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Rural Business Research

Farm Business Survey

2012/2013

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 Eighth Series

Drawing upon data from the financial year 2012 to 2013, this eighth series of reports arguably represents a turning point in the average financial fortunes of agricultural and horticultural businesses in England. Across the sectors, average Farm Business Income (FBI) fell by 30% from the previous year's results, albeit with specialist pig and poultry farms bucking this trend. Looking across the most recent five years' FBI performance, we may yet look back to the harvest of 2011, and the 2011-12 financial year more generally, and conclude this represented a high point for the industry, in aggregate, at the start of the 2000s. Therefore, as we provide the 2012-13 results for particular farm types and enterprises, it is opportune to consider the driving forces of economic performance as we look to the future.

Having written about Common Agricultural Policy (CAP) reform numerous times within the forewords to these series, one would be forgiven for thinking that we must have by now arrived at a point of certainty and clear policy direction. However, at the start of 2014, while the direction of the CAP is certainly clearer, there remains considerable uncertainty over how the broad CAP reform package that has been agreed will be implemented. The modulation rules over the movement of monies from Pillar I to Pillar II of the CAP will almost certainly lead to a more uncommon implementation of the CAP within the EU, and even within the UK. One of the largest unknowns of the new CAP is how the greening rules will be implemented by member states – discussions of crop rotation and permanent pasture will take on a whole new meaning and focus around the kitchen tables of farm households, while understanding what is meant by an Ecological Focus Area is already bringing forward yet more terminology and rules for farmers and producers to get to grips with.

No preface to the 2012-13 agricultural and horticultural financial year data analysis would be complete without reference to the prevailing climatic conditions over the April 2012 to March 2013 period. After the early spring 2012 drought conditions gave way to one of the wettest summers on record, the main grass and crop growing and harvest season of 2012 will not quickly fade from the memories of those at the sharp end of primary food production. The exceptionally cold late winter of 2012/13 and spring 2013 then placed increased pressures on many businesses, placing immediate financial pressures on livestock farmers. The results presented in this eighth series must therefore be set against the prevailing conditions of this, hopefully atypical, 12 month period. However, the impacts of yields and costs are only part of the story; output prices, exchange rate fluctuations, policy support and diversification opportunities all contribute to the changing fortunes of the various sectors that we report on in our series. As businesses look to the future, all of these aspects, and many more, will be at the forefront of their thinking. To help businesses assess their own strengths, weaknesses, opportunities and threats, we hope that the data and independent analyses contained within *Rural Business Research's (RBR)* series of reports provide useful and essential information to facilitate the task.

Once again, I particularly thank all the farmers and producers who take part in the FBS research programme; without the voluntary contribution of these individual businesses it would not be possible to provide such a breadth and depth of data and information to the wider industry.

Dr Paul Wilson
Chief Executive Officer, Rural Business Research
January 2014

www.ruralbusinessresearch.co.uk

Acknowledgements

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

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

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

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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 2012, the output from horticulture was £2,863 million, 12% of total agricultural output.
- During the last decade, there has been a relatively modest increase in output (based on current prices) for total horticultural production, though the rate of increase has reduced in the last two years. Field vegetables and non-edibles being the most notable sectors to record growth.
- Vegetable production remains the largest horticultural sector, in terms of both land use and output, accounting for 44% of total UK horticultural output and 73% of total productive horticultural area in 2012. Over the last 30 years, the proportion of total horticultural output from vegetable production has reduced, as output from non-edibles and fruit has increased. In 2012 output from vegetable production was £1,260 million, while for non-edibles and fruit output was £1,048 million and £555 million, respectively.
- In 2012 the UK was 39% self-sufficient in all vegetables, 17% in all fruit and 49% in all ornamentals, in terms of value.
- There has been great variability in both producer prices and purchase prices in the last 5 years. On average fresh fruit was 26% more expensive in 2012 than it was in 2010, while the average price received for vegetables was 15% higher and flowers and plants was 10% higher than in 2010. The cost of heating fuel and fertiliser and soil improvers in 2012 was 27% and 26% higher than 2010, respectively, while seed and plant protection costs remained fairly similar to previous years.

Section 2

A review of the financial results from the Farm Business Survey (FBS) for the 2012/13 financial year.

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

Highlights:

- The number of FBS eligible horticultural businesses in 2012 was 3,390, while the total FBS sample was 207 businesses, representing 6.1% of the national population of eligible horticultural businesses.
- For many crops, 2012 was a poor growing season, with high rainfall, reduced hours of sunshine and lower mean temperatures. Average top fruit yields were down by an average of 16% for dessert apples and 19% for cider apples.
- Over the whole sample, the average Farm Business Income (FBI) of horticultural businesses in 2012/13 fell by 43% since 2011/12 to £30,132 per business.
- There was a reduction in profitability across all horticulture business types, with per business FBI down 55% for specialist fruit businesses, 47% for specialist glasshouse, 38% for hardy nursery stock and 41% for other horticultural businesses.
- Across the whole sample average variable costs decreased by 4%, fixed costs fell by 3%, however gross output fell by 9% (£35,966 per business) resulting in the drop in FBI.

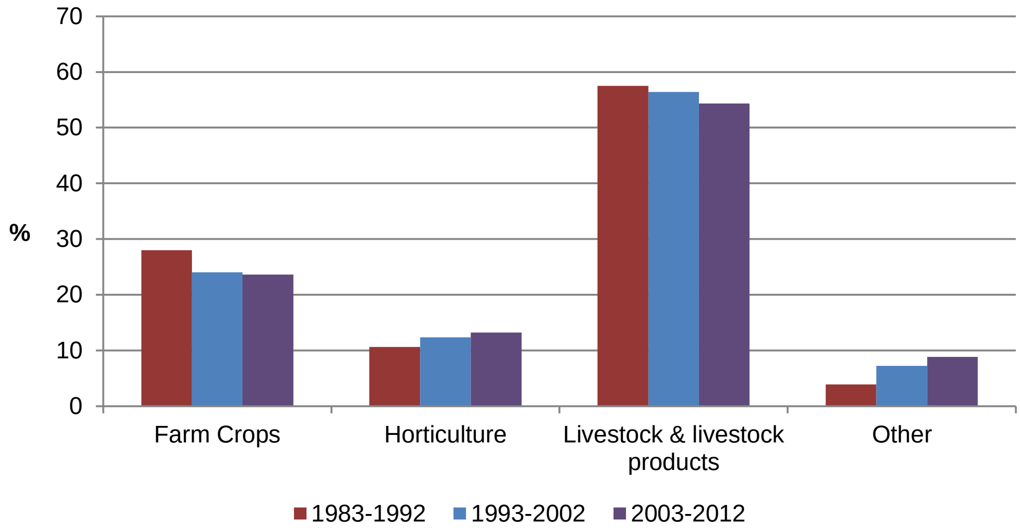
SECTION 1: THE HORTICULTURAL SECTOR

1.1 The contribution of horticulture to UK agricultural output

Total agricultural output was £23,904 million in 2012, up 2% from the previous year, with an increase in output from the livestock sector, and a fall in output from farm crops. Output from the horticultural sector remained similar to that in 2011.

Horticulture remains a small, but important part of the agricultural sector in the UK and the proportion of its output has changed only a little over the past thirty years. In 2012 total horticultural output in the UK was £2,863 million, contributing 12% to total agricultural output. Average horticultural output in the decade of 2003 – 2012 was up by £953 million (65%) compared with the average of the period of 1983 – 1992.

Figure 1.1 Composition of total UK agricultural output, ten year average (%)[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 214,000ha in 1986 to a low of 166,000ha in 2006 and then rose to 175,000ha in 2011. However, in 2012, the total area of horticultural land area fell further, by 2% to 172,000ha. This is chiefly due to a 5,000ha reduction of land used for growing outdoor vegetables in 2012.

Total horticultural output has grown steadily in the last three decades from £1,071 million in 1983 to £2,863 million in 2012. However there was no change in total horticultural output between 2011 and 2012.

Vegetables

Vegetable output in 2012 was £1,260 million, up 4% from 2011, comprising 44% of total horticultural output. The proportion of horticultural output derived from vegetables has dropped from an average of 57% (£833 million) in the decade of 1983 – 1992, to 44% (£1,062 million) in the last decade, as the growth in output from ornamentals and fruit production exceeded that from vegetable production. Since 1983-1992, the proportion of horticultural land used by the vegetable sector increased slightly, from 69% to 73% (123,460ha) in the last decade of 2002 - 2012, despite a drop of 12% in the average area used for vegetable production during this same period.

Fruit

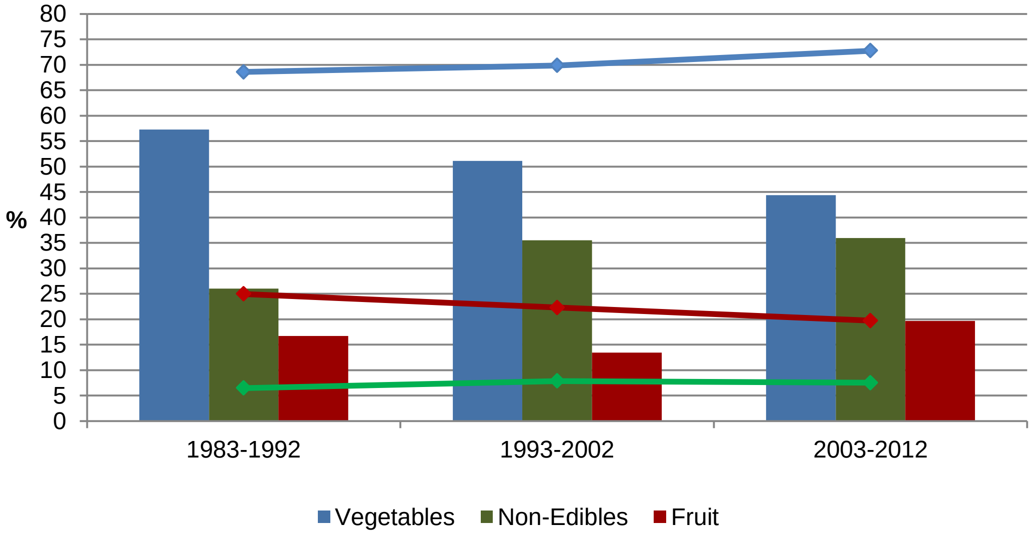
The fruit sector is the smallest in terms of output amounting to £555 million in 2012, a reduction of 8% on the previous year, comprising 19% of total horticultural output., Although the general trend has seen an increase in output, year-on-year output has fluctuated in the last 30 years. The contribution from the fruit sector to total horticultural output has increased from 17% three decades ago, to an average of 20% in the last decade. The area of land used for fruit production in 2012 was 33,519ha, representing 20% of total horticultural land, having been fairly static since 2005, following a sharp decline from the 1980's. In 1985 there was 55,014ha of land in fruit production, 39% more than at present.

Non-edibles

The production of non-edibles is the smallest sector in terms of area, occupying 7% of the total horticultural area in 2012, but 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 12,308ha in 2012 in contrast with output, which has increased progressively in the last thirty years from an average of 26% of total horticultural output in the period of 1983 – 1992, to 36% in the last decade.

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) for output, while the data for land area under production does not include protected horticultural crops (of which there is approximately 2000 ha) due to lack of data. 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).

1.3 *Horticultural production in the last decade*

Total horticultural output in the UK (in current prices) has increased by 54% since 2002 from £1,821 million, to £2,805 million in 2012. The decade long upward trend was seen in most sectors. However, in the last two years the change has been negligible. In the last year there has been a drop of £45 million (-11%) in output from soft fruit and an increase of £43 million (5%) from field vegetables.

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

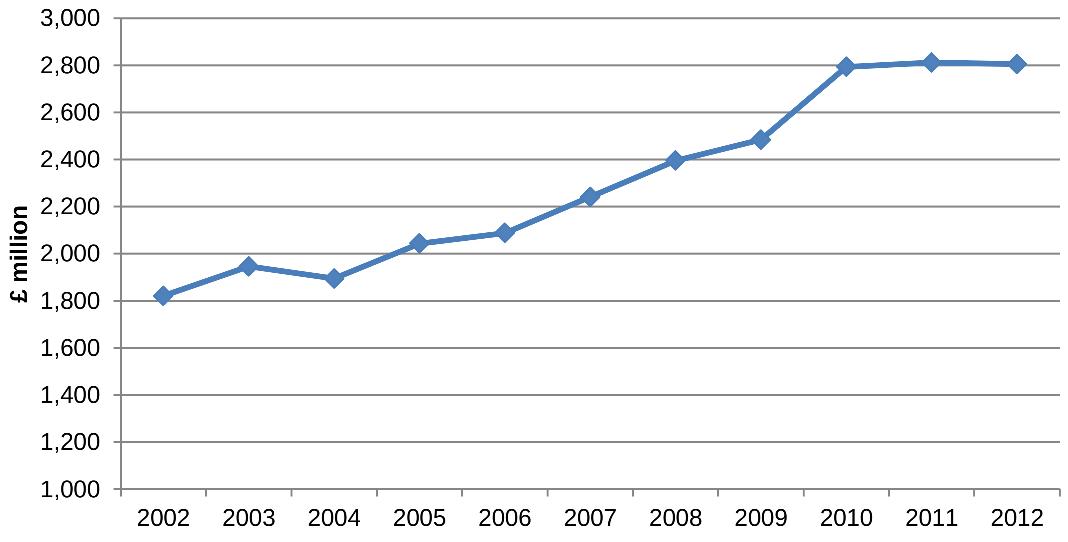
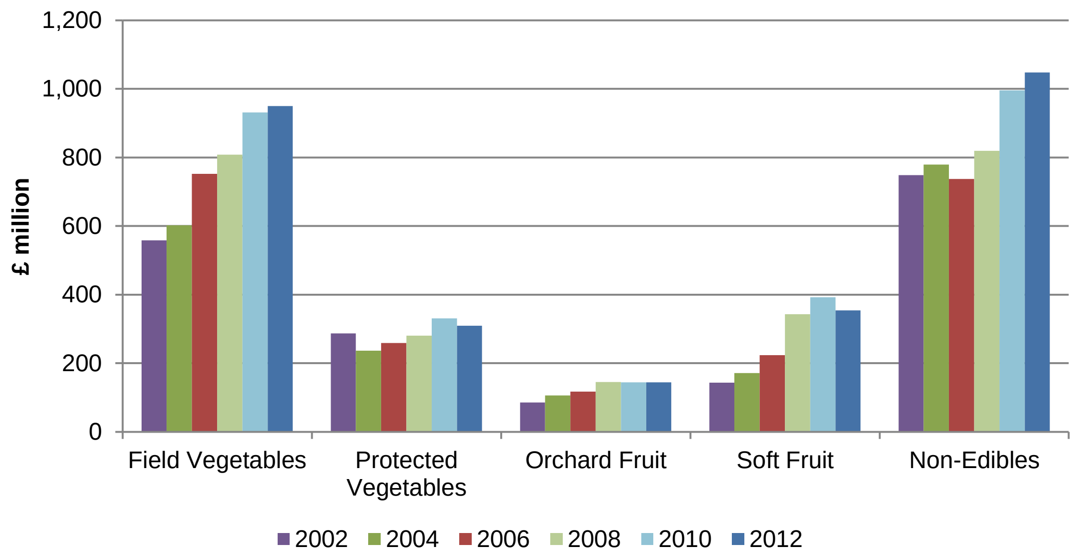


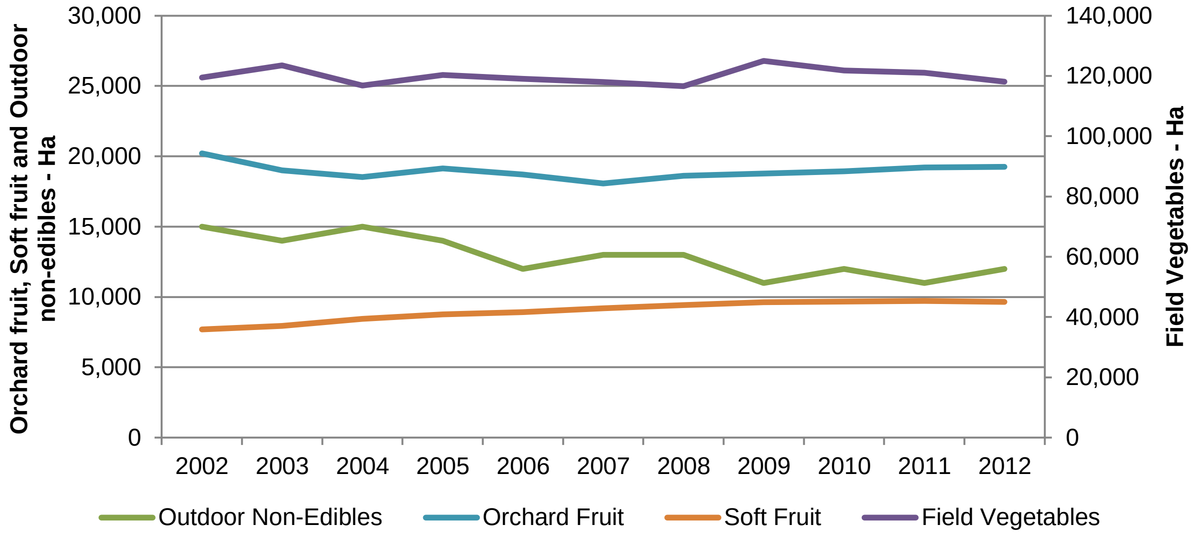
Figure 1.4 Value of horticultural production (current prices: £m)[1]



When three year average figures are taken, the average for 2010 to 2012 compared with 2001 to 2003 shows a marked increase in output for soft fruit (+157%), orchard fruit (+55%), field vegetables (+54%), non-edibles (+41%) and protected vegetables (+9%).

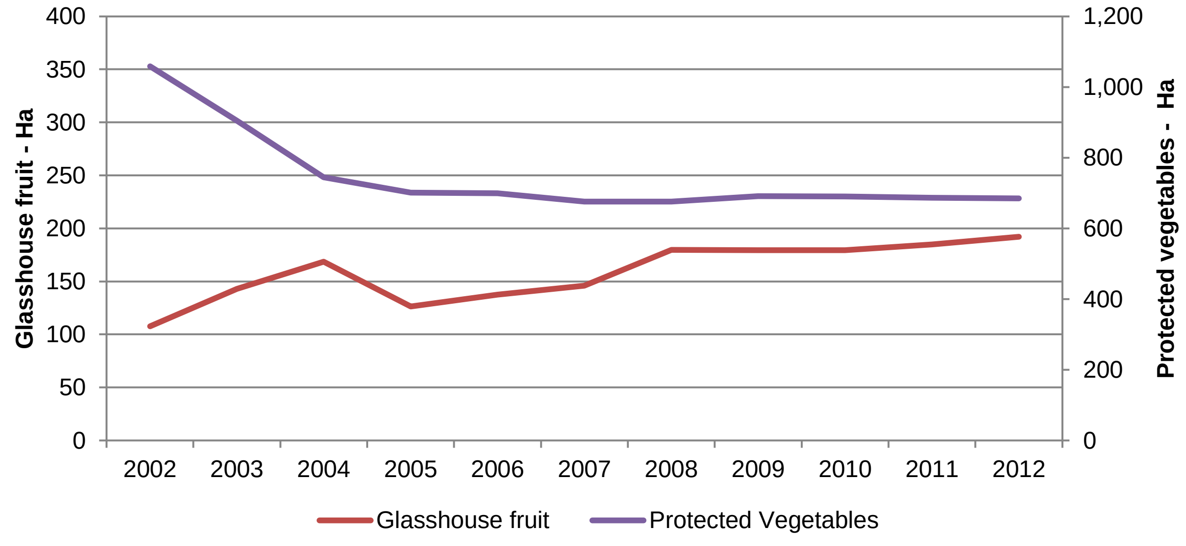
The significant increase for soft fruit output has been due largely to increased areas of protected fruit production using glass and Spanish tunnel systems. The areas used for growing soft fruit in the open and under protection have increased by 21% and 143% respectively compared with 2000. After the grubbing of orchards in the 1980s and a further drop in area of 20% (-3,500ha) from 2000 to 2003, the area of productive orchards has slightly increased in the last six years, with the area totalling 19,260ha in 2012.

Figure 1.5 Area of outdoor grown crops[2]



The area of outdoor grown non-edibles was 12,000ha in 2012 having dropped by 14% from the beginning of the decade. There is no data currently available on the area of protected ornamentals grown since 2007, when 821ha was recorded, having decreased from 995ha in 2000.

Figure 1.6 Area of protected crops[1,2]



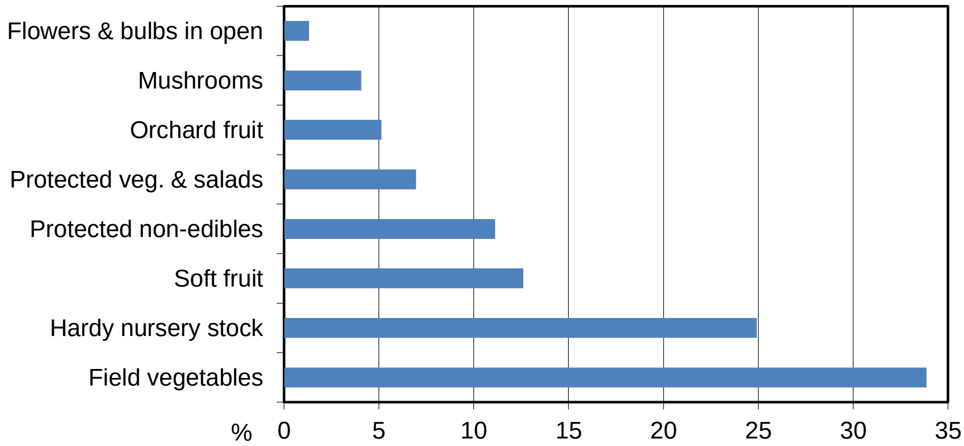
<u>Note</u>: The area of crops in figures 1.5, and1.6 relates to the total area of crops, which for some crops sees more than one crop harvested from the same area of land during the cropping year (multiple cropping).

A total of 118,055ha of field vegetables were grown in 2012.The area varying by no more than 5% from this figure during the period 2002 to 2012. There has been much greater fluctuation in the area of protected vegetables grown. In the beginning of the 2000's the area of protected vegetables grown saw a marked reduction, with a drop of 40% (-469ha) from 2000 to 2006. Since then there has been little change to the area of protected vegetables, which includes mushroom production, accounting for 37% of output in 2012.

1.4 The horticultural sector in 2012

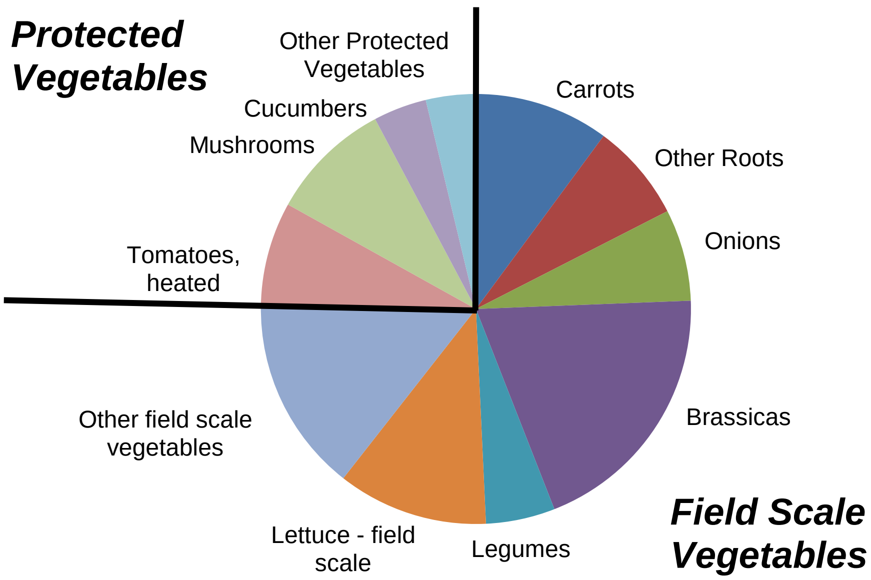
The total value of horticultural produce in 2012 amounted to £2,863 million. Field scale vegetables amounted to the largest share (34%) of total output with the sector accounting for almost three quarters of the total area of horticultural production. Conversely, soft fruit accounts for the smallest area (6%) and is the third largest in terms of value. Hardy nursery stock comprises 25% of total output, while other non-edibles accounts for 11%.

Figure 1.7 Value of horticultural produce in 2012 [1]



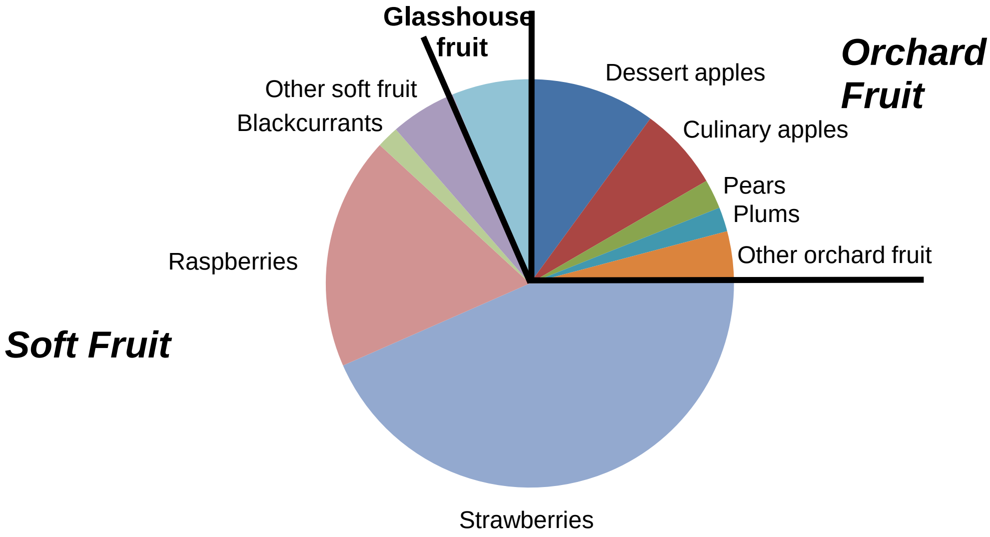
Field scale vegetable production accounts for 75% of total vegetable output and includes beetroot, carrots, parsnips, turnips, swede, and onions (dry bulb and green). Brassicas form the largest proportion of this category with 20% of total vegetable output. Other field scale vegetables include asparagus, celery, leeks, lettuce, rhubarb and watercress.

Figure 1.8 Composition of vegetable output in 2012 [2]



Protected vegetable output includes crops grown in both heated and cold glasshouses and polythene tunnels. Of those crops grown under protection, tomatoes and mushrooms have the highest output, together accounting for 17% of total vegetable output. Other protected vegetables include crops such as celery and sweet peppers.

Figure 1.9 Composition of fruit output in 2012[2]

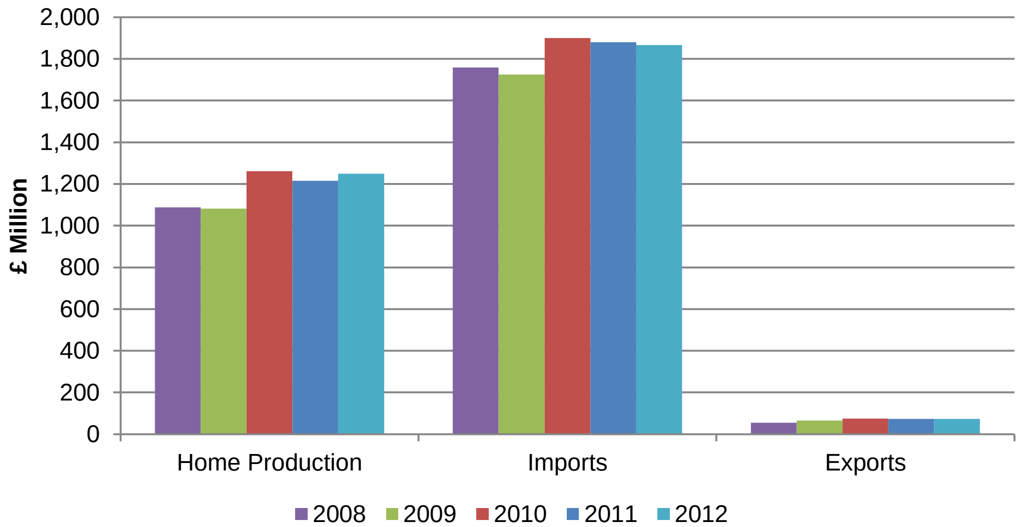


The production of field grown soft fruit accounted for 63% of total fruit output by value in 2012, with strawberry production contributing by far the greatest share at 62% (£221 million) of all soft fruit production and 39% of total fruit production in the UK. Dessert apples comprised 44% of total orchard fruit output, with culinary apples accounting for 28% and pears making up 9%.

1.5 Imports and exports of horticultural produce

In terms of value, the UK was 39% self-sufficient in all vegetables in 2012, with little change in this proportion over the last decade. There was minimal change in the value of imports and exports of vegetables from 2011 to 2012. The value of home produced vegetables has increased over the last decade and was 38% higher in 2012 than in 2003.

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

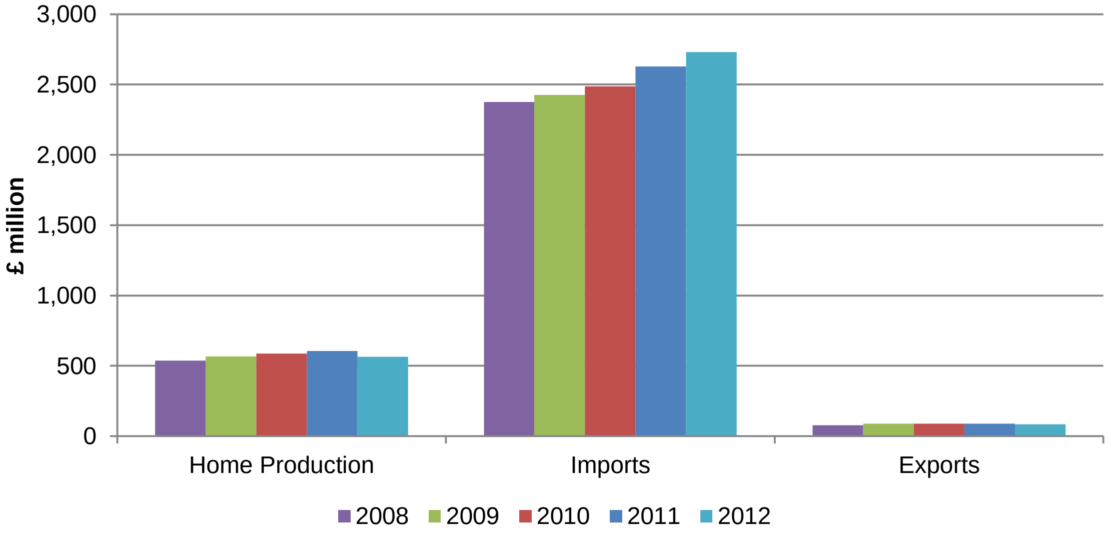


In terms of production levels, there has been a decrease of 39,000 tonnes (-2%) of home produced vegetables marketed since 2003. Imports of vegetables have increased by 370,000 tonnes (+23%), while exports decreased by 19,000 tonnes (-18%) in the same period.[2]

In 2012, edible roots were the most exported fresh vegetable in terms of value, with a 20% share of the total fresh vegetable export value (£14.6 million), followed by brassicas (£11.1 million) and tomatoes (£8 million). Carrots and turnips made up over half of the export value of edible roots and in terms of quantity, carrots & turnips accounting for the largest share of exported vegetables; with 19,900 tonnes exported in 2012, 24% of the total tonnage of exported vegetables. In 2012 10,100 tonnes of onions and 6,300 tonnes of tomatoes were exported.

Tomatoes are currently the most significant of the imported crops, with 408,000 tonnes imported in 2012, accounting for 20% of fresh vegetable imports in the period. Tomatoes also accounted for the largest proportion (23%) of imports in terms of value, with £423 million tomatoes imported in 2012. In terms of value sweet peppers (£207 million) are the next largest import followed by mushrooms (£151.6 million) and lettuce (£151.5 million). In terms of quantity, onions are the second largest import, with 341,800 tonnes brought in to the UK in 2012.

Figure 1.11 Value of fruit (£m)[2]

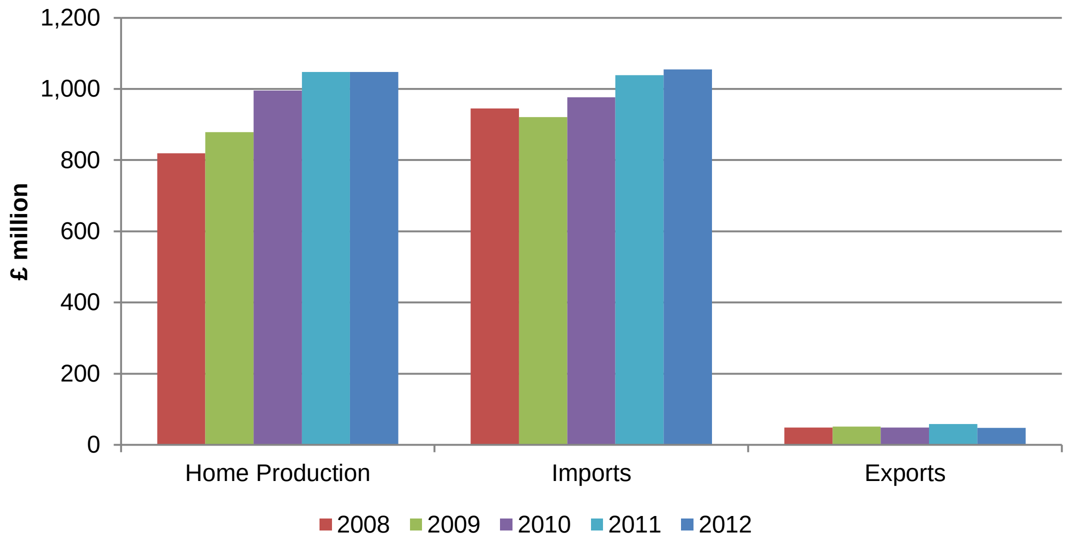


Note: Fruit imports include some dried fruit as data on fresh produce cannot be obtained separately.

In 2012 the UK was 17% self-sufficient in fruit in terms of value; down by 1.5% from 2011, and lower than every year since 2007. However, self-sufficiency in fruit has increased since 2003, when the UK was only 15% self-sufficient fruit. While the proportion of fruit imports appears high, approximately two thirds of which cannot be grown in the UK. For example, bananas and grapes represent 31% and 7% of imported fruit respectively in terms of quantity, while citrus fruits amounted to 21% of imports in terms of quantity, with 699,000 tonnes imported at a value of £436 million. The export figures include re-exported fruit and hence include some exotic fruits, grapes and bananas, for example, the value of bananas re-exported in 2012 was £10 million.

Apples comprised 14% of fruit imports in 2012 at a value of £481 million; while 21,900 tonnes were exported in 2012 at a value of £12 million, comprising 14% of total exports. In 2012, the UK exported £835,000 of strawberries, while £123 million were imported in the year.

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

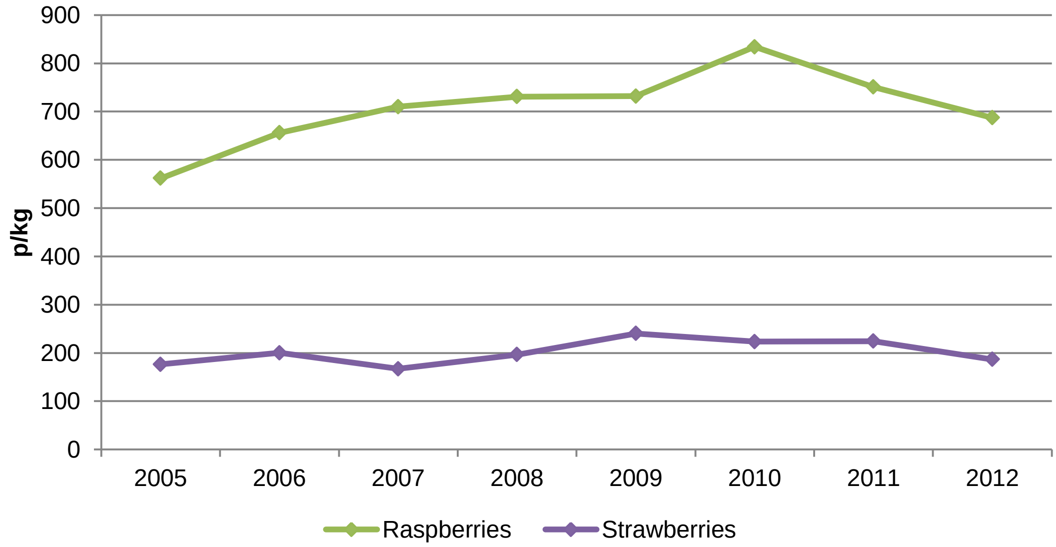


The UK was 49% self-sufficient in ornamentals in 2012, similar to the past two years, but up 4% since 2007. The biggest import is for cut flowers, of which cut roses are the most prevalent at a cost of £157 million (15% of total imports) and £127 million for cut Chrysanthemums (12% of total imports). Indoor plants accounted for 10% of all imports of ornamentals in 2012, while trees amounted to 6% at £63 million. Similarly, cut flowers make up the biggest proportion of exports, accounting for £14 million, representing 29% of all ornamentals. £11 million of bulbs were exported in the year and £89 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 in 2012 prices for many products were higher than in 2005.

Figure 1.13 Average soft fruit farm gate prices[3]

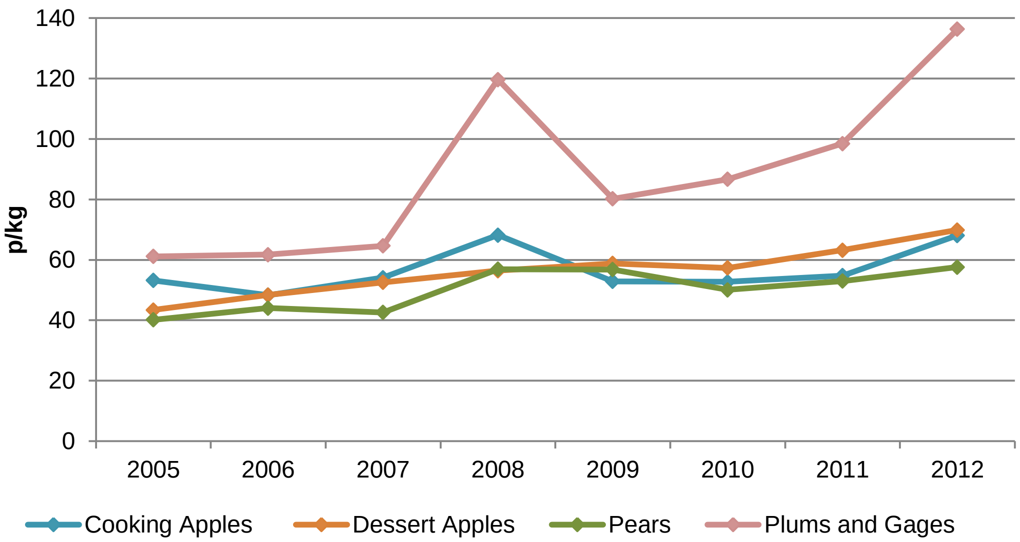


There has been significant variation in fruit prices in the last decade. Overall, average fruit prices in 2012 were up from 2005: strawberries by 6% at 187 p/kg; raspberries by 22% at 687 p/kg; blackcurrants by

115% at 627 p/kg; cherries by 129% at 289 p/kg; culinary apples by 28% at 68 p/kg; dessert apples by 61% at 70 p/kg; pears by 43% at 58 p/kg and plum & gages by 123% at 136 p/kg.

Despite the anticipation for an increase in demand for soft fruit in 2012, due to the Diamond Jubilee celebrations and the Olympics, the mainly cold and wet summer resulted in lower consumer demand, which depressed prices. The weather will have also affected the growing season generally with poor fruit quality for outdoor crops.

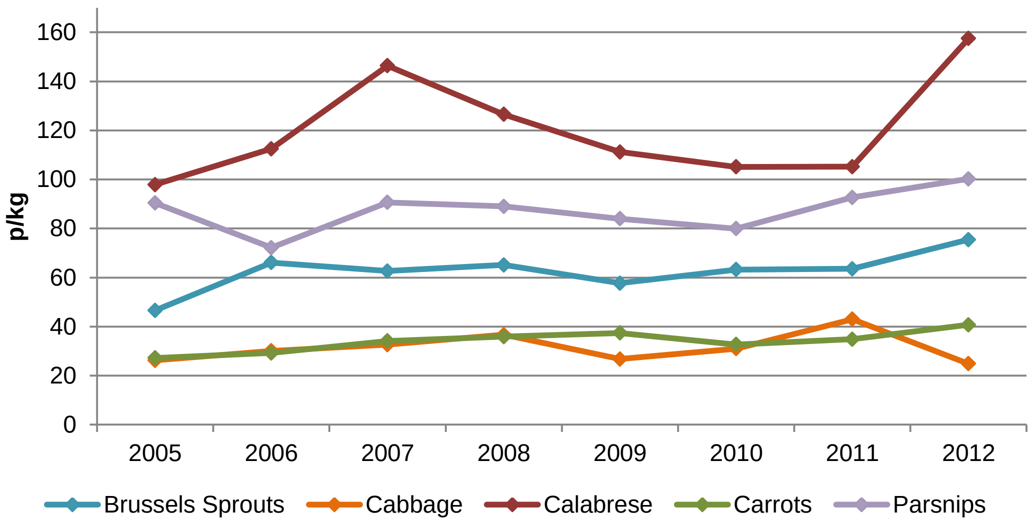
Figure 1.14 Average top fruit farm gate prices[3]



Much lower yields of top fruit due to the extreme weather of 2012 led supermarkets to raise their prices to growers to secure supplies. Apple and cherry prices were up 24% and 21% respectively helping offset the lower production.

Soft fruit prices were mostly down on the previous year with the price received for strawberries 17% lower than in 2011, while average raspberry prices were down 9%.

Figure 1.15 Average outdoor vegetable farm gate prices[3]

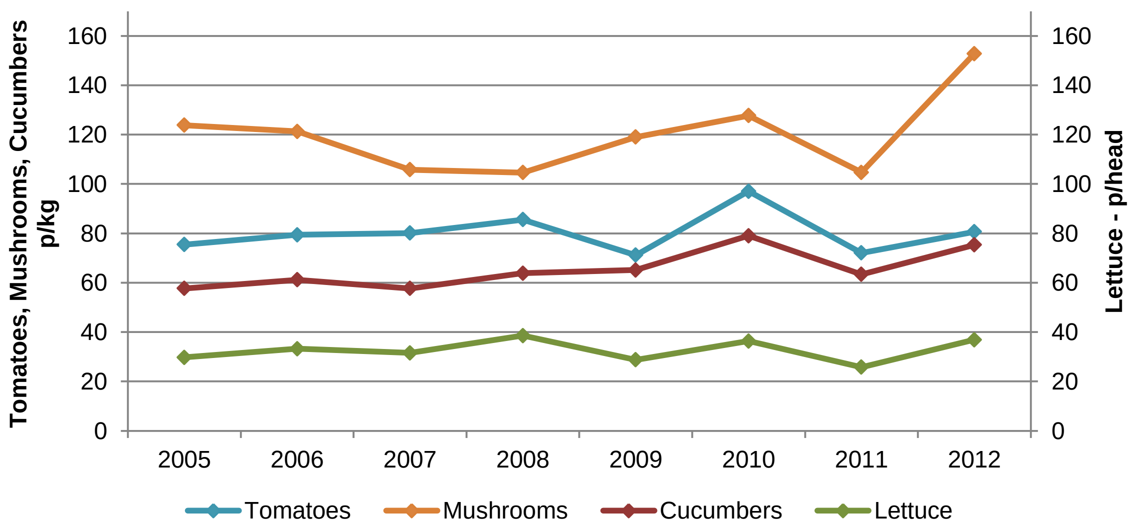


Bad weather saw reductions in the yield of many outdoor vegetable crops, which combined with an increase in demand for cooked vegetables saw prices in general go up in 2012.

The average farm gate prices achieved in 2012 increased for calabrese (+50%), Brussels sprouts (+19%), carrots (+17%) and parsnips (+8%), compared with 2011 prices. There was a 42% drop in the price received for cabbage in 2012, following a 39% increase in 2011.

Of the field grown vegetables, the price of calabrese has varied the most in the last eight years, peaking at 146 p/kg in 2007, before falling to 105 p/kg in 2010 and then rising to 157 p/kg in 2012. Average parsnip prices were at their highest in the last eight years, at 100 p/kg in 2012. Despite some inter-year variability, the price of Brussels sprouts and carrots was higher in 2012 than in 2005 however the price of cabbage dropped to its lowest point in the period at 25 p/kg.

Figure 1.16 Average salad crop farm gate prices[3]



The summer of 2012 had much lower light levels than in recent years, causing delays in ripening and reduction in fruit size for tomatoes and cucumbers and slowed growth of salad leaves. Salad crop prices rose in 2012, following the drop in prices in 2011, with tomato prices up 12% to 81 p/kg; cucumbers up by 19% to 75 p/kg, mushrooms up by 46% at 152 p/kg and lettuce up 43% at 37 p/head.

1.7 Price Indices in the UK

Table 1.1 Index of producer prices (Index: 2010 =100)[4]

	2008	2009	2010	2011	2012	2013*
Dessert apples	92.1	96.6	100.0	106.1	116.2	122.2
Dessert pears	106.2	113.3	100.0	101.2	116.9	146.9
Strawberries	83.8	90.9	100.0	91.8	87.4	101.0
All fresh fruit	96.6	95.6	100.0	98.0	103.5	125.6
Lettuce	91.4	79.4	100.0	85.5	107.6	113.4
Onions	56.1	57.1	100.0	93.7	68.1	102.0
Cabbage	99.2	92.0	100.0	93.7	68.1	124.5
All fresh vegetables	91.1	87.8	100.0	94.3	107.1	114.9
Flowers & plants	83.6	86.6	100.0	101.4	110.4	109.8

Table 1.2 Index of purchase prices (index 2010 =100)[4,5,6]

	2008	2009	2010	2011	2012	2013*
Current Inputs						
Seeds	111.2	105.0	100.0	105.8	93.6	101.7
Fertilisers & soil improvers	148.5	102.3	100.0	130.4	125.1	116.3
Plant protection	100.9	102.8	100.0	99.8	101.0	103.6
Fuel for heating	101.4	81.4	100.0	110.7	120.0	127.0
Hired labour	93.8	97.9	100.0	102.8	105.8	108.7
Capital inputs						
Machinery & other equipment	97.4	99.7	100.0	103.8	100.0	102.9
Buildings	94.0	93.8	100.0	107.4	109.8	110.2
Finance inputs						
Bank rate	926.0	125.0	100.0	100.0	100.0	100.0

***Note:** 2013 data is average monthly data for January to September 2013 inclusive.

The index of producer prices shows significant variability in prices over the last six years, on average fresh fruit is 26%, fresh vegetables 15% and ornamentals 10% more expensive in 2013 than in 2010, the base year for the index of this data. Onion prices recovered in 2013, after a 26 point drop from 2011 to 2012. Average prices achieved for ornamentals show less movement than the fruit and vegetable sector, with a continual rise over the period.

Fuel for heating has risen significantly over the period; in 2013 costs were 27% higher than in 2010. However, other costs have been more variable, particularly fertilisers and soil improvers, with the costs for these down 48% from 2008 to 2010, rising again in 2011 by 30%, and down again in 2013. Plant protection and seed costs have remained more stable, only increasing 4% and 2% respectively since 2010. The Bank of England base rate has remained at the historic low of 0.5% set in 2009.

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 2011/12 and 2012/13 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 three 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 – 90% or more of crop output derived from top fruit
- Table 2.17 Mainly top fruit – 90% or more of crop output derived from top fruit excluding cider apples growers
- Table 2.18 Mainly top fruit – 90% or more of crop output derived from cider apples

Specialist hardy nursery stock

- Hardy nursery stock (HNS) accounting for more than two thirds of total standard output of the business
- The specialist HNS group has two sub-groups; 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 2.19 All specialist HNS businesses
- Table 2.20 Mainly protected HNS crops - 25% or more of crop output derived from glasshouse production of HNS
- Table 2.21 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 2.22 All other horticulture businesses
- Table 2.23 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 by a calibration procedure. The weights are based on population data from the June business register (see Table 2.1) and are calculated for each design stratum. The initial weights for the FBS are based on the inverse sampling fraction. Suppose for example, there were 250 Cereal farms in the population and of these, 50 were sampled then these 50 sampled farms would be given an initial sample weight of 5 (250/50). These weights are then adjusted (Calibration Weighting) so that they produce representative population totals for a series of calibration variables for which accurate population values are known from other sources. This ensures that the weights produce precise estimates of other variables, with minimal bias, despite the inevitable imperfections of the sampling strategy. This weight when applied to each business represents the number of times that the business' data must be replicated in order to 'represent' the businesses not selected for the sample, so as to reflect the entire population. This weight is applied to all variables.

Since 2010, the classification to farm type for the June Survey database has been based on Standard Output (SO). A minimum size threshold is also used in order to eliminate those businesses which are not deemed to be commercially active. For horticultural crops, the threshold is: one hectare of orchard, 0.5 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 2012 was 3,390, while the total FBS sample for the 2012 cropping year was 207 businesses, representing 6.1% of the national population of eligible horticultural businesses.

Table 2.1 FBS sample compared with eligible* horticultural businesses for 2012

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

	England population 2012 June Survey (number of businesses)	FBS sample 2012 (number of businesses)	FBS sample as a % of population
Specialist Glass	419	67	16.0%
Specialist Fruit	723	52	7.2%
Specialist HNS	844	38	4.5%
Other Horticulture	1,404	50	3.6%
All Horticulture	**3,390**	**207**	**6.1%**

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 (2012/13) – most frequently grown crops

Edible Crops	**No. of crops in FBS horticultural sample**	**Total area in FBS horticultural sample (ha)**
Mixed Fresh Vegetables	45	774.3*
Apples - Dessert	32	708.6
Pears	25	97.8
Apples - Culinary	20	143.5
Apples - Cider	18	442.1
Plums	17	76.9
Strawberries	15	113.6*
Tomatoes	14	13.0*
Lettuce	8	408.0*
Non edible crops		
Container Grown Plants	32	70.6*
Ornamental Trees & Shrubs	28	103.4*
Cut Flowers	27	46.3*
Bedding Plants	24	30.5*
Pot Plants	15	47.9*
Herbaceous Perennials	15	30.6*
Cut bulb flowers	9	84.9*

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

The total basic horticultural cropping area covered by the FBS is 4,010ha; 2.3% of the total horticultural land in the UK as recorded by the June survey in 2012.

The total basic protected cropping area (either glass or polytunnel) in the FBS sample in 2012/13 was 146ha; split between nursery stock (24ha), fresh fruit and vegetables (68ha) and flowers and ornamentals (54ha). When multiple cropping of the same land is taken into account, the total area of protected cropped area was 242ha, representing a cropping intensity of 166%.

There was a total of 1,476ha of unprotected market garden fruit and vegetables, 318ha of outside hardy nursery stock, flowers and ornamentals and, 1,656ha of permanent crops e.g. tree and bush fruit.

2.4 Overview of 2012/13

The 2012/13 financial year proved to be very challenging for all sectors of horticulture. The average profitability as measured by Farm Business Income (FBI) fell by 43% for the whole sample of businesses in 2012/13 when compared with 2011/12. This followed a 10% increase in the average FBI between 2010/11 and 2011/12.

In 2012, the annual rainfall in England was 46% higher than the average over the three year period of 2009-2011 and as a result of the cloudy weather the total hours of sunshine in 2012 were down by 112 hours (-7%). While during the summer months rainfall in England was over 60% higher in 2012 than for the same period in 2009-11. The total hours of summer sunshine was down 20% in 2012.

The poor growing season badly impacted all the main areas of horticultural production in England. Rainfall in 2012 was up by over 85% for the spring and summer months in the South East and Central South, East Anglia and the Midlands; while hours of sunshine in the spring and summer was down by 13% in the South East and Central regions of England and by 14% in East Anglia and the Midlands when compared with the 3 year average of 2009-11.[7]

The decrease in profitability is largely due to a reduction in gross output across the sample, although for certain business types increased costs was a factor. The poor weather resulted in lower yields and increased costs for many businesses, particularly for fuel, fertiliser and crop protection. Growers of ornamental crops were especially affected by the impact of extreme weather causing reduced demand from garden centres.

The UK economy remained weak throughout 2012, with GDP fluctuating during the year. On-going low interest rates however, helped businesses with borrowings through lower servicing charges. Despite the fall in profitability in 2012/13, the percentage equity in the average business remains around 82%, similar to the previous year.

2.5 Financial results for 2011/12 and 2012/13

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 business.

Average results are shown for the 2011 and 2012 harvest years, together with premium results for the 2012 harvest year, where the sample size is large enough to permit their publication. The premium results are the top quartile 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 2012 fell by 43% since 2011, to £30,132 per business. The average gross output across the whole horticultural sample fell by 9.5% to £343,997 per business; total variable costs decreased by 4.3%, and fixed costs decreased by 3%, compared with 2011.

Although horticultural businesses receive little in the way of direct income payments from the CAP support arrangements, 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 FBI per business for Horticultural Businesses in England by farm type

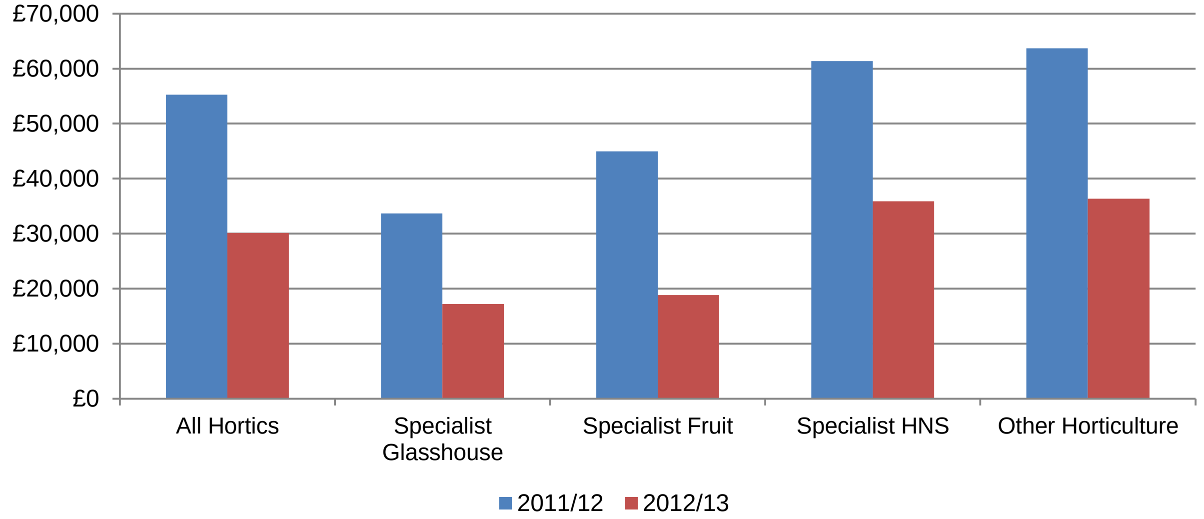
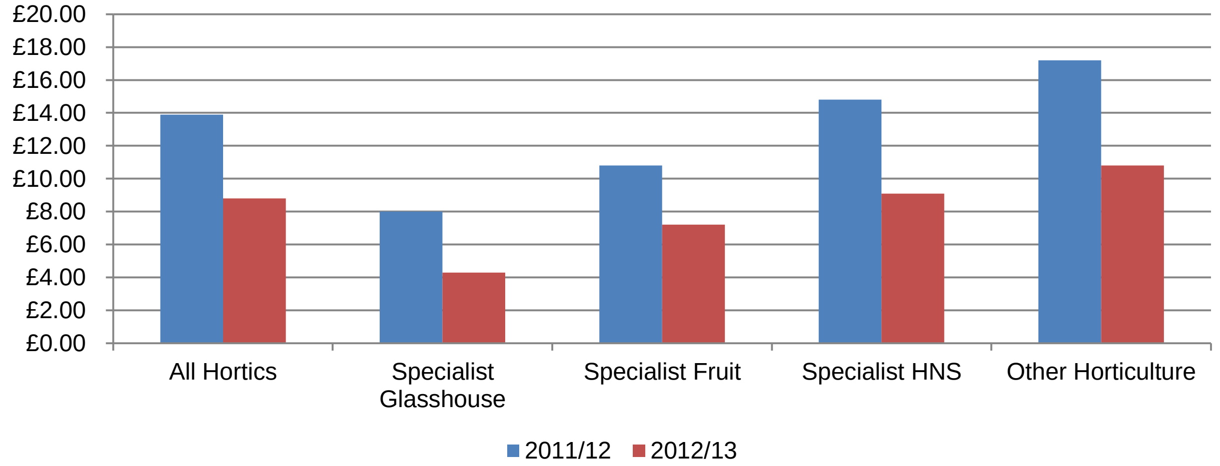


Figure 2.2 Average FBI per £100 of gross output for Horticultural Businesses in England by farm type



There was a fall in profitability among all four main horticulture type groups in 2012. Specialist fruit businesses saw the largest drop in FBI, down 55% to an average of £18,853 per business, with the average specialist glasshouse recording £17,209 per business. Specialist hardy nursery stock (HNS) and 'Other' horticulture groups also saw a drop in FBI of 38% and 41% respectively, both with an average profit of £36,000 per business. The performance of horticultural businesses in 2012 contrasts sharply with 2011, when only specialist glasshouse businesses saw a fall in FBI compared with 2010.

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; 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 2.2 shows that FBI per hectare increases as the proportion of output derived from glasshouse production rises. However a decrease in FBI per hectare from 2011 to 2012 was seen in all three groups of specialist glass, with different levels of glasshouse production.

Table 2.5 Specialist Glass, all crops

The specialist glass group includes both heated and unheated glasshouses and polytunnels with the average area of protected production of 0.78ha in 2012 down marginally from 0.80ha recorded in the previous year.

The cool summer, with lower hours of sunshine than in recent years, resulted in an increase in variable costs, particularly for glasshouse fuel. Average gross output for the whole specialist glass sample in 2012 was similar to 2011, at £404,909 per business, while variable costs increased by 6% and fixed costs increased by 5%.

The sample of 67 glasshouse businesses in 2012/13 is split between 44 businesses specialising in ornamental crops and 23 businesses specialising in edible crops.

FBI fell for both types of specialist glass businesses; those specialising in ornamental crops were worst hit in 2012, with a 54% drop in FBI per business and an 80% drop in FBI per hectare, compared with 2011. Despite the significant drop in average FBI for glasshouse businesses, some performed very well; average FBI recorded per hectare for the 17 businesses in the premium group (top quartile) of all specialist glasshouse businesses was £104,716/ha, or £18.4 per £100 of gross output.

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

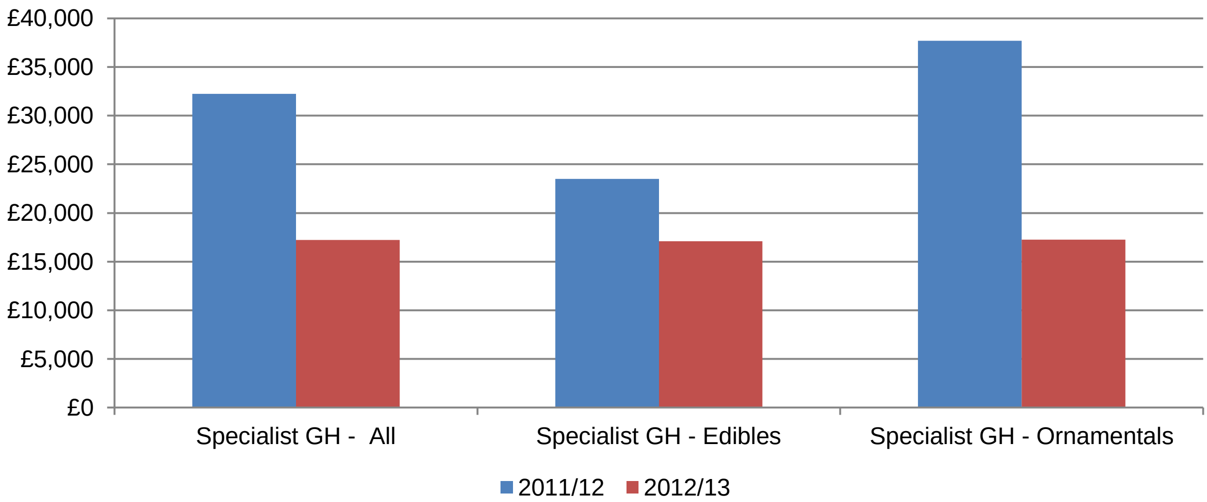


Figure 2.4 Average FBI per £100 of gross output for specialist glasshouse businesses in England by farm type

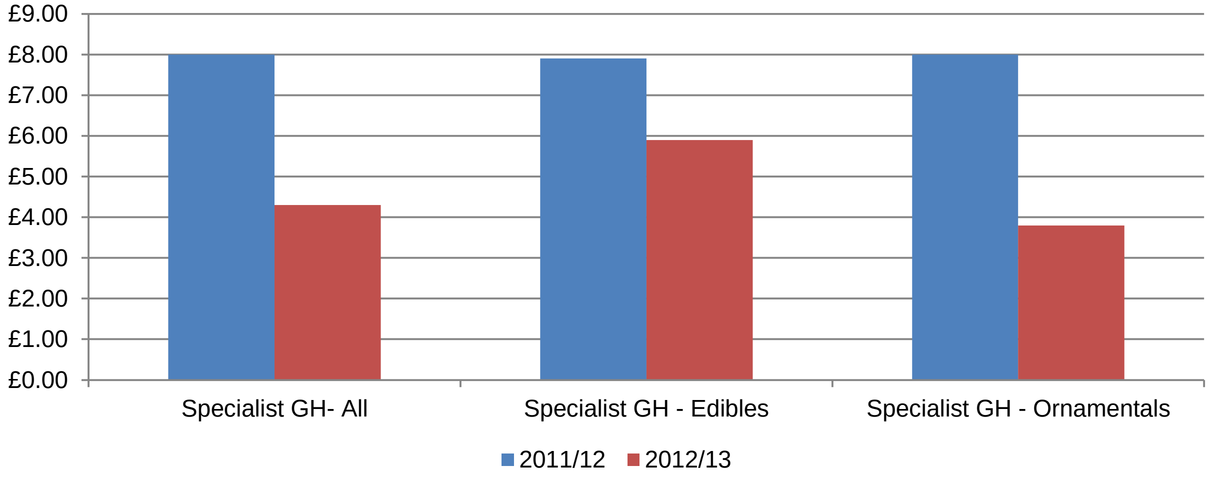


Table 2.6 Specialist Glass, mainly edible crops

The area of glasshouses (including polytunnels) in production per business for this group was 0.97ha in 2012, similar to the previous year. In 2012 glasshouse tomatoes contributed 39% of output for the group, down from 44% in the previous year; lettuce and soft fruit contributed 1% and 17% of output respectively.

The average profitability for this group fell by 27% to an average FBI of £17,099 per business for the 2012 cropping year. Gross margin per hectare though rose by 22% to £118,568, as the growth in gross output outstripped increases in variable costs. However, an increase in fixed costs of £26,335 per ha, resulted in a drop of 6% in FBI, to £13,624 per ha.

Table 2.7 Specialist Glass, mainly non edible crops

Little change was recorded in 2012 for the area of glasshouses in production which stood at 0.69ha.

Businesses growing ornamental crops under glass saw a greater drop in FBI than for production of other types of glasshouse production. The inclement weather during the early spring and summer, particularly for the early Bank Holidays, badly affected the sales of garden plants, resulting also in higher production costs, thus driving down FBI.

The average gross margin per business was 7% lower than the previous year at £244,713 per business; there was a 54% decrease in FBI down from £37,684 in 2011 to £17,261 in 2012. The 11 businesses in the premium sample had a FBI of £113,534 per ha with an average productive area of 0.65ha. Total variable costs per £100 of gross output is lower in the premium group by £9.60 than for the average, while fixed costs were £3.60 lower, resulting in a FBI that was £14 higher than the average.

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

The three tables provide the results for all specialist glasshouse businesses where 50% or more of the output is derived from glasshouse production, and for the sub groups of those specialising in the production of edibles and non-edible.

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 recorded for the premium group was £85,827 per ha, significantly higher than the average of £18,931 per ha.

Table 2.11 - 2.14 Specialist glass businesses (90% or more crop output from glasshouse production)

These four tables provide the results for specialist glasshouse businesses where 90% or more of the output is derived from glasshouse production and for the three sub groups of businesses specialising in ornamental crops, edible crops and salad crops. In 2012 the total sample of these businesses was 46, with 29 businesses specialising in ornamental production and 17 in edible crops. The group specialising in edibles was further split into a group of ten businesses that specialised in salad production.

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

The average area under glass for each business in the group was 0.8ha in 2012. The average FBI was £19,925 per business and £24,101 per ha; FBI for the premium group was £112,920 per ha. The average FBI per £100 of gross output was £4.80 for the group, compared with £8.10 in the previous year.

While output per hectare rose a little from 2011/12 to 2012/13, both variable and fixed costs also increased, resulting in a 41% decrease in FBI per hectare. In particular crop protection costs, glasshouse fuel and contract & hire rose significantly in the period.

Table 2.12 Specialist glass businesses (90% or more crop output from glasshouse production) – Mainly edible crops

Tomato production accounted for 42% and soft fruit accounted for 16% of all glasshouse output for businesses in this group in 2012.

Gross margin per hectare fell by 8% in the period to £188,283, the result of gross output decreasing by 4% and total variable costs rising by 1%. Of note were the costs of glasshouse fuel, crop protection and packing materials rising in the period, while the costs of fertiliser & compost and horticultural sundries fell. Total fixed costs per hectare dropped by 1%, resulting in a fall to FBI of £9,745 (-33%).

Table 2.13 Specialist glass businesses (90% or more crop output from glasshouse production) – Mainly salad crops

The average FBI per hectare in 2012 was 70% higher for businesses specialising in salad crops under glass than for the full group of businesses specialising in edibles under glass at £33,136 per ha, compared with £19,404. Tomato production at 61% accounts for a high proportion of crop output for businesses in this group.

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

Although Gross output rose from 2011 to 2012, increases in both variable and fixed costs per FBI per business was down by £16,114 (-44%) from the previous year to £20,457. The area under glass for increased slightly to 0.71ha, mainly due to a change in the structure of the sample.

2.7 Specialist Fruit [Tables 2.15 to 2.18]

There are four tables reporting on the financial results for this type group and its 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 and 2.18 splits this down further to a group excluding cider apple growers and a group of cider apple growers.

Average FBI per hectare in 2012 was £886 for all specialist fruit businesses; £1,284 per ha for growers with mainly top fruit; £1,575 per ha for growers of top fruit but not growing cider apples and £617 per ha for cider apple growers. All three sub groups recorded a decrease in FBI on a business, per hectare and £100 of gross output basis, when compared with 2011. Top fruit businesses with dessert and culinary apples, plums and pears had a higher FBI per business compared with other top fruit growers producing mainly cider apples in 2012, although FBI per £100 of gross output was higher for those specialising in cider apples due a lower cost base than for other top fruit producers.

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

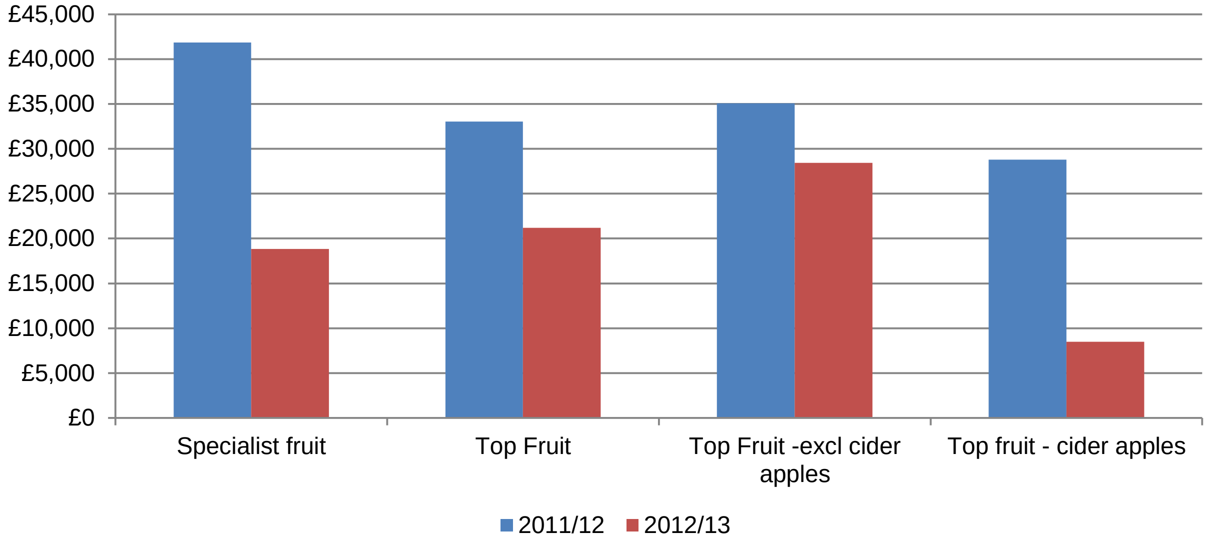


Figure 2.6 Average FBI per £100 of gross output for specialist fruit businesses in England by farm type

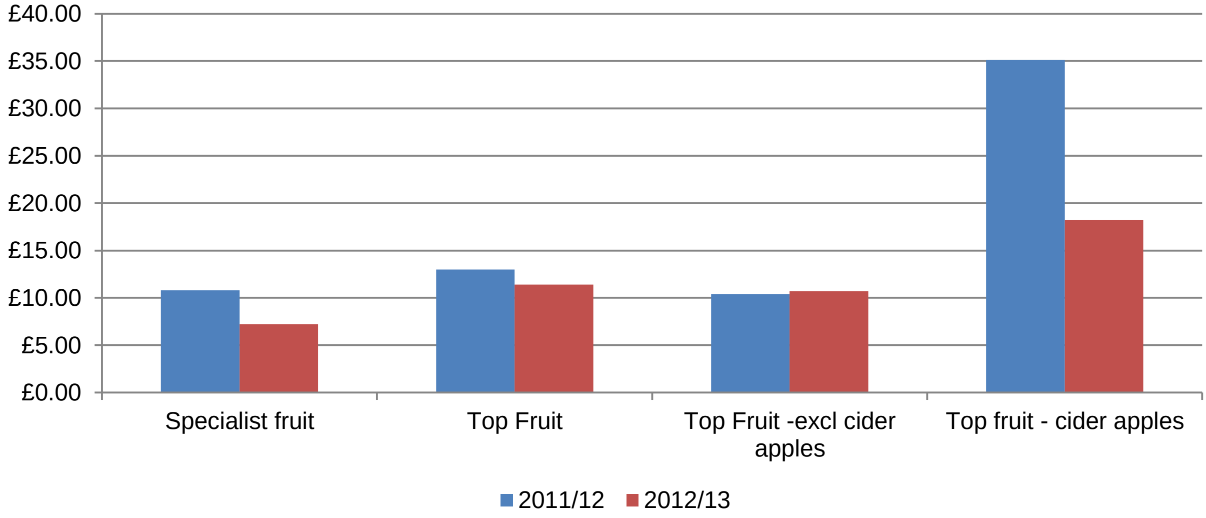


Table 2.15 Specialist fruit businesses

Within the specialist fruit group, 56% of crop output was from tree fruit and 42% from soft fruit production in 2012. A significant proportion of the total output (28% in 2012) 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 fallen by 8% from the previous year, to an average of 35ha per business.

Average FBI per hectare in 2012 was £3,041 for businesses in the premium group, compared with the average of £1,770. The average FBI per business decreased 55% to £18,853 in 2012/13, driven by a 33% drop in gross output to £261,090, though variable and fixed costs also dropped in the year.

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

The group includes businesses that specialise in top fruit production, with 90% or more of their total crop output derived from top fruit. In 2012, 72% of the output came from dessert apples & pears, 12% from culinary apples and the remaining 16% from plums and other top fruit. The average cropping area 2012 was 17ha, down slightly from the previous year mainly due to a change in sample structure.

Yields for all four top fruit categories were down for the 2012 harvest year compared with 2011. Lower production was offset by an increase in the price received for fruit however, output per hectare fell in all cases. Cider apple growers were worst hit in 2012 with a 36% reduction in output per hectare.

Average FBI per business was £21,200 and £1,284 per ha, down significantly from the previous year. The average total variable costs dropped 21% from 2011, particularly for market charges, packing materials and sundries, due to lower crop yields. Crop protection costs rose by 15% to £628 per ha as the extreme weather in 2012 increased disease problems.

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 20 top fruit growers in 2012, predominantly growing top fruit for eating; businesses mainly growing apples for cider are excluded. In 2012/13, 69% of crop output was from dessert apples & pears, 13% from culinary apples for processing and the fresh market and the remaining 17% from other tree fruit. Almost a third of the total gross output, £74,685 per business, was derived from other output, i.e. not from cropping. The total cropping area for the sample decreased from the previous year of 27ha to 26ha. In 2012, FBI per business decreased by 19% from 2011/12 to £28,443, due to a decrease in gross output by £72,000.

Table 2.18 Mainly top fruit businesses – 90% or more crop output derived from cider apples

The total area of cropping per business was 14ha in 2012, 4.5ha less than in 2011. Of the top fruit businesses, cider apple growers saw the largest drop in FBI, down 70% to £8,506 per business in 2012. Total gross output dropped by £35,288 to £46,828 per business, mainly due to a drop in crop output, because of the poor yields achieved; other output was also down in the period. When compared with all other horticulture business types, cider apple growers had the highest FBI on a per £100 of gross output basis, with an average of £18.2 in 2012/13, due to their low cost base.

Table 2.3 Top fruit yields, prices and output* – 2011/12 and 2012/13

Top Fruit		**2011/12**	**2012/13**
Culinary Apples	tonnes/ha	27.4	18.0
	£/tonne	335.7	496.0
	£ output/ha	**9,193**	**8,906**
Dessert Apples	tonnes/ha	18.8	15.7
	£/tonne	747.2	780.4
	£ output/ha	**14,052**	**12,270**
Cider Apples	tonnes/ha	32.0	20.0
	£/tonne	109.2	112.6
	£ output/ha	**3,493**	**2,250**
Pears	tonnes/ha	14.8	12.0
	£/tonne	648.4	677.1
	£ output/ha	**9,574**	**8,149**

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

2.8 Specialist Hardy Nursery Stock [Tables 2.19 to 2.21]

There are three tables reporting on the financial results of Specialist Hardy Nursery Stock (HNS) businesses. Table 2.19 covers all Hardy Nursery Stock (HNS) businesses in the sample. Tables 2.20 and 2.21 are sub-groups of the main sample. Table 2.20 is for businesses that derive over 25% of their crop output from glasshouse production of HNS;table 2.21 covers businesses that derive over 80% of the crop output from outdoor production of HNS.

Protected HNS had significantly higher output and profitability per hectare than outdoor grown HNS. In 2012/13 FBI per hectare was £10,919 for all HNS, £37,487 for protected HNS and £5,593 for outdoor grown HNS. Gross output per hectare was over three times higher for protected HNS than for outdoor produced stock in 2012/13. FBI dropped significantly in 2012 from 2011; by £6,308 per ha (-37%) for all HNS businesses; protected HNS saw a larger drop of £36,670 per ha (-50%).

Table 2.19 Specialist HNS businesses

This group of businesses includes growers of young hardy nursery stock (HNS) plants under protection, those growing HNS plants outdoors, and a combination of the two production systems. The average cropped area for each business in the sample was 3.29ha in 2012. On average, the sector has a very low proportion of output from other activities; in 2012/13 only 2% of output was derived from other sources. In 2012/13, 77% of crop output for the sample came from outdoor HNS and 23% from glasshouse HNS.

The HNS sector as a whole recorded a 37% drop in FBI from 2011/12 to 2012/13, driven by an increase in both variable and fixed costs. In particular, per hectare costs for seed & young plants rose by 15%, while fertiliser and compost costs were up 10% and market charges up 20%. The average per hectare FBI for the premium businesses was £60,733 in 2012/13, almost six times higher than the average figure for the whole sample.

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

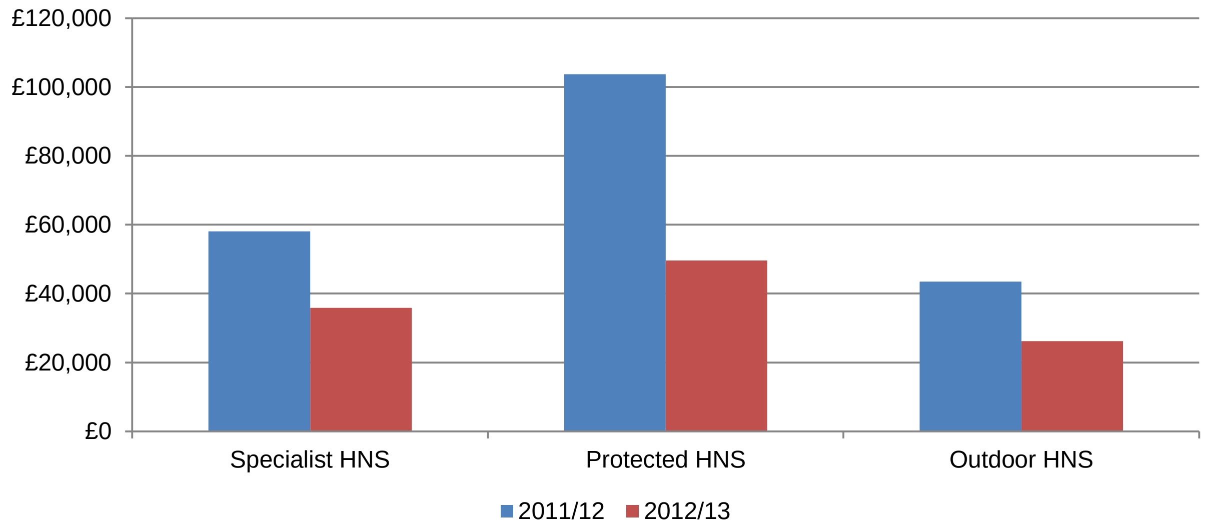


Figure 2.8 Average FBI per £100 of gross output for specialist HNS businesses in England, by proportion of output from protected crops

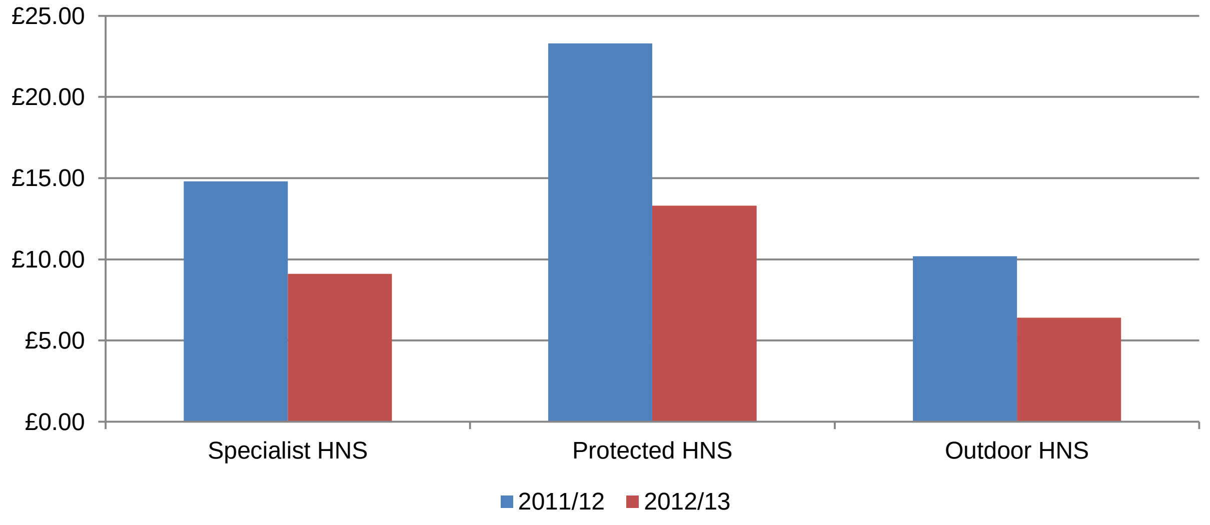


Table 2.20 Mainly protected HNS crops – 25% or more of crop output derived from glasshouse production of HNS

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 2012/13 was 0.54ha, while the average total cropping area was 1.32ha.

Average FBI decreased by 52% to £49,581 per business, or by 50% to £37,487 on a per hectare basis. Gross output per hectare dropped £36,913 (-12%) in that period, while variable costs grew by £6,862 per ha (+7%) and fixed costs fell by £14,278 per ha (-9%).

Table 2.21 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 average cropping area in 2012/13 was 4.68ha.

The average FBI dropped by 40% to £26,157 per business. Average gross output per ha increased by £5,276, however average variable costs rose by £5,113 per ha (+9%) and fixed costs rose by £3,544 per ha (+15%).

2.9 Other Horticulture [Tables 2.22 and 2.23]

Table 2.22 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. In 2012/13 output from soft fruit accounted for 22% of total crop output, and for outdoor vegetables and glasshouse crops the proportions were 37% and 10% respectively. Glasshouse crops formed a larger proportion (18%) of total crop output from the premium businesses in the sample compared with the sample as a whole.

FBI for this group of farms decreased from £61,764 per business to £36,345 in 2012/13. Premium businesses recorded an average FBI of £4,277 per ha compared with the average of £839 per ha.

Table 2.23 Mainly outdoor vegetables – 50% or more output derived from outdoor vegetables

Crop output for the sample of outdoor vegetable growers (where 50% or more crop output produced from outdoor vegetables) is primarily derived from brassicas (22%), salad crops (31%) and other outdoor vegetable crops (23%), with 5% from glasshouse crops. The average cropping area of this group increased from 27.58ha per business in 2011/12 to 29.80ha in 2012/13.

The financial results for the group show a decrease in business FBI of 23% to £33,140 in 2012/13, (to £1,112 per ha). Despite the adverse weather of 2012, average gross output rose slightly in the period to £8,443 per ha, however average variable costs rose by £189 per ha (+9%) and fixed costs rose by £504 per ha (+9%). In particular, on a per hectare basis crop protection costs rose by 53% partly due to the extreme weather and consequent higher disease problem. This farm type had the second highest FBI per £100 of output in the sample in 2012 at £13.2, although the figure had dropped back from £18.8 in the previous year.

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

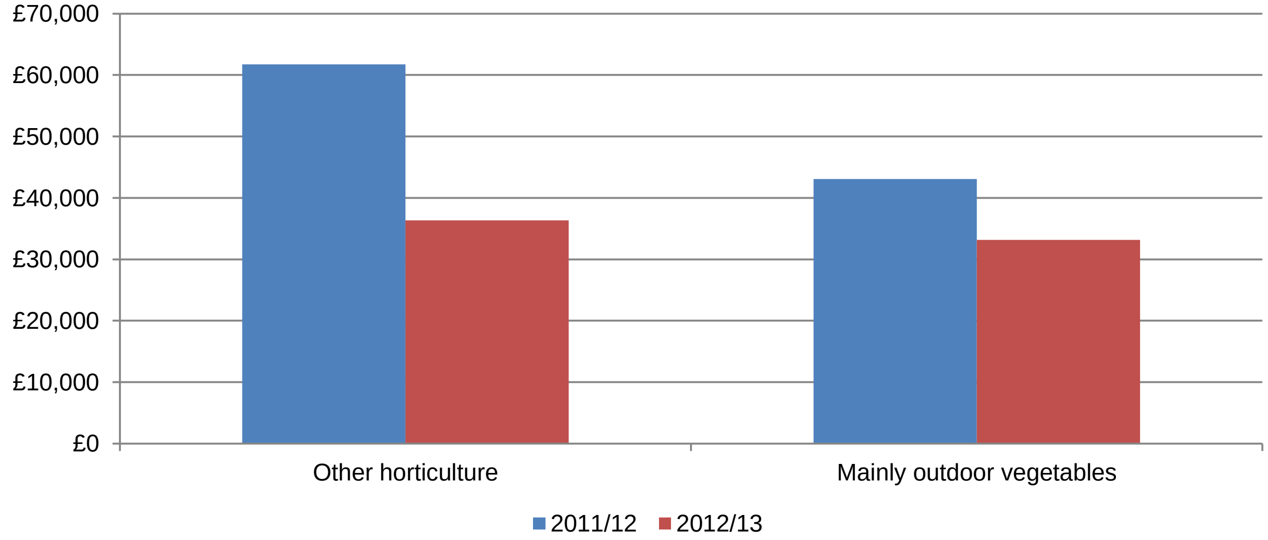
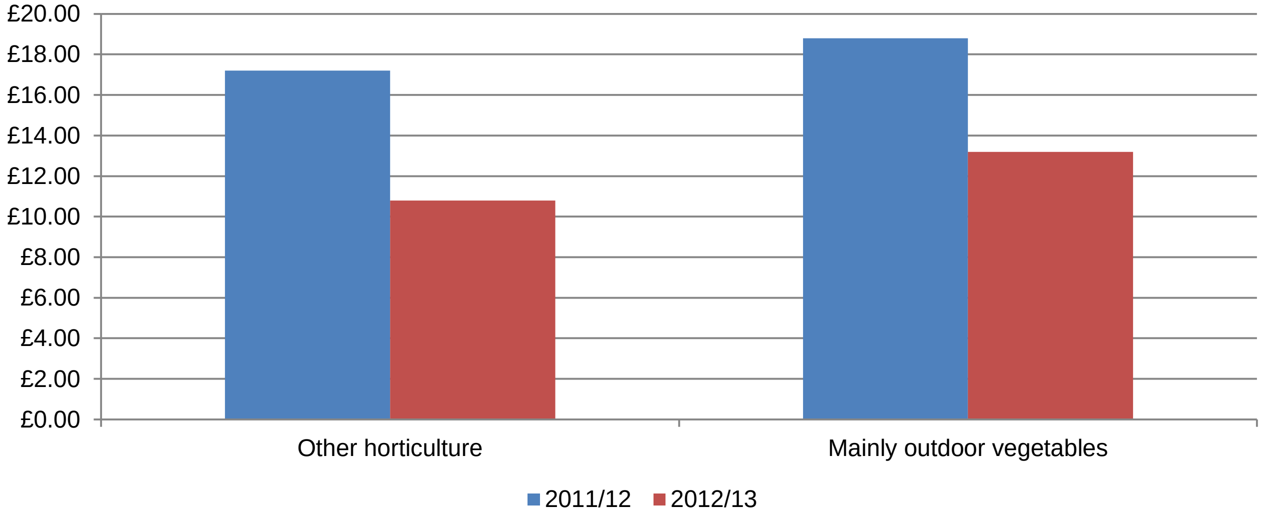


Figure 2.10 Average FBI per £100 of gross output for other horticulture businesses and mainly outdoor vegetable crops in England



2.10 Balance Sheet Information [Tables 2.24 and 2.25]

The assets, liabilities and net worth for the horticulture sample are reported in table 2.24.

The percentage equity in the business increased during the year for all horticultural businesses types except specialist glasshouse businesses, for which the average percentage equity decreased from 80.2% in 2011/12, to 78.4% in 2012/13. The average percentage equity for the whole sample of horticultural businesses increased from 81.8% to 82.1%. The value of the balance sheet total assets rose by 7.5% to an average of £868,678 for all horticulture businesses in 2012/13, while total external liabilities increased by 5.6% to £155,471 over the same period.

Table 2.25 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 £1,345,256 per business representing 89.1% equity.

Those businesses that are predominantly land based have the highest net worth, while those with intensive livestock systems and less land have a lower net worth and percentage equity. Consequently, lowland cattle & sheep farms and cereal farms have the highest percentage equity at 92.9% and 91.7%, respectively. While pig and poultry farms respectively have the lowest percentage equity at 73.8% and 70.2%, with horticulture in mid-range at 81.9%.

Table 2.4 All horticultural businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	217	207	217	207	217	207
Productive cropping area (ha)	28.18	23.53	28.18	23.53		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**379,963**	**343,997**	**13,482**	**14,622**	**100.0**	**100.0**
Variable costs						
Seed & young plants	56,332	57,960	1,999	2,464	14.8	16.8
Fertilisers & composts	12,060	12,526	428	532	3.2	3.6
Crop protection	9,295	9,777	330	416	2.4	2.8
Market charges	21,164	17,921	751	762	5.6	5.2
Packing materials	16,400	15,030	582	639	4.3	4.4
Horticultural sundries	15,724	12,280	558	522	4.1	3.6
Glasshouse fuel	5,468	5,938	194	252	1.4	1.7
Other variable costs	2,100	1,104	75	47	0.6	0.3
Total variable costs	**138,544**	**132,535**	**4,916**	**5,634**	**36.5**	**38.5**
Total gross margin	**241,420**	**211,462**	**8,566**	**8,989**	**63.5**	**61.5**
Fixed costs						
Labour:						
Regular paid	63,175	64,935	2,242	2,760	16.6	18.9
Regular unpaid	27,406	29,284	972	1,245	7.2	8.5
Casual labour	33,162	30,267	1,177	1,287	8.7	8.8
Power & machinery costs:						
Contract & hire	5,427	5,040	193	214	1.4	1.5
Fuel & electricity	12,404	11,076	440	471	3.3	3.2
Repairs	9,203	8,963	327	381	2.4	2.6
Machinery depreciation	12,884	11,966	457	509	3.4	3.5
Glasshouse depreciation	2,713	2,937	96	125	0.7	0.9
Rent (incl. imputed)	17,646	15,559	626	661	4.6	4.5
Other costs:						
Occupier's repairs	6,919	5,641	245	240	1.8	1.6
Permanent crop depreciation	619	1,238	22	53	0.2	0.4
Water	1,868	1,772	66	75	0.5	0.5
Sundries	17,413	15,934	618	677	4.6	4.6
Total fixed costs	**210,838**	**204,611**	**7,481**	**8,697**	**55.5**	**59.5**
Management & investment income	**30,582**	**6,851**	**1,085**	**291**	**8.0**	**2.0**
Minus: management salaries	685	581	24	25	0.2	0.2
Plus: farmer & spouse labour	22,238	24,016	789	1,021	5.9	7.0
Net farm income	**52,135**	**30,285**	**1,850**	**1,287**	**13.7**	**8.8**
Farm business income	**52,797**	**30,132**	**1,873**	**1,281**	**13.9**	**8.8**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Glasshouse crops		
Flowers & nursery stock	21.3	20.2
Tomatoes	1.8	1.3
Lettuce	0.1	0.2
Soft fruit	1.4	1.6
Other glasshouse crops	2.4	2.2
Outdoor crops		
Flowers and nursery stock	25.5	27.6
Vegetables	10.7	14.8
Other outdoor crops	10.1	8.3
Top fruit		
Dessert apples and pears	7.9	6.6
Culinary apples	1.0	1.0
Cider apples	1.0	0.8
Plums	0.9	0.4
Other top fruit	1.5	0.8
Soft fruit		
Strawberries	8.4	9.7
Raspberries	4.2	3.0
Blackcurrants	0.1	0.1
Other soft fruit	1.7	1.5
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops and tillages	19	19
Stores	7	9
Glasshouses	6	6
Equipment	28	30
Livestock	3	2
Other	36	35
Total	**100**	**100**
Tenant's capital (£)	**285,863**	**263,665**

Farm business income (FBI)

(distribution by number of businesses)

	Average 2011/12	Average 2012/13
Over £100,000	39	29
£50,000 to <£100,000	28	20
£25,000 to <£50,000	43	37
£12,500 to <£25,000	32	25
0 to <£12,500	41	39
-£12,500 to 0	14	26
-£25,000 to <-£12,500	6	8
-£50,000 to <-£25,000	10	10
Below -£50,000	4	13
Total	**217**	**207**

Table 2.5 All specialist glass businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	77	67	77	67	77	67
Productive cropping area (ha)	1.18	1.82	1.18	1.82		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**403,235**	**404,909**	**340,952**	**222,061**	**100.0**	**100.0**
Variable costs						
Seed & young plants	72,591	80,095	61,379	43,926	18.0	19.8
Fertilisers & composts	12,399	11,671	10,484	6,400	3.1	2.9
Crop protection	2,616	3,253	2,212	1,784	0.6	0.8
Market charges	21,585	20,052	18,251	10,997	5.4	5.0
Packing materials	21,892	23,805	18,510	13,055	5.4	5.9
Horticultural sundries	20,737	18,868	17,534	10,348	5.1	4.7
Glasshouse fuel	28,551	33,457	24,141	18,348	7.1	8.3
Other variable costs	17	14	15	8	0.0	0.0
Total variable costs	**180,387**	**191,215**	**152,525**	**104,866**	**44.7**	**47.2**
Total gross margin	**222,848**	**213,694**	**188,427**	**117,194**	**55.3**	**52.8**
Fixed costs						
Labour:						
Regular paid	84,120	90,074	71,127	49,399	20.9	22.2
Regular unpaid	31,031	31,795	26,238	17,437	7.7	7.9
Casual labour	22,277	21,568	18,836	11,828	5.5	5.3
Power & machinery costs:						
Contract & hire	1,312	2,094	1,110	1,148	0.3	0.5
Fuel & electricity	9,207	9,691	7,785	5,315	2.3	2.4
Repairs	7,058	7,534	5,968	4,132	1.8	1.9
Machinery depreciation	8,315	9,514	7,031	5,218	2.1	2.3
Glasshouse depreciation	7,795	9,961	6,591	5,463	1.9	2.5
Rent (incl. imputed)	8,473	8,146	7,164	4,467	2.1	2.0
Other costs:						
Occupier's repairs	6,492	6,165	5,489	3,381	1.6	1.5
Permanent crop depreciation	-50	-28	-42	-15	0.0	0.0
Water	1,990	2,006	1,682	1,100	0.5	0.5
Sundries	20,491	19,285	17,326	10,576	5.1	4.8
Total fixed costs	**208,512**	**217,803**	**176,305**	**119,448**	**51.7**	**53.8**
Management & investment income	**14,336**	**-4,109**	**12,122**	**-2,253**	**3.6**	**-1.0**
Minus: management salaries	2,274	2,222	1,923	1,218	0.6	0.5
Plus: farmer & spouse labour	26,356	27,201	22,285	14,918	6.5	6.7
Net farm income	**38,418**	**20,870**	**32,484**	**11,446**	**9.5**	**5.2**
Farm business income	**32,241**	**17,209**	**27,261**	**9,438**	**8.0**	**4.3**

Premium businesses	Per hectare 2012/13	Per £100 of gross output 2012/13
Number of businesses	17	17
Productive cropping area (ha)	0.69	
	£ per hectare	*average %*
Gross output	**569,496**	**100.0**
Variable costs		
Seed & young plants	83,190	14.6
Fertilisers & composts	20,816	3.7
Crop protection	4,596	0.8
Market charges	22,038	3.9
Packing materials	21,044	3.7
Horticultural sundries	10,938	1.9
Glasshouse fuel	53,301	9.4
Other variable costs	0	0.0
Total variable costs	**215,923**	**37.9**
Total gross margin	**353,572**	**62.1**
Fixed costs		
Labour:		
Regular paid	115,379	20.3
Regular unpaid	49,658	8.7
Casual labour	21,018	3.7
Power & machinery costs:		
Contract & hire	2,558	0.4
Fuel & electricity	12,104	2.1
Repairs	5,437	1.0
Machinery depreciation	11,836	2.1
Glasshouse depreciation	19,095	3.4
Rent (incl. imputed)	7,413	1.3
Other costs:		
Occupier's repairs	9,973	1.8
Permanent crop depreciation	0	0.0
Water	1,884	0.3
Sundries	28,279	5.0
Total fixed costs	**284,635**	**50.0**
Management & investment income	**68,937**	**12.1**
Minus: management salaries	10,568	1.9
Plus: farmer & spouse labour	42,708	7.5
Net farm income	**101,077**	**17.7**
Farm business income	**104,716**	**18.4**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Glasshouse crops			
Flowers & nursery stock	61.6	69.0	67.8
Tomatoes	12.3	8.7	17.4
Lettuce	0.7	0.3	0.0
Soft fruit	4.9	3.7	2.6
Other glasshouse crops	11.4	9.7	8.4
Outdoor crops			
Flowers & nursery stock	8.0	7.8	3.8
Vegetables	0.9	0.4	0.0
Fruit	0.2	0.1	0.0
Other outdoor crops	0.0	0.2	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Crops & tillages	9	10	10
Stores	10	10	8
Glasshouses	25	26	24
Equipment	26	22	20
Livestock	0	0	0
Other	31	33	37
Total	**100**	**100**	**100**
Tenant's capital (£)	**244,158**	**279,273**	**326,637**

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

	Average 2011/12	Average 2012/13
Over £100,000	10	8
£50,000 to <£100,000	8	6
£25,000 to <£50,000	17	8
£12,500 to <£25,000	9	7
0 to <£12,500	19	18
-£12,500 to 0	4	7
-£25,000 to <-£12,500	4	4
-£50,000 to <-£25,000	5	3
Below -£50,000	1	6
Total	**77**	**67**

Table 2.6 Specialist glass businesses, mainly edible crops

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	30	23	30	23	30	23
Productive cropping area (ha)	1.62	1.26	1.62	1.26		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**298,597**	**291,383**	**183,974**	**232,166**	**100.0**	**100.0**
Variable costs						
Seed & young plants	26,457	26,694	16,301	21,269	8.9	9.2
Fertilisers & composts	8,683	7,911	5,350	6,303	2.9	2.7
Crop protection	2,752	3,649	1,695	2,908	0.9	1.3
Market charges	23,931	19,511	14,744	15,546	8.0	6.7
Packing materials	12,347	14,044	7,607	11,190	4.1	4.8
Horticultural sundries	16,934	7,298	10,434	5,815	5.7	2.5
Glasshouse fuel	49,195	63,421	30,310	50,532	16.5	21.8
Other variable costs	45	44	28	35	0.0	0.0
Total variable costs	**140,344**	**142,573**	**86,470**	**113,598**	**47.0**	**48.9**
Total gross margin	**158,252**	**148,810**	**97,504**	**118,568**	**53.0**	**51.1**
Fixed costs						
Labour:						
Regular paid	51,427	58,971	31,686	46,986	17.2	20.2
Regular unpaid	29,917	28,181	18,433	22,454	10.0	9.7
Casual labour	18,779	13,231	11,570	10,542	6.3	4.5
Power & machinery costs:						
Contract & hire	730	909	450	724	0.2	0.3
Fuel & electricity	5,423	6,216	3,341	4,952	1.8	2.1
Repairs	7,125	7,948	4,390	6,332	2.4	2.7
Machinery depreciation	6,824	6,832	4,205	5,443	2.3	2.3
Glasshouse depreciation	7,102	6,233	4,376	4,966	2.4	2.1
Rent (incl. imputed)	8,824	6,755	5,437	5,382	3.0	2.3
Other costs:						
Occupier's repairs	6,800	6,970	4,189	5,554	2.3	2.4
Permanent crop depreciation	-134	-91	-83	-72	0.0	0.0
Water	1,530	1,309	943	1,043	0.5	0.4
Sundries	12,091	10,559	7,449	8,413	4.0	3.6
Total fixed costs	**156,438**	**154,022**	**96,386**	**122,721**	**52.4**	**52.9**
Management & investment income	**1,814**	**-5,212**	**1,118**	**-4,153**	**0.6**	**-1.8**
Minus: management salaries	536	731	330	582	0.2	0.3
Plus: farmer & spouse labour	24,050	23,944	14,818	19,078	8.1	8.2
Net farm income	**25,329**	**18,001**	**15,606**	**14,343**	**8.5**	**6.2**
Farm business income	**23,493**	**17,099**	**14,475**	**13,624**	**7.9**	**5.9**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Glasshouse crops		
Flowers & nursery stock	0.6	0.8
Tomatoes	43.5	39.2
Lettuce	2.5	1.2
Soft fruit	17.2	16.8
Other glasshouse crops	32.6	40.0
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	2.9	1.6
Fruit	0.6	0.4
Other outdoor crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	5	4
Stores	5	5
Glasshouses	32	31
Equipment	31	23
Livestock	0	0
Other	27	37
Total	**100**	**100**
Tenant's capital (£)	**175,892**	**172,329**

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

	Average 2011/12	Average 2012/13
Over £100,000	2	3
£50,000 to <£100,000	2	2
£25,000 to <£50,000	6	2
£12,500 to <£25,000	5	4
0 to <£12,500	10	6
-£12,500 to 0	1	3
-£25,000 to <-£12,500	2	0
-£50,000 to <-£25,000	2	1
Below -£50,000	0	2
Total	**30**	**23**

** no premium figures, sample too small*

Table 2.7 Specialist glass businesses, mainly non-edible crops

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	47	44	47	44	47	44
Productive cropping area (ha)	0.91	2.10	0.91	2.10		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**468,333**	**459,182**	**515,379**	**219,167**	**100.0**	**100.0**
Variable costs						
Seed & young plants	101,292	105,624	111,467	50,414	21.6	23.0
Fertilisers & composts	14,710	13,468	16,188	6,428	3.1	2.9
Crop protection	2,532	3,063	2,786	1,462	0.5	0.7
Market charges	20,125	20,311	22,147	9,694	4.3	4.4
Packing materials	27,830	28,472	30,625	13,590	5.9	6.2
Horticultural sundries	23,103	24,399	25,424	11,646	4.9	5.3
Glasshouse fuel	15,707	19,131	17,285	9,131	3.4	4.2
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**205,299**	**214,469**	**225,922**	**102,366**	**43.8**	**46.7**
Total gross margin	**263,034**	**244,713**	**289,457**	**116,801**	**56.2**	**53.3**
Fixed costs						
Labour:						
Regular paid	104,459	104,944	114,953	50,089	22.3	22.9
Regular unpaid	31,724	33,522	34,911	16,000	6.8	7.3
Casual labour	24,453	25,553	26,909	12,196	5.2	5.6
Power & machinery costs:						
Contract & hire	1,675	2,661	1,843	1,270	0.4	0.6
Fuel & electricity	11,561	11,352	12,723	5,418	2.5	2.5
Repairs	7,017	7,336	7,722	3,501	1.5	1.6
Machinery depreciation	9,242	10,797	10,171	5,153	2.0	2.4
Glasshouse depreciation	8,226	11,743	9,052	5,605	1.8	2.6
Rent (incl. imputed)	8,254	8,810	9,083	4,205	1.8	1.9
Other costs:						
Occupier's repairs	6,300	5,779	6,933	2,758	1.3	1.3
Permanent crop depreciation	2	2	2	1	0.0	0.0
Water	2,276	2,339	2,505	1,116	0.5	0.5
Sundries	25,717	23,457	28,300	11,196	5.5	5.1
Total fixed costs	**240,907**	**248,294**	**265,107**	**118,510**	**51.4**	**54.1**
Management & investment income	**22,127**	**-3,582**	**24,349**	**-1,709**	**4.7**	**-0.8**
Minus: management salaries	3,356	2,935	3,693	1,401	0.7	0.6
Plus: farmer & spouse labour	27,791	28,758	30,583	13,726	5.9	6.3
Net farm income	**46,562**	**22,242**	**51,239**	**10,616**	**9.9**	**4.8**
Farm business income	**37,684**	**17,261**	**41,469**	**8,239**	**8.0**	**3.8**

Premium businesses	Per hectare 2012/13	Per £100 of gross output 2012/13
Number of businesses	11	11
Productive cropping area (ha)	0.65	
	£ per hectare	*average %*
Gross output	**637,121**	**100.0**
Variable costs		
Seed & young plants	116,687	18.3
Fertilisers & composts	23,336	3.7
Crop protection	4,791	0.8
Market charges	31,212	4.9
Packing materials	28,319	4.4
Horticultural sundries	13,168	2.1
Glasshouse fuel	18,768	2.9
Other variable costs	0	0.0
Total variable costs	**236,281**	**37.1**
Total gross margin	**400,840**	**62.9**
Fixed costs		
Labour:		
Regular paid	125,374	19.7
Regular unpaid	57,596	9.0
Casual labour	29,203	4.6
Power & machinery costs:		
Contract & hire	1,654	0.3
Fuel & electricity	13,103	2.1
Repairs	5,613	0.9
Machinery depreciation	14,215	2.2
Glasshouse depreciation	22,156	3.5
Rent (incl. imputed)	7,764	1.2
Other costs:		
Occupier's repairs	7,115	1.1
Permanent crop depreciation	0	0.0
Water	1,545	0.2
Sundries	36,109	5.7
Total fixed costs	**321,448**	**50.5**
Management & investment income	**79,392**	**12.5**
Minus: management salaries	16,577	2.6
Plus: farmer & spouse labour	51,188	8.0
Net farm income	**114,002**	**17.9**
Farm business income	**113,534**	**17.8**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Glasshouse crops			
Flowers & nursery stock	85.5	88.6	94.7
Tomatoes	0.1	0.0	0.0
Lettuce	0.0	0.0	0.0
Soft fruit	0.0	0.0	0.0
Other glasshouse crops	3.0	1.1	0.0
Outdoor crops			
Flowers & nursery stock	11.2	10.0	5.3
Vegetables	0.2	0.0	0.0
Fruit	0.0	0.0	0.0
Other outdoor crops	0.0	0.3	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Crops & tillages	11	13	15
Stores	12	12	9
Glasshouses	21	23	24
Equipment	23	21	16
Livestock	0	0	0
Other	32	32	36
Total	**100**	**100**	**100**
Tenant's capital (£)	**286,627**	**330,399**	**380,100**

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

	Average 2011/12	Average 2012/13
Over £100,000	8	5
£50,000 to <£100,000	6	4
£25,000 to <£50,000	11	6
£12,500 to <£25,000	4	3
0 to <£12,500	9	12
-£12,500 to 0	3	4
-£25,000 to <-£12,500	2	4
-£50,000 to <-£25,000	3	2
Below -£50,000	1	4
Total	**47**	**44**

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

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	68	59	68	59	68	59
Productive cropping area (ha)	1.10	1.09	1.10	1.09		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**408,710**	**445,064**	**370,383**	**407,706**	**100.0**	**100.0**
Variable costs						
Seed & young plants	76,917	87,336	69,704	80,005	18.8	19.6
Fertilisers & composts	11,251	12,432	10,196	11,389	2.8	2.8
Crop protection	2,754	3,333	2,496	3,053	0.7	0.7
Market charges	21,295	22,151	19,298	20,292	5.2	5.0
Packing materials	20,145	27,187	18,256	24,905	4.9	6.1
Horticultural sundries	23,899	19,758	21,658	18,100	5.8	4.4
Glasshouse fuel	32,642	37,917	29,581	34,734	8.0	8.5
Other variable costs	21	17	19	15	0.0	0.0
Total variable costs	**188,923**	**210,131**	**171,207**	**192,493**	**46.2**	**47.2**
Total gross margin	**219,787**	**234,933**	**199,176**	**215,213**	**53.8**	**52.8**
Fixed costs						
Labour:						
Regular paid	78,217	97,066	70,882	88,919	19.1	21.8
Regular unpaid	31,537	32,497	28,580	29,769	7.7	7.3
Casual labour	25,045	25,167	22,696	23,054	6.1	5.7
Power & machinery costs:						
Contract & hire	1,300	1,972	1,178	1,806	0.3	0.4
Fuel & electricity	7,614	10,392	6,900	9,520	1.9	2.3
Repairs	6,632	8,070	6,010	7,392	1.6	1.8
Machinery depreciation	8,884	10,523	8,051	9,640	2.2	2.4
Glasshouse depreciation	8,800	11,236	7,974	10,292	2.2	2.5
Rent (incl. imputed)	8,841	8,171	8,012	7,485	2.2	1.8
Other costs:						
Occupier's repairs	6,800	6,885	6,162	6,307	1.7	1.5
Permanent crop depreciation	-59	-33	-54	-30	0.0	0.0
Water	2,048	2,196	1,856	2,012	0.5	0.5
Sundries	19,375	21,034	17,558	19,269	4.7	4.7
Total fixed costs	**205,032**	**235,176**	**185,805**	**215,436**	**50.2**	**52.8**
Management & investment income	**14,755**	**-243**	**13,371**	**-223**	**3.6**	**-0.1**
Minus: management salaries	2,625	2,619	2,379	2,399	0.6	0.6
Plus: farmer & spouse labour	27,303	28,331	24,742	25,953	6.7	6.4
Net farm income	**39,433**	**25,468**	**35,735**	**23,330**	**9.6**	**5.7**
Farm business income	**33,008**	**20,665**	**29,913**	**18,931**	**8.1**	**4.6**

Premium businesses	Per hectare 2012/13	Per £100 of gross output 2012/13
Number of businesses	15	15
Productive cropping area (ha)	0.76	
	£ per hectare	*average %*
Gross output	**669,047**	**100.0**
Variable costs		
Seed & young plants	137,651	20.6
Fertilisers & composts	20,828	3.1
Crop protection	4,261	0.6
Market charges	27,731	4.1
Packing materials	38,956	5.8
Horticultural sundries	18,044	2.7
Glasshouse fuel	23,218	3.5
Other variable costs	0	0.0
Total variable costs	**270,688**	**40.5**
Total gross margin	**398,359**	**59.5**
Fixed costs		
Labour:		
Regular paid	128,413	19.2
Regular unpaid	55,932	8.4
Casual labour	47,562	7.1
Power & machinery costs:		
Contract & hire	3,147	0.5
Fuel & electricity	12,849	1.9
Repairs	6,925	1.0
Machinery depreciation	15,389	2.3
Glasshouse depreciation	29,706	4.4
Rent (incl. imputed)	9,975	1.5
Other costs:		
Occupier's repairs	6,332	0.9
Permanent crop depreciation	0	0.0
Water	2,635	0.4
Sundries	30,130	4.5
Total fixed costs	**348,996**	**52.2**
Management & investment income	**49,363**	**7.4**
Minus: management salaries	11,023	1.6
Plus: farmer & spouse labour	47,606	7.1
Net farm income	**85,946**	**12.8**
Farm business income	**85,827**	**12.8**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Glasshouse crops			
Flowers & nursery stock	65.4	69.4	95.6
Tomatoes	14.1	9.3	0.0
Lettuce	0.7	0.2	0.0
Soft fruit	5.6	4.0	0.0
Other glasshouse crops	11.0	10.2	2.3
Outdoor crops			
Flowers & nursery stock	2.5	6.5	2.1
Vegetables	0.5	0.2	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 2011/12	Average 2012/13	Premium 2012/13
Crops & tillages	7	8	8
Stores	10	10	9
Glasshouses	27	28	29
Equipment	26	21	16
Livestock	0	0	0
Other	30	33	37
Total	**100**	**100**	**100**
Tenant's capital (£)	**255,290**	**302,108**	**414,999**

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

	Average 2011/12	Average 2012/13
Over £100,000	9	8
£50,000 to <£100,000	8	6
£25,000 to <£50,000	13	6
£12,500 to <£25,000	9	6
0 to <£12,500	16	17
-£12,500 to 0	3	4
-£25,000 to <-£12,500	4	4
-£50,000 to <-£25,000	5	3
Below -£50,000	1	5
Total	**68**	**59**

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*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	27	21	27	21	27	21
Productive cropping area (ha)	1.43	1.25	1.43	1.25		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**341,736**	**312,645**	**238,199**	**249,276**	**100.0**	**100.0**
Variable costs						
Seed & young plants	30,269	28,989	21,098	23,113	8.9	9.3
Fertilisers & composts	9,971	8,579	6,950	6,840	2.9	2.7
Crop protection	3,081	3,945	2,148	3,145	0.9	1.3
Market charges	27,865	21,178	19,423	16,885	8.2	6.8
Packing materials	13,184	14,787	9,189	11,790	3.9	4.7
Horticultural sundries	19,692	7,745	13,726	6,175	5.8	2.5
Glasshouse fuel	57,527	69,163	40,098	55,145	16.8	22.1
Other variable costs	53	48	37	38	0.0	0.0
Total variable costs	**161,642**	**154,434**	**112,668**	**123,132**	**47.3**	**49.4**
Total gross margin	**180,094**	**158,211**	**125,530**	**126,144**	**52.7**	**50.6**
Fixed costs						
Labour:						
Regular paid	58,756	62,981	40,954	50,216	17.2	20.1
Regular unpaid	29,650	28,381	20,667	22,629	8.7	9.1
Casual labour	21,903	14,331	15,267	11,427	6.4	4.6
Power & machinery costs:						
Contract & hire	842	979	587	781	0.2	0.3
Fuel & electricity	5,929	6,509	4,133	5,190	1.7	2.1
Repairs	8,162	8,462	5,689	6,747	2.4	2.7
Machinery depreciation	7,494	7,161	5,224	5,709	2.2	2.3
Glasshouse depreciation	8,167	6,594	5,692	5,257	2.4	2.1
Rent (incl. imputed)	9,608	7,038	6,697	5,612	2.8	2.3
Other costs:						
Occupier's repairs	7,803	7,495	5,439	5,976	2.3	2.4
Permanent crop depreciation	-157	-99	-109	-79	0.0	0.0
Water	1,733	1,397	1,208	1,114	0.5	0.4
Sundries	13,499	11,065	9,409	8,822	3.9	3.5
Total fixed costs	**173,390**	**162,295**	**120,857**	**129,400**	**50.7**	**51.9**
Management & investment income	**6,704**	**-4,084**	**4,673**	**-3,256**	**2.0**	**-1.3**
Minus: management salaries	627	797	437	636	0.2	0.3
Plus: farmer & spouse labour	24,190	23,761	16,861	18,945	7.1	7.6
Net farm income	**30,268**	**18,880**	**21,097**	**15,054**	**8.9**	**6.0**
Farm business income	**26,216**	**17,725**	**18,273**	**14,133**	**7.7**	**5.7**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Glasshouse crops		
Flowers & nursery stock	0.6	0.8
Tomatoes	44.5	39.9
Lettuce	2.3	1.0
Soft fruit	17.6	17.1
Other glasshouse crops	33.1	40.0
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	1.6	0.8
Fruit	0.4	0.4
Other outdoor crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	5	4
Stores	5	5
Glasshouses	34	32
Equipment	28	22
Livestock	0	0
Other	27	37
Total	**100**	**100**
Tenant's capital (£)	**200,061**	**181,879**

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

	Average 2011/12	Average 2012/13
Over £100,000	2	3
£50,000 to <£100,000	2	2
£25,000 to <£50,000	6	2
£12,500 to <£25,000	5	3
0 to <£12,500	7	6
-£12,500 to 0	1	2
-£25,000 to <-£12,500	2	0
-£50,000 to <-£25,000	2	1
Below -£50,000	0	2
Total	**27**	**21**

** 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*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	41	38	41	38	41	38
Productive cropping area (ha)	0.89	1.00	0.89	1.00		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**451,189**	**516,246**	**505,013**	**514,071**	**100.0**	**100.0**
Variable costs						
Seed & young plants	106,505	118,700	119,210	118,200	23.6	23.0
Fertilisers & composts	12,064	14,504	13,503	14,443	2.7	2.8
Crop protection	2,546	3,004	2,850	2,991	0.6	0.6
Market charges	17,127	22,675	19,171	22,579	3.8	4.4
Packing materials	24,560	33,853	27,490	33,710	5.4	6.6
Horticultural sundries	26,567	26,216	29,736	26,106	5.9	5.1
Glasshouse fuel	16,858	21,120	18,870	21,031	3.7	4.1
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**206,227**	**240,071**	**230,828**	**239,060**	**45.7**	**46.5**
Total gross margin	**244,962**	**276,175**	**274,185**	**275,011**	**54.3**	**53.5**
Fixed costs						
Labour:						
Regular paid	90,561	115,389	101,364	114,903	20.1	22.4
Regular unpaid	32,734	34,709	36,639	34,563	7.3	6.7
Casual labour	27,038	30,991	30,263	30,861	6.0	6.0
Power & machinery costs:						
Contract & hire	1,590	2,506	1,780	2,495	0.4	0.5
Fuel & electricity	8,682	12,480	9,718	12,427	1.9	2.4
Repairs	5,661	7,859	6,336	7,826	1.3	1.5
Machinery depreciation	9,766	12,331	10,931	12,279	2.2	2.4
Glasshouse depreciation	9,201	13,731	10,298	13,673	2.0	2.7
Rent (incl. imputed)	8,354	8,780	9,350	8,743	1.9	1.7
Other costs:						
Occupier's repairs	6,163	6,558	6,899	6,530	1.4	1.3
Permanent crop depreciation	2	2	3	2	0.0	0.0
Water	2,248	2,626	2,516	2,615	0.5	0.5
Sundries	23,102	26,393	25,857	26,282	5.1	5.1
Total fixed costs	**225,101**	**274,354**	**251,954**	**273,198**	**49.9**	**53.1**
Management & investment income	**19,861**	**1,821**	**22,231**	**1,813**	**4.4**	**0.4**
Minus: management salaries	3,892	3,598	4,356	3,583	0.9	0.7
Plus: farmer & spouse labour	29,277	30,787	32,769	30,657	6.5	6.0
Net farm income	**45,246**	**29,009**	**50,644**	**28,887**	**10.0**	**5.6**
Farm business income	**37,317**	**22,246**	**41,768**	**22,152**	**8.3**	**4.3**

Premium businesses	Per hectare 2012/13	Per £100 of gross output 2012/13
Number of businesses	10	10
Productive cropping area (ha)	0.72	
	£ per hectare	*average %*
Gross output	**609,474**	**100.0**
Variable costs		
Seed & young plants	114,766	18.8
Fertilisers & composts	20,156	3.3
Crop protection	4,332	0.7
Market charges	28,588	4.7
Packing materials	26,173	4.3
Horticultural sundries	15,112	2.5
Glasshouse fuel	25,047	4.1
Other variable costs	0	0.0
Total variable costs	**234,173**	**38.4**
Total gross margin	**375,301**	**61.6**
Fixed costs		
Labour:		
Regular paid	113,131	18.6
Regular unpaid	57,328	9.4
Casual labour	32,898	5.4
Power & machinery costs:		
Contract & hire	1,549	0.3
Fuel & electricity	12,436	2.0
Repairs	5,488	0.9
Machinery depreciation	14,676	2.4
Glasshouse depreciation	21,353	3.5
Rent (incl. imputed)	6,745	1.1
Other costs:		
Occupier's repairs	5,656	0.9
Permanent crop depreciation	0	0.0
Water	1,989	0.3
Sundries	33,553	5.5
Total fixed costs	**306,801**	**50.3**
Management & investment income	**68,500**	**11.2**
Minus: management salaries	15,143	2.5
Plus: farmer & spouse labour	51,474	8.4
Net farm income	**104,830**	**17.2**
Farm business income	**102,981**	**16.9**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Glasshouse crops			
Flowers & nursery stock	95.3	90.3	97.5
Tomatoes	0.1	0.0	0.0
Lettuce	0.0	0.0	0.0
Soft fruit	0.0	0.0	0.0
Other glasshouse crops	0.9	1.2	0.0
Outdoor crops			
Flowers & nursery stock	3.6	8.5	2.5
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 2011/12	Average 2012/13	Premium 2012/13
Crops & tillages	9	11	11
Stores	13	12	10
Glasshouses	23	25	25
Equipment	24	21	19
Livestock	0	0	0
Other	31	32	36
Total	**100**	**100**	**100**

Tenant's capital (£)	**290,319**	**366,738**	**385,899**

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

	Average 2011/12	Average 2012/13
Over £100,000	7	5
£50,000 to <£100,000	6	4
£25,000 to <£50,000	7	4
£12,500 to <£25,000	4	3
0 to <£12,500	9	11
-£12,500 to 0	2	2
-£25,000 to <-£12,500	2	4
-£50,000 to <-£25,000	3	2
Below -£50,000	1	3
Total	**41**	**38**

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

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	56	46	56	46	56	46
Productive cropping area (ha)	0.85	0.83	0.85	0.83		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**424,566**	**419,412**	**500,926**	**507,327**	**100.0**	**100.0**
Variable costs						
Seed & young plants	78,750	84,657	92,914	102,403	18.5	20.2
Fertilisers & composts	13,027	11,892	15,370	14,385	3.1	2.8
Crop protection	2,868	3,548	3,384	4,292	0.7	0.8
Market charges	20,121	18,932	23,740	22,900	4.7	4.5
Packing materials	20,855	24,626	24,606	29,788	4.9	5.9
Horticultural sundries	23,299	19,478	27,490	23,561	5.5	4.6
Glasshouse fuel	37,253	43,314	43,953	52,393	8.8	10.3
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**196,174**	**206,449**	**231,458**	**249,724**	**46.2**	**49.2**
Total gross margin	**228,391**	**212,963**	**269,469**	**257,603**	**53.8**	**50.8**
Fixed costs						
Labour:						
Regular paid	81,829	82,789	96,546	100,143	19.3	19.7
Regular unpaid	31,922	33,338	37,664	40,326	7.5	7.9
Casual labour	24,997	26,329	29,492	31,849	5.9	6.3
Power & machinery costs:						
Contract & hire	1,106	1,518	1,305	1,836	0.3	0.4
Fuel & electricity	7,879	8,027	9,297	9,710	1.9	1.9
Repairs	7,437	7,294	8,774	8,823	1.8	1.7
Machinery depreciation	9,208	9,879	10,864	11,950	2.2	2.4
Glasshouse depreciation	9,626	12,104	11,357	14,641	2.3	2.9
Rent (incl. imputed)	9,311	8,810	10,985	10,656	2.2	2.1
Other costs:						
Occupier's repairs	6,922	6,801	8,167	8,226	1.6	1.6
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	1,881	2,012	2,219	2,434	0.4	0.5
Sundries	19,571	17,160	23,091	20,757	4.6	4.1
Total fixed costs	**211,689**	**216,061**	**249,762**	**261,351**	**49.9**	**51.5**
Management & investment income	**16,703**	**-3,098**	**19,707**	**-3,748**	**3.9**	**-0.7**
Minus: management salaries	3,102	3,143	3,660	3,802	0.7	0.7
Plus: farmer & spouse labour	28,187	29,645	33,256	35,859	6.6	7.1
Net farm income	**41,788**	**23,403**	**49,304**	**28,309**	**9.8**	**5.6**
Farm business income	**34,384**	**19,925**	**40,568**	**24,101**	**8.1**	**4.8**

Premium businesses	Per hectare 2012/13	Per £100 of gross output 2012/13
Number of businesses	12	12
Productive cropping area (ha)	0.56	
	£ per hectare	*average %*
Gross output	**510,849**	**100.0**
Variable costs		
Seed & young plants	73,875	14.5
Fertilisers & composts	22,796	4.5
Crop protection	4,368	0.9
Market charges	7,090	1.4
Packing materials	20,134	3.9
Horticultural sundries	10,198	2.0
Glasshouse fuel	74,482	14.6
Other variable costs	0	0.0
Total variable costs	**212,943**	**41.7**
Total gross margin	**297,906**	**58.3**
Fixed costs		
Labour:		
Regular paid	83,811	16.4
Regular unpaid	66,956	13.1
Casual labour	15,459	3.0
Power & machinery costs:		
Contract & hire	2,673	0.5
Fuel & electricity	12,022	2.4
Repairs	6,885	1.3
Machinery depreciation	11,373	2.2
Glasshouse depreciation	14,859	2.9
Rent (incl. imputed)	6,549	1.3
Other costs:		
Occupier's repairs	10,318	2.0
Permanent crop depreciation	0	0.0
Water	2,405	0.5
Sundries	20,095	3.9
Total fixed costs	**253,405**	**49.6**
Management & investment income	**44,501**	**8.7**
Minus: management salaries	60	0.0
Plus: farmer & spouse labour	59,392	11.6
Net farm income	**103,834**	**20.3**
Farm business income	**112,920**	**22.1**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Glasshouse crops			
Flowers & nursery stock	66.3	71.6	52.7
Tomatoes	15.8	11.5	31.0
Lettuce	0.3	0.3	0.0
Soft fruit	5.6	4.5	4.7
Other glasshouse crops	11.7	12.1	11.6
Outdoor crops			
Flowers & nursery stock	0.2	0.1	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 2011/12	Average 2012/13	Premium 2012/13
Crops & tillages	7	7	7
Stores	11	10	9
Glasshouses	28	28	26
Equipment	26	22	22
Livestock	0	0	0
Other	29	33	36
Total	**100**	**100**	**100**
Tenant's capital (£)	**266,070**	**290,469**	**209,167**

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

	Average 2011/12	Average 2012/13
Over £100,000	7	7
£50,000 to <£100,000	7	6
£25,000 to <£50,000	11	5
£12,500 to <£25,000	6	3
0 to <£12,500	15	13
-£12,500 to 0	1	2
-£25,000 to <-£12,500	4	3
-£50,000 to <-£25,000	4	3
Below -£50,000	1	4
Total	**56**	**46**

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*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	21	17	21	17	21	17
Productive cropping area (ha)	1.05	0.97	1.05	0.97		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**407,555**	**365,140**	**389,921**	**374,727**	**100.0**	**100.0**
Variable costs						
Seed & young plants	31,849	31,549	30,471	32,377	7.8	8.6
Fertilisers & composts	12,415	10,314	11,878	10,584	3.0	2.8
Crop protection	3,562	4,632	3,408	4,754	0.9	1.3
Market charges	32,579	25,485	31,170	26,154	8.0	7.0
Packing materials	15,312	16,562	14,650	16,996	3.8	4.5
Horticultural sundries	24,584	8,748	23,521	8,977	6.0	2.4
Glasshouse fuel	72,964	84,386	69,807	86,601	17.9	23.1
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**193,267**	**181,674**	**184,904**	**186,444**	**47.4**	**49.8**
Total gross margin	**214,289**	**183,466**	**205,017**	**188,283**	**52.6**	**50.2**
Fixed costs						
Labour:						
Regular paid	72,150	76,325	69,029	78,329	17.7	20.9
Regular unpaid	28,866	27,512	27,617	28,234	7.1	7.5
Casual labour	24,054	14,854	23,014	15,244	5.9	4.1
Power & machinery costs:						
Contract & hire	1,041	1,150	996	1,181	0.3	0.3
Fuel & electricity	6,318	6,935	6,045	7,117	1.6	1.9
Repairs	10,083	10,193	9,647	10,461	2.5	2.8
Machinery depreciation	8,879	8,076	8,495	8,288	2.2	2.2
Glasshouse depreciation	10,301	7,976	9,855	8,186	2.5	2.2
Rent (incl. imputed)	10,820	7,633	10,352	7,834	2.7	2.1
Other costs:						
Occupier's repairs	9,677	8,958	9,258	9,193	2.4	2.5
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	1,689	1,449	1,616	1,487	0.4	0.4
Sundries	15,494	12,375	14,823	12,700	3.8	3.4
Total fixed costs	**199,374**	**183,436**	**190,747**	**188,252**	**48.9**	**50.2**
Management & investment income	**14,915**	**30**	**14,270**	**31**	**3.7**	**0.0**
Minus: management salaries	802	974	768	999	0.2	0.3
Plus: farmer & spouse labour	24,189	23,955	23,142	24,584	5.9	6.6
Net farm income	**38,301**	**23,011**	**36,644**	**23,615**	**9.4**	**6.3**
Farm business income	**30,467**	**18,907**	**29,149**	**19,404**	**7.5**	**5.2**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Glasshouse crops		
Flowers & nursery stock	0.6	0.9
Tomatoes	47.8	41.9
Lettuce	0.9	1.1
Soft fruit	17.0	16.2
Other glasshouse crops	33.7	39.9
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	0.0	0.1
Fruit	0.0	0.0
Other outdoor crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	2	0
Stores	5	5
Glasshouses	39	34
Equipment	26	23
Livestock	0	0
Other	28	38
Total	**100**	**100**
Tenant's capital (£)	**241,250**	**207,884**

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

	Average 2011/12	Average 2012/13
Over £100,000	2	3
£50,000 to <£100,000	1	2
£25,000 to <£50,000	5	2
£12,500 to <£25,000	3	1
0 to <£12,500	6	4
-£12,500 to 0	1	2
-£25,000 to <-£12,500	2	0
-£50,000 to <-£25,000	1	1
Below -£50,000	0	2
Total	**21**	**17**

** 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*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	12	10	12	10	12	10
Productive cropping area (ha)	1.06	1.00	1.06	1.00		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**497,755**	**455,441**	**468,803**	**456,534**	**100.0**	**100.0**
Variable costs						
Seed & young plants	28,417	26,151	26,764	26,213	5.7	5.7
Fertilisers & composts	18,155	13,418	17,099	13,450	3.6	2.9
Crop protection	3,576	5,748	3,368	5,762	0.7	1.3
Market charges	25,964	17,914	24,453	17,957	5.2	3.9
Packing materials	18,814	22,795	17,719	22,849	3.8	5.0
Horticultural sundries	27,369	8,193	25,777	8,213	5.5	1.8
Glasshouse fuel	115,916	133,788	109,174	134,109	23.3	29.4
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**238,210**	**228,006**	**224,354**	**228,553**	**47.9**	**50.1**
Total gross margin	**259,545**	**227,435**	**244,449**	**227,981**	**52.1**	**49.9**
Fixed costs						
Labour:						
Regular paid	92,675	101,286	87,285	101,529	18.6	22.2
Regular unpaid	33,710	26,272	31,750	26,335	6.8	5.8
Casual labour	24,076	5,994	22,676	6,008	4.8	1.3
Power & machinery costs:						
Contract & hire	1,419	1,712	1,336	1,716	0.3	0.4
Fuel & electricity	8,109	9,364	7,637	9,386	1.6	2.1
Repairs	16,264	16,484	15,318	16,524	3.3	3.6
Machinery depreciation	8,253	6,722	7,773	6,738	1.7	1.5
Glasshouse depreciation	14,576	11,733	13,728	11,761	2.9	2.6
Rent (incl. imputed)	11,780	8,814	11,095	8,835	2.4	1.9
Other costs:						
Occupier's repairs	10,538	12,660	9,925	12,690	2.1	2.8
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	1,725	1,562	1,625	1,566	0.3	0.3
Sundries	15,071	14,446	14,194	14,480	3.0	3.2
Total fixed costs	**238,196**	**217,048**	**224,341**	**217,569**	**47.9**	**47.7**
Management & investment income	**21,349**	**10,387**	**20,107**	**10,412**	**4.3**	**2.3**
Minus: management salaries	34	47	32	47	0.0	0.0
Plus: farmer & spouse labour	27,019	21,724	25,447	21,777	5.4	4.8
Net farm income	**48,334**	**32,064**	**45,523**	**32,141**	**9.7**	**7.0**
Farm business income	**46,373**	**33,057**	**43,676**	**33,136**	**9.3**	**7.3**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Glasshouse crops		
Flowers & nursery stock	0.0	0.0
Tomatoes	69.6	60.5
Lettuce	1.3	1.5
Soft fruit	0.0	0.0
Other glasshouse crops	29.1	38.0
Outdoor crops		
Flowers & nursery stock	0.0	0.0
Vegetables	0.0	0.0
Fruit	0.0	0.0
Other outdoor crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	3	0
Stores	5	4
Glasshouses	41	31
Equipment	21	22
Livestock	0	0
Other	30	43
Total	**100**	**100**
Tenant's capital (£)	**273,917**	**257,708**

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

	Average 2011/12	Average 2012/13
Over £100,000	2	2
£50,000 to <£100,000	1	2
£25,000 to <£50,000	4	2
£12,500 to <£25,000	1	1
0 to <£12,500	1	1
-£12,500 to 0	1	1
-£25,000 to <-£12,500	1	0
-£50,000 to <-£25,000	1	0
Below -£50,000	0	1
Total	**12**	**10**

** 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*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	35	29	35	29	35	29
Productive cropping area (ha)	0.74	0.75	0.74	0.75		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**434,062**	**447,809**	**588,788**	**597,539**	**100.0**	**100.0**
Variable costs						
Seed & young plants	104,933	112,446	142,338	150,044	24.2	25.1
Fertilisers & composts	13,369	12,718	18,134	16,971	3.1	2.8
Crop protection	2,481	2,981	3,365	3,978	0.6	0.7
Market charges	13,166	15,503	17,860	20,687	3.0	3.5
Packing materials	23,950	28,846	32,487	38,491	5.5	6.4
Horticultural sundries	22,582	25,093	30,631	33,484	5.2	5.6
Glasshouse fuel	17,317	21,824	23,489	29,121	4.0	4.9
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**197,798**	**219,412**	**268,305**	**292,775**	**45.6**	**49.0**
Total gross margin	**236,264**	**228,397**	**320,483**	**304,764**	**54.4**	**51.0**
Fixed costs						
Labour:						
Regular paid	87,231	86,172	118,326	114,985	20.1	19.2
Regular unpaid	33,629	36,386	45,616	48,552	7.7	8.1
Casual labour	25,523	32,334	34,620	43,145	5.9	7.2
Power & machinery costs:						
Contract & hire	1,143	1,710	1,550	2,282	0.3	0.4
Fuel & electricity	8,751	8,599	11,870	11,474	2.0	1.9
Repairs	5,959	5,777	8,084	7,709	1.4	1.3
Machinery depreciation	9,392	10,823	12,740	14,441	2.2	2.4
Glasshouse depreciation	9,248	14,264	12,545	19,033	2.1	3.2
Rent (incl. imputed)	8,468	9,425	11,487	12,576	2.0	2.1
Other costs:						
Occupier's repairs	5,384	5,672	7,303	7,568	1.2	1.3
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	1,988	2,307	2,697	3,078	0.5	0.5
Sundries	21,847	19,664	29,635	26,238	5.0	4.4
Total fixed costs	**218,564**	**233,132**	**296,472**	**311,083**	**50.4**	**52.1**
Management & investment income	**17,701**	**-4,735**	**24,011**	**-6,318**	**4.1**	**-1.1**
Minus: management salaries	4,386	4,278	5,949	5,709	1.0	1.0
Plus: farmer & spouse labour	30,419	32,622	41,262	43,529	7.0	7.3
Net farm income	**43,734**	**23,608**	**59,324**	**31,502**	**10.1**	**5.3**
Farm business income	**36,571**	**20,457**	**49,607**	**27,297**	**8.4**	**4.6**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Glasshouse crops		
Flowers & nursery stock	98.5	98.4
Tomatoes	0.1	0.0
Lettuce	0.0	0.0
Soft fruit	0.0	0.0
Other glasshouse crops	1.0	1.5
Outdoor crops		
Flowers & nursery stock	0.3	0.1
Vegetables	0.0	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 2011/12	Average 2012/13
Crops & tillages	9	11
Stores	14	13
Glasshouses	21	24
Equipment	26	22
Livestock	0	0
Other	29	31
Total	**100**	**100**
Tenant's capital (£)	**279,925**	**333,681**

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

	Average 2011/12	Average 2012/13
Over £100,000	5	4
£50,000 to <£100,000	6	4
£25,000 to <£50,000	6	3
£12,500 to <£25,000	3	2
0 to <£12,500	9	9
-£12,500 to 0	0	0
-£25,000 to <-£12,500	2	3
-£50,000 to <-£25,000	3	2
Below -£50,000	1	2
Total	**35**	**29**

** no premium figures, sample too small*

Table 2.15 All specialist fruit businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	51	52	51	52	51	52
Productive cropping area (ha)	23.65	21.27	23.65	21.27		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**388,415**	**261,090**	**16,425**	**12,272**	**100.0**	**100.0**
Variable costs						
Seed & young plants	8,591	6,795	363	319	2.2	2.6
Fertilisers & composts	8,916	5,930	377	279	2.3	2.3
Crop protection	14,965	13,590	633	639	3.9	5.2
Market charges	56,435	33,409	2,386	1,570	14.5	12.8
Packing materials	39,525	23,022	1,671	1,082	10.2	8.8
Horticultural sundries	21,035	10,719	890	504	5.4	4.1
Glasshouse fuel	681	656	29	31	0.2	0.3
Other variable costs	1,776	1,506	75	71	0.5	0.6
Total variable costs	**151,924**	**95,628**	**6,424**	**4,495**	**39.1**	**36.6**
Total gross margin	**236,491**	**165,462**	**10,001**	**7,777**	**60.9**	**63.4**
Fixed costs						
Labour:						
Regular paid	38,891	24,486	1,645	1,151	10.0	9.4
Regular unpaid	23,453	22,587	992	1,062	6.0	8.7
Casual labour	68,475	47,380	2,896	2,227	17.6	18.1
Power & machinery costs:						
Contract & hire	6,585	5,414	278	254	1.7	2.1
Fuel & electricity	9,955	8,288	421	390	2.6	3.2
Repairs	8,922	6,670	377	314	2.3	2.6
Machinery depreciation	15,603	11,756	660	553	4.0	4.5
Glasshouse depreciation	225	295	10	14	0.1	0.1
Rent (incl. imputed)	17,238	15,957	729	750	4.4	6.1
Other costs:						
Occupier's repairs	7,759	5,301	328	249	2.0	2.0
Permanent crop depreciation	2,575	2,280	109	107	0.7	0.9
Water	1,481	1,448	63	68	0.4	0.6
Sundries	16,095	13,591	681	639	4.1	5.2
Total fixed costs	**217,257**	**165,452**	**9,187**	**7,777**	**55.9**	**63.4**
Management & investment income	**19,234**	**9**	**813**	**0**	**5.0**	**0.0**
Minus: management salaries	325	261	14	12	0.1	0.1
Plus: farmer & spouse labour	20,180	19,696	853	926	5.2	7.5
Net farm income	**39,088**	**19,445**	**1,653**	**914**	**10.1**	**7.4**
Farm business income	**41,858**	**18,853**	**1,770**	**886**	**10.8**	**7.2**

Premium businesses	Per hectare 2012/13	Per £100 of gross output 2012/13
Number of businesses	13	13
Productive cropping area (ha)	21.25	
	£ per hectare	*average %*
Gross output	**28,789**	**100.0**
Variable costs		
Seed & young plants	1,083	3.8
Fertilisers & composts	403	1.4
Crop protection	997	3.5
Market charges	4,442	15.4
Packing materials	3,478	12.1
Horticultural sundries	1,169	4.1
Glasshouse fuel	28	0.1
Other variable costs	2	0.0
Total variable costs	**11,602**	**40.3**
Total gross margin	**17,187**	**59.7**
Fixed costs		
Labour:		
Regular paid	2,036	7.1
Regular unpaid	837	2.9
Casual labour	6,744	23.4
Power & machinery costs:		
Contract & hire	243	0.8
Fuel & electricity	651	2.3
Repairs	596	2.1
Machinery depreciation	1,020	3.5
Glasshouse depreciation	49	0.2
Rent (incl. imputed)	950	3.3
Other costs:		
Occupier's repairs	478	1.7
Permanent crop depreciation	147	0.5
Water	119	0.4
Sundries	970	3.4
Total fixed costs	**14,839**	**51.5**
Management & investment income	**2,348**	**8.2**
Minus: management salaries	28	0.1
Plus: farmer & spouse labour	733	2.5
Net farm income	**3,054**	**10.6**
Farm business income	**3,041**	**10.6**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Top fruit			
Dessert apples & pears	34.8	34.9	32.5
Culinary apples	5.4	6.9	5.2
Cider apples	4.2	5.2	0.3
Plums	4.9	2.7	1.7
Other top fruit	8.1	5.8	3.5
Soft fruit			
Strawberries	15.0	15.5	21.5
Raspberries	22.1	21.4	29.6
Blackcurrants	0.5	0.9	0.0
Other soft fruit	3.4	4.5	5.8
Other crops	1.6	2.2	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Crops & tillages	18	21	19
Stores	4	4	6
Glasshouses	0	0	0
Equipment	34	34	35
Livestock	4	3	0
Other	41	38	39
Total	**100**	**100**	**100**
Tenant's capital (£)	**280,374**	**239,268**	**404,111**

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

	Average 2011/12	Average 2012/13
Over £100,000	6	6
£50,000 to <£100,000	8	6
£25,000 to <£50,000	6	8
£12,500 to <£25,000	11	5
0 to <£12,500	10	9
-£12,500 to 0	7	11
-£25,000 to <-£12,500	0	4
-£50,000 to <-£25,000	2	2
Below -£50,000	1	1
Total	**51**	**52**

Table 2.16 Specialist fruit businesses, mainly top fruit

	Per business		***Per hectare***		***Per £100 of gross output***	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	32	30	32	30	32	30
Productive cropping area (ha)	19.36	16.51	19.36	16.51		
	Average £/business		***Average £/hectare***		***Average %***	
Gross output	**255,150**	**186,336**	**13,178**	**11,289**	**100.0**	**100.0**
Variable costs						
Seed & young plants	535	662	28	40	0.2	0.4
Fertilisers & composts	2,252	1,748	116	106	0.9	0.9
Crop protection	10,626	10,370	549	628	4.2	5.6
Market charges	50,628	31,064	2,615	1,882	19.8	16.7
Packing materials	22,130	15,047	1,143	912	8.7	8.1
Horticultural sundries	13,655	8,387	705	508	5.4	4.5
Glasshouse fuel	505	445	26	27	0.2	0.2
Other variable costs	315	338	16	21	0.1	0.2
Total variable costs	**100,646**	**68,061**	**5,198**	**4,123**	**39.4**	**36.5**
Total gross margin	**154,505**	**118,275**	**7,980**	**7,166**	**60.6**	**63.5**
Fixed costs						
Labour:						
Regular paid	24,522	19,183	1,266	1,162	9.6	10.3
Regular unpaid	20,570	18,737	1,062	1,135	8.1	10.1
Casual labour	34,152	24,519	1,764	1,485	13.4	13.2
Power & machinery costs:						
Contract & hire	2,943	3,141	152	190	1.2	1.7
Fuel & electricity	7,770	7,027	401	426	3.0	3.8
Repairs	6,058	5,011	313	304	2.4	2.7
Machinery depreciation	13,211	10,648	682	645	5.2	5.7
Glasshouse depreciation	48	30	2	2	0.0	0.0
Rent (incl. imputed)	14,118	12,823	729	777	5.5	6.9
Other costs:						
Occupier's repairs	5,205	3,264	269	198	2.0	1.8
Permanent crop depreciation	2,752	2,292	142	139	1.1	1.2
Water	734	671	38	41	0.3	0.4
Sundries	11,458	10,182	592	617	4.5	5.5
Total fixed costs	**143,542**	**117,527**	**7,414**	**7,120**	**56.3**	**63.1**
Management & investment income	**10,963**	**749**	**566**	**45**	**4.3**	**0.4**
Minus: management salaries	228	221	12	13	0.1	0.1
Plus: farmer & spouse labour	17,892	16,464	924	997	7.0	8.8
Net farm income	**28,627**	**16,992**	**1,478**	**1,029**	**11.2**	**9.1**
Farm business income	**33,042**	**21,200**	**1,707**	**1,284**	**13.0**	**11.4**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Top fruit		
Dessert apples & pears	61.7	62.8
Culinary apples	9.5	12.3
Cider apples	11.0	8.6
Plums	7.1	5.1
Other top fruit	10.4	11.0
Soft fruit		
Strawberries	0.0	0.0
Raspberries	0.0	0.0
Blackcurrants	0.0	0.0
Other soft fruit	0.1	0.1
Other crops	0.1	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	24	24
Stores	3	5
Glasshouses	0	0
Equipment	43	40
Livestock	0	0
Other	29	31
Total	**100**	**100**
Tenant's capital (£)	**235,630**	**207,372**

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

	Average 2011/12	Average 2012/13
Over £100,000	4	3
£50,000 to <£100,000	5	5
£25,000 to <£50,000	5	4
£12,500 to <£25,000	4	4
0 to <£12,500	6	5
-£12,500 to 0	6	5
-£25,000 to <-£12,500	0	3
-£50,000 to <-£25,000	2	1
Below -£50,000	0	0
Total	**32**	**30**

** no premium figures, sample too small*

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

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	22	20	22	20	22	20
Productive cropping area (ha)	19.88	18.06	19.88	18.06		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**337,520**	**265,940**	**16,982**	**14,726**	**100.0**	**100.0**
Variable costs						
Seed & young plants	784	1,009	39	56	0.2	0.4
Fertilisers & composts	2,205	1,588	111	88	0.7	0.6
Crop protection	13,587	14,635	684	810	4.0	5.5
Market charges	73,792	47,998	3,713	2,658	21.9	18.0
Packing materials	32,657	23,486	1,643	1,300	9.7	8.8
Horticultural sundries	19,681	12,671	990	702	5.8	4.8
Glasshouse fuel	707	656	36	36	0.2	0.2
Other variable costs	40	43	2	2	0.0	0.0
Total variable costs	**143,452**	**102,087**	**7,217**	**5,653**	**42.5**	**38.4**
Total gross margin	**194,068**	**163,853**	**9,764**	**9,073**	**57.5**	**61.6**
Fixed costs						
Labour:						
Regular paid	33,778	27,706	1,699	1,534	10.0	10.4
Regular unpaid	22,667	21,488	1,140	1,190	6.7	8.1
Casual labour	47,795	37,572	2,405	2,080	14.2	14.1
Power & machinery costs:						
Contract & hire	3,592	2,715	181	150	1.1	1.0
Fuel & electricity	9,926	9,528	499	528	2.9	3.6
Repairs	6,623	6,357	333	352	2.0	2.4
Machinery depreciation	16,928	14,365	852	795	5.0	5.4
Glasshouse depreciation	71	47	4	3	0.0	0.0
Rent (incl. imputed)	17,800	17,211	896	953	5.3	6.5
Other costs:						
Occupier's repairs	6,017	4,414	303	244	1.8	1.7
Permanent crop depreciation	3,760	2,827	189	157	1.1	1.1
Water	985	963	50	53	0.3	0.4
Sundries	13,853	13,318	697	737	4.1	5.0
Total fixed costs	**183,794**	**158,510**	**9,247**	**8,777**	**54.5**	**59.6**
Management & investment income	**10,274**	**5,343**	**517**	**296**	**3.0**	**2.0**
Minus: management salaries	337	347	17	19	0.1	0.1
Plus: farmer & spouse labour	20,177	19,328	1,015	1,070	6.0	7.3
Net farm income	**30,114**	**24,324**	**1,515**	**1,347**	**8.9**	**9.1**
Farm business income	**35,070**	**28,443**	**1,764**	**1,575**	**10.4**	**10.7**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Top fruit		
Dessert apples & pears	68.9	68.3
Culinary apples	10.7	13.4
Cider apples	0.7	0.6
Plums	7.9	5.5
Other top fruit	11.5	11.9
Soft fruit		
Strawberries	0.0	0.0
Raspberries	0.0	0.0
Blackcurrants	0.0	0.0
Other soft fruit	0.1	0.2
Other crops	0.2	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	28	24
Stores	4	4
Glasshouses	0	0
Equipment	39	40
Livestock	0	0
Other	29	32
Total	**100**	**100**
Tenant's capital (£)	**299,900**	**279,709**

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

	Average 2011/12	Average 2012/13
Over £100,000	3	3
£50,000 to <£100,000	3	5
£25,000 to <£50,000	3	2
£12,500 to <£25,000	4	2
0 to <£12,500	3	2
-£12,500 to 0	5	4
-£25,000 to <-£12,500	0	2
-£50,000 to <-£25,000	1	0
Below -£50,000	0	0
Total	**22**	**20**

** no premium figures, sample too small*

Table 2.18 Specialist fruit businesses, cider

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	10	10	10	10	10	10
Productive cropping area (ha)	18.28	13.78	18.28	13.78		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**82,116**	**46,828**	**4,491**	**3,397**	**100.0**	**100.0**
Variable costs						
Seed & young plants	12	54	1	4	0.0	0.1
Fertilisers & composts	2,351	2,027	129	147	2.9	4.3
Crop protection	4,407	2,895	241	210	5.4	6.2
Market charges	1,967	1,385	108	101	2.4	3.0
Packing materials	16	257	1	19	0.0	0.5
Horticultural sundries	995	879	54	64	1.2	1.9
Glasshouse fuel	80	76	4	6	0.1	0.2
Other variable costs	893	857	49	62	1.1	1.8
Total variable costs	**10,722**	**8,430**	**586**	**612**	**13.1**	**18.0**
Total gross margin	**71,394**	**38,398**	**3,905**	**2,786**	**86.9**	**82.0**
Fixed costs						
Labour:						
Regular paid	5,078	4,245	278	308	6.2	9.1
Regular unpaid	16,167	13,915	884	1,010	19.7	29.7
Casual labour	5,492	1,644	300	119	6.7	3.5
Power & machinery costs:						
Contract & hire	1,580	3,886	86	282	1.9	8.3
Fuel & electricity	3,242	2,643	177	192	3.9	5.6
Repairs	4,870	2,651	266	192	5.9	5.7
Machinery depreciation	5,403	4,135	296	300	6.6	8.8
Glasshouse depreciation	0	0	0	0	0.0	0.0
Rent (incl. imputed)	6,384	5,132	349	372	7.8	11.0
Other costs:						
Occupier's repairs	3,499	1,250	191	91	4.3	2.7
Permanent crop depreciation	637	1,356	35	98	0.8	2.9
Water	207	158	11	11	0.3	0.3
Sundries	6,426	4,686	351	340	7.8	10.0
Total fixed costs	**58,984**	**45,701**	**3,226**	**3,316**	**71.8**	**97.6**
Management & investment income	**12,410**	**-7,303**	**679**	**-530**	**15.1**	**-15.6**
Minus: management salaries	0	0	0	0	0.0	0.0
Plus: farmer & spouse labour	13,092	11,444	716	830	15.9	24.4
Net farm income	**25,502**	**4,141**	**1,395**	**300**	**31.1**	**8.8**
Farm business income	**28,782**	**8,506**	**1,574**	**617**	**35.1**	**18.2**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Top fruit		
Dessert apples & pears	1.2	0.0
Culinary apples	0.0	0.0
Cider apples	97.0	99.3
Plums	0.3	0.0
Other top fruit	1.4	0.6
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	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	16	25
Stores	2	8
Glasshouses	0	0
Equipment	52	45
Livestock	0	0
Other	30	22
Total	**100**	**100**
Tenant's capital (£)	**100,618**	**80,599**

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

	Average 2011/12	Average 2012/13
Over £100,000	1	0
£50,000 to <£100,000	2	0
£25,000 to <£50,000	2	2
£12,500 to <£25,000	0	2
0 to <£12,500	3	3
-£12,500 to 0	1	1
-£25,000 to <-£12,500	0	1
-£50,000 to <-£25,000	1	1
Below -£50,000	0	0
Total	**10**	**10**

** no premium figures, sample too small*

Table 2.19 All specialist hardy nursery stock businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	37	38	37	38	37	38
Productive cropping area (ha)	3.37	3.29	3.37	3.29		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**393,230**	**394,883**	**116,741**	**120,194**	**100.0**	**100.0**
Variable costs						
Seed & young plants	113,120	126,551	33,583	38,519	28.8	32.0
Fertilisers & composts	11,757	12,634	3,490	3,845	3.0	3.2
Crop protection	3,847	3,401	1,142	1,035	1.0	0.9
Market charges	10,429	12,224	3,096	3,721	2.7	3.1
Packing materials	9,972	10,099	2,960	3,074	2.5	2.6
Horticultural sundries	15,183	13,823	4,507	4,207	3.9	3.5
Glasshouse fuel	1,754	1,983	521	604	0.4	0.5
Other variable costs	71	0	21	0	0.0	0.0
Total variable costs	**166,133**	**180,714**	**49,321**	**55,006**	**42.2**	**45.8**
Total gross margin	**227,097**	**214,169**	**67,420**	**65,189**	**57.8**	**54.2**
Fixed costs						
Labour:						
Regular paid	87,062	100,744	25,847	30,664	22.1	25.5
Regular unpaid	29,218	24,308	8,674	7,399	7.4	6.2
Casual labour	8,777	4,442	2,606	1,352	2.2	1.1
Power & machinery costs:						
Contract & hire	1,330	1,742	395	530	0.3	0.4
Fuel & electricity	8,338	8,183	2,475	2,491	2.1	2.1
Repairs	5,237	5,165	1,555	1,572	1.3	1.3
Machinery depreciation	8,031	8,049	2,384	2,450	2.0	2.0
Glasshouse depreciation	3,180	3,256	944	991	0.8	0.8
Rent (incl. imputed)	7,262	7,995	2,156	2,434	1.8	2.0
Other costs:						
Occupier's repairs	6,045	5,193	1,795	1,581	1.5	1.3
Permanent crop depreciation	-16	25	-5	8	0.0	0.0
Water	1,879	1,708	558	520	0.5	0.4
Sundries	19,093	17,787	5,668	5,414	4.9	4.5
Total fixed costs	**185,436**	**188,598**	**55,052**	**57,405**	**47.2**	**47.8**
Management & investment income	**41,661**	**25,571**	**12,368**	**7,783**	**10.6**	**6.5**
Minus: management salaries	587	526	174	160	0.1	0.1
Plus: farmer & spouse labour	22,016	20,424	6,536	6,217	5.6	5.2
Net farm income	**63,090**	**45,468**	**18,730**	**13,840**	**16.0**	**11.5**
Farm business income	**58,029**	**35,874**	**17,227**	**10,919**	**14.8**	**9.1**

Premium businesses	*Per hectare* 2012/13	*Per £100 of gross output* 2012/13
Number of businesses	10	10
Productive cropping area (ha)	1.21	
	£ per hectare	*average %*
Gross output	**277,467**	**100.0**
Variable costs		
Seed & young plants	67,363	24.3
Fertilisers & composts	13,047	4.7
Crop protection	4,151	1.5
Market charges	7,166	2.6
Packing materials	6,371	2.3
Horticultural sundries	11,426	4.1
Glasshouse fuel	1,550	0.6
Other variable costs	0	0.0
Total variable costs	**111,074**	**40.0**
Total gross margin	**166,393**	**60.0**
Fixed costs		
Labour:		
Regular paid	59,846	21.6
Regular unpaid	24,659	8.9
Casual labour	1,544	0.6
Power & machinery costs:		
Contract & hire	712	0.3
Fuel & electricity	5,621	2.0
Repairs	2,778	1.0
Machinery depreciation	3,674	1.3
Glasshouse depreciation	774	0.3
Rent (incl. imputed)	4,824	1.7
Other costs:		
Occupier's repairs	2,973	1.1
Permanent crop depreciation	0	0.0
Water	610	0.2
Sundries	10,383	3.7
Total fixed costs	**118,398**	**42.7**
Management & investment income	**47,995**	**17.3**
Minus: management salaries	0	0.0
Plus: farmer & spouse labour	21,288	7.7
Net farm income	**69,283**	**25.0**
Farm business income	**60,733**	**21.9**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Hardy nursery stock			
Glasshouse crops	30.1	23.5	45.3
Outdoor crops	69.9	76.5	54.7
Other crops	0.1	0.0	0.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Crops & tillages	37	32	39
Stores	7	13	16
Glasshouses	6	4	2
Equipment	16	18	11
Livestock	0	0	0
Other	34	33	32
Total	**100**	**100**	**100**
Tenant's capital (£)	**301,895**	**314,138**	**231,835**

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

	Average 2011/12	Average 2012/13
Over £100,000	7	5
£50,000 to <£100,000	6	4
£25,000 to <£50,000	8	11
£12,500 to <£25,000	8	6
0 to <£12,500	3	5
-£12,500 to 0	2	1
-£25,000 to <-£12,500	0	0
-£50,000 to <-£25,000	2	3
Below -£50,000	1	3
Total	**37**	**38**

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

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	14	15	14	15	14	15
Productive cropping area (ha)	1.40	1.32	1.40	1.32		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**444,150**	**371,476**	**317,774**	**280,861**	**100.0**	**100.0**
Variable costs						
Seed & young plants	72,314	87,001	51,738	65,778	16.3	23.4
Fertilisers & composts	21,057	17,173	15,065	12,984	4.7	4.6
Crop protection	5,259	3,433	3,762	2,595	1.2	0.9
Market charges	9,628	11,024	6,888	8,335	2.2	3.0
Packing materials	13,233	11,492	9,468	8,688	3.0	3.1
Horticultural sundries	20,783	13,529	14,870	10,229	4.7	3.6
Glasshouse fuel	3,697	3,556	2,645	2,688	0.8	1.0
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**145,970**	**147,206**	**104,436**	**111,298**	**32.9**	**39.6**
Total gross margin	**298,181**	**224,270**	**213,338**	**169,563**	**67.1**	**60.4**
Fixed costs						
Labour:						
Regular paid	113,434	109,577	81,158	82,847	25.5	29.5
Regular unpaid	33,421	25,137	23,912	19,005	7.5	6.8
Casual labour	14,295	4,363	10,228	3,299	3.2	1.2
Power & machinery costs:						
Contract & hire	929	981	665	742	0.2	0.3
Fuel & electricity	8,867	7,519	6,344	5,685	2.0	2.0
Repairs	5,051	3,277	3,614	2,478	1.1	0.9
Machinery depreciation	7,721	6,774	5,524	5,122	1.7	1.8
Glasshouse depreciation	3,513	3,233	2,514	2,445	0.8	0.9
Rent (incl. imputed)	7,133	8,273	5,103	6,255	1.6	2.2
Other costs:						
Occupier's repairs	7,308	4,670	5,229	3,531	1.6	1.3
Permanent crop depreciation	0	0	0	0	0.0	0.0
Water	2,429	1,667	1,738	1,260	0.5	0.4
Sundries	18,220	16,027	13,036	12,117	4.1	4.3
Total fixed costs	**222,322**	**191,499**	**159,064**	**144,786**	**50.1**	**51.6**
Management & investment income	**75,859**	**32,771**	**54,274**	**24,777**	**17.1**	**8.8**
Minus: management salaries	1,688	1,269	1,207	959	0.4	0.3
Plus: farmer & spouse labour	24,976	22,883	17,870	17,301	5.6	6.2
Net farm income	**99,147**	**54,385**	**70,936**	**41,119**	**22.3**	**14.6**
Farm business income	**103,676**	**49,581**	**74,177**	**37,487**	**23.3**	**13.3**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Hardy nursery stock		
Glasshouse crops	72.3	58.3
Outdoor crops	27.6	41.7
Other crops	0.1	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	34	33
Stores	15	23
Glasshouses	10	6
Equipment	13	11
Livestock	0	0
Other	28	26
Total	**100**	**100**
Tenant's capital (£)	**267,933**	**260,052**

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

	Average 2011/12	Average 2012/13
Over £100,000	3	2
£50,000 to <£100,000	3	2
£25,000 to <£50,000	4	3
£12,500 to <£25,000	3	2
0 to <£12,500	1	3
-£12,500 to 0	0	0
-£25,000 to <-£12,500	0	0
-£50,000 to <-£25,000	0	2
Below -£50,000	0	1
Total	**14**	**15**

** no premium figures, sample too small*

Table 2.21 Specialist hardy nursery stock businesses, mainly outdoor crops*

	Per business		***Per hectare***		***Per £100 of gross output***	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	21	23	21	23	21	23
Productive cropping area (ha)	5.14	4.68	5.14	4.68		
	Average £/business		***Average £/hectare***		***Average %***	
Gross output	**425,275**	**411,476**	**82,708**	**87,984**	**100.0**	**100.0**
Variable costs						
Seed & young plants	157,988	154,588	30,726	33,055	37.1	37.6
Fertilisers & composts	7,806	9,416	1,518	2,013	1.8	2.3
Crop protection	3,629	3,379	706	723	0.9	0.8
Market charges	12,785	13,075	2,486	2,796	3.0	3.2
Packing materials	9,471	9,111	1,842	1,948	2.2	2.2
Horticultural sundries	14,145	14,030	2,751	3,000	3.3	3.4
Glasshouse fuel	754	868	147	186	0.2	0.2
Other variable costs	0	0	0	0	0.0	0.0
Total variable costs	**206,579**	**204,467**	**40,176**	**43,720**	**48.6**	**49.7**
Total gross margin	**218,697**	**207,009**	**42,533**	**44,264**	**51.4**	**50.3**
Fixed costs						
Labour:						
Regular paid	85,979	94,483	16,721	20,203	20.2	23.0
Regular unpaid	23,712	23,721	4,612	5,072	5.6	5.8
Casual labour	6,836	4,498	1,330	962	1.6	1.1
Power & machinery costs:						
Contract & hire	1,642	2,282	319	488	0.4	0.6
Fuel & electricity	8,682	8,653	1,688	1,850	2.0	2.1
Repairs	5,950	6,503	1,157	1,390	1.4	1.6
Machinery depreciation	9,278	8,954	1,804	1,914	2.2	2.2
Glasshouse depreciation	3,199	3,272	622	700	0.8	0.8
Rent (incl. imputed)	7,247	7,799	1,409	1,668	1.7	1.9
Other costs:						
Occupier's repairs	4,749	5,564	924	1,190	1.1	1.4
Permanent crop depreciation	-29	42	-6	9	0.0	0.0
Water	1,576	1,737	307	372	0.4	0.4
Sundries	19,983	19,034	3,886	4,070	4.7	4.6
Total fixed costs	**178,805**	**186,542**	**34,774**	**39,887**	**42.0**	**45.3**
Management & investment income	**39,892**	**20,467**	**7,758**	**4,376**	**9.4**	**5.0**
Minus: management salaries	0	0	0	0	0.0	0.0
Plus: farmer & spouse labour	18,169	18,680	3,533	3,994	4.3	4.5
Net farm income	**58,061**	**39,147**	**11,292**	**8,371**	**13.7**	**9.5**
Farm business income	**43,460**	**26,157**	**8,452**	**5,593**	**10.2**	**6.4**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Hardy nursery stock		
Glasshouse crops	2.3	2.5
Outdoor crops	97.7	97.5
Other crops	0.0	0.0
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	38	31
Stores	3	8
Glasshouses	3	3
Equipment	18	22
Livestock	0	0
Other	38	36
Total	**100**	**100**
Tenant's capital (£)	**359,672**	**352,477**

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

	Average 2011/12	Average 2012/13
Over £100,000	4	3
£50,000 to <£100,000	3	2
£25,000 to <£50,000	3	8
£12,500 to <£25,000	5	4
0 to <£12,500	2	2
-£12,500 to 0	2	1
-£25,000 to <-£12,500	0	0
-£50,000 to <-£25,000	1	1
Below -£50,000	1	2
Total	**21**	**23**

** no premium figures, sample too small*

Table 2.22 All other horticulture businesses

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	52	50	52	50	52	50
Productive cropping area (ha)	55.30	43.33	55.30	43.33		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**359,448**	**337,922**	**6,500**	**7,799**	**100.0**	**100.0**
Variable costs						
Seed & young plants	39,703	36,468	718	842	11.0	10.8
Fertilisers & composts	13,824	16,114	250	372	3.8	4.8
Crop protection	11,938	13,592	216	314	3.3	4.0
Market charges	9,226	12,733	167	294	2.6	3.8
Packing materials	6,518	11,260	118	260	1.8	3.3
Horticultural sundries	11,653	10,191	211	235	3.2	3.0
Glasshouse fuel	3,083	2,823	56	65	0.9	0.8
Other variable costs	4,253	1,885	77	43	1.2	0.6
Total variable costs	**100,198**	**105,065**	**1,812**	**2,425**	**27.9**	**31.1**
Total gross margin	**259,250**	**232,856**	**4,688**	**5,374**	**72.1**	**68.9**
Fixed costs						
Labour:						
Regular paid	53,930	56,736	975	1,309	15.0	16.8
Regular unpaid	27,181	34,973	492	807	7.6	10.3
Casual labour	33,661	39,576	609	913	9.4	11.7
Power & machinery costs:						
Contract & hire	8,779	7,709	159	178	2.4	2.3
Fuel & electricity	17,363	14,665	314	338	4.8	4.3
Repairs	12,609	12,854	228	297	3.5	3.8
Machinery depreciation	16,040	15,160	290	350	4.5	4.5
Glasshouse depreciation	2,117	2,009	38	46	0.6	0.6
Rent (incl. imputed)	27,522	22,113	498	510	7.7	6.5
Other costs:						
Occupier's repairs	7,175	5,929	130	137	2.0	1.8
Permanent crop depreciation	203	1,808	4	42	0.1	0.5
Water	2,028	1,907	37	44	0.6	0.6
Sundries	16,044	15,027	290	347	4.5	4.4
Total fixed costs	**224,652**	**230,465**	**4,063**	**5,319**	**62.5**	**68.2**
Management & investment income	**34,598**	**2,391**	**626**	**55**	**9.6**	**0.7**
Minus: management salaries	435	289	8	7	0.1	0.1
Plus: farmer & spouse labour	22,168	27,449	401	634	6.2	8.1
Net farm income	**56,331**	**29,551**	**1,019**	**682**	**15.7**	**8.7**
Farm business income	**61,764**	**36,345**	**1,117**	**839**	**17.2**	**10.8**

Premium businesses	Per hectare 2012/13	Per £100 of gross output 2012/13
Number of businesses	13	13
Productive cropping area (ha)	16.42	
	£ per hectare	*average %*
Gross output	**16,248**	**100.0**
Variable costs		
Seed & young plants	1,360	8.4
Fertilisers & composts	373	2.3
Crop protection	481	3.0
Market charges	573	3.5
Packing materials	771	4.7
Horticultural sundries	965	5.9
Glasshouse fuel	163	1.0
Other variable costs	4	0.0
Total variable costs	**4,689**	**28.9**
Total gross margin	**11,559**	**71.1**
Fixed costs		
Labour:		
Regular paid	1,672	10.3
Regular unpaid	2,555	15.7
Casual labour	1,969	12.1
Power & machinery costs:		
Contract & hire	39	0.2
Fuel & electricity	502	3.1
Repairs	483	3.0
Machinery depreciation	404	2.5
Glasshouse depreciation	76	0.5
Rent (incl. imputed)	652	4.0
Other costs:		
Occupier's repairs	101	0.6
Permanent crop depreciation	329	2.0
Water	77	0.5
Sundries	809	5.0
Total fixed costs	**9,668**	**59.5**
Management & investment income	**1,891**	**11.6**
Minus: management salaries	3	0.0
Plus: farmer & spouse labour	1,832	11.3
Net farm income	**3,720**	**22.9**
Farm business income	**4,277**	**26.3**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Glasshouse crops	13.2	10.3	18.3
Outdoor vegetables:			
Brassicas	6.5	8.5	12.5
Legumes	0.3	0.2	0.1
Salad crops	12.9	9.6	2.4
Other outdoor vegetables	9.2	19.0	7.0
Flowers & nursery stock	8.3	5.3	8.7
Soft fruit	18.3	21.6	16.4
Top fruit	4.3	5.1	21.6
Farm crops	27.0	20.3	13.0
Total	**100.0**	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13	Premium 2012/13
Crops & tillages	12	12	7
Stores	7	8	10
Glasshouses	5	5	8
Equipment	34	37	33
Livestock	5	2	0
Other	37	36	42
Total	**100**	**100**	**100**
Tenant's capital (£)	**291,644**	**241,229**	**168,677**

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

	Average 2011/12	Average 2012/13
Over £100,000	16	10
£50,000 to <£100,000	6	4
£25,000 to <£50,000	12	10
£12,500 to <£25,000	4	7
0 to <£12,500	9	7
-£12,500 to 0	1	7
-£25,000 to <-£12,500	2	0
-£50,000 to <-£25,000	1	2
Below -£50,000	1	3
Total	**52**	**50**

Table 2.23 Other horticulture businesses, mainly outdoor vegetable crops*

	Per business		*Per hectare*		*Per £100 of gross output*	
	2011/12	**2012/13**	**2011/12**	**2012/13**	**2011/12**	**2012/13**
Number of businesses	16	19	16	19	16	19
Productive cropping area (ha)	27.58	29.80	27.58	29.80		
	Average £/business		*Average £/hectare*		*Average %*	
Gross output	**229,033**	**251,576**	**8,305**	**8,443**	**100.0**	**100.0**
Variable costs						
Seed & young plants	28,253	30,589	1,025	1,027	12.3	12.2
Fertilisers & composts	7,670	8,951	278	300	3.3	3.6
Crop protection	6,872	11,339	249	381	3.0	4.5
Market charges	4,499	5,908	163	198	2.0	2.3
Packing materials	8,384	10,566	304	355	3.7	4.2
Horticultural sundries	2,951	2,459	107	83	1.3	1.0
Glasshouse fuel	332	507	12	17	0.1	0.2
Other variable costs	1,594	759	58	25	0.7	0.3
Total variable costs	**60,554**	**71,078**	**2,196**	**2,385**	**26.4**	**28.3**
Total gross margin	**168,479**	**180,498**	**6,109**	**6,057**	**73.6**	**71.7**
Fixed costs						
Labour:						
Regular paid	34,950	47,820	1,267	1,605	15.3	19.0
Regular unpaid	26,014	32,821	943	1,101	11.4	13.0
Casual labour	16,763	28,388	608	953	7.3	11.3
Power & machinery costs:						
Contract & hire	7,031	3,385	255	114	3.1	1.3
Fuel & electricity	9,053	12,756	328	428	4.0	5.1
Repairs	7,796	8,817	283	296	3.4	3.5
Machinery depreciation	9,977	11,205	362	376	4.4	4.5
Glasshouse depreciation	323	414	12	14	0.1	0.2
Rent (incl. imputed)	20,155	16,558	731	556	8.8	6.6
Other costs:						
Occupier's repairs	3,936	2,679	143	90	1.7	1.1
Permanent crop depreciation	346	29	13	1	0.2	0.0
Water	2,096	1,620	76	54	0.9	0.6
Sundries	12,540	11,671	455	392	5.5	4.6
Total fixed costs	**150,979**	**178,162**	**5,475**	**5,979**	**65.9**	**70.8**
Management & investment income	**17,499**	**2,336**	**635**	**78**	**7.6**	**0.9**
Minus: management salaries	58	0	2	0	0.0	0.0
Plus: farmer & spouse labour	22,375	23,729	811	796	9.8	9.4
Net farm income	**39,817**	**26,065**	**1,444**	**875**	**17.4**	**10.4**
Farm business income	**43,097**	**33,140**	**1,563**	**1,112**	**18.8**	**13.2**

Crop output per cent of total crop output (%)

	Average 2011/12	Average 2012/13
Glasshouse crops	5.2	4.6
Outdoor vegetables:		
Brassicas	27.9	21.6
Legumes	0.5	0.1
Salad crops	32.1	30.8
Other outdoor vegetables	20.7	23.0
Flowers & nursery stock	0.0	0.2
Soft fruit	0.0	1.4
Top fruit	0.0	0.1
Farm crops	13.6	18.3
Total	**100.0**	**100.0**

Distribution of tenant's type capital (%)

	Average 2011/12	Average 2012/13
Crops & tillages	8	11
Stores	3	7
Glasshouses	2	5
Equipment	33	36
Livestock	1	1
Other	54	41
Total	**100**	**100**
Tenant's capital (£)	**171,646**	**152,305**

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

	Average 2011/12	Average 2012/13
Over £100,000	5	4
£50,000 to <£100,000	2	1
£25,000 to <£50,000	3	3
£12,500 to <£25,000	1	3
0 to <£12,500	3	1
-£12,500 to 0	0	5
-£25,000 to <-£12,500	1	0
-£50,000 to <-£25,000	0	1
Below -£50,000	1	1
Total	**16**	**19**

** no premium figures, sample too small*

Table 2.24 Balance sheet data for horticultural businesses

Group	All horticulture		Specialist glass		Specialist fruit	
Number of businesses	207		67		52	
Harvest year	2012/13 Opening	2012/13 Closing	2012/13 Opening	2012/13 Closing	2012/13 Opening	2012/13 Closing
Assets						
Fixed assets						
Land,buildings & SPS entitlement	556,503	609,350	297,241	319,263	807,406	872,615
Breeding livestock	1,450	1,435	0	0	3,004	2,821
Machinery & glasshouses	86,402	88,125	118,790	133,456	66,151	67,560
Permanent crops	20,519	21,043	624	785	60,588	64,436
Miscellaneous business assets	2,032	1,822	73	73	813	807
Total fixed assets	**666,906**	**721,775**	**416,728**	**453,578**	**937,962**	**1,008,239**
Current assets						
Crops & trading livestock	40,604	44,099	33,824	38,952	9,095	9,891
Goods in store	21,845	22,011	32,481	32,271	7,736	7,794
Liquid assets	79,010	80,793	81,790	84,680	80,976	76,141
Total current assets	**141,458**	**146,903**	**148,094**	**155,903**	**97,807**	**93,826**
Total assets	**808,364**	**868,678**	**564,822**	**609,481**	**1,035,769**	**1,102,065**
Liabilities						
Bank term loan	34,207	34,056	13,954	28,641	30,036	71,367
Other loans	48,486	53,839	28,324	31,975	70,592	35,096
Bank overdraft	22,146	26,732	15,667	20,527	18,614	24,131
Other short term loans	42,418	40,845	53,640	50,295	30,630	28,044
Total external liabilities	**147,256**	**155,471**	**111,586**	**131,438**	**149,871**	**158,639**
Net worth	**661,108**	**713,206**	**453,236**	**478,043**	**885,898**	**943,425**
Percentage equity (%)	81.8%	82.1%	80.2%	78.4%	85.5%	85.6%

Table 2.25 A comparison of net worth and percentage equity by farm type

	Average Assets 2012/13	Average Liabilities 2012/13	Average Net Worth 2012/13	Average % Equity 2012/13
Defra main farm type				
Lowland cattle & sheep	1,012,912	71,882	941,030	92.9%
Cereals	2,111,332	174,834	1,936,498	91.7%
Mixed	1,599,945	144,151	1,455,794	91.0%
General cropping	2,192,417	250,995	1,941,422	88.6%
Horticulture	838,521	151,364	687,157	81.9%
Dairy	1,682,056	298,824	1,383,233	82.2%
Pigs	983,644	258,155	725,490	73.8%
Poultry	1,160,532	345,543	814,989	70.2%
All businesses	**1,510,195**	**164,939**	**1,345,256**	**89.1%**

Group	Specialist HNS		Other horticulture	
Number of businesses	38		50	
Harvest year	2012/13 Opening	2012/13 Closing	2012/13 Opening	2012/13 Closing
Assets				
Fixed assets				
Land,buildings & SPS entitlement	244,738	254,070	692,085	773,923
Breeding livestock	0	0	1,955	2,012
Machinery & glasshouses	70,601	68,937	96,663	96,722
Permanent crops	662	685	17,759	16,982
Miscellaneous business assets	5,703	4,865	1,038	1,038
Total fixed assets	**321,704**	**328,557**	**809,500**	**890,676**
Current assets				
Crops & trading livestock	101,392	106,654	22,311	25,647
Goods in store	39,047	40,551	15,595	15,124
Liquid assets	91,873	94,963	69,435	73,511
Total current assets	**232,312**	**242,168**	**107,340**	**114,281**
Total assets	**554,016**	**570,725**	**916,840**	**1,004,957**
Liabilities				
Bank term loan	17,897	14,225	52,203	28,378
Other loans	31,405	29,486	53,386	84,655
Bank overdraft	28,914	31,948	21,831	26,786
Other short term loans	47,818	47,231	41,893	40,777
Total external liabilities	**126,034**	**122,891**	**169,313**	**180,597**
Net worth	**427,983**	**447,834**	**747,527**	**824,360**
Percentage equity (%)	77.3%	78.5%	81.5%	82.0%

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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 businesses 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 business towards covering its fixed costs and providing for a profit.

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

Abbreviations used in this Publication

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

Rounding

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

Derivation of Farm Business Income

Net Farm Income

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

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

Equals:
- Farm Business Income

Appendix 1: Reports in this series

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

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