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Poultry
Cost of production
O.S.

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THE WEST OF SCOTLAND AGRICULTURAL COLLEGE

APR 18 1958

POULTRY COSTINGS, 1956-57

Results for 12 Commercial Egg Flocks

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ECONOMICS DEPARTMENT REPORT No. 36 47

APRIL, 1958

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CONTENTS

	<u>Page</u>
FOREWORD	1
DEFINITION OF TERMS	1
SUMMARY OF RESULTS	2
DISTRIBUTION OF FLOCKS BY SIZE AND SURPLUS PER LAYER	2
RETURNS AND COSTS	4
EGG PRODUCTION	8
PRICES	10
ACCOUNTING METHOD	11
STANDARD APPENDIX	
TABLES IN REPORT	
TABLE I Distribution of Flocks by Size and Surplus per Layer	3
TABLE II Summary of Returns and Costs per Layer	5
TABLE III Summary of Costs and Returns per Dozen Eggs	7
TABLE IV Information on Feed, Labour and Culls	9
GRAPHS IN REPORT	
Seasonality of Egg Production	following page 10
Producers' Egg Prices	following page 11
TABLES IN APPENDIX	
STANDARD APPENDIX TABLE A - Laying Flocks (Deep Litter)	
STANDARD APPENDIX TABLE A - Laying Flocks (Battery)	

THE WEST OF SCOTLAND AGRICULTURAL COLLEGE

ECONOMICS DEPARTMENT

POULTRY COSTINGS 1956-57

Results for 12 Commercial Egg Flocks

FOREWORD

For the 1956-57 Poultry Costing, records for nineteen flocks were available. This report summarizes in some detail the results from twelve of these (six deep litter and six battery flocks) for a costing year which, with two exceptions closing on 30th September, 1957, ended on 31st August, 1957. For the remaining seven flocks which closed their accounting year on dates varying from August to November 1957, some general information on size and profitability is given.

In accordance with an agreement that reports on the results of commodity costings should, where possible, contain an appendix giving a summary of results in standard form, two appendix tables have been added. These tables differ from the requirements of the standard form only in that overheads (share of general farm expenses) are included.

It should be noted that since the above costing year ended, there has been a further reduction, as from April, 1958, of 1³/₄d per dozen in the price guarantee for hen eggs.

Grateful acknowledgment is made of the help received from farmers and poultry keepers who took part in the costing.

Types of Flock

Of the 12 flocks with which this report is mainly concerned, 6 were housed on deep litter and 6 in battery cages. Replacements for all 12 were bought as day-old chicks and reared to point-of-lay, but as the investigation was concerned only with the laying birds, rearing costs were not recorded and all incoming pullets were valued at £1 per bird.

The average returns for the deep litter and the battery flocks are shown separately.

The remaining 7 flocks could not be grouped since the systems varied widely:-

2 free range and 1 semi-intensive, with hatching eggs and/or stock forming an important part of revenue; rearing costs included.

1 deep litter; rearing costs included.

1 battery; untypical: eggs sold at low price to institution to which unit was attached.

1 deep litter and range with some hatching eggs sold; rearing costs included.

1 deep litter and semi-intensive with some hatching eggs sold; rearing costs included.

For these 7, figures on flock size and profitability (surplus per layer) are given.

DEFINITION OF TERMS

Average Number of Layers is the average laying flock size over the year calculated on a hen-day basis. All per layer figures have been based on this number.

Average Egg Yield per Layer is the total number of eggs collected divided by the average number of layers.

Revenue comprises all sales of stock and eggs, plus a credit for the value of stock and eggs used in the farmhouse and for any transfers out of stock from the laying flock, but omits sales of equipment.

Expenditure on Feeding comprises all bought feeding at cost including grit, home grown grain at approximate market value and greens, kale and roots etc. at estimated cost of production.

Gross Stock Replacement Cost is the balance obtained from opening stock valuation plus Value of Birds transferred in, less Closing Stock Valuation.

Net Output per Layer is Revenue less Feeding and less Gross Stock Replacement Cost.

Profit is the balance remaining after all costs, with the exception of family labour, but including a share of farm general expenses, where required, have been charged against revenue. Interest on capital is not charged.

Surplus or Deficit is the final balance remaining after family labour has been charged.

SUMMARY OF RESULTS

It should be emphasised that the sample is too small to be representative. Also the general efficiency of the management is probably above average.

The table below shows some of the main results for the deep litter and battery groups.

<u>GENERAL</u>	<u>Deep Litter</u>	<u>Battery</u>
Number of flocks	6	6
Average number of layers	543	792
Average egg yield per layer	195	210
Average price per dozen eggs	4/3 ³ / ₄	4/3 ¹ / ₄
^x Food: lb per layer	122	120
^x Food: lb per dozen eggs produced	7.6	7.0
^x Food: Average price per cwt	33/4	36/-
Labour: hours per layer	2.1	2.3

^xIncludes bought grain, mash etc. and home grown grain, but excludes grit and greens. For fuller information on feeding see appropriate section.

<u>RETURNS AND COSTS</u>	<u>6 Deep Litter</u>	<u>6 Battery</u>
<u>Per Layer</u>	£ s. d.	£ s. d.
Revenue	3.17. 6	4. 4. 4
Expenditure on Feeding	1.17. 4	1.18. 7
Revenue less Feeding	2. 0. 2	2. 5. 9
Gross Stock Replacement Cost	.18. 4	1. 4. 7
Net Output	1. 1.10	1. 1. 2
Profit	.15. 3	.12. 4
Surplus	.10. 7	7. 4
<u>Per Dozen Eggs</u>		
Average Return (all eggs)	4. 3 ³ / ₄	4. 3 ¹ / ₄
Average Cost	3. 8 ¹ / ₄	3.10 ³ / ₄
Average Surplus	<u>7¹/₂</u>	<u>4¹/₂</u>

DISTRIBUTION OF FLOCKS BY SIZE AND SURPLUS PER LAYER

The flocks ranged in size from 235 to 1090 layers when calculated on a hen-day basis. When estimated on numbers of birds made available or housed, the representative flock size for the sample (6 deep litter and 6 battery) was a fifth or so greater than the hen-day based average.

Returns for the 6 deep litter flocks (underlined in the Table on the following page) ranged from a deficit of 10d per layer to a surplus of 18/1 per layer.

TABLE I

DISTRIBUTION OF FLOCKS BY SIZE AND SURPLUS PER LAYER

FLOCK SIZE - AVERAGE NUMBER OF LAYERS	SURPLUS PER LAYER					DEFICIT PER LAYER				
	20/- or more	15/1 to 20/-	10/1 to 15/-	5/1 to 10/-	1d to 5/-	1d to 5/-	5/1 to 10/-	10/1 to 15/-	15/1 to 20/-	20/1 or more
201 to 300			1 Deep Litter							
301 to 400				1 Battery		1 Deep Litter				1 Battery (untypical)
401 to 500			1 Deep Litter							
501 to 600				1 Deep Litter incl. rearing				1 Deep Litter and semi- intensive		
601 to 700			1 Battery	1 Deep Litter			1 Battery	1 Semi- intensive (Hatching)		
701 to 800		1 Deep Litter								
801 to 900	1 Free Range (Hatching)		1 Deep Litter 1 Free Range (Hatching)		1 Deep Litter and Range (Hatching)					
901 to 1000										
1001 to 1100			2 Battery	1 Battery						

For the 6 battery flocks (underlined in the Table on Page 3) the range was from a deficit of 9/8 per layer to a surplus of 12/5 per layer.

For the 7 ungrouped flocks the largest deficit was 28/9 per layer in a battery flock. This was an untypical flock in that the eggs were sold at a low price to an institution to which this unit was attached. When average market prices were charged there was still a deficit of 11/- per layer. The highest surplus was 21/9 per layer, for a free range flock where the sale of hatching eggs formed an important part of the revenue.

The distribution of flocks by size and surplus per layer is shown in Table I.

RETURNS AND COSTS

An extract taken from Table II shows the importance of a high average egg yield per layer.

<u>Deep Litter Average</u>	<u>Average Egg Yield</u>	<u>PER LAYER</u>		
		<u>Revenue from Egg Sales</u>	<u>Net Output</u>	<u>Surplus</u>
6 Flocks	195	£3. 7. 4	£1. 1. 10	10.7
2 Highest Surplus	213	3.13. 2	1. 4. 9	16.2
2 Lowest Surplus	182	3. 3. 0	13. 7	3.7
<u>Battery Average</u>				
6 Flocks	210	3.14. 0	1. 1. 2	7.4
2 Highest Surplus	230	3.19. 5	1. 6. 10	12.0
2 Lowest Surplus	186	3. 6. 3	10. 9	(-) 8

Of the costs, feeding was the most important.

The extract below compares the feed costs and the amount of mash and grains fed. The average price per cwt of this mash and grain mixture is also shown.

<u>Deep Litter Average</u>	<u>Total Feed Cost</u>	<u>PER LAYER</u>			<u>PER CWT</u> <u>Average prices of mixture of mash and grains</u>
		<u>Bought Mash, and Home grown grain Cost</u>	<u>Bought Amount fed</u>	<u>lb</u>	
6 Flocks	£ 1.17. 4	£ 1.16. 6	121.8	33/4	
2 Highest Surplus	1.15.10	1.14.11	116.4	33/1	
2 Lowest Surplus	2. 2. 3	2. 1. 8	132.1	35/6	
<u>Battery Average</u>					
6 Flocks	1.18. 7	1.18. 3	119.5	36/-	
2 Highest Surplus	1.17. 5	1.17. 1	121.5	34/2	
2 Lowest Surplus	2. 1. 7	2. 1. 2	131.3	35/-	

The next most important item after feeding is the Gross Stock Replacement Cost - the balance obtained from the Opening Stock Valuation plus Value of Birds transferred in, less the Closing Valuation. This form of presentation is used in Table II in order that all items of revenue may be shown in full. When Stock Sales (culls, transfers out etc) and the value of culls used in the farmhouse shown under the heading Revenue in Table II are brought out of that heading and netted against the Gross Stock Replacement Cost, the result is the Net Stock Replacement Cost or Flock Depreciation which is shown on Page 6 expressed per layer.

TABLE II

SUMMARY OF RETURNS AND COSTS PER LAYER

	DEEP LITTER AVERAGE			BATTERY AVERAGE		
	6 Flocks	2 Highest Surplus	2 Lowest Surplus	6 Flocks	2 Highest Surplus	2 Lowest Surplus
Average Number of Layers per Flock	543	814	481	792	1045	460
Average Egg Yield per Layer	195	213	182	210	230	186
Net Output per Layer	£1 1 10	£1 4 9	13 7	£1 1 2	£1 6 10	10 9
<u>SUMMARY OF RETURNS PER LAYER</u>						
Revenue (omitting equipment sold)	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Eggs	3 7 4	3 13 2	3 3 0	3 14 0	3 19 5	3 6 3
Stock(culls, transfers out etc.)	7 7	9 4	6 9	9 8	10 0	10 7
Credit Eggs used in farmhouse	2 4	2 4	2 2	6	4	11
Culls used in farmhouse	3	2	-	2	1	2
Total	<u>3 17 6</u>	<u>4 5 0</u>	<u>3 11 11</u>	<u>4 4 4</u>	<u>4 9 10</u>	<u>3 17 11</u>
Cost of Feeding	1 17 4	1 15 10	2 2 3	1 18 7	1 17 5	2 1 7
Revenue: Income less Feeding	2 0 2	2 9 2	1 9 8	2 5 9	2 12 5	1 16 4
Deduct Gross Stock Replacement Cost	18 4	1 4 5	16 1	1 4 7	1 5 7	1 5 7
Net Output per Layer	1 1 10	1 4 9	13 7	1 1 2	1 6 10	10 9
Deduct Hired Labour	1 4	3 3	2	2 4	6 6	-
Balance	<u>1 0 6</u>	<u>1 1 6</u>	<u>13 5</u>	<u>18 10</u>	<u>1 0 4</u>	<u>10 9</u>
Deduct All Other Expenses except Family Labour and New Equipment	3 10	2 5	3 10	3 5	3 9	3 0
Balance	<u>16 8</u>	<u>19 1</u>	<u>9 7</u>	<u>15 5</u>	<u>16 7</u>	<u>7 9</u>
Equipment Depreciation Charge	1 5	1 8	9	3 1	4 4	1 9
Profit	15 3	17 5	8 10	12 4	12 3	6 0
Deduct Family Labour Charge	4 8	1 3	5 3	5 0	3	6 8
SURPLUS or (-) DEFICIT	<u>10 7</u>	<u>16 2</u>	<u>3 7</u>	<u>7 4</u>	<u>12 0</u>	<u>(-) 8</u>
Flock Depreciation (Net Stock Replacement Cost)	10 6	14 11	9 4	14 9	15 6	14 10

151

<u>Deep Litter</u>	<u>6 Flocks</u>		<u>2 Highest Surplus</u>		<u>2 Lowest Surplus</u>	
	£	s. d.	£	s. d.	£	s. d.
Expressed per layer:-						
Opening Valuation	15.2		15.0		17.4	
Birds added	15.5		1.1.2		14.3	
	<u>1.10.7</u>		<u>1.16.2</u>		<u>1.11.7</u>	
Stock sales(Culls, transfers, etc.)	7.7		9.4		6.9	
Culls used in farmhouse	3		2		-	
Closing Valuation	12.3		11.9		15.6	
Balance: Flock Depreciation	10.6		14.11		9.4	
	<u>1.10.7</u>		<u>1.16.2</u>		<u>1.11.7</u>	

<u>Battery</u>	<u>6 Flocks</u>		<u>2 Highest Surplus</u>		<u>2 Lowest Surplus</u>	
	£	s. d.	£	s. d.	£	s. d.
Expressed per Layer:-						
Opening Valuation	18.2		16.4		18.0	
Birds added	1.3.1		1.5.7		1.2.4	
	<u>2.1.3</u>		<u>2.1.11</u>		<u>2.0.4</u>	
Stock Sales (Culls, transfers, etc.)	9.8		10.0		10.7	
Culls used in farmhouse	2		1		2	
Closing Valuation	16.8		16.4		14.9	
Balance: Flock Depreciation	14.9		15.6		14.10	
	<u>2.1.3</u>		<u>2.1.11</u>		<u>2.0.4</u>	

In this sample, the flocks which had the highest surplus per layer had also the highest flock depreciation. This higher depreciation is a reflection of the greater replacement rate in these flocks. The stock reconciliation below shows this, especially in the case of the 2 highest surplus deep litter flocks, where the replacements added, when expressed as a percentage of the total, were 53%. The percentage figures are presented in this way in order that the different groups may be compared.

<u>Deep Litter</u>	<u>6 Flocks</u>		<u>2 Highest Surplus</u>		<u>2 Lowest Surplus</u>	
	Average No.	%	Average No.	%	Average No.	%
Opening Valuation	554	54	763	47	537	61
Birds Added	466	46	856	53	348	39
Total	<u>1020</u>	<u>100</u>	<u>1619</u>	<u>100</u>	<u>885</u>	<u>100</u>
Deaths	53	5	73	5	55	6
Stock Sales etc.	499	49	893	55	357	40
Closing Valuation	468	46	653	40	473	54
Total	<u>1020</u>	<u>100</u>	<u>1619</u>	<u>100</u>	<u>885</u>	<u>100</u>

<u>Battery</u>	<u>6 Flocks</u>		<u>2 Highest Surplus</u>		<u>2 Lowest Surplus</u>	
	Average No.	%	Average No.	%	Average No.	%
Opening Valuation	874	49	1135	46	490	48
Birds added	924	51	1339	54	520	52
Total	<u>1798</u>	<u>100</u>	<u>2474</u>	<u>100</u>	<u>1020</u>	<u>100</u>
Deaths	150	8	200	8	66	6
Stock Sales etc.	834	47	1171	47	540	53
Closing Valuation	814	45	1103	45	414	41
Total	<u>1798</u>	<u>100</u>	<u>2474</u>	<u>100</u>	<u>1020</u>	<u>100</u>

The remaining items - labour, other expenses and equipment depreciation are form a much smaller proportion of the costs. The averages/compared for deep litter and battery in the following summary on page 8.

TABLE III

SUMMARY OF COSTS AND RETURNS PER DOZEN EGGS

	DEEP LITTER AVERAGE			BATTERY AVERAGE		
	6 Flocks	2 Highest Surplus	2 Lowest Surplus	6 Flocks	2 Highest Surplus	2 Lowest Surplus
Average Number of Layers per Flock	543	814	481	792	1045	460
Average Egg Yield per Layer	195	213	182	210	230	186
<u>SUMMARY OF COSTS PER DOZEN EGGS</u>	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Cost of Feeding	2 4	2 0	2 10 $\frac{1}{4}$	2 3	1 11 $\frac{1}{2}$	2 8 $\frac{3}{4}$
Flock Depreciation (Net Stock Replacement)	7 $\frac{3}{4}$	10 $\frac{1}{2}$	7 $\frac{1}{4}$	10 $\frac{1}{4}$	9 $\frac{3}{4}$	11 $\frac{3}{4}$
Miscellaneous	3	1 $\frac{3}{4}$	3 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{4}$	2 $\frac{1}{2}$
Equipment Depreciation	1	1	4 $\frac{3}{4}$	2	2 $\frac{3}{4}$	1 $\frac{1}{4}$
Hired Labour	1	2	negligible	1 $\frac{1}{2}$	4	-
Family Labour Charge	3 $\frac{1}{2}$	1	4 $\frac{1}{4}$	3 $\frac{1}{2}$	negligible	5 $\frac{1}{4}$
Average Cost per Dozen Eggs	<u>3 8$\frac{1}{4}$</u>	<u>3 4</u>	<u>4 1$\frac{3}{4}$</u>	<u>3 10$\frac{3}{4}$</u>	<u>3 6$\frac{1}{4}$</u>	<u>4 5$\frac{1}{2}$</u>
Average Revenue (all eggs) per Dozen Eggs	4 3 $\frac{3}{4}$	4 3 $\frac{1}{4}$	4 4 $\frac{1}{4}$	4 3 $\frac{1}{4}$	4 13 $\frac{3}{4}$	4 4 $\frac{1}{4}$
Average Cost per Dozen Eggs	3 8 $\frac{1}{4}$	3 4	4 1 $\frac{3}{4}$	3 10 $\frac{3}{4}$	3 6 $\frac{1}{4}$	4 5 $\frac{1}{2}$
Average Surplus per Dozen Eggs (-) Deficit	<u>7$\frac{1}{2}$</u>	<u>11$\frac{1}{4}$</u>	<u>2$\frac{1}{2}$</u>	<u>4$\frac{1}{2}$</u>	<u>7$\frac{1}{2}$</u>	(-) <u>1$\frac{1}{4}$</u>

<u>PER LAYER</u>	<u>6 Deep Litter</u>	<u>6 Battery</u>
<u>Labour</u>	s. d.	s. d.
Hired	1. 4	2. 4
Family	<u>4. 8</u>	<u>5. 0</u>
Total	<u>6. 0</u>	<u>7. 4</u>
<u>Equipment Depreciation</u>	1. 5	3. 1
<u>Other Expenses</u>		
Miscellaneous	1. 8	1.10
Repairs	1	8
Share of General Farm Expenses	<u>2. 1</u>	<u>11</u>
	<u>3.10</u>	<u>3. 5</u>

When the costs and returns are expressed per dozen eggs produced, as in Table III, the importance of feeding is again brought out.

The following extract shows feed costs, the amount of mash and bought and home grown grain fed, expressed per dozen eggs, and also the surplus per dozen eggs.

	<u>PER DOZEN EGGS</u>		
	<u>Total Feed Cost</u>	<u>Amount of Mash and Grains fed</u>	<u>Surplus</u>
	s. d.	lb	
<u>Deep Litter Average</u>			
6 Flocks	2. 4	7.62	7½d.
2 Highest Surplus	2. 0	6.51	11¼d.
2 Lowest Surplus	2.10¼	8.85	2½d.
<u>Battery Average</u>			
6 Flocks	2. 3	6.95	4½d.
2 Highest Surplus	1.11½	6.33	7½d.
2 Lowest Surplus	2. 8¾	8.62	(-) 1¼d.

The average revenue (all eggs, including eggs used in farmhouse) per dozen eggs varied slightly being lower for the 2 highest surplus battery flocks due to the sale of some liquid eggs at a lower price.

Table II gives a summary of returns and costs per layer and Table III per dozen eggs. In Table IV there is fuller information on feed and labour. The sale price of culls is also shown.

EGG PRODUCTION

A method of showing the rate of lay at different periods of the year is to calculate egg production per layer per week. The deep litter and battery flocks are compared in the table below.

	<u>EGGS PER LAYER PER WEEK</u>	
	<u>Average of 6 Deep Litter Flocks</u>	<u>Average of 6 Battery Flocks</u>
September 1956	2.82 [±]	4.16 [±]
October "	3.13	4.27
November "	3.81	4.12
December "	4.19	4.02
January 1957	4.09	3.90
February "	3.71	4.16
March "	3.81	3.92
April "	4.10	4.21
May "	4.05	4.29
June "	3.81	3.82
July "	3.64	3.84
August "	3.63	4.07

[±] Average of 5 flocks only since in either group one costing year did not start until 1st October, 1956.

TABLE IV

INFORMATION ON FEED, LABOUR AND CULLS

	DEEP LITTER AVERAGE						BATTERY AVERAGE											
	6 Flocks			2 Highest Surplus			2 Lowest Surplus			6 Flocks			2 Highest Surplus			2 Lowest Surplus		
	Ib	£	s. d.	Ib	£	s. d.	Ib	£	s. d.	Ib	£	s. d.	Ib	£	s. d.	Ib	£	s. d.
<u>BOUGHT FOOD PER LAYER</u>																		
Mash etc.	96.3	1	11 2	92.6	1	10 10	123.3	1	19 1	105.1	1	15 1	78.4	1	7 8	131.3	2	1 2
Grain	10.1		2 9	-		-	8.8		2 7	11.6		2 8	34.7		7 11	-		-
Other	.9		negligible	-		-	-		-	-		-	-		-	-		-
Grit	5.6		8	6.9		9	4.7		7	4.0		4	3.5		4	5.8		5
	<u>112.9</u>	<u>1</u>	<u>14 7</u>	<u>99.5</u>	<u>1</u>	<u>11 7</u>	<u>136.8</u>	<u>2</u>	<u>2 3</u>	<u>120.7</u>	<u>1</u>	<u>18 1</u>	<u>116.6</u>	<u>1</u>	<u>15 11</u>	<u>137.1</u>	<u>2</u>	<u>1 7</u>
<u>HOME GROWN PER LAYER</u>																		
Grain	15.4		2 7	23.8		4 1	-		-	2.8		6	8.4		1 6	-		-
Other	5.9		2	6.7		2	-		-	-		-	-		-	-		-
	<u>21.3</u>		<u>2 9</u>	<u>30.5</u>		<u>4 3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2.8</u>		<u>6</u>	<u>8.4</u>		<u>1 6</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL</u>	<u>134.2</u>	<u>1</u>	<u>17 4</u>	<u>130.0</u>	<u>1</u>	<u>15 10</u>	<u>136.8</u>	<u>2</u>	<u>2 3</u>	<u>123.5</u>	<u>1</u>	<u>18 7</u>	<u>125.0</u>	<u>1</u>	<u>17 5</u>	<u>137.1</u>	<u>2</u>	<u>1 7</u>
Bought Mash and Grain and Home Grown Grain	Ib			Ib			Ib			Ib			Ib			Ib		
fed per layer	121.8			116.4			132.1			119.5			121.5			131.3		
fed per dozen eggs produced	7.62			6.51			8.85			6.95			6.33			8.62		
Average Cost per cwt of	s. d.			s. d.			s. d.			s. d.			s. d.			s. d.		
above mash and grains	33 4			33 1			35 6			36 -			34 2			35 -		
Average price of bought mash per cwt	36 3			37 -			35 7			37 9			39 6			35 -		
" " " " grain per cwt	30 10			-			33 -			25 6			25 6			-		
" " " home grain per cwt	18 10			19 3			-			20 1			20 1			-		
<u>LABOUR</u>	Hrs	s. d.		Hrs	s. d.		Hrs	s. d.		Hrs	s. d.		Hrs	s. d.		Hrs	s. d.	
Hired	.5	1 4		1.0	3 3	negligible	2			.8	2 4		2.4	6 6		-		
Family	1.6	4 8		.5	1 3	1.9	5 3			1.5	5 0		.1	3		2.2	6 8	
	<u>2.1</u>	<u>6 0</u>		<u>1.5</u>	<u>4 6</u>	<u>1.9</u>	<u>5 5</u>			<u>2.3</u>	<u>7 4</u>		<u>2.5</u>	<u>6 9</u>		<u>2.2</u>	<u>6 8</u>	
<u>FLOCK CULLS</u>																		
Average sale price per head	8/8			8/3			8/0			9/7			9/0			9/11		

The index of stocking shows, in terms of the average flock size for the year (expressed as 100), the flock numbers during the periods stated.

<u>Period</u>	<u>Deep Litter</u>	<u>Battery</u>
Sept. - Dec. 1956 (inclusive)	111	99
Feb. - May, 1957 (")	94	68

The index of egg production measures, in terms of the average daily egg production for the year (expressed as 100), the level of daily egg production during the period stated.

<u>Period</u>	<u>Deep Litter</u>	<u>Battery</u>
Sept. - Dec. 1956 (inclusive)	103	101
Feb. - May, 1957 (")	102	68

These indices for both Deep Litter and Battery relate in either case to 5 records only, since one deep litter costing year and one battery costing year did not begin until 1st October, 1956.

The graph on the following page shows the seasonality of egg production for the year Sept. 1956 to August 1957.

The packing station throughput for Great Britain shows the usual April peak for egg production. The average for the costed flocks, however, shows that their peak production was markedly earlier.

PRICES

During the costing year September, 1956 - September, 1957, there was a change in the price guarantee, as from April 1957.

For the year ended in March 1957, the minimum price guaranteed to United Kingdom egg producers was $4/1\frac{1}{2}d$ per dozen (subject to a small reduction in Great Britain) related to a feed price of $29/8$ per cwt for a standard ration consisting of:-

- 30% Wheat Offals
- 10% Wheat
- 20% Oats
- 30% Maize
- 10% White Fish Meal

For each change of $6\frac{2}{3}d$ pence per cwt in the price of this standard feed ration a corresponding change of $\frac{1}{2}d$ per dozen eggs was made in the guaranteed price.

For the year ended in March, 1958, the minimum price guaranteed to United Kingdom egg producers was $4/1\frac{1}{4}d$ per dozen (subject to a small reduction in Great Britain) related to a feed price of $29/10d$ per cwt for a revised standard ration consisting of:-

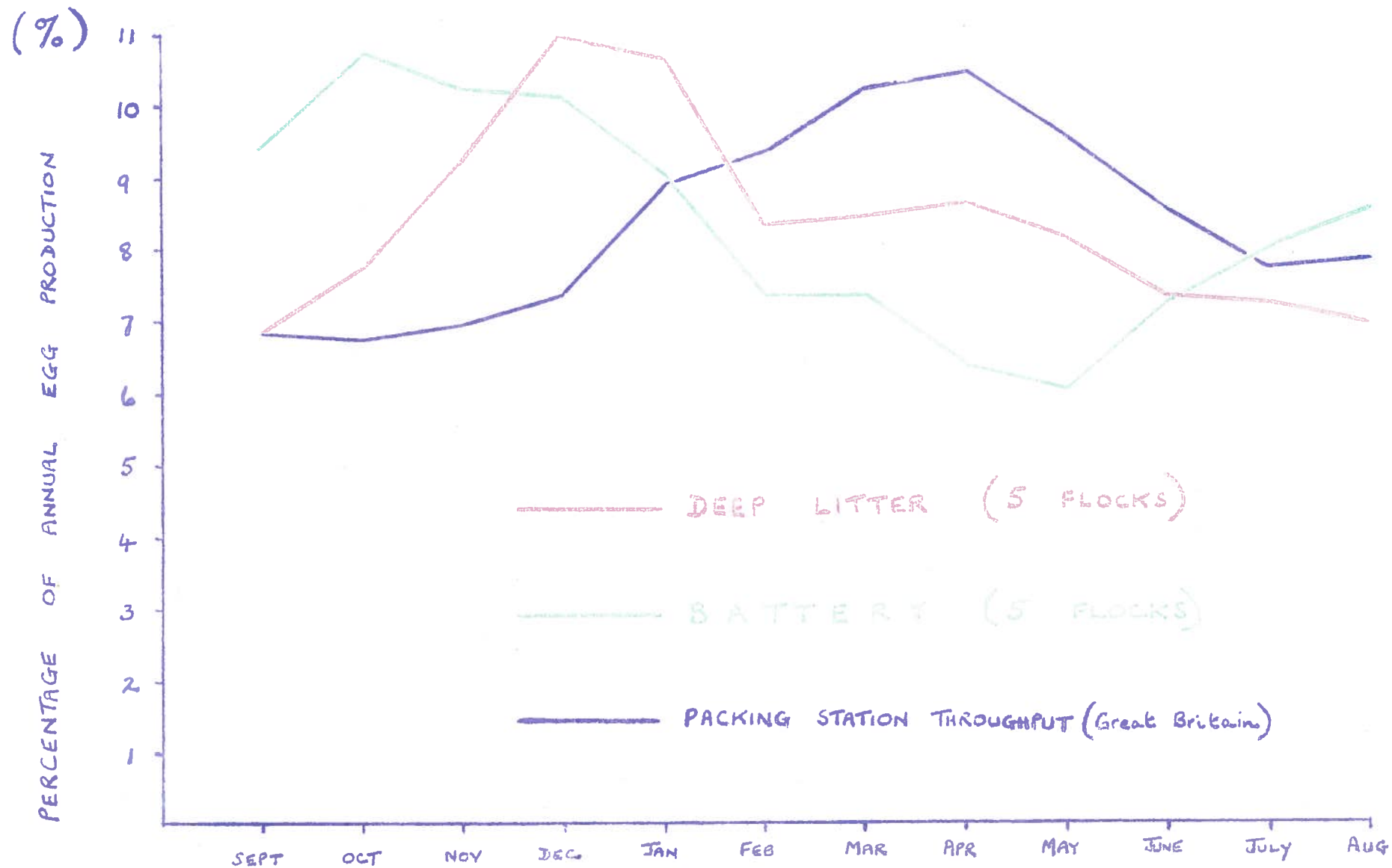
- 20% Feeding Wheat
- 10% Feeding Barley
- 20% Feeding Oats
- 15% Maize
- 20% Wheat Offals
- 5% White Fish Meal
- 10% Extracted Soya Bean Meal

For each change of $7d$ per cwt in this revised standard ration a corresponding change of $\frac{1}{2}d$ per dozen eggs was made in the guaranteed price.

In terms of the 1956-57 feed price and formula this 1957-58 guarantee of $4/1\frac{1}{4}d$ was equivalent to $3/11\frac{3}{4}d$ per dozen - a reduction of $1\frac{3}{4}d$.

These guaranteed prices were average minimum prices for the year. The prices guaranteed to producers by the packing stations varied according to the

SEASONALITY OF EGG PRODUCTION (SEPT 1956 TO AUG 1957)



GKRB

Source: Costing Data & C.E.C. Intelligence Bulletin, Jan. 1958.

time of year and the size of egg. The graph on the next page shows the packing station prices paid to producers during the year September, 1956 to 17th August, 1957, for large and standard grade, and for medium and small grade eggs. After 17th August there were four size grades: Large, Standard, Medium and Small.

Since 1st July 1957, the guarantee scheme has been operated by the British Egg Marketing Board which assumed its full trading powers on that date.

Accounting Method

In the stock valuation birds are entered at estimated cost of production with a peak rate for pullets at point-of-lay and thereafter a depreciated value according to age.

Home grown grain was charged at approximate market value and any greens fed - kale, roots, etc. at estimated cost of production. In the standard appendix, home-grown grain was charged at a flat rate of 20/- per cwt.

Hired labour was charged at actual rates paid plus about 2d per hour to allow for sick and holiday time.

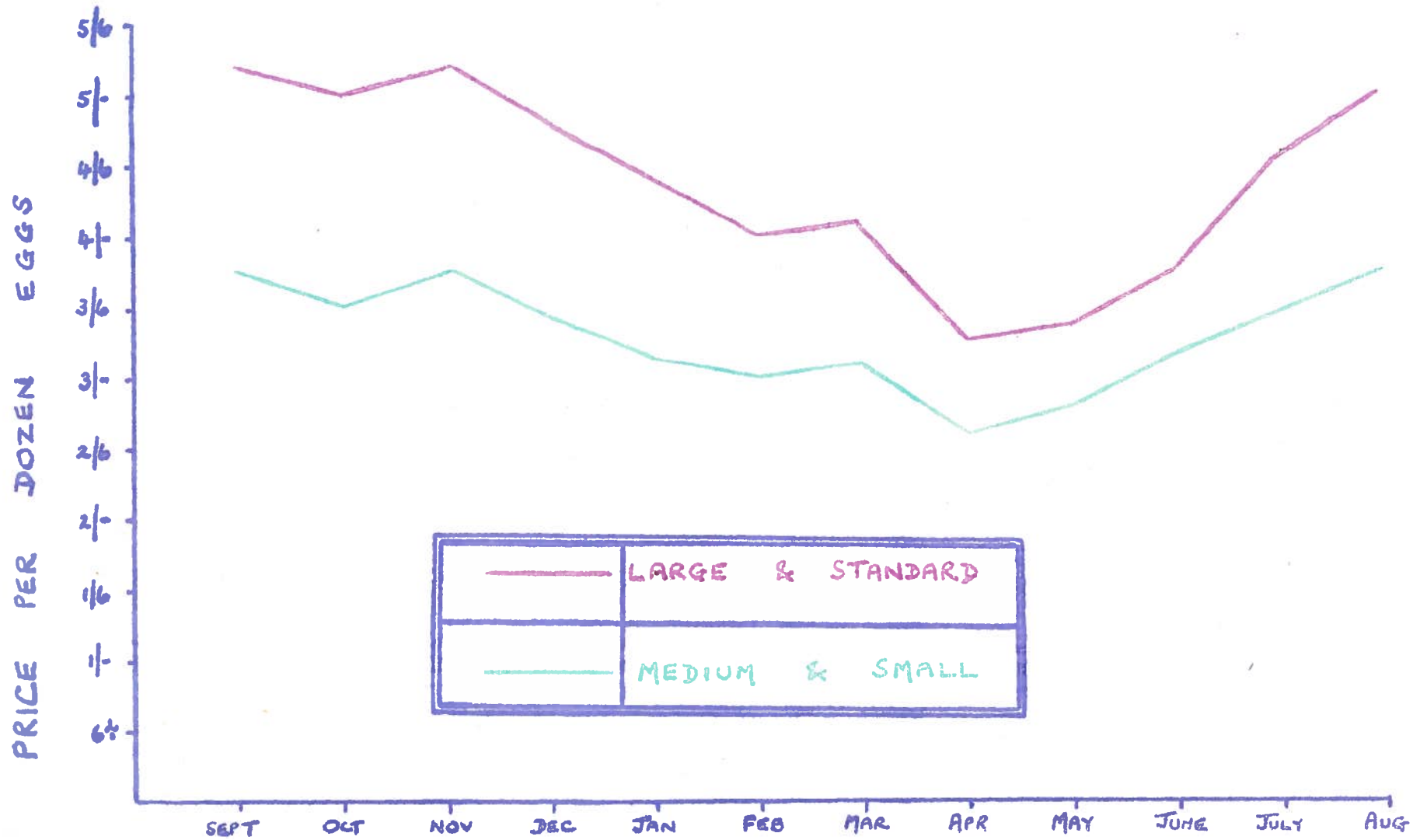
Family labour was charged at rates approximately equivalent to those used for similar hired labour:-

Farmer	3/10d	Wife	2/8d
Sons	1/6 to 3/10d	Daughters	1/4 to 2/8d

No credit was given for the residual manurial value of feeding used.

A share of general farm expenses (overheads) calculated according to the standards adopted by the Scottish Conference of Agricultural Economists, has been applied to individual costings when this was necessary.

PRODUCERS' EGG PRICES (SEPT 1956 TO AUG 1957)



GKRB

Source :- Agricultural Press

STANDARD APPENDIX

STANDARD APPENDIX TABLE A - Laying Flocks (Deep Litter)

STANDARD APPENDIX TABLE A - Laying Flocks (Battery)

LAYING FLOCKS (DEEP LITTER)Average Costs and Returns per Bird and per Dozen Eggs

PER BIRD				
<u>COSTS:</u>			£ s. d.	£ s. d.
(A) FOODS:	(a) <u>Purchased</u>	lb.		
	(1) Compounds	96.3	1 11 2	
	(2) Cereals	10.1	2 9	
	(3) Other	6.6	8	1 14 7
	(b) <u>Home-grown</u>			
	(1) Cereals +	15.4	2 9	
	(2) Other	5.9	2	2 11
	Total Foods			1 17 6
		Hrs.		
(B) LABOUR:	(a) Hired	.5	1 4	
	(b) Family	1.6	4 8	
	Total Labour			6 0
(C) LIVESTOCK DEPRECIATION [≠]				10 6
(D) DEADSTOCK DEPRECIATION AND REPAIRS	(a) Depreciation		1 5	
	(b) Repairs		1	
	Total			1 6
(E) MISCELLANEOUS				1 8
	SHARE OF GENERAL FARM EXPENSES ⁺⁺			2 1
TOTAL COSTS				2 19 3
<u>RETURNS:</u>		Doz.		
EGGS:	(a) Market	15:6		3 7 4
	(b) Hatching	-		-
	(c) Used in Farmhouse	:9		2 4
TOTAL RETURNS				3 9 8
MARGIN				10 5
PER DOZEN EGGS				
	Total Returns (all eggs)	s. d.	4 3 ³ / ₄	
	Total Costs		3 8 ¹ / ₄	
	Margin		7 ¹ / ₂	
Number of Flocks	No.	6		
Average Size of Flock	No.	543		
Average Length of Flock Season	Weeks	52		
Average Yield per Bird	Eggs	195		

‡ Charged at 20/- per cwt

≠ Of the total number of layers (the sum of those in the opening valuation plus subsequent transfers in) 76% were valued at actual or estimated cost of production.

++ This is an addition to the Standard form. See Foreword page 1.

LAYING FLOCKS (BATTERY)

Average Costs and Returns per Bird and per Dozen Eggs

PER BIRD			
<u>COSTS:</u>			
(A) FOODS:	(a) <u>Purchased</u>	<u>lb.</u>	£ s. d.
	(1) Compounds	105.1	1 15 1
	(2) Cereals	11.6	2 8
	(3) Other	4.0	<u>4</u>
	(b) <u>Home-grown</u>		
	(1) Cereals †	2.8	6
	(2) Other	-	<u>-</u>
	Total Foods		1 18 7
		<u>Hrs.</u>	
(B) LABOUR:	(a) Hired	.8	2 4
	(b) Family	1.5	<u>5 0</u>
	Total Labour		7 4
(C) LIVESTOCK DEPRECIATION [‡]			14 9
(D) DEADSTOCK DEPRECIATION AND REPAIRS	(a) Depreciation		3 1
	(b) Repairs		<u>8</u>
	Total		3 9
(E) MISCELLANEOUS			1 10
SHARE OF GENERAL FARM EXPENSES ^{††}			11
TOTAL COSTS			3 7 2
<u>RETURNS:</u>		<u>Doz.</u>	
EGGS:	(a) Market	17: 4	3 14 0
	(b) Hatching	-	-
	(c) Used in Farmhouse	: 2	6
TOTAL RETURNS			3 14 6
MARGIN			7 4
PER DOZEN EGGS			
		<u>s. d.</u>	
	Total Returns(all eggs)	4 3 $\frac{1}{2}$	
	Total Costs	3 10 $\frac{3}{4}$	
	Margin	4 $\frac{1}{2}$	
Number of Flocks	No.	6	
Average Size of Flock	No.	792	
Average Length of Flock Season	Weeks	52	
Average Yield per Bird	Eggs	210	

† Charged at 20/- per cwt.

‡ Of the total number of layers (the sum of those in the opening valuation plus subsequent transfers in) 93% were valued at actual or estimated cost of production.

†† This is an addition to the Standard form. See Foreword page 1.