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Rural Business Research

Farm Business Survey

2011/2012

Horticulture Production in England

Richard Crane, Helen Christopher, and Rod Vaughan

RBR *independent research, data and analysis*

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Foreword to the First Series

This report is one of a series being produced based on the results of the Farm Business Survey (FBS) for England. The annual Farm Business Survey is the most comprehensive and independent survey of farm incomes and provides a definitive data source on the economic and physical performance of farm businesses in England. It is conducted by a Consortium comprising the Universities of Cambridge, Newcastle upon Tyne, Nottingham and Reading, and Askham Bryan, Duchy and Imperial Colleges. The Consortium is lead 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. 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 new reports will make a valuable and useful contribution to the farming industry and we commend them to you.

Prof. Martin Seabrook

(Chief Executive Officer of the Consortium)

Spring 2007

Foreword to the Seventh Series

After months of negotiations Europe's leaders and finance ministers have finally agreed a finance package for the EU for the period up to 2020. To many people and businesses this may be of minor interest to their daily lives, but to those engaged in agriculture and horticulture such news carries more weight. Crucially, there are many farm businesses which rely heavily on the Single Farm Payment (SFP). Of course, not all sectors are equally reliant upon the SFP, in particular those in the pig, poultry and horticultural sectors for which the SFP is often a minor or non-existent revenue source. However, as Europe's leaders have now agreed the budget deal, the focus now turns to looking for clarity over the future of the Common Agricultural Policy (CAP). As noted in the foreword to the Sixth series of these reports, the only realistic direction of the value of the SFP is downwards; focusing upon the market, reducing business inefficiencies and dealing with risk and volatility are key areas for business development and growth.

Having witnessed one of the wettest summers on record during 2012, many businesses have observed first-hand the extreme production and price volatility that can result from operating within the natural environment. While the 2011 cropping and production year, upon which the results presented in this series are based, represented a more benign agricultural and horticultural environment, the variation in business and enterprise performance remains a strong feature of the analyses we present. Set against an environment of increased volatility, farmers and growers need to be aware of the strengths and weaknesses of their business and of their comparative position within their particular sector; having the data to undertake this analysis is therefore a key business requirement.

Rural Business Research's (RBR) series of enterprise and farm type reports based upon independent analysis from the Defra-funded Farm Business Survey (FBS) for England is now in its seventh series. It has, over a short space of time, become increasingly recognised as a key independent information source for businesses, business advisors and government to turn to for their data needs. In business standing still often equates to moving backwards as those around you grow and develop. In the competitive sectors in which agriculture and horticulture operates, knowledge and information remain key business tools for success.

As our series of reports has grown in popularity, I thank all the farmers and growers who take part in the FBS research programme which allows us to produce these valued information sources. I trust that the independent data produced within these reports continues to offer value to all the reports' readers.

Dr Paul Wilson
Chief Executive Officer, Rural Business Research
Spring 2013

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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.

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An overview of the horticultural industry in the United Kingdom 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 2011 horticulture contributed £2,900 million output; 12% of total agricultural output.
- During the last decade, there has been an increase in output (based on current prices) for field vegetables, orchard fruit, soft fruit and non-edibles. The most significant increase being for soft fruit.
- Vegetable production remains the largest horticultural sector, in terms of both land use and output. Over the last 30 years, the proportion of total horticultural output from vegetable production has reduced, as output from non-edibles and fruit have increased. In 2011 output from vegetable production was £1,217 million, while the output from non-edibles and fruit was £1,051 million and £632 million, respectively.
- In terms of value, the UK was 38% self-sufficient in vegetables, 19% in fruit and 49% in ornamentals in 2011.
- Producer prices and purchase prices have increased in the period 2005-2012; on average fresh fruit is 39%, fresh vegetables 36% and ornamentals 68% more expensive than in 2005. Costs, such as seed (+13%), fertiliser (+21%), plant protection (+6%) and labour (+25%) also rose in that period.

Section 2

A review of the financial results from the Farm Business Survey (FBS) for the 2011/12 financial year.

This section of the report reviews the financial results from the Farm Business Survey for the 2011/12 financial year. The stratification of the FBS horticulture sample is explained and key tends 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 2011 was 3,292, while the total FBS sample was 217 businesses, representing 6.6% of the national population of eligible horticultural businesses.
- Over the whole sample, the average FBI of horticultural businesses in 2011 rose by 15% since 2010 to £55,287.
- Specialist fruit, specialist HNS and 'other' horticultural businesses' increased profitability based on whole business FBI by 12%, 31% and 29% respectively. The specialist glasshouse group was the only group to show a decrease in business profitability, down 44% from 2010.
- Those specialist glass businesses producing edible crops saw FBI decrease by 64% to £24,564, whilst those producing non-edible crops saw FBI decrease by 29% to £39,334.
- Specialist fruit businesses in total saw an increase of 12% in FBI, to £44,949. This increase was mainly due to soft fruit production with top fruit businesses faring less well. Businesses with mainly top fruit production saw FBI decrease by 8% over the same period, to £35,517.

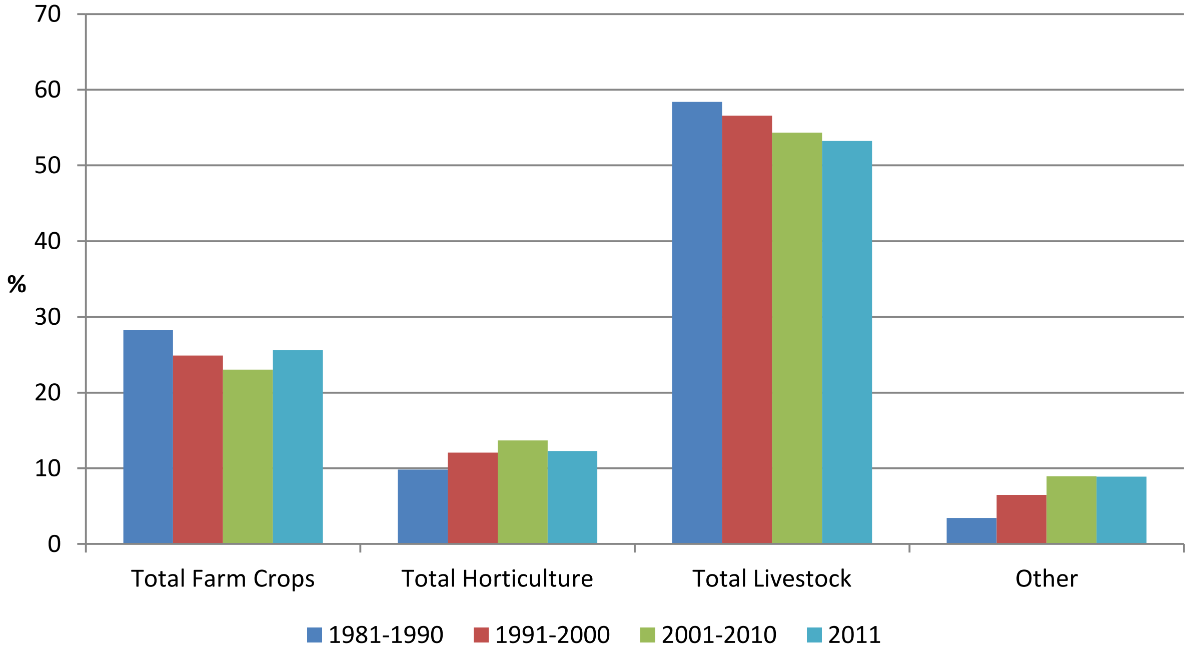
SECTION 1: THE HORTICULTURAL SECTOR

1.1 The contribution of horticulture to UK agricultural output

Total agricultural output was £23,627 million in 2011, up 15% from the previous year, with an increase in all sectors, in particular arable crops and livestock.

Horticulture remains a small, but important part of the agricultural sector in the UK, the proportion of its output has changed only a little over the past thirty years. In 2011 total horticultural output in the UK was £2,900 million, contributing 12% to total agricultural output; down by 2% from the previous decade average.

Figure 1.1 Composition of total UK agricultural output (%)[1]



Note: Output from crops and livestock does not include payments from the Single Farm Payment Scheme and other decoupled subsidies, which is recorded in “Other” output.

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

Horticulture can be split into the three main sectors of fruit, vegetables and non-edibles. The output and area used by each sector has varied over the last thirty years, however, the vegetable sector consistently accounts for the largest proportion of both output and use of land, followed by non-edibles and then fruit.

The total area of horticultural land declined by 22% from 213,000ha in 1986 to a low of 166,000ha in 2006, it has since risen to 176,000ha in 2011. Total horticultural output has grown steadily in that period; the rate increased significantly from 2005 onwards with an increase in output of 40% from 2005 to 2011.

Vegetables

Vegetable output in 2011 was £1,217 million, up 7% from 2010 comprising 42% of total horticultural output. The proportion of horticultural output that is derived from vegetables has dropped from an average of 60% in the 1980's to 45% in the 2000's. During that time, the proportion of horticultural land used by the vegetable sector increased very slightly, from 68% in the 1980's to 72% in the 2000's. The area of land used for vegetable production in 2011 was 129,737ha, 74% of the total horticultural area.

Fruit

The fruit sector is the smallest in terms of output. In 2011 output was £632 million, increasing by 5% from the previous year and comprising 22% of total horticultural output. Fruit output has fluctuated in the last 30 years, falling in the 1990's, and recovering to previous levels in the 2000's and continuing to increase notably thereafter. The contribution from the fruit sector to total horticulture has increased from 13% in the early 2000's to 22% in 2011.

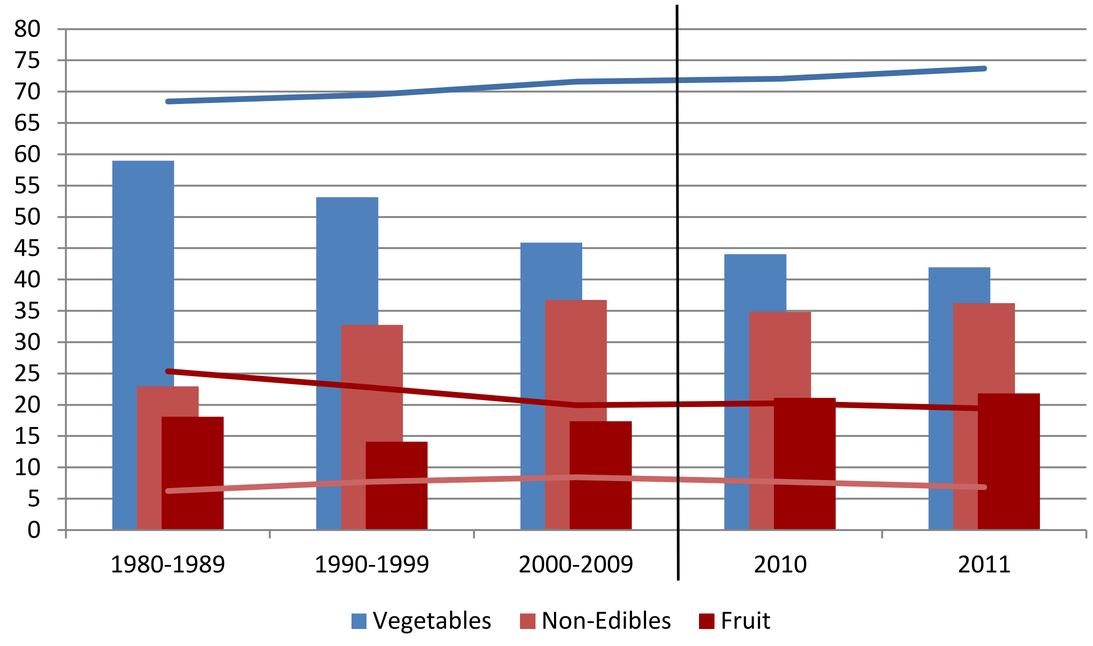
The area of land used for fruit production in 2011 was 34,192ha and represented 19% of total horticultural land. The area has been fairly static since 2005, following a sharp decline from the 1980's. In 1985 there was 55,014ha of land in fruit production, 37% more than currently.

Non-edibles

The production of non-edibles is the smallest sector in terms of area, with only 7% of the total horticultural area in 2011. However, it accounted for over a third of horticulture output. The area of land used by the non-edibles sector increased by 30% from the early 1980's to a peak of 16,060ha in 2004. It has since declined to 12,071ha in 2011. The same trend has not been seen with output, which has increased progressively in the last thirty years and as a result the proportion of total horticultural output has increased from an average of 23% in the 1980's to 37% in the 2000's.

Figure 1.2 Composition of horticultural output and area (%)[1]

The lines represent proportion of total horticultural area, while the bars represent proportion of total horticultural output.



Note: Each sector includes both field grown and protected crops (crops grown under glass and polythene tunnels). The area relates to the total area that crops are grown on, which for some crops sees more than one crop harvested from the same area of land during the cropping year (multiple cropping). The 1980's decade area data is based on the period of 1984 – 1989, due to a break in the availability of data

1.3 Horticultural production in the last decade

In the last decade, total horticultural output in the UK (in current prices) has increased by almost 60% from £1,840 million in 2001, to £2,859 million in 2011. However, there was only a very small increase of 1% in the last year. The decade long upward trend was seen in most of the horticultural sectors, with the exception being protected vegetables, which slumped to a low in 2004 with a 25% reduction compared to 2000 and then recovered until 2010 before dropping by 8% in 2011.

Figure 1.3 Total horticultural output in the last decade (current prices: £m)[1]

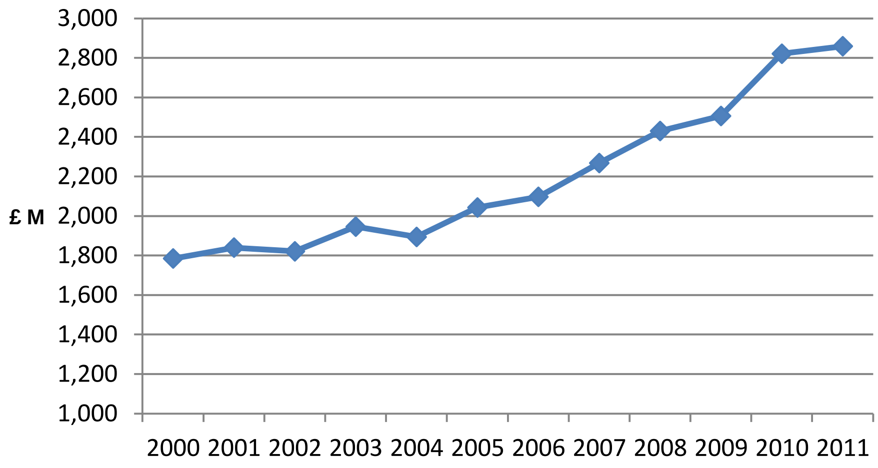
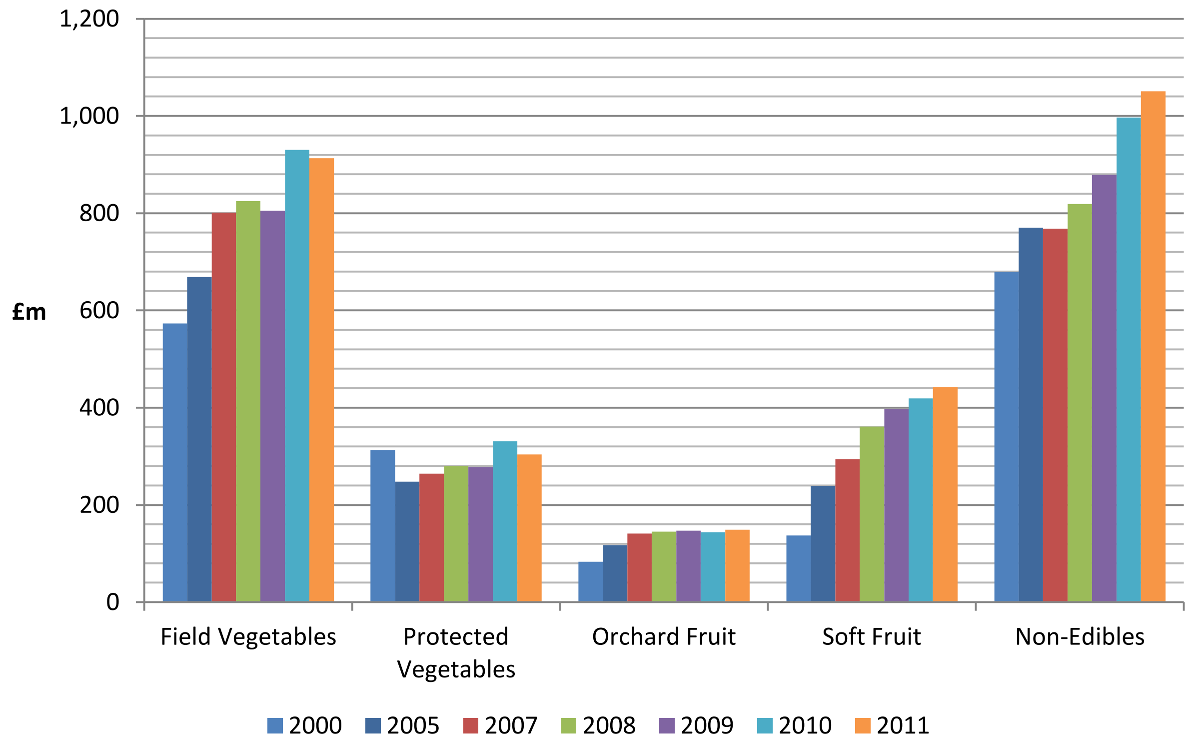


Figure 1.4 Value of horticultural production (current prices: £m)[1]



When three year average figures are taken, the average for 2001 to 2003 compared with that for 2009 to 2011 shows a marked increase in output for soft fruit (+182%), orchard fruit (+56%), field vegetables (+46%), non-edibles (+33%) and protected vegetables (+5%).

Soft fruit output has grown significantly due largely to increased areas of protected fruit production using glass and Spanish tunnel systems. The area used for growing soft fruit in the open and under protection have increased significantly with 21% more land devoted to soft fruit grown in the open and 128% more area devoted to growing fruit under glass currently, compared with 2000. After the grubbing of orchards in the 1980s and a further drop of 20% (-3,500ha) from 2000 to 2003, the area of productive orchards has remained almost unchanged for the last eight years, with the area totalling 8,987ha in 2011.

The area of outdoor grown non-edibles was 11,000ha in 2011 having dropped by 10% from the beginning of the decade. There is no data currently available on the area of protected ornamentals grown since 2007, at which point it was recorded as 821ha, having decreased from 995ha in 2000.

A total of 120,219ha of field vegetables were grown in 2011, varying by no more than 5% from this figure in the period 2001 to 2011. In the beginning of the 2000's there was a marked reduction of 36% in the area of protected vegetables grown from 2000 to 2003, since then the area has remained very similar. It should be noted the area includes mushroom production which accounts for 38% of its output.

Figure 1.5 Area of outdoor grown crops[2]

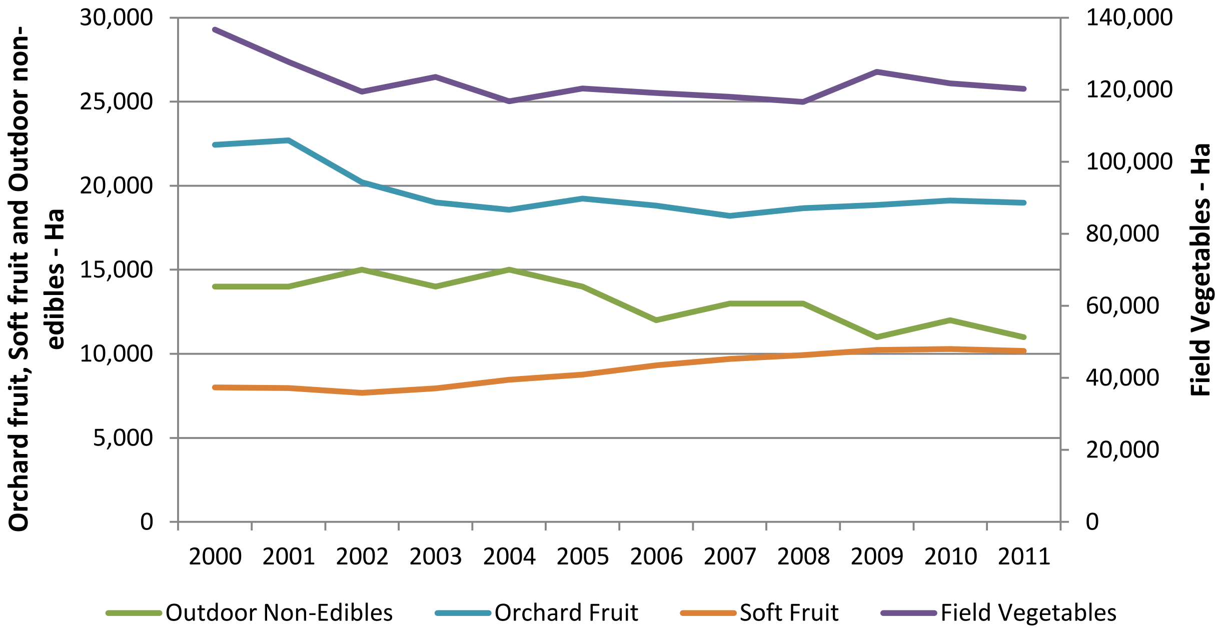
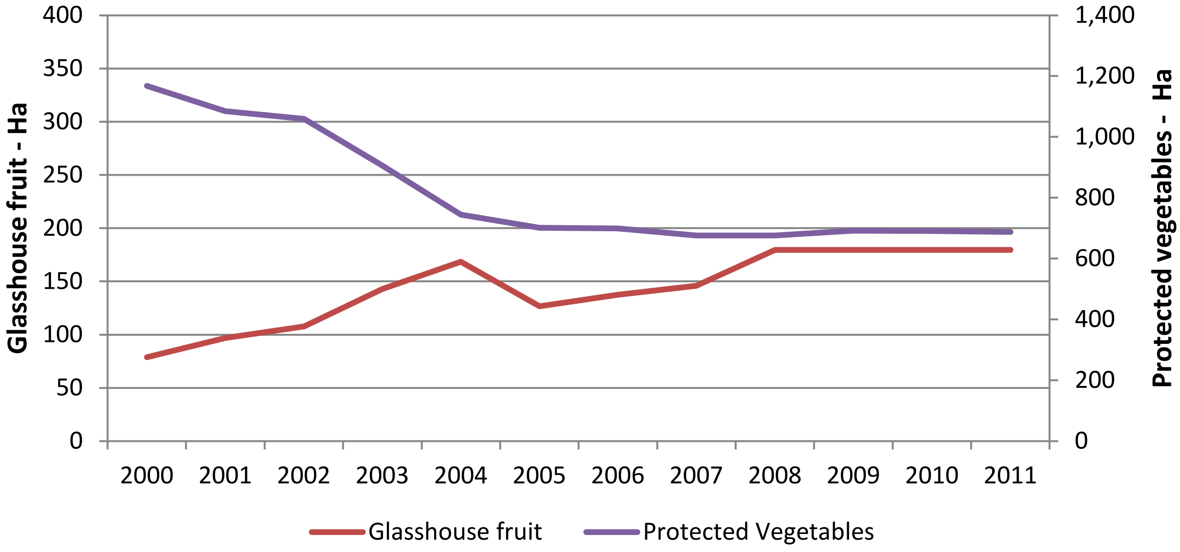


Figure 1.6 Area of protected crops[1,2]

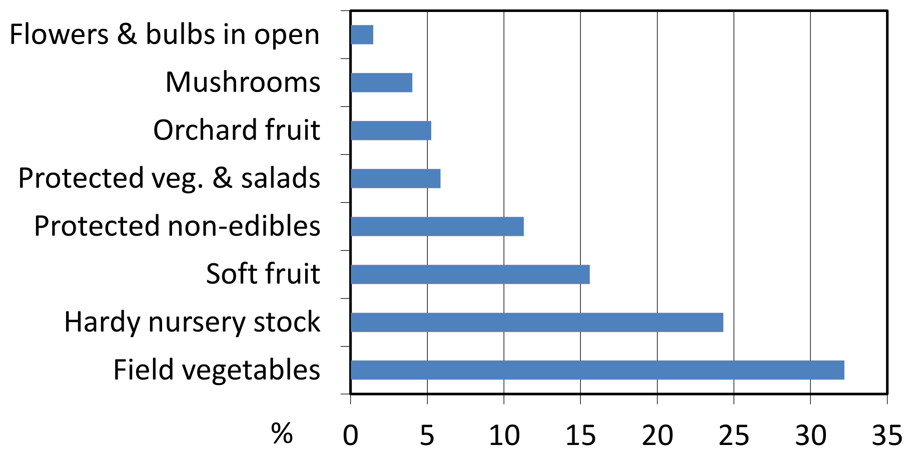


Note: The area of crops in figures 1.5, and1.6 relates to the total area of crops, which for some crops sees more than one crop harvested from the same area of land during the cropping year (multiple cropping).

1.4 The horticultural sector in 2011

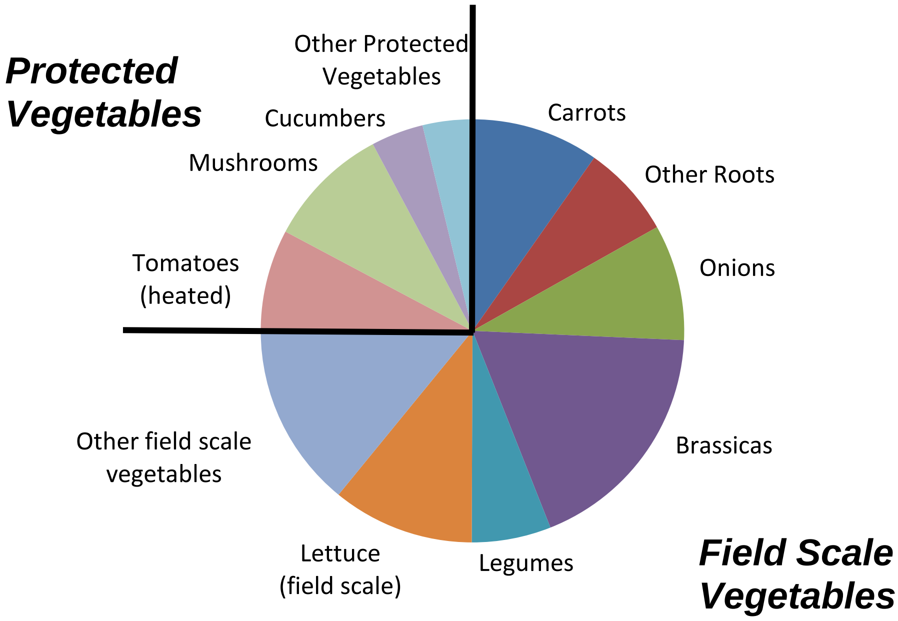
The total value of horticultural produce in 2011 amounted to £2,714 million. Field scale vegetables amounted to the largest share (32%) of the total output and the sector accounts for almost three quarters of the total area of horticultural production. Conversely, soft fruit accounts for the smallest area (6%) and is the third largest in terms of value. Hardy nursery stock comprises 24% of total output, while other non-edibles accounts for 13%.

Figure 1.7 Value of horticultural produce in 2011[1]



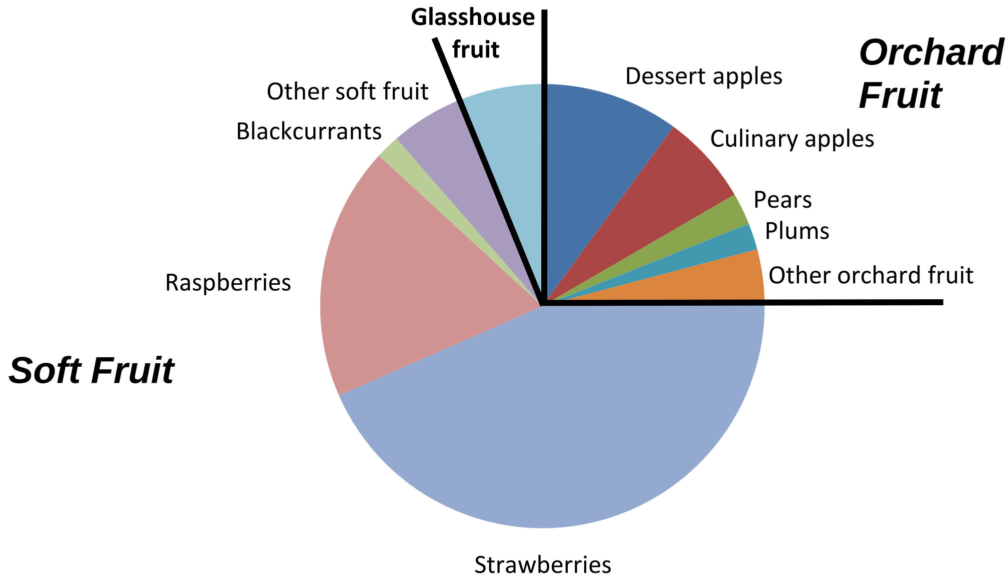
Field scale vegetable production accounts for 75% of total vegetable output and includes beetroot, carrots, parsnips, turnips, swede, and onions (dry bulb and green). Brassicas form the largest proportion of this category with 18% of total vegetable output. Other field scale vegetables include asparagus, celery, leeks, lettuce, rhubarb and watercress. Protected vegetable output includes crops grown in heated and cold glasshouses and polythene tunnels. Tomatoes and mushrooms are the two most important crops grown under protection, together accounting for almost 20% of total vegetable output. Other protected vegetables include crops such as celery and sweet peppers.

Figure 1.8 Composition of vegetable output in 2011[2]



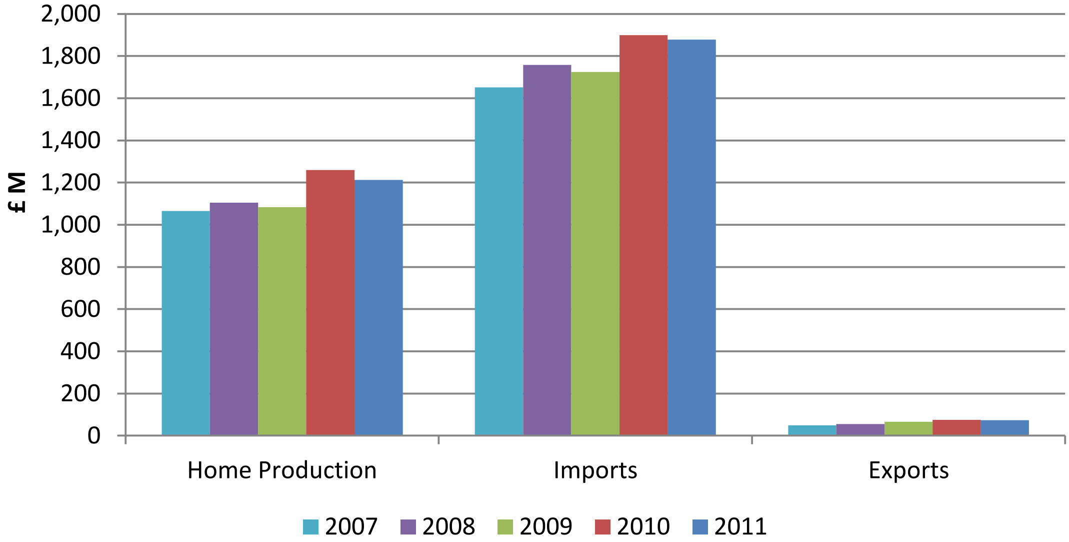
The production of field grown soft fruit accounted for almost three quarters of total fruit output by value in 2011, with strawberry production contributing by far the greatest share, accounting for 63% (£279 million) of all soft fruit production in the UK. Dessert apples comprised 40% of total orchard fruit output, with culinary apples accounting for 26% and pears making up 9%.

Figure 1.9 Composition of fruit output in 2011[2]



1.5 Imports and exports of horticultural produce

Figure 1.10 Value of vegetables (£m)[2]



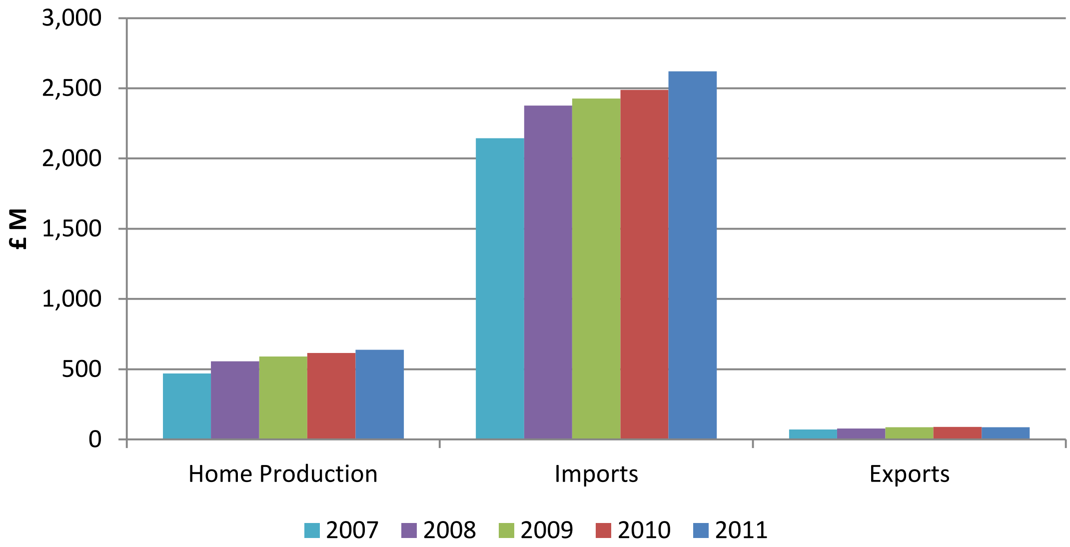
In terms of value, the UK was 38% self sufficient in vegetables in 2011, with little change in the last decade. There was minimal change in the value of imports and exports of vegetables from 2010 to 2011; in the last five years imports and exports rose by 13% and 48%, respectively.

The value of home produced vegetables decreased by 4% from the previous year, but was still double the value of production ten years previously. In terms of production levels, there has been a decrease of 52,000 tonnes (16%) of home produced vegetables marketed since 2001. Imports of vegetables have increased by 483,000 tonnes (+32%) in the same period.

In 2011 the biggest exported fresh vegetable in terms of value were brassicas (£16.9 million), followed by carrots & turnips (£10.6 million), lettuce (£8.2 million) and tomatoes (£7.4 million). In terms of quantity, carrots & turnips are by far the biggest export; 28,600 tonnes were exported in 2011.

Tomatoes are currently the most significant of the imported crops, with 414,000 tonnes imported in 2011, accounting for 23% of fresh vegetable imports in 2011. In terms of value sweet peppers (£205 million) are the next largest import followed by mushrooms (£183 million), onions (£148 million) and lettuce (£135 million). In terms of quantity onions are the second largest import, with 363,000 tonnes brought in to the UK in 2011.

Figure 1.11 Value of fruit (£m)[2]

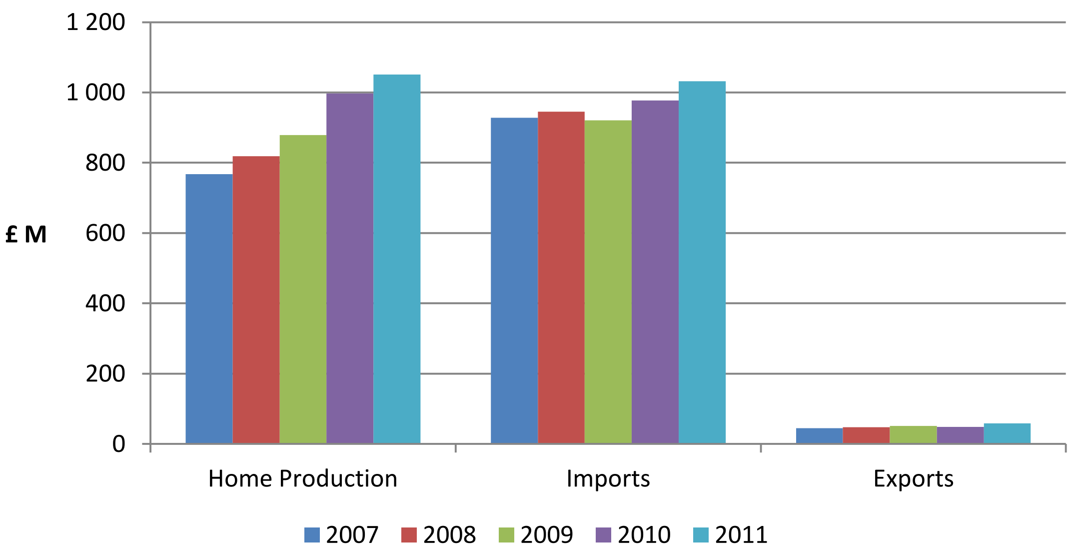


Note: Fruit imports include some dried fruit as data on fresh produce cannot be obtained separately.

In 2011 the UK was 19% self sufficient in fruit in terms of value; similar to the previous year, but up 2% since 2007. While the proportion of fruit imports appears high, approximately two thirds of the produce imported cannot be grown in the UK. For example, bananas and grapes represent 20% and 15% of imported fruit respectively. All citrus fruits constituted 17% of imports at a value of £432 million. The export figures include re-exported fruit and hence include some exotic fruits, grapes and bananas that make up 40% of the total export figure.

Apples comprised 12% of fruit imports in 2011 at a value of £318 million; while 25,800 tonnes of apples were exported in 2011 at a value of £10 million, comprising 12% of total exports. £1 million of strawberries were exported in 2011, while £119 million were imported in the year.

Figure 1.12 Value of non - edibles (£m)[2]



The UK was 49% self sufficient in ornamentals in 2011, up 4% since 2007. The biggest import is cut flowers, of which roses are the most prevalent with the cost of imports at £139 million for cut roses and £112 million for cut Chrysanthemums. Indoor plants constituted 10% of all imports in 2011, while trees amounted to 7% at £67 million. Similarly, cut flowers make up the biggest proportion of exports, accounting for £22 million of exports, or 38% of all ornamentals. £12 million of bulbs were exported in the year and £94 million were imported.

1.6 Farm gate prices: recent trends

Within the last decade there has been a high degree of inter-year variability in vegetable and fruit prices, however on the whole 2011 prices for many products were higher than in 2005.

Top fruit prices have been more variable than soft fruit, with a sharp peak in average prices for plums & gages, pears and cooking apples in 2008 mostly falling in 2009 and gradually increasing until 2011. In all cases average fruit prices in 2011 were up from 2005: strawberries by 27% at 224p/kg; raspberries by 33% at 751 p/kg; blackcurrants by 102% at 588 p/kg; cherries by 66% at 238 p/kg; cooking apples by 3% at 54 p/kg; dessert apples by 45% at 63 p/kg; pears by 32% at 53 p/kg and plum & gages by 61% at 98 p/kg. All fruit prices were up on 2010 prices, with the exception of raspberries down 10% from the 2010 price of 834 p/kg and gooseberries down 2%.

Figure 1.13 Average soft fruit farm gate prices[3]

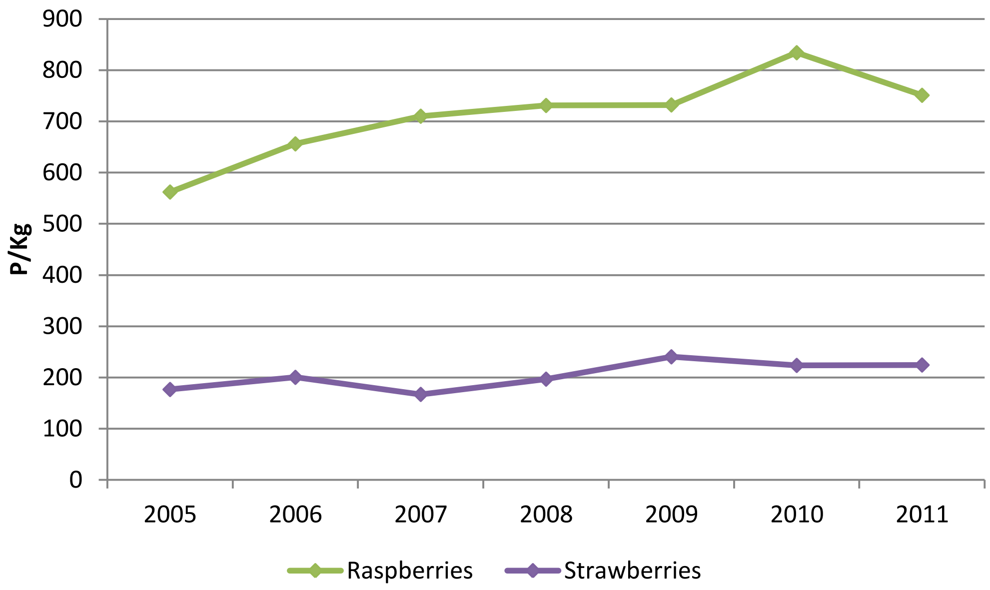
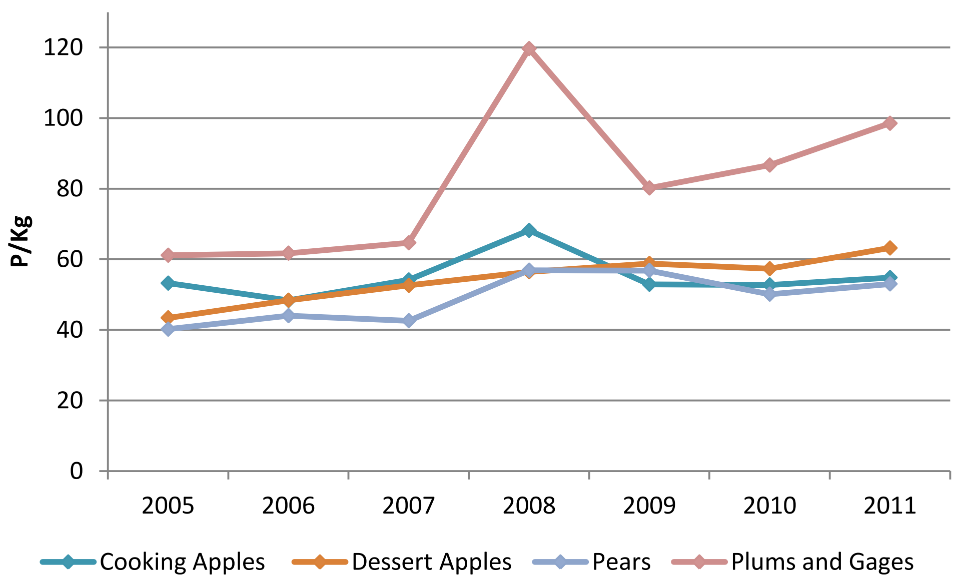


Figure 1.14 Average top fruit farm gate prices[3]



The average farm gate prices achieved in 2011 increased for cabbage (+39%), parsnips (+16%) and carrots (+7%) compared with 2010 prices. While prices remained static for Brussels sprouts at 63p/kg. Of the field grown vegetables, the price of calabrese has varied the most in the last five years, peaking at 146p/kg in 2007, before falling to 105p/kg in 2010. Parsnip prices were at their highest in the last 5 years at 93p/kg. Despite some inter-year variability, the price of cabbage, Brussels sprouts and carrots was higher in 2011 than in 2005.

Salad crop prices dropped from their peak in 2010, with tomato prices down 2% to 72p/kg; cucumbers down by 20% to 63 p/kg and lettuce down 29% at 25 p/head. Mushroom prices were also down 18% to 104p/kg.

Figure 1.15 Average outdoor vegetable farm gate prices[3]

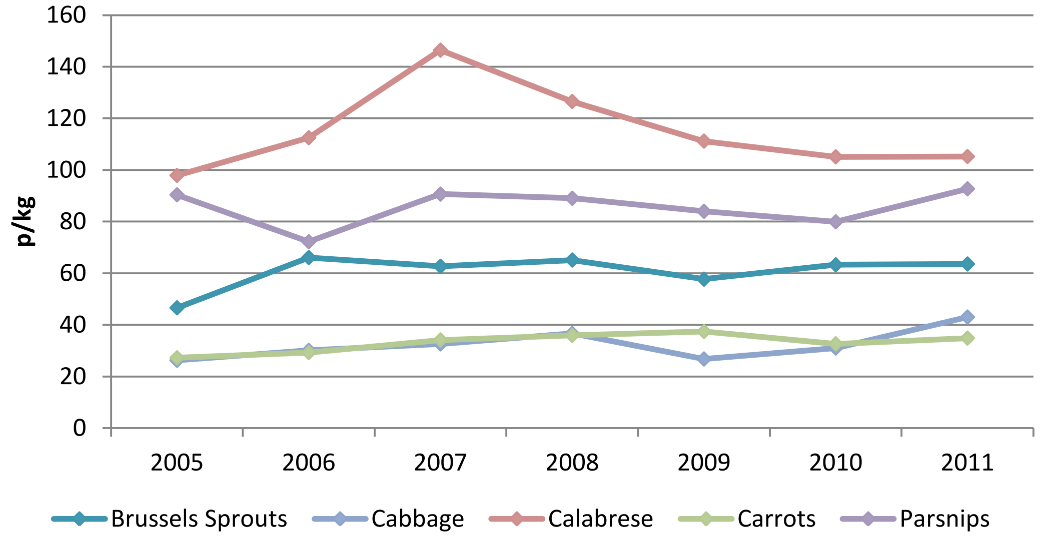
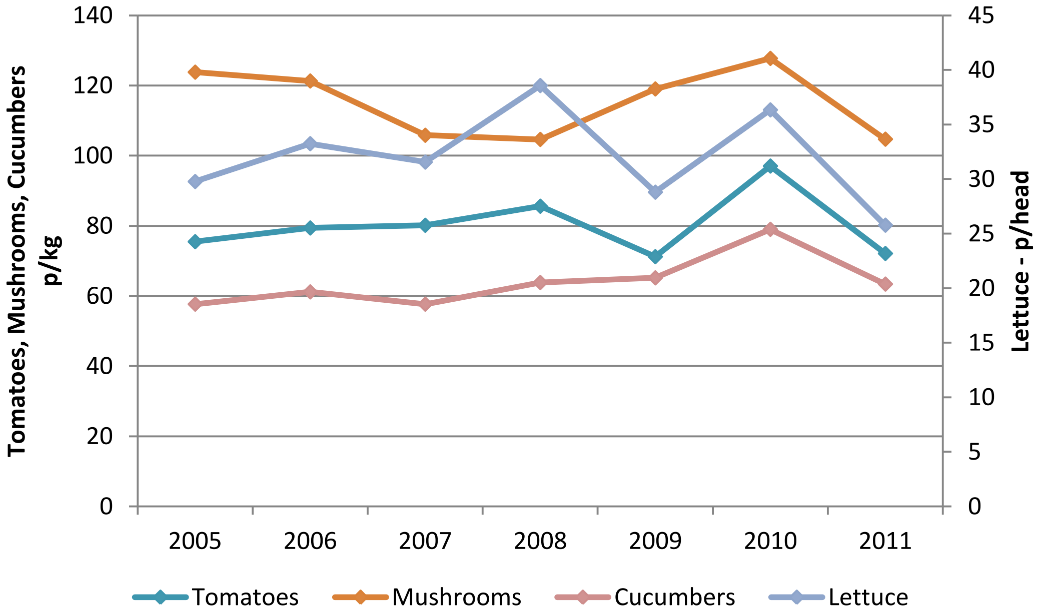


Figure 1.16 Average salad crop farm gate prices[3]



1.7 Price Indices in the UK

Table 1.1 Index of producer prices (Index: 2005 =100)[4]

	2005	2006	2007	2008	2009	2010	2011	2012*
Dessert apples	100.0	105.7	121.5	130.9	131.4	140.8	155.1	165.0
Cherries	100.0	117.5	132.2	175.9	152.6	136.4	168.6	191.4
All fresh Fruit	100.0	104.1	107.4	126.4	124.6	129.6	132.4	138.9
Lettuce	100.0	109.4	107.1	119.1	107.9	129.9	127.7	144.5
Onions	100.0	129.3	165.4	131.2	133.3	211.5	223.6	145.4
Cabbage	100.0	103.8	139.6	124.6	124.0	131.3	137.3	140.8
All fresh vegetables	100.0	109.1	122.1	117.5	113.9	131.9	122.5	136.1
Flowers & plants	100.0	103.4	110.1	115.1	116.7	138.2	165.9	167.9

Table 1.2 Index of purchase prices (index 2005 =100)[4,5,6]

	2005	2006	2007	2008	2009	2010	2011	2012*
Current Inputs								
Seeds	100.0	92.5	104.3	111.6	112.1	110.3	116.2	112.7
Fertilisers & soil improvers	100.0	105.7	119.8	272.5	189.8	182.4	229.4	221.4
Plant protection	100.0	102.5	104.2	106.4	108.5	105.1	105.5	106.3
Fuel for heating	100.0	116.5	127.9	173.1	138.9	170.7	188.4	202.1
Hired labour	100.0	103.3	106.3	111.1	116.0	118.5	121.8	125.4
Capital inputs								
Machinery & other equipment	100.0	104.5	110.3	117.5	122.1	124.0	123.2	124.7
Buildings	100.0	105.9	113.0	120.3	120.6	126.9	134.1	136.4
Finance inputs								
Bank rate	100.0	104.3	118.5	100.6	13.8	10.8	10.8	10.8

***Note:** 2012 data is average monthly data for January to October 2012 inclusive.

The index of producer prices shows a significant increase in prices over the last seven years, on average fresh fruit is 39%, fresh vegetables 36% and ornamentals 68% more expensive than in 2005, the base year for the index of this data. However, input prices have also risen significantly in the period, particularly for fertilisers & soil improvers and fuel for heating (up 121% and 102%, respectively). Fertiliser costs did drop a little in 2012, 8% lower than in 2011. Plant protection costs have remained fairly static, only increasing 6% since 2005. The Bank of England base rate has remained at the historic low of 0.5% set in 2009, just 10.8% of the index figure.

The price of fresh vegetables have fluctuated over the last seven years, with a general increase over the period, with the highest prices seen in 2012. Onion prices have dropped 78 points from 2011, which saw high global prices due to poor harvests, but prices remain 45% higher than in 2005.

Average fruit and ornamentals prices show less movement than the vegetable sector, with a continual rise over the period. There has been a sharp rise in prices of ornamentals in the last two years, the index rising from 138 in 2010 to 167 in 2012.

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 in England and whose businesses are classified under one of the four main Defra horticultural type groups. These four type groups of Specialist Glass, Specialist Fruit, Specialist Hardy Nursery Stock and Other Horticulture are defined below.

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

The data in this report were compiled from the 2010/11 and 2011/12 Farm Business Survey and can be accessed at: www.farmbusinesssurvey.co.uk and 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 2.5 All specialist glass businesses
- Table 2.6 Specialist Glass, mainly edible crops
- Table 2.7 Specialist Glass, mainly non-edible crops
- Table 2.8 Specialist Glass (50% or more of crop output from glasshouse production), edible and non-edible crops
- Table 2.9 Specialist Glass (50% or more of crop output from glasshouse production), mainly edible crops
- Table 2.10 Specialist Glass (50% or more of crop output from glasshouse production), mainly non-edible crops
- Table 2.11 Specialist Glass (90% or more of crop output from glasshouse production), edible and non-edible crops
- Table 2.12 Specialist Glass (90% or more of crop output from glasshouse production), mainly edible crops
- Table 2.13 Specialist Glass (90% or more of crop output from glasshouse production), mainly salad crops
- Table 2.14 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 two sub-groups of mainly top fruit businesses

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

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

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; HNS that is grown mainly under protection and HNS that is mainly grown outdoors

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

- Table 2.18 All specialist HNS businesses
- Table 2.19 Mainly protected HNS crops - 25% or more of crop output derived from glasshouse production of HNS
- Table 2.20 Outdoor HNS crops - 80% or more of crop output derived from outdoor production of HNS

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 then this initial weight being adjusted via 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 correct 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 little 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 hectares of vegetable crops or 0.1 hectares of protected crops.

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

The number of FBS eligible horticultural businesses in 2011 was 3,292, while the total FBS sample for the 2011 cropping year was 217 businesses, representing 6.6% of the national population of eligible horticultural businesses.

Table 2.1 FBS sample compared with eligible* horticultural businesses for 2011

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

	England population 2011 June Survey (number of businesses)	FBS sample 2011 (number of businesses)	FBS sample as a % of population
Specialist Glass	419	77	18.4%
Specialist Fruit	701	51	7.3%
Specialist HNS	855	37	4.3%
Other Horticulture	1,317	52	3.9%
All Horticulture	**3,292**	**217**	**6.6%**

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. Table 2.2 shows the total number and total area of crops most frequently grown in the FBS horticultural sample.

Table 2.2 FBS horticultural sample (2011/12) – most frequently grown crops

Edible Crops	No. of crops in FBS horticultural sample	Total area in FBS horticultural sample (ha)
Mixed Fresh Vegetables	40	458.0*
Apples - Dessert	32	728.2
Pears	22	89.6
Apples - Culinary	21	170.9
Apples - Cider	17	383.9
Plums	17	77.1
Strawberries	16	135.7*
Lettuce	15	1,045.4*
Tomatoes	14	10.8*
Non edible crops		
Cut Flowers	31	40.1
Container Grown Plants	29	65.3
Ornamental Trees & Shrubs	28	94.0
Bedding Plants	28	32.0
Pot Plants	18	43.0
Herbaceous Perennials	13	33.5
Cut bulb flowers	10	80.0

Note. *includes multiple cropping of the same area of land

The total basic horticultural cropping area covered by the FBS is 4,230ha; 2% of the total horticultural land in the UK as recorded by the June survey in 2011.

The total basic protected cropping area (either glass or polytunnel) in the FBS sample in 2011/12 was 158ha; split between nursery stock (21ha), fresh fruit and vegetables (80ha) and flowers and ornamentals (57ha). When multiple cropping of the same land is taken into account, the total area of protected cropped area was 245ha, representing a cropping intensity of 155%.

There was a total of 2,081ha of unprotected market garden fruit and vegetables, 326ha of outside hardy nursery stock, flowers and ornamentals and 1,665ha of permanent crops e.g. tree and bush fruit.

2.4 Overview of 2011/12

The 12 month period ending February 2012 was the driest since records began in 1910, resulting in drought status being declared in many parts of the country, particularly the South East of England, in which many of the horticultural businesses in the sample are located.

Whilst the UK economy improved in the first quarter of 2011 with a growth of 0.5% economic performance fluctuated throughout the year and ended in the final quarter with a 0.2% drop in GDP. The on-going low interest rates have helped considerably those businesses with significant borrowings. However, growing costs have continued to increase at a faster rate than inflation as seen in Table 1.1, particularly for fuel, chemicals and sundry crop production items such as canes. Despite the challenges referred to, average profitability increased overall for the total horticulture sample.

2.5 Financial results for 2010/11 and 2011/12

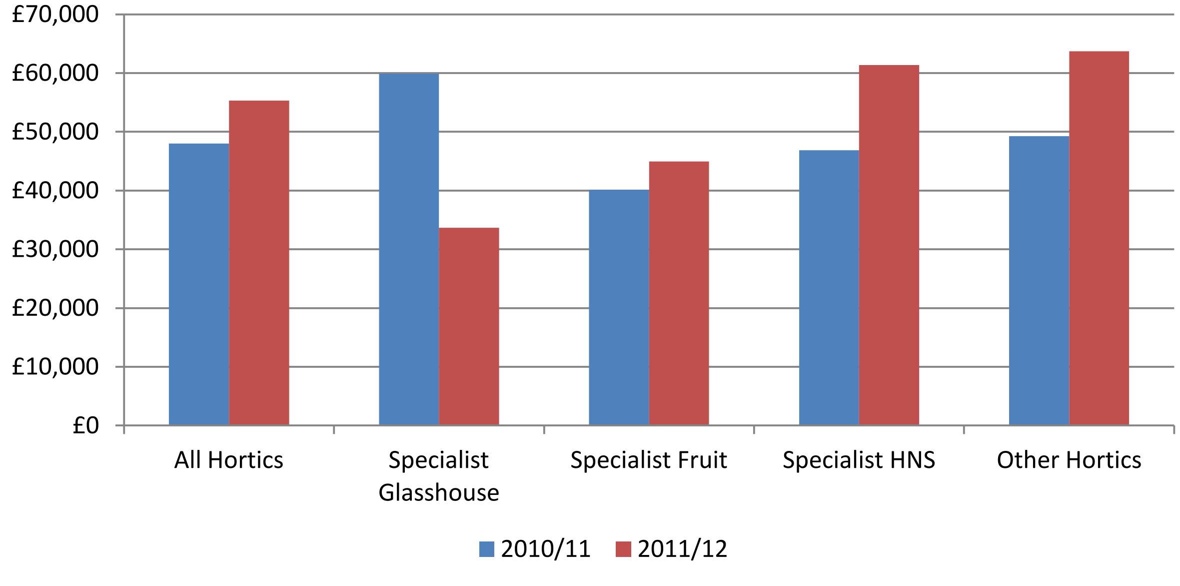
The results in this section are shown for businesses classified according to the Defra classification system, as described in Section 2.3 of this report. Results are shown on a 'per business', 'per hectare' and 'per £100 of gross output' basis. It should be noted that all results are based on the productive cropping area of the holding.

Average results are shown for the 2010 and 2011 harvest years, together with premium results for the 2011 harvest year, where the sample size is large enough to permit their publication. The premium results are the top third of businesses as measured by Farm Business Income (FBI) on a per hectare basis.

The horticultural sector represents a very diverse group of growers, with some operating highly intensive glasshouse operations whilst others are engaged in more extensive top fruit and vegetable production. Over the whole sample, the average FBI of horticultural businesses in 2011 rose by 15% since 2010 to £55,287 (Table 2.4; Fig 2.1). The average gross output across the whole horticultural sample fell by 3.2% to £402,842 per business; total variable costs decreased by 6.4%, and fixed costs decreased by 5% compared with 2010.

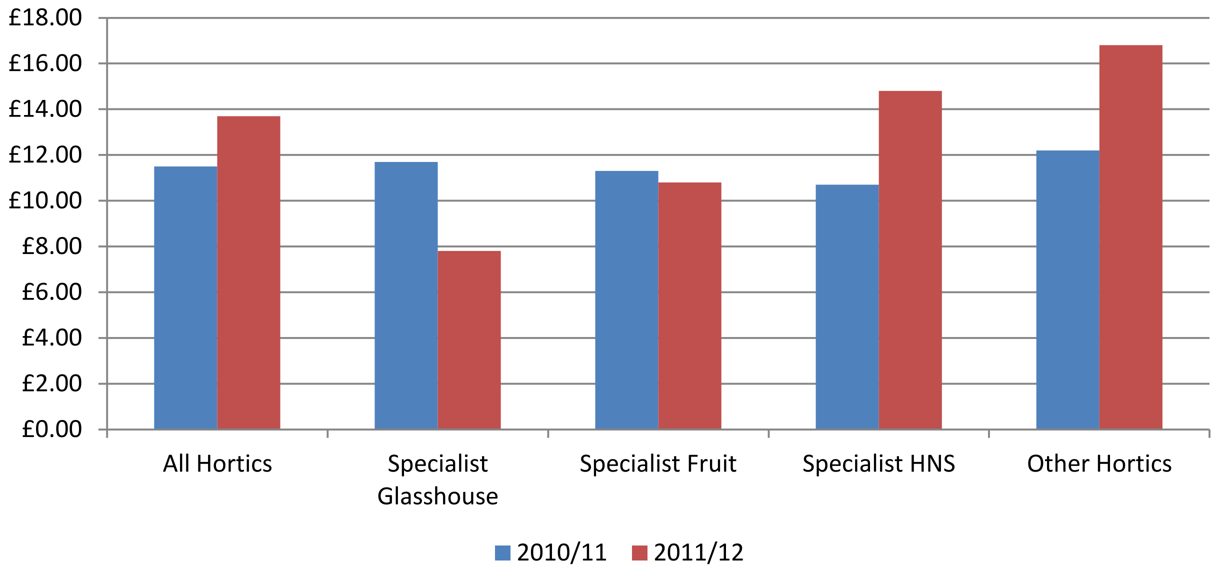
Horticultural businesses receive little in the way of direct income payments from the CAP support arrangements; however, the extension of the Single Payment Scheme (SPS) to cover permanent crops has enabled top fruit growers to make SPS claims since 2010.

Figure 2.1 Average Farm Business Income for Horticultural Businesses in England by farm type



The specialist glasshouse group was the only group to show a decrease in business profitability (down 44%) from 2010; specialist fruit, specialist HNS and 'other' horticultural businesses' increased profitability based on FBI by 12%, 31% and 29% respectively. In terms of FBI per £100 of gross output, profitability of the glasshouse and fruit samples fell -£3.90 and -£0.50 respectively, while HNS and ‘other’ horticultural businesses increased by £4.10 and £4.60 respectively.

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

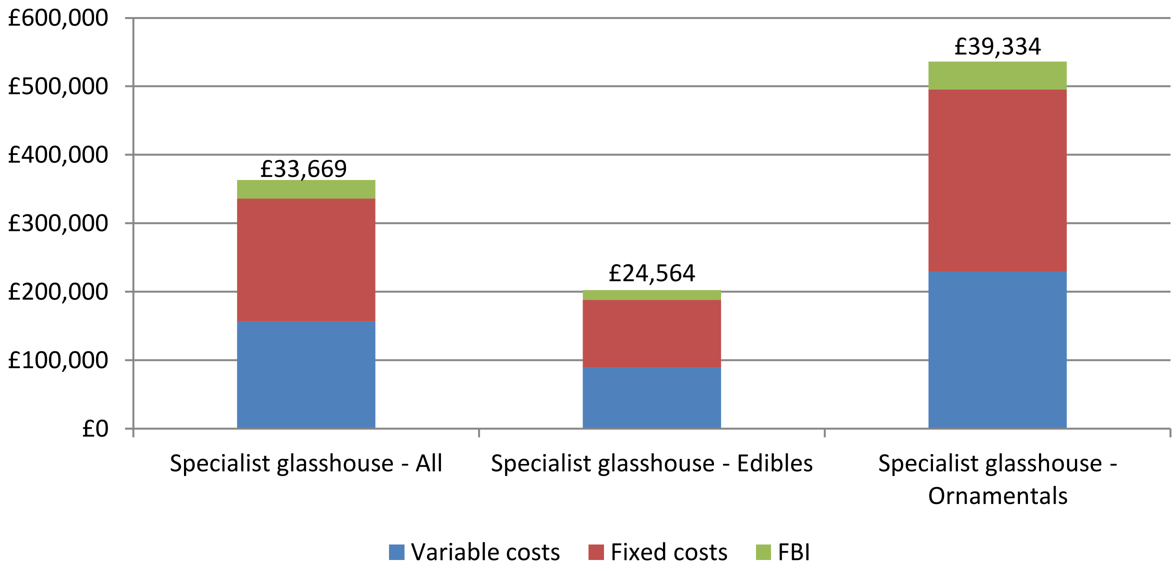


2.6 Specialist Glass [Tables 2.5 to 2.14]

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, therefore 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 2.8 to 2.10), and those with 90% or more of crop output derived from glasshouse production (Tables 2.11 to 2.14).

Figure 2.3 Average per ha FBI, variable costs and fixed costs for specialist glasshouse businesses in England 2011/12, by farm type



The non-edible sector has the highest output, costs and FBI of the specialist glass sub-groups. Output and profitability per hectare increased for both edibles and ornamentals in line with the proportion of protected crops grown.

Figure 2.4 Average per ha FBI, variable costs and fixed costs for specialist glasshouse businesses in England 2011/12, by proportion of output from protected crops

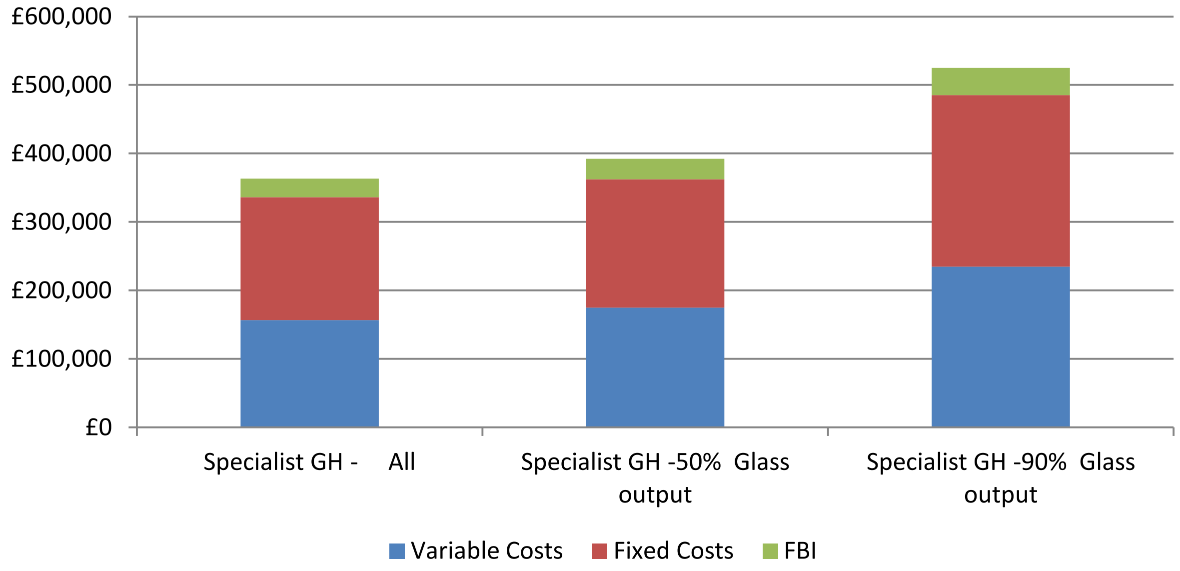
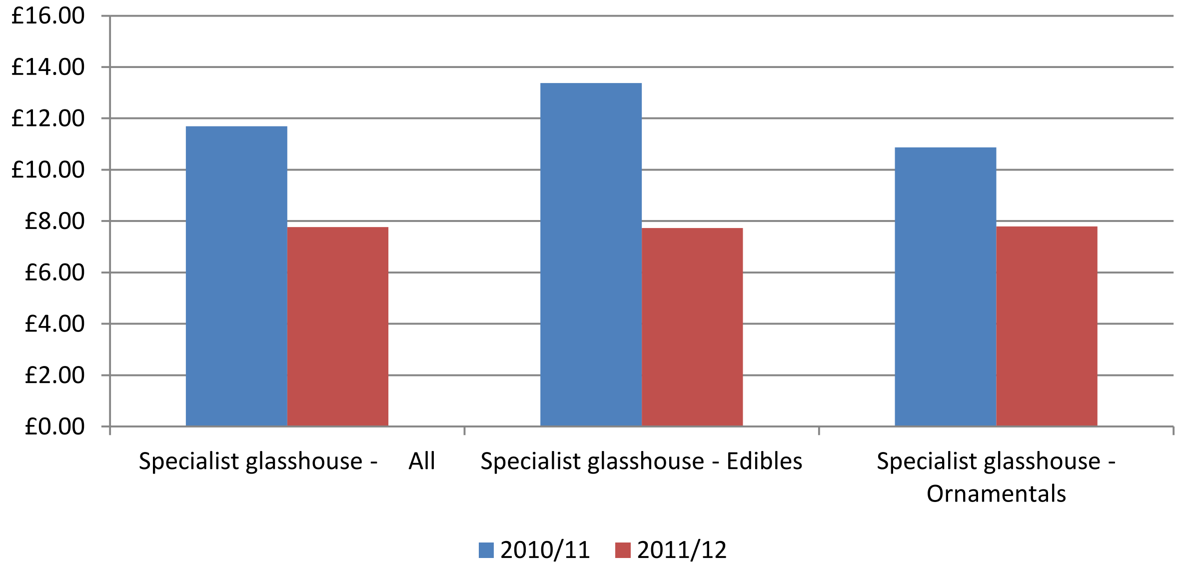


Table 2.5 Specialist Glass, all crops

The Specialist Glass group includes heated glass, cold glass and polytunnels. The area of glasshouse production on a per business basis reduced from 1.13ha to 0.85ha in 2011/12, in part due to change in the structure of the sample.

Figure 2.5 Average FBI per £100 of gross output for specialist glasshouse businesses in England, by farm type



The average FBI for all specialist glasshouse businesses dropped by 44% in 2011/12 compared with 2010/11, to £33,669 per business. The FBI for the premium businesses in this group was £88,165. When viewed on a per hectare basis the drop is less at 31%, resulting in an average FBI of £27,192 in 2011/12. While in terms of FBI per £100 of gross output, there was a fall of £4 compared with the previous year, down to £7.80 per £100 of gross output.

Table 2.6 Specialist Glass, mainly edible crops

The area of glasshouses (including polytunnels) in use per holding for this group fell by 41% in 2011/12, to 1.04ha of the total productive cropping area of 1.67ha. In part, these differences will have resulted from changes to the structure of the sample between the two years. In 2011 glasshouse tomatoes contributed 43% of output for the group, up from 32% in the previous year; while lettuce and soft fruit contributed 2% and 18% respectively.

FBI per business fell by 64% to £24,564 for the 2011 cropping year, the drop in per hectare FBI was less at 46%, to £14,688/ha. The total business gross margin fell by 43%, with gross output falling by 38% and variable costs down by 31%. Among the items of variable costs, packing materials dropped by 49% and market charges by 38%. Whilst total fixed costs dropped by 34% regular labour costs fell by 51%, and casual labour increased by 13%.

Table 2.7 Specialist Glass, mainly non edible crops

The area of glasshouses in production in this group fell by 10% to an average of 0.74ha per business and the total cropping area decreased by 6.1%, to an average of 0.97ha.

The average business gross margin was only 0.5% lower than the previous year at £282,964 however there was a 29% decrease in FBI falling from £55,652 in 2010/11 to £39,334 in 2011/12. The premium results show a business FBI of £85,415 and £133,678 per hectare.

The average per hectare gross output (+5%), variable costs (+4%) and the resulting gross margin (+6%) all increased in the period, however fixed costs also increased by 9%, leading to a reduction in FBI by 25% to £40,629/ha. The only variable costs on a per hectare basis to drop were glasshouse fuel and fertiliser and compost costs, which dropped by 3% and 9% respectively. Crop protection costs rose by 10% to £2,813/ha and seed and young plants rose by 5% to £113,087/ha. Cost of casual labour increased by 17% in the year, while contract & hire also increased by 14%, on a per hectare basis.

Tables 2.8 - 2.10 Specialist glass businesses (50% or more crop output from glasshouse production)

The average profitability of this group is higher than for those businesses with a lower proportion of output from protected crops and lower than those with 90% output from protected crops. The average FBI for the premium group of all specialist glass businesses with more than 50% output from glasshouse production was £90,741 per business or £116,455 per hectare.

Table 2.11 Specialist glass businesses (90% or more crop output from glasshouse production)-All

The average FBI for all specialist glass businesses with more than 90% output from glasshouse production was £35,843 per business and £39,776 per hectare; FBI for the premium group was £94,535 per business or £134,548 per hectare. The average FBI per £100 of gross output was £7.90 for the group, compared with £1.90 for the previous year.

Table 2.12 Specialist Glass businesses (90% or more crop output from glasshouse production), mainly edible crops

Tomato production accounts for 47% and soft fruit accounts for 18% of all glasshouse output in this group. The area of glasshouse cropping fell to 1.07ha per business from an average of 1.42ha in 2010/11.

FBI fell sharply for this group of growers, down from £80,622 per business to £31,842 and from £31,842 to £28,654 per hectare in 2011/12.

The per hectare gross margin for the group fell by 11% in the period; to £206,192/ha; a result of a 5% decrease in gross output and a 2% rise in total variable costs. In particular, the costs of glasshouse fuel (£70,174/ha), crop protection (£3,442/ha) and crop production sundries rose in the period, while fertiliser

& compost (£11,845/ha) and packing materials (£14,228/ha) costs dropped -16% and -22% respectively. The per hectare total fixed costs showed little change, however, fuel & electricity dropped by over 20% and casual labour increased by over 40% in the period.

Table 2.13 Specialist Glass (90% or more crop output from glasshouse production), mainly salads

The sub-set of businesses that are mainly growing salad crops under glass, for which tomato production accounts for 69% of output, lettuce 1% and the remaining 30% a mixture of other salad crops.

The average total gross output in 2011/12 of £527,126 was down by almost 20% from the year before and FBI was down 53% to £48,603 per business. The average per hectare gross margin of £243,541/ha was down just 4% from the previous year, however fixed costs on a per hectare rose by 11% and FBI fell by 38%. FBI per £100 of gross output was down by over £6 in the year, to £9.20.

Table 2.14 Specialist Glass (90% or more crop output from glasshouse production), mainly non edible crops

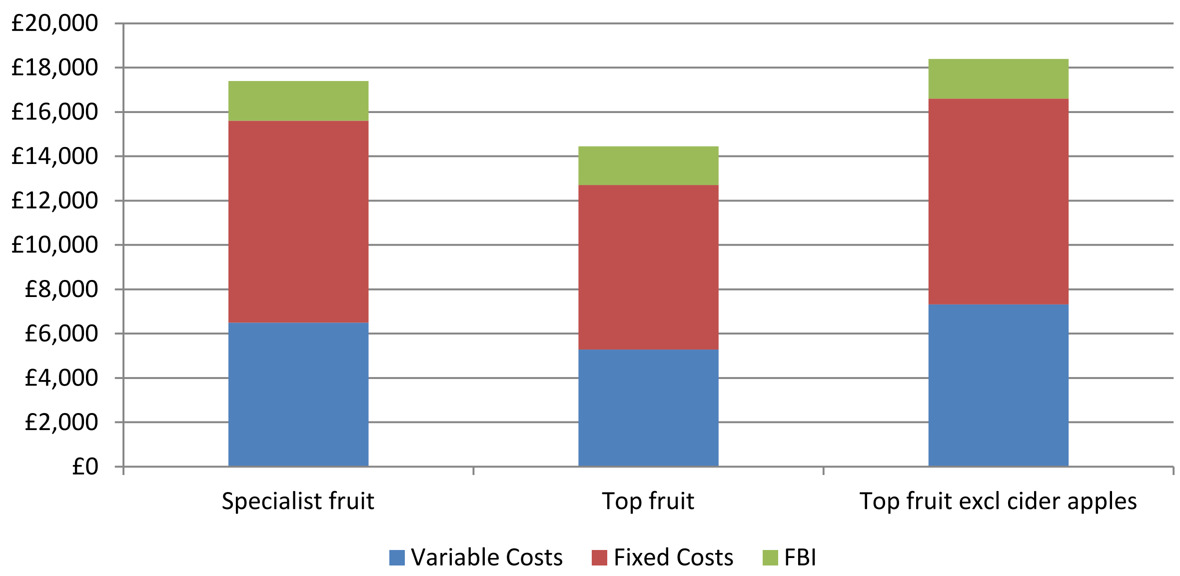
The results for those businesses growing mainly ornamental crops with 90% or more of the crop output from glasshouse production showed a decrease in FBI from the previous year, in 2011/12 the average FBI was £38,062 per business and £48,583 per hectare. The area under glass for the sample fell by 11% to 0.74ha per business.

While the per hectare variable costs for the sample rose by 11%, total gross output rose further; resulting in an increase in the average per hectare gross margin of 13%. Although an increase in fixed costs (+16%) particularly for casual labour, contract & hire and rent led to a 17% drop in the average per hectare FBI. The FBI per £100 of gross output fell by almost £3 in the period to £8.10.

2.7 Specialist Fruit [Tables 2.15 to 2.17]

There are three tables reporting on the financial results for this type group and sub-groups. Table 2.15 shows the results for all specialist fruit businesses, table 2.16 shows a sub group of this sample for businesses with over 90% of their total crop output derived from top fruit and table 2.17 splits this down further by excluding cider apple growers.

Figure 2.6 Average per ha FBI, variable costs and fixed costs for specialist fruit businesses in England 2011/12, by proportion output from protected crops



Average FBI per hectare in 2011/12 was £1,787 for fruit combined, £1,739 for top fruit and £1,800 for top fruit excluding cider apples. All three groups saw a decrease in FBI per £100 of gross output from the previous year, with 'top fruit production excluding cider apples' recording the largest drop of £2.40.

Figure 2.7 Average FBI per £100 of gross output for specialist fruit businesses in England, by farm type

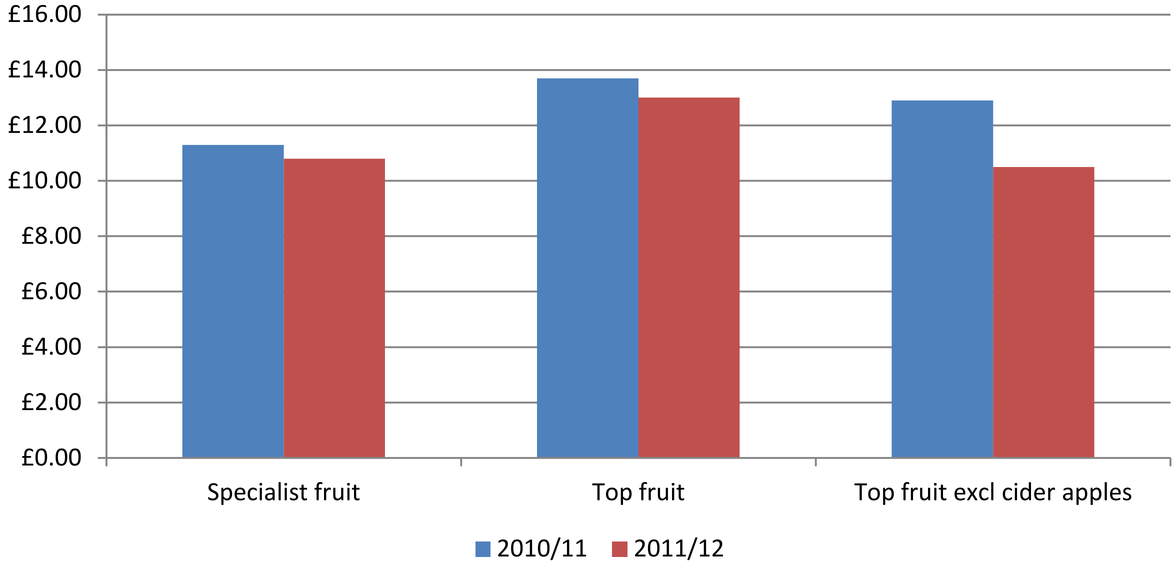


Table 2.15 Specialist fruit businesses

Within the specialist fruit group, 57% of crop output is from tree fruit and 42% from soft fruit production in 2011/12. A significant proportion of the total output is derived from other activities, for example, adding value to the crop by on-farm processing or offering pack house services to other growers. The area cropped has risen by 3% from the previous year, to an average of 25.16ha per business.

Average FBI per business increased 12% from £40,148 in 2010/11 to £44,949 in 2011/12, whilst the average for the top third of businesses dropped by 7% to £67,881. Despite a rise of 21% and 7% in per hectare variable and fixed costs, the 13% increase in gross output resulted in a 9% rise in per hectare FBI at £1,787/ha in 2011/12. Per hectare fertiliser & compost costs for the group increased by 59% from the previous year, while seeds & young plants costs rose by 30%. Of the fixed costs, regular labour increased by 22% to £1,631/ha.

Table 2.3 Top fruit yields, prices and output – 2010/11 and 2011/12*

Top Fruit		**2010/11**	**2011/12**
Culinary Apples	tonnes/ha	25.8	27.8
	£/tonne	355.6	342.1
	£ output/ha	**9,184**	**9,518**
Dessert Apples	tonnes/ha	17.8	19.4
	£/tonne	637.7	732.8
	£ output/ha	**11,373**	**14,207**
Cider Apples	tonnes/ha	25.4	32.3
	£/tonne	104.0	109.3
	£ output/ha	**2,636**	**3,528**
Pears	tonnes/ha	13.9	16.4
	£/tonne	656.5	608.1
	£ output/ha	**9,116**	**9,954**

***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.

Table 2.16 Mainly top fruit businesses - 90% or more crop output derived from top fruit

The group is comprised of businesses that specialise in top fruit production, with 90% or more of their total crop output derived from top fruit. In 2011/12, 73% of the output for the sample was derived from dessert apples & pears, 10% from culinary apples and the remaining 17% from plums and other top fruit.

Yields for all four top fruit categories in the sample went up in the 2011 harvest year, particularly for cider apples, where the average yield was 27% higher than in 2010 (see table 2.3). The overall yield of apples was in part boosted by production from newly established apple orchards that were grant aided under the Producer Organisation Scheme.

The average price received was down for both culinary apples (-4%), in part due to the small size caused by the dry season and pears (-7%), however the improved yield meant the output per hectare had increased for both crops by 4% and 9% respectively. On a per hectare basis, output increased by 34% for cider apples and 25% for dessert apples to £3,528/ha and £14,207/ha respectively.

Average FBI per holding was £35,517 and £1,739/ha, while the FBI for the top third of businesses in the sample was £109,482 and £3,224/ha.

While average total gross output decreased slightly from the 2010 to 2011 cropping years, this is driven by the 10% reduction in average cropped area in the sample, to 20.42ha. Average per hectare gross output increased by 7% to £13,329/ha from 2010/11 to 2011/12, leading to a 2% increase in both the average per hectare gross margin and the average FBI. Variable costs were up from last year, particularly market charges (+14%) and packing materials (+34%), largely due to the increased yields achieved.

Marketing and packaging costs were 29% of the total gross output compared with 26% in the previous year.

Table 2.17 Mainly top fruit businesses – 90% or more crop output derived from top fruit, excluding cider apple growers

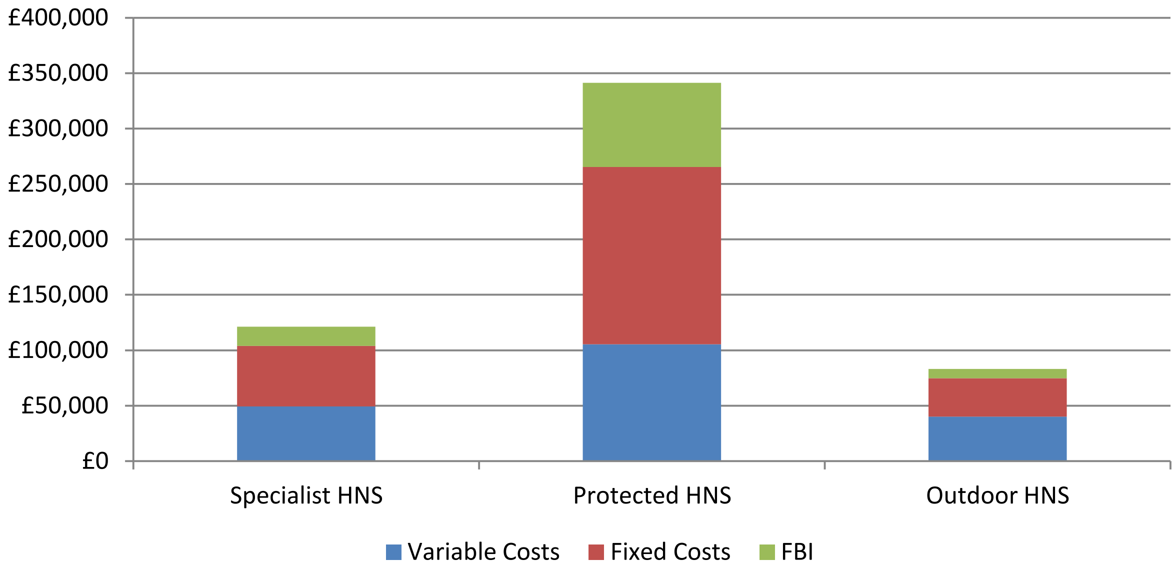
The sub-group consists of top fruit growers predominantly growing top fruit for eating; growers mainly growing apples for cider are excluded. In 2011/12, 70% of crop output was from dessert apples & pears, 11% from culinary apples for processing & the fresh market and the remaining 19% from other tree fruit. The total cropping area for the sample decreased from the previous year of 24.7ha to 21ha.

In 2011/12 total gross output was up 8% to £17,178/ha; however with variable costs up 19% and fixed costs up 4%, the FBI decreased by 12% to £1,800/ha. The per hectare market charges (+19%), and packing materials (+43%) were both up in the period, however crop protection costs fell (-7%).

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 Hardy Nursery Stock (HNS) businesses in the sample. Tables 2.19 and 2.20 are sub-groups of the main sample. Table 2.19 is for businesses that derive over 25% of their crop output from glasshouse production of HNS; while table 2.20 covers businesses that derive over 80% of the crop output from outdoor production of HNS.

Figure 2.8 Average per ha FBI, variable costs and fixed costs for specialist HNS businesses in England 2011/12, by proportion of output from protected crops



Protected HNS has significantly higher output and profitability than outdoor grown HNS. In 2011/12 per hectare FBI was £17,238 for all HNS, £75,754 for protected HNS and £8,337 for outdoor grown HNS. When compared with all other horticulture business types in the sample, protected HNS has the highest FBI per £100 of gross output, with an average of £23.50 in 2011/12.

Figure 2.9 Average FBI per £100 of gross output for specialist fruit HNS businesses in England, by intensity of production

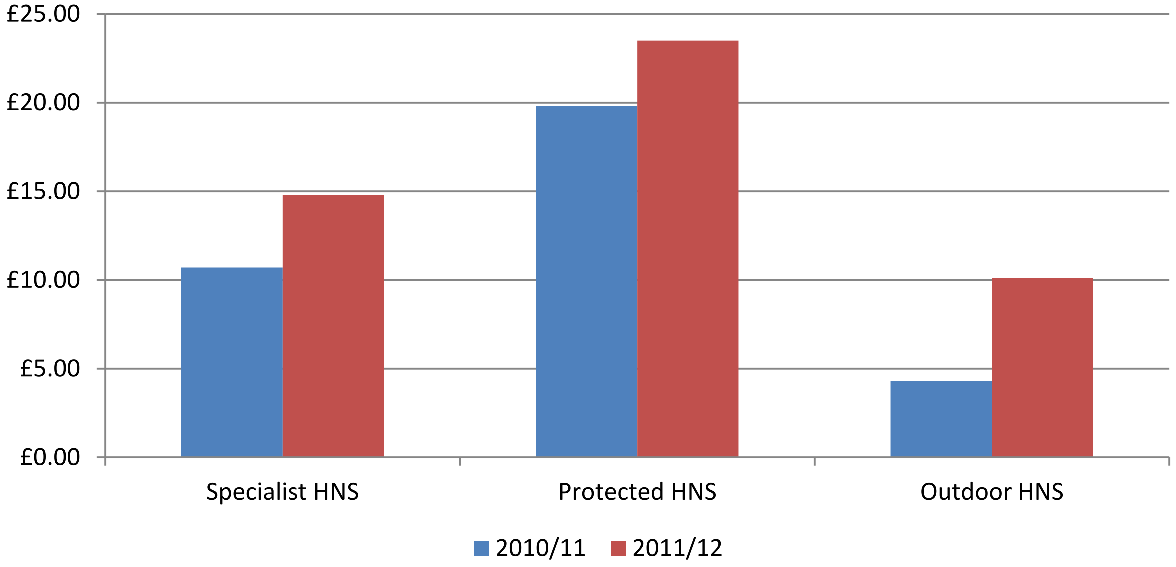


Table 2.18 Specialist HNS businesses

This group of businesses includes growers of young HNS plants under protection, those growing HNS plants outdoors, and a combination of the two production systems. The average cropped area for the sample decreased by 13%, from 4.09ha to 3.54ha per business. On average, the sector has a very low proportion of output from other activities; in 2011/12 only 2% of output was derived from other sources of income.

In 2011/12, 69% of crop output for the sample came from outdoor HNS and 31% from glasshouse HNS. Gross output per hectare was almost four times higher for protected HNS than for outdoor produced stock in 2011/12.

The Hardy Nursery Stock (HNS) sector as a whole showed a recovery in FBI, increasing by 31% from £46,835 in 2010/11 to £61,375 in 2011/12; only slightly lower than the average FBI of £64,180 achieved two years ago in 2009/10. When looked at on a per hectare basis, FBI increased by 51%, to £17,328/ha in 2011/12. The premium businesses in the sample had an average FBI of £124,567 per holding and £89,174 per hectare.

Table 2.19 Mainly protected HNS crops – 25% or more of crop output derived from glasshouse production of HNS

The sub-group covers businesses which grow a significant amount of HNS under glass (25% or more of crop output produced under glass or walk-through polythene tunnels). The average protected area in 2011/12 was 0.76ha, while the average total cropping area was 1.46ha.

FBI increased by 18% to £110,262 per business, or by 43% to £75,754 on a per hectare basis. The improved FBI was due to the increased gross output of 21% to £322,286/ha, exceeding the rate of increase for variable and fixed costs

Table 2.20 Outdoor HNS crops – 80% or more crop output derived from outdoor production of HNS

The table refers to a group of businesses with 80% or more of HNS output produced outdoors, including rootstock and larger trees, as well as shrubs and smaller nursery stock.

The outdoor sector saw a significant annual increase in profitability, over double that seen in the previous year with average FBI up from £3,236/ha to £8,337/ha. The increase is primarily due to the growth in gross output of almost £7,000/ha; from £75,783/ha to £82,639/ha. FBI per £100 of gross output was £10.10 in 2011/12.

2.9 Other Horticulture [Tables 2.21 and 2.22]

Table 2.21 Other horticultural businesses

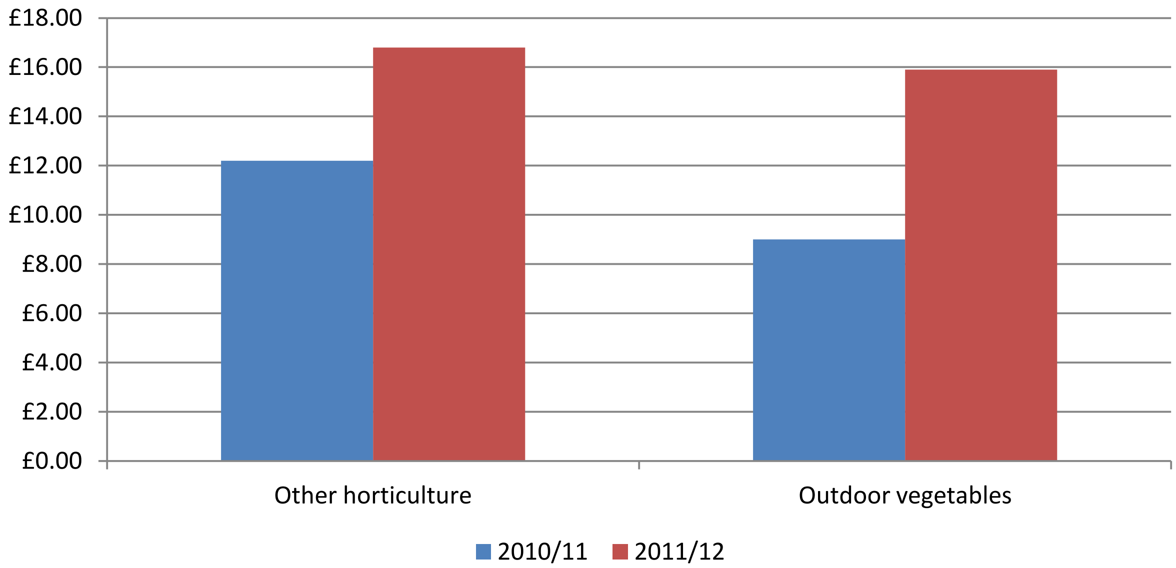
The table refers to a diverse group of farms, for which crop output is comprised of a combination of small scale outdoor vegetables, ornamentals, soft fruit, top fruit and farm crops. FBI for this group of farms increased from £49,256 in 2010/11 to £63,716 in 2011/12. The premium businesses in the sample had an average FBI of £70,412 per business and £6,876 per hectare. The average FBI per £100 of gross output was £16.80, up over £4 from the year before.

Table 2.22 Mainly outdoor vegetables – 50% or more output derived from outdoor vegetables

Crop output for the sample of outdoor vegetable growers (50% or more crop output produced from outdoor vegetables) is primarily derived from brassicas (24%), salad crops (28%) and other outdoor vegetable crops (31%). The average cropping area of this group decreased from 37ha per business in 2010/11 to 29ha in 2011/12.

The financial results for the group shows an increase in business FBI of 33% at £39,748 or a per hectare figure of £1,373/ha.The increased FBI appears to be due to reduced fixed costs (-5%) and variable costs (-14%) as gross output fell by 4% to £8,631/ha in 2011/12. The average FBI per £100 of gross output was £15.90, up almost £7 from the year before.

Figure 2.10 Average FBI per £100 of gross output for specialist fruit HNS businesses in England, by intensity of production



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.

For the whole sample of horticultural businesses, the percentage equity in the business increased during the year, opening at 83.7% and closing at 84.4%. The value of the balance sheet fixed assets rose by 7.5% to £839,357 and total external liabilities increased by 2.2% to £157,366 over the same period.

Specialist Hardy Nursery Stock businesses had the largest increase in equity of 1.7% from 81.2% in 2010/11 to 82.9% in 2011/12. Specialist Glasshouse businesses had an increase in percentage equity of just 0.7% from the previous year to 81.3% in 2011/12, while Specialist Fruit businesses recorded a reduction in equity of 0.3% to 83.5%.

Table 2.24 reports on the net worth and percentage equity for the DEFRA main farm type classifications used in England. The average net worth for all businesses is approximately £1,270,238 per business representing 89.2% equity, up from the 88.8% equity in the previous year.

Those farms that are predominantly land based have the highest net worth, while those businesses with intensive livestock systems and less land have a lower net worth and percentage equity. Consequently, lowland cattle and sheep farms and cereal farms have the highest percentage equity at 93.1% and 92%, while pig and poultry farms have the lowest percentage equity at 75.6% and 74.5%, with horticulture midway at 84.1%.

Table 2.4 All horticultural businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	223	217	223	217	223	217
Productive cropping area (ha)	29.18	29.00	29.18	29.00		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**416,183**	**402,842**	**14,264**	**13,893**	**100.0**	**100.0**
Variable costs						
Seed & young plants	66,342	60,087	2,274	2,072	15.9	14.9
Fertilisers & composts	14,937	12,523	512	432	3.6	3.1
Crop protection	11,774	9,735	404	336	2.8	2.4
Market charges	23,044	22,895	790	790	5.5	5.7
Packing materials	17,849	17,650	612	609	4.3	4.4
Horticultural sundries	16,077	16,625	551	573	3.9	4.1
Glasshouse fuel	6,262	5,847	215	202	1.5	1.5
Other variable costs	1,193	2,111	41	73	0.3	0.5
Total variable costs	**157,478**	**147,473**	**5,397**	**5,086**	**37.8**	**36.6**
Total gross margin	**258,705**	**255,369**	**8,866**	**8,807**	**62.2**	**63.4**
Fixed costs						
Labour:						
Regular paid	73,345	67,962	2,514	2,344	17.6	16.9
Regular unpaid	26,397	27,389	905	945	6.3	6.8
Casual labour	40,561	35,887	1,390	1,238	9.7	8.9
Power & machinery costs:						
Contract & hire	5,885	5,614	202	194	1.4	1.4
Fuel & electricity	12,794	12,897	438	445	3.1	3.2
Repairs	10,795	9,622	370	332	2.6	2.4
Machinery depreciation	14,118	13,465	484	464	3.4	3.3
Glasshouse depreciation	3,374	2,888	116	100	0.8	0.7
Rent (incl. imputed)	18,168	18,179	623	627	4.4	4.5
Other costs:						
Occupier's repairs	6,739	7,265	231	251	1.6	1.8
Permanent crop depreciation	901	648	31	22	0.2	0.2
Water	2,495	1,948	86	67	0.6	0.5
Sundries	18,109	18,160	621	626	4.4	4.5
Total fixed costs	**233,682**	**221,925**	**8,009**	**7,654**	**56.1**	**55.1**
Management & investment income	**25,023**	**33,444**	**858**	**1,153**	**6.0**	**8.3**
Minus: management salaries	511	753	18	26	0.1	0.2
Plus: farmer & spouse labour	21,924	22,158	751	764	5.3	5.5
Net farm income	**46,436**	**54,849**	**1,591**	**1,892**	**11.2**	**13.6**
Farm business income	**48,022**	**55,287**	**1,646**	**1,907**	**11.5**	**13.7**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12
Glasshouse crops		
Flowers & nursery stock	23.8	21.7
Tomatoes	1.9	1.7
Lettuce	0.5	0.1
Soft fruit	2.2	1.5
Other glasshouse crops	2.7	2.4
Outdoor crops		
Flowers and nursery stock	25.6	25.2
Vegetables	13.5	10.4
Other outdoor crops	8.8	9.6
Top fruit		
Dessert apples and pears	8.6	9.1
Culinary apples	1.0	1.1
Plums	1.0	0.9
Other top fruit	2.0	1.5
Soft fruit		
Strawberries	3.7	8.7
Raspberries	3.1	4.3
Blackcurrants	0.2	0.1
Other soft fruit	1.4	1.7
Total	**100.0**	**100.0**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	45	42
£50,000 to <£100,000	34	27
£25,000 to <£50,000	39	44
£12,500 to <£25,000	27	28
0 to <£12,500	36	42
-£12,500 to 0	19	14
-£25,000 to <-£12,500	5	6
-£50,000 to <-£25,000	8	9
Below -£50,000	10	5
Total	**223**	**217**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12
Crops and tillages	21	19
Stores	7	7
Glasshouses	6	6
Equipment	27	28
Livestock	2	3
Other	37	37
Total	**100**	**100**
Tenant's capital (£)	**311,391**	**299,019**

Table 2.5 All specialist glass businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	85	77	85	77	85	77
Productive cropping area (ha)	1.51	1.24	1.51	1.24		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**511,954**	**433,208**	**338,541**	**349,864**	**100.0**	**100.0**
Variable costs						
Seed & young plants	90,177	78,303	59,632	63,238	17.6	18.1
Fertilisers & composts	16,813	13,127	11,118	10,602	3.3	3.0
Crop protection	3,011	2,803	1,991	2,264	0.6	0.6
Market charges	28,425	23,398	18,797	18,897	5.6	5.4
Packing materials	28,815	23,523	19,054	18,997	5.6	5.4
Horticultural sundries	23,192	22,395	15,336	18,086	4.5	5.2
Glasshouse fuel	33,518	30,630	22,165	24,737	6.5	7.1
Other variable costs	102	17	68	14	0.0	0.0
Total variable costs	**224,053**	**194,195**	**148,160**	**156,834**	**43.8**	**44.8**
Total gross margin	**287,900**	**239,013**	**190,380**	**193,030**	**56.2**	**55.2**
Fixed costs						
Labour:						
Regular paid	110,700	91,075	73,203	73,554	21.6	21.0
Regular unpaid	32,520	31,002	21,504	25,037	6.4	7.2
Casual labour	22,221	24,149	14,694	19,503	4.3	5.6
Power & machinery costs:						
Contract & hire	2,149	1,424	1,421	1,150	0.4	0.3
Fuel & electricity	12,449	9,774	8,232	7,894	2.4	2.3
Repairs	9,772	7,556	6,462	6,102	1.9	1.7
Machinery depreciation	11,231	8,858	7,427	7,153	2.2	2.0
Glasshouse depreciation	9,954	8,339	6,582	6,734	1.9	1.9
Rent (incl. imputed)	9,379	8,880	6,202	7,171	1.8	2.0
Other costs:						
Occupier's repairs	7,375	7,017	4,877	5,667	1.4	1.6
Permanent crop depreciation	-43	-55	-29	-45	0.0	0.0
Water	2,426	2,081	1,604	1,681	0.5	0.5
Sundries	20,865	21,873	13,797	17,665	4.1	5.0
Total fixed costs	**250,996**	**221,971**	**165,977**	**179,267**	**49.0**	**51.2**
Management & investment income	**36,904**	**17,042**	**24,403**	**13,763**	**7.2**	**3.9**
Minus: management salaries	383	2,512	254	2,029	0.1	0.6
Plus: farmer & spouse labour	27,254	26,231	18,022	21,184	5.3	6.1
Net farm income	**63,775**	**40,760**	**42,172**	**32,918**	**12.5**	**9.4**
Farm business income	**59,887**	**33,669**	**39,602**	**27,192**	**11.7**	**7.8**

Premium businesses	Per hectare 2011/12	Per £100 of gross output 2011/12
Number of businesses	26	26
Productive cropping area (ha)	0.84	
	£ per hectare	*average %*
Gross output	**705,229**	**100.0**
Variable costs		
Seed & young plants	117,496	16.7
Fertilisers & composts	25,813	3.7
Crop protection	3,560	0.5
Market charges	33,176	4.7
Packing materials	40,121	5.7
Horticultural sundries	18,321	2.6
Glasshouse fuel	30,188	4.3
Other variable costs	0	0.0
Total variable costs	**268,675**	**38.1**
Total gross margin	**436,554**	**61.9**
Fixed costs		
Labour:		
Regular paid	165,210	23.4
Regular unpaid	43,250	6.1
Casual labour	29,233	4.1
Power & machinery costs:		
Contract & hire	3,389	0.5
Fuel & electricity	17,669	2.5
Repairs	10,273	1.5
Machinery depreciation	12,303	1.7
Glasshouse depreciation	15,420	2.2
Rent (incl. imputed)	8,056	1.1
Other costs:		
Occupier's repairs	9,560	1.4
Permanent crop depreciation	0	0.0
Water	2,487	0.4
Sundries	34,330	4.9
Total fixed costs	**351,177**	**49.8**
Management & investment income	**85,377**	**12.1**
Minus: management salaries	7,050	1.0
Plus: farmer & spouse labour	37,939	5.4
Net farm income	**116,266**	**16.5**
Farm business income	**104,362**	**14.8**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Glasshouse crops			
Flowers & nursery stock	57.2	62.0	68.4
Tomatoes	10.7	11.9	13.5
Lettuce	2.6	0.7	0.0
Soft fruit	8.7	5.0	0.0
Other glasshouse crops	11.5	11.4	3.8
Outdoor crops			
Flowers & nursery stock	6.6	8.0	14.2
Vegetables	1.3	0.9	0.0
Fruit	1.4	0.2	0.0
Other outdoor crops	0.0	0.0	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	8	9	12
Stores	9	10	10
Glasshouses	24	25	22
Equipment	23	26	19
Livestock	0	0	0
Other	35	31	37
Total	**100**	**100**	**100**
Tenant's capital (£)	**311,361**	**261,119**	**371,137**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	20	11
£50,000 to <£100,000	10	8
£25,000 to <£50,000	20	18
£12,500 to <£25,000	9	7
0 to <£12,500	16	19
-£12,500 to 0	3	4
-£25,000 to <-£12,500	2	4
-£50,000 to <-£25,000	1	4
Below -£50,000	4	2
Total	**85**	**77**

Table 2.6 Specialist glass businesses, mainly edible crops

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	33	30	33	30	33	30
Productive cropping area (ha)	2.50	1.67	2.50	1.67		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**512,435**	**317,731**	**205,170**	**189,984**	**100.0**	**100.0**
Variable costs						
Seed & young plants	46,208	28,188	18,501	16,855	9.0	8.9
Fertilisers & composts	16,120	9,179	6,454	5,488	3.1	2.9
Crop protection	3,795	2,932	1,519	1,753	0.7	0.9
Market charges	41,473	25,702	16,605	15,369	8.1	8.1
Packing materials	24,660	12,662	9,873	7,571	4.8	4.0
Horticultural sundries	23,422	18,120	9,378	10,835	4.6	5.7
Glasshouse fuel	61,453	52,539	24,605	31,415	12.0	16.5
Other variable costs	34	44	14	26	0.0	0.0
Total variable costs	**217,166**	**149,366**	**86,949**	**89,312**	**42.4**	**47.0**
Total gross margin	**295,269**	**168,365**	**118,221**	**100,672**	**57.6**	**53.0**
Fixed costs						
Labour:						
Regular paid	113,552	55,246	45,464	33,034	22.2	17.4
Regular unpaid	30,120	30,007	12,060	17,942	5.9	9.4
Casual labour	17,846	20,086	7,145	12,010	3.5	6.3
Power & machinery costs:						
Contract & hire	3,067	798	1,228	477	0.6	0.3
Fuel & electricity	10,730	5,583	4,296	3,338	2.1	1.8
Repairs	13,730	7,632	5,497	4,563	2.7	2.4
Machinery depreciation	10,173	7,187	4,073	4,297	2.0	2.3
Glasshouse depreciation	10,001	7,445	4,004	4,452	2.0	2.3
Rent (incl. imputed)	12,179	9,325	4,876	5,576	2.4	2.9
Other costs:						
Occupier's repairs	9,666	7,347	3,870	4,393	1.9	2.3
Permanent crop depreciation	-134	-148	-54	-88	0.0	0.0
Water	2,260	1,549	905	926	0.4	0.5
Sundries	16,822	12,689	6,735	7,588	3.3	4.0
Total fixed costs	**250,014**	**164,745**	**100,101**	**98,508**	**48.8**	**51.9**
Management & investment income	**45,255**	**3,620**	**18,119**	**2,164**	**8.8**	**1.1**
Minus: management salaries	859	591	344	353	0.2	0.2
Plus: farmer & spouse labour	23,814	24,027	9,535	14,366	4.6	7.6
Net farm income	**68,211**	**27,056**	**27,310**	**16,178**	**13.3**	**8.5**
Farm business income	**68,565**	**24,564**	**27,452**	**14,688**	**13.4**	**7.7**

Premium businesses	Per hectare 2011/12	Per £100 of gross output 2011/12
Number of businesses	10	10
Productive cropping area (ha)	0.99	
	£ per hectare	*average %*
Gross output	**377,591**	**100.0**
Variable costs		
Seed & young plants	18,937	5.0
Fertilisers & composts	12,554	3.3
Crop protection	1,572	0.4
Market charges	17,248	4.6
Packing materials	10,263	2.7
Horticultural sundries	22,990	6.1
Glasshouse fuel	61,773	16.4
Other variable costs	0	0.0
Total variable costs	**145,337**	**38.5**
Total gross margin	**232,254**	**61.5**
Fixed costs		
Labour:		
Regular paid	79,498	21.1
Regular unpaid	33,142	8.8
Casual labour	10,496	2.8
Power & machinery costs:		
Contract & hire	2,188	0.6
Fuel & electricity	5,687	1.5
Repairs	7,545	2.0
Machinery depreciation	7,477	2.0
Glasshouse depreciation	10,811	2.9
Rent (incl. imputed)	7,511	2.0
Other costs:		
Occupier's repairs	8,463	2.2
Permanent crop depreciation	-475	-0.1
Water	1,560	0.4
Sundries	12,472	3.3
Total fixed costs	**186,376**	**49.4**
Management & investment income	**45,878**	**12.2**
Minus: management salaries	47	0.0
Plus: farmer & spouse labour	28,493	7.5
Net farm income	**74,324**	**19.7**
Farm business income	**73,606**	**19.5**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Glasshouse crops			
Flowers & nursery stock	0.5	0.6	0.0
Tomatoes	32.3	42.7	75.6
Lettuce	7.8	2.4	2.3
Soft fruit	26.1	17.9	9.0
Other glasshouse crops	28.0	33.2	13.2
Outdoor crops			
Flowers & nursery stock	0.0	0.0	0.0
Vegetables	1.1	2.7	0.0
Fruit	4.2	0.6	0.0
Other outdoor crops	0.0	0.0	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	4	4	5
Stores	5	5	6
Glasshouses	23	31	37
Equipment	26	31	23
Livestock	0	0	0
Other	41	27	29
Total	**100**	**100**	**100**
Tenant's capital (£)	**271,229**	**185,620**	**209,964**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	10	2
£50,000 to <£100,000	4	3
£25,000 to <£50,000	3	6
£12,500 to <£25,000	5	4
0 to <£12,500	9	10
-£12,500 to 0	0	1
-£25,000 to <-£12,500	0	2
-£50,000 to <-£25,000	1	2
Below -£50,000	1	0
Total	**33**	**30**

Table 2.7 Specialist glass businesses, mainly non-edible crops

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	52	47	52	47	52	47
Productive cropping area (ha)	1.03	0.97	1.03	0.97		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**511,719**	**505,048**	**496,187**	**521,688**	**100.0**	**100.0**
Variable costs						
Seed & young plants	111,637	109,480	108,248	113,087	21.8	21.7
Fertilisers & composts	17,152	15,584	16,631	16,097	3.4	3.1
Crop protection	2,628	2,723	2,549	2,813	0.5	0.5
Market charges	22,056	21,965	21,387	22,688	4.3	4.3
Packing materials	30,843	30,280	29,907	31,277	6.0	6.0
Horticultural sundries	23,080	25,054	22,379	25,879	4.5	5.0
Glasshouse fuel	19,884	16,999	19,281	17,559	3.9	3.4
Other variable costs	136	0	131	0	0.0	0.0
Total variable costs	**227,415**	**222,084**	**220,513**	**229,401**	**44.4**	**44.0**
Total gross margin	**284,304**	**282,964**	**275,674**	**292,287**	**55.6**	**56.0**
Fixed costs						
Labour:						
Regular paid	109,308	113,366	105,990	117,101	21.4	22.4
Regular unpaid	33,691	31,621	32,668	32,663	6.6	6.3
Casual labour	24,356	26,676	23,617	27,555	4.8	5.3
Power & machinery costs:						
Contract & hire	1,701	1,813	1,649	1,873	0.3	0.4
Fuel & electricity	13,288	12,382	12,885	12,790	2.6	2.5
Repairs	7,840	7,509	7,602	7,757	1.5	1.5
Machinery depreciation	11,747	9,897	11,390	10,223	2.3	2.0
Glasshouse depreciation	9,931	8,894	9,630	9,187	1.9	1.8
Rent (incl. imputed)	8,012	8,603	7,769	8,886	1.6	1.7
Other costs:						
Occupier's repairs	6,257	6,812	6,067	7,037	1.2	1.3
Permanent crop depreciation	1	2	1	2	0.0	0.0
Water	2,507	2,412	2,431	2,491	0.5	0.5
Sundries	22,838	27,586	22,145	28,494	4.5	5.5
Total fixed costs	**251,476**	**257,573**	**243,843**	**266,059**	**49.1**	**51.0**
Management & investment income	**32,828**	**25,392**	**31,831**	**26,228**	**6.4**	**5.0**
Minus: management salaries	151	3,708	147	3,830	0.0	0.7
Plus: farmer & spouse labour	28,933	27,602	28,055	28,511	5.7	5.5
Net farm income	**61,610**	**49,286**	**59,740**	**50,910**	**12.0**	**9.8**
Farm business income	**55,652**	**39,334**	**53,963**	**40,629**	**10.9**	**7.8**

Premium businesses	Per hectare 2011/12	Per £100 of gross output 2011/12
Number of businesses	16	16
Productive cropping area (ha)	0.64	
	£ per hectare	*average %*
Gross output	**790,471**	**100.0**
Variable costs		
Seed & young plants	170,036	21.5
Fertilisers & composts	28,142	3.6
Crop protection	4,418	0.6
Market charges	24,270	3.1
Packing materials	40,233	5.1
Horticultural sundries	22,203	2.8
Glasshouse fuel	18,532	2.3
Other variable costs	0	0.0
Total variable costs	**307,835**	**38.9**
Total gross margin	**482,636**	**61.1**
Fixed costs		
Labour:		
Regular paid	153,260	19.4
Regular unpaid	59,530	7.5
Casual labour	40,357	5.1
Power & machinery costs:		
Contract & hire	2,953	0.4
Fuel & electricity	13,340	1.7
Repairs	7,522	1.0
Machinery depreciation	14,723	1.9
Glasshouse depreciation	20,162	2.6
Rent (incl. imputed)	11,740	1.5
Other costs:		
Occupier's repairs	9,721	1.2
Permanent crop depreciation	0	0.0
Water	2,573	0.3
Sundries	32,470	4.1
Total fixed costs	**368,350**	**46.6**
Management & investment income	**114,286**	**14.5**
Minus: management salaries	14,932	1.9
Plus: farmer & spouse labour	55,355	7.0
Net farm income	**154,708**	**19.6**
Farm business income	**133,678**	**16.9**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Glasshouse crops			
Flowers & nursery stock	85.2	85.6	96.1
Tomatoes	0.1	0.1	0.1
Lettuce	0.0	0.0	0.0
Soft fruit	0.0	0.0	0.0
Other glasshouse crops	3.3	3.1	1.5
Outdoor crops			
Flowers & nursery stock	9.9	11.0	2.4
Vegetables	1.4	0.2	0.0
Fruit	0.0	0.0	0.0
Other outdoor crops	0.0	0.0	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	11	11	13
Stores	12	12	14
Glasshouses	24	22	23
Equipment	21	23	15
Livestock	0	0	0
Other	32	32	35
Total	**100**	**100**	**100**
Tenant's capital (£)	**330,948**	**308,089**	**341,970**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	10	9
£50,000 to <£100,000	6	5
£25,000 to <£50,000	17	12
£12,500 to <£25,000	4	3
0 to <£12,500	7	9
-£12,500 to 0	3	3
-£25,000 to <-£12,500	2	2
-£50,000 to <-£25,000	0	2
Below -£50,000	3	2
Total	**52**	**47**

Table 2.8 Specialist glass businesses (50% or more of crop output from glasshouse production)

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	76	68	76	68	76	68
Productive cropping area (ha)	1.25	1.17	1.25	1.17		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**483,624**	**439,842**	**385,940**	**377,477**	**100.0**	**100.0**
Variable costs						
Seed & young plants	88,835	83,166	70,892	71,374	18.4	18.9
Fertilisers & composts	14,837	11,922	11,840	10,231	3.1	2.7
Crop protection	2,896	2,959	2,311	2,539	0.6	0.7
Market charges	24,778	23,043	19,774	19,776	5.1	5.2
Packing materials	25,453	21,625	20,312	18,558	5.3	4.9
Horticultural sundries	24,557	25,877	19,597	22,208	5.1	5.9
Glasshouse fuel	36,412	35,001	29,057	30,038	7.5	8.0
Other variable costs	13	20	10	17	0.0	0.0
Total variable costs	**217,781**	**203,611**	**173,793**	**174,741**	**45.0**	**46.3**
Total gross margin	**265,843**	**236,231**	**212,147**	**202,736**	**55.0**	**53.7**
Fixed costs						
Labour:						
Regular paid	93,370	84,937	74,511	72,894	19.3	19.3
Regular unpaid	33,582	31,682	26,799	27,190	6.9	7.2
Casual labour	24,171	27,154	19,289	23,304	5.0	6.2
Power & machinery costs:						
Contract & hire	1,419	1,412	1,132	1,212	0.3	0.3
Fuel & electricity	10,422	8,036	8,317	6,897	2.2	1.8
Repairs	8,995	7,101	7,179	6,094	1.9	1.6
Machinery depreciation	11,187	9,487	8,928	8,142	2.3	2.2
Glasshouse depreciation	10,537	9,418	8,409	8,082	2.2	2.1
Rent (incl. imputed)	9,203	9,356	7,344	8,030	1.9	2.1
Other costs:						
Occupier's repairs	6,696	7,358	5,344	6,315	1.4	1.7
Permanent crop depreciation	27	-66	21	-56	0.0	0.0
Water	2,367	2,145	1,889	1,841	0.5	0.5
Sundries	18,582	20,705	14,829	17,769	3.8	4.7
Total fixed costs	**230,559**	**218,725**	**183,990**	**187,712**	**47.7**	**49.7**
Management & investment income	**35,284**	**17,506**	**28,157**	**15,024**	**7.3**	**4.0**
Minus: management salaries	357	2,899	285	2,488	0.1	0.7
Plus: farmer & spouse labour	28,204	27,288	22,507	23,418	5.8	6.2
Net farm income	**63,131**	**41,894**	**50,380**	**35,954**	**13.1**	**9.5**
Farm business income	**60,780**	**34,565**	**48,504**	**29,664**	**12.6**	**7.9**

Premium businesses	*Per hectare* 2011/12	*Per £100 of gross output* 2011/12
Number of businesses	23	23
Productive cropping area (ha)	0.78	
	£ per hectare	*average %*
Gross output	**675,607**	**100.0**
Variable costs		
Seed & young plants	120,750	17.9
Fertilisers & composts	22,331	3.3
Crop protection	3,477	0.5
Market charges	24,739	3.7
Packing materials	33,132	4.9
Horticultural sundries	21,445	3.2
Glasshouse fuel	35,480	5.3
Other variable costs	0	0.0
Total variable costs	**261,354**	**38.7**
Total gross margin	**414,252**	**61.3**
Fixed costs		
Labour:		
Regular paid	133,079	19.7
Regular unpaid	49,711	7.4
Casual labour	37,008	5.5
Power & machinery costs:		
Contract & hire	3,403	0.5
Fuel & electricity	10,824	1.6
Repairs	6,480	1.0
Machinery depreciation	13,130	1.9
Glasshouse depreciation	18,545	2.7
Rent (incl. imputed)	9,333	1.4
Other costs:		
Occupier's repairs	9,593	1.4
Permanent crop depreciation	0	0.0
Water	2,279	0.3
Sundries	27,779	4.1
Total fixed costs	**321,164**	**47.5**
Management & investment income	**93,089**	**13.8**
Minus: management salaries	8,925	1.3
Plus: farmer & spouse labour	42,988	6.4
Net farm income	**127,152**	**18.8**
Farm business income	**116,455**	**17.2**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Glasshouse crops			
Flowers & nursery stock	63.7	65.7	76.1
Tomatoes	12.8	13.7	17.6
Lettuce	3.1	0.7	0.0
Soft fruit	4.4	5.7	0.1
Other glasshouse crops	13.0	11.1	4.9
Outdoor crops			
Flowers & nursery stock	2.3	2.5	1.4
Vegetables	0.4	0.5	0.0
Fruit	0.1	0.1	0.0
Other outdoor crops	0.0	0.0	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	7	7	7
Stores	9	10	11
Glasshouses	25	27	26
Equipment	24	26	20
Livestock	0	0	0
Other	35	30	36
Total	**100**	**100**	**100**
Tenant's capital (£)	**316,466**	**273,659**	**349,846**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	18	10
£50,000 to <£100,000	10	8
£25,000 to <£50,000	18	14
£12,500 to <£25,000	7	7
0 to <£12,500	15	16
-£12,500 to 0	3	3
-£25,000 to <-£12,500	0	4
-£50,000 to <-£25,000	1	4
Below -£50,000	4	2
Total	**76**	**68**

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

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	31	27	31	27	31	27
Productive cropping area (ha)	1.72	1.50	1.72	1.50		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**454,370**	**364,311**	**264,707**	**242,553**	**100.0**	**100.0**
Variable costs						
Seed & young plants	38,278	32,304	22,300	21,508	8.4	8.9
Fertilisers & composts	15,174	10,554	8,840	7,026	3.3	2.9
Crop protection	3,140	3,294	1,829	2,193	0.7	0.9
Market charges	35,696	29,944	20,796	19,936	7.9	8.2
Packing materials	20,226	13,574	11,783	9,037	4.5	3.7
Horticultural sundries	20,296	21,085	11,824	14,038	4.5	5.8
Glasshouse fuel	64,816	61,442	37,760	40,907	14.3	16.9
Other variable costs	37	51	21	34	0.0	0.0
Total variable costs	**197,663**	**172,247**	**115,154**	**114,680**	**43.5**	**47.3**
Total gross margin	**256,707**	**192,064**	**149,553**	**127,874**	**56.5**	**52.7**
Fixed costs						
Labour:						
Regular paid	86,469	63,275	50,375	42,128	19.0	17.4
Regular unpaid	30,286	29,861	17,644	19,881	6.7	8.2
Casual labour	19,252	23,433	11,216	15,601	4.2	6.4
Power & machinery costs:						
Contract & hire	892	923	520	614	0.2	0.3
Fuel & electricity	9,065	6,127	5,281	4,079	2.0	1.7
Repairs	13,265	8,759	7,728	5,832	2.9	2.4
Machinery depreciation	9,003	7,929	5,245	5,279	2.0	2.2
Glasshouse depreciation	9,763	8,571	5,688	5,706	2.1	2.4
Rent (incl. imputed)	11,260	10,218	6,560	6,803	2.5	2.8
Other costs:						
Occupier's repairs	8,062	8,447	4,697	5,624	1.8	2.3
Permanent crop depreciation	75	-173	44	-115	0.0	0.0
Water	2,065	1,757	1,203	1,170	0.5	0.5
Sundries	16,268	14,214	9,478	9,463	3.6	3.9
Total fixed costs	**215,726**	**183,341**	**125,678**	**122,066**	**47.5**	**50.3**
Management & investment income	**40,982**	**8,723**	**23,875**	**5,808**	**9.0**	**2.4**
Minus: management salaries	927	691	540	460	0.2	0.2
Plus: farmer & spouse labour	24,090	24,256	14,035	16,150	5.3	6.7
Net farm income	**64,145**	**32,288**	**37,369**	**21,497**	**14.1**	**8.9**
Farm business income	**64,496**	**27,501**	**37,574**	**18,310**	**14.2**	**7.5**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12
Glasshouse crops		
Flowers & nursery stock	0.6	0.6
Tomatoes	39.8	43.6
Lettuce	9.7	2.2
Soft fruit	13.8	18.2
Other glasshouse crops	34.5	33.6
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	1.4	1.5
Fruit	0.3	0.4
Other outdoor crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12
Crops & tillages	4	5
Stores	5	5
Glasshouses	23	33
Equipment	24	28
Livestock	0	0
Other	43	27
Total	**100**	**100**
Tenant's capital (£)	**266,198**	**211,573**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	9	2
£50,000 to <£100,000	4	3
£25,000 to <£50,000	3	6
£12,500 to <£25,000	5	4
0 to <£12,500	8	7
-£12,500 to 0	0	1
-£25,000 to <-£12,500	0	2
-£50,000 to <-£25,000	1	2
Below -£50,000	1	0
Total	**31**	**27**

** no premium figures, sample too small*

Table 2.10 Specialist glass businesses (50% or more of crop output from glasshouse production) - mainly non-edible crops

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	45	41	45	41	45	41
Productive cropping area (ha)	1.01	0.95	1.01	0.95		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**499,200**	**487,748**	**496,032**	**512,546**	**100.0**	**100.0**
Variable costs						
Seed & young plants	115,753	115,425	115,018	121,294	23.2	23.7
Fertilisers & composts	14,658	12,789	14,565	13,440	2.9	2.6
Crop protection	2,766	2,746	2,748	2,886	0.6	0.6
Market charges	18,965	18,666	18,845	19,615	3.8	3.8
Packing materials	28,236	26,731	28,057	28,090	5.7	5.5
Horticultural sundries	26,825	28,916	26,655	30,386	5.4	5.9
Glasshouse fuel	21,289	18,231	21,154	19,157	4.3	3.7
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**228,492**	**223,504**	**227,042**	**234,867**	**45.8**	**45.8**
Total gross margin	**270,707**	**264,244**	**268,990**	**277,679**	**54.2**	**54.2**
Fixed costs						
Labour:						
Regular paid	97,044	98,677	96,429	103,694	19.4	20.2
Regular unpaid	35,337	32,837	35,113	34,506	7.1	6.7
Casual labour	26,790	29,514	26,620	31,015	5.4	6.1
Power & machinery costs:						
Contract & hire	1,699	1,723	1,688	1,810	0.3	0.4
Fuel & electricity	11,144	9,247	11,073	9,717	2.2	1.9
Repairs	6,722	6,049	6,679	6,356	1.3	1.2
Machinery depreciation	12,350	10,474	12,272	11,007	2.5	2.1
Glasshouse depreciation	10,949	9,955	10,880	10,461	2.2	2.0
Rent (incl. imputed)	8,108	8,809	8,057	9,257	1.6	1.8
Other costs:						
Occupier's repairs	5,969	6,668	5,931	7,007	1.2	1.4
Permanent crop depreciation	1	2	1	2	0.0	0.0
Water	2,529	2,391	2,513	2,513	0.5	0.5
Sundries	19,814	24,822	19,688	26,084	4.0	5.1
Total fixed costs	**238,457**	**241,168**	**236,944**	**253,429**	**47.8**	**49.4**
Management & investment income	**32,250**	**23,076**	**32,046**	**24,249**	**6.5**	**4.7**
Minus: management salaries	53	4,300	52	4,518	0.0	0.9
Plus: farmer & spouse labour	30,394	29,210	30,201	30,695	6.1	6.0
Net farm income	**62,591**	**47,986**	**62,194**	**50,426**	**12.5**	**9.8**
Farm business income	**58,802**	**39,045**	**58,429**	**41,030**	**11.8**	**8.0**

Premium businesses	*Per hectare* 2011/12	*Per £100 of gross output* 2011/12
Number of businesses	14	14
Productive cropping area (ha)	0.67	
	£ per hectare	*average %*
Gross output	**830,226**	**100.0**
Variable costs		
Seed & young plants	182,174	21.9
Fertilisers & composts	29,085	3.5
Crop protection	4,523	0.5
Market charges	25,921	3.1
Packing materials	43,327	5.2
Horticultural sundries	21,586	2.6
Glasshouse fuel	19,717	2.4
Other variable costs	0	0.0
Total variable costs	**326,333**	**39.3**
Total gross margin	**503,893**	**60.7**
Fixed costs		
Labour:		
Regular paid	158,638	19.1
Regular unpaid	58,042	7.0
Casual labour	44,330	5.3
Power & machinery costs:		
Contract & hire	3,228	0.4
Fuel & electricity	13,321	1.6
Repairs	7,584	0.9
Machinery depreciation	14,869	1.8
Glasshouse depreciation	21,719	2.6
Rent (incl. imputed)	12,579	1.5
Other costs:		
Occupier's repairs	9,776	1.2
Permanent crop depreciation	0	0.0
Water	2,520	0.3
Sundries	33,973	4.1
Total fixed costs	**380,581**	**45.8**
Management & investment income	**123,312**	**14.9**
Minus: management salaries	16,402	2.0
Plus: farmer & spouse labour	54,633	6.6
Net farm income	**161,543**	**19.5**
Farm business income	**137,784**	**16.6**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Glasshouse crops			
Flowers & nursery stock	93.6	95.3	98.7
Tomatoes	0.1	0.1	0.1
Lettuce	0.0	0.0	0.0
Soft fruit	0.0	0.0	0.0
Other glasshouse crops	2.8	0.9	0.7
Outdoor crops			
Flowers & nursery stock	3.4	3.7	0.5
Vegetables	0.0	0.0	0.0
Fruit	0.0	0.0	0.0
Other outdoor crops	0.0	0.0	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	9	9	9
Stores	12	13	15
Glasshouses	25	23	25
Equipment	22	24	15
Livestock	0	0	0
Other	31	31	36
Total	**100**	**100**	**100**
Tenant's capital (£)	**343,230**	**313,038**	**365,084**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	9	8
£50,000 to <£100,000	6	5
£25,000 to <£50,000	15	8
£12,500 to <£25,000	2	3
0 to <£12,500	7	9
-£12,500 to 0	3	2
-£25,000 to <-£12,500	0	2
-£50,000 to <-£25,000	0	2
Below -£50,000	3	2
Total	**45**	**41**

Table 2.11 Specialist glass businesses (90% or more of crop output from glasshouse production)

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	62	56	62	56	62	56
Productive cropping area (ha)	1.05	0.90	1.05	0.90		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**507,413**	**456,455**	**484,312**	**506,671**	**100.0**	**100.0**
Variable costs						
Seed & young plants	93,765	85,209	89,496	94,583	18.5	18.7
Fertilisers & composts	17,180	13,813	16,397	15,333	3.4	3.0
Crop protection	3,045	3,086	2,906	3,426	0.6	0.7
Market charges	25,419	21,808	24,262	24,208	5.0	4.8
Packing materials	27,019	22,363	25,789	24,823	5.3	4.9
Horticultural sundries	23,027	25,147	21,979	27,914	4.5	5.5
Glasshouse fuel	41,349	39,934	39,467	44,327	8.1	8.7
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**230,805**	**211,361**	**220,297**	**234,614**	**45.5**	**46.3**
Total gross margin	**276,609**	**245,094**	**264,015**	**272,057**	**54.5**	**53.7**
Fixed costs						
Labour:						
Regular paid	98,776	88,769	94,279	98,534	19.5	19.4
Regular unpaid	33,775	32,007	32,238	35,528	6.7	7.0
Casual labour	23,760	27,077	22,678	30,056	4.7	5.9
Power & machinery costs:						
Contract & hire	1,132	1,195	1,081	1,326	0.2	0.3
Fuel & electricity	11,146	8,318	10,638	9,233	2.2	1.8
Repairs	9,969	7,964	9,515	8,840	2.0	1.7
Machinery depreciation	11,576	9,806	11,049	10,885	2.3	2.1
Glasshouse depreciation	11,499	10,288	10,976	11,420	2.3	2.3
Rent (incl. imputed)	9,864	9,858	9,414	10,943	1.9	2.2
Other costs:						
Occupier's repairs	7,300	7,468	6,968	8,289	1.4	1.6
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,375	1,976	2,267	2,193	0.5	0.4
Sundries	19,079	20,887	18,210	23,185	3.8	4.6
Total fixed costs	**240,252**	**225,613**	**229,313**	**250,434**	**47.3**	**49.4**
Management & investment income	**36,357**	**19,481**	**34,702**	**21,624**	**7.2**	**4.3**
Minus: management salaries	420	3,426	401	3,803	0.1	0.8
Plus: farmer & spouse labour	29,194	28,106	27,865	31,198	5.8	6.2
Net farm income	**65,130**	**44,160**	**62,165**	**49,018**	**12.8**	**9.7**
Farm business income	**60,175**	**35,834**	**57,435**	**39,776**	**11.9**	**7.9**

Premium businesses	Per hectare 2011/12	Per £100 of gross output 2011/12
Number of businesses	19	19
Productive cropping area (ha)	0.70	
	£ per hectare	*average %*
Gross output	**734,045**	**100.0**
Variable costs		
Seed & young plants	136,824	18.6
Fertilisers & composts	27,139	3.7
Crop protection	3,626	0.5
Market charges	18,839	2.6
Packing materials	35,818	4.9
Horticultural sundries	16,863	2.3
Glasshouse fuel	38,885	5.3
Other variable costs	0	0.0
Total variable costs	**277,994**	**37.9**
Total gross margin	**456,051**	**62.1**
Fixed costs		
Labour:		
Regular paid	149,369	20.3
Regular unpaid	56,204	7.7
Casual labour	32,605	4.4
Power & machinery costs:		
Contract & hire	3,370	0.5
Fuel & electricity	11,862	1.6
Repairs	6,695	0.9
Machinery depreciation	12,702	1.7
Glasshouse depreciation	20,425	2.8
Rent (incl. imputed)	10,312	1.4
Other costs:		
Occupier's repairs	10,845	1.5
Permanent crop depreciation	0	0.0
Water	2,620	0.4
Sundries	28,904	3.9
Total fixed costs	**345,914**	**47.1**
Management & investment income	**110,137**	**15.0**
Minus: management salaries	11,329	1.5
Plus: farmer & spouse labour	50,005	6.8
Net farm income	**148,812**	**20.3**
Farm business income	**134,548**	**18.3**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Glasshouse crops			
Flowers & nursery stock	64.1	66.6	79.1
Tomatoes	14.1	15.3	19.6
Lettuce	3.3	0.3	0.0
Soft fruit	4.4	5.8	0.1
Other glasshouse crops	13.7	11.9	1.2
Outdoor crops			
Flowers & nursery stock	0.2	0.2	0.0
Vegetables	0.2	0.0	0.0
Fruit	0.0	0.0	0.0
Other outdoor crops	0.0	0.0	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	7	7	8
Stores	10	11	13
Glasshouses	26	28	23
Equipment	23	26	20
Livestock	0	0	0
Other	35	29	36
Total	**100**	**100**	**100**
Tenant's capital (£)	**333,412**	**284,732**	**339,033**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	16	8
£50,000 to <£100,000	9	7
£25,000 to <£50,000	14	11
£12,500 to <£25,000	5	5
0 to <£12,500	11	15
-£12,500 to 0	2	1
-£25,000 to <-£12,500	0	4
-£50,000 to <-£25,000	1	3
Below -£50,000	4	2
Total	**62**	**56**

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

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	23	21	23	21	23	21
Productive cropping area (ha)	1.44	1.11	1.44	1.11		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**595,919**	**436,218**	**414,372**	**392,539**	**100.0**	**100.0**
Variable costs						
Seed & young plants	48,205	34,673	33,519	31,201	8.1	7.9
Fertilisers & composts	20,272	13,163	14,096	11,845	3.4	3.0
Crop protection	3,917	3,825	2,724	3,442	0.7	0.9
Market charges	48,068	35,258	33,424	31,727	8.1	8.1
Packing materials	26,233	15,811	18,241	14,228	4.4	3.6
Horticultural sundries	26,798	26,370	18,634	23,730	4.5	6.0
Glasshouse fuel	88,628	77,982	61,627	70,174	14.9	17.9
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**262,121**	**207,082**	**182,266**	**186,347**	**44.0**	**47.5**
Total gross margin	**333,797**	**229,136**	**232,106**	**206,192**	**56.0**	**52.5**
Fixed costs						
Labour:						
Regular paid	117,774	77,961	81,894	70,155	19.8	17.9
Regular unpaid	28,856	29,165	20,065	26,245	4.8	6.7
Casual labour	22,410	25,778	15,583	23,197	3.8	5.9
Power & machinery costs:						
Contract & hire	1,204	1,143	837	1,028	0.2	0.3
Fuel & electricity	11,169	6,583	7,767	5,924	1.9	1.5
Repairs	17,796	10,839	12,374	9,754	3.0	2.5
Machinery depreciation	11,209	9,413	7,794	8,470	1.9	2.2
Glasshouse depreciation	13,194	10,821	9,175	9,738	2.2	2.5
Rent (incl. imputed)	14,171	11,553	9,854	10,396	2.4	2.6
Other costs:						
Occupier's repairs	10,874	10,475	7,561	9,426	1.8	2.4
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,467	1,736	1,715	1,562	0.4	0.4
Sundries	20,840	16,423	14,491	14,778	3.5	3.8
Total fixed costs	**271,963**	**211,891**	**189,109**	**190,674**	**45.6**	**48.6**
Management & investment income	**61,835**	**17,245**	**42,997**	**15,518**	**10.4**	**4.0**
Minus: management salaries	1,275	885	886	796	0.2	0.2
Plus: farmer & spouse labour	23,618	24,239	16,423	21,812	4.0	5.6
Net farm income	**84,178**	**40,599**	**58,533**	**36,534**	**14.1**	**9.3**
Farm business income	**80,622**	**31,842**	**56,060**	**28,654**	**13.5**	**7.3**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12
Glasshouse crops		
Flowers & nursery stock	0.6	0.6
Tomatoes	41.7	46.6
Lettuce	9.8	0.9
Soft fruit	13.0	17.6
Other glasshouse crops	34.4	34.3
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	0.5	0.0
Fruit	0.0	0.0
Other outdoor crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12
Crops & tillages	1	2
Stores	6	5
Glasshouses	28	39
Equipment	22	26
Livestock	0	0
Other	44	28
Total	**100**	**100**
Tenant's capital (£)	**345,588**	**255,684**

Farm business income (FBI)

(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	9	2
£50,000 to <£100,000	3	2
£25,000 to <£50,000	1	5
£12,500 to <£25,000	3	2
0 to <£12,500	5	6
-£12,500 to 0	0	1
-£25,000 to <-£12,500	0	2
-£50,000 to <-£25,000	1	1
Below -£50,000	1	0
Total	**23**	**21**

** no premium figures, sample too small*

Table 2.13 Specialist glass businesses (90% or more of crop output from glasshouse production) - mainly salad crops*

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	15	12	15	12	15	12
Productive cropping area (ha)	1.48	1.13	1.48	1.13		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**652,245**	**527,126**	**439,557**	**467,188**	**100.0**	**100.0**
Variable costs						
Seed & young plants	38,759	30,674	26,120	27,186	5.9	5.8
Fertilisers & composts	27,389	19,162	18,458	16,983	4.2	3.6
Crop protection	4,263	3,784	2,873	3,354	0.7	0.7
Market charges	37,095	27,408	24,999	24,291	5.7	5.2
Packing materials	32,554	18,888	21,939	16,741	5.0	3.6
Horticultural sundries	21,293	28,932	14,350	25,642	3.3	5.5
Glasshouse fuel	113,283	123,491	76,343	109,449	17.4	23.4
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**274,635**	**252,339**	**185,080**	**223,646**	**42.1**	**47.9**
Total gross margin	**377,610**	**274,787**	**254,477**	**243,541**	**57.9**	**52.1**
Fixed costs						
Labour:						
Regular paid	140,993	99,416	95,017	88,112	21.6	18.9
Regular unpaid	30,861	33,835	20,797	29,988	4.7	6.4
Casual labour	13,808	25,202	9,306	22,337	2.1	4.8
Power & machinery costs:						
Contract & hire	1,489	1,564	1,003	1,386	0.2	0.3
Fuel & electricity	12,736	8,361	8,583	7,410	2.0	1.6
Repairs	24,807	17,487	16,718	15,499	3.8	3.3
Machinery depreciation	9,871	8,539	6,652	7,568	1.5	1.6
Glasshouse depreciation	17,533	15,199	11,816	13,470	2.7	2.9
Rent (incl. imputed)	13,181	12,386	8,883	10,977	2.0	2.3
Other costs:						
Occupier's repairs	11,158	11,329	7,519	10,041	1.7	2.1
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,815	1,738	1,897	1,540	0.4	0.3
Sundries	18,713	15,603	12,611	13,829	2.9	3.0
Total fixed costs	**297,964**	**250,658**	**200,803**	**222,156**	**45.7**	**47.6**
Management & investment income	**79,646**	**24,129**	**53,675**	**21,385**	**12.2**	**4.6**
Minus: management salaries	259	37	174	33	0.0	0.0
Plus: farmer & spouse labour	24,729	26,855	16,665	23,801	3.8	5.1
Net farm income	**104,116**	**50,947**	**70,165**	**45,154**	**16.0**	**9.7**
Farm business income	**102,598**	**48,603**	**69,142**	**43,076**	**15.7**	**9.2**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12
Glasshouse crops		
Flowers & nursery stock	0.0	0.0
Tomatoes	57.7	68.7
Lettuce	13.6	1.3
Soft fruit	0.0	0.0
Other glasshouse crops	28.1	30.0
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	0.7	0.0
Fruit	0.0	0.0
Other outdoor crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12
Crops & tillages	1	3
Stores	6	5
Glasshouses	34	40
Equipment	22	21
Livestock	0	0
Other	37	31
Total	**100**	**100**
Tenant's capital (£)	**333,757**	**285,533**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	7	2
£50,000 to <£100,000	3	2
£25,000 to <£50,000	1	4
£12,500 to <£25,000	1	0
0 to <£12,500	2	1
-£12,500 to 0	0	1
-£25,000 to <-£12,500	0	1
-£50,000 to <-£25,000	0	1
Below -£50,000	1	0
Total	**15**	**12**

** no premium figures, sample too small*

Table 2.14 Specialist glass businesses (90% or more of crop output from glasshouse production) - mainly non-edible crops

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	39	35	39	35	39	35
Productive cropping area (ha)	0.88	0.78	0.88	0.78		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**469,850**	**467,753**	**532,711**	**597,048**	**100.0**	**100.0**
Variable costs						
Seed & young plants	113,101	113,421	128,233	144,772	24.1	24.2
Fertilisers & composts	15,867	14,176	17,990	18,094	3.4	3.0
Crop protection	2,675	2,674	3,033	3,413	0.6	0.6
Market charges	15,807	14,300	17,922	18,253	3.4	3.1
Packing materials	27,353	26,021	31,012	33,214	5.8	5.6
Horticultural sundries	21,427	24,464	24,294	31,227	4.6	5.2
Glasshouse fuel	21,283	18,694	24,131	23,861	4.5	4.0
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**217,514**	**213,750**	**246,615**	**272,834**	**46.3**	**45.7**
Total gross margin	**252,337**	**254,003**	**286,097**	**324,214**	**53.7**	**54.3**
Fixed costs						
Labour:						
Regular paid	90,713	94,802	102,849	121,007	19.3	20.3
Regular unpaid	35,863	33,593	40,661	42,879	7.6	7.2
Casual labour	24,333	27,803	27,589	35,488	5.2	5.9
Power & machinery costs:						
Contract & hire	1,102	1,224	1,249	1,563	0.2	0.3
Fuel & electricity	11,136	9,287	12,625	11,854	2.4	2.0
Repairs	6,647	6,358	7,536	8,116	1.4	1.4
Machinery depreciation	11,732	10,026	13,302	12,797	2.5	2.1
Glasshouse depreciation	10,780	9,990	12,222	12,752	2.3	2.1
Rent (incl. imputed)	8,035	8,912	9,111	11,376	1.7	1.9
Other costs:						
Occupier's repairs	5,784	5,789	6,558	7,389	1.2	1.2
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,337	2,110	2,649	2,693	0.5	0.5
Sundries	18,332	23,380	20,784	29,842	3.9	5.0
Total fixed costs	**226,793**	**233,274**	**257,136**	**297,755**	**48.3**	**49.9**
Management & investment income	**25,544**	**20,729**	**28,961**	**26,459**	**5.4**	**4.4**
Minus: management salaries	58	4,845	66	6,184	0.0	1.0
Plus: farmer & spouse labour	31,560	30,264	35,783	38,630	6.7	6.5
Net farm income	**57,046**	**46,148**	**64,678**	**58,904**	**12.1**	**9.9**
Farm business income	**51,497**	**38,062**	**58,387**	**48,583**	**11.0**	**8.1**

Premium businesses	Per hectare 2011/12	Per £100 of gross output 2011/12
Number of businesses	12	12
Productive cropping area (ha)	0.64	
	£ per hectare	*average %*
Gross output	**914,662**	**100.0**
Variable costs		
Seed & young plants	200,923	22.0
Fertilisers & composts	31,452	3.4
Crop protection	4,429	0.5
Market charges	28,235	3.1
Packing materials	47,324	5.2
Horticultural sundries	24,500	2.7
Glasshouse fuel	18,093	2.0
Other variable costs	0	0.0
Total variable costs	**354,954**	**38.8**
Total gross margin	**559,708**	**61.2**
Fixed costs		
Labour:		
Regular paid	172,363	18.8
Regular unpaid	64,645	7.1
Casual labour	53,202	5.8
Power & machinery costs:		
Contract & hire	3,874	0.4
Fuel & electricity	13,724	1.5
Repairs	8,468	0.9
Machinery depreciation	15,796	1.7
Glasshouse depreciation	24,155	2.6
Rent (incl. imputed)	13,772	1.5
Other costs:		
Occupier's repairs	10,107	1.1
Permanent crop depreciation	0	0.0
Water	2,704	0.3
Sundries	36,840	4.0
Total fixed costs	**419,651**	**45.9**
Management & investment income	**140,057**	**15.3**
Minus: management salaries	19,685	2.2
Plus: farmer & spouse labour	60,902	6.7
Net farm income	**181,275**	**19.8**
Farm business income	**151,785**	**16.6**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Glasshouse crops			
Flowers & nursery stock	96.4	98.5	99.1
Tomatoes	0.1	0.1	0.1
Lettuce	0.0	0.0	0.0
Soft fruit	0.0	0.0	0.0
Other glasshouse crops	3.2	1.0	0.8
Outdoor crops			
Flowers & nursery stock	0.3	0.3	0.0
Vegetables	0.0	0.0	0.0
Fruit	0.0	0.0	0.0
Other outdoor crops	0.0	0.0	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	10	9	10
Stores	13	14	16
Glasshouses	24	22	22
Equipment	23	26	16
Livestock	0	0	0
Other	31	29	36
Total	**100**	**100**	**100**
Tenant's capital (£)	**328,244**	**300,949**	**374,675**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	7	6
£50,000 to <£100,000	6	5
£25,000 to <£50,000	13	6
£12,500 to <£25,000	2	3
0 to <£12,500	6	9
-£12,500 to 0	2	0
-£25,000 to <-£12,500	0	2
-£50,000 to <-£25,000	0	2
Below -£50,000	3	2
Total	**39**	**35**

Table 2.15 All specialist fruit businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	50	51	50	51	50	51
Productive cropping area (ha)	24.41	25.16	24.41	25.16		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**355,862**	**414,906**	**14,578**	**16,491**	**100.0**	**100.0**
Variable costs						
Seed & young plants	6,948	9,315	285	370	2.0	2.2
Fertilisers & composts	5,819	9,529	238	379	1.6	2.3
Crop protection	14,301	15,894	586	632	4.0	3.8
Market charges	53,114	61,110	2,176	2,429	14.9	14.7
Packing materials	31,947	42,698	1,309	1,697	9.0	10.3
Horticultural sundries	17,064	22,357	699	889	4.8	5.4
Glasshouse fuel	396	720	16	29	0.1	0.2
Other variable costs	1,107	1,771	45	70	0.3	0.4
Total variable costs	**130,696**	**163,394**	**5,354**	**6,494**	**36.7**	**39.4**
Total gross margin	**225,166**	**251,512**	**9,224**	**9,996**	**63.3**	**60.6**
Fixed costs						
Labour:						
Regular paid	32,706	41,047	1,340	1,631	9.2	9.9
Regular unpaid	22,831	23,716	935	943	6.4	5.7
Casual labour	68,071	74,164	2,789	2,948	19.1	17.9
Power & machinery costs:						
Contract & hire	6,849	6,731	281	268	1.9	1.6
Fuel & electricity	9,655	10,491	396	417	2.7	2.5
Repairs	8,814	9,392	361	373	2.5	2.3
Machinery depreciation	14,057	16,469	576	655	4.0	4.0
Glasshouse depreciation	274	249	11	10	0.1	0.1
Rent (incl. imputed)	18,019	17,994	738	715	5.1	4.3
Other costs:						
Occupier's repairs	6,111	8,067	250	321	1.7	1.9
Permanent crop depreciation	3,790	2,739	155	109	1.1	0.7
Water	1,705	1,542	70	61	0.5	0.4
Sundries	15,826	16,692	648	663	4.4	4.0
Total fixed costs	**208,707**	**229,292**	**8,550**	**9,113**	**58.6**	**55.3**
Management & investment income	**16,459**	**22,220**	**674**	**883**	**4.6**	**5.4**
Minus: management salaries	272	350	11	14	0.1	0.1
Plus: farmer & spouse labour	20,011	20,292	820	806	5.6	4.9
Net farm income	**36,197**	**42,162**	**1,483**	**1,676**	**10.2**	**10.2**
Farm business income	**40,148**	**44,949**	**1,645**	**1,787**	**11.3**	**10.8**

Premium businesses	Per hectare 2011/12	Per £100 of gross output 2011/12
Number of businesses	17	17
Productive cropping area (ha)	24.30	
	£ per hectare	*average %*
Gross output	**16,043**	**100.0**
Variable costs		
Seed & young plants	96	0.6
Fertilisers & composts	140	0.9
Crop protection	530	3.3
Market charges	2,850	17.8
Packing materials	1,381	8.6
Horticultural sundries	1,083	6.7
Glasshouse fuel	18	0.1
Other variable costs	26	0.2
Total variable costs	**6,123**	**38.2**
Total gross margin	**9,920**	**61.8**
Fixed costs		
Labour:		
Regular paid	1,433	8.9
Regular unpaid	1,078	6.7
Casual labour	2,128	13.3
Power & machinery costs:		
Contract & hire	186	1.2
Fuel & electricity	433	2.7
Repairs	309	1.9
Machinery depreciation	792	4.9
Glasshouse depreciation	1	0.0
Rent (incl. imputed)	688	4.3
Other costs:		
Occupier's repairs	271	1.7
Permanent crop depreciation	151	0.9
Water	41	0.3
Sundries	562	3.5
Total fixed costs	**8,074**	**50.3**
Management & investment income	**1,846**	**11.5**
Minus: management salaries	14	0.1
Plus: farmer & spouse labour	806	5.0
Net farm income	**2,637**	**16.4**
Farm business income	**3,038**	**18.9**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Top fruit			
Dessert apples & pears	38.7	38.9	68.1
Culinary apples	5.5	5.3	10.5
Plums	5.8	4.9	9.4
Other top fruit	12.2	7.8	6.6
Soft fruit			
Strawberries	12.6	15.2	0.0
Raspberries	18.2	22.4	0.0
Blackcurrants	0.9	0.5	0.0
Other soft fruit	4.7	3.3	5.2
Other crops	1.3	1.6	0.2
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	22	19	23
Stores	4	4	3
Glasshouses	0	0	0
Equipment	34	34	44
Livestock	3	4	0
Other	37	40	29
Total	**100**	**100**	**100**
Tenant's capital (£)	**259,674**	**296,245**	**326,541**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	9	7
£50,000 to <£100,000	6	7
£25,000 to <£50,000	9	7
£12,500 to <£25,000	4	10
0 to <£12,500	9	10
-£12,500 to 0	6	7
-£25,000 to <-£12,500	1	0
-£50,000 to <-£25,000	5	2
Below -£50,000	1	1
Total	**50**	**51**

Table 2.16 Specialist fruit businesses, mainly top fruit

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	30	32	30	32	30	32
Productive cropping area (ha)	22.65	20.42	22.65	20.42		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**282,722**	**272,208**	**12,482**	**13,329**	**100.0**	**100.0**
Variable costs						
Seed & young plants	550	556	24	27	0.2	0.2
Fertilisers & composts	2,273	2,404	100	118	0.8	0.9
Crop protection	13,490	11,278	596	552	4.8	4.1
Market charges	52,791	54,192	2,331	2,654	18.7	19.9
Packing materials	19,732	23,783	871	1,165	7.0	8.7
Horticultural sundries	14,936	14,731	659	721	5.3	5.4
Glasshouse fuel	539	515	24	25	0.2	0.2
Other variable costs	375	342	17	17	0.1	0.1
Total variable costs	**104,686**	**107,801**	**4,622**	**5,279**	**37.0**	**39.6**
Total gross margin	**178,035**	**164,407**	**7,860**	**8,050**	**63.0**	**60.4**
Fixed costs						
Labour:						
Regular paid	27,611	26,539	1,219	1,300	9.8	9.7
Regular unpaid	21,752	21,157	960	1,036	7.7	7.8
Casual labour	40,475	36,492	1,787	1,787	14.3	13.4
Power & machinery costs:						
Contract & hire	5,256	3,065	232	150	1.9	1.1
Fuel & electricity	9,090	8,174	401	400	3.2	3.0
Repairs	6,815	6,363	301	312	2.4	2.3
Machinery depreciation	14,264	14,073	630	689	5.0	5.2
Glasshouse depreciation	26	53	1	3	0.0	0.0
Rent (incl. imputed)	18,593	14,828	821	726	6.6	5.4
Other costs:						
Occupier's repairs	3,951	5,354	174	262	1.4	2.0
Permanent crop depreciation	4,851	2,934	214	144	1.7	1.1
Water	751	769	33	38	0.3	0.3
Sundries	11,853	11,861	523	581	4.2	4.4
Total fixed costs	**165,288**	**151,663**	**7,297**	**7,426**	**58.5**	**55.7**
Management & investment income	**12,747**	**12,744**	**563**	**624**	**4.5**	**4.7**
Minus: management salaries	146	235	6	11	0.1	0.1
Plus: farmer & spouse labour	18,878	18,287	833	895	6.7	6.7
Net farm income	**31,479**	**30,796**	**1,390**	**1,508**	**11.1**	**11.3**
Farm business income	**38,769**	**35,517**	**1,712**	**1,739**	**13.7**	**13.0**

Premium businesses	Per hectare 2011/12	Per £100 of gross output 2011/12
Number of businesses	11	11
Productive cropping area (ha)	33.95	
	£ per hectare	*average %*
Gross output	**16,964**	**100.0**
Variable costs		
Seed & young plants	21	0.1
Fertilisers & composts	157	0.9
Crop protection	558	3.3
Market charges	3,077	18.1
Packing materials	1,591	9.4
Horticultural sundries	989	5.8
Glasshouse fuel	21	0.1
Other variable costs	31	0.2
Total variable costs	**6,445**	**38.0**
Total gross margin	**10,519**	**62.0**
Fixed costs		
Labour:		
Regular paid	1,490	8.8
Regular unpaid	761	4.5
Casual labour	2,351	13.9
Power & machinery costs:		
Contract & hire	209	1.2
Fuel & electricity	443	2.6
Repairs	322	1.9
Machinery depreciation	861	5.1
Glasshouse depreciation	1	0.0
Rent (incl. imputed)	700	4.1
Other costs:		
Occupier's repairs	272	1.6
Permanent crop depreciation	173	1.0
Water	40	0.2
Sundries	512	3.0
Total fixed costs	**8,135**	**48.0**
Management & investment income	**2,385**	**14.1**
Minus: management salaries	9	0.1
Plus: farmer & spouse labour	606	3.6
Net farm income	**2,981**	**17.6**
Farm business income	**3,224**	**19.0**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Top fruit			
Dessert apples & pears	61.3	72.7	71.5
Culinary apples	10.4	9.5	11.6
Plums	7.8	7.2	10.5
Other top fruit	20.2	10.3	6.4
Soft fruit			
Strawberries	0.0	0.0	0.0
Raspberries	0.0	0.0	0.0
Blackcurrants	0.0	0.0	0.0
Other soft fruit	0.1	0.1	0.0
Other crops	0.2	0.1	0.0
Total	**100.0**	**100.0**	**100**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	28	25	32
Stores	3	3	4
Glasshouses	0	0	0
Equipment	40	43	41
Livestock	0	0	0
Other	29	29	22
Total	**100**	**100**	**100**
Tenant's capital (£)	**258,715**	**249,329**	**461,737**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	7	5
£50,000 to <£100,000	2	4
£25,000 to <£50,000	7	5
£12,500 to <£25,000	2	4
0 to <£12,500	6	6
-£12,500 to 0	3	6
-£25,000 to <-£12,500	1	0
-£50,000 to <-£25,000	1	2
Below -£50,000	1	0
Total	**30**	**32**

Table 2.17 Specialist fruit businesses, mainly top fruit-excluding cider*

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	21	22	21	22	21	22
Productive cropping area (ha)	24.75	21.00	24.75	21.00		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**392,387**	**360,774**	**15,854**	**17,178**	**100.0**	**100.0**
Variable costs						
Seed & young plants	789	814	32	39	0.2	0.2
Fertilisers & composts	2,522	2,363	102	113	0.6	0.7
Crop protection	18,387	14,456	743	688	4.7	4.0
Market charges	78,374	78,983	3,167	3,761	20.0	21.9
Packing materials	28,979	35,097	1,171	1,671	7.4	9.7
Horticultural sundries	21,949	21,241	887	1,011	5.6	5.9
Glasshouse fuel	766	719	31	34	0.2	0.2
Other variable costs	0	38	0	2	0.0	0.0
Total variable costs	**151,765**	**153,712**	**6,132**	**7,319**	**38.7**	**42.6**
Total gross margin	**240,622**	**207,062**	**9,722**	**9,859**	**61.3**	**57.4**
Fixed costs						
Labour:						
Regular paid	37,829	36,508	1,528	1,738	9.6	10.1
Regular unpaid	25,064	23,315	1,013	1,110	6.4	6.5
Casual labour	59,588	51,149	2,408	2,435	15.2	14.2
Power & machinery costs:						
Contract & hire	7,031	3,741	284	178	1.8	1.0
Fuel & electricity	11,897	10,482	481	499	3.0	2.9
Repairs	8,696	7,019	351	334	2.2	1.9
Machinery depreciation	18,193	18,080	735	861	4.6	5.0
Glasshouse depreciation	39	78	2	4	0.0	0.0
Rent (incl. imputed)	24,915	18,763	1,007	893	6.3	5.2
Other costs:						
Occupier's repairs	5,406	6,227	218	296	1.4	1.7
Permanent crop depreciation	6,510	3,991	263	190	1.7	1.1
Water	985	1,032	40	49	0.3	0.3
Sundries	15,063	14,420	609	687	3.8	4.0
Total fixed costs	**221,216**	**194,805**	**8,938**	**9,276**	**56.4**	**54.0**
Management & investment income	**19,406**	**12,257**	**784**	**584**	**4.9**	**3.4**
Minus: management salaries	217	347	9	17	0.1	0.1
Plus: farmer & spouse labour	22,076	20,598	892	981	5.6	5.7
Net farm income	**41,265**	**32,509**	**1,667**	**1,548**	**10.5**	**9.0**
Farm business income	**50,540**	**37,814**	**2,042**	**1,800**	**12.9**	**10.5**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12
Top fruit		
Dessert apples & pears	59.0	69.6
Culinary apples	11.2	10.7
Plums	8.0	8.1
Other top fruit	21.6	11.4
Soft fruit		
Strawberries	0.0	0.0
Raspberries	0.0	0.0
Blackcurrants	0.0	0.0
Other soft fruit	0.0	0.1
Other crops	0.2	0.2
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12
Crops & tillages	31	29
Stores	4	3
Glasshouses	0	0
Equipment	36	39
Livestock	0	0
Other	29	28
Total	**100**	**100**
Tenant's capital (£)	**340,371**	**317,313**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	7	3
£50,000 to <£100,000	1	3
£25,000 to <£50,000	5	3
£12,500 to <£25,000	2	4
0 to <£12,500	2	3
-£12,500 to 0	2	5
-£25,000 to <-£12,500	1	0
-£50,000 to <-£25,000	1	1
Below -£50,000	0	0
Total	**21**	**22**

** no premium figures, sample too small*

Table 2.18 All specialist hardy nursery stock businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	36	37	36	37	36	37
Productive cropping area (ha)	4.09	3.54	4.09	3.54		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**437,550**	**414,349**	**107,063**	**116,987**	**100.0**	**100.0**
Variable costs						
Seed & young plants	131,729	119,266	32,232	33,674	30.1	28.8
Fertilisers & composts	14,433	12,072	3,532	3,408	3.3	2.9
Crop protection	3,545	3,977	867	1,123	0.8	1.0
Market charges	10,974	11,066	2,685	3,124	2.5	2.7
Packing materials	12,248	10,434	2,997	2,946	2.8	2.5
Horticultural sundries	18,806	16,102	4,602	4,546	4.3	3.9
Glasshouse fuel	1,900	1,871	465	528	0.4	0.5
Other variable costs	0	67	0	19	0.0	0.0
Total variable costs	**193,635**	**174,855**	**47,380**	**49,368**	**44.3**	**42.2**
Total gross margin	**243,915**	**239,495**	**59,683**	**67,619**	**55.7**	**57.8**
Fixed costs						
Labour:						
Regular paid	105,549	92,884	25,826	26,225	24.1	22.4
Regular unpaid	27,656	28,849	6,767	8,145	6.3	7.0
Casual labour	9,804	9,264	2,399	2,616	2.2	2.2
Power & machinery costs:						
Contract & hire	1,445	1,384	353	391	0.3	0.3
Fuel & electricity	9,636	8,697	2,358	2,456	2.2	2.1
Repairs	7,260	5,513	1,776	1,557	1.7	1.3
Machinery depreciation	10,048	8,429	2,459	2,380	2.3	2.0
Glasshouse depreciation	4,205	3,404	1,029	961	1.0	0.8
Rent (incl. imputed)	7,734	7,485	1,892	2,113	1.8	1.8
Other costs:						
Occupier's repairs	6,816	6,239	1,668	1,762	1.6	1.5
Permanent crop depreciation	9	-18	2	-5	0.0	0.0
Water	2,923	1,924	715	543	0.7	0.5
Sundries	19,815	19,648	4,849	5,548	4.5	4.7
Total fixed costs	**212,900**	**193,704**	**52,094**	**54,690**	**48.7**	**46.7**
Management & investment income	**31,015**	**45,791**	**7,589**	**12,928**	**7.1**	**11.1**
Minus: management salaries	723	638	177	180	0.2	0.2
Plus: farmer & spouse labour	21,277	21,722	5,206	6,133	4.9	5.2
Net farm income	**51,569**	**66,875**	**12,618**	**18,881**	**11.8**	**16.1**
Farm business income	**46,835**	**61,375**	**11,460**	**17,328**	**10.7**	**14.8**

Premium businesses	*Per hectare* **2011/12**	*Per £100 of gross output* **2011/12**
Number of businesses	12	12
Productive cropping area (ha)	1.40	
	£ per hectare	*average %*
Gross output	**340,312**	**100.0**
Variable costs		
Seed & young plants	59,075	17.4
Fertilisers & composts	13,896	4.1
Crop protection	5,194	1.5
Market charges	9,172	2.7
Packing materials	11,043	3.2
Horticultural sundries	16,282	4.8
Glasshouse fuel	1,843	0.5
Other variable costs	0	0.0
Total variable costs	**116,506**	**34.2**
Total gross margin	**223,807**	**65.8**
Fixed costs		
Labour:		
Regular paid	73,185	21.5
Regular unpaid	26,839	7.9
Casual labour	7,913	2.3
Power & machinery costs:		
Contract & hire	801	0.2
Fuel & electricity	7,107	2.1
Repairs	3,115	0.9
Machinery depreciation	5,856	1.7
Glasshouse depreciation	1,760	0.5
Rent (incl. imputed)	5,205	1.5
Other costs:		
Occupier's repairs	4,537	1.3
Permanent crop depreciation	0	0.0
Water	1,398	0.4
Sundries	12,774	3.8
Total fixed costs	**150,491**	**44.2**
Management & investment income	**73,316**	**21.5**
Minus: management salaries	1,141	0.3
Plus: farmer & spouse labour	17,326	5.1
Net farm income	**89,502**	**26.3**
Farm business income	**89,174**	**26.2**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Hardy nursery stock			
Glasshouse crops	32.5	30.7	66.2
Outdoor crops	67.5	69.2	33.7
Other crops	0.0	0.0	0.1
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	34	36	42
Stores	6	7	8
Glasshouses	6	6	6
Equipment	16	16	14
Livestock	0	0	0
Other	38	35	30
Total	**100**	**100**	**100**
Tenant's capital (£)	**341,047**	**316,183**	**303,745**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	6	8
£50,000 to <£100,000	6	5
£25,000 to <£50,000	6	8
£12,500 to <£25,000	5	7
0 to <£12,500	6	4
-£12,500 to 0	5	2
-£25,000 to <-£12,500	1	0
-£50,000 to <-£25,000	0	2
Below -£50,000	1	1
Total	**36**	**37**

Table 2.19 Specialist hardy nursery stock businesses, mainly protected crops*

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	15	14	15	14	15	14
Productive cropping area (ha)	1.76	1.46	1.76	1.46		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**470,310**	**469,092**	**266,994**	**322,286**	**100.0**	**100.0**
Variable costs						
Seed & young plants	76,045	75,320	43,171	51,748	16.2	16.1
Fertilisers & composts	20,906	21,880	11,868	15,033	4.4	4.7
Crop protection	5,143	5,615	2,920	3,858	1.1	1.2
Market charges	8,985	10,210	5,101	7,014	1.9	2.2
Packing materials	16,615	13,927	9,432	9,569	3.5	3.0
Horticultural sundries	24,356	22,468	13,827	15,437	5.2	4.8
Glasshouse fuel	3,764	3,997	2,137	2,746	0.8	0.9
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**155,815**	**153,418**	**88,456**	**105,405**	**33.1**	**32.7**
Total gross margin	**314,494**	**315,674**	**178,538**	**216,881**	**66.9**	**67.3**
Fixed costs						
Labour:						
Regular paid	123,321	120,523	70,009	82,804	26.2	25.7
Regular unpaid	31,960	33,256	18,143	22,848	6.8	7.1
Casual labour	17,728	15,338	10,064	10,538	3.8	3.3
Power & machinery costs:						
Contract & hire	1,023	971	581	667	0.2	0.2
Fuel & electricity	10,455	9,382	5,935	6,446	2.2	2.0
Repairs	7,334	5,351	4,164	3,676	1.6	1.1
Machinery depreciation	9,001	8,125	5,110	5,582	1.9	1.7
Glasshouse depreciation	4,127	3,683	2,343	2,530	0.9	0.8
Rent (incl. imputed)	7,156	7,413	4,063	5,093	1.5	1.6
Other costs:						
Occupier's repairs	6,647	7,691	3,773	5,284	1.4	1.6
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	3,647	2,458	2,070	1,689	0.8	0.5
Sundries	20,086	18,762	11,403	12,890	4.3	4.0
Total fixed costs	**242,485**	**232,952**	**137,658**	**160,048**	**51.6**	**49.7**
Management & investment income	**72,009**	**82,722**	**40,880**	**56,833**	**15.3**	**17.6**
Minus: management salaries	1,828	1,836	1,038	1,262	0.4	0.4
Plus: farmer & spouse labour	26,150	25,036	14,845	17,200	5.6	5.3
Net farm income	**96,331**	**105,921**	**54,687**	**72,772**	**20.5**	**22.6**
Farm business income	**93,347**	**110,262**	**52,993**	**75,754**	**19.8**	**23.5**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12
Hardy nursery stock		
Glasshouse crops	71.7	73.6
Outdoor crops	28.3	26.3
Other crops	0.0	0.1
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12
Crops & tillages	32	34
Stores	8	14
Glasshouses	8	10
Equipment	13	13
Livestock	0	0
Other	38	29
Total	**100**	**100**
Tenant's capital (£)	**327,054**	**281,637**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	3	4
£50,000 to <£100,000	3	2
£25,000 to <£50,000	3	4
£12,500 to <£25,000	3	3
0 to <£12,500	1	1
-£12,500 to 0	2	0
-£25,000 to <-£12,500	0	0
-£50,000 to <-£25,000	0	0
Below -£50,000	0	0
Total	**15**	**14**

** no premium figures, sample too small*

Table 2.20 Specialist hardy nursery stock businesses, mainly outdoor crops*

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	19	21	19	21	19	21
Productive cropping area (ha)	6.15	5.42	6.15	5.42		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**465,719**	**448,049**	**75,783**	**82,639**	**100.0**	**100.0**
Variable costs						
Seed & young plants	189,274	167,237	30,799	30,846	40.6	37.3
Fertilisers & composts	11,298	7,869	1,838	1,451	2.4	1.8
Crop protection	2,803	3,640	456	671	0.6	0.8
Market charges	13,919	13,568	2,265	2,503	3.0	3.0
Packing materials	10,405	9,881	1,693	1,822	2.2	2.2
Horticultural sundries	17,118	14,758	2,785	2,722	3.7	3.3
Glasshouse fuel	719	783	117	144	0.2	0.2
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**245,536**	**217,735**	**39,954**	**40,159**	**52.7**	**48.6**
Total gross margin	**220,183**	**230,314**	**35,829**	**42,480**	**47.3**	**51.4**
Fixed costs						
Labour:						
Regular paid	106,485	92,041	17,327	16,976	22.9	20.5
Regular unpaid	22,649	23,539	3,685	4,342	4.9	5.3
Casual labour	5,226	7,064	850	1,303	1.1	1.6
Power & machinery costs:						
Contract & hire	1,904	1,722	310	318	0.4	0.4
Fuel & electricity	9,552	9,046	1,554	1,668	2.1	2.0
Repairs	7,911	6,276	1,287	1,158	1.7	1.4
Machinery depreciation	11,857	9,761	1,929	1,800	2.5	2.2
Glasshouse depreciation	4,570	3,513	744	648	1.0	0.8
Rent (incl. imputed)	8,690	7,542	1,414	1,391	1.9	1.7
Other costs:						
Occupier's repairs	7,145	4,935	1,163	910	1.5	1.1
Permanent crop depreciation	97	-32	16	-6	0.0	0.0
Water	2,542	1,654	414	305	0.5	0.4
Sundries	21,252	20,792	3,458	3,835	4.6	4.6
Total fixed costs	**209,880**	**187,853**	**34,152**	**34,648**	**45.1**	**41.9**
Management & investment income	**10,302**	**42,461**	**1,676**	**7,832**	**2.2**	**9.5**
Minus: management salaries	0	0	0	0	0.0	0.0
Plus: farmer & spouse labour	16,852	17,888	2,742	3,299	3.6	4.0
Net farm income	**27,154**	**60,349**	**4,419**	**11,131**	**5.8**	**13.5**
Farm business income	**19,885**	**45,199**	**3,236**	**8,337**	**4.3**	**10.1**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12
Hardy nursery stock		
Glasshouse crops	2.3	2.4
Outdoor crops	97.6	97.6
Other crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12
Crops & tillages	34	38
Stores	4	3
Glasshouses	3	3
Equipment	19	18
Livestock	0	0
Other	39	39
Total	**100**	**100**
Tenant's capital (£)	**385,264**	**377,722**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	3	4
£50,000 to <£100,000	3	3
£25,000 to <£50,000	3	3
£12,500 to <£25,000	2	4
0 to <£12,500	4	3
-£12,500 to 0	3	2
-£25,000 to <-£12,500	0	0
-£50,000 to <-£25,000	0	1
Below -£50,000	1	1
Total	**19**	**21**

** no premium figures, sample too small*

Table 2.21 All other horticulture businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	52	52	52	52	52	52
Productive cropping area (ha)	60.35	56.39	60.35	56.39		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**402,148**	**379,289**	**6,664**	**6,726**	**100.0**	**100.0**
Variable costs						
Seed & young plants	47,480	42,896	787	761	11.8	11.3
Fertilisers & composts	20,207	14,218	335	252	5.0	3.7
Crop protection	19,360	12,402	321	220	4.8	3.3
Market charges	11,083	10,074	184	179	2.8	2.7
Packing materials	9,026	7,133	150	126	2.2	1.9
Horticultural sundries	10,856	12,079	180	214	2.7	3.2
Glasshouse fuel	2,732	3,272	45	58	0.7	0.9
Other variable costs	2,504	4,285	42	76	0.6	1.1
Total variable costs	**123,248**	**106,359**	**2,042**	**1,886**	**30.6**	**28.0**
Total gross margin	**278,900**	**272,930**	**4,622**	**4,840**	**69.4**	**72.0**
Fixed costs						
Labour:						
Regular paid	61,442	58,755	1,018	1,042	15.3	15.5
Regular unpaid	25,398	27,247	421	483	6.3	7.2
Casual labour	52,375	36,531	868	648	13.0	9.6
Power & machinery costs:						
Contract & hire	9,851	9,099	163	161	2.4	2.4
Fuel & electricity	17,103	17,897	283	317	4.3	4.7
Repairs	14,912	13,070	247	232	3.7	3.4
Machinery depreciation	18,134	16,603	300	294	4.5	4.4
Glasshouse depreciation	2,220	2,224	37	39	0.6	0.6
Rent (incl. imputed)	28,979	28,179	480	500	7.2	7.4
Other costs:						
Occupier's repairs	6,832	7,584	113	134	1.7	2.0
Permanent crop depreciation	111	190	2	3	0.0	0.1
Water	2,704	2,138	45	38	0.7	0.6
Sundries	17,266	16,794	286	298	4.3	4.4
Total fixed costs	**257,327**	**236,310**	**4,264**	**4,191**	**64.0**	**62.3**
Management & investment income	**21,573**	**36,621**	**357**	**649**	**5.4**	**9.7**
Minus: management salaries	556	481	9	9	0.1	0.1
Plus: farmer & spouse labour	21,559	22,138	357	393	5.4	5.8
Net farm income	**42,577**	**58,278**	**706**	**1,033**	**10.6**	**15.4**
Farm business income	**49,256**	**63,716**	**816**	**1,130**	**12.2**	**16.8**

Premium businesses	*Per hectare* 2011/12	*Per £100 of gross output* 2011/12
Number of businesses	17	17
Productive cropping area (ha)	10.24	
	£ per hectare	*average %*
Gross output	**39,389**	**100.0**
Variable costs		
Seed & young plants	4,435	11.3
Fertilisers & composts	492	1.2
Crop protection	613	1.6
Market charges	1,747	4.4
Packing materials	988	2.5
Horticultural sundries	1,304	3.3
Glasshouse fuel	229	0.6
Other variable costs	137	0.3
Total variable costs	**9,945**	**25.2**
Total gross margin	**29,444**	**74.8**
Fixed costs		
Labour:		
Regular paid	7,945	20.2
Regular unpaid	2,950	7.5
Casual labour	6,753	17.1
Power & machinery costs:		
Contract & hire	604	1.5
Fuel & electricity	940	2.4
Repairs	846	2.1
Machinery depreciation	883	2.2
Glasshouse depreciation	187	0.5
Rent (incl. imputed)	1,520	3.9
Other costs:		
Occupier's repairs	962	2.4
Permanent crop depreciation	-35	-0.1
Water	218	0.6
Sundries	1,779	4.5
Total fixed costs	**25,552**	**64.9**
Management & investment income	**3,892**	**9.9**
Minus: management salaries	85	0.2
Plus: farmer & spouse labour	2,325	5.9
Net farm income	**6,132**	**15.6**
Farm business income	**6,876**	**17.5**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Glasshouse crops	14.0	13.6	16.0
Outdoor vegetables:			
Brassicas	7.9	6.5	5.2
Legumes	0.5	0.3	0.1
Salad crops	17.8	12.7	2.5
Other outdoor vegetables	11.9	8.8	8.7
Flowers & nursery stock	10.8	8.6	13.9
Soft fruit	5.8	19.1	43.3
Top fruit	6.4	4.7	9.9
Farm crops	24.9	25.6	0.4
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12	Premium 2011/12
Crops & tillages	15	13	9
Stores	9	7	6
Glasshouses	4	5	6
Equipment	33	34	34
Livestock	3	4	1
Other	37	37	44
Total	**100**	**100**	**100**
Tenant's capital (£)	**322,172**	**301,412**	**202,971**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	10	16
£50,000 to <£100,000	12	7
£25,000 to <£50,000	4	11
£12,500 to <£25,000	9	4
0 to <£12,500	5	9
-£12,500 to 0	5	1
-£25,000 to <-£12,500	1	2
-£50,000 to <-£25,000	2	1
Below -£50,000	4	1
Total	**52**	**52**

Table 2.22 Other horticulture businesses, mainly outdoor vegetable crops*

	Per business		*Per hectare*		*Per £100 of gross output*	
	2010/11	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**
Number of businesses	22	19	22	19	22	19
Productive cropping area (ha)	37.11	28.96	37.11	28.96		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**331,774**	**249,920**	**8,941**	**8,631**	**100.0**	**100.0**
Variable costs						
Seed & young plants	37,944	30,835	1,023	1,065	11.4	12.3
Fertilisers & composts	12,232	9,452	330	326	3.7	3.8
Crop protection	13,452	7,154	363	247	4.1	2.9
Market charges	14,237	6,810	384	235	4.3	2.7
Packing materials	16,416	8,310	442	287	4.9	3.3
Horticultural sundries	6,320	3,112	170	107	1.9	1.2
Glasshouse fuel	166	355	4	12	0.0	0.1
Other variable costs	1,748	2,475	47	85	0.5	1.0
Total variable costs	**102,514**	**68,501**	**2,763**	**2,366**	**30.9**	**27.4**
Total gross margin	**229,259**	**181,419**	**6,179**	**6,265**	**69.1**	**72.6**
Fixed costs						
Labour:						
Regular paid	55,081	38,662	1,484	1,335	16.6	15.5
Regular unpaid	27,076	25,047	730	865	8.2	10.0
Casual labour	33,280	17,905	897	618	10.0	7.2
Power & machinery costs:						
Contract & hire	13,205	8,854	356	306	4.0	3.5
Fuel & electricity	14,188	10,458	382	361	4.3	4.2
Repairs	12,803	8,612	345	297	3.9	3.4
Machinery depreciation	16,624	12,291	448	424	5.0	4.9
Glasshouse depreciation	632	461	17	16	0.2	0.2
Rent (incl. imputed)	23,666	21,752	638	751	7.1	8.7
Other costs:						
Occupier's repairs	3,441	3,982	93	138	1.0	1.6
Permanent crop depreciation	264	294	7	10	0.1	0.1
Water	3,875	2,277	104	79	1.2	0.9
Sundries	16,741	13,418	451	463	5.0	5.4
Total fixed costs	**220,876**	**164,014**	**5,953**	**5,664**	**66.6**	**65.6**
Management & investment income	**8,383**	**17,405**	**226**	**601**	**2.5**	**7.0**
Minus: management salaries	331	349	9	12	0.1	0.1
Plus: farmer & spouse labour	24,283	21,785	654	752	7.3	8.7
Net farm income	**32,335**	**38,842**	**871**	**1,341**	**9.7**	**15.5**
Farm business income	**30,003**	**39,748**	**809**	**1,373**	**9.0**	**15.9**

Crop output per cent of total crop output (%)

	Average 2010/11	Average 2011/12
Glasshouse crops	3.2	4.9
Outdoor vegetables:		
Brassicas	20.8	24.0
Legumes	0.2	0.4
Salad crops	32.2	28.2
Other outdoor vegetables	31.9	30.3
Flowers & nursery stock	0.0	0.0
Soft fruit	0.6	0.0
Top fruit	0.0	0.0
Farm crops	11.0	12.3
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2010/11	Average 2011/12
Crops & tillages	7	7
Stores	6	3
Glasshouses	4	3
Equipment	32	33
Livestock	2	2
Other	49	52
Total	**100**	**100**
Tenant's capital (£)	**216,559**	**199,337**

Farm business income (FBI)
(distribution by number of businesses)

	Average 2010/11	Average 2011/12
Over £100,000	2	6
£50,000 to <£100,000	4	2
£25,000 to <£50,000	1	3
£12,500 to <£25,000	5	2
0 to <£12,500	3	3
-£12,500 to 0	2	1
-£25,000 to <-£12,500	1	1
-£50,000 to <-£25,000	2	0
Below -£50,000	2	1
Total	**22**	**19**

** no premium figures, sample too small*

Table 2.23 Balance sheet data for horticultural businesses

Group	All horticulture		Specialist glass		Specialist fruit	
Number of businesses	217		77		51	
Harvest year	2011/12 Opening	2011/12 Closing	2011/12 Opening	2011/12 Closing	2011/12 Opening	2011/12 Closing
Assets						
Fixed assets						
Land,buildings & SPS entitlement	661,941	715,621	253,747	275,225	911,182	978,035
Breeding livestock	2,145	2,581	0	0	3,415	4,459
Machinery & glasshouses	94,230	95,904	121,518	119,606	75,121	86,989
Permanent crops	21,442	23,207	444	655	70,421	74,255
Miscellaneous business assets	1,203	2,044	82	82	616	724
Total fixed assets	**780,962**	**839,357**	**375,792**	**395,568**	**1,060,755**	**1,144,461**
Current assets						
Crops & trading livestock	51,027	51,448	30,104	30,379	20,901	14,755
Goods in store	19,223	23,155	25,036	29,381	10,223	9,415
Liquid assets	94,966	92,512	86,052	78,482	88,897	106,294
Total current assets	**165,216**	**167,115**	**141,192**	**138,242**	**120,020**	**130,464**
Total assets	**946,178**	**1,006,472**	**516,984**	**533,810**	**1,180,775**	**1,274,924**
Liabilities						
Bank term loan	34,351	37,257	13,190	13,556	25,707	37,098
Other loans	46,893	50,097	26,056	22,506	94,594	104,951
Bank overdraft	24,358	21,105	14,867	14,327	26,866	24,655
Other short term loans	48,343	48,907	46,480	49,553	44,976	44,153
Total external liabilities	**153,945**	**157,366**	**100,593**	**99,942**	**192,142**	**210,858**
Net worth	**792,232**	**849,106**	**416,391**	**433,868**	**988,633**	**1,064,066**
Percentage equity (%)	83.7%	84.4%	80.5%	81.3%	83.7%	83.5%

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

	Average Assets 2011/12	Average Liabilities 2011/12	Average Net Worth 2011/12	Average % Equity 2011/12
Defra main farm type				
Lowland cattle & sheep	966,862	66,470	900,392	93.1%
Cereals	1,866,790	149,380	1,717,410	92.0%
Mixed	1,542,414	172,221	1,370,193	88.8%
General cropping	2,284,117	255,256	2,028,862	88.8%
Horticulture	976,325	155,656	820,670	84.1%
Dairy	1,547,858	259,614	1,288,244	83.2%
Pigs	1,011,374	246,858	764,516	75.6%
Poultry	982,615	250,190	732,425	74.5%
All businesses	**1,424,191**	**153,953**	**1,270,238**	**89.2%**

Group	Specialist HNS		Other horticulture	
Number of businesses	37		52	
Harvest year	2011/12 Opening	2011/12 Closing	2011/12 Opening	2011/12 Closing
Assets				
Fixed assets				
Land,buildings & SPS entitlement	281,349	301,477	906,225	984,921
Breeding livestock	0	0	3,545	4,078
Machinery & glasshouses	74,361	70,516	108,619	109,590
Permanent crops	432	509	15,691	17,946
Miscellaneous business assets	2,854	5,777	801	947
Total fixed assets	**358,996**	**378,278**	**1,034,881**	**1,117,482**
Current assets				
Crops & trading livestock	97,755	106,530	43,382	41,923
Goods in store	27,263	29,360	16,946	24,458
Liquid assets	115,029	99,198	88,008	85,299
Total current assets	**240,047**	**235,088**	**148,335**	**151,680**
Total assets	**599,043**	**613,367**	**1,183,216**	**1,269,163**
Liabilities				
Bank term loan	28,493	25,085	49,488	52,783
Other loans	12,170	12,955	50,675	53,791
Bank overdraft	20,673	18,445	28,435	23,097
Other short term loans	51,488	48,495	48,687	51,500
Total external liabilities	**112,824**	**104,980**	**177,285**	**181,171**
Net worth	**486,219**	**508,387**	**1,005,932**	**1,087,992**
Percentage equity (%)	81.2%	82.9%	85.0%	85.7%

References

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[4] Agricultural Price Indices, United Kingdom; Defra, 2012

http://www.defra.gov.uk/statistics/foodfarm/farmgate/agripriceindex/

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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.

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.

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 holdings in a particular group.

Premium results
Premium results refer to the top third within each sample with the highest farm business income per hectare.

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 holding towards covering its fixed costs and providing for a profit.

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

Abbreviations used in this Publication

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

Rounding

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

Derivation of Farm Business Income

Net Farm Income

Plus:
- Value of unpaid labour [excluding farmer & spouse; already taken into account in deriving Net Farm Income]
- Imputed rent and rental value

Less:
- Net interest payments
- Ownership charges [buildings & works depreciation; insurance of farm buildings; landlord-type repairs and upkeep]
- Director's remuneration

Equals:
- Farm Business Income

Appendix 1: Reports in this series

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

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