



# Farm Business Survey

2020/2021

## Poultry Production in England



Richard Crane, Stephen Douthwaite  
and Elspeth Organ





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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](http://www.farmbusinesssurvey.co.uk).

The Consortium is seeking by these additional reports to ensure that timely and relevant information is available to farmers, consultants, advisers and other organisations and individuals interested in farming and land management. The analysis and publication of these reports uses data from farm businesses across England, with an individual member of the Consortium undertaking the research analysis. In line with the ethos of the Consortium, these reports present results in such a way as to ensure a significant element of continuity and consistency from one report to the other, whilst also ensuring that each report captures the contemporary issues of relevance to the sector of agriculture in England to which it relates.

We believe these 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 Sixteenth Series

Welcome to the sixteenth series of reports on the economics of agriculture and horticulture in England from *Rural Business Research (RBR)*. Our sixteenth series, covering the 2020/21 financial year largely corresponds with the start of the Covid-19 pandemic impact on farm businesses. In addition, the new Agriculture Act came into being (1 January 2021), alongside other changes to how farm, and other businesses, operate given the UK's exit from the EU. Readers may also be interested in our twice annual intelligence reports, published at [www.ruralbusinessresearch.co.uk](http://www.ruralbusinessresearch.co.uk), and in addition, during the spring and summer of 2020, we produced regular "Coronavirus Impact on Farming in England" reports. The importance of providing the industry and government with independent evidence on the changing fortunes of farm and horticultural business has never been greater. Through submission of data and Coronavirus reports to Defra, our work has helped to support policies that have directly benefited farm businesses, including the Dairy Response Fund in April and May 2020.

The 2020/21 financial year for farmers and growers saw seasonal, market and supply impacts in addition to, and often aligned with, Covid-19 impacts. Reduced winter cropping in 2019, led to an increase in spring cereal cropping in 2020. While cereal and oilseed crops yields were lower, strong cereal, oilseed and straw prices helped offset fixed cost increases. However, greater output prices led to higher concentrate and straw prices affecting livestock farms. There were increases in cattle and sheep prices, following temporary market collapses at the outbreak of Covid-19, but pig prices fared less well and this sector has suffered from processing capacity shortages at abattoirs. General labour shortages, alongside input supply challenges, have had short and medium term impacts. Some diversified activities were initially severely impacted by Covid-19, with "lockdown" leading to cancelled tourist and accommodation bookings, however with a subsequent large increase in demand for UK holidays, demand outstripped supply, providing welcome business recovery.

For the 2020/21 financial year, average Farm Business Income (FBI), derived from our work on the Defra-funded Farm Business Survey (FBS), increased to £51,900 per business, representing an increase of 13% on the previous 2019/20 year, and marginally greater than in 2018/19. In percentage increase terms, Lowland Grazing Livestock saw an increase of 97% in FBI, but this was from a very low base of £9,400 in 2019/20 to £18,400 in 2020/21, resulting in this farm type recording the lowest average FBI once again. Despite the challenges in the dairy sector at the start of the Covid-19 pandemic, with some farmers not having milk collected, Dairy farm businesses returned the highest average FBI of £92,500 (9% up on 2019/20), followed by Poultry (£77,700; down 12%) and Cereals (£71,700; up 14%). Of course, in order to appreciate the full drivers of these average headline data, the costs and revenues that have led to these results need to be understood. Our series of reports provide these details, and increasingly demonstrate that in some farm types it is the non-agricultural business activities that are providing important business level income.

In addition to this series of in depth reports, our free to use interactive online tools provide a further wealth of information at [www.farmbusinesssurvey.co.uk](http://www.farmbusinesssurvey.co.uk). This series of reports, along with previous versions are also all available at [www.ruralbusinessresearch.co.uk](http://www.ruralbusinessresearch.co.uk). The 2020/21 financial year, and our work on the FBS to accurately and independently report on the changing fortunes of farm and horticultural businesses, has been like no other in recent memory. Our sincere thanks go to the farmers and growers for their most valuable contribution, in not only continuing to provide access to their farm business data, but also doing so in the face of changing ways in which we have had to access data and interact with participating farm businesses due to the Covid-19 pandemic. I also thank all my colleagues for the positive way in which they have professionally adapted to the changing work circumstances that we have all experienced since March 2020.

### Professor Paul Wilson

Chief Executive Officer, Rural Business Research  
December 2021

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

### Acknowledgements

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

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

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

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## Summary

### Section 1

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

The report illustrates the importance of poultry to UK agriculture output, the composition of its sectors and highlights historical and current trends in the output and prices used for poultry production. The review also includes price indices for key products and inputs. The numbers that appear in square brackets relate to the sources of information and these references are fully listed on Page 37.

#### Highlights:

- Total number of birds in production in England in June 2021 was just over 141 million birds, an increase of 5% on the previous year [1]
- Poultry output in 2020 was just under £3.8 billion, 14% of the total output from agriculture, a slight increase in proportion to the previous year [8]
- The value of UK poultry meat production rose to £2.8 billion in 2020, an increase of over 6% [8]
- Output from egg and egg products at £730 million in 2020 showed a repeated 11% gain on the previous year [8]

### Section 2

**A review of the financial results derived from the Farm Business Survey (FBS) for the 2020/21 financial year.**

The stratification of the FBS poultry sample is explained and key trends are shown for the businesses included, both as a whole, and for laying flocks and poultry meat producers. The results for each group are presented in tables reporting on output, costs and Farm Business Income (FBI) at a business level, per bird and per £100 of gross output basis.

#### Highlights:

- In 2020/21 a total of 89 farms participating in the Farm Business Survey (FBS) in England were classified as specialist poultry farms, compared to 96 in 2019/20
- The profitability of specialist poultry farm businesses decreased by 12% in the 2020/21 financial year, with average profit as measured by Farm Business Income (FBI) falling on a per business basis from £87,860 in 2019/20 to £77,654 in 2020/21
- Within this sector, there was a marked difference in profits during 2020/21; Average FBI on a per business basis for the layers decreased from £34,577 in 2019/20, to £7,025 in 2020/21 and for the poultry meat producers FBI rose by 13%, increasing from £145,405 in 2019/20, to £164,251 in 2020/21
- Of the 46 farms classified as Specialist Layers in 2020/21, 39 had laying flocks producing eggs for human consumption, while the remaining seven were breeding flocks and hatcheries
- Laying flocks producing eggs for human consumption had an increase in FBI from £27,038 in 2019/20, to £36,313 in 2020/21, this is partly due to a 14% increase in the average number of laying hens per farm and a smaller increase in egg price
- Free range layers recorded a rise in profitability with FBI up by £3,149 to £25,932 per business
- The price of the eggs from free range systems rose 8% to an average of 101.3p/doz, while egg production for the group decreased from 294 to 281 eggs per bird per year

- For the poultry meat producers FBI increased by around 13%, from £145,405 in 2019/20 to £164,251 in 2020/21, partly due to an increase in throughput and a small rise in the price of poultry meat
- After a fall of 22% in 2019/20 to 34,613 birds the average number of laying hens continued to fall in 2020/21 by 5% to 33,034; the average number of birds for meat production increased, by 12%, to 136,102
- Among the total average variable costs for all specialist poultry farms, there was around a 4% decrease in average feed costs, although cost of feed as a percentage of £100 of output per business remained similar at approximately 52% in 2020/21
- Total fixed costs on a per business basis rose by just under 4%, to an average of £306,708 in 2020/21
- In common with past income trends, there was a wide range in the level of Farm Business Income (FBI) observed for different businesses, ranging from over £100,000 per year to a number incurring negative FBI.

**SECTION 1: COMMENTARY ON THE UK POULTRY INDUSTRY**

**1.1 General introduction**

- The English poultry flock increased in 2021, the first time since 2018. The number of birds rose to just over 141 million, an increase on the previous year of 5%
- The table flock numbers rose to just under 98 million birds in 2021, an increase of over 6% on the previous year
- Table chickens still make up the majority of total poultry numbers, at 69% for 2021
- In a change to previous years, numbers of turkeys increased, rising by 2.1%. Geese and ducks rose again in 2021, increasing by 3.6%, returning to 2018 levels
- Numbers of layers and breeding fowl increased by 1.3% during 2021, with total numbers of birds rising to 33.4 million birds
- The poultry flock in England in 2021 consists of approximately 69% table birds, 24% layers and breeding fowl, 3% other poultry, 3% turkey and 1% geese and ducks [1]

**Figure 1.1 English poultry numbers at June 2011-2021 [1]**

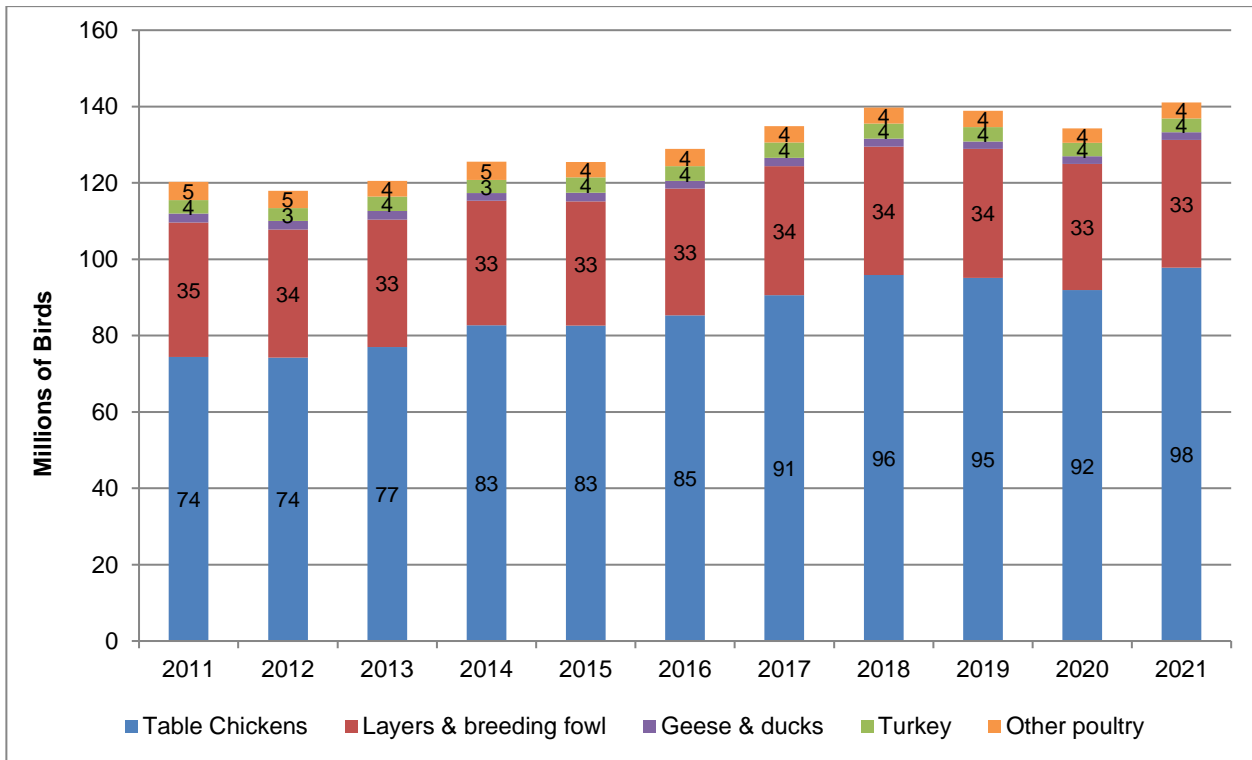
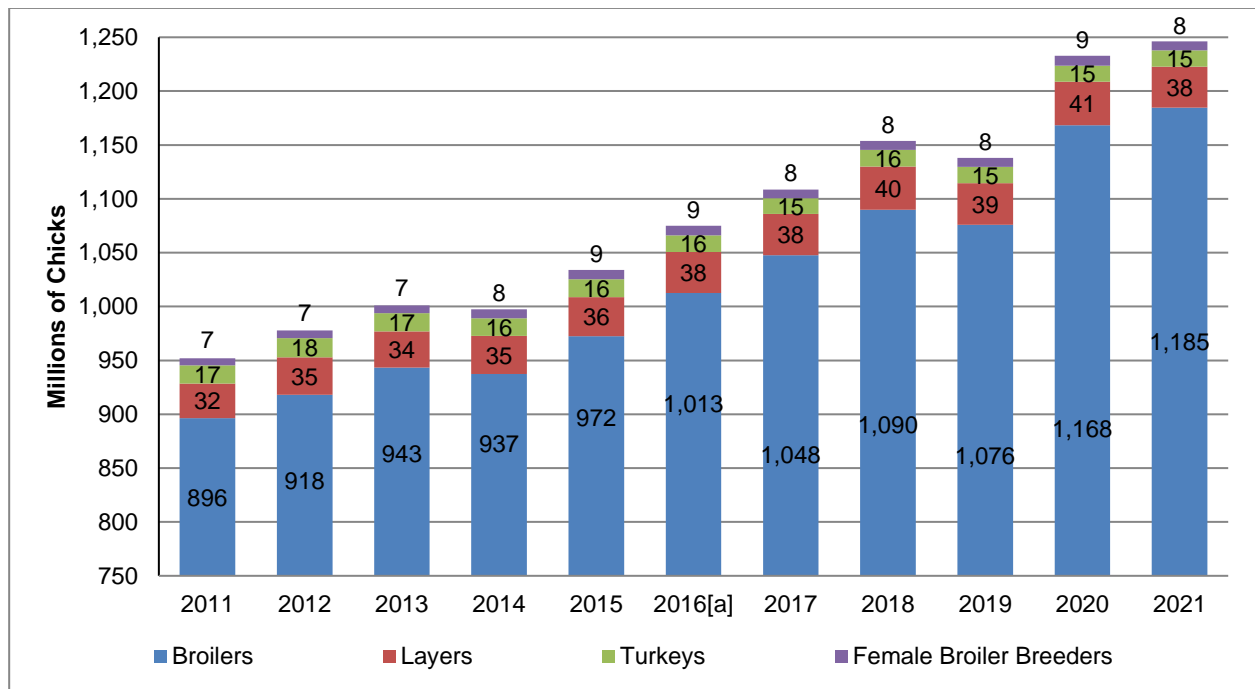


Figure 1.2 UK chick and poutl placings 2011-2021 [2]



Note: [a] denotes a 53 week year

Only data for UK chick and poutl placings are available and it is therefore not possible to focus solely on the situation for England:

- Broiler chick and poutl placings in 2021 were up slightly on the previous year with a 1.4% increase
- Layer chick and poutl placings decreased by 5.8% in 2021. Numbers were back down to below 2017 levels, but still just under 19% higher than the low in 2011 which saw numbers at just over 32 million
- There was a small increase in turkey chick and poutl placings in 2021, up 0.7% on the previous year. Numbers in 2021 are at just over 15 million, 16% lower than the peak in 2012 which saw numbers reach almost 18 million
- Broiler breeder hen placements fell during 2021 by 7.7% to just over 8.3 million. These numbers are over 26% higher than the low in 2011 [2]

## 1.2 The Structure of the industry

### 1.2.1 Poultry for meat

- Poultry premises stocked with more than 50 birds must register with the British Poultry Register (BPR) giving details of poultry type, housing type, maximum number of poultry present on holdings through the year, together with a note of owner and associate organisations [3]
- According to IBIS World (Industry Market Research Company), the UK broiler market in 2021 comprised of Boparan Holdings (21.7%), Avara Foods (20.7%), Moy Park (18.9%), Cranswick (4.8%) and others (33.9%), as shown below [4]
- Total poultry meat production decreased slightly in 2021 by 0.2%. When looking over the last ten years, in 2021 27% more poultry products were produced than in 2011
- Broiler production in 2021 showed an increase of 3.3%, representing the majority of total poultry meat production at 90%
- Turkey production was down in 2021 with a large decrease of 24% on last year. Duck production was down again with a decrease of 4.8% [5]

Figure 1.3 UK Broiler Market - Estimate [4]

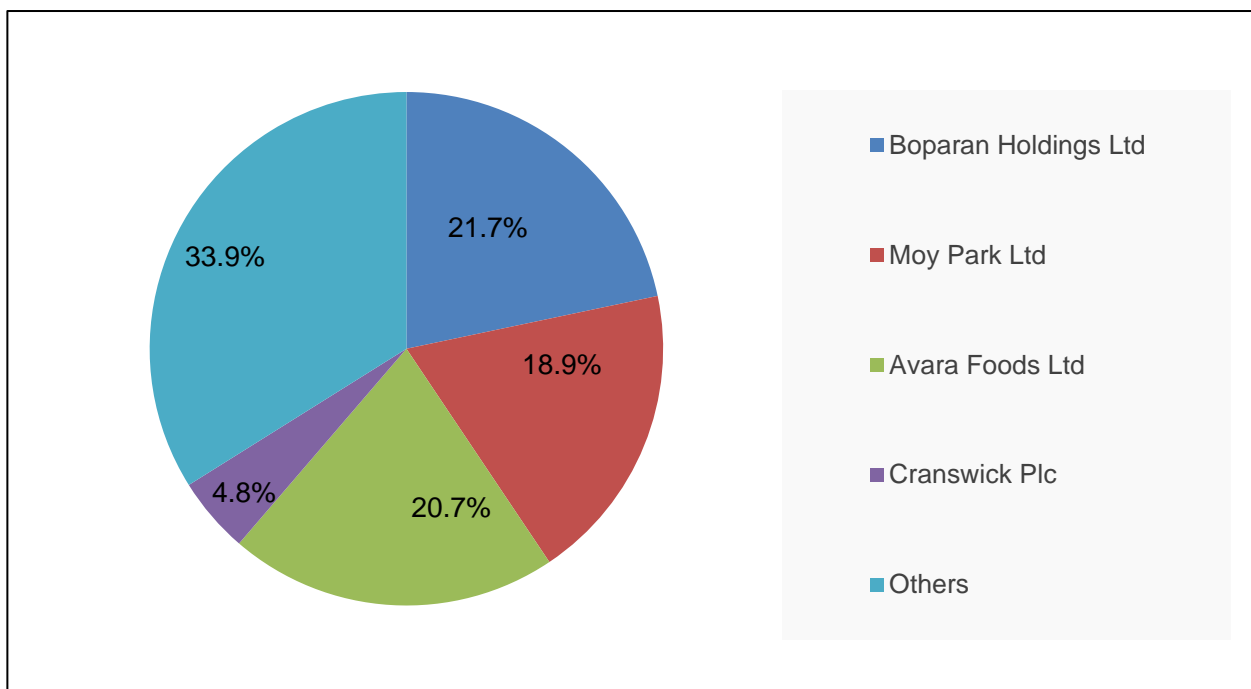
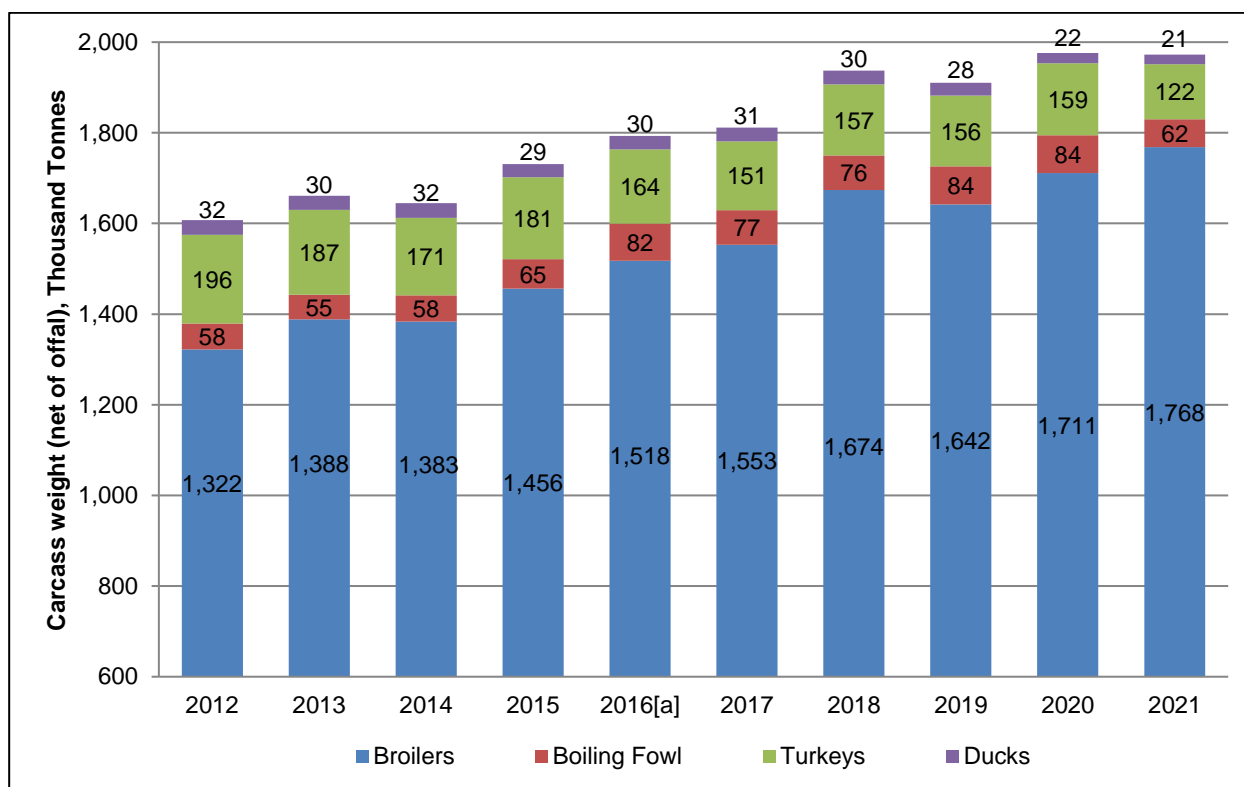


Figure 1.4 Annual UK production of poultry meat by type [5]



Note: [a] denotes a 53 week year

### 1.2.2 Poultry for eggs

Eggs are produced in different types of production system:

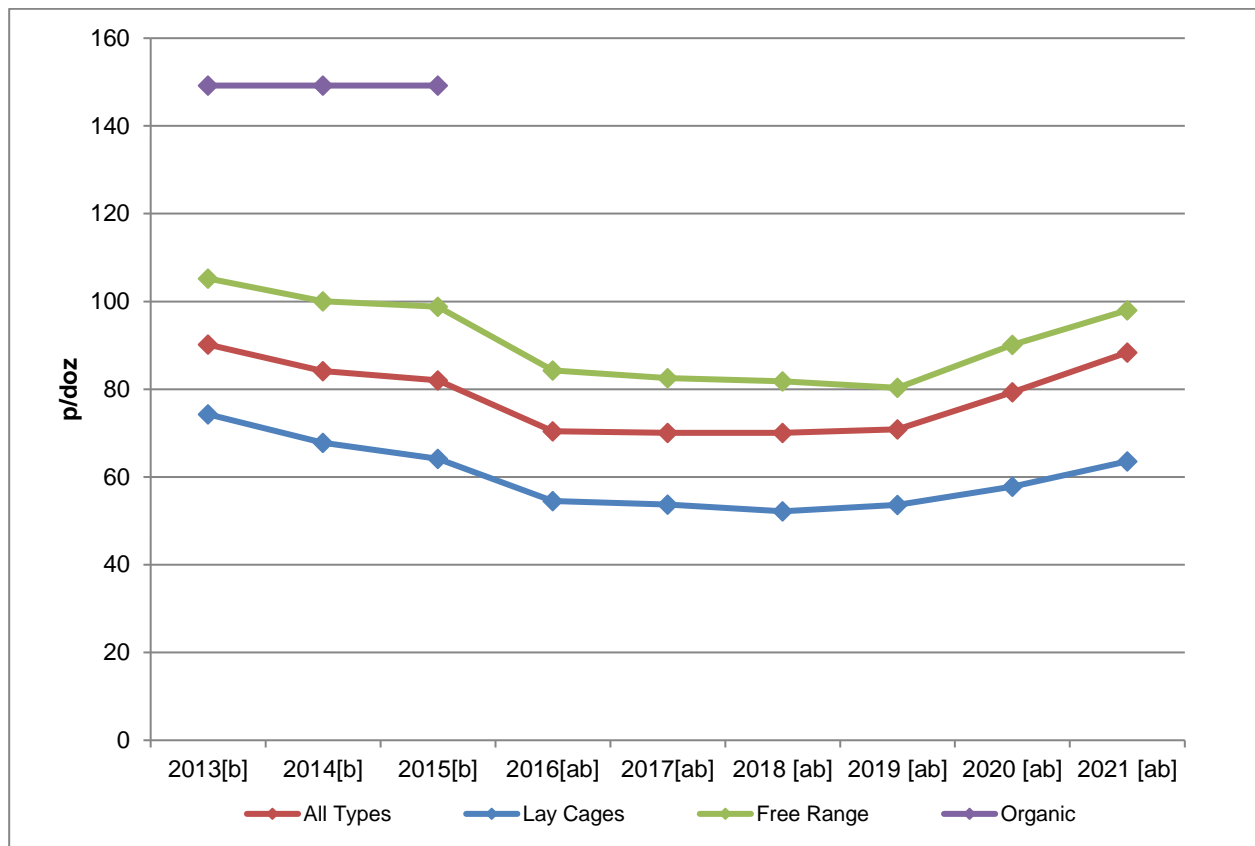
- *Enriched cages* – As of 1<sup>st</sup> January 2012 poultry for egg production within Europe if raised in cage systems must be housed in enriched cages, categorised as having 750cm<sup>2</sup> of cage area per hen (compared with 550cm<sup>2</sup> in conventional housing), housing must include a nesting area, litter to allow dust bathing, perches of at least 15cm per bird, and claw shortening devices
- *Barn system* – This system employs open-space hen houses with a series of perches at different levels. Birds are allowed to roam the litter covered floor space, at a maximum density (since 2002) of nine birds per m<sup>2</sup>. There is a Deep Litter variant of this system where hen houses have solid floors covered with straw, sand, shavings or turf and a lower stocking density of seven birds per m<sup>2</sup>. Both systems provide communal nest boxes and raised feeding troughs to prevent the scattering of feeds
- *Free Range System* – This system requires birds to have continuous daytime access to outdoor 'runs', largely covered with vegetation, to a maximum stocking density of nine laying hens per m<sup>2</sup> of usable area. The Welfare of Laying Hens Directive imposes the same hen house conditions as for the Barn System. Free range production can also be organic where, additionally, feeds are organic and the hens are ranged on organically managed land
- *Organic system* - Hens producing organic eggs are always free range. In addition, hens must be fed an organically produced diet and ranged on land that is registered as organic. The hen house conditions for organic hens are set by the EU Organic Regulations and stipulate a maximum stocking density of 6 hens per m<sup>2</sup> of useable area and a maximum flock size of 3,000 birds. Hens must be provided with nest boxes and adequate perches, providing 18 centimetres of perch per hen, together with litter, accounting for one-third of the ground for scratching and dust bathing [6]

**Figure 1.5 Annual UK egg production by production systems [7]**



- Total packing station throughput increased by 0.6% between 2020 and 2021
- In 2021 the numbers of eggs produced in cages continued to decrease. Just under 35% of eggs were produced in enriched cages in 2021, a decrease of 14% on the previous year
- 60% of eggs were produced in free range systems in 2021, an increase of just over 12% on the amount of eggs produced compared to 2020
- There was a further increase in the numbers of eggs produced in organic systems in 2021, though there was a decrease in barn produced eggs. These now make up 3.7% and 1.8% of annual egg production respectively [7]

Figure 1.6 Average packers to producer prices by housing type [7]



Note: [a] Data for organic eggs suppressed as sample too small  
 [b] Data for barn eggs suppressed as sample too small

- The average packer to producer price for all types rose in 2021 from 79.3p/doz to 88.4p/doz, only 2% down on the peak price of 90.2p/doz in 2013
- The average price of free range eggs continued its upward trend from the previous year, rising by just under 9%. The price for 2021 was 98p/doz, an increase of 8.1p/doz on 2020
- The average lay cage egg price in 2021 also increased from the previous year's price of 57.8p/doz, up by 5.8p/doz to 63.6p/doz [7]

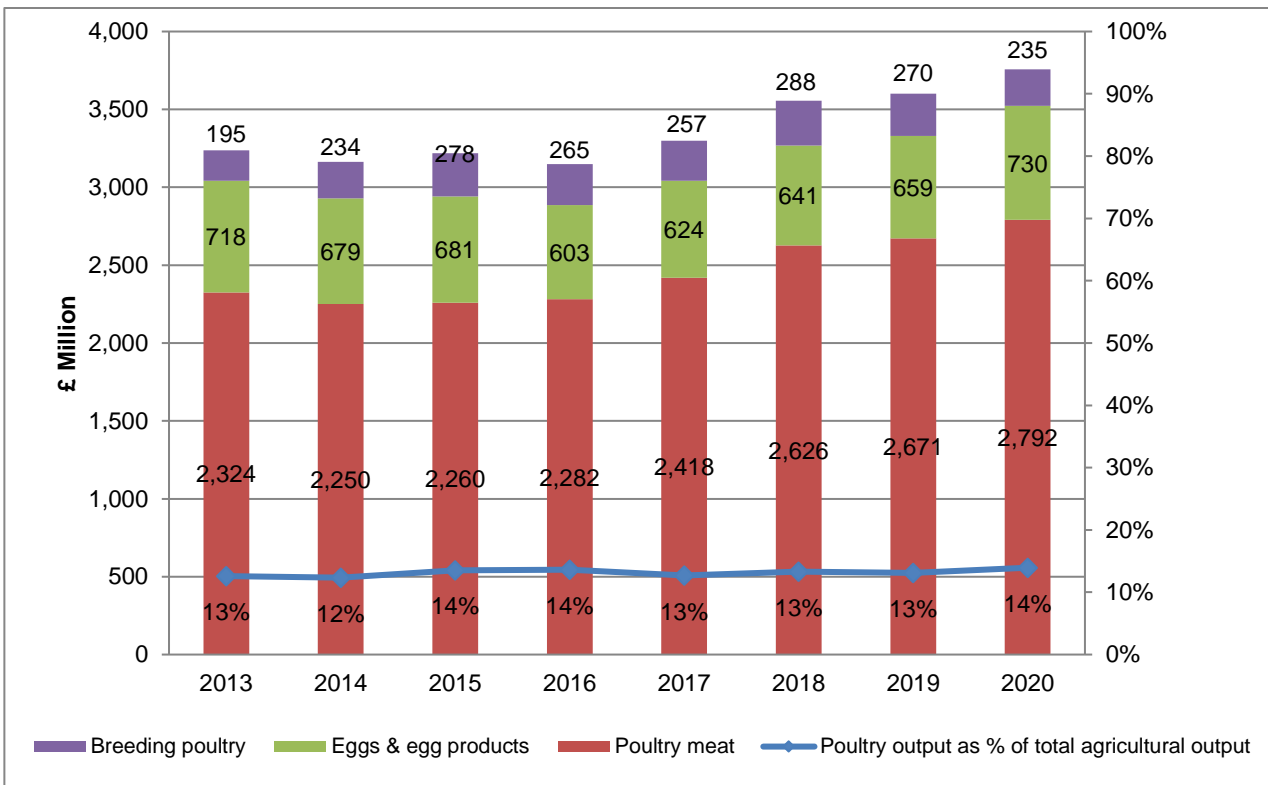


### 1.3 Contribution of the poultry sector to the economy

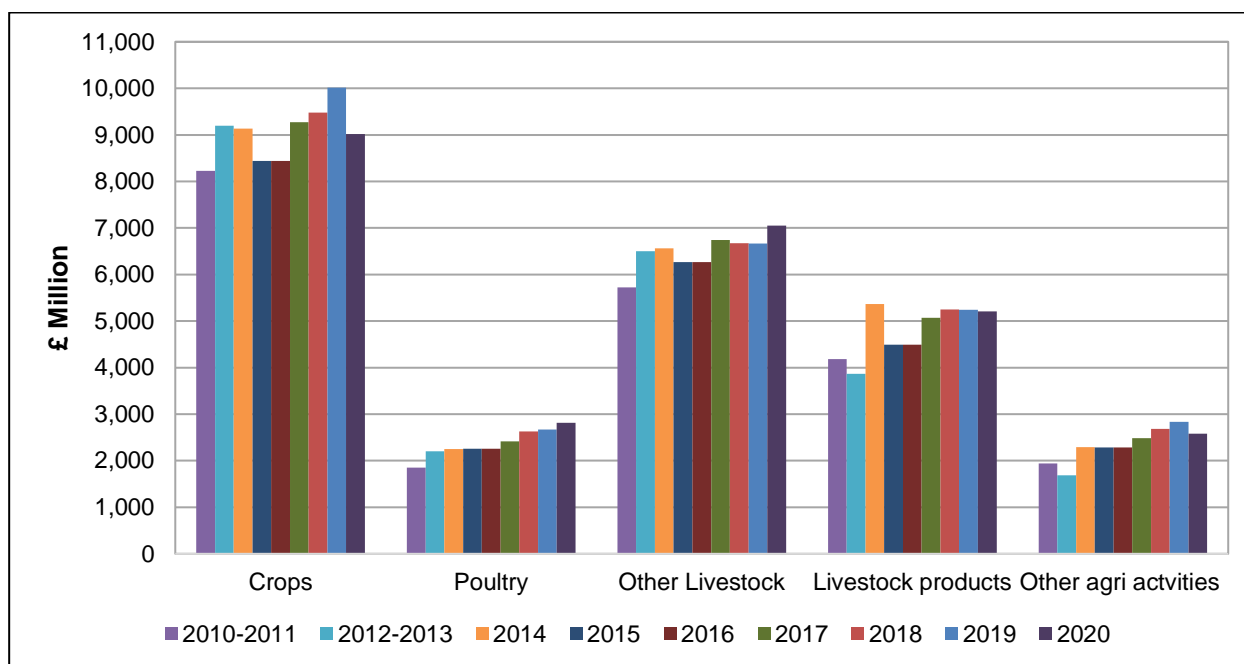
#### 1.3.1 The farm sector

- In 2020 total poultry output increased to just under £3.8 billion with an increase of 4.4% on 2019's figures
- Total agricultural output decreased by 1.7% in 2020. This is the first decrease in output since the 2.8% drop in 2016
- There was another increase in poultry meat output in 2020, with a rise of over 4.5% on the previous year, increasing to just under £2.8 billion
- Output from eggs and egg products rose again in 2020 by close to 11% to £730 million. This is 1.7% higher than the previous peak output seen in 2013 of £718 million
- Poultry output as a proportion of gross output from agriculture rose in 2020 to 14% [8]

**Figure 1.7 Producer value of UK-produced poultry meat and eggs 2013-2020 (£M) [8]**



**Figure 1.8 Poultry output compared with other agricultural outputs through time at current prices (£M) [9]**



#### 1.4 Trade

**Table 1.1 UK imports and exports of Eggs and Poultry meat [9]**

Eggs (Million Dozen)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Imports	163	153	158	175	171	166	158	152	142
Exports	19	23	11	9	11	12	35	79	26
UK production	797	829	839	866	899	931	959	979	962
% self sufficient	85%	86%	85%	84%	85%	86%	89%	93%	89%

Poultry meat [a] (carcass weight thousand tonnes)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Imports	480	482	509	541	580	562	585	572	487
Exports	283	314	339	292	299	352	353	365	409
UK production	1,609	1,663	1,648	1,733	1,805	1,840	1,873	1,887	1,951
% self sufficient	89%	91%	91%	87%	87%	90%	89%	90%	96%

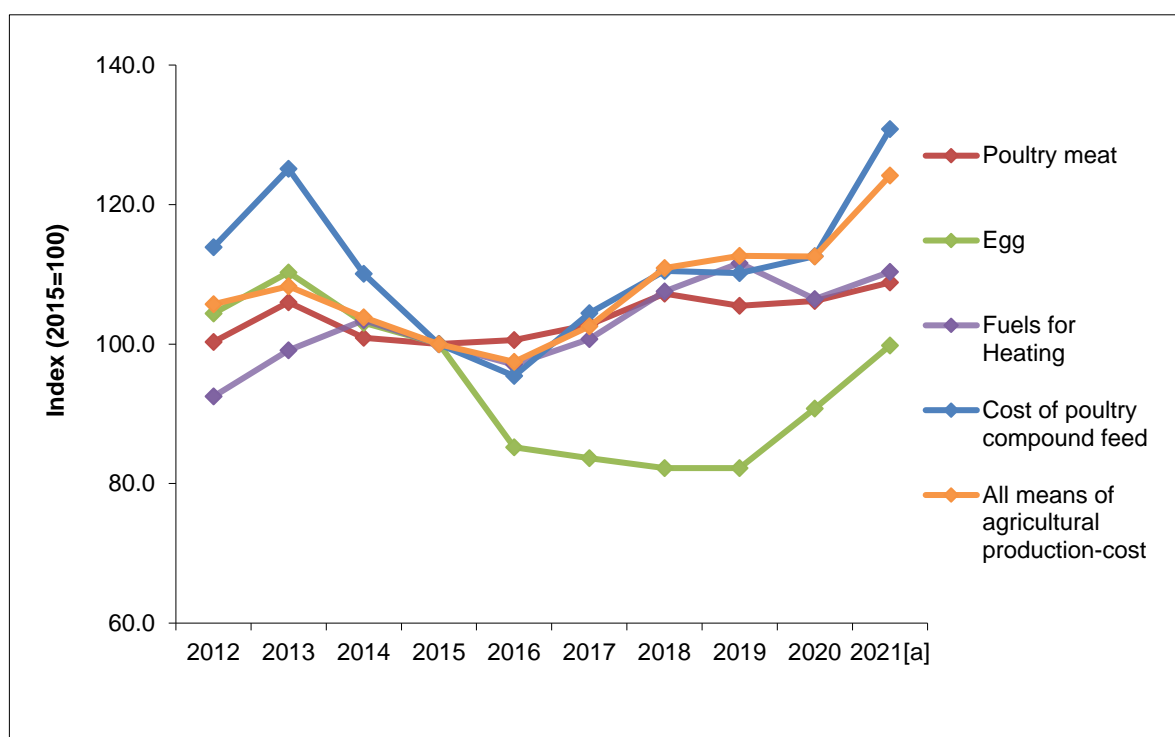
Note: [a] excludes offal

- % self sufficient is calculated using the following formula:  $\left(\frac{Uk\ Production}{UK\ Production + Imports - Exports}\right) \times 100$
- Between 2019 and 2020, UK production of eggs decreased by 1.8%, the first decrease since 2012. In the period 2012 to 2020, egg production has increased by 21% overall
- UK Production of poultry meat increased by over 3.4% in 2020, a continuation of the increases seen over the previous years. This is a 21% increase when compared to 2012
- Even with the decrease in UK production, imports of eggs decreased this year by over 6%, though there was also a decrease in exports of 67%. These decreases in production and exports lead to a fall in self-sufficiency of 4% for 2020
- With the increase in UK production, imports of poultry meat decreased by just under 15% and exports increased by over 12%, leading to an increase of 6% in self-sufficiency for 2020 [9]

## 1.5 Producer prices

- As with previous years, feed and fuel continue to be the major costs for poultry producers
- After a decrease last year, there was an increase in 2021 in the 'All means of production cost' (based on figures available at the time of preparation of report). This year the cost was up by over 10% to 124.1 points, which is over 27% higher than the low in 2016 of 97.4 points
- Compound feed costs increased again in 2021 by over 16% to 130.8 points. This is now over 4.5% or 5.7 points higher than the peak in 2013 of 125.1 points
- Fuel for heating increased by 3.7% or 3.9 points in 2021 to 110.3 points
- Egg output rose in 2021 to 99.8 points, an increase of just under 10% or 9 points on 2020
- Poultry meat in 2021 increased slightly on the 2020 level, with a 2.5% or 2.6 point increase to 108.8 points [10]

**Figure 1.9 Index of producer prices for poultry and eggs and cost of production [10]**



Note: [a] 2021 data based on average prices between January and November 2021



## SECTION 2: FINANCIAL RESULTS FOR POULTRY PRODUCTION IN ENGLAND

### 2.1 Introduction to the data

The following series of tables [Tables 2.1 to 2.9] are based on farm businesses that participate in the Farm Business Survey (FBS) in England and are classified as specialist poultry farms. Tables 2.10 to 2.15 are based on farm businesses that participate in the FBS with a poultry enterprise; this includes all farm type groups, including specialist poultry farms. The FBS is a sample survey, so results here have been weighted to be representative of the poultry industry in England. Businesses all have year ends between December and April, representing an average February year end.

### 2.2 Definition of poultry type groups:

*Specialist Poultry farms are farms on which poultry account for more than two thirds of their total Standard Output (SO). The SO of an agricultural product (crop or livestock) is the average monetary value of the agricultural output per unit at farm-gate prices, excluding direct payments and value added tax. Each unit of crop or livestock has its own monetary value. To calculate the Standard Output for a poultry enterprise, the average number of poultry are multiplied by a standard monetary unit for each type of poultry. The threshold for inclusion with the Farm Business Survey (FBS) in England is 25,000 euros of standard output. Standard Outputs are 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).*

#### **Specialist Poultry Farms:**

- Table 2.1 - All specialist poultry farms:
  - Sample includes all types of laying and non-laying enterprises, defined as specialist poultry farms

#### **Specialist Poultry Farms – split between laying flocks and poultry meat producers:**

- Table 2.2 - All laying flocks:
  - Sample includes all types of laying enterprises producing eggs for human consumption including enriched cage, free range and deep litter and breeder/rearer enterprises (growing pullets, layer breeders and broiler breeders)
- Table 2.3 - Poultry meat producers:
  - Sample includes all types of poultry meat enterprises including contract and non-contract broilers, turkeys, and ducks

#### **Layers – further sub-groups of table 2.2:**

- Table 2.4 - Laying flocks producing eggs for human consumption:
  - Sample includes all types of laying enterprises including enriched cage, free range and deep litter systems
- Table 2.5 - Laying flocks with free range hens:
  - Sample includes solely free range laying enterprises [a sub-set of Table 2.4]

#### **Poultry meat producers – further sub-group of table 2.3:**

- Table 2.6 - Non-contract broilers:
  - Sample includes non-contract broiler enterprises [a sub-set of Table 2.3]

#### **Balance sheet information for 2020/21:**

- Table 2.7 - Balance sheet data for all specialist poultry farms:
  - Analysis for laying flocks, poultry meat producers and non-contract broilers

- Table 2.8 - Comparison of net worth and percentage equity by farm type for 2020/21:
  - Farms with poultry as their main farm type are compared to other farm types in terms of assets, liabilities, net worth and average % equity
- Table 2.9 – Distribution of tenant’s type capital (%):
  - Shown for all specialist poultry farms with subsets for all laying flocks, all poultry meat producers and non-contract broilers

**Gross margin analysis for all poultry enterprises:**

This sample of farms includes all farm type groups, including specialist poultry farms.

- Table 2.10 - All laying flocks:
  - Sample includes all types of laying enterprises (enriched cage, free range and deep litter)
- Table 2.11 - Laying flocks with mixed production systems including enriched cage, barn and deep litter:
  - Sample includes all enriched cage laying and mixed laying enterprises [a sub-set of Table 2.10]
- Table 2.12 - Laying flocks with free range hens:
  - Sample includes solely free range laying enterprises [a sub-set of Table 2.10]
- Table 2.13 - Laying flocks on an annual basis (enriched cage and free range systems):
  - Gross margin per doz eggs
- Table 2.14 - Non-contract broilers and table chickens:
  - Sample includes non-contract broiler and table chicken enterprises
- Table 2.15 - Turkey production:
  - Sample includes mainly Christmas turkey producers

**2.3 The sample**

The sample is drawn from a stratified population of seven regions in England. The weighting of the FBS results is a two stage process with, firstly, an initial weight being produced and, secondly, this initial weight is then adjusted via a calibration procedure. The weights are based on population data from the June business register and are calculated for each design stratum. The weight when applied to each business represents the number of times that business’ data must be replicated in order to ‘represent’ businesses not selected for the sample, so as to reflect the entire population, and applies to all variables.

The design of the weights used in the FBS was altered from 2011/12 to improve the accuracy of estimates relating to both specialist poultry farms and poultry enterprises. The weighting methodology matches the number of specialist layer businesses and meat production businesses to the June Survey; however, it does not split production to the lower levels sometimes used in this report.

According to the 2020 June survey there were 1,505 specialist poultry farm businesses in England that were above the FBS size threshold.

The results for the 2020/21 financial year are based on 89 specialist poultry farms, which represent 5.9% of the population of specialist poultry farms. No premium results are shown for the top quartile of businesses, due to the small sample size.

The data in this report have been compiled from the 2019/20 and 2020/21 FBS. When making inter-year comparisons the results should be treated with caution as poultry farms are subject to a considerable degree of uncertainty reflecting both the structure of this sector and the relatively small sample of these farms in the FBS.

It is important to note that all surveys are subject to sampling error as they are not measuring the whole population, the FBS is no exception. It is common practice to publish 95% confidence intervals and error bars alongside any published estimated figures to give the reader an indication of the size of the sampling error. These signify that we are 95% confident that this range contains the true value. For simplicity within these reports, the confidence intervals have not always been published. Readers should be aware that the figures calculated from the FBS data have a level of uncertainty around them and that all figures are estimates. Generally, the smaller the sample size the greater the sampling error and the less confidence we have in the estimates. For details on the FBS confidence intervals, please refer to Defra FBS publications <https://www.gov.uk/government/collections/farm-business-survey>

Results for this survey can be accessed at:

<http://farmbusinesssurvey.co.uk> and

<https://www.gov.uk/government/collections/farm-business-survey#farm-accounts-in-england>

## **2.4 Financial results for 2019/20 and 2020/21**

### **2.4.1 Specialist poultry farms [Table 2.1]**

- In 2020/21 a total of 89 farms participating in the Farm Business Survey (FBS) in England were classified as specialist poultry farms, compared to 96 farms in 2019/20
- The total of 89 farms included 46 specialist layers and 43 specialist poultry meat producers
- The profitability of specialist poultry farm businesses decreased by 12% in the 2020/21 financial year, with average profit as measured by Farm Business Income (FBI) falling on a per business basis from £87,860 in 2019/20, to £77,654 in 2020/21 [Table 2.1]
- The FBS sample for specialist poultry farms is relatively small, meaning that individual farms can sometimes have a large influence on the results. Reweighting these few influential farms so they represent only themselves in the results would increase the average 2020/21 income for specialist poultry farms to £86,922
- Within this sector, on a per business basis, there was a marked difference in profits during 2020/21
  - Average FBI on a per business basis for the layers decreased by 80%, from £34,577 in 2019/20, to £7,025 in 2020/21 [Table 2.2]
  - These results should be treated with caution as individual farms can sometimes have a large influence on the results. Reweighting these few influential farms so they represent only themselves in the results would increase the average 2020/21 income for specialist layers to £38,902
  - For the poultry meat producers FBI rose by 13%, increasing from £145,405 in 2019/20, to £164,251 in 2020/21 [Table 2.3]
  - These results should be treated with caution as individual farms can sometimes have a large influence on the results. Reweighting these few influential farms so they represent only themselves in the results would increase the average income for poultry meat producers from £94,180 to £136,134 in 2020/21
- The sample has changed between the two years. In 2019/20 46% of the sample were specialist layers and 54% were specialist poultry meat, whereas in 2020/21 52% of the sample were layers and 48% poultry meat producers. However, in monetary terms, the balance was very different in terms of poultry output attained in 2020/21:
  - 33% was derived from egg production
  - 66% from broiler production and
  - 1% from a mix of breeding, rearing and other forms of poultry meat production
- Among the total average variable costs for all specialist poultry farms, there was a 4% decrease in average feed costs on a per holding basis; cost of feed as a percentage of £100 of output per business decreased slightly to approximately 52% in 2020/21, due to the drop in both total poultry output and total feed costs

- The total fixed costs include imputed items such as labour and rent, to calculate Management & investment income. When benchmarking businesses, these imputed costs are included so that businesses can be compared on an equal basis. However, adjustments are made to these figures to show Farm Business Income, which more closely resembles the actual profit of the business
- In common with past income trends, there was a wide range in the level of Farm Business Income (FBI) observed for different businesses, ranging from over £100,000 per year to a number incurring negative FBI

#### **2.4.2 All laying flocks producing eggs for human consumption and breeder/rearers [Table 2.2]**

- In 2020/21, the 46 specialist poultry farms that were classified as layers (Defra farm typology code 521) included 39 businesses with laying flocks producing eggs for human consumption and seven businesses comprising breeding and rearing units (including growing pullets, layer breeders and broiler breeders)
- The average number of laying hens per business decreased by 5% in 2020/21, to 33,034 birds
- On a per business basis, gross output of all laying flocks fell by 4%, decreasing from an average of £474,549 in 2019/20, to an average of £456,933 in 2020/21
- The net result of the year-on-year changes for these businesses was a decrease in the average FBI from £34,577 per business in 2019/20, to £7,025 per business in 2020/21
- These results should be treated with caution as individual farms can sometimes have a large influence on the results. Reweighting these few influential farms so they represent only themselves in the results would increase the average 2020/21 income for specialist layer to £38,902

#### **2.4.3 Laying flocks producing eggs for human consumption [Table 2.4]**

- This sub-set of farms consists of flocks producing eggs for human consumption, which include:
  - Enriched cage, barn, deep litter and free range egg production units; breeding poultry (laying flocks producing hatching eggs, day-old chicks and pullets) are not included
  - This group is suited to assessing egg producer figures in terms of analysing the changes in bird numbers, output, costs and FBI, particularly on a per bird basis
- The average number of laying hens in this group increased by 14% to 27,234
- The total gross output for this group increased by 8%, to an average of £527,679 per business; this meant that even with higher variable costs, the average gross margin per business increased by 5%, to £211,972 in 2020/21
- The FBI for 'laying flocks producing eggs for human consumption' only, showed an increase in profit of 34%, rising by £9,275 from £27,038 in 2019/20
- The increase in profitability is in line with the higher average number of laying hens per business. When the figures are viewed on a per bird basis there is still an increase in profit per bird mainly due to slightly lower costs.
- The price attained for eggs produced by both the more intensive group and from free range systems combined increased from 86.7p/doz to 89.4p/doz in 2020/21. This contrasts with the trends seen nationally that show a larger increase in egg prices
- However, there was a slight decrease in eggs produced per bird, from 298 in 2019/20 to 294 in 2020/21, which led to the fall in output per bird
- Due to the decrease in output, the gross margin per head was 67p/bird lower in 2020/21, a fall of 8%



- Fixed and variable costs fell slightly, which has led to the increase in the total margin per bird. This may be linked to the increase in average numbers whereby overhead costs could be spread across a larger number of birds

#### **2.4.4 Mixed production systems and free range flocks [Table 2.5]**

- The laying flock group producing eggs for human consumption is normally subdivided into two further sub-groups, mixed production systems and free range flocks:
  - There are eight farms with mixed production systems and 31 farms with free range systems
  - The mixed production systems are predominantly enriched cage units; however, the sample is too small to publish results
- Although the sample of non-free range egg producers is too small to publish, the evidence suggests that the more intensive producers, including enriched cages, barn and deep litter systems, showed a larger increase in average FBI per business, compared with a small increase in the free range systems
- The price of free range eggs rose to an average of 101.3p/doz, an 8% increase compared to the previous year. The average prices seen in these results are higher than those seen nationally, this could be due to more direct selling by the farms in this sample
- The average number of eggs per bird per year decreased by 5% for free range producers, to 281 eggs per bird per year
- On a per business basis free range egg farms experienced an increase in profit, with the average FBI increasing, from £22,784 in 2019/20, to £25,932 in 2020/21. On a per bird basis the profit also increased by 14p to £1.30 per bird

#### **2.4.5 Poultry meat producers [Table 2.3]**

- This group of farms is classified as poultry meat producers (Defra farm typology code 522):
  - In 2020/21 there were 43 of these farms, compared with 52 in 2019/20; among them were 20 broiler producers whose results are reported separately (Table 2.6)
  - This group also includes contract broiler producers where birds and feed are provided by the rearing company, who in turn pay a fee to the producer, but due to their very small sample size results are not reported separately here
- Although broiler production is the predominant system, a small number of producers of table chickens, turkeys, ducks and geese are also present in the sample, but their results have not been reported separately here due to very small sample size
- The average number of birds per business was up by 12%, to 136,102 birds
- Gross Output increased by 5% in 2020/21, with an increase in broiler output and crop enterprises. Variable costs increased slightly as well, but overall, the gross margin rose by 9%, and the FBI per business increased by 13% to an average of £164,251
- FBI as measured on a per bird basis showed a small increase compared to the previous year, up 1%, from an average of £1.20 to an average of £1.21 per bird
- These results should be treated with caution as individual farms can sometimes have a large influence on the results. Reweighting these few influential farms so they represent only themselves in the results would increase the average 2020/21 income for poultry meat producers to £136,134

#### **2.4.6 Non-contract broiler production [Table 2.6]**

- Producers in this group own the birds and incur all the costs associated with their production

- A production cycle of normally around 40 days enables around seven to eight crops a year to be reared, allowing a reasonable period between each new batch of birds to undertake maintenance and biosecurity measures
- The results recorded here on a per bird basis are on an individual 'bird-crop' basis
- The average number of birds rose from 251,680 in 2019/20 to 280,595 in 2020/21
- The main cost to the farm business for this system is feed, which decreased slightly by 2% to an average of £1,839,160 per business in line with the decrease in the number of crops per year
- On a per bird basis, the cost of feed also showed a decrease, of 3%, from an average of £0.98, to £0.95
- Throughput increased 1% and with a small rise in price for poultry meat, total output rose by 7% compared to 2019/20
- Productivity was down in 2020/21, decreasing from 7.6 crops of birds reared per year in 2019/20, to 6.9 crops
- The average price received for broilers in the year was £1.77 per bird, an increase of 2p on the previous year, while the price of chicks remained at an average of 34p per bird
- FBI increased from an average of £226,097 per business in 2019/20, to an average of £257,437 in 2020/21
- Note that these changes should be treated with caution because of the small sample; removing a particularly influential farm from the results suggests that the average income would have actually increased more compared to the previous year

## 2.5 Balance sheet information [Table 2.7 to 2.9]

- Table 2.7 shows the assets, liabilities and net worth for the same group of farms included in the preceding commentary on financial results
- For specialist poultry farms as a whole, the percentage equity in the business increased by 5% in 2020/21, to an average of 67% at the end of the financial year
- The laying flock systems saw their percentage of equity decrease by 1% to an average of 67%, while the poultry meat producers saw percentage equity rise by 7% to an average of 67%
- Table 2.8 compares the net worth and percentage equity with other Robust Farm Type classification used in England with an overall average net worth of £1,941,510 recorded per business, representing an overall average of a little under 89% equity in the business
- Those farms that are predominantly land based have the highest percentage equity due to lower liabilities (e.g. Lowland cattle & sheep at 92% and cereals at 93%), while those businesses with intensive livestock systems, requiring large capital investments and with a very low dependency on land have higher liabilities and, consequently, a smaller stake in the equity of their businesses (e.g. Poultry at 65%)

## 2.6. Gross margins for all poultry enterprises

- Tables 2.10 to 2.15 show the gross margin results from all farms in the survey with poultry enterprises, some of which will be in addition to the specialist poultry farms commented upon earlier in this report
- Hence the sample of farms on which gross margins have been calculated is larger, although the average flock size is smaller, as the poultry enterprises on these additional farms tend to be supplementary to the main farm enterprises

### 2.6.1 Gross margin for all laying flocks [Table 2.10 to 2.13]

- Average egg price was 90.7p/doz in 2020/21, compared with 86.9p/doz for the previous year, a rise of 4%
- The average number of birds per holding increased by 3% compared to 2019/20, from 21,839, to 22,466 in 2020/21
- On a per bird basis, poultry output was above the previous year at an average of £18.07 per bird, due to the increase in egg price
- Feed costs for all farms with poultry layers decreased by 26p per bird, to £10.48
- Total variable costs were down overall on a per bird basis and this, combined with a higher output, resulted in an average gross margin of £6.46, up £0.42 on 2019/20
- The gross margin per doz eggs was 28p for all layers, an increase of 3p on the 2019/20 returns [Table 2.13]
- There was a difference in the change to output in the last two years between different production systems; the free range egg producers increased by only 1%, to an average of £18.73 [+£0.12] per bird, while the enriched caged/mixed production systems increased by a larger amount, 8%, to an average of £16.94 [+£1.28]
- The average egg price was 29% higher for free range egg production than for intensive units, while egg production for free range systems at an average of 271 eggs per year was 12% less than the intensive units
- The average gross margin per doz eggs was 31p for free range production, higher than the intensive/mixed egg production at 22p
- Feed cost for the free range systems was higher per bird than for the intensive systems
- Due to the rise in output and a slight decrease in costs the gross margin per bird for free range egg production recorded an increase of £0.36 per bird, while the enriched cage/mixed production systems showed a larger increase in gross margin
- The sample size of specialist poultry farms with enriched cage and mixed production systems in this year's report is small, and any inference of a general trend relating to enriched cage systems should therefore be treated with caution

### 2.6.2 Gross margin for broilers & table chicken production (non-contract) [Table 2.14]

- The average price received for broilers was £1.77 [-1p] per bird, with the purchase price of chicks averaging 34p the same as the previous year
- With 6.8 crops per year (a decrease of 11% from 7.6 crops), an average gross margin of £2.58 per bird place was recorded on an annual basis, a decrease of 13p per bird on the results for the 2019/20 year

### 2.6.3 Turkey production [Table 2.15]

- Farms in this group are predominantly small-scale Christmas turkey producers and are not representative of large scale turkey production, which accounts for the vast majority of English turkey production
- The average price received for turkeys in 2020/21 was £54.26 [+£4.41] per bird, while the average purchase price was £5.82 per bird [+£0.39]
- Overall, poultry output averaged £46.70 per bird [+£4.44] in 2020/21 and feed costs £10.39 per bird [+£1.66], resulting in a slightly increased gross margin of £33.36 [+£2.48] per bird

**Table 2.1 Financial results for all specialist poultry farms**

	<i>Per farm</i>			<i>Per bird (annual basis)</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>% change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	96	89		96	89	
Average number of birds/year	76,258	79,334		76,258	79,334	
	<i>Average £ per farm</i>			<i>Average £ per bird</i>		
<b>Gross output</b>						
Eggs	245,367	253,247	3	3.22	3.19	-0.03
Hen depreciation	-35,513	-46,683	31	-0.47	-0.59	-0.12
Broilers	516,552	505,551	-2	6.77	6.37	-0.40
Other poultry output	69,160	53,910	-22	0.91	0.68	-0.23
<b>Total poultry output</b>	<b>795,566</b>	<b>766,024</b>	<b>-4</b>	<b>10.43</b>	<b>9.66</b>	<b>-0.78</b>
Crops	43,437	60,935	40	0.57	0.77	0.20
Other livestock	17,644	13,656	-23	0.23	0.17	-0.06
Other output	70,159	78,379	12	0.92	0.99	0.07
<b>Total gross output</b>	<b>926,805</b>	<b>918,994</b>	<b>-1</b>	<b>12.15</b>	<b>11.58</b>	<b>-0.57</b>
<b>Variable costs</b>						
Feed	491,551	473,808	-4	6.45	5.97	-0.47
Seed, fertiliser, crop costs	15,844	23,681	49	0.21	0.30	0.09
Vet. & medicines	10,765	11,592	8	0.14	0.15	0.00
Other livestock costs	36,165	39,673	10	0.47	0.50	0.03
<b>Total variable costs</b>	<b>554,325</b>	<b>548,754</b>	<b>-1</b>	<b>7.27</b>	<b>6.92</b>	<b>-0.35</b>
<b>Total gross margin</b>	<b>372,480</b>	<b>370,240</b>	<b>-1</b>	<b>4.88</b>	<b>4.67</b>	<b>-0.22</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	48,380	47,803	-1	0.63	0.60	-0.03
Regular unpaid	29,829	27,461	-8	0.39	0.35	-0.05
Casual labour	6,240	7,677	23	0.08	0.10	0.01
Power & machinery costs:						
Contract & hire	14,817	16,800	13	0.19	0.21	0.02
Fuel	8,743	7,476	-14	0.11	0.09	-0.02
Electricity	20,830	19,002	-9	0.27	0.24	-0.03
Heat	20,213	18,002	-11	0.27	0.23	-0.04
Repairs	16,450	18,456	12	0.22	0.23	0.02
Depreciation	31,519	32,269	2	0.41	0.41	-0.01
Rent (incl. imputed)	56,489	66,355	17	0.74	0.84	0.10
Other costs:						
Occupiers repairs	13,748	13,519	-2	0.18	0.17	-0.01
Sundries (incl. bad debts)	28,351	31,889	12	0.37	0.40	0.03
<b>Total fixed costs</b>	<b>295,609</b>	<b>306,708</b>	<b>4</b>	<b>3.88</b>	<b>3.87</b>	<b>-0.01</b>
<b>Management &amp; investment income</b>	<b>76,871</b>	<b>63,532</b>	<b><u>Δ£/farm</u> -13,338</b>	<b>1.01</b>	<b>0.80</b>	<b>-0.21</b>
Minus: management salaries	201	141	-60	0.00	0.00	0.00
Plus: farmer & spouse labour	23,964	22,157	-1,807	0.31	0.28	-0.03
<b>Net farm income</b>	<b>100,633</b>	<b>85,549</b>	<b>-15,085</b>	<b>1.32</b>	<b>1.08</b>	<b>-0.24</b>
<b>Farm business income</b>	<b>87,860</b>	<b>77,654</b>	<b>-10,206</b>	<b>1.15</b>	<b>0.98</b>	<b>-0.17</b>

**Per £100 of gross output**

	2019/20	2020/21	£ change	<b>Farm Business Income (FBI) per farm</b>		
Number of farms	96	89		(% distribution by number of weighted farms)		
Average number (birds/year)	76,258	79,334			%	%
					<b>2019/20</b>	<b>2020/21</b>
<b>Average £ per £100 of gross output</b>						
<b>Gross output (%)</b>				Over £100,000	23	32
Eggs (%)	26.47	27.56		0 to <£100,000	58	44
Hen depreciation (%)	-3.83	-5.08		Less than 0	20	24
Broilers (%)	55.73	55.01				
Other poultry output (%)	7.46	5.87		<b>Total</b>	<b>100</b>	<b>100</b>
<b>Total poultry output (%)</b>	<b>85.84</b>	<b>83.35</b>				
Crops (%)	4.69	6.63				
Other livestock (%)	1.90	1.49				
Other output (%)	7.57	8.53				
<b>Total gross output (%)</b>	<b>100.00</b>	<b>100.00</b>				
<b>Variable costs</b>						
Feed	53.04	51.56	-1.48			
Seed, fertiliser, crop costs	1.71	2.58	0.87			
Vet. & medicines	1.16	1.26	0.10			
Other livestock costs	3.90	4.32	0.41			
<b>Total variable costs</b>	<b>59.81</b>	<b>59.71</b>	<b>-0.10</b>			
<b>Total gross margin</b>	<b>40.19</b>	<b>40.29</b>	<b>0.10</b>			
<b>Fixed costs</b>						
				<b>Average Poultry Numbers</b>		
Labour:					<b>Average</b>	<b>Average</b>
Regular paid	5.22	5.20	-0.02		<b>2019/20</b>	<b>2020/21</b>
Regular unpaid	3.22	2.99	-0.23			
Casual labour	0.67	0.84	0.16	Hens in lay	11,956	12,139
Power & machinery costs:				Pullets	6,223	6,066
Contract & hire	1.60	1.83	0.23	Broilers & other poultry	58,078	61,129
Fuel	0.94	0.81	-0.13	<b>Total Average</b>	<b>76,258</b>	<b>79,334</b>
Electricity	2.25	2.07	-0.18			
Heat	2.18	1.96	-0.22			
Repairs	1.77	2.01	0.23			
Depreciation	3.40	3.51	0.11			
Rent (incl. imputed)	6.10	7.22	1.13			
Other costs:						
Occupiers repairs	1.48	1.47	-0.01			
Sundries (incl. bad debts)	3.06	3.47	0.41			
<b>Total fixed costs</b>	<b>31.90</b>	<b>33.37</b>	<b>1.48</b>			
<b>Management &amp; investment income</b>	<b>8.29</b>	<b>6.91</b>	<b>-1.38</b>			
Minus: management salaries	0.02	0.02	-0.01	<b>Other efficiency factors</b>		
Plus: farmer & spouse labour	2.59	2.41	-0.17		<b>Average</b>	<b>Average</b>
					<b>2019/20</b>	<b>2020/21</b>
<b>Net farm income</b>	<b>10.86</b>	<b>9.31</b>	<b>-1.55</b>	Eggs per bird	279	277
<b>Farm business income</b>	<b>9.48</b>	<b>8.45</b>	<b>-1.03</b>	Eggs (p/doz.)	88.28	90.20

**Table 2.2 Financial results for all laying flocks**

	<i>Per farm</i>			<i>Per bird (annual basis)</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>% change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	44	46		44	46	
Average number of birds/year	34,613	33,034		34,613	33,034	
	<i>Average £ per farm</i>			<i>Average £ per bird</i>		
<b>Gross output</b>						
Eggs	463,445	459,781	-1	13.39	13.92	0.53
Hen depreciation	-67,401	-84,739	26	-1.95	-2.57	-0.62
Broilers	0	0	0	0.00	0.00	0.00
Other poultry output	21,191	23,535	11	0.61	0.71	0.10
<b>Total poultry output</b>	<b>417,235</b>	<b>398,577</b>	<b>-4</b>	<b>12.05</b>	<b>12.07</b>	<b>0.01</b>
Crops	12,477	8,362	-33	0.36	0.25	-0.11
Other livestock	8,367	8,594	3	0.24	0.26	0.02
Other output	36,470	41,400	14	1.05	1.25	0.20
<b>Total gross output</b>	<b>474,549</b>	<b>456,933</b>	<b>-4</b>	<b>13.71</b>	<b>13.83</b>	<b>0.12</b>
<b>Variable costs</b>						
Feed	226,975	233,473	3	6.56	7.07	0.51
Seed, fertiliser, crop costs	4,619	3,478	-25	0.13	0.11	-0.03
Vet. & medicines	5,319	6,417	21	0.15	0.19	0.04
Other livestock costs	22,291	25,319	14	0.64	0.77	0.12
<b>Total variable costs</b>	<b>259,204</b>	<b>268,687</b>	<b>4</b>	<b>7.49</b>	<b>8.13</b>	<b>0.65</b>
<b>Total gross margin</b>	<b>215,345</b>	<b>188,246</b>	<b>-13</b>	<b>6.22</b>	<b>5.70</b>	<b>-0.52</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	41,056	41,909	2	1.19	1.27	0.08
Regular unpaid	29,186	26,650	-9	0.84	0.81	-0.04
Casual labour	2,353	2,824	20	0.07	0.09	0.02
Power & machinery costs:						
Contract & hire	6,307	7,730	23	0.18	0.23	0.05
Fuel	4,240	3,322	-22	0.12	0.10	-0.02
Electricity	11,216	10,851	-3	0.32	0.33	0.00
Heat	2,499	2,175	-13	0.07	0.07	-0.01
Repairs	7,632	8,512	12	0.22	0.26	0.04
Depreciation	22,695	19,489	-14	0.66	0.59	-0.07
Rent (incl. imputed)	42,247	46,578	10	1.22	1.41	0.19
Other costs:						
Occupiers repairs	6,296	10,138	61	0.18	0.31	0.12
Sundries (incl. bad debts)	18,718	19,812	6	0.54	0.60	0.06
<b>Total fixed costs</b>	<b>194,443</b>	<b>199,991</b>	<b>3</b>	<b>5.62</b>	<b>6.05</b>	<b>0.44</b>
<b>Management &amp; investment income</b>	<b>20,902</b>	<b>-11,745</b>	<b><u>Δ£/farm</u> -32,647</b>	<b>0.60</b>	<b>-0.36</b>	<b>-0.96</b>
Minus: management salaries	21	0	-21	0.00	0.00	0.00
Plus: farmer & spouse labour	24,663	22,226	-2,438	0.71	0.67	-0.04
<b>Net farm income</b>	<b>45,545</b>	<b>10,481</b>	<b>-35,064</b>	<b>1.32</b>	<b>0.32</b>	<b>-1.00</b>
<b>Farm business income</b>	<b>34,577</b>	<b>7,025</b>	<b>-27,552</b>	<b>1.00</b>	<b>0.21</b>	<b>-0.79</b>

**Per £100 of gross output**

	2019/20	2020/21	£ change
Number of farms	44	46	
Average number (birds/year)	34,613	33,034	

**Average £ per £100 of gross output**

<b>Gross output (%)</b>			
Eggs (%)	97.66	100.62	
Hen depreciation (%)	-14.20	-18.55	
Broilers (%)	0.00	0.00	
Other poultry output (%)	4.47	5.15	
<b>Total poultry output (%)</b>	<b>87.92</b>	<b>87.23</b>	
Crops (%)	2.63	1.83	
Other livestock (%)	1.76	1.88	
Other output (%)	7.69	9.06	
<b>Total gross output (%)</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>			
Feed	47.83	51.10	3.27
Seed, fertiliser, crop costs	0.97	0.76	-0.21
Vet. & medicines	1.12	1.40	0.28
Other livestock costs	4.70	5.54	0.84
<b>Total variable costs</b>	<b>54.62</b>	<b>58.80</b>	<b>4.18</b>
<b>Total gross margin</b>	<b>45.38</b>	<b>41.20</b>	<b>-4.18</b>
<b>Fixed costs</b>			
<b>Labour:</b>			
Regular paid	8.65	9.17	0.52
Regular unpaid	6.15	5.83	-0.32
Casual labour	0.50	0.62	0.12
<b>Power &amp; machinery costs:</b>			
Contract & hire	1.33	1.69	0.36
Fuel	0.89	0.73	-0.17
Electricity	2.36	2.37	0.01
Heat	0.53	0.48	-0.05
Repairs	1.61	1.86	0.25
Depreciation	4.78	4.27	-0.52
Rent (incl. imputed)	8.90	10.19	1.29
<b>Other costs:</b>			
Occupiers repairs	1.33	2.22	0.89
Sundries (incl. bad debts)	3.94	4.34	0.39
<b>Total fixed costs</b>	<b>40.97</b>	<b>43.77</b>	<b>2.79</b>
<b>Management &amp; investment income</b>	<b>4.40</b>	<b>-2.57</b>	<b>-6.97</b>
Minus: management salaries	0.00	0.00	0.00
Plus: farmer & spouse labour	5.20	4.86	-0.33
<b>Net farm income</b>	<b>9.60</b>	<b>2.29</b>	<b>-7.30</b>
<b>Farm business income</b>	<b>7.29</b>	<b>1.54</b>	<b>-5.75</b>

**Average Poultry Numbers**

	Average 2019/20	Average 2020/21
Hens in lay	22,617	22,021
Pullets	11,986	11,013
Broilers & other poultry	10	0
<b>Total Average</b>	<b>34,613</b>	<b>33,034</b>

**Other efficiency factors**

	Average 2019/20	Average 2020/21
Eggs per bird	279	277
Eggs (p/doz.)	88.20	90.20

**Table 2.3 Financial results for all poultry meat producers**

	<i>Per farm</i>			<i>Per bird (annual basis)</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>%change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	52	43		52	43	
Average number of birds/year	121,234	136,102		121,234	136,102	
	<i>Average £ per farm</i>			<i>Average £ per bird</i>		
<b>Gross output</b>						
Eggs	9,840	19	0	0.08	0.00	-0.08
Hen depreciation	-1,074	-23	0	-0.01	0.00	0.01
Broilers	1,074,435	1,125,397	5	8.86	8.27	-0.59
Other poultry output	120,967	91,151	-25	1.00	0.67	-0.33
<b>Total poultry output</b>	<b>1,204,168</b>	<b>1,216,544</b>	<b>1</b>	<b>9.93</b>	<b>8.94</b>	<b>-0.99</b>
Crops	76,874	125,393	63	0.63	0.92	0.29
Other livestock	27,663	19,862	-28	0.23	0.15	-0.08
Other output	106,544	123,719	16	0.88	0.91	0.03
<b>Total gross output</b>	<b>1,415,248</b>	<b>1,485,517</b>	<b>5</b>	<b>11.67</b>	<b>10.91</b>	<b>-0.76</b>
<b>Variable costs</b>						
Feed	777,297	768,477	-1	6.41	5.65	-0.77
Seed, fertiliser, crop costs	27,967	48,450	73	0.23	0.36	0.13
Vet. & medicines	16,648	17,938	8	0.14	0.13	-0.01
Other livestock costs	51,149	57,273	12	0.42	0.42	0.00
<b>Total variable costs</b>	<b>873,061</b>	<b>892,138</b>	<b>2</b>	<b>7.20</b>	<b>6.55</b>	<b>-0.65</b>
<b>Total gross margin</b>	<b>542,187</b>	<b>593,379</b>	<b>9</b>	<b>4.47</b>	<b>4.36</b>	<b>-0.11</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	56,291	55,029	-2	0.46	0.40	-0.06
Regular unpaid	30,524	28,455	-7	0.25	0.21	-0.04
Casual labour	10,437	13,626	31	0.09	0.10	0.01
Power & machinery costs:						
Contract & hire	24,007	27,920	16	0.20	0.21	0.01
Fuel	13,606	12,569	-8	0.11	0.09	-0.02
Electricity	31,214	28,996	-7	0.26	0.21	-0.04
Heat	39,344	37,407	-5	0.32	0.27	-0.05
Repairs	25,974	30,647	18	0.21	0.23	0.01
Depreciation	41,049	47,938	17	0.34	0.35	0.01
Rent (incl. imputed)	71,871	90,604	26	0.59	0.67	0.07
Other costs:						
Occupiers repairs	21,796	17,665	-19	0.18	0.13	-0.05
Sundries (incl. bad debts)	38,755	46,697	20	0.32	0.34	0.02
<b>Total fixed costs</b>	<b>404,870</b>	<b>437,552</b>	<b>8</b>	<b>3.34</b>	<b>3.21</b>	<b>-0.12</b>
<b>Management &amp; investment income</b>	<b>137,318</b>	<b>155,828</b>	<b><u>Δ£/farm</u> 18,510</b>	<b>1.13</b>	<b>1.14</b>	<b>0.01</b>
Minus: management salaries	396	313	-83	0.00	0.00	0.00
Plus: farmer & spouse labour	23,209	22,074	-1,135	0.19	0.16	-0.03
<b>Net farm income</b>	<b>160,130</b>	<b>177,588</b>	<b>17,458</b>	<b>1.32</b>	<b>1.30</b>	<b>-0.02</b>
<b>Farm business income</b>	<b>145,405</b>	<b>164,251</b>	<b>18,845</b>	<b>1.20</b>	<b>1.21</b>	<b>0.01</b>



**Per £100 of gross output**

	2019/20	2020/21	£ change
Number of farms	52	43	
Average number (birds/year)	121,234	136,102	

**Average £ per £100 of gross output**

<b>Gross output (%)</b>			
Eggs (%)	0.70	0.00	
Hen depreciation (%)	-0.08	0.00	
Broilers (%)	75.92	75.76	
Other poultry output (%)	8.55	6.14	
<b>Total poultry output (%)</b>	<b>85.09</b>	<b>81.89</b>	
Crops (%)	5.43	8.44	
Other livestock (%)	1.95	1.34	
Other output (%)	7.53	8.33	
<b>Total gross output (%)</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>			
Feed	54.92	51.73	-3.19
Seed, fertiliser, crop costs	1.98	3.26	1.29
Vet. & medicines	1.18	1.21	0.03
Other livestock costs	3.61	3.86	0.24
<b>Total variable costs</b>	<b>61.69</b>	<b>60.06</b>	<b>-1.63</b>
<b>Total gross margin</b>	<b>38.31</b>	<b>39.94</b>	<b>1.63</b>
<b>Fixed costs</b>			
<b>Labour:</b>			
Regular paid	3.98	3.70	-0.27
Regular unpaid	2.16	1.92	-0.24
Casual labour	0.74	0.92	0.18
<b>Power &amp; machinery costs:</b>			
Contract & hire	1.70	1.88	0.18
Fuel	0.96	0.85	-0.12
Electricity	2.21	1.95	-0.25
Heat	2.78	2.52	-0.26
Repairs	1.84	2.06	0.23
Depreciation	2.90	3.23	0.33
Rent (incl. imputed)	5.08	6.10	1.02
<b>Other costs:</b>			
Occupiers repairs	1.54	1.19	-0.35
Sundries (incl. bad debts)	2.74	3.14	0.41
<b>Total fixed costs</b>	<b>28.61</b>	<b>29.45</b>	<b>0.85</b>
<b>Management &amp; investment income</b>	<b>9.70</b>	<b>10.49</b>	<b>0.79</b>
Minus: management salaries	0.03	0.02	-0.01
Plus: farmer & spouse labour	1.64	1.49	-0.15
<b>Net farm income</b>	<b>11.31</b>	<b>11.95</b>	<b>0.64</b>
<b>Farm business income</b>	<b>10.27</b>	<b>11.06</b>	<b>0.78</b>

**Average Poultry Numbers**

	Average 2019/20	Average 2020/21
Hens in lay	443	24
Pullets	0	0
Broilers & other poultry	120,791	136,079
<b>Total Average</b>	<b>121,234</b>	<b>136,102</b>

**Table 2.4 Financial results for laying flocks producing eggs for human consumption**

	<i>Per farm</i>			<i>Per bird (annual basis)</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>% change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	37	39		37	39	
Average number of birds/year	23,958	27,234		23,958	27,234	
	<i>Average £ per farm</i>			<i>Average £ per bird</i>		
<b>Gross output (%)</b>						
Eggs	510,836	551,919	8	21.32	20.27	-1.06
Hen depreciation	-82,642	-89,696	9	-3.45	-3.29	0.16
Broilers	0	0	0	0.00	0.00	0.00
Other poultry output	2,296	9,525	315	0.10	0.35	0.25
<b>Total poultry output</b>	<b>430,490</b>	<b>471,747</b>	<b>10</b>	<b>17.97</b>	<b>17.32</b>	<b>-0.65</b>
Crops	11,453	10,316	-10	0.48	0.38	-0.10
Other livestock	9,547	10,693	12	0.40	0.39	-0.01
Other output	36,636	34,923	-5	1.53	1.28	-0.25
<b>Total gross output</b>	<b>488,126</b>	<b>527,679</b>	<b>8</b>	<b>20.37</b>	<b>19.38</b>	<b>-1.00</b>
<b>Variable costs</b>						
Feed	252,750	275,850	9	10.55	10.13	-0.42
Seed, fertiliser, crop costs	4,664	4,327	-7	0.19	0.16	-0.04
Vet. & medicines	6,058	7,652	26	0.25	0.28	0.03
Other livestock costs	22,051	27,877	26	0.92	1.02	0.10
<b>Total variable costs</b>	<b>285,523</b>	<b>315,707</b>	<b>11</b>	<b>11.92</b>	<b>11.59</b>	<b>-0.33</b>
<b>Total gross margin</b>	<b>202,604</b>	<b>211,972</b>	<b>5</b>	<b>8.46</b>	<b>7.78</b>	<b>-0.67</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	38,251	43,191	13	1.60	1.59	-0.01
Regular unpaid	28,042	27,801	-1	1.17	1.02	-0.15
Casual labour	2,359	2,909	23	0.10	0.11	0.01
Power & machinery costs:						
Contract & hire	6,537	7,371	13	0.27	0.27	0.00
Fuel	4,254	3,713	-13	0.18	0.14	-0.04
Electricity	10,894	11,292	4	0.45	0.41	-0.04
Heat	581	394	-32	0.02	0.01	-0.01
Repairs	7,264	9,480	31	0.30	0.35	0.04
Depreciation	23,198	21,407	-8	0.97	0.79	-0.18
Rent (incl. imputed)	44,083	38,400	-13	1.84	1.41	-0.43
Other costs:						
Occupiers repairs	5,415	9,874	82	0.23	0.36	0.14
Sundries (incl. bad debts)	18,697	20,075	7	0.78	0.74	-0.04
<b>Total fixed costs</b>	<b>189,575</b>	<b>195,907</b>	<b>3</b>	<b>7.91</b>	<b>7.19</b>	<b>-0.72</b>
<b>Management &amp; investment income</b>	<b>13,029</b>	<b>16,065</b>	<b><u>Δ£/farm</u> 3,036</b>	<b>0.54</b>	<b>0.59</b>	<b>0.05</b>
Minus: management salaries	23	0	-23	0.00	0.00	0.00
Plus: farmer & spouse labour	24,139	23,982	-157	1.01	0.88	-0.13
<b>Net farm income</b>	<b>37,144</b>	<b>40,047</b>	<b>2903</b>	<b>1.55</b>	<b>1.47</b>	<b>-0.08</b>
<b>Farm business income</b>	<b>27,038</b>	<b>36,313</b>	<b>9275</b>	<b>1.13</b>	<b>1.33</b>	<b>0.20</b>

**Per £100 of gross output**

	2019/20	2020/21	£ change
Number of farms	37	39	
Average number (birds/year)	23,958	27,234	
<b>Average £ per £100 of gross output</b>			
<b>Gross output (%)</b>			
Eggs (%)	110.00	105.12	
Hen depreciation (%)	-17.46	-15.70	
Broilers (%)	0.00	0.00	
Other poultry output (%)	0.58	4.14	
<b>Total poultry output (%)</b>	<b>93.12</b>	<b>93.57</b>	
Crops (%)	0.41	0.41	
Other livestock (%)	0.41	0.24	
Other output (%)	6.06	5.78	
<b>Total gross output (%)</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>			
Feed	51.78	52.28	0.50
Seed, fertiliser, crop costs	0.96	0.82	-0.14
Vet. & medicines	1.24	1.45	0.21
Other livestock costs	4.52	5.28	0.77
<b>Total variable costs</b>	<b>58.49</b>	<b>59.83</b>	<b>1.34</b>
<b>Total gross margin</b>	<b>41.51</b>	<b>40.17</b>	<b>-1.34</b>
<b>Fixed costs</b>			
Labour:			
Regular paid	7.84	8.19	0.35
Regular unpaid	5.74	5.27	-0.48
Casual labour	0.48	0.55	0.07
Power & machinery costs:			
Contract & hire	1.34	1.40	0.06
Fuel	0.87	0.70	-0.17
Electricity	2.23	2.14	-0.09
Heat	0.12	0.07	-0.04
Repairs	1.49	1.80	0.31
Depreciation	4.75	4.06	-0.70
Rent (incl. imputed)	9.03	7.28	-1.75
Other costs:			
Occupiers repairs	1.11	1.87	0.76
Sundries (incl. bad debts)	3.83	3.80	-0.03
<b>Total fixed costs</b>	<b>38.84</b>	<b>37.13</b>	<b>-1.71</b>
<b>Management &amp; investment income</b>	<b>2.67</b>	<b>3.04</b>	<b>0.38</b>
Minus: management salaries	0.00	0.00	0.00
Plus: farmer & spouse labour	4.95	4.54	-0.40
<b>Net farm income</b>	<b>7.61</b>	<b>7.59</b>	<b>-0.02</b>
<b>Farm business income</b>	<b>5.54</b>	<b>6.88</b>	<b>1.34</b>

**Pence per dozen eggs**

	2019/20	2020/21
<b>Gross output</b>		
Eggs	86.65	89.58
Other poultry output	-13.63	-13.01
Other output	9.78	9.08
<b>Total gross output</b>	<b>82.80</b>	<b>85.65</b>
<b>Variable costs</b>		
Feed	42.87	44.77
Other variable costs	5.56	6.47
<b>Total variable costs</b>	<b>48.43</b>	<b>51.24</b>
<b>Total gross margin</b>	<b>34.37</b>	<b>34.41</b>
<b>Total fixed costs</b>	<b>32.16</b>	<b>31.80</b>
<b>Management &amp; investment income</b>	<b>2.21</b>	<b>2.61</b>
<b>Net farm income</b>	<b>6.30</b>	<b>6.50</b>
<b>Farm business income</b>	<b>4.59</b>	<b>5.89</b>

**Average Poultry Numbers**

	Average 2019/20	Average 2020/21
Hens in lay	23,717	25,153
Pullets	229	2,081
Broilers & other poultry	12	0
<b>Total Average</b>	<b>23,958</b>	<b>27,234</b>

**Other efficiency factors**

	Average 2019/20	Average 2020/21
Eggs per bird	298	294
Eggs (p/doz.)	86.65	89.39

**Table 2.5 Financial results for laying flocks with free range hens**

	<i>Per farm</i>			<i>Per bird (annual basis)</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>% change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	32	31		32	31	
Average number of birds/year	19,654	19,892		19,654	19,892	
	<i>Average £ per farm</i>			<i>Average £ per bird</i>		
<b>Gross output (%)</b>						
Eggs	447,337	465,609	4	22.76	23.41	0.65
Hen depreciation	-72,881	-79,426	9	-3.71	-3.99	-0.28
Broilers	0	0	0	0.00	0.00	0.00
Other poultry output	1,882	1,724	-8	0.10	0.09	-0.01
<b>Total poultry output</b>	<b>376,338</b>	<b>387,907</b>	<b>3</b>	<b>19.15</b>	<b>19.50</b>	<b>0.35</b>
Crops	13,171	12,912	-2	0.67	0.65	-0.02
Other livestock	10,876	13,875	28	0.55	0.70	0.14
Other output	34,870	31,827	-9	1.77	1.60	-0.17
<b>Total gross output</b>	<b>435,254</b>	<b>446,521</b>	<b>3</b>	<b>22.15</b>	<b>22.45</b>	<b>0.30</b>
<b>Variable costs</b>						
Feed	223,077	232,019	4	11.35	11.66	0.31
Seed, fertiliser, crop costs	5,189	4,998	-4	0.26	0.25	-0.01
Vet. & medicines	6,403	6,027	-6	0.33	0.30	-0.02
Other livestock costs	8,568	10,696	25	0.44	0.54	0.10
<b>Total variable costs</b>	<b>243,237</b>	<b>253,740</b>	<b>4</b>	<b>12.38</b>	<b>12.76</b>	<b>0.38</b>
<b>Total gross margin</b>	<b>192,017</b>	<b>192,781</b>	<b>0</b>	<b>9.77</b>	<b>9.69</b>	<b>-0.08</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	30,845	30,908	0	1.57	1.55	-0.02
Regular unpaid	25,974	23,725	-9	1.32	1.19	-0.13
Casual labour	2,252	2,448	9	0.11	0.12	0.01
Power & machinery costs:						
Contract & hire	7,144	8,831	24	0.36	0.44	0.08
Fuel	3,148	2,605	-17	0.16	0.13	-0.03
Electricity	10,636	10,180	-4	0.54	0.51	-0.03
Heat	581	352	-40	0.03	0.02	-0.01
Repairs	5,773	8,384	45	0.29	0.42	0.13
Depreciation	23,307	22,036	-5	1.19	1.11	-0.08
Rent (incl. imputed)	46,239	40,936	-11	2.35	2.06	-0.29
Other costs:						
Occupiers repairs	5,564	12,175	119	0.28	0.61	0.33
Sundries (incl. bad debts)	18,492	18,547	0	0.94	0.93	-0.01
<b>Total fixed costs</b>	<b>179,955</b>	<b>181,127</b>	<b>1</b>	<b>9.16</b>	<b>9.11</b>	<b>-0.05</b>
<b>Management &amp; investment income</b>	<b>12,062</b>	<b>11,654</b>	<b><u>Δ£/farm</u> -408</b>	<b>0.61</b>	<b>0.59</b>	<b>-0.03</b>
Minus: management salaries	28	0	-28	0.00	0.00	0.00
Plus: farmer & spouse labour	23,011	21,453	-1,558	1.17	1.08	-0.09
<b>Net farm income</b>	<b>35,045</b>	<b>33,106</b>	<b>-1,938</b>	<b>1.78</b>	<b>1.66</b>	<b>-0.12</b>
<b>Farm business income</b>	<b>22,784</b>	<b>25,932</b>	<b>3,149</b>	<b>1.16</b>	<b>1.30</b>	<b>0.14</b>

**Per £100 of gross output**

	2019/20	2020/21	£ change
Number of farms	32	31	
Average number (birds/year)	19,654	19,892	

**Average £ per £100 of gross output**

<b>Gross output (%)</b>			
Eggs (%)	102.78	104.27	
Hen depreciation (%)	-16.74	-17.79	
Broilers (%)	0.00	0.00	
Other poultry output (%)	0.43	0.39	
<b>Total poultry output (%)</b>	<b>86.46</b>	<b>86.87</b>	
Crops (%)	3.03	2.89	
Other livestock (%)	2.50	3.11	
Other output (%)	8.01	7.13	
<b>Total gross output (%)</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>			
Feed	51.25	51.96	0.71
Seed, fertiliser, crop costs	1.19	1.12	-0.07
Vet. & medicines	1.47	1.35	-0.12
Other livestock costs	1.97	2.40	0.43
<b>Total variable costs</b>	<b>55.88</b>	<b>56.83</b>	<b>0.94</b>
<b>Total gross margin</b>	<b>44.12</b>	<b>43.17</b>	<b>-0.94</b>
<b>Fixed costs</b>			
Labour:			
Regular paid	7.09	6.92	-0.16
Regular unpaid	5.97	5.31	-0.65
Casual labour	0.52	0.55	0.03
Power & machinery costs:			
Contract & hire	1.64	1.98	0.34
Fuel	0.72	0.58	-0.14
Electricity	2.44	2.28	-0.16
Heat	0.13	0.08	-0.05
Repairs	1.33	1.88	0.55
Depreciation	5.35	4.94	-0.42
Rent (incl. imputed)	10.62	9.17	-1.46
Other costs:			
Occupiers repairs	1.28	2.73	1.45
Sundries (incl. bad debts)	4.25	4.15	-0.09
<b>Total fixed costs</b>	<b>41.34</b>	<b>40.56</b>	<b>-0.78</b>
<b>Management &amp; investment income</b>	<b>2.77</b>	<b>2.61</b>	<b>-0.16</b>
Minus: management salaries	0.01	0.00	-0.01
Plus: farmer & spouse labour	5.29	4.80	-0.48
<b>Net farm income</b>	<b>8.05</b>	<b>7.41</b>	<b>-0.64</b>
<b>Farm business income</b>	<b>5.23</b>	<b>5.81</b>	<b>0.57</b>

**Pence per dozen eggs**

	2019/20	2020/21
<b>Gross output</b>		
Eggs	94.07	101.47
Other poultry output	-14.93	-16.93
Other output	12.39	12.77
<b>Total gross output</b>	<b>91.53</b>	<b>97.31</b>
<b>Variable costs</b>		
Feed	46.91	50.56
Other variable costs	4.24	4.73
<b>Total variable costs</b>	<b>51.15</b>	<b>55.30</b>
<b>Total gross margin</b>	<b>40.38</b>	<b>42.01</b>
<b>Total fixed costs</b>	<b>37.84</b>	<b>39.47</b>
<b>Management &amp; investment income</b>	<b>2.54</b>	<b>2.54</b>
<b>Net farm income</b>	<b>7.37</b>	<b>7.21</b>
<b>Farm business income</b>	<b>4.79</b>	<b>5.65</b>

**Average Poultry Numbers**

	Average 2019/20	Average 2020/21
Hens in lay	19,413	19,624
Pullets	226	268
Broilers & other poultry	14	0
<b>Total Average</b>	<b>19,654</b>	<b>19,892</b>

**Other efficiency factors**

	Average 2019/20	Average 2020/21
Eggs per bird	294	281
Eggs (p/doz.)	94.03	101.30

**Table 2.6 Financial results for non-contract broilers**

	<i>Per farm</i>			<i>Per bird (per crop)</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>% change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	19	20		19	20	
Average number of birds/year	251,680	280,595		251,680	280,595	
Throughput of birds/year	1,920,571	1,936,890		1,920,571	1,936,890	
	<i>Average £ per farm</i>			<i>Average £ per bird</i>		
<b>Gross output (%)</b>						
Eggs	0	0	0	0.00	0.00	0.00
Hen depreciation	0	0	0	0.00	0.00	0.00
Broilers	2,611,247	2,639,036	1	1.36	1.36	0.00
Other poultry output	14,089	22,547	60	0.01	0.01	0.00
<b>Total poultry output</b>	<b>2,625,335</b>	<b>2,661,583</b>	<b>1</b>	<b>1.37</b>	<b>1.37</b>	<b>0.01</b>
Crops	104,649	223,221	113	0.05	0.12	0.06
Other livestock	54,981	44,626	-19	0.03	0.02	-0.01
Other output	174,028	233,636	34	0.09	0.12	0.03
<b>Total gross output</b>	<b>2,958,993</b>	<b>3,163,066</b>	<b>7</b>	<b>1.54</b>	<b>1.63</b>	<b>0.09</b>
<b>Variable costs</b>						
Feed	1,873,376	1,839,160	-2	0.98	0.95	-0.03
Seed, fertiliser, crop costs	42,479	93,678	121	0.02	0.05	0.03
Vet. & medicines	36,467	41,912	15	0.02	0.02	0.00
Other livestock costs	93,998	109,448	16	0.05	0.06	0.01
<b>Total variable costs</b>	<b>2,046,320</b>	<b>2,084,198</b>	<b>2</b>	<b>1.07</b>	<b>1.08</b>	<b>0.01</b>
<b>Total gross margin</b>	<b>912,673</b>	<b>1,078,869</b>	<b>18</b>	<b>0.48</b>	<b>0.56</b>	<b>0.08</b>
<b>Fixed costs</b>						
Labour:						
Regular paid	80,734	105,055	30	0.04	0.05	0.01
Regular unpaid	33,805	29,063	-14	0.02	0.02	0.00
Casual labour	11,545	17,681	53	0.01	0.01	0.00
Power & machinery costs:						
Contract & hire	49,500	61,471	24	0.03	0.03	0.01
Fuel	21,803	23,304	7	0.01	0.01	0.00
Electricity	66,141	63,308	-4	0.03	0.03	0.00
Heat	83,995	81,369	-3	0.04	0.04	0.00
Repairs	43,051	61,211	42	0.02	0.03	0.01
Depreciation	61,107	82,787	35	0.03	0.04	0.01
Rent (incl. imputed)	125,574	172,099	37	0.07	0.09	0.02
Other costs:						
Occupiers repairs	28,734	27,539	-4	0.01	0.01	0.00
Sundries (incl. bad debts)	57,278	84,093	47	0.03	0.04	0.01
<b>Total fixed costs</b>	<b>663,267</b>	<b>808,982</b>	<b>22</b>	<b>0.35</b>	<b>0.42</b>	<b>0.07</b>
<b>Management &amp; investment income</b>	<b>249,406</b>	<b>269,887</b>	<b><u>Δ£/farm</u> 20,481</b>	<b>0.13</b>	<b>0.14</b>	<b>0.01</b>
Minus: management salaries	0	96	96	0.00	0.00	0.00
Plus: farmer & spouse labour	24,756	24,467	-289	0.01	0.01	0.00
<b>Net farm income</b>	<b>274,162</b>	<b>294,258</b>	<b>20,096</b>	<b>0.14</b>	<b>0.15</b>	<b>0.01</b>
<b>Farm business income</b>	<b>226,097</b>	<b>257,437</b>	<b>31,339</b>	<b>0.12</b>	<b>0.13</b>	<b>0.02</b>

**Per £100 of gross output**

	2019/20	2020/21	£ change	Other efficiency factors	
Number of farms	19	20			
Average number (birds/year)	251,680	280,595		<b>Average</b>	<b>Average</b>
				<b>2019/20</b>	<b>2020/21</b>
	<b>Average £ per £100 of gross output</b>				
<b>Gross output (%)</b>				Broiler sale price (£/bird)	1.75 1.77
Eggs (%)	0.00	0.00			
Hen depreciation (%)	0.00	0.00		Broiler purchase price (£/bird)	0.34 0.34
Broilers (%)	88.25	83.43			
Other poultry output (%)	0.48	0.71		Average number of crops/year	7.6 6.9
<b>Total poultry output (%)</b>	<b>88.72</b>	<b>84.15</b>			
Crops (%)	3.54	7.06			
Other livestock (%)	1.86	1.41			
Other output (%)	5.88	7.39			
<b>Total gross output (%)</b>	<b>100.00</b>	<b>100.00</b>			
<b>Variable costs</b>					
Feed	63.31	58.14	-5.17		
Seed, fertiliser, crop costs	1.44	2.96	1.53		
Vet. & medicines	1.23	1.33	0.09		
Other livestock costs	3.18	3.46	0.28		
<b>Total variable costs</b>	<b>69.16</b>	<b>65.89</b>	<b>-3.26</b>		
<b>Total gross margin</b>	<b>30.84</b>	<b>34.11</b>	<b>3.26</b>		
<b>Fixed costs</b>					
Labour:					
Regular paid	2.73	3.32	0.59		
Regular unpaid	1.14	0.92	-0.22		
Casual labour	0.39	0.56	0.17		
Power & machinery costs:					
Contract & hire	1.67	1.94	0.27		
Fuel	0.74	0.74	0.00		
Electricity	2.24	2.00	-0.23		
Heat	2.84	2.57	-0.27		
Repairs	1.45	1.94	0.48		
Depreciation	2.07	2.62	0.55		
Rent (incl. imputed)	4.24	5.44	1.20		
Other costs:					
Occupiers repairs	0.97	0.87	-0.10		
Sundries (incl. bad debts)	1.94	2.66	0.72		
<b>Total fixed costs</b>	<b>22.42</b>	<b>25.58</b>	<b>3.16</b>		
<b>Management &amp; investment income</b>	<b>8.43</b>	<b>8.53</b>	<b>0.10</b>		
Minus: management salaries	0.00	0.00	0.00		
Plus: farmer & spouse labour	0.84	0.77	-0.06		
<b>Net farm income</b>	<b>9.27</b>	<b>9.30</b>	<b>0.04</b>		
<b>Farm business income</b>	<b>7.64</b>	<b>8.14</b>	<b>0.50</b>		

**Table 2.7 Balance sheet data for 2020/21 - specialist poultry farms**

<b>Group</b>	<b>All specialist poultry farms</b>		<b>All laying flocks</b>		<b>All poultry meat producers</b>	
Number of farms	89		46		43	
Financial year	<b>2020/21</b>		<b>2020/21</b>		<b>2020/21</b>	
	Opening	Closing	Opening	Closing	Opening	Closing
<b>Assets</b>						
<b>Fixed assets</b>						
Land, buildings & BPS	1,626,154	1,666,651	991,937	1,006,869	2,403,756	2,475,595
Breeding livestock	4,761	5,041	6,545	6,566	2,574	3,170
Machinery	203,563	213,537	126,502	124,377	298,047	322,854
Miscellaneous business assets	1,236	1,230	1,722	1,722	638	626
<b>Total fixed assets</b>	<b>1,835,715</b>	<b>1,886,458</b>	<b>1,126,706</b>	<b>1,139,535</b>	<b>2,705,016</b>	<b>2,802,246</b>
<b>Current assets</b>						
Crops & trading livestock	75,404	84,922	70,498	58,744	81,420	117,018
Feedstuffs & goods in store	27,345	28,170	8,988	6,907	49,853	54,239
Liquid assets	202,365	189,846	89,498	99,287	340,749	300,880
<b>Total current assets</b>	<b>305,115</b>	<b>302,938</b>	<b>168,984</b>	<b>164,938</b>	<b>472,022</b>	<b>472,137</b>
<b>Total assets</b>	<b>2,140,830</b>	<b>2,189,396</b>	<b>1,295,690</b>	<b>1,304,473</b>	<b>3,177,037</b>	<b>3,274,382</b>
<b>Liabilities</b>						
Bank term loans	433,349	458,863	228,146	231,750	684,945	737,321
Other loans	143,338	135,373	114,378	100,715	178,847	177,865
Bank overdraft	49,474	27,742	24,176	25,453	80,492	30,548
Other short term loans	178,860	102,829	52,098	77,412	334,280	133,993
<b>Total external liabilities</b>	<b>805,021</b>	<b>724,806</b>	<b>418,798</b>	<b>435,330</b>	<b>1,278,563</b>	<b>1,079,727</b>
<b>Net worth</b>	<b>1,335,808</b>	<b>1,464,590</b>	<b>876,892</b>	<b>869,143</b>	<b>1,898,475</b>	<b>2,194,655</b>
<b>Percentage equity (%)</b>	<b>62.4%</b>	<b>66.9%</b>	<b>67.7%</b>	<b>66.6%</b>	<b>59.8%</b>	<b>67.0%</b>

**Table 2.8 Comparison of net worth and percentage equity by farm type for 2020/21**

<b>Defra main farm type</b>	<b>Average Assets</b>	<b>Average Liabilities</b>	<b>Average Net Worth</b>	<b>Average % Equity</b>
Cereals	3,326,286	240,747	3,085,539	92.8%
Lowland cattle & sheep	1,221,797	97,512	1,124,285	92.0%
Mixed	2,292,364	244,193	2,048,171	89.3%
General cropping	3,307,974	388,417	2,919,557	88.3%
Horticulture	923,358	171,494	751,864	81.4%
Dairy	2,500,947	479,782	2,021,165	80.8%
Pigs	1,507,323	450,763	1,056,560	70.1%
Poultry	2,165,113	764,914	1,400,199	64.7%
<b>All businesses</b>	<b>2,187,824</b>	<b>246,315</b>	<b>1,941,510</b>	<b>88.7%</b>



Table 2.7 continued

Group	<i>Broilers, non contract</i>	
	Opening	Closing
Number of farms	20	
Financial year	<b>2020/21</b>	
<b>Assets</b>		
Fixed assets		
Land, buildings & BPS	4,064,250	4,179,566
Breeding livestock	2,733	3,662
Machinery	517,229	568,822
Miscellaneous business assets	1,290	1,290
<b>Total fixed assets</b>	<b>4,585,502</b>	<b>4,753,340</b>
Current assets		
Crops & trading livestock	161,933	244,720
Feedstuffs & goods in store	101,852	110,388
Liquid assets	575,811	449,814
<b>Total current assets</b>	<b>839,597</b>	<b>804,923</b>
<b>Total assets</b>	<b>5,425,099</b>	<b>5,558,263</b>
<b>Liabilities</b>		
Bank term loans	1,616,763	1,730,434
Other loans	404,023	399,437
Bank overdraft	182,636	70,505
Other short term loans	779,888	238,585
<b>Total external liabilities</b>	<b>2,983,311</b>	<b>2,438,962</b>
<b>Net worth</b>	<b>2,441,789</b>	<b>3,119,301</b>
<b>Percentage equity (%)</b>	<b>45.0%</b>	<b>56.1%</b>

Table 2.9 Distribution of tenant's type capital (%)

	Specialist poultry	Laying flocks, cage, barn & deep litter	All Poultry meat producers	Broilers, non contract
Crops & livestock	16.4	23.7	13.0	15.1
Stores	5.4	2.6	6.6	7.7
Machinery	40.2	41.7	39.5	39.6
Other	38.0	32.0	40.9	37.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Tenant's type capital (£)</b>	<b>518,710</b>	<b>300,678</b>	<b>786,035</b>	<b>1,369,773</b>

**Table 2.10 Gross margin for all laying flocks**

	<i>Per bird (annual basis)</i>			<i>Per £100 of gross output</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	46	48				
Average number of birds/year	21,839	22,466				
	<i>Average £ per bird (annual basis)</i>			<i>Average £ per £100 gross output</i>		
<b>Gross output</b>						
Eggs	21.21	21.32	0.11			
Hen depreciation	-3.47	-3.05	0.42			
Other poultry output	0.05	-0.19	-0.24			
<b>Total output</b>	<b>17.78</b>	<b>18.07</b>	<b>0.29</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>						
Feed	10.74	10.48	-0.26	60.41	58.01	-2.40
Vet. & medicines	0.21	0.25	0.03	1.21	1.36	0.15
Other livestock costs	0.78	0.87	0.09	4.37	4.81	0.44
Other variable costs	0.01	0.01	0.00	0.06	0.08	0.02
<b>Total variable costs</b>	<b>11.75</b>	<b>11.61</b>	<b>-0.13</b>	<b>66.05</b>	<b>64.27</b>	<b>-1.78</b>
<b>Total gross margin</b>	<b>6.04</b>	<b>6.46</b>	<b>0.42</b>	<b>33.95</b>	<b>35.73</b>	<b>1.78</b>

**Table 2.11 Gross margin for laying flocks with mixed production systems including enriched cage, barn and deep litter hens**

	<i>Per bird (annual basis)</i>			<i>Per £100 of gross output</i>		
	<b>2019/20*</b>	<b>2020/21*</b>	<b>£ change</b>	<b>2019/20*</b>	<b>2020/21*</b>	<b>£ change</b>
Number of farms	7	10				
Average number of birds/year	33,824	31,589				
	<i>Average £ per bird (annual basis)</i>			<i>Average £ per £100 gross output</i>		
<b>Gross output</b>						
Eggs	18.47	19.77	1.30			
Hen depreciation	-2.84	-2.20	0.64			
Other poultry output	0.03	-0.63	-0.66			
<b>Total output</b>	<b>15.66</b>	<b>16.94</b>	<b>1.28</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>						
Feed	8.87	9.40	0.53	56.65	55.49	-1.16
Vet. & medicines	0.09	0.26	0.17	0.59	1.56	0.97
Other livestock costs	1.89	1.55	-0.34	12.09	9.17	-2.92
Other variable costs	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total variable costs</b>	<b>10.86</b>	<b>11.22</b>	<b>0.36</b>	<b>69.33</b>	<b>66.22</b>	<b>-3.11</b>
<b>Total gross margin</b>	<b>4.80</b>	<b>5.72</b>	<b>0.92</b>	<b>30.67</b>	<b>33.78</b>	<b>3.11</b>

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

**Table 2.12 Gross margin for laying flocks with free range hens**

	<i>Per bird (annual basis)</i>			<i>Per £100 of gross output</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	39	38				
Average number of birds/year	19,178	19,243				
	<i>Average £ per bird (annual basis)</i>			<i>Average £ per £100 gross output</i>		
<b>Gross output</b>						
Eggs	22.28	22.22	-0.07			
Hen depreciation	-3.72	-3.55	0.17			
Other poultry output	0.05	0.06	0.01			
<b>Total output</b>	<b>18.61</b>	<b>18.73</b>	<b>0.12</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>						
Feed	11.48	11.11	-0.36	61.65	59.34	-2.31
Vet. & medicines	0.26	0.24	-0.03	1.41	1.26	-0.16
Other livestock costs	0.34	0.47	0.13	1.83	2.52	0.70
Other variable costs	0.01	0.02	0.01	0.08	0.12	0.05
<b>Total variable costs</b>	<b>12.09</b>	<b>11.84</b>	<b>-0.25</b>	<b>64.97</b>	<b>63.24</b>	<b>-1.73</b>
<b>Total gross margin</b>	<b>6.52</b>	<b>6.89</b>	<b>0.36</b>	<b>35.03</b>	<b>36.76</b>	<b>1.73</b>

**Table 2.13 Gross margin per dozen eggs for all laying flocks (annual basis)**

	<b>Layers</b>		<b>Laying flocks, cage barn &amp; deep litter</b>		<b>Free range layers</b>	
	<b>2019/20</b>	<b>2020/21</b>	<b>2019/20*</b>	<b>2020/21*</b>	<b>2019/20</b>	<b>2020/21</b>
Number of farms	46	48	7	10	39	38
No of dozen eggs	533,306	527,625	849,821	805,607	463,030	429,438
Average egg yield/bird	298	284	304	308	296	271
Average egg price p/doz	86.89	90.70	73.61	77.26	92.30	99.61
	<i>Average pence per dozen (annual basis)</i>					
<b>Gross output</b>						
Eggs	86.86	90.77	73.51	77.51	92.30	99.56
Hen depreciation	-14.22	-13.00	-11.31	-8.61	-15.41	-15.91
Other poultry output	0.19	-0.81	0.12	-2.47	0.21	0.28
<b>Total output</b>	<b>72.82</b>	<b>76.95</b>	<b>62.33</b>	<b>66.43</b>	<b>77.10</b>	<b>83.93</b>
<b>Variable costs</b>						
Feed	43.99	44.64	35.30	36.86	47.53	49.80
Vet. & medicines	0.88	1.05	0.37	1.04	1.09	1.05
Other livestock costs	3.18	3.70	7.54	6.09	1.41	2.12
Other variable costs	0.04	0.06	0.00	0.00	0.06	0.10
<b>Total variable costs</b>	<b>48.10</b>	<b>49.45</b>	<b>43.21</b>	<b>43.99</b>	<b>50.09</b>	<b>53.08</b>
<b>Total gross margin</b>	<b>24.73</b>	<b>27.50</b>	<b>19.12</b>	<b>22.44</b>	<b>27.01</b>	<b>30.85</b>

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

**Table 2.14 Gross margin for non-contract broilers and table chicken**

	<i>Per bird</i>			<i>Per £100 of gross output</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	25	24				
Average number of birds/year	172,592	175,604				
Throughput of birds/year	1,308,934	1,192,341				
Average number of crops/year	7.6	6.8				
Average sale price (broilers) - £/bird	1.79	1.77				
Average purchase price (broilers) - £/bird	0.34	0.34				
	<i>Average £ per bird (per flock)</i>			<i>Average £ per £100 gross output</i>		
<b>Gross output</b>						
Broilers	1.41	1.41	0.01			
<b>Total output</b>	<b>1.41</b>	<b>1.41</b>	<b>0.01</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>						
Feed	0.97	0.96	-0.01	68.68	67.64	-1.04
Vet. & medicines	0.02	0.02	0.00	1.31	1.55	0.24
Other livestock costs	0.05	0.05	0.00	3.58	3.83	0.25
Other variable costs	0.01	0.00	-0.01	0.96	0.11	-0.85
<b>Total variable costs</b>	<b>1.05</b>	<b>1.03</b>	<b>-0.01</b>	<b>74.53</b>	<b>73.12</b>	<b>-1.41</b>
<b>Total gross margin</b>	<b>0.36</b>	<b>0.38</b>	<b>0.02</b>	<b>25.47</b>	<b>26.88</b>	<b>1.41</b>

**Table 2.15 Gross margin for turkey production**

	<i>Per bird</i>			<i>Per £100 of gross output</i>		
	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>	<b>2019/20</b>	<b>2020/21</b>	<b>£ change</b>
Number of farms	19	20				
Average number of birds/year	498	878				
Throughput of birds/year	1,039	1,794				
Average sale price (turkeys) - £/bird	49.84	54.26				
Average purchase price (turkeys) - £/bird	5.43	5.82				
	<i>Average £ per bird</i>			<i>Average £ per £100 gross output</i>		
<b>Gross output</b>						
Other poultry output	42.27	46.70	4.44			
<b>Total output</b>	<b>42.27</b>	<b>46.70</b>	<b>4.44</b>	<b>100.00</b>	<b>100.00</b>	
<b>Variable costs</b>						
Feed	8.73	10.39	1.66	20.64	22.25	1.60
Vet. & medicines	0.22	0.10	-0.12	0.53	0.22	-0.31
Other livestock costs	2.43	2.83	0.40	5.76	6.07	0.31
Other variable costs	0.01	0.02	0.01	0.02	0.05	0.02
<b>Total variable costs</b>	<b>11.39</b>	<b>13.35</b>	<b>1.96</b>	<b>26.95</b>	<b>28.58</b>	<b>1.63</b>
<b>Total gross margin</b>	<b>30.88</b>	<b>33.36</b>	<b>2.48</b>	<b>73.05</b>	<b>71.42</b>	<b>-1.63</b>

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## Glossary

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

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

### ***Fixed costs***

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

### ***Gross output***

Total revenue adjusted for changes in valuation of livestock and stores, less purchases of livestock, or produce for resale.

### ***Labour***

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

### ***Management and investment income (MII)***

Total gross output less all costs (including the value of unpaid manual labour) other than salaried management. It represents the reward to management, both paid and unpaid and the return on tenant-type capital whether that capital is borrowed or not.

### ***Net farm income***

Represents the return to the farmer and spouse for their manual labour, management and interest on tenant-type capital invested in the farm, whether that capital is borrowed or not.

### ***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.

### ***Tenant-type 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 generally considered to be tenant-type capital.

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

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

### ***Variable costs***

These vary in direct proportion to the size of each holding enterprise and include all purchased feed, seed, fertilisers, crop protection, veterinary and livestock costs.

## Abbreviations used in this Publication

/	per
£	pounds (stirling)
cfu/g	colony forming units per gram
Defra	Department for Environment, Food and Rural Affairs
doz	dozen
ha	hectare
kg	kilogram
no.	number
n/a	not applicable
p	pence

## Rounding

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

## Derivation of Farm Business Income

Net Farm Income

Plus:

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

Less:

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

Equals:

Farm Business Income

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

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

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