasshouse crops	50.5	21.5
Outdoor crops	48.9	77.3
Other crops	0.6	1.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

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

	Average 2014/15	Average 2015/16
Crops & tillages	48	47
Stores	7	8
Glasshouses	6	6
Equipment	14	15
Livestock	0	0
Other	25	24
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Tenant's capital (£)</b>	<b>624,074</b>	<b>478,444</b>

*\* no premium figures, sample too small*

**Table 2.20 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>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	17	18	17	18	17	18
Productive cropping area (ha)	2.85	2.47	2.85	2.47		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>200,660</b>	<b>197,323</b>	<b>70,357</b>	<b>79,739</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	62,741	53,329	21,999	21,551	31.3	27.0
Fertilisers & composts	6,586	7,243	2,309	2,927	3.3	3.7
Crop protection	1,709	1,591	599	643	0.9	0.8
Market charges	6,719	7,651	2,356	3,092	3.3	3.9
Packing materials	3,713	4,162	1,302	1,682	1.9	2.1
Horticultural sundries	9,393	7,073	3,294	2,858	4.7	3.6
Glasshouse fuel	195	115	68	46	0.1	0.1
Other variable costs	0	0	0	0	0.0	0.0
<b>Total variable costs</b>	<b>91,056</b>	<b>81,165</b>	<b>31,927</b>	<b>32,799</b>	<b>45.4</b>	<b>41.1</b>
<b>Total gross margin</b>	<b>109,604</b>	<b>116,158</b>	<b>38,430</b>	<b>46,940</b>	<b>54.6</b>	<b>58.9</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	35,208	36,031	12,345	14,560	17.5	18.3
Regular unpaid	27,813	29,008	9,752	11,722	13.9	14.7
Casual labour	6,846	5,484	2,400	2,216	3.4	2.8
Power & machinery costs:						
Contract & hire	814	2,001	286	809	0.4	1.0
Fuel & electricity	6,519	4,836	2,286	1,954	3.2	2.5
Repairs	4,238	3,403	1,486	1,375	2.1	1.7
Machinery depreciation	4,916	4,296	1,724	1,736	2.5	2.2
Glasshouse depreciation	1,118	888	392	359	0.6	0.4
Rent (incl. imputed)	7,746	7,401	2,716	2,991	3.9	3.8
Other costs:						
Occupier's repairs	4,271	4,084	1,498	1,650	2.1	2.1
Permanent crop depreciation	14	14	5	6	0.0	0.0
Water	1,026	910	360	368	0.5	0.5
Sundries	12,850	11,557	4,506	4,670	6.4	5.9
<b>Total fixed costs</b>	<b>113,380</b>	<b>109,913</b>	<b>39,754</b>	<b>44,416</b>	<b>56.5</b>	<b>55.7</b>
<b>Management &amp; investment income</b>	<b>-3,776</b>	<b>6,245</b>	<b>-1,324</b>	<b>2,523</b>	<b>-1.9</b>	<b>3.2</b>
Minus: management salaries	0	0	0	0	0.0	0.0
Plus: farmer & spouse labour	26,304	26,937	9,223	10,885	13.1	13.7
<b>Net farm income</b>	<b>22,527</b>	<b>33,181</b>	<b>7,899</b>	<b>13,409</b>	<b>11.2</b>	<b>16.8</b>
<b>Farm business income</b>	<b>19,026</b>	<b>32,603</b>	<b>6,671</b>	<b>13,175</b>	<b>9.5</b>	<b>16.5</b>



**Table 2.21 All other horticulture businesses**

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	34	42	34	42	34	42
Productive cropping area (ha)	25.85	27.63	25.85	27.63		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>340,613</b>	<b>335,707</b>	<b>13,177</b>	<b>12,149</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	36,107	34,203	1,397	1,238	10.6	10.2
Fertilisers & composts	12,368	10,009	478	362	3.6	3.0
Crop protection	10,097	11,224	391	406	3.0	3.3
Market charges	15,041	13,923	582	504	4.4	4.1
Packing materials	15,432	13,778	597	499	4.5	4.1
Horticultural sundries	12,160	11,675	470	422	3.6	3.5
Glasshouse fuel	2,041	1,921	79	69	0.6	0.6
Other variable costs	268	1,166	10	42	0.1	0.3
<b>Total variable costs</b>	<b>103,513</b>	<b>97,898</b>	<b>4,004</b>	<b>3,543</b>	<b>30.4</b>	<b>29.2</b>
<b>Total gross margin</b>	<b>237,099</b>	<b>237,809</b>	<b>9,172</b>	<b>8,606</b>	<b>69.6</b>	<b>70.8</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	62,667	50,350	2,424	1,822	18.4	15.0
Regular unpaid	34,507	33,795	1,335	1,223	10.1	10.1
Casual labour	42,258	45,789	1,635	1,657	12.4	13.6
Power & machinery costs:						
Contract & hire	7,774	12,167	301	440	2.3	3.6
Fuel & electricity	14,573	12,590	564	456	4.3	3.8
Repairs	10,552	11,226	408	406	3.1	3.3
Machinery depreciation	12,972	13,816	502	500	3.8	4.1
Glasshouse depreciation	1,526	1,447	59	52	0.4	0.4
Rent (incl. imputed)	20,050	20,192	776	731	5.9	6.0
Other costs:						
Occupier's repairs	7,378	6,349	285	230	2.2	1.9
Permanent crop depreciation	286	501	11	18	0.1	0.1
Water	1,620	1,433	63	52	0.5	0.4
Sundries	15,899	16,068	615	581	4.7	4.8
<b>Total fixed costs</b>	<b>232,063</b>	<b>225,724</b>	<b>8,977</b>	<b>8,168</b>	<b>68.1</b>	<b>67.2</b>
<b>Management &amp; investment income</b>	<b>5,037</b>	<b>12,085</b>	<b>195</b>	<b>437</b>	<b>1.5</b>	<b>3.6</b>
Minus: management salaries	603	327	23	12	0.2	0.1
Plus: farmer & spouse labour	24,754	23,981	958	868	7.3	7.1
<b>Net farm income</b>	<b>29,188</b>	<b>35,739</b>	<b>1,129</b>	<b>1,293</b>	<b>8.6</b>	<b>10.6</b>
<b>Farm business income</b>	<b>34,332</b>	<b>40,536</b>	<b>1,328</b>	<b>1,467</b>	<b>10.1</b>	<b>12.1</b>

Premium businesses	Per	Per £100	Crop output per cent of total crop output (%)		
	hectare	of gross output	Average	Average	Premium
	2015/16	2015/16	2014/15	2015/16	2015/16
Number of businesses	16	16			
Productive cropping area (ha)	49.11				
	<b>£ per hectare</b>	<b>average %</b>			
<b>Gross output</b>	<b>18,914</b>	<b>100.0</b>			
<b>Variable costs</b>					
Seed & young plants	2,071	10.9	Glasshouse crops	14.4	15.5
Fertilisers & composts	553	2.9	Outdoor vegetables:		
Crop protection	543	2.9	Brassicas	7.6	6.6
			Legumes	0.7	3.2
Market charges	912	4.8	Salad crops	0.9	0.5
Packing materials	864	4.6	Other outdoor vegetables	27.0	27.0
Horticultural sundries	594	3.1	Flowers & nursery stock	9.9	11.0
Glasshouse fuel	115	0.6	Soft fruit	28.3	24.6
Other variable costs	21	0.1	Top fruit	0.0	0.7
			Farm crops	11.1	11.0
<b>Total variable costs</b>	<b>5,673</b>	<b>30.0</b>	<b>Total</b>	<b>100.0</b>	<b>100.0</b>
					<b>100.0</b>
<b>Total gross margin</b>	<b>13,241</b>	<b>70.0</b>	<b>Distribution of tenant's type capital (%)</b>		
<b>Fixed costs</b>			Average	Average	Premium
Labour:			2014/15	2015/16	2015/16
Regular paid	2,848	15.1	Crops & tillages	11	10
Regular unpaid	591	3.1	Stores	6	6
Casual labour	2,950	15.6	Glasshouses	6	6
			Equipment	32	36
Power & machinery costs:			Livestock	0	1
Contract & hire	482	2.6	Other	44	41
Fuel & electricity	667	3.5	<b>Total</b>	<b>100</b>	<b>100</b>
Repairs	428	2.3			<b>100</b>
Machinery depreciation	636	3.4	<b>Tenant's capital (£)</b>	<b>473,920</b>	<b>459,893</b>
Glasshouse depreciation	91	0.5		<b>1,112,837</b>	
Rent (incl. imputed)	912	4.8			
Other costs:					
Occupier's repairs	354	1.9			
Permanent crop depreciation	10	0.1			
Water	74	0.4			
Sundries	653	3.5			
<b>Total fixed costs</b>	<b>10,696</b>	<b>56.5</b>			
<b>Management &amp; investment income</b>	<b>2,546</b>	<b>13.5</b>			
Minus: management salaries	20	0.1			
Plus: farmer & spouse labour	461	2.4			
<b>Net farm income</b>	<b>2,987</b>	<b>15.8</b>			
<b>Farm business income</b>	<b>2,890</b>	<b>15.3</b>			

**Table 2.22 Other horticulture businesses, mainly outdoor vegetable crops\***

	<i>Per business</i>		<i>Per hectare</i>		<i>Per £100 of gross output</i>	
	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2015/16</b>
Number of businesses	16	20	16	20	16	20
Productive cropping area (ha)	18.50	15.80	18.50	15.80		
	<i>Average £/business</i>		<i>Average £/hectare</i>		<i>Average %</i>	
<b>Gross output</b>	<b>229,661</b>	<b>234,213</b>	<b>12,414</b>	<b>14,822</b>	<b>100.0</b>	<b>100.0</b>
<b>Variable costs</b>						
Seed & young plants	17,229	16,593	931	1,050	7.5	7.1
Fertilisers & composts	6,640	5,716	359	362	2.9	2.4
Crop protection	4,279	3,713	231	235	1.9	1.6
Market charges	8,536	7,398	461	468	3.7	3.2
Packing materials	10,856	13,821	587	875	4.7	5.9
Horticultural sundries	3,015	3,705	163	234	1.3	1.6
Glasshouse fuel	234	174	13	11	0.1	0.1
Other variable costs	410	753	22	48	0.2	0.3
<b>Total variable costs</b>	<b>51,198</b>	<b>51,873</b>	<b>2,767</b>	<b>3,283</b>	<b>22.3</b>	<b>22.1</b>
<b>Total gross margin</b>	<b>178,463</b>	<b>182,340</b>	<b>9,646</b>	<b>11,539</b>	<b>77.7</b>	<b>77.9</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	32,046	21,189	1,732	1,341	14.0	9.0
Regular unpaid	37,067	35,414	2,004	2,241	16.1	15.1
Casual labour	39,202	49,135	2,119	3,110	17.1	21.0
Power & machinery costs:						
Contract & hire	6,023	6,878	326	435	2.6	2.9
Fuel & electricity	9,564	7,410	517	469	4.2	3.2
Repairs	8,892	6,431	481	407	3.9	2.7
Machinery depreciation	8,500	10,548	459	667	3.7	4.5
Glasshouse depreciation	474	397	26	25	0.2	0.2
Rent (incl. imputed)	16,746	15,502	905	981	7.3	6.6
Other costs:						
Occupier's repairs	3,698	3,730	200	236	1.6	1.6
Permanent crop depreciation	-446	8	-24	1	-0.2	0.0
Water	1,493	907	81	57	0.7	0.4
Sundries	12,973	12,550	701	794	5.6	5.4
<b>Total fixed costs</b>	<b>176,232</b>	<b>170,097</b>	<b>9,526</b>	<b>10,765</b>	<b>76.7</b>	<b>72.6</b>
<b>Management &amp; investment income</b>	<b>2,230</b>	<b>12,242</b>	<b>121</b>	<b>775</b>	<b>1.0</b>	<b>5.2</b>
Minus: management salaries	737	458	40	29	0.3	0.2
Plus: farmer & spouse labour	27,259	26,268	1,473	1,662	11.9	11.2
<b>Net farm income</b>	<b>28,753</b>	<b>38,052</b>	<b>1,554</b>	<b>2,408</b>	<b>12.5</b>	<b>16.2</b>
<b>Farm business income</b>	<b>31,626</b>	<b>40,327</b>	<b>1,709</b>	<b>2,552</b>	<b>13.8</b>	<b>17.2</b>



Premium businesses	Per	Per £100	Crop output per cent of total crop output (%)		
	hectare	of gross	Average	Average	Premium
	2015/16	output	2014/15	2015/16	2015/16
		2015/16			
Number of businesses	8	8			
Productive cropping area (ha)	44.81				
	<b>£ per hectare</b>	<b>average %</b>			
<b>Gross output</b>	<b>15,939</b>	<b>100.0</b>			
<b>Variable costs</b>					
Seed & young plants	1,107	6.9	Glasshouse crops	6.1	4.8
Fertilisers & composts	442	2.8	Outdoor vegetables:		
Crop protection	259	1.6	Brassicas	18.3	16.6
			Legumes	0.3	6.9
Market charges	587	3.7	Salad crops	2.3	1.2
Packing materials	1,114	7.0	Other outdoor vegetables	65.1	68.1
Horticultural sundries	188	1.2	Flowers & nursery stock	0.0	0.1
Glasshouse fuel	4	0.0	Soft fruit	0.0	0.1
Other variable costs	43	0.3	Top fruit	0.1	0.1
			Farm crops	7.8	2.1
<b>Total variable costs</b>	<b>3,744</b>	<b>23.5</b>	<b>Total</b>	<b>100.0</b>	<b>100.0</b>
					<b>100.0</b>
<b>Total gross margin</b>	<b>12,194</b>	<b>76.5</b>	<b>Distribution of tenant's type capital (%)</b>		
				<b>Average</b>	<b>Average</b>
				<b>2014/15</b>	<b>2015/16</b>
					<b>Premium</b>
					<b>2015/16</b>
<b>Fixed costs</b>					
Labour:			Crops & tillages	2	2
Regular paid	1,361	8.5	Stores	7	4
Regular unpaid	622	3.9	Glasshouses	2	3
Casual labour	3,665	23.0	Equipment	31	36
			Livestock	0	2
Power & machinery costs:			Other	58	54
Contract & hire	459	2.9	<b>Total</b>	<b>100</b>	<b>100</b>
Fuel & electricity	487	3.1			<b>100</b>
Repairs	366	2.3	<b>Tenant's capital (£)</b>	<b>338,659</b>	<b>342,360</b>
Machinery depreciation	754	4.7		<b>1,117,287</b>	
Glasshouse depreciation	12	0.1			
Rent (incl. imputed)	878	5.5			
Other costs:					
Occupier's repairs	205	1.3			
Permanent crop depreciation	1	0.0			
Water	36	0.2			
Sundries	605	3.8			
<b>Total fixed costs</b>	<b>9,453</b>	<b>59.3</b>			
<b>Management &amp; investment income</b>	<b>2,741</b>	<b>17.2</b>			
Minus: management salaries	41	0.3			
Plus: farmer & spouse labour	590	3.7			
<b>Net farm income</b>	<b>3,290</b>	<b>20.6</b>			
<b>Farm business income</b>	<b>2,648</b>	<b>16.6</b>			

**Table 2.23 Balance sheet data for horticultural businesses**

Group	All horticulture		Specialist glass		Specialist fruit	
	193		67		47	
Number of businesses						
Harvest year	2015/16	2015/16	2015/16	2015/16	2015/16	2015/16
	Opening	Closing	Opening	Closing	Opening	Closing
<b>Assets</b>						
Fixed assets						
Land, buildings & SPS entitlement	675,456	707,040	341,315	357,901	1,096,669	1,147,202
Breeding livestock	1,538	1,429	0	0	3,924	3,968
Machinery & glasshouses	61,298	63,098	38,402	38,991	63,742	66,211
Permanent crops	24,221	22,334	439	219	77,446	73,356
Miscellaneous business assets	381	378	46	46	582	582
<b>Total fixed assets</b>	<b>762,895</b>	<b>794,280</b>	<b>380,202</b>	<b>397,157</b>	<b>1,242,363</b>	<b>1,291,320</b>
Current assets						
Crops & trading livestock	35,172	36,804	22,988	23,027	16,594	17,335
Goods in store	13,847	14,080	20,350	21,431	8,607	7,444
Liquid assets	75,608	74,683	79,275	85,771	75,553	92,306
<b>Total current assets</b>	<b>124,627</b>	<b>125,567</b>	<b>122,613</b>	<b>130,229</b>	<b>100,754</b>	<b>117,085</b>
<b>Total assets</b>	<b>887,522</b>	<b>919,847</b>	<b>502,815</b>	<b>527,386</b>	<b>1,343,118</b>	<b>1,408,404</b>
<b>Liabilities</b>						
Bank term loan	44,481	52,935	20,197	26,757	105,190	137,985
Other loans	34,341	35,924	16,380	14,684	48,609	47,084
Bank overdraft	17,957	14,308	6,717	6,054	33,980	12,988
Other short term loans	44,331	38,144	43,129	49,301	35,935	30,632
<b>Total external liabilities</b>	<b>141,110</b>	<b>141,311</b>	<b>86,424</b>	<b>96,796</b>	<b>223,715</b>	<b>228,689</b>
<b>Net worth</b>	<b>746,412</b>	<b>778,536</b>	<b>416,390</b>	<b>430,590</b>	<b>1,119,402</b>	<b>1,179,715</b>
Percentage equity (%)	84.1%	84.6%	82.8%	81.6%	83.3%	83.8%

**Table 2.24 A comparison of net worth and percentage equity by farm type**

	Average Assets 2015/16	Average Liabilities 2015/16	Average Net Worth 2015/16	Average % Equity 2015/16
<b>Defra main farm type</b>				
Lowland cattle & sheep	1,315,647	91,885	1,223,763	93.0%
Cereals	2,827,546	201,635	2,625,911	92.9%
Mixed	1,906,509	176,309	1,730,200	90.8%
General cropping	3,220,262	319,687	2,900,576	90.1%
Horticulture	903,685	141,211	762,474	84.4%
Dairy	1,984,575	326,311	1,658,265	83.6%
Pigs	1,503,206	299,681	1,203,525	80.1%
Poultry	1,651,407	393,158	1,258,249	76.2%
<b>All businesses</b>	<b>1,943,213</b>	<b>187,620</b>	<b>1,755,593</b>	<b>90.3%</b>

Group	Specialist HNS		Other horticulture	
Number of businesses	37		42	
Harvest year	2015/16 Opening	2015/16 Closing	2015/16 Opening	2015/16 Closing
<b>Assets</b>				
Fixed assets				
Land, buildings & SPS entitlement	399,369	412,813	695,710	731,494
Breeding livestock	2,341	1,871	212	210
Machinery & glasshouses	32,756	34,784	81,500	83,095
Permanent crops	1,758	1,342	15,609	13,617
Miscellaneous business assets	687	679	177	175
<b>Total fixed assets</b>	<b>436,910</b>	<b>451,488</b>	<b>793,208</b>	<b>828,592</b>
Current assets				
Crops & trading livestock	76,026	75,248	23,619	27,434
Goods in store	16,410	17,348	13,585	13,930
Liquid assets	51,642	60,890	88,645	71,363
<b>Total current assets</b>	<b>144,078</b>	<b>153,486</b>	<b>125,849</b>	<b>112,727</b>
<b>Total assets</b>	<b>580,989</b>	<b>604,974</b>	<b>919,057</b>	<b>941,319</b>
<b>Liabilities</b>				
Bank term loan	13,909	14,872	36,890	37,846
Other loans	22,869	20,504	37,694	43,827
Bank overdraft	13,445	13,673	14,956	17,134
Other short term loans	27,517	25,133	58,496	46,984
<b>Total external liabilities</b>	<b>77,739</b>	<b>74,183</b>	<b>148,037</b>	<b>145,790</b>
<b>Net worth</b>	<b>503,250</b>	<b>530,791</b>	<b>771,020</b>	<b>795,529</b>
Percentage equity (%)	86.6%	87.7%	83.9%	84.5%

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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, single farm payment, 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**

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

## ***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**

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





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