



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

*Farm
business
analysis
(covering)*

GIANNI FOUNDATION OF
AGRICULTURAL ECONOMICS
LIBRARY
W. J. BAIN

THE WEST OF SCOTLAND AGRICULTURAL COLLEGE

FARM FINANCIAL RETURNS, 1954-55

AVERAGES FROM FARM ACCOUNTS

- DAIRY FARMS
- HILL FARMS
- CROPPING FARMS
- STOCK-RAISING FARMS

ECONOMICS DEPARTMENT
REPORT No. 34
JULY, 1956

6, BLYTHSWOOD SQUARE,
GLASGOW, C.2.

FARM FINANCIAL RETURNS, 1954-55

CONTENTS

Page

Foreword
Summary
Accounting Method and Terms

DAIRY FARMS

General Average of Profit and Surplus	(i)
Group Averages - by Herd-Size Groups	(ii)
Group Averages - Gross and Net Farm Output	(iii)
Group Averages - Milk Output, Stock-Carry, etc	(iii)

HILL FARMS

The Accounting Sample	1
Farming and Market Conditions	1
Lamb Marking and Death Rates	2
Average Profitability per Farm, per Ewe and per 1000 Acres	3
Percentage Return on Capital	3
Profitability by Groups	4 & 5
Output Averages	6

CROPPING FARMS

Introductory	(a)
Grouping by Type	(b)
Features of the Type Groups	(b)&(c)
Distribution of Surplus in Type Groups	(c)
Summarised Farm Accounts, by Type Groups	(d)
Outputs and Charges, by Type Groups	(d)
Some Information by Size Groups	(c)&(f)

STOCK RAISING FARMS

Introductory	(g)
Distribution of Surplus per farm and per acre	(g)
Average from the Summarised Farm Accounts	(h)
The Place of Subsidies and Grants in Revenue	(h)

APPENDIX TABLES

Table 1. Dairy Farms. Summary of Accounting Results by Size Groups	- <u>PER FARM</u>
Table 2. Dairy Farms. Summary of Accounting Results by Size Groups	- <u>PER ACRE</u>
Table 3. Dairy Farms. Average Valuation by Size Groups	- <u>PER FARM</u>
Table 4. Dairy Farms. Average Revenue by Size Groups	- <u>PER FARM</u>
Table 5. Dairy Farms. Average Revenue by Size Groups	- <u>PER ACRE</u>
Table 6. Dairy Farms. Average Expenditure by Size Groups	- <u>PER FARM</u>
Table 7. Dairy Farms. Average Expenditure by Size Groups	- <u>PER ACRE</u>
Table 8. Dairy Farms. Cropping Acreages by Size Groups.	
Table 9. Dairy Farms. Outputs and Charges by Size Groups	- <u>PER ACRE</u> and <u>PER COW CARRIED</u>

-----OO-----

Table I - Hill Farms. Average Expenditure by Groups,	<u>PER FARM</u>
Table II - Hill Farms. Average Revenue by Groups,	<u>PER FARM</u>
Table III - Hill Farms. Percentage Expenditure and Revenue.	

-----OO-----

Table A. Cropping Farms. Cropping Acreages	- <u>PER FARM</u>
Table B. Cropping Farms. Average Numbers of Stock at Valuation Dates	- <u>PER FARM</u>
Cropping Farms. Power at Valuation Dates	- <u>PER FARM</u>
TABLE C. Cropping Farms. Summary of Average Financial Return	- <u>PER FARM</u>
Table D. Cropping Farms. Output and Charges	- <u>PER ACRE</u>
Table E. Cropping Farms. Average Expenditure	- <u>PER ACRE</u>
Table F. Cropping Farms. Average Revenue	- <u>PER ACRE</u>

-----OO-----

Table G. Stock-Raising Farms. Summary of Average Financial Return	- <u>PER FARM</u>
Table H. Stock-Raising Farms. Average Cropping and Breeding Stock	- <u>PER FARM</u>
Table I. Stock-Raising Farms. Average Expenditure	- <u>PER FARM</u>
Table J. Stock-Raising Farms. Average Revenue	- <u>PER FARM</u>
Table K. Stock-Raising Farms. Output and Charges	- <u>PER FARM</u>

-----OO-----

THE WEST OF SCOTLAND AGRICULTURAL COLLEGE

FARM FINANCIAL RETURNS, 1954-55

AVERAGES FROM FARM ACCOUNTS

FOREWORD

This report deals with information obtained from 207 farm accounts for the farming year 1954-55. It has been prepared mainly for reference purposes.

The information brought together here is in four sections which were originally written as separate reports on the farming types - dairy farms, hill farms, cropping farms and stock-raising farms - represented in the sample of financial accounts available to the College.

For the majority of the farm accounts, the financial year dealt with closed at March or May, 1955, but with some financial years closing at November or December, 1954 and January and February, 1955. For the dairy-farm accounts the results are mainly those for a year covering the grazing season of 1954 and the winter period of 1954-55. The hill farm and stock-raising farm accounts relate to the returns from the lamb crop, calf crop and wool clip of 1954, while the cropping farm accounts relate to the disposal of crop 1954.

The collection and preparation of the accounting and statistical material is the work of several members of staff, but J.B. McCreath prepared the section on Hill Farms and J.F. Macpherson and R.G. Russell jointly did most of the preliminary work on the Cropping Farm figures. J.A.R. Mitchell prepared most of the final statistical material.

Acknowledgment is made to the farmers throughout the College province who made their farm accounts available and to the professional accountants who gave assistance in various ways.

J.A. Gilchrist.

SUMMARY

The farming year represented by the farm accounts was, on the whole, an unfavourable one climatically. As regards the dairy farms, the cold and wet grazing season of 1954, the bad (often very bad) grain harvest of that year and the delayed spring of 1955, all affected output and increased the dependence on bought feed. On the hill-farms in the West Highland area, the 1954 lamb crop was low, although, in other parts of the College province, it was not so unfavourable. The cropping farms results were affected by the grain harvest of 1954 and by an unusually difficult potato lifting.

The accounting results for the four farm types and, where possible, for groups within these types, are summarised below. Accounting method and terms are explained in a following section.

	<u>DAIRY FARMS</u>				
	Groups: -				
	10-25	26-35	36-50	51-65	Over
	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>65 Cows</u>
Number of farms	36	32	27	22	12
Average size. Acres (adj.)	70	111	169	213	299
Average number of cows	20	30	41	57	91
SURPLUS - per farm	(-)£109	£143	£239	£794	£1796
" - per acre (adj.)	(-)£1.11/-	£1.6/-	£1.8/-	£3.14/-	£6.1/-
" - per cow carried	(-) £6	£5	£6	£14	£20
<u>Per Acre (adjusted)</u>	£. s.	£. s.	£. s.	£. s.	£. s.
GROSS FARM OUTPUT	42.12	42. 6	38. 8	42.13	44.19
NET FARM OUTPUT	25.11	26.11	24. 3	28.13	31. 9
<u>Per £100 of Total Labour</u>	£	£	£	£	£
GROSS FARM OUTPUT	340	363	377	378	369
NET FARM OUTPUT	204	228	237	254	259

Signs thus, (-) indicate a Deficit.

HILL FARMS

Groups: -

	<u>B.F. Lambs</u>			<u>Other Lambs</u>	
	<u>Highland Area</u>		<u>Other Areas</u>	-	
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	
Number of farms	10	12	10	7	8
Average size. Acres(actual)	1233	2124	4556	2088	2094
Average number of ewes	365	697	1420	830	936
<u>SURPLUS</u> - per farm	(-)£121	(-)£75	£436	£1014	£1238
" - per 1000 acres (actual)	(-) £10	(-) £3	£10	£69	£74
" - per ewe	(-) 7/-	(-) 2/-	7/-	£1. 4/-	£1. 6/-
	<u>Combined A. B & C</u>				
<u>Per 1000 Acres (actual)</u>					
GROSS FARM OUTPUT	£1026		£2207		£2682
NET FARM OUTPUT	£817		£2287		£2269
<u>Per £100 of Total Labour</u>					
GROSS FARM OUTPUT	£246		£396		£340
NET FARM OUTPUT	£202		£315		£286

Signs thus, (-) indicate a Deficit.

	<u>CROPPING FARMS</u>		
	<u>GROUP I</u> (Small Livestock Important)	<u>GROUP II</u> (Stock Buying Important)	<u>GROUP III</u> (Stock Rearing Important)
Number of farms	11	7	7
Average of farm size. Acres(adj.)	158	236	219
SURPLUS - per farm	£770	£699	£323
" - per acre (adj.)	£4.17/-	£3. 0/-	£1.10/-
<u>Per Acre (adjusted)</u>			
GROSS FARM OUTPUT	£35.11/-	£30. 7/-	£25. 4/-
NET FARM OUTPUT	£29. 1/-	£26. 3/-	£21. 6/-
<u>Per £100 of Total Labour</u>			
GROSS FARM OUTPUT	£350	£296	£280
NET FARM OUTPUT	£286	£255	£237

STOCK-RAISING FARMS

(With considerable rough land grazing)

General Averages - No Groups

Number of farms	6
Average of farm size. Acres(actual)	479
(Of which Rough Grazing Acres)	(327)
SURPLUS - per farm	£325
" - per acre (actual)	£0.14/-
<u>Per Acre (Actual)</u>	
GROSS FARM OUTPUT	£6.10/-
NET FARM OUTPUT	£5.11/-
<u>Per £100 of Total Labour</u>	
GROSS FARM OUTPUT	£311
NET FARM OUTPUT	£265

ACCOUNTING METHOD AND TERMS

Definitions of the various terms used and explanations of the accounting methods followed are:-

All accounts were prepared on a tenancy basis. Trading Revenue and Trading Expenditure relate to all the normal tenancy income and outgoings on the farms, but exclude any purchases or sales of capital equipment, or any expenditure on capital improvements such as new byres, cottages, etc. All expenses and revenue arising out of farm ownership are excluded, as are all payments of Income-Tax. Trading Revenue includes the value of produce used in the farm-house; a nominal credit for the rental value of the farmhouse and a share to private account of car running and depreciation. Interest on bank overdraft, where paid, is included among expenditure, but, as far as possible, bank interest relating to farm purchase is excluded. With owner-occupied farms, the rent charged is the gross assessed rent.

Itemised Trading Expenditure As the expenditure is analysed into a standard method of presentation, information on the content of some of the headings is necessary.

"Sundry Livestock Expenses" contains medicines, vaccines, veterinary expenses, dips, etc. etc.

"Sundry Crop Expenses" contains sprays, dusts, potato inspection fees, etc. etc.

"Fertilisers" or "Lime and Fertilisers" are the net expenditures, i.e. all revenue from lime and fertiliser subsidies has been deducted.

"Insurances - General" excludes National Insurance (included with "Labour") and car insurances, but all other insurances are included here - tractors, boilers, stock and crop, etc. etc.

Total Revenue and Total Expenditure include all items dealt with above, plus all expenditure on, or revenue from, the purchase or sale of capital equipment, i.e. implements, tractors, cars, etc.

Depreciation was given on all equipment on hand at the date of the opening valuation and also on all new equipment and structures bought or erected during the year. Initial or investment allowances were not given. The depreciation rates used for plant and machinery are those allowed for income-tax purposes (5% plus one-quarter; 10% plus one-quarter, etc.), while for new structures an annual allowance of one-tenth of net outlay was applied.

Stock and Crop Valuations at the opening and closing dates of the financial year were generally on a conservative basis, either of market value or estimated cost of production. As an indication of the amount of tenancy capital invested, the total valuation figures are low.

Profit represents the balance between Trading Revenue and Trading Expenditure, plus or minus any increase or decrease in the Stock and Crop Valuations during the year, less the charge made for depreciation.

Regarding the figures of Profit, several points require to be noted. At this stage, no charge has been made for any manual work done by the farmer or his wife, nor has any charge been made for interest on the capital invested in tenancy of the farm. Expenditure includes all actual payments for, or estimates of, the cash value and perquisites of all hired and family or partnership labour, excepting only farmer and wife.

Surplus - This term has been more frequently used throughout the report as a measure of profitability than has "Profit". To obtain the figure of Surplus there was added to expenditure an estimate of the value of the manual work done on each farm by the farmer; the basis of the calculation being on a scale rather higher than the minimum rates for specialist workers as scheduled in the Wages Board Orders. In addition an estimated charge was made for the value of the work done by the farmer's wife. This assessment of the extent to which the work of farmer and wife augmented the labour of hired or family workers was possible only on an approximate basis, but was considered necessary in view of the importance of the farmer's work, especially on the smaller farms, in this area.

Neither the figures of Profit nor of Surplus make any allowance for interest on capital invested in tenancy.

Acres (Actual) The total size of the farm, including all rough grazing at its full acreage.

Acres (Adjusted) The "actual" acreage has been reduced to the "adjusted" acreage by calculating 4 acres of rough grazing as equivalent to 1 acre of ordinary grazing.

Acres (Stock-feed) The "adjusted" acreage reduced by the acres under clear-cut cash crops, mainly wheat and potatoes. No adjustment was made for the portion of any fodder crop, e.g. barley or oats acreages ultimately available for sale.

Per Cow (or Per Cow Carried) Based on an average of the cow numbers at the opening and closing valuations. Used in connection with Profit and Surplus is to be read as a convenient way of expressing the return from the whole farm, including enterprises other than milk production.

Per Dairy-Beast Based on an average of all dairy cattle (cows and all other dairy stock) at the opening and closing valuations.

Per Ewe (or Per Ewe Carried) Based on the numbers in the Opening Valuation. Again, figures expressed per ewe are to be read as a convenient way of showing certain aspects of the whole farm.

Per £100 of Total Labour Calculations made on this are based on the expenditure on labour (hired and family) plus the estimate for the value of the manual work of farmer and wife.

Gross Farm Output Calculated as follows:-

Trading Revenue
Plus Closing Valuation of Stock and Crop.
Less Opening Valuation of Stock and Crop.
Less Livestock Purchases.

Net Farm Output Is the figure for Gross Farm Output reduced by the expenditure on concentrate foods, fodders, grazing taken and purchased seeds.

Gross Livestock Output Calculated as follows:-

Revenue from livestock, livestock produce and
livestock subsidies.
Plus Closing Valuation of livestock.
Less Livestock Purchases.

Calculations given of Gross Cattle Output, etc. are calculated similarly.

Net Livestock Output Is the figure for Gross Livestock Output reduced by the expenditure on concentrate foods, fodders and grazing taken.

Gross Crop Output Calculated as follows:-

Revenue from crop and crop subsidies
Plus Closing valuation of crop
Less Opening valuation of crop

Margin This term has been used to indicate the balance left after Net Farm Output has been reduced by the charge for "Lime and Fertilisers" and "Total Labour".

DAIRY FARMS
FARM FINANCIAL RETURNS, 1954-55

The material used to prepare the average figures which are given was obtained from the financial accounts of 129 dairy farms. A few more accounts were available but were omitted from the averages because of markedly untypical features, for example, pig or poultry enterprises very large in relation to the milk-production side of the farm.

All the accounts relate to farms where the milk was sold wholly or mainly on a wholesale basis; farms retailing all or most of the milk production being omitted. A few farms made cheese in addition to selling milk on a wholesale basis in autumn and winter. All farms received the milk bonuses for T.T. and Attested production, although in the period under review many took a reduction of one penny per gallon in the Attested bonus.

The closing date of the financial year for the majority of the accounts was March, 1955 or May, 1955, with most of the remainder closing about November, 1954.

The financial returns for the whole sample were affected to varying degrees by a year of unfavourable weather. Common to all farms was the wet and cold summer and early autumn of 1954. For records ending about November, 1954, the accounting results were also affected by the unfavourable harvest of 1954, in that, in many cases, the quantities of crop on hand were considerably below those of a year earlier. In cases where the financial year ended at March, 1955, practically all farms would begin the winter of 1954-55 with either less home-grain and hay or a low quality sample of these feeds. For the farms with account records closing at May, 1955, there was the added difficulty of a late and cold spring.

General Average

The profitability position was as follows:-

DAIRY FARMS
AVERAGE PROFIT AND SURPLUS - 129 FARMS

Average size of farm (including Rough Grazing) 166 acres
" " " " (adjusted acres) 147 "
" cows per farm 40 cows.

	Per Farm	Per Acre (adj.)	Per Cow Carried
	£	£	£
Trading Revenue	6778	46- 5/-	170- 6/-
Trading Expenses	<u>5483</u>	<u>37- 8/-</u>	<u>137-15/-</u>
Trading Revenue Exceeded Trading Expenses by	1295	8-17/-	32-11/-
<u>Deduct</u> Depreciation on Equipment	<u>435</u>	<u>2-19/-</u>	<u>10-19/-</u>
	860	5-18/-	21-12/-
<u>Deduct</u> Decrease in Stock and Crop Valuation	<u>97</u>	<u>14/-</u>	<u>2- 9/-</u>
	763	5- 4/-	19- 3/-
	PROFIT		
<u>Deduct</u> average estimate for farmer's manual work	<u>345</u>	<u>2- 7/-</u>	<u>8-13/-</u>
<u>Deduct</u> " " " <i>wife's</i> " "	<u>60</u>	<u>8/-</u>	<u>1-10/-</u>
	<u>£358</u>	<u>£2- 9/-</u>	<u>£ 9- 0/-</u>
	<i>SURPLUS</i>		

On the average, Trading Revenue exceeded Trading Expenses by £1295 per farm. After making a deduction for depreciation on equipment and a deduction for the fall in the valuation of stock and crop over the year, the Profit amounted to £763 - equivalent to £5- 4/- per acre (adj.) or, expressed per cow carried, about £19 per cow. When an estimate of the value of the manual work of the farmer and wife was charged against Profit, the Surplus remaining was £358 per farm; £2- 9/- per acre (adj.) or £9 per cow carried. The Surplus represents the accounting balance remaining to cover both the reward of the farmer in his organising and managerial capacity and the interest on his tenancy capital.

(ii)

The level of profitability stated was obtained under average stock-carry and milk output conditions of:-

Average farm acres (adj.) per cow carried	3.7
Average gallonage sold per cow	651
Average gallonage sold per acre (adj.)	177

Group Averages

Within the total of 129 farms, a grouping - the same as that used in earlier reports - was made, namely:-

10 - 25 cows	51 - 65 cows
26 - 35 cows	Over 65 cows
36 - 50 cows	

and the table below gives some averages for these groups.

DAIRY FARMS AVERAGES PER FARM AND PER COW: BY SIZE GROUPS

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
Number of Farms	36	32	27	22	12
Average Size of Farm Acres (Actual)	80	121	210	233	320
Average Size of Farm Acres (Actual) <i>Adj.</i>	70	111	169	213	299
Size of Cow Herd	20	30	41	57	91
Farm acres (adj.) per Cow	3.6	3.7	4.1	3.7	3.3
Gallons Sold per Cow	645	664	751	665	707
	£	£	£	£	£
Profit Per Farm	321	590	628	1157	2133
Profit per Acre (adj.)	4-11/-	5- 6/-	3-14/-	5- 9/-	7- 3/-
Profit per Cow	16	20	15	20	23
Surplus per Farm	(-) 109	143	239	794	1796
Surplus per Acre (adj.)	(-) 1-11/-	1- 6/-	1- 8/-	3-14/-	6- 1/-
Surplus per Cow	(-) 6	5	6	14	20
Surplus per £100 Total Labour	(-) 12	11	14	33	49

A summary of the main items of revenue and expenditure is:-

SOME REVENUE AND EXPENDITURE ITEMS PER ACRE (ADJ.)

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
	£	£	£	£	£
<u>Trading Revenue:-</u>	46-12/-	46- 3/-	42- 7/-	47-12/-	49- 3/-
of which Milk Sales	28-17/-	28- 4/-	27- 0/-	29- 7/-	25- 6/-
Cheese Sales	-	-	-	-	8-14/-
<u>Trading Expenditure:-</u>	37-13/-	36-12/-	35- 5/-	39- 2/-	38-10/-
of which Concentrates	15-10/-	14- 9/-	12-17/-	12- 2/-	11-18/-
(a) Fertilisers	2- 4/-	2- 3/-	2- 6/-	2-13/-	2- 8/-
(b) Labour	6- 8/-	7-12/-	7-18/-	9-11/-	11- 1/-

(a) Fertilisers are net, i.e. all subsidies were deducted from expenditure.

(b) Labour excludes Farmer and Wife.

Appendix Tables, as follows, provide more detailed information:-

- Table 1 - Per Farm: Summary of the Accounting Results, by Groups.
 " 2 - Per Acre (Adj.): ditto.
 " 3 - Per Farm: Average Valuation, by Groups.
 " 4 - Per Farm: Average Revenue, by Groups.
 " 5 - Per Acre:(Adj.): ditto.
 " 6 - Per Farm: Average Expenditure, by Groups.
 " 7 - Per Acre:(Adj.): ditto.
 " 8 - Cropping Acreages, by Groups.

Gross and Net Farm Output

The accounting results are presented in a rather different form to show the averages of Gross and Net Farm Output for the groups.

SOME OUTPUT AVERAGES, 1954-55

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
Number of farms	36	32	27	22	12
Average size - acres (adj.)	70	111	169	213	299
<u>Per Acre (adj.)</u>	£	£	£	£	£
Gross Farm Output	42-12/-	42- 6/-	38- 8/-	42-13/-	44-19/-
<u>Less</u> Purchased Feed	15-19/-	14-11/-	13- 2/-	12- 9/-	12- 4/-
Grazing	6/-	8/-	4/-	8/-	4/-
Seeds	16/-	16/-	19/-	1- 3/-	1- 2/-
Sub-Total	<u>17- 1/-</u>	<u>15-15/-</u>	<u>14- 5/-</u>	<u>14- 0/-</u>	<u>13-10/-</u>
Net Farm Output	<u>25-11/-</u>	<u>26-11/-</u>	<u>24- 3/-</u>	<u>28-13/-</u>	<u>31- 9/-</u>
<u>Per Cow Carried</u>	£	£	£	£	£
Gross Farm Output	152	156	157	159	147
<u>Less</u> Purchased Feed	57	54	53	47	39
Grazing	1	1	1	1	1
Seeds Bought	3	3	4	4	4
Sub-Total	<u>61</u>	<u>58</u>	<u>58</u>	<u>52</u>	<u>44</u>
Net Farm Output	<u>91</u>	<u>98</u>	<u>99</u>	<u>107</u>	<u>103</u>
<u>Per £100 Total Labour</u>	£	£	£	£	£
Gross Farm Output	340	363	377	378	369
Net Farm Output	204	228	237	254	259

The above gross and net outputs for these dairy farm groups were obtained under cropping, stocking and labour conditions of:-

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
Farm acres (adj.)	70	111	169	213	299
Stock - feed acres per farm	69	109	165	209	292
Gallons of milk sold/cow	64.5	66.4	75.1	66.5	70.7
Gallons of milk sold/acre (adj.)	18.4	18.3	18.8	18.2	22.1
Stock-feed acres per cow	3.5	3.6	4.0	3.7	3.2
" " " " dairy beast	1.7	1.7	1.7	1.7	1.6
Breeding ewes per cow	.1	.3	.5	.5	.3
" pigs per cow	.1	Neg.	Neg.	Neg.	Neg.
Store sheep bought per cow	.2	.4	.3	.2	-
" pigs " " "	.3	.2	.3	.3	.7
Adult fowls - per cow	4.7	4.7	2.1	1.6	.7
	£	£	£	£	£
Total Labour - per acre (adj.)	12-11/-	11-13/-	10- 4/-	11- 5/-	12- 3/-
" " per cow carried	44-11/-	43- 1/-	41-14/-	42- 2/-	39-16/-

Appendix Table 9 shows the outputs and the charges against them calculated per acre and per cow carried.

HILL-SHEEP FARMS

1954 Lamb Crop

The Accounting Sample

For the 1954 lamb crop and wool clip year, accounts were available from 51 hill sheep farms in the College area but two of these were unsuitable for inclusion in the averages. Of the remaining 49 farms, all but 8 were producing Blackface lambs.

As in former years, the sample contains a high proportion of farms in the Highland area (Argyll, Dunbarton and West Perth). In all, 38 of the 51 farms were situated in these three counties, although increasing co-operation is now being obtained from farmers in the Southern Upland hill districts. The distribution, size of farm and type of lamb produced are summarised in the following table.

Table 1
TYPE OF LAMB, LOCALITY AND SIZE OF FARMS

Group	<u>BLACKFACE LAMBS</u>				<u>OTHER LAMBS</u>
	<u>Highland Area</u>			<u>Other Areas</u>	
	A	B	C	D	E
Ewe Size Group	Under 500	501-1000	1001-2000	-	-
No. of Farms	10	12	10	7	8

The accounts for farms producing Blackface lambs in the Highland counties were sub-divided into ewe-stock size groups. Two farms with much larger ewe flocks were excluded from these groups but were incorporated in the general averages over all 49 farms.

The lambs produced on the 8 farms were mainly Greyface (cross) (5); Cheviots (2), and mixed (1).

Farming and Market Conditions

The period of time covered by the financial accounts used in this report was from November 1953 to May 1955. For the majority of farms, the financial year ended in the autumn or early winter of 1954, with the remainder closing in March or May 1955 and dealing, therefore, with a different "winter-period" - an important difference when ewe death rates are considered. For this reason the death rates in ewes have been split into two periods, 1953-54 and 1954-55. (See page 2).

The weather at tupping time in 1953 was generally mild but the winter was wet and in some areas heavy snow falls occurred early in the New Year. Although at lambing time the weather was less inclement, ewes were poor in condition and short of milk, especially gimmers. What hopes there might have been of a good lamb crop at disposal time were dispelled by an extremely wet summer and autumn. The almost constant rain in July caused many hold-ups in clipping gatherings and the wool crop was generally patchy, with the weight below average.

Perhaps the worst feature of the wet autumn in 1954 was the effect of uncleared hay and grain fields at the time of the lamb and ewe sales, resulting in a lower selling price for store sheep.

As mentioned above, 14 accounts in the sample covered the 1954-55 winter. That winter was marked by long periods of frost and snow. After March, the weather was dry but cold with little growth of grass at lambing time.

Lamb Crop and Ewe Death Rates

The effects of the weather are reflected in the lamb marking and ewe death percentages given in the following table.

Table 2

LAMB MARKING AND DEATH RATE PERCENTAGES

	<u>Highland Area</u>			<u>Other Areas</u>		<u>All Black-face Farms</u>
	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Group D</u>	<u>Group E</u>	
Number of Farms	10	12	10	7	8	39
	%	%	%	%	%	%
Average Lamb Marking	59.4	55.2	65.4	94.1	87.3	67.3
Range	42-83	37-84	50-77	84-104	64-125	37-104
Average Lamb Death Rates	5.2	5.2	3.5	4.3	2.6	4.9
Range	2-11	1-8	1-9	1-11	0-10	1-11
Average Ewe Death Rates	13.2	13.0	9.1	6.9	7.8	9.6
Range	3-26	6-21	6-18	3-9	7-17	3-26

Group A - Under 500 ewes
 " B - 501-1000 "
 " C - 1001-2000 "
 " D - B.F. Lambs elsewhere
 " E - Lambs other than B.F.

The lamb marking percentages are the number of lambs marked in 1954 expressed as a percentage of the number of ewes and gimmers put to the tup in 1953.

As the table makes clear, the number of lambs marked on Blackface farms outside the "Highland" area (Group D) was considerably higher; the lowest individual figure being the same as the highest individual figure in the Highland area.

Eight farms had less than a 50% lamb crop; one being as low as 37.4%. Also, all these farms were found in the small size groups, A and B, where a low lamb marking percentage is most serious. On the smaller farms such as these, 1954 was an even more disastrous year for lambs than 1951. An examination of the individual percentages for each farm reveals a wide variation in lamb crop results. On the whole, however, 1954 was a much poorer year than 1953. The death rate in Blackface lambs from marking to disposal was in the region of 5% which is a normal annual average.

The death rate in ewes showed a considerable variation from farm to farm but again the smaller flocks had the highest mortality. One farm, with less than 500 ewes, lost over a quarter of its total flock in the year to November 1954. The locality and elevation of the farms seem to be the decisive factors, for one would expect that the smaller unit, with consequently more attention per unit of livestock, would have a lower level of mortality than on the larger units. Such was not the case in this sample.

As explained earlier, for a minority of the accounts the winter period covered by the financial year was that of 1954-55. A comparison of the figures from these accounts with those dealing with the preceding winter is given below.

Winter Death Rates in Ewes

	<u>Highland Area</u>	
	<u>1953-54</u>	<u>1954-55</u>
Number of farms	28	6
Percentage Death Rate	9.1	11.4
	<u>Other Areas</u>	
Number of farms	6	8
Percentage Death Rate	10.1	6.1

From the figures available, it would appear that the 1954-55 winter was even more severe on ewes than the previous year in the Highland area. Other areas, however, were less badly affected in 1954-55. For all 48 farms, the average annual death rate in ewes was 9.3%.

In a three year studyⁱⁱ of some 40 hill sheep farms in Argyll, the death rate in ewes was 13.3% in 1951, 7.4% in 1952 and 8.5% in 1953. Most of the farms dealt with there would fall into Group A (less than 500 ewes). Thus in 1954, the average hill farm in the "Highland" area had its worst death rate since 1951 and on some farms the death rate was even higher than in 1951.

Over the same three years, the average lamb marking percentage on those Cowal farms was 52.5, 70.3, and 73 respectively. In 1954 generally, the lamb crop was slightly better than in 1951 but well below the 1952 and 1953 levels.

Due to the smallness of the sample elsewhere, it is not feasible to draw any similar comparisons for areas other than the Highlands.

FINANCIAL RETURNS

The effects of the low lamb crop, lighter wool clip and lower market prices for store sheep due to the wet autumn are reflected in the financial returns for 1954.

Average Profitability

For the 1954 lamb crop year, the average profitability on the 49 farms in the sample is given below. The 49 farms include two farms with over 2000 ewes which are excluded from the group classifications.

Table 3
AVERAGES PER FARM, PER EWE AND PER 1000 ACRES

Number of Farms	<u>Blackface Lambs</u>			<u>Other Lambs</u>		
	41			8		
	<u>Per Farm</u>	<u>Per Ewe</u>	<u>Per 1000 Acres</u>	<u>Per Farm</u>	<u>Per Ewe</u>	<u>Per 1000 Acres</u>
Trading Revenue exceeded						
Trading Expenditure by	932	20/-	330	2076	44/-	991
Less Depreciation on Equip't.	192	4/-	68	439	10/-	210
	<u>740</u>	<u>16/-</u>	<u>262</u>	<u>1637</u>	<u>34/-</u>	<u>781</u>
Change in Stock and Crop Valuation	(-)38	(-)1/-	(-)14	(-)175	(-)4/-	(-)84
PROFIT	<u>£702</u>	<u>15/-</u>	<u>£248</u>	<u>£1462</u>	<u>30/-</u>	<u>£697</u>
Less Farmer's Work	257	5/6	91	213	4/6	102
	<u>445</u>	<u>9/6</u>	<u>157</u>	<u>1249</u>	<u>25/6</u>	<u>595</u>
Less Wife's Work	32	6	11	11	3	5
SURPLUS	<u>£413</u>	<u>9/-</u>	<u>£146</u>	<u>£1238</u>	<u>25/3</u>	<u>£590</u>

The different level of profitability on farms producing Blackface lambs and other farms (mainly cross lambs) is immediately obvious from this table. In 1954 the average profit per ewe on Blackface farms was exactly half that of the others. After charging farmer and wife's manual work, the surplus per ewe was only 9/- compared with 25/3 from the cross and Cheviot lamb flocks.

Percentage Return on Capital

The question is often raised as to the percentage which farming profits represent as a return on tenancy capital. While it is difficult to make a precise calculation of this - mainly because the stock and equipment valuations are "accountancy" rather than up-to-date "ingo" or "waygo" valuations - an attempt has been made to answer this point.

To overcome this, the following basis was used for the purpose of this calculation.

The capital invested in all equipment, stock, and crop was estimated "all in" at so much per ewe carried; the basis being up-to-date "ingo" valuations. For Blackface farms the figure was £9 and for cross-lamb farms £16 per ewe.

ⁱⁱ A Survey of an Argyll Hill Farm District, McCreath J.B. and Murray, R.D.
W.S.A.C.

	<u>41 B.F. Farms</u>	<u>8 Other Farms</u>
Total Valuation per Ewe	£9	£16
Profit per Ewe	15/-	30/-
Return on Capital	8.3%	9.4%

This is before charging for the farmer and his wife's manual work or for managerial work.

Using the same valuations per ewe, the corresponding returns for the 1953 lamb crop year were 15.5% and 13%; (profit per ewe 28/- and 42/- respectively).

Profitability by Groups

It is only when a finer subdivision of the sample is made that the low level of returns in 1954 on the smaller farms, especially in the Highlands, becomes apparent. Such a subdivision is shown in the next table on Page 5.

Details of the levels of expenditure and revenue for each group are given in Appendix Tables I, II and III.

From the averages of the groups of farms in Argyll, Dunbarton and West Perth in this sample - after charging for the farmer and his wife's manual work - only on the farm with over 1000 ewes was there a Surplus. The Profit of 8/- per ewe would represent about 4.2% return on capital invested at present day values and this would also have to cover the value of manual and managerial work.

In this year of poor lamb crops, 50% of the farms with less than 500 ewes made deficits. In the 500 to 1000 ewe group, 7 farms had deficits and one had a per farm surplus of only £1. Thus, 67% of this group had nothing left after charging for the occupier's manual work. Indeed, in 6 cases the profit was far below the figure required to recompense the occupier for his manual work.

It would appear - at least in this sample - that in 1954 on Highland farms with a pure Blackface flock, 16 or 50% of the farmers were earning less than their shepherds, even after allowing a credit for the value of the farm house, farm produce used, private share of car etc.

The position with Blackface flocks in other counties (mainly Kirkcudbright) was much better and the cross lamb and Cheviot group (E) was also much more profitable but in both cases the average Surplus was below the 1953 level. (Surplus per Ewe, 1953:- 32/- and 37/- per ewe respectively).

Sheep Prices in 1954

The average prices attained by store and fat lambs and draft ewes help to illustrate the varying level of financial return. The average prices at the markets to which the majority of the lambs from these farms would be possibly sent are also given.

<u>Group</u>	<u>Group Averages</u>					<u>1954 Sheep Prices</u>			
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>Oban</u>	<u>Perth</u>	<u>Stirling</u>	<u>Castle-Douglas</u>
Store Lambs	48/-	47/-	48/-	57/-	≠78/-	53/-	71/-	56/-	96/-
Fat Lambs	82/-	72/-	110/-	85/-	90/-	-	-	-	-
Draft Ewes	46/-	50/-	58/-	76/-	†67/-	39/-	85/-	54/-	81/-

≠ Cross lambs.

† Crossed ewes.

The market figures for B.F. store lambs are the weighted averages of wether and ewe lambs together.

It would seem that the average Blackface store lamb from the Highland farms in this sample fetched less than the stated market averages. For ewes, all groups exceeded the Oban average but were below the Perth average.

TABLE 4.

RETURN PER FARM, PER EWE AND PER 1000 ACRES

	Group A			Group B			Group C			Group D			Group E		
No. of Farms	10			12			10			7			8		
Average Size in Acres	1,233			2,124			4,556			2,088			2,094		
Average No. of Ewes per Farm	365			697			1,420			830			936		
Average Lamb Marking (%)	59			55			65			94			87		
No. of Farms with a Deficit	5			7			3			1			2		
	Per Farm	Per Ewe	Per 1000 Acres	Per Farm	Per Ewe	Per 1000 Acres	Per Farm	Per Ewe	Per 1000 Acres	Per Farm	Per Ewe	Per 1000 Acres	Per Farm	Per Ewe	Per 1000 Acres
Trading Revenue exceeded Trading Expenditure by Less Deprec'n.	£425	23/-	£34	£654	19/-	£25	£747	11/-	£16	£1454	35/-	£99	£2076	44/-	£124
	101	5/-	8	140	4/-	5	203	3/-	4	382	9/-	26	439	9/-	26
	324	18/-	26	514	15/-	20	544	8/-	12	1072	26/-	73	1637	35/-	98
Change in Stock and Crop Val'n.	(-)98	(-)6/-	(-)8	(-)185	(-)6/-	(-)7	(+)2	Neg.	Neg.	(+)292	(+)7/-	(+)20	(-)175	(-)4/-	(-)10
PROFIT	226	12/-	18	329	9/-	13	546	8/-	12	1364	33/-	93	1462	31/-	88
Less Farmer's Manual Work	300	16/-	24	358	10/-	14	100	1/-	2	320	8/-	22	213	5/-	13
	(-)74	(-)4/-	(-)6	(-)29	(-)1/-	(-)1	446	7/-	10	1044	25/-	71	1249	26/-	75
Less Wife's Manual Work	47	3/-	4	46	1/-	2	10	Neg.	Neg.	30	1/-	2	11	-	1
SURPLUS or DEFICIT	(-)£121	(-)7/-	(-)£10	(-)£75	(-)2/-	(-)£3	£436	7/-	£10	£1014	24/-	£69	£1238	26/-	£74

Group A. Under 500 ewes)
 " B. 501 - 1000 ") Blackface Lambs
 " C. 1001 - 2000 ") in Highland Area
 " D. Blackface Lambs Elsewhere
 " E. Lambs other than Blackface.

Some Output Averages

In the following section some output averages are given for three groups, viz:- Blackface farms in the Highlands, Blackface farms elsewhere and farms producing Cross and Cheviot Lambs.

An explanation of the terms used is given at the front of the report. It should be noted that the Gross Cattle Output includes subsidies (Hill Cow, Attestation and Calf).

Although output figures were calculated for each farm account in the sample, for confidential reasons they cannot be circulated to all readers.

A study of these individual output factors showed some interesting but occasionally conflicting reasons for high or low profits on a particular farm. One point, however, held for all accounts:- losses and low profits went hand-in-hand with poor lamb crops.

Since the figures in Table 6 are averages, any individual irregularities are masked and the group averages occupy the relative positions in each output calculation, which one would expect from the type of farm in the group.

Table 6
SOME OUTPUT AVERAGES

	<u>Blackface Lambs</u>		<u>Other Lambs</u>
	<u>Highland</u>	<u>Elsewhere</u>	
No. of Records	34	7	8
Average No. of Ewes per Farm	950	830	936
Average Acres per Ewe carried	3.1	2.5	2.2
Average No. of Cows per Farm	11.6	14	14
Average Lamb Marking Percentage	63%	94%	87%
<u>Gross Farm Output</u>			
Per Farm	£3058	£4609	£5618
Per 1000 Acres	1026	2207	2682
Per £100 of Total Labour	246	396	340
<u>Net Farm Output</u>			
Per Farm	2448	3701	4753
Per 1000 Acres	817	2287	2269
Per £100 of Total Labour	202	315	286
Per Score of Ewes	52	89	102
<u>Gross Cattle Output</u>			
Per Farm	546	720	1013
Per 1000 Acres	183	345	484
Per Cow Carried	47	51	72
<u>Gross Sheep and Wool Output</u>			
Per Farm	2251	3552	4151
Per 1000 Acres	756	1029	1982
Per Score of Ewes	48	86	80

These output figures, especially per score of ewes and per £100 of Total Labour (i.e. including farmer and wife), are of value as a guide to how the productivity of an individual farm compares with the average for its group.

Conclusion

The financial returns of lamb crop year 1954 were well below those of the preceding two years and in some instances, particularly on the smaller Highland farms, were poorer than the bad year of 1950-51.

Table 6
SOME OUTPUT AVERAGES

	<u>Blackface Lambs</u>		<u>Other Lambs</u>
	<u>Highland</u>	<u>Elsewhere</u>	
No. of Records	34	7	8
Average No. of Ewes per Farm	950	830	936
Average Acres per Ewe carried	3.1	2.5	2.2
Average No. of Cows per Farm	11.6	14	14
Average Lamb Marking Percentage	63%	94%	87%
 <u>Gross Farm Output</u>			
Per Farm	£3058	£4609	£5618
Per 1000 Acres	1026	2207	2682
Per £100 of Total Labour	246	396	340
 <u>Net Farm Output</u>			
Per Farm	2448	3701	4753
Per 1000 Acres	817	2287	2269
Per £100 of Total Labour	202	315	286
Per Score of Ewes	52	89	102
 <u>Gross Cattle Output</u>			
Per Farm	546	720	1013
Per 1000 Acres	183	345	484
Per Cow Carried	47	51	72
 <u>Gross Sheep and Wool Output</u>			
Per Farm	2251	3552	4151
Per 1000 Acres	756	1029	1982
Per Score of Ewes	48	86	80

These output figures, especially per score of ewes and per £100 of Total Labour (i.e. including farmer and wife), are of value as a guide to how the productivity of an individual farm compares with the average for its group.

Conclusion

The financial returns of lamb crop year 1954 were well below those of the preceding two years and in some instances, particularly on the smaller Highland farms, were poorer than the bad year of 1950-51.

Acknowledgments

Grateful acknowledgment is made to the farmers and professional accountants in the Colloge area who made available the accounts on which this report is based; also to members of the Economics staff who assisted in the collection and preparation of the figures.

CROPPING FARMSFARM FINANCIAL RETURNS, 1954-55

The term "Cropping Farms" is used here to indicate farms which draw a considerable part of their revenue from the sale of cash crops. In this College province, where the lowgrounds are largely concerned with dairy farming and the uplands and hills with sheep farming, such cropping farms are relatively few. Also, as the area of really first class arable land is small, a fair sized sample of accounts from medium to large cropping farms on the best arable land cannot be obtained.

Farms of this type are found mainly, (i) In West Perthshire, where potatoes are easily the main cash crop, and where there is a wide range in farm size and in soil quality (ii) To a lesser extent in Stirlingshire and Clackmannanshire (iii) On a strip of land in Renfrewshire, adjoining the Clyde and (iv) in southern Dumfries-shire. The farm accounts used for this report are drawn largely from West Perthshire with a few records from the other areas.

It is not easy to obtain a satisfactory grouping of the sample of accounts of this type which are available annually, partly because of variations in size and soil quality and also because of the difference in livestock enterprises. A trial grouping was, however, made on the lines shown below and as it appeared to bring out the main differences in levels of expenditure and revenue, the average results for 1954-55, (covering the crop year 1954) are given by these type groups. For certain purposes a regrouping was made by size irrespective of type, and some averages according to this size grouping are also given.

The weather in 1954 was not favourable to high crop yields or to quick and cheap handling of the grain and potato crops. In some districts the grain harvest was extremely difficult while the lifting of the 1954 potato crop was lengthy and costly.

The 1954 grain crop was the first on which Cereal Deficiency Payments were to be made, although, in fact, payments were finally made only on wheat and barley - this latter only a small per acre payment. The farm accounts available closed their financial year either at November, 1954 or March or May, 1955, and the Wheat Deficiency Payments were, as far as possible, allowed for either in the value placed on unsold wheat or by the actual revenue or outstanding revenue on wheat delivered off the farm before the close of the financial year. On the other hand, the deficiency payment on the barley acreage of the 1954 crop was not credited in the farm accounts, largely because the announcement of a payment was delayed.

SOME INFORMATION FROM TYPE-GROUPSGrouping By Type

Farm accounts from 28 cropping farms were available but only 25 of these were considered suitable for grouping and averaging. As the main variations come on the livestock side, the 25 records were grouped as follows:-

- GROUP I - Cropping farms where the revenue from small livestock (poultry and/or pigs) was above average in importance. This group was of 11 farms.
- GROUP II - Cropping farms tending to buy, rather than rear, cattle and sheep, i.e. with comparatively heavy expenditure on store cattle and store sheep. This group was of 7 farms.
- GROUP III - Cropping farms tending to rear cattle and sheep rather than buy. This group was of 7 farms.

(b)

Even within these small groups there were type variations, but the averages do give a fairly reliable indication of the levels of expenditure and revenue for the crop year dealt with.

Preliminary Definition of Terms

Throughout the report the term "Actual Acres" is used to indicate total size, with any rough grazing included as its full acreage.

Where "Acres" is used alone it indicates the "adjusted acreage" i.e. with rough grazing taken at a reduced value; usually 4 acres of rough taken as equivalent to one acre of ordinary grazing.

The term "Surplus" is used to indicate the Profit reduced by an estimated charge for the manual work of farmer and wife.

Where "Total Labour" is used it indicates that this estimate for farmer and wife's work is included with the labour charge.

Distribution of Farm Size within the Type Groups

As the total sample of farms is too small to allow of size grouping within the type groups, each of the three type groups contains farms of varying size.

Three size groupings were used, namely

"Small" farms	.....	150 acres and under	.....	12 farms	
			(Average	.....	118 acres)
"Medium" farms	.....	151-300 acres	.....	8 farms	
			(Average	.....	212 acres)
"Large" farms	.....	Over 300 acres	.....	5 farms	
			(Average	.....	363 acres)

The position of farm size within the type groups was as follows:-

Type Group I	-	"Small" farms	.....	7	
		"Medium" farms	.....	3	
		"Large" farms	.....	1	11 farms
Type Group II	-	"Small" farms	.....	2	
		"Medium" farms	.....	2	
		"Large" farms	.....	3	7 farms
Type Group III	-	"Small" farms	.....	3	
		"Medium" farms	.....	3	
		"Large" farms	.....	1	7 farms

Thus the average results for Type I (Cropping farms with pig and/or poultry revenue important) tend to be weighted by the high proportion of "Small" farms, while for Type II (Cropping farms tending to buy rather than rear stock) the "Medium" and "Large" farms outnumber the "Small". With Type III (Cropping farms tending to rear livestock rather than buy) the sample is almost wholly "Small" and "Medium" farms.

Features of the Type Groups

Certain of the group averages can be used to show the main features of the type groups.

(c)

	<u>Type Group</u>		
	I	II	III
Number of farm accounts	11	7	7
Average size - Actual acres	167	251	236
Average size - acres	158	236	219
% of acreage under plough	51%	47%	47%
Acres in grain crops	58	72	66
Acres in potatoes (includ'g land let)	14	18	14
Gross crop output - per acre	£16.10/-	£13.17/-	£11.12/-
Cows per 100 acres - number	5	2	11
Breeding ewes ditto. - number	22	10	31
Store cattle bought - ditto.	16	50	5
Store sheep bought - ditto.	39	94	17
Gross pig output - per acre	£1.18/-	Neg.	£0.12/-
Gross poultry and egg output - ditto.	£3. 6/-	£0.19/-	£0.17/-
Net livestock output	£13. 4/-	£11.18/-	£9. 8/-

Thus, the Group I averages represent a position where half the farm acreage was under the plough; where the potato acreage was relatively heavier than in the other two groups; where crop output was also relatively higher and where pig and poultry output was markedly higher. The position represented by the Group II averages is that of larger farms spending considerably on purchasing store cattle and store sheep. The Group III averages indicate the position with the rearing cow and the breeding ewe more important than in the other groups.

Tables A and B in the Appendix give details of the acreages of crops grown and of the stock numbers at the valuation dates.

Distribution of the Surplus in the Type Groups

On account of the varying conditions on individual farms, a wide range of financial return, even within groups, is always to be expected but the unusual weather of 1954 would tend to make this more marked according to the fortune of individual farms in securing the grain and potato harvests.

The ranges of the Surplus per Acre on the individual farm was as below.

		<u>Surplus per Acre</u>		
		<u>On 25 farms grouped by Type</u>		
		<u>Group I</u>	<u>Group II</u>	<u>Group III</u>
<u>Surplus</u>	<u>Per Acre</u>			
	Over £11	1 farm	-	-
	£10-£11	1 farm	-	-
	£9-£10	-	-	-
	£8-£9	-	-	-
	£7-£8	-	1 farm	1 farm
	£6-£7	1 farm	-	-
	£5-£6	1 farm	1 farm	-
	£4-£5	1 farm	-	-
	£3-£4	4 farms	1 farm	-
	£2-£3	-	-	-
	£1-£2	-	1 farm	2 farms
	£0-£1	1 farm	1 farm	1 farm
<u>Deficits</u>	£0-£1	-	1 farm	-
	£1-£2	-	1 farm	-
	£2-£3	-	-	1 farm
	Over £3	1 farm	-	2 farms
		<u>11 farms</u>	<u>7 farms</u>	<u>7 farms</u>

For the farms in Group I - cropping with revenue from pigs and/or poultry important - 7 out of the 11 farms had a surplus of between £3 and £7 per acre. In the other two groups the profitability of individual farms was spread out over a wide range.

(d)

Averages, by Type Groups, of the Summarised Farm Accounts

Keeping in mind the wide range of individual farm results in Groups II and III, the averages are:-

Summary of Financial Return

	<u>Group I</u> (Small Livestock important)	<u>Group II</u> (Stock Purchase important)	<u>Group III</u> (Stock- Rearing important)
Number of farms	11	7	7
Average size - acres	158	236	219
	<u>Per Acre</u>	<u>Per Acre</u>	<u>Per Acre</u>
	£. s.	£. s.	£. s.
Trading Revenue exceeded			
Trading Expenses by	10- 2/-	10- 16/-	5- 0/-
Change in Stock and Crop			
Valuation over year	(-)0- 10/-	(-)4- 7/-	(+)0- 4/-
	9- 12/-	6- 9/-	5- 4/-
<u>Deduct</u> Depreciation on Equipment	2- 9/-	2- 7/-	2- 3/-
PROFIT	7- 3/-	4- 2/-	3- 1/-
<u>Deduct</u> Average estimate for farmer's manual work	1- 19/-	0- 19/-	1- 6/-
<u>Deduct</u> ditto. for wife's manual work	0- 7/-	0- 3/-	0- 5/-
SURPLUS	<u>£4- 17/-</u>	<u>£3- 0/-</u>	<u>£1- 10/-</u>

Table C in the Appendix gives a similar statement but shown per farm.

Averages, by Type Groups, of Farm Outputs and Charges

With farms of this type where the numbers of trading livestock (cattle and sheep being fattened or stored) and the quantities of marketable crop on hand can vary greatly between one valuation date and the next, averages of expenditure and revenue, given alone, can be misleading. The farm outputs, which bring into account the valuation items, give a better picture.

Outputs and Charges

	<u>Group I</u> (Small Livestock important)	<u>Group II</u> (Stock Buying important)	<u>Group III</u> (Stock- Rearing important)
	<u>Per Acre</u>	<u>Per Acre</u>	<u>Per Acre</u>
	£. s.	£. s.	£. s.
Gross Farm Output	35-11/-	30- 7/-	25- 4/-
<u>Deduct</u> Purchased Feed, Grazing and Seed Bought	6-10/-	4- 4/-	3-18/-
Net Farm Output	29- 1/-	26- 3/-	21- 6/-
<u>Deduct</u> Fertilisers	3-19/-	2-18/-	2-17/-
	25- 2/-	23- 5/-	18- 9/-
<u>Deduct</u> Labour <u>except</u> farmer and wife's manual	7-17/-	9- 3/-	7- 9/-
	17- 5/-	14- 2/-	11- 0/-
<u>Deduct</u> Estimate for farmer and wife's manual	2- 6/-	1- 2/-	1-11/-
Margin	14-19/-	13- 0/-	9- 9/-
<u>Deduct</u> All other Tenancy Expenditure	7-13/-	7-13/-	5-16/-
	7- 6/-	5- 7/-	3-13/-
<u>Deduct</u> Depreciation on Equipment	2- 9/-	2- 7/-	2- 3/-
SURPLUS	<u>£4- 17/-</u>	<u>£3- 0/-</u>	<u>£1-10/-</u>

The Group I type averages show a higher Gross Farm Output, a higher Net Farm Output and after deducting fertiliser and "total labour", a higher Margin than the other two groups.

(e)

A more detailed statement is given in Table D in the Appendix.

Average Expenditure and Revenue

Appendix Tables E and F give the average itemised expenditure and revenue.

-----oOo-----

SOME INFORMATION BY SIZE-GROUPS

The previous sections have dealt with averages from the type groups, with size of farm not taken into account beyond indicating the numbers of small, medium and large farms. Some features of the averages obtained from the size groups irrespective of type are of interest.

Distribution of the Surplus in the Size Groups

The ranges of the Surplus per Acre in the size-groups was as follows:-

<u>Surplus</u>	<u>Per Acre</u>	<u>Surplus per Acre</u> <u>On 25 farms grouped by Size</u>		
		<u>Small</u> (Under 150 acres)	<u>Medium</u> (151-300 acres)	<u>Large</u> (Over 300 acres)
	Over £11	-	1 farm	-
	£10-£11	1 farm	-	-
	£9-£10	-	-	-
	£8-£9	-	-	-
	£7-£8	-	-	2 farms
	£6-£7	1 farm	-	-
	£5-£6	-	2 farms	-
	£4-£5	-	1 farm	-
	£3-£4	3 farms	-	2 farms
	£2-£3	-	-	-
	£1-£2	2 farms	1 farm	-
	£0-£1	1 farm	1 farm	1 farm
<u>Deficits</u>	£0-£1	1 farm	-	-
	£1-£2	1 farm	-	-
	£2-£3	-	1 farm	-
	Over £3	2 farms	1 farm	-
		<u>12 farms</u>	<u>8 farms</u>	<u>5 farms</u>

It has to be kept in mind that the figures of Surplus represent profit after an estimated charge has been made for any manual work of farmer and wife.

Averages, by Size Groups, of the Summarised Farm Accounts

The following statement gives, per farm the average level of return.

	<u>Summary of Financial Return</u>		
	<u>Small</u>	<u>Medium</u>	<u>Large</u>
Number of farms	12	8	5
Of which:-			
Type I (Small livestock important)	7	3	1
Type II (Stock purchase important)	2	2	3
Type III (Stock rearing important)	3	3	1
Average size - acres	118	212	363
	<u>Per Farm</u>	<u>Per Farm</u>	<u>Per Farm</u>
	£	£	£
Trading Revenue exceeded Trading Expenses by	1038	2063	2824
Change in Stock and Crop Valuation over year	(-)168	(-)578	(-)222
	870	1485	2602
<u>Deduct</u> Depreciation on Equipment	281	539	755
	589	946	1847
<u>Deduct</u> Average estimate for farmer's manual work	334	295	116
<u>Deduct</u> ditto. for wife's manual work	68	51	14
	<u>£187</u>	<u>£600</u>	<u>£1717</u>
	<u>SURPLUS</u>		

(f)

On this basis the average for the Small farms was a Surplus of £187 after charging depreciation on equipment and the value, at equivalent hired labour rates, of the manual work of farmer and wife. For the Medium group the average Surplus was £600 and for the Large group the average Surplus was £1717.

Averages, by Size Groups, of Farm Outputs and Charges

Presenting the average financial returns in this form gave the following:-

	<u>Outputs and Charges</u>		
	<u>Size-Groups</u>		
	<u>Small</u> Per Acre	<u>Medium</u> Per Acre	<u>Large</u> Per Acre
	£. s.	£. s.	£. s.
<u>Gross Farm Output</u>	31- 8/-	30- 1/-	30- 9/-
<u>Deduct</u> Purchased Feed, Grazing and Seed Bought	5-17/-	4-11/-	4-11/-
<u>Net Farm Output</u>	25-11/-	25-10/-	25-18/-
<u>Deduct</u> Fertilisers	3- 2/-	3- 6/-	3- 7/-
	22- 9/-	22- 4/-	22-11/-
<u>Deduct</u> Labour <u>except</u> farmer and wife's manual	7-19/-	8- 6/-	8- 5/-
	14-10/-	13-18/-	14- 6/-
<u>Deduct</u> Estimate for farmer and wife's manual	3- 8/-	1-12/-	0- 7/-
<u>Margin</u>	11- 2/-	12- 6/-	13-19/-
<u>Deduct</u> All Other Tenancy Expenditure	7- 2/-	6-19/-	7- 4/-
	4- 0/-	5- 7/-	6-15/-
<u>Deduct</u> Depreciation on Equipment	2- 8/-	2-11/-	2- 1/-
<u>SURPLUS</u>	<u>£1-12/-</u>	<u>£2-16/-</u>	<u>£4-14/-</u>

Comparing the three size groups at the stage of Net Farm Output, the per acre figures are the same to within a few shillings and the same similarity holds good at the stage where expenditure on fertilisers has been deducted from Net Farm Output. Charging hired and family labour, but not farmer and wife, there is not more than 12/- per acre difference between the groups. With the estimate inserted for the manual work of farmer and wife (highest in the "Small" group) the "Margin" becomes progressively more favourable as size increases. With "Other Tenancy Expenditure" and "Depreciation" very similar, the final difference in "Surplus" per acre, which increases as size increases, lies very largely in the labour charge.

(g)

STOCK RAISING FARMS
(WITH CONSIDERABLE ROUGH LAND GRAZING)

1954-55 FARMING YEAR

The farm types reported on in the earlier sections, namely "dairy", "hill-farm", and "cropping", make up almost all of the farm accounting sample. There is, however, a small number of "stock-raising" farm accounts available, but these represent a very varied lot when considered in relation to the enterprises on the individual farms, and averages prepared from the complete sample would be misleading. Within this total, however, there is one farming type represented by 6 farm accounts and some averages for this small group are given below.

This group has been termed "Stock-Raising" farms but as they represent a type intermediate between the hill-farm proper and the lowground stock-raising farm proper, it is necessary to draw attention to the additional classification of the group, namely "Stock-Raising Farms - With Considerable Rough Land Grazing". The average total size was 479 acres (ranging from 170 acres to 690 acres) while the average acreage under "crops and grass" was 152 acres. All 6 farms carried rearing cows and a ewe flock, while all received the Hill Cattle Subsidy and all had some revenue from Marginal Land Grants. The group averages, therefore, represent a farming type on the edge of moor or hill grazing areas, being generally an upland stock-raising type, with revenue from cash crops almost negligible and with the "crops and grass" area often of a marginal nature. Table H in the Appendix gives some details of cropping and stocking.

Preliminary Definition of Terms

The term "Surplus" is used to indicate the Profit reduced by an estimated charge for the manual work of farmer and wife.

Where the term "Total Labour" is used it indicates that the estimate for farmer and wife's work is included with the labour charge.

All per acre calculations are based on Acres (Actual) which represents the actual size of the farm with rough grazing at its full acreage value.

Closing Dates of the Accounts

Of the 6 farms, 4 closed the financial year at either November, 30th or December, 31st, 1954; the remaining 2 farms having a closing date of May 28th, 1955. Thus the financial returns all relate to the disposal of the lamb crop and calf crop of 1954.

Treatment of Hill-Sheep Subsidy

In none of the accounts is credit given for any hill-sheep subsidy. The Special Hill Ewe Payment announced in the spring of 1955 (at 5/- per ewe on the numbers in flocks at 4th December 1954,) is not included with revenue for any of the 6 farms.

Treatment of Cereal Deficiency Payments

As none of the farms grew wheat or barley for the 1954 crop, no revenue was received or was due under this head.

Distribution of the Surplus per farm and per acre

<u>Per Farm</u>			<u>Per Acre (Actual)</u>	
Surplus. £500 - £725	3 farms	Surplus. Over 30/-	-	-
" £250 - £500	1 farm	" 20/- to 30/-	3 farms	-
" £0 - £250	1 farm	" 10/- to 20/-	2 farms	-
Deficit. £0 - £250	-	" 0/- to 10/-	-	-
" £250 - £500	1 farm	Deficit. 0/- to 10/-	-	-
	<u>6 farms</u>	" 10/- to 20/-	1 farm	-
			<u>6 farms</u>	

The sizes of the 3 farms showing a Surplus in the £500-£725 per farm range were 500 acres, 610 acres and 690 acres respectively. The farm represented in the £250-£500 Surplus group is 480 acres in size.

(h)

Average of the Summarised Farm Accounts

A detailed statement of the average of the summarised accounts for the 6 farms is given in Appendix Table G.

Trading Revenue exceeded Trading Expenses by £749 per farm or £1-11/- per acre (actual). Bringing in the change in the valuation of stock and crop over the year and making a charge for depreciation on equipment, left a Profit of £677 per farm or £1-8/- per acre (actual). Reducing this profit by the estimated charge for the manual work of farmer and wife gave a Surplus of £325 per farm or 14/- per acre (actual).

Itemised Expenditure

This is shown, per farm and per acre, in Appendix Table I.

Itemised Revenue

Table J in the Appendix gives detail per farm and per acre.

The Place of Subsidies and Grants in Revenue

The part played by subsidies and grants in the economy of these upland stock-raising farms is shown by the itemised revenue of Appendix Table J., where the item of "Total Direct Subsidies" averages out at £675 per farm, with the payments on cattle (= hill-cattle, plus calf subsidy plus attestation grant) making up £519. It was stated earlier, when giving the average profitability per farm, that the balance between Trading Revenue and Trading Expenditure averaged at £749 per farm and the analysis of farm revenue now shows that £675 was accounted for by "Direct Subsidies".

The average Profit per farm was £677, almost identical with the average of £675 of "Direct Subsidies" per farm.

Average of Farm Outputs and Charges

It is to be expected that this farming type, making use, as it does, of considerable areas of rough grazing on hills, moors, or uplands, will show relatively low output per acre, although not necessarily low output in relation to labour if the farms are fully stocked and not carrying too large a labour force.

Detail of the various outputs and charges is given in Appendix Table K. The average of the Gross Farm Output per acre (actual) was £6-10/- and the average of the Net Farm Output per acre (actual) was £5-11/-.

The average of the Gross Farm Output per £100 of Total Labour was ~~£310~~ and the similar average for Net Farm Output was £265. 311

FARM FINANCIAL RETURNS

1954-55

APPENDIX TABLES

-----oO-----

TABLE 1
129 DAIRY FARMS 1954-55
PER FARM - SUMMARY OF ACCOUNTING RESULTS - BY GROUPS

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
Number of Farms	36	32	27	22	12
Average Size (Adjusted Acres)	70	111	169	213	299
Average Number of Cows	20	30	41	57	91
Trading Revenue and Subsidies	3283	5114	7153	10142	14689
Trading Expenses	2652	4057	5948	8334	11504
Balance	631	1057	1205	1808	3185
Less Depreciation	231	378	429	642	838
Balance	400	679	776	1166	2347
Change in Stock & Crop Valn. (a)	(-)79	(-)89	(-)148	(-) 9	(-)214
PROFIT	321	590	628	1157	2133
Less Farmer's Manual	359	369	340	316	312
Less Wife's Manual	71	78	49	47	25
SURPLUS	(b)(-)109	143	239	794	1796
Opening Valuation of Equipment Stock & Crop	3407	5184	6357	9222	11257
Closing Valuation of Equipment Stock & Crop	3348	5189	6260	9218	11621
Change in Valuation	(-) 59	+ 5	(-) 97	(-) 4	+ 364

TABLE 2
129 DAIRY FARMS 1954-55
PER ADJUSTED ACRE - SUMMARY OF ACCOUNTING RESULTS - BY GROUPS

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
Number of Farms	36	32	27	22	12
Average Size (Adjusted Acre)	70	111	169	213	299
Average Number of Cows	20	30	41	57	91
Trading Revenue and Subsidies	£. s. 46-12	£. s. 46- 3	£. s. 42- 7	£. s. 47-12	£. s. 49- 3
Trading Expenses	37-13	36-12	35- 5	39- 2	38-10
Balance	8-19	9-11	7- 2	8-10	10-13
Less Depreciation	3- 6	3- 8	2-10	3- 0	2-16
Balance	5-13	6- 3	4-12	5-10	7-17
Change in Stock & Crop Valn.(a)	(-)1- 2	(-) 17	(-) 18	(-) 1	(-) 14
PROFIT	4-11	5- 6	3-14	5- 9	7- 3
Less Farmer's Manual	5- 2	3- 6	2- 0	1-11	1- 0
Less Wife's Manual	1- 0	14	6	4	2
SURPLUS	(b)(-)1-11	1- 6	1- 8	3-14	6- 1
Opening Valuation of Equipment Stock & Crop	48- 8	46-16	37-13	43- 6	37-14
Closing Valuation of Equipment Stock & Crop	47-11	46-17	37- 1	43- 6	38-18
Change in Valuation	(-) 17	+ 1	(-) 12	NIL	+ 1- 4

Note (a) Minus sign (-) indicates a fall in Stock and Crop Valuation.
(b) Minus sign (-) indicates a Deficit.

TABLE 3

129 DAIRY FARMS 1954-55

PER FARM - AVERAGE VALUATION - BY GROUPS

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
	£	£	£	£	£
TOTAL EQUIPMENT (Including Car)	<u>1146</u>	<u>1819</u>	<u>2126</u>	<u>3244</u>	<u>3449</u>
Horses	29	41	53	64	92
Dairy Cows	914	1318	1541	2270	3399
All Other Cattle	538	822	1207	1530	2033
All Sheep	29	102	189	304	204
All Pigs	85	62	43	74	184
Poultry	74	115	65	62	40
TOTAL STOCK	<u>1669</u>	<u>2460</u>	<u>3098</u>	<u>4304</u>	<u>5952</u>
Oat Grain	68	100	102	218	339
All Other Grain	3	16	11	13	10
Straw	9	15	16	22	28
Hay	49	69	93	95	75
Roots and Silage	15	55	37	89	187
All Other Crops	26	55	32	78	44
TOTAL CROPS AND PRODUCE	<u>170</u>	<u>310</u>	<u>291</u>	<u>515</u>	<u>683</u>
Purchased Foods	33	46	57	66	61
Sundry Items	84	128	211	327	312
Cultivations, Seeds, Fertilisers, etc.	133	215	311	513	657
Dung & Unexhausted Improvements	143	209	214	251	325
Sub-Total	<u>393</u>	<u>598</u>	<u>793</u>	<u>1157</u>	<u>1355</u>
GRAND TOTAL	<u>£3378</u>	<u>£5187</u>	<u>£6308</u>	<u>£9220</u>	<u>£11439</u>

"Total Equipment" includes certain buildings erected or work done of a nature qualifying for the one-tenth annual allowance in income-tax practice, e.g. farm building, cottages, major road repairs, etc.

TABLE 4

129 DAIRY FARMS: 1954-55

PER FARM -- AVERAGE REVENUE -- BY GROUPS

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
REVENUE	£	£	£	£	£
Horses	4	3	7	13	-
Cast Cows	126	204	357	410	654
Cows and Heifers	157	263	393	511	318
Bulls	19	27	41	104	52
Calves	26	31	42	59	113
Other Cattle	66	128	138	166	209
Ewes	10	31	65	91	24
Rams	Neg.	Neg.	5	4	27
Lambs and Hoggis	71	218	367	866	346
Pigs	280	226	207	421	1303
Poultry	11	38	14	20	9
TOTAL LIVE STOCK	770	1169	1636	2665	3055
Milk (and Cheese)	2030	3125	4557	6252	10166
Eggs	169	275	141	185	98
Wool	3	22	37	60	39
Other Livestock Produce	-	-	2	-	-
TOTAL LIVESTOCK PRODUCE	2202	3422	4737	6497	10303
Wheat	1	39	26	22	34
Barley	-	5	-	6	-
Oats	15	70	101	186	294
Potatoes	-	78	175	173	149
Potato Land Let	71	-	-	25	-
Roots, Hay, Straw	9	21	33	19	20
Grazing Let	21	22	51	76	81
Other Crops	-	2	2	-	3
TOTAL CROP PRODUCE	117	237	388	507	581
Calf Subsidy	3	8	11	7	5
Hill Sheep Subsidy	-	-	-	-	-
Plough Subsidy	22	28	38	71	99
Fertiliser Subsidies	43	67	104	142	227
Drainage Grant	-	6	6	3	-
Marginal Grant	7	10	17	13	-
Other Subsidies	9	20	33	Neg.	111
TOTAL SUBSIDIES	84	139	209	236	442
Miscellaneous	15	24	35	38	87
Farm Produce as Perquisites	1	8	28	62	96
Produce to House	53	60	63	63	50
Rental Value of House	12	15	19	23	22
To Private Account	29	40	38	51	53
TOTAL "OTHER REVENUE"	110	147	183	237	308
TOTAL TRADING REVENUE	3283	5114	7153	10142	14689
EQUIPMENT SOLD	48	147	56	115	139
TOTAL REVENUE	£3331	£5261	£7209	£10257	£14828
CLOSING VALUATION	£3348	£5189	£6260	£9218	£11621

TABLE 5

129 DAIRY FARMS: 1954-55

PER ADJUSTED ACRE - AVERAGE REVENUE - BY GROUPS

	10-25 Cows	26-35 Cows	36-50 Cows	51-65 Cows	Over 65 Cows
REVENUE	£. s.	£. s.	£. s.	£. s.	£. s.
Horses	1	1	1	1	-
Cast Cows	1-16	1-17	2-2	1-18	2-4
Cows and Heifers	2-5	2-7	2-7	2-8	1-1
Bulls	5	5	5	10	3
Calves	7	6	5	6	8
Other Cattle	19	1-3	16	15	14
Ewes	3	5	8	8	1
Rams	Neg.	Neg.	1	Neg.	2
Lambs and Hoggs	1-0	1-19	2-3	4-2	1-3
Pigs	3-19	2-1	1-4	2-0	4-7
Poultry	3	7	2	2	1
TOTAL LIVE STOCK	10-18	10-11	9-14	12-10	10-4
Milk (and Cheese)	28-17	28-4	27-0	29-7	34-0
Eggs	2-8	2-10	17	17	7
Wool	1	4	4	6	3
Other Livestock Produce	-	-	-	-	-
TOTAL LIVE STOCK PRODUCE	31-6	30-18	28-1	30-10	34-10
Wheat	Neg.	7	3	3	3
Barley	-	1	-	1	-
Oats	4	13	12	17	1-0
Potatoes	1-0	14	1-1	16	10
Potato Land Let	-	-	-	2	-
Roots, Hay, Straw	3	4	4	2	1
Grazing Let	6	4	6	7	5
Other Crops	-	-	-	-	-
TOTAL CROP PRODUCE	1-13	2-3	2-6	2-8	1-19
Calf Subsidy	1	1	1	1	Neg.
Hill Sheep Subsidy	-	-	-	-	-
Plough Subsidy	6	5	5	6	7
Fertiliser Subsidies	12	12	12	14	15
Drainage Grant	-	1	1	Neg.	-
Marginal Grant	2	2	2	1	-
Other Subsidies	3	4	4	-	8
TOTAL SUBSIDIES	1-4	1-5	1-5	1-2	1-10
Miscellaneous	4	4	5	3	5
Farm Produce as Perquisites	Neg.	1	3	6	6
Produce to House	15	11	7	6	3
Rental Value of House	4	3	2	2	2
To Private Account	8	7	4	5	4
TOTAL "OTHER REVENUE"	1-11	1-6	1-1	1-2	1-0
TOTAL TRADING REVENUE	46-12	46-3	42-7	47-12	49-3
EQUIPMENT SOLD	14	1-7	7	11	10
TOTAL REVENUE	£47-6	£47-10	£42-14	£48-3	£49-13
CLOSING VALUATION	£47-11	£46-17	£37-1	£43-6	£38-18

TABLE 6

129 DAIRY FARMS : 1954-55

PER FARM -- AVERAGE EXPENDITURE -- BY GROUPS

EXPENDITURE	10-25	26-35	36-50	51-65	Over 65
	Cows	Cows	Cows	Cows	Cows
	£	£	£	£	£
Horses	1	3	4	2	2
Cows	55	84	112	127	107
Bulls	8	22	28	59	112
Young Dairy Cattle	7	7	24	16	13
Sheep	32	105	183	483	54
Pigs	43	54	93	187	433
Poultry	18	24	19	26	16
TOTAL LIVESTOCK	164	299	463	900	737
Concentrates	1091	1600	2164	2579	3539
Bulk Grain Crops	-	-	5	-	6
Hay, Roots, etc.	36	25	25	71	93
Grazing Taken	21	43	37	84	62
Sundry Livestock Expenses	44	68	80	133	150
TOTAL LIVESTOCK EXPENSES	1192	1736	2311	2867	3850
Seeds	58	92	160	241	322
Fertilisers	199	292	491	708	941
Sundry Crop Expenses	8	15	17	38	52
TOTAL CROP EXPENSES	265	399	668	987	1315
LABOUR	452	844	1332	2038	3297
Implement Repairs & Tools	96	144	210	317	540
Contract Work	36	36	58	81	143
Fuel, Light and Power	114	139	203	274	432
Repairs to Bldgs. Fences, Drains, etc.	48	76	118	172	306
Farm Rent	91	136	219	293	375
Other Rent	2	2	19	Neg.	18
Rates as Occupier	10	17	20	31	24
General Insurances	12	18	29	37	63
Car Running Expenses	78	104	132	160	166
Interest	16	6	35	23	26
Carriage	18	18	32	43	32
Miscellaneous	58	83	99	111	180
TOTAL "OTHER EXPENSES"	579	779	1174	1542	2305
TOTAL TRADING EXPENSES	2652	4057	5948	8334	11504
New Structures	41	179	142	107	542
New Implements	176	202	327	466	698
New Car	82	238	68	190	314
TOTAL NEW EQUIPMENT	299	619	537	763	1554
TOTAL EXPENSES	£2951	£4676	£6485	£9097	£13058
OPENING VALUATION	£3407	£5184	£6357	£9222	£11257

Note: The sum given as "Labour" includes all cash wages, insurances, perquisites, board and lodgings, etc., for all hired and family labour, excluding farmer and wife.

TABLE 7

129 DAIRY FARMS: 1954-55

PER ADJUSTED ACRE - AVERAGE EXPENDITURE - BY GROUPS

EXPENDITURE	10-25	26-35	36-50	51-65	Over 65
	Cows	Cows	Cows	Cows	Cows
	£. s.	£. s.	£. s.	£. s.	£. s.
Horses	-	1	1	-	-
Cows	16	15	13	12	7
Bulls	2	4	3	6	7
Young Dairy Cattle	2	1	3	1	1
Sheep	9	19	1- 2	2- 5	4
Pigs	13	10	11	18	1- 9
Poultry	5	4	2	2	1
TOTAL LIVESTOCK	<u>2- 7</u>	<u>2-14</u>	<u>2-15</u>	<u>4- 4</u>	<u>2- 9</u>
Concentrates	15-10	14- 8	12-16	12- 2	11-17
Bulk Grain Crops	-	-	1	-	1
Hay, Roots, etc.	10	5	3	7	6
Grazing Taken	6	8	4	8	4
Sundry Livestock Expenses	13	12	10	12	10
TOTAL LIVESTOCK EXPENSES	<u>16-19</u>	<u>15-13</u>	<u>13-14</u>	<u>13- 9</u>	<u>12-18</u>
Seeds	16	17	19	1- 3	1- 2
Manures	2-17	2-12	2-18	3- 7	3- 3
Sundry Crop Expenses	2	3	2	3	3
TOTAL CROP EXPENSES	<u>3-15</u>	<u>3-12</u>	<u>3-19</u>	<u>4-13</u>	<u>4- 8</u>
LABOUR	<u>6- 8</u>	<u>7-12</u>	<u>7-18</u>	<u>9-11</u>	<u>11- 1</u>
Implement Repairs and Tools	1- 7	1- 6	1- 5	1-10	1-16
Contract Work	10	7	7	8	10
Fuel, Light and Power	1-13	1- 5	1- 4	1- 6	1- 9
Repairs to Bldgs. Fences, Drains, etc.	14	14	14	16	1- 0
Farm Rent	1- 5	1- 5	1- 6	1- 8	1- 5
Other Rent	1	Neg.	2	Neg.	1
Rates as Occupier	3	3	2	3	2
General Insurances	3	3	3	3	4
Car Running	1- 2	19	16	15	11
Interest	5	1	4	2	2
Carriage	5	3	4	4	2
Miscellaneous	16	15	12	10	12
TOTAL "OTHER EXPENSES"	<u>8- 4</u>	<u>7- 1</u>	<u>6-19</u>	<u>7- 5</u>	<u>7-14</u>
TOTAL TRADING EXPENSES	<u>37-13</u>	<u>36-12</u>	<u>35- 5</u>	<u>39- 2</u>	<u>38-10</u>
New Structures	12	1-12	17	10	1-16
New Implements	2-10	1-17	1-18	2- 4	2- 7
New Car	1- 3	2- 3	8	18	1- 1
TOTAL NEW EQUIPMENT	<u>4- 5</u>	<u>5-12</u>	<u>3- 3</u>	<u>3-12</u>	<u>5- 4</u>
TOTAL EXPENSES	<u>£41-18</u>	<u>£42- 4</u>	<u>£38- 8</u>	<u>£42-14</u>	<u>£43-14</u>
OPENING VALUATION	<u>£48- 8</u>	<u>£46-16</u>	<u>£37-13</u>	<u>£43- 6</u>	<u>£37-14</u>

Note: The sum given as "Labour" includes all cash wages, insurances, perquisites, board and lodgings, etc., for all hired and family labour, excluding farmer and wife.

TABLE 8

129 DAIRY FARMS : CROPPING 1954

CROPPING ACREAGES BY GROUPS - IN ACRES PER FARM

	<u>Cow Herd Groups</u>		
	<u>10-25</u> <u>Cows</u>	<u>26-35</u> <u>Cows</u>	<u>36-50</u> <u>Cows</u>
Wheat	.2	.5	1.2
Barley	-	.2	-
Oats	10.9	17.0	24.5
Mashlum etc.	.5	1.1	1.0
Beans	-	-	-
Potatoes	.9	1.3	2.5
Arable Silage	-	-	-
Turnips, Swedes and Mangolds	3.7	5.0	6.7
Kale, etc.	.6	.5	2.0
Rotation Hay	9.5	15.8	19.0
Rotation Grazing	30.7	49.8	65.4
Timothy Hay	1.7	2.4	4.4
Meadow Hay	1.0	.2	2.3
Permanent Grazing	7.5	13.7	26.0
Rough Grazing	12.9	13.1	55.4
Farm Acres	<u>80.1</u>	<u>120.6</u>	<u>210.4</u>
Number of Cows	20	30	41
Number of All Dairy Stock	41	64	94

	<u>Cow Herd Groups</u>	
	<u>51-65</u> <u>Cows</u>	<u>Over 65</u> <u>Cows</u>
Wheat	1.9	1.5
Barley	.2	2.1
Oats	34.2	44.2
Mashlum etc.	.8	-
Beans	-	.4
Potatoes	2.6	2.7
Arable Silage	.7	1.9
Turnips, Swedes and Mangolds	10.1	18.5
Kale, etc.	3.9	1.8
Rotation Hay	26.8	33.9
Rotation Grazing	100.8	148.7
Timothy Hay	3.6	1.3
Meadow Hay	2.7	2.0
Permanent Grazing	17.8	32.7
Rough Grazing	27.3	28.1
Farm Acres	<u>233.4</u>	<u>319.8</u>
Number of Cows	57	91
Number of All Dairy Stock	124	182

TABLE 9
DAIRY FARM OUTPUT AND CHARGES, 1954-55 - 129 FARMS

	<u>PER ACRE FIGURES</u>					<u>PER COW FIGURES</u>				
	<u>10-25</u>	<u>26-35</u>	<u>36-50</u>	<u>51-65</u>	<u>Over 65</u>	<u>10-25</u>	<u>26-35</u>	<u>36-50</u>	<u>51-65</u>	<u>Over 65</u>
	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>	<u>Cows</u>
	£. s.	£. s.	£. s.	£. s.	£. s.	£. s.	£. s.	£. s.	£. s.	£. s.
Gross Farm Output	42-12	42- 6	38- 8	42-13	44-19	151- 9	156- 4	157- 2	159- 8	147- 0
<u>Less Purchased Feed</u>	15-19	14-11	13- 2	12- 9	12- 4	56-13	53-15	53-12	46-12	39-18
Grazing	6	8	4	8	4	1- 1	1- 9	18	1- 9	14
Seeds	16	16	19	1- 3	1- 2	2-19	3- 1	3-17	4- 5	3-10
(sub-total)	17- 1	15-15	14- 5	14- 0	13-10	60-13	58- 5	58- 7	52- 6	44- 2
Net Farm Output	25-11	26-11	24- 3	28-13	31- 9	90-16	97-19	98-15	107- 2	102-18
<u>Less Fertilisers</u>	2- 6	2- 8	2- 9	2-12	2- 8	8- 5	8-15	10- 2	9-14	7-16
	23- 5	24- 3	21-14	26- 1	29- 1	82-11	89- 4	88-13	97- 8	95- 2
<u>Less Total Labour</u>	12-11	11-13	10- 4	11- 5	12- 3	44-11	43- 1	41-14	42- 2	39-16
MARGIN	10-14	12-10	11-10	14-16	16-18	38- 0	46- 3	46-19	55- 6	55- 6
<u>Less Sundry Expenditure:-</u>										
Crop and Stock Expenses	15	15	11	16	14	2-13	2-15	2- 7	3- 0	2- 4
Implement Repairs & Tools	1- 7	1- 6	1- 5	1- 9	1-16	4-17	4-16	5- 2	5-11	5-18
Contract Work	10	6	7	8	10	1-16	1- 4	1- 8	1- 9	1-11
Fuel, Oil, Light & Power	1-12	1- 5	1- 4	1- 6	1- 9	5-15	4-13	4-18	4-16	4-15
Rent	1- 7	1- 5	1- 8	1- 8	1- 6	4-14	4-12	5-15	5- 3	4- 6
Rates and Insurance	6	6	6	6	6	1- 2	1- 3	1- 4	1- 4	19
Building, etc. Repairs	14	14	14	16	1- 0	2- 9	2-11	2-17	3- 0	3- 7
Car Running Expenses	1- 2	19	16	15	11	3-19	3- 9	3- 4	2-16	1-16
Carriage & Miscellaneous	1- 1	19	16	15	14	3-16	3- 9	3- 4	2-15	2- 7
Interest	5	1	4	2	2	16	4	17	8	6
sub-Total	8-19	7-16	7-11	8- 1	8- 8	31-17	28-16	30-16	30- 2	27- 9
Margin less sub-total	1-15	4-14	3-19	6-15	8-10	6- 3	17- 7	16- 3	25- 4	27-17
<u>Less Depreciation</u>	3- 6	3- 8	2-11	3- 1	2- 9	11-13	12-12	10- 8	11- 5	8- 3
SURPLUS	(-) 1-11	1- 6	1- 8	3-14	6- 1	(-) 5-10	4-15	5-15	13-19	19-14

APPENDIX TABLE I
 47 HILL SHEEP FARMS - 1954 LAMB CROP YEAR
 AVERAGE EXPENDITURE PER FARM BY GROUPS

	<u>BLACKFACE LAMBS</u>			<u>Other Areas</u>	<u>OTHER LAMBS</u>
	<u>GROUP A</u>	<u>Highland</u> <u>GROUP B</u>	<u>GROUP C</u>	<u>GROUP D</u>	<u>GROUP E</u>
	Under 500 ewes	501 to 1000 ewes	1001 to 2000 ewes		
Number of Farms	10	12	10	7	8
Average Size (Acres)	1233	2124	4556	2088	2094
Average Number of Ewes per Farm	365	697	1420	830	936
EXPENDITURE ON:-	£	£	£	£	£
Horses	-	-	-	-	-
Cows	117	23	202	40	85
Bulls	14	7	-	4	36
Calves	3	10	29	20	29
Store Cattle	<u>31</u>	<u>30</u>	<u>18</u>	<u>30</u>	<u>271</u>
CATTLE	<u>165</u>	<u>70</u>	<u>249</u>	<u>94</u>	<u>421</u>
Ewes and Gimmers	-	-	-	-	337
Lambs	-	-	-	-	72
Rams	40	139	205	190	209
Store Sheep	<u>-</u>	<u>-</u>	<u>32</u>	<u>-</u>	<u>131</u>
SHEEP	<u>40</u>	<u>139</u>	<u>237</u>	<u>190</u>	<u>749</u>
Pigs	12	16	-	2	3
Poultry	<u>4</u>	<u>3</u>	<u>1</u>	<u>9</u>	<u>4</u>
TOTAL LIVESTOCK	<u>221</u>	<u>228</u>	<u>487</u>	<u>295</u>	<u>1177</u>
Concentrates	113	166	85	418	290
Hay, Straw, Roots, etc.	54	115	145	106	160
Grazing - Mainly Wintering	32	160	579	353	369
Dip, Vaccines, Medicines, etc.	<u>59</u>	<u>81</u>	<u>196</u>	<u>134</u>	<u>163</u>
TOTAL LIVESTOCK EXPENSES	<u>258</u>	<u>522</u>	<u>1005</u>	<u>1011</u>	<u>982</u>
Seeds	41	35	36	31	65
Lime and Manures	77	91	177	199	424
Sundry Crop Expenses	<u>3</u>	<u>8</u>	<u>8</u>	<u>1</u>	<u>12</u>
TOTAL CROP EXPENSES	<u>121</u>	<u>134</u>	<u>221</u>	<u>231</u>	<u>501</u>
LABOUR	364	518	1494	807	1235
Implement Repairs and Tools	39	44	77	97	87
Contract Work	22	58	63	6	67
Fuel, Light and Power	43	37	63	62	78
Building, Drain and Fence					
Repairs	24	64	77	126	184
Farm Rent	79	119	236	267	341
Other Annual Rent	1	7	11	3	-
Interest on Improvements	-	-	-	-	20
Rates as Occupier	4	9	7	15	24
General Insurances	4	13	9	12	23
Car Expenses	50	122	70	103	118
Interest	8	31	28	33	19
Haulage	30	59	62	43	81
Miscellaneous	<u>52</u>	<u>69</u>	<u>106</u>	<u>88</u>	<u>107</u>
TOTAL OTHER EXPENSES	<u>356</u>	<u>632</u>	<u>809</u>	<u>855</u>	<u>1149</u>
TOTAL TRADING EXPENSES	<u>1320</u>	<u>2034</u>	<u>4016</u>	<u>3199</u>	<u>5047</u>
New Structures	-	-	147	148	253
New Implements, etc.	41	48	97	182	387
New Car	<u>123</u>	<u>113</u>	<u>-</u>	<u>291</u>	<u>64</u>
TOTAL NEW EQUIPMENT	<u>164</u>	<u>161</u>	<u>244</u>	<u>621</u>	<u>704</u>
TOTAL EXPENDITURE	<u>£1484</u>	<u>£2195</u>	<u>£4260</u>	<u>£3820</u>	<u>£5751</u>

Note:- The sum given as "Labour" includes all cash wages, insurances, perquisites, board and lodgings, etc. for all farm labour, hired and family, excluding farmer and wife.

APPENDIX TABLE II
47 HILL SHEEP FARMS - 1954 LAMB CROP YEAR
AVERAGE REVENUE PER FARM BY GROUPS

	<u>BLACKFACE LAMBS</u>			<u>OTHER LAMBS</u>	
		Highland		Other Areas	
	<u>GROUP A</u>	<u>GROUP B</u>	<u>GROUP C</u>	<u>GROUP D</u>	<u>GROUP E</u>
	Under 500 ewes	501 to 1000 ewes	1001 to 2000 ewes		
Number of Farms	10	12	10	7	8
Average Size (Acres)	1233	2124	4556	2088	2094
Average Number of Ewes per Farm	365	697	1420	830	936
<u>REVENUE FROM: -</u>	£	£	£	£	£
Horses	<u>4</u>	<u>4</u>	<u>2</u>	-	<u>12</u>
Cows	129	63	24	128	60
Bulls	10	16	9	4	9
Calves	64	83	141	165	224
Other Cattle - Mainly Store	<u>211</u>	<u>226</u>	<u>218</u>	<u>65</u>	<u>987</u>
<u>CATTLE</u>	<u>414</u>	<u>388</u>	<u>392</u>	<u>362</u>	<u>1280</u>
Ewes	117	247	643	657	532
Rams	8	26	15	76	163
Lambs	236	462	1271	1756	2705
Hoggs and Wedders	<u>119</u>	<u>178</u>	<u>190</u>	<u>254</u>	<u>391</u>
<u>SHEEP</u>	<u>480</u>	<u>913</u>	<u>2119</u>	<u>2743</u>	<u>3791</u>
Pigs	30	27	-	2	4
Poultry	<u>1</u>	<u>1</u>	<u>1</u>	<u>10</u>	<u>6</u>
<u>TOTAL LIVESTOCK</u>	<u>929</u>	<u>1333</u>	<u>2514</u>	<u>3117</u>	<u>5093</u>
Wool	430	837	1751	922	1221
Milk, Eggs, etc.	<u>29</u>	<u>51</u>	<u>11</u>	<u>76</u>	<u>33</u>
<u>TOTAL LIVESTOCK PRODUCE</u>	<u>459</u>	<u>888</u>	<u>1762</u>	<u>998</u>	<u>1254</u>
Grain	1	6	-	3	11
Potatoes	5	39	2	-	9
Fodders	-	1	-	-	60
Grazing Let	<u>-</u>	<u>3</u>	<u>24</u>	<u>20</u>	<u>5</u>
<u>TOTAL CROPS</u>	<u>6</u>	<u>49</u>	<u>26</u>	<u>23</u>	<u>85</u>
Hill Cattle Subsidy	102	98	80	123	135
Calf Subsidy	45	39	22	51	65
Fertilizer Subsidy	24	20	57	43	106
Drainage Grant	-	10	20	53	-
Marginal Land Grant	27	28	20	37	22
Livestock Rearing Grant	-	8	35	6	75
Attestation Grant	42	57	34	55	65
Ploughing-up Subsidy	9	8	13	19	39
Other Grants	<u>3</u>	<u>17</u>	<u>61</u>	<u>-</u>	<u>42</u>
<u>TOTAL SUBSIDIES</u>	<u>252</u>	<u>285</u>	<u>342</u>	<u>387</u>	<u>549</u>
Miscellaneous	20	5	23	2	1
Farm produce as perquisites	-	25	56	27	54
Produce to House	50	46	30	34	30
Private Share of Car Exps.	19	43	5	48	40
Rental Value of House	<u>10</u>	<u>14</u>	<u>5</u>	<u>17</u>	<u>17</u>
<u>TOTAL OTHER REVENUE</u>	<u>99</u>	<u>133</u>	<u>119</u>	<u>128</u>	<u>142</u>
Equipment Sold	<u>15</u>	<u>33</u>	<u>107</u>	<u>29</u>	<u>31</u>
<u>TOTAL REVENUE</u>	<u>£1760</u>	<u>£2721</u>	<u>£4870</u>	<u>£4682</u>	<u>£7154</u>
Numbers of sheep sold per farm: -					
Ewes	50	92	236	174	158
Lambs	89	185	510	501	670
Hoggs and wedders	20	31	32	37	57

APPENDIX TABLE III
47 HILL SHEEP FARMS - 1954 LAMB CROP YEAR
PERCENTAGE OF EXPENDITURE AND REVENUE PER FARM BY GROUPS

	<u>BLACKFACE LAMBS</u>				<u>OTHER LAMBS</u>
	<u>GROUP A</u>	<u>Highland Area</u>		<u>Other Areas</u>	
		<u>Under 500 Ewes</u>	<u>GROUP B 501 to 1000 Ewes</u>	<u>GROUP C 1001 to 2000 Ewes</u>	<u>GROUP D</u>	GROUP E
No. of Farms	10	12	10	7	8
Average Size (Acres)	1233	2124	4556	2088	2094
Average No. of Ewes per Farm	365	697	1420	830	936
	%	%	%	%	%
<u>% EXPENDITURE ON: -</u>					
Horses	-	-	-	-	-
Cattle	11	3	6	3	7
Sheep	3	6	6	5	13
Pigs and Poultry	1	1	Neg.	Neg.	Neg.
Dip, Vaccines, etc.	4	4	5	4	3
Hired Labour	25	24	35	21	22
Rent and Annual					
Land Rent	5	6	6	7	6
Wintering and Grazing	2	7	14	9	6
New Structures	-	-	3	4	4
New Equipt. and Cars	11	7	2	12	8
All Other Items	38	42	23	35	31
TOTAL	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
<u>% REVENUE FROM: -</u>					
Horses	-	Neg.	Neg.	-	Neg.
Cattle	24	14	8	8	18
Sheep	27	34	44	59	53
Pigs and Poultry	2	1	Neg.	Neg.	Neg.
Wool	25	31	36	19	17
Crops and Grazing Let	Neg.	2	1	Neg.	1
Subsidies and Grants	14	10	7	8	8
Equipment Sold	1	1	2	Neg.	Neg.
All Other Items	7	7	2	6	3
TOTAL	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

- 1) The need to buy in flock replacements on cross-lamb farms is reflected in the higher percentage spent on sheep purchases.
- 2) Proportion of expenditure and revenue on cattle is higher on the smaller farms (A)
- 3) Wool revenue was closer to sheep revenue in this group. The reason for the wide gap between the proportions of revenue from sheep and from wool in Groups D & E was the better price received for sheep, especially those sold fat.

TABLE A
CROPPING ACREAGES - CROP 1954

	<u>Type Groups</u>		
	I	II	III
<u>Average per farm</u>			
Wheat	8	16 $\frac{1}{4}$	11
Barley	6	3 $\frac{1}{4}$	1 $\frac{1}{2}$
Oats	38 $\frac{1}{4}$	52 $\frac{1}{2}$	52 $\frac{1}{4}$
Mixed Crops & Pulses	5 $\frac{1}{4}$	-	1
Potatoes - Early	$\frac{1}{2}$	-	3 $\frac{1}{2}$
Potatoes - Maincrop	9 $\frac{1}{2}$	15 $\frac{1}{4}$	7 $\frac{1}{4}$
Land Let	3 $\frac{1}{2}$	2 $\frac{1}{2}$	3 $\frac{1}{2}$
Sugar Beet	1 $\frac{3}{4}$	-	-
Arable Silage	-	-	3 $\frac{1}{4}$
Turnips & Swedes	7 $\frac{1}{4}$	16 $\frac{1}{4}$	10 $\frac{1}{4}$
Mangolds	$\frac{1}{4}$	$\frac{1}{2}$	-
Rape	-	3 $\frac{1}{2}$	2 $\frac{1}{2}$
Kale	$\frac{3}{4}$	-	$\frac{1}{4}$
Rotation Hay	24 $\frac{1}{2}$	28 $\frac{1}{2}$	26 $\frac{3}{4}$
Rotation Grazing	49	84 $\frac{1}{4}$	89
Permanent Grazing	-	8 $\frac{3}{4}$	1 $\frac{1}{2}$
Rough Grazing	12 $\frac{1}{4}$	19 $\frac{1}{4}$	22 $\frac{1}{2}$
Actual Acres	<u>166$\frac{3}{4}$</u>	<u>250$\frac{3}{4}$</u>	<u>236</u>
Adjusted Acres	<u>157$\frac{3}{4}$</u>	<u>236$\frac{1}{4}$</u>	<u>219</u>

TABLE B
AVERAGE NUMBERS OF STOCK AT VALUATION DATES
PER FARM

	<u>Type Groups</u>		
	I	II	III
<u>Average number</u>			
Bulls	.6	.5	1.1
Cows	8	5	24
Other Cattle	53	76	55
Breeding Ewes	37	27	72
Rams	2	1	3
Feeding Sheep	31	76	21
Breeding Pigs	1	-	2
Other Pigs (Excluding Sucklers)	7	2	4
Poultry (Layers)	135	90	98
<u>Power at Valuation Dates</u>			
Tractors	1.9	2.4	2.5
Work Horses	1.2	1.3	2.1
Ploughland acres per Tractor	43	46	39
Cropping & Grass Acres per Tractor	81	96	85

TABLE C
SUMMARY OF AVERAGE FINANCIAL RETURNS
PER FARM

	<u>Type Groups</u>		
	I	II	III
Number of farms	11	7	7
Average Size of farm - Acres	158	236	219
<u>Per Farm</u>	£	£	£
Trading Revenue exceeded Trading Expenses by	1596	2554	1092
<u>Deduct</u> depreciation on equipment	<u>389</u>	<u>559</u>	<u>468</u>
	1207	1995	624
<u>Add</u> increase in stock & crop valuation	<u>-</u>	<u>-</u>	<u>44</u>
	1207	1995	668
<u>Deduct</u> decrease in stock & crop valuation	<u>77</u>	<u>1029</u>	<u>-</u>
Profit	<u>1130</u>	<u>966</u>	<u>668</u>
<u>Deduct</u> charge for farmer's manual	304	227	288
charge for wife's manual	<u>56</u>	<u>40</u>	<u>57</u>
	360	267	345
SURPLUS	<u>£770</u>	<u>£699</u>	<u>£323</u>

TABLE D
OUTPUT & CHARGES
PER ACRE

	<u>Type Groups</u>		
	I	II	III
	£. s.	£. s.	£. s.
Gross Farm Output	35-11	30- 7	25- 4
<u>Less</u> Purchased Feed, Grazing & Seeds	<u>6-10</u>	<u>4- 4</u>	<u>3-18</u>
Net Farm Output	29- 1	26- 3	21- 6
<u>Less</u> Fertilisers	<u>3-19</u>	<u>2-18</u>	<u>2-17</u>
	25- 2	23- 5	18- 9
<u>Less</u> Total Labour	<u>10- 3</u>	<u>10- 5</u>	<u>9- 0</u>
Margin	14-19	13- 0	9- 9
<u>Less</u> Sundry Expenditure:-			
Crop & Stock Expenses	9	12	11
Implement Repairs & Tools	1- 5	1- 3	17
Contract Work	17	8	13
Fuel, Oil, Light & Power	1- 2	1- 0	14
Building etc. Repairs	11	1- 4	7
Rent	1- 6	1-10	1- 4
Rates & Insurance	6	8	6
Car Running Expenses	13	12	12
Carriage & Miscellaneous	1- 3	15	12
Interest	<u>1</u>	<u>1</u>	<u>-</u>
	7-13	7-13	5-16
	7- 6	5- 7	3-13
<u>Less</u> Depreciation Charged	<u>2- 9</u>	<u>2- 7</u>	<u>2- 3</u>
SURPLUS	<u>£4-17</u>	<u>£3- 0</u>	<u>£1-10</u>

TABLE E
AVERAGE EXPENDITURE PER ACRE

<u>Expenditure</u>	<u>Type Groups</u>		
	<u>I</u> <u>£. s.</u>	<u>II</u> <u>£. s.</u>	<u>III</u> <u>£. s.</u>
Horses	1	1	1
Cows	3	7	16
Bulls	8	-	2
Calves & Store Cattle	5- 3	24-18	2- 9
Ewes & Rams	1- 3	-	7
Store Sheep & Lambs	2-15	6- 4	1- 7
Pigs	14	4	1
Poultry	3	5	2
Total Livestock	<u>10-10</u>	<u>31-19</u>	<u>5- 5</u>
Concentrates	4- 7	2-10	2- 2
Bulk Grain	1	2	-
Hay, Roots, etc.	3	6	3
Grazing Taken	4	-	1
Sundry Livestock Expenses	4	3	5
Total Livestock Expenses	<u>4-19</u>	<u>3- 1</u>	<u>2-11</u>
Seeds	1-17	1- 7	1-12
Manures	5- 3	3-13	3-10
Sundry Crop Expenses	5	9	6
Total Crop Expenses	<u>7- 5</u>	<u>5- 9</u>	<u>5- 8</u>
Labour (a)	<u>7-17</u>	<u>9- 3</u>	<u>7- 9</u>
Implement Repairs & Tools	1- 5	1- 3	17
Contract Work	17	8	13
Fuel, Light & Power	1- 2	1- 0	14
Repairs to Bldgs., Drains, Fences, etc.	11	1- 4	7
Rent	1- 6	1-10	1- 4
Occupier's Rates	2	2	2
General Insurances	4	6	4
Car Running Expenses	13	12	12
Interest	1	1	-
Carriage	8	7	4
Miscellaneous	15	8	8
Total "Other Expenses"	<u>7- 4</u>	<u>7- 1</u>	<u>5- 5</u>
Total Trading Expenses	<u>37-15</u>	<u>56-13</u>	<u>25-18</u>
New Bldgs. & Improvements	5	9	5
Implements bought	2- 8	2- 9	2-12
Cars bought	4	-	1- 8
Total Equipment bought	<u>2-17</u>	<u>2-18</u>	<u>4- 5</u>
Total Expenses	<u>40-12</u>	<u>59-11</u>	<u>30- 3</u>

(a) Labour excludes the estimate for farmer and wife.

TABLE F
AVERAGE REVENUE PER ACRE

	<u>Type Groups</u>		
	I	II	III
<u>Revenue</u>	<u>£. s.</u>	<u>£. s.</u>	<u>£. s.</u>
Horses	1	2	-
Cast Cows	5	-	10
Cows & Heifers	14	4- 3	1- 2
Bulls	1	2	1
Calves & Store Cattle	8-17	11- 7	3-19
Fat Cattle	5-11	22-15	4- 7
Cattle Deficiency Payments	1	11	1
Ewes & Rams	11	3	1- 2
Lambs & Hoggs	5-14	9-16	3-18
Sheep Deficiency Payments	10	7	5
Pigs	3- 3	7	16
Pig Deficiency Payments	3	-	2
Poultry	4	1	-
Total Livestock	<u>25-15</u>	<u>49-14</u>	<u>16- 3</u>
Milk	-	-	1
Eggs	2- 9	16	14
Wool	4	8	13
Total Livestock Produce	<u>2-13</u>	<u>1- 4</u>	<u>1- 8</u>
Wheat	1- 9	1-16	1- 4
Wheat Deficiency Payment	3	1	4
Barley	15	7	-
Oats	3-16	4-14	2-10
Potatoes	6- 3	5-13	3- 1
Potato Land Let	19	9	1-12
Roots, Hay & Straw	19	11	12
Grazing Let	1	2	19
Other Crops	1-11	-	-
Total Crop Produce	<u>15-16</u>	<u>13-13</u>	<u>10- 2</u>
Hill Cattle Subsidy	1	-	3
Calf Subsidy	10	3	11
Fertiliser Subsidies	1- 0	17	13
Marginal Land Grant	3	1	1
Attestation Bonus	9	9	12
Plough Subsidy	9	7	11
Other Grants	-	1	-
Total Subsidies	<u>2-12</u>	<u>1-18</u>	<u>2-11</u>
Total "Other Revenue"	<u>1- 1</u>	<u>1- 1</u>	<u>15</u>
Total Trading Revenue	47-17	67-10	30-19
Equipment Sold	13	15	15
Total Revenue	<u>48-10</u>	<u>68- 5</u>	<u>31-14</u>

TABLE G
6 STOCK-RAISING FARMS, 1954-55

SUMMARY OF AVERAGE FINANCIAL RETURNS

Number of farms		6
Average size of farm - Acres (Actual)		479
Of which crops and grass	152 acres	
<u>Plus</u> Rough Grazing	<u>327 acres</u>	479 acres
	Per Farm	Per Acre (Actual)
	£	£. s.
Trading Revenue and Subsidies	4054	8- 9
Trading Expenses	<u>3305</u>	<u>6-18</u>
Balance	749	1-11
Change in Stock and Crop Valuation	(+ 141)	(+ 6)
Balance	890	1-17
<u>Deduct</u> Depreciation on Equipment	<u>213</u>	<u>9</u>
PROFIT	677	1- 8
<u>Deduct</u> Average of estimate for farmer's manual work	347	14
<u>Deduct</u> Ditto. for wife's manual work	<u>5</u>	<u>Neg.</u>
SURPLUS	<u>£325</u>	<u>£0-14</u>

TABLE H
6 STOCK-RAISING FARMS, 1954-55
AVERAGE CROPPING AND BREEDING STOCK - PER FARM

	<u>Crop Acres</u> <u>Per Farm</u>		<u>Breeding Stock</u> <u>Per Farm</u>
Wheat	-	Cows	25
Barley	-	Bulls	1
Oats	15.6	Ewes	235
Mashlum, etc.	1.5	Rams	6
Arable Silage	.8	Breeding Pigs	1-2
Potatoes	.7	Adult Fowls	35
Turnips and Swedes	4.0		
Rape	3.3		
Kale	.7		
Hay - Rotation	15.1		
Hay - Meadow	3.7		
Grazing - Rotation	70.9		
Grazing - Permanent	<u>36.1</u>		
	152.4		
Rough Grazing	<u>327.0</u>		
	<u>479.4</u>		

TABLE I
6 STOCK-RAISING FARMS, 1954-55
AVERAGE EXPENDITURE

	<u>Per Farm</u>	<u>Per Acre (Actual)</u>
	£	£. s.
Horses	7	Neg.
Cattle	697	1- 9
Sheep	347	15
Pigs	-	-
Poultry	2	-
Total Livestock	<u>1053</u>	<u>2- 4</u>
Concentrates	330	14
Crop growing or in stack	-	-
Fodders and roots	-	-
Grazing taken	18	1
Sundry livestock expenses	78	3
Total Livestock Expenses	<u>426</u>	<u>18</u>
Seeds	115	5
Lime and fertilisers	264	11
Sundry crop expenses	6	Neg.
Total Crop Expenses	<u>385</u>	<u>16</u>
Labour, (excluding farmer and wife)	<u>654</u>	<u>1- 7</u>
Implement repairs and tools	106	4
Contract work	50	2
Fuel, light and power	130	6
Repairs to buildings, fences, drains	67	3
Rent	169	7
Occupier's rates	10	Neg.
General insurances	15	1
Car running expenses	103	4
Interest	19	1
Carriage	41	2
Miscellaneous	77	3
Total "Other Expenses"	<u>787</u>	<u>1-13</u>
Total Trading Expenses	<u>3305</u>	<u>6-18</u>
Estimate for farmer's manual	347	15
" " wife's manual	5	Neg.
	<u>352</u>	<u>15</u>
Total	<u>3657</u>	<u>7-13</u>
Buildings and improvements	25	1
Implements bought	107	5
Cars bought	124	5
	<u>256</u>	<u>11</u>
Total Expenditure, including estimate for manual work of farmer and wife	<u>£3913</u>	<u>£8- 4</u>

TABLE J
6 STOCK-RAISING FARMS, 1954-55

AVERAGE REVENUE

	<u>Per Farm</u> £	<u>Per Acre (Actual)</u> £. s.
Horses	-	-
Cattle	1332	2-16
Sheep	1334	2-16
Pigs	176	7
Poultry	<u>4</u>	Neg.
Total Livestock	<u>2846</u>	<u>5-19</u>
Eggs	65	3
Wool	<u>220</u>	<u>9</u>
Total Livestock Produce	<u>285</u>	<u>12</u>
Oats	54	2
Potatoes	7	Neg.
Straw	5	Neg.
Grazing Let	<u>74</u>	<u>3</u>
Total Crop	<u>140</u>	<u>5</u>
Hill Cattle subsidy	247	10
Calf subsidy	129	5
Hill Sheep subsidy	-	-
Special Hill-Ewe payment	-	-
Lime and fertiliser subsidy (netted)	-	-
Drainage grant	10	Neg.
Marginal land Grant	88	4
Attestation grant	143	6
Plough Subsidy	51	3
Bracken-cutting, etc. grant	<u>7</u>	Neg.
Total Direct Subsidies	<u>675</u>	<u>1- 8</u>
Total of "Other Revenue" including perquisites contra'd and transfers to Domestic Account	<u>108</u>	<u>5</u>
Total Trading Revenue	<u>4054</u>	<u>8- 9</u>
Equipment sold	-	-
Grants on erections, etc.	-	-
Total Capital Revenue	-	-
Total Revenue	<u>£4054</u>	<u>£8- 9</u>

TABLE K

6 STOCK-RAISING FARMS, 1954-55
SUMMARY OF AVERAGE OUTPUTS AND CHARGES

	<u>Per Farm</u>	<u>Per Acre (Actual)</u>
<u>Gross Outputs:-</u>	£	£. s.
Cattle, including subsidies and grants	1317	2-15
Sheep and wool	1247	2-12
Pigs	131	5
Poultry and eggs	<u>65</u>	<u>3</u>
Gross Livestock Output	2760	5-15
Crops (including grazing let)	124	5
Sundry grant revenue	139	6
All other Trading Revenue, etc.	<u>104</u>	<u>4</u>
<u>Gross Farm Output</u>	<u>3127</u>	<u>6-10</u>
<u>Deduct</u> Feed and fodders bought	328	13
Grazing taken	18	1
Seeds bought	<u>115</u>	<u>5</u>
<u>Net Farm Output</u>	<u>2666</u>	<u>5-11</u>
<u>Deduct</u> Fertilisers	<u>264</u>	<u>11</u>
	2402	5- 0
<u>Deduct</u> Labour except farmer and wife's manual	654	1- 7
<u>Deduct</u> Estimate for farmer and wife's manual	<u>352</u>	<u>15</u>
<u>Margin</u>	<u>1393</u>	<u>2-18</u>
<u>Deduct</u> All other tenancy expenditure	<u>855</u>	<u>1-15</u>
	538	1- 3
<u>Deduct</u> Depreciation on equipment	<u>213</u>	<u>9</u>
<u>SURPLUS</u>	<u><u>£325</u></u>	<u><u>£0-14</u></u>

-----oOo-----

Gross Farm Output per £100 of Total Labour = £311

Net Farm Output per £100 of Total Labour = £265