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FARM BUSINESS SURVEY

Organic Farming in England

2023/24

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Farm Business Survey

2023/2024

Organic Farming in England

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Foreword

The Organic Farming in England Report is one of a series of reports being produced based on the results of the Farm Business Survey (FBS) for England. The Farm Business Survey is carried out by Promar International Ltd and is the most comprehensive annual survey of farm incomes in England. The survey is commissioned by the Department for Environment, Food and Rural Affairs (Defra) and has two main purposes. Firstly, it provides unbiased information required by Defra and the farming community to monitor economic trends in farming year by year. Secondly, it provides aggregated farm data which is used in advisory work, teaching and research.

This series of detailed reports for various farm types and enterprises, covering the 2023/24 financial year along with the 2022/23 series can be found at https://www.farmbusinesssurvey.co.uk/.

It is important to recognise that all surveys, including the Farm Business Survey (FBS), are subject to sampling error, as they do not represent the entire population. Readers should be aware that the figures derived from FBS data carry a certain level of uncertainty and are, by nature, estimates. In general, smaller sample sizes tend to result in greater sampling error, which reduces the confidence we can place in the estimates. For further details on the FBS, please refer to the Defra FBS publications at https://www.gov.uk/government/collections/farm-business-survey.

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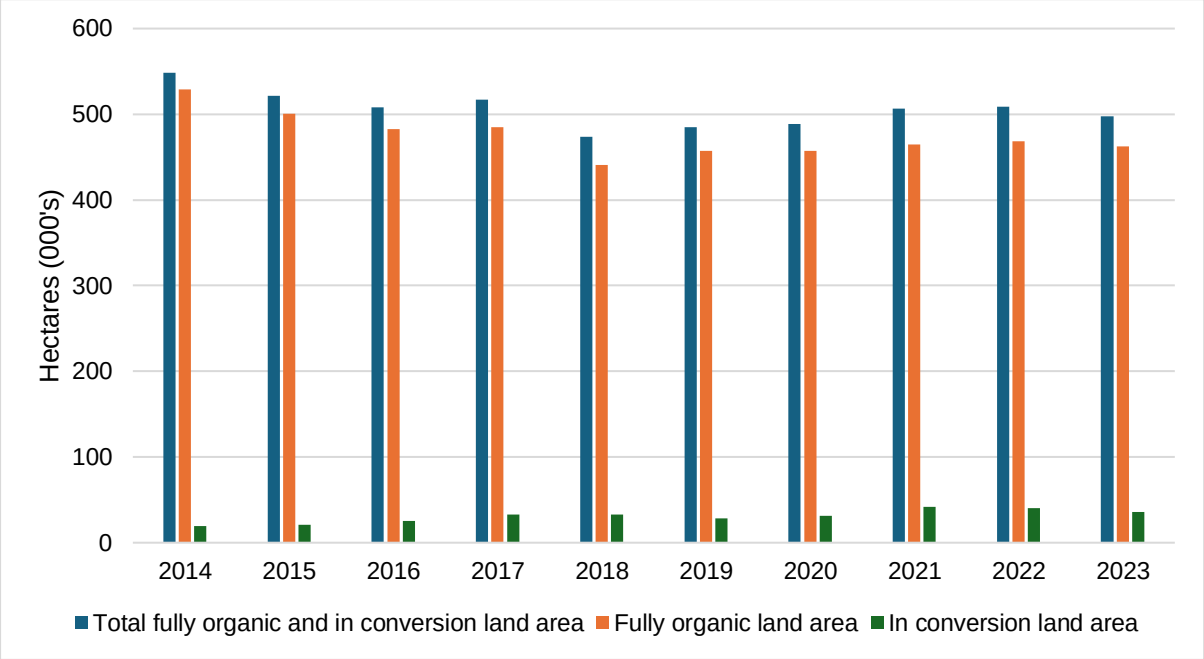
1.0 Organic Farming in the United Kingdom

1.1 Area

1.1.1 Organic Area in the UK

The total area of organic land in the UK in 2023 was 498,000 hectares, a decrease of 2.1% compared to 2022. This total of organic agricultural area comprises of land certified as fully organic and land in conversion.

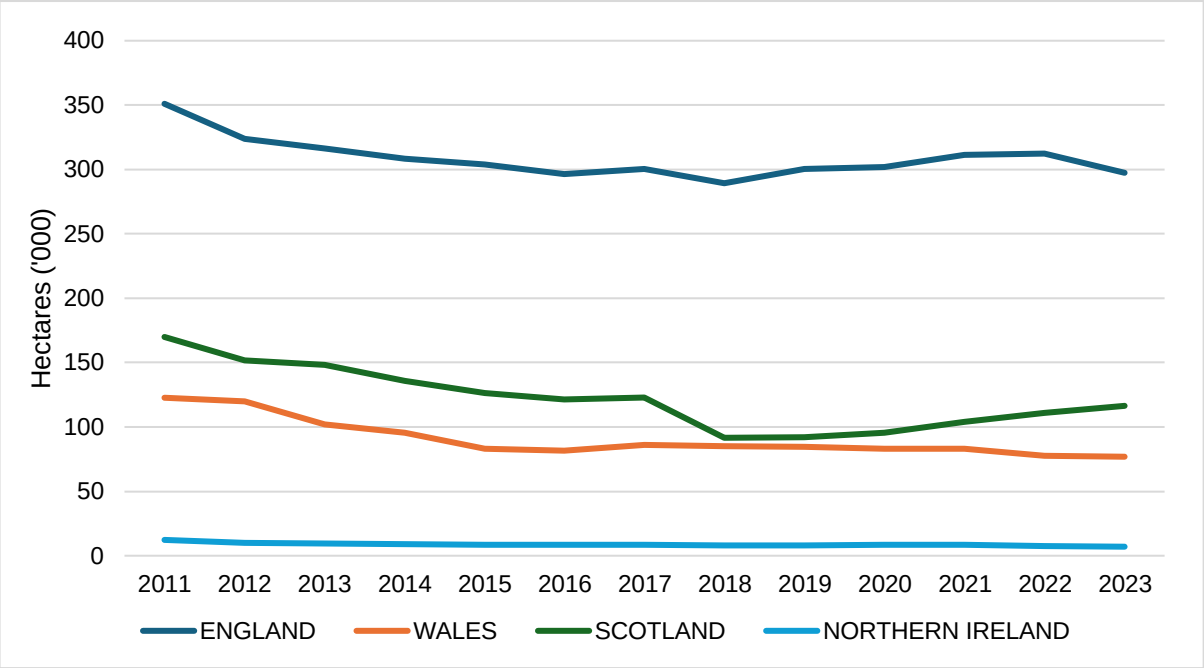
Figure 1 UK land in organic food production 2014 - 2023 (thousand hectares)



(Source: DEFRA, 2023)

In 2023, 60% of the total organic area was in England, 23% in Scotland, 15% in Wales and 1% in Northern Ireland. Comparing the organic areas from 2022 to those for 2023; the areas in England, Wales and Northern Ireland all decreased, by 4.8%, 0.9% and 9.1% respectively, however, the organic area in Scotland saw an increase of 5.1%.

Figure 2 Land area in organic production by UK country (including in-conversion)



(Source: DEFRA, 2023)

1.1.2 Organic Area in England

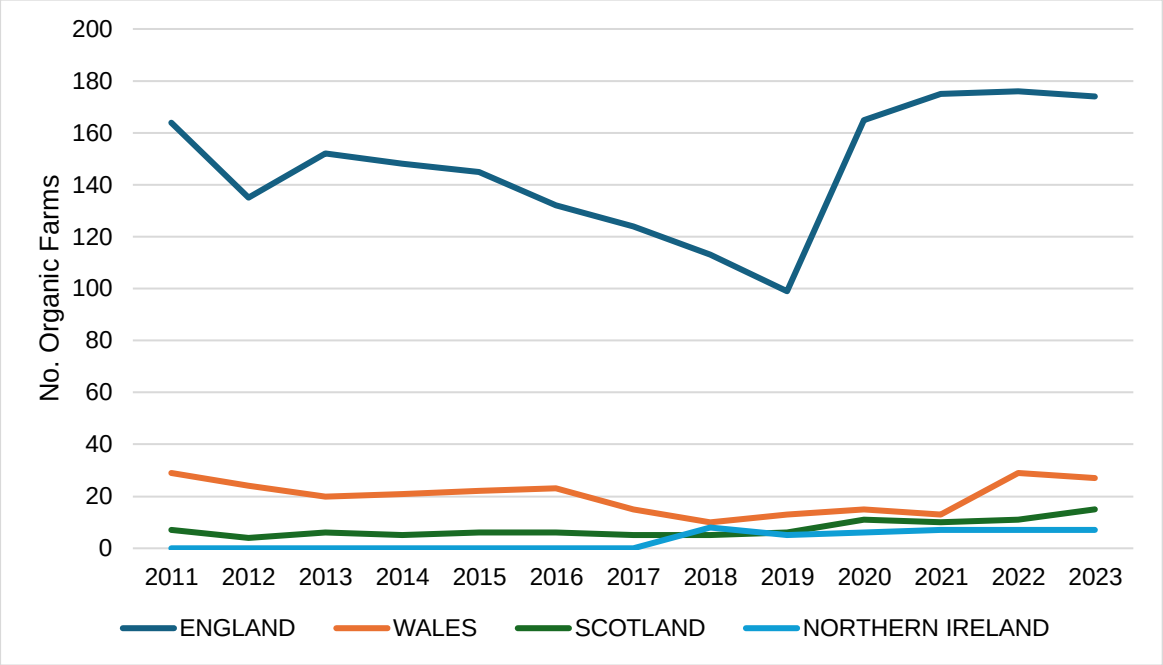
In 2023, the total organic agricultural area being farmed in England was 297,500 hectares, this was a decrease from 312,400 hectares in 2022. As above, this total area of organic land includes land that is certified as fully organic and land in conversion. As recorded by the June Survey of Agriculture, 2023, the total organic area in England of that year accounted for 3.3% of the total area on agricultural holdings. The largest proportion of organic area was in the Southwest with 47% of the total organic area, this accounted for 8% of the total agricultural area as recorded by the June Survey for the region. Yorkshire and the Humber had the smallest share of organic area at 3.7% of the total, this only accounted for 1% of the total agricultural area as recorded by the June Survey.

Table 1 Organic Area in England

	Total organic area %	Total organic area as % of June area
England	**100.0%**	**3.3%**
North East	8.2%	4.0%
North West	4.1%	1.3%
Yorkshire and the Humber	3.7%	1.0%
East Midlands	5.0%	1.3%
West Midlands	11.0%	3.6%
East of England	6.3%	1.3%
South East (incl. London)	14.6%	3.9%
South West	47.0%	8.0%

1.2 Producers

Figure 3 Organic producers and processors in the UK



(Source: DEFRA, 2023)

2.0 The Data

This report presents data for the 2022/23 and 2023/24 financial years, the financial and physical data presented is compiled from the Farm Business Survey (FBS) data. The surveyed farms had financial year ends between 31st December and 30th April, as such the 2022/23 results reflect the 2022 Harvest, and the 2023/24 results reflect the 2023 Harvest.

The FBS presents data for all farm types on both a National and Region basis. Farms are classified according to Standard Outputs (SO), the basis for the classification of farms in the FBS is detailed in Appendix A.

All the results presented in this report are based on weighted data to produce population estimates for England, for more detail on the weighting framework please also refer to Appendix A.

It must be noted that the Standard Output coefficients were updated to 2017 Standard Outputs (2017SO) for the 2023/24 FBS Sample, when these were applied to the 2022/23 Sample a number of farms changed type and as such the weighting framework had to be updated. For comparability purposes all 2022/23 figures published in this report are 2017SO updated figures. For more information regarding the Standard Output updates please refer to Appendix A.

2.1 Data sample

The 2023/24 data presented in this report uses data from 1,373 farms, which are all part of the FBS. Organic results are presented for 92 of these farms, there are a small number of Pig & Poultry Farms that are classified as organic in addition to this, however, due to the small sample size these have been excluded from any analysis. Due to the small sample size of the General Cropping group, this farm type has been combined with the cereals group, this merged group will be referred to as Cropping farms in this report. For the purpose of this report, an organic farm is defined as a farm business that has at least 70% of the Utilised Agricultural Area (UAA) certified as organic.

The 2022/23 data presented in this report uses the data from the identical sample of Organic Farms that are presented in the 2023/24 results. This group is made up of 92 farms, as is the case for the data presented for the 2023/24 results any Organic Pig & Poultry Farms have been excluded from any analysis due to insufficient sample sizes.

Of the total number of organic farms in the survey (i.e. including Pig & Poultry Farms), 95% are fully organic, where the remaining 5% have some non-organic land area, but the organic land area amounts to at least 70% of their UAA. There are a further 7 farms in the FBS that have some organic land area, albeit less than 70% of their UAA, as such these are considered non-organic farms in this report. However, any relevant organic enterprises from these farms may be included in the Gross Margin Results presented in Chapter 5 of this report.

The distribution of the surveyed organic farms (excluding Pig & Poultry Farms) by type and by region are presented in Table 2 & 3.

Table 2 The distribution of surveyed organic farms by farm type 2023/24

Robust Farm Type	Number	%
Cereals & General Cropping	7	8%
Horticulture	7	8%
Dairy	25	27%
LFA Grazing	16	17%
Lowland Grazing	31	34%
Mixed	6	7%
All Farms (exc. Pig & Poultry)	**92**	**100%**

Table 3 The distribution of surveyed organic farms by region 2023/24

Region	Number	%
North East	5	5%
North West	8	9%
Yorks. & Humber	6	7%
East Midlands	4	4%
West Midlands	13	14%
East of England	5	5%
South East	10	11%
South West	41	45%
All Farms (exc. Pig & Poultry)	**92**	**100%**

The distribution of the organic sample (excluding Pig & Poultry Farms) by Standard Output is presented in Table 4. The Standard Output of a farm is a financial measure used to classify farm type, for further information on the 2017 Standard Output Methodology please refer to Appendix A.

Table 4 Organic sample distribution by Standard Output (2017 Standard Output)

Standard Output (SO)	(€25,000 - €100,000)	(€100,000 - €250,000)	(>€250,000)	All
All	30	32	30	92
% distribution	33%	35%	33%	100%

2.2 Data sample: Limitations

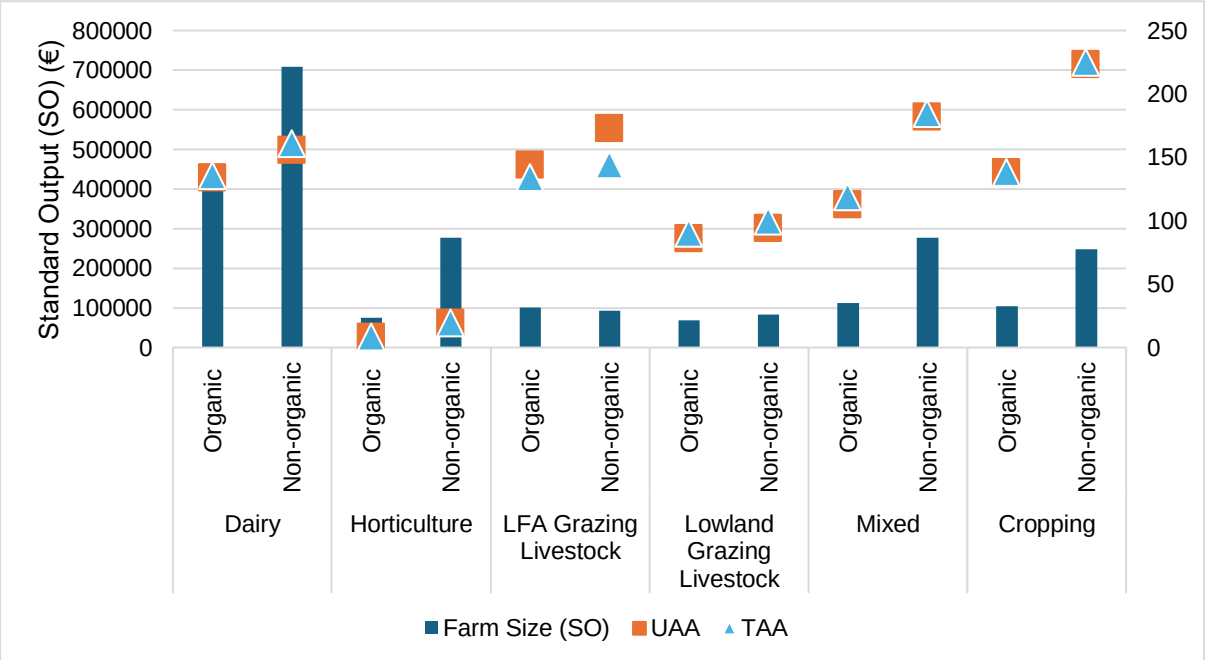
It is important to note that all surveys are subject to sampling error as they are not measuring the whole population, the FBS is no exception. It is common practice to publish 95% confidence intervals and error bars alongside any published estimated figures to give the reader an indication of the size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

For any group containing less than 15 observations, great care must be taken when interpreting the results due to the small sample size, where applicable these results have been marked with an asterisk (*) in this report.

2.3 Farm Size

The Standard Output (SO) for a farm business represents the theoretical output for all the agricultural production activities on the farm. The SO is the expected output under typical conditions for enterprises of average size and performance. The measure of SO allows for comparisons of farm business size across farm types but does not necessarily relate to the land area that is being farmed. As such, Figure 5 shows the weighted farm sizes for the 2023/24 sample presented by Standard Output (SO), Utilised Agricultural Area (UAA) and by Total Adjusted Area (TAA). Both UAA and TAA are a measure of farm size by farm area and are presented as hectares. UAA is simply the agricultural area of the farm, TAA includes adjustments for sole occupier rough grazing, adjustments for shared grazing and includes areas of short-term rental agreements (i.e. grazing licences). As can be seen in Figure 5, there is little difference between the UAA and TAA for most groups, however in the LFA Grazing Livestock Group the difference is more noticeable. The measure of area used in this report is TAA unless otherwise stated.

Figure 4 Farm size by Standard Output and area (2023/24)



**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

3.0 Whole-Farm Results

3.1 Presentation of Results

The tables and figures included in this section present some summary data providing breakdowns of farm sizes, output sources, main cost groups and farm income measures at both whole farm level and as per hectare figures. These results are presented for Cropping, Horticulture, Dairy, LFA Grazing, Lowland Grazing, and Mixed Farms.

There are three income measures presented in this report: Farm Business Income (FBI), Net Farm Income (NFI) and Management and Investment Income (MII). FBI represents the financial return to all unpaid labour (farmers and spouses, directors, non-principal partners and directors and their spouses and family workers) and on all their capital invested in the farm business, including land and buildings.

Unlike FBI, NFI includes rental values for owner-occupied land and unpaid labour, and as such allows individual farms to be compared directly with each other. The final measure of farm income which has been included in the tables presented in Chapter 4 is MII. MII is NFI minus an imputed costs for the manual labour of the farmer and spouse plus any paid management. For full definitions of the terms used in this report, please refer to Appendix B.

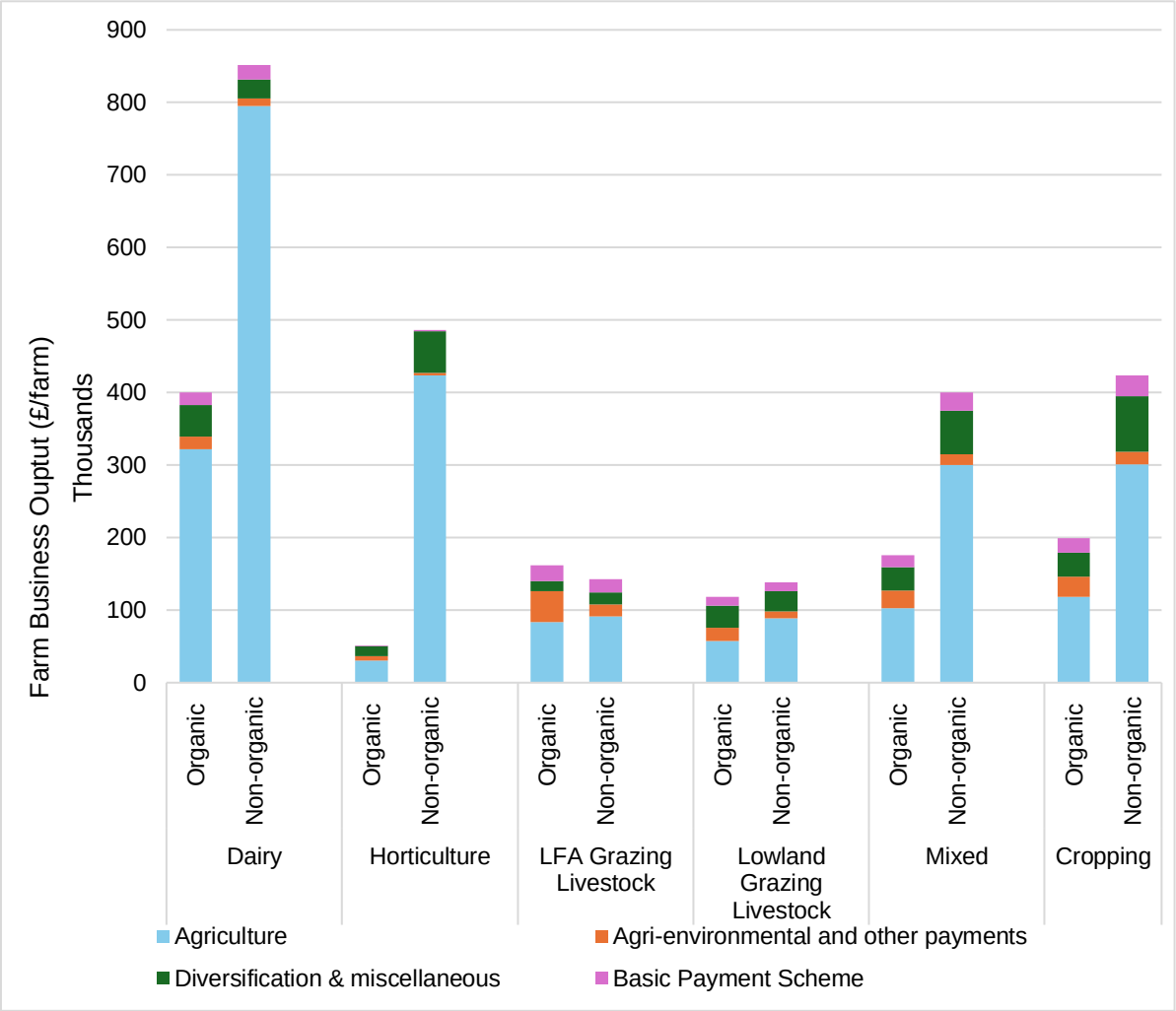
3.2 Total Farm Output

Total Farm Output is total crop enterprise output plus adjustment for output from previous year's crops plus total livestock enterprise output plus output from home grown fodder crops plus output from tillages and forage plus output from non-agricultural diversified activities plus miscellaneous revenue plus single payment.

Figure 5 shows the comparisons of breakdown of Total Farm Output between Organic and Non-organic farms. The Total Farm Output is broken down into Output from Agriculture, Output from Agri-environmental schemes and other similar payments, Output from Diversified Activities (including any miscellaneous income) and finally the output from Basis Payment Scheme.

Output from Agriculture remains the largest element of output for farm businesses for both organic and non-organic farms. Organic farms all had more output from Agri-environmental schemes than non-organic farms.

Figure 5 Farm Business Output per farm by cost centre and farm type, organic and non-organic farms, 2023/24

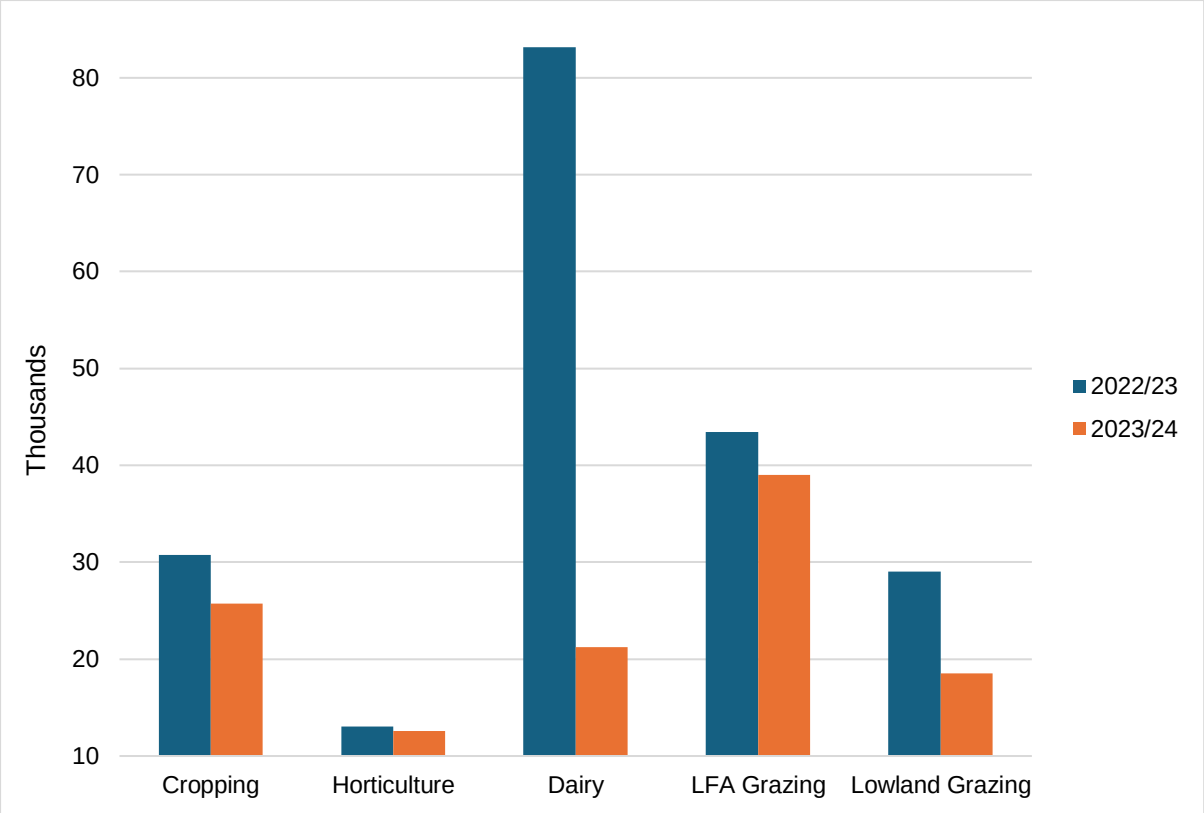


**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

3.3 Farm Business Income

3.3.1 Organic Farms Year on Year (identical sample)

Figure 6 Average Farm Business Income (FBI/farm) on organic farms by farm type group 2022/23 and 2023/24



**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

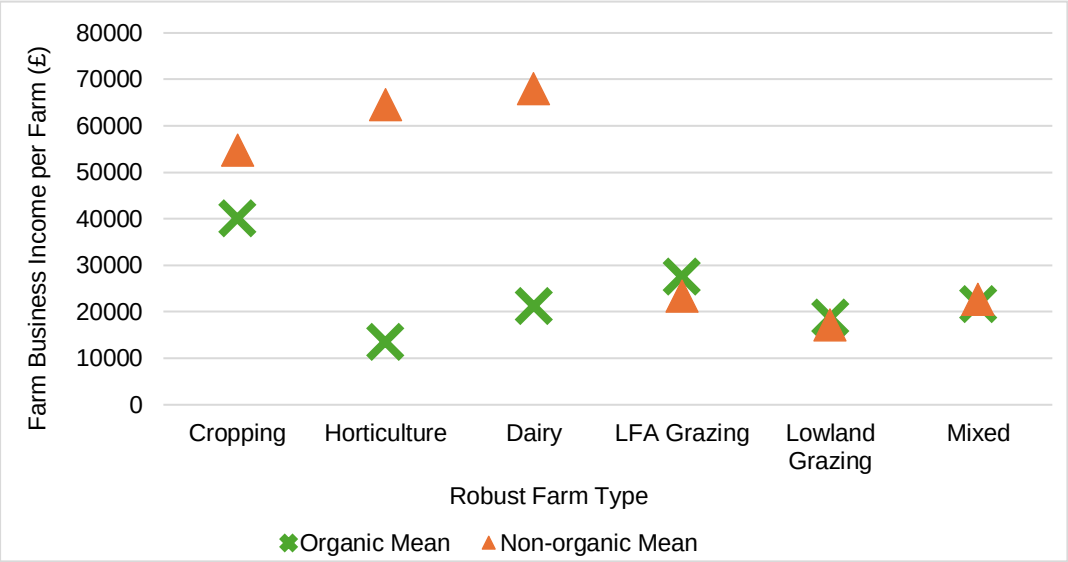
Table 5 Change in average organic FBI by farm type 2022/23 and 2023/24

	2022/23 (identical sample)				2023/24 (identical sample)			
	No. farms in sample	FBI - £/farm	FBI - £/ha (UAA)	FBI £/ha (TAA)	No. farms in sample	FBI - £/farm	FBI - £/ha (UAA)	FBI - £/ha (TAA)
Cropping*	5	30763	205	205	5	25741	146	146
Horticulture*	5	13032	5162	5162	5	12609	5290	5290
Dairy	25	83178	751	734	25	21213	324	309
LFA Grazing*	14	43430	347	369	14	39017	281	286
Lowland Grazing	24	29021	310	303	24	18510	138	130

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

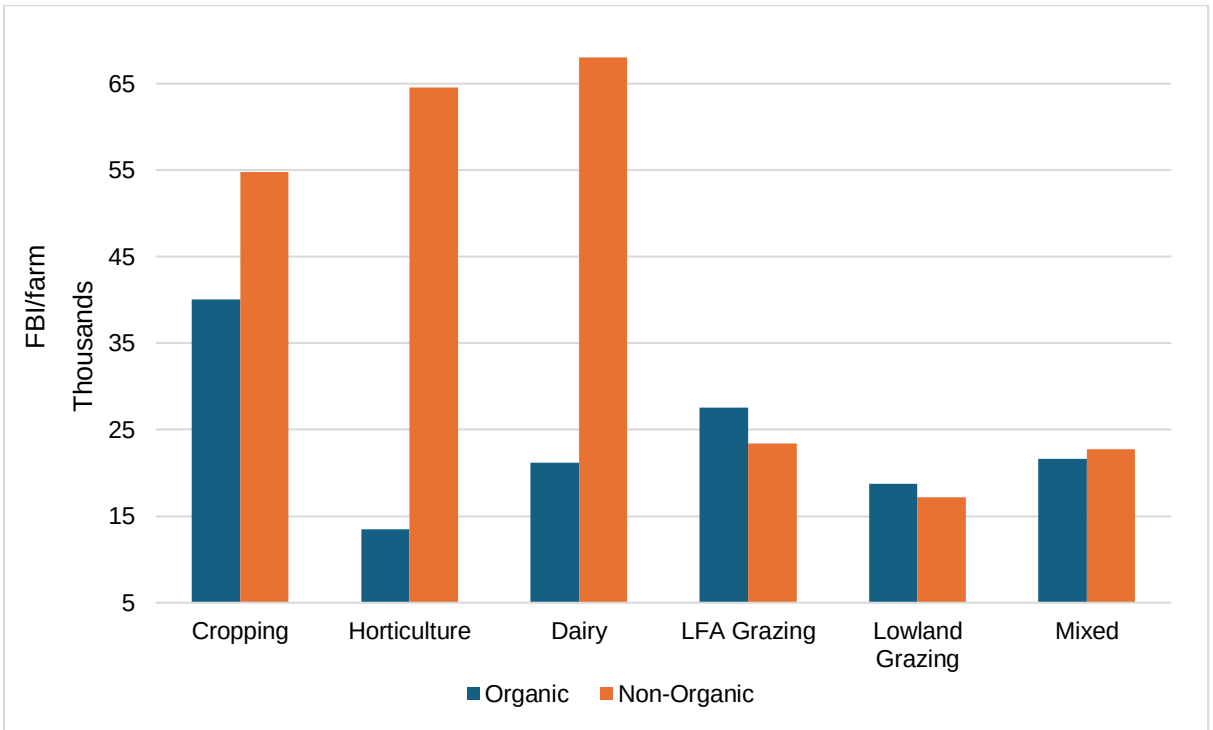
3.3.2 Organic versus non-organic (full sample)

Figure 7 Average FBI/farm for organic and non-organic farms by farm type 2023/24



**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

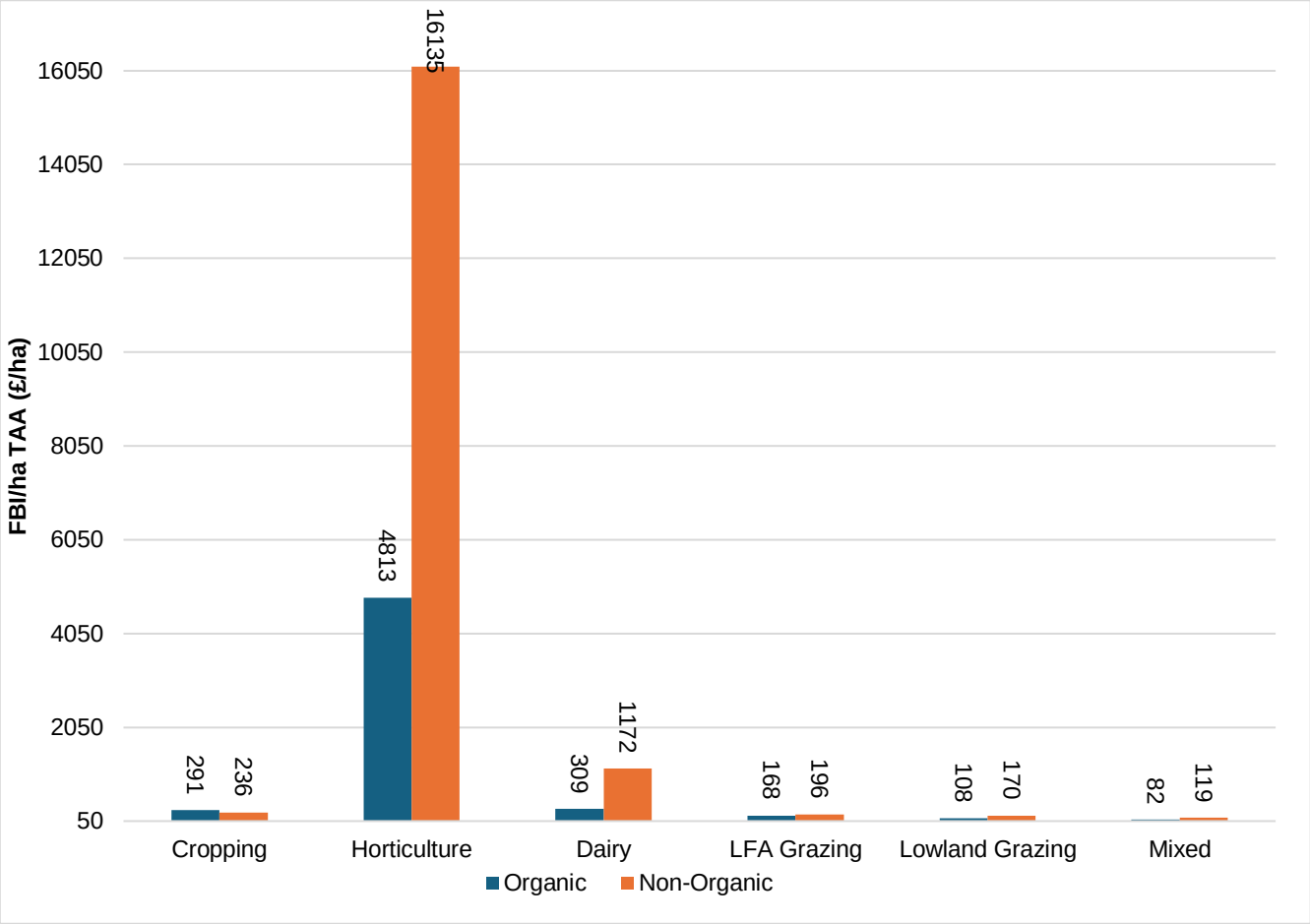
Figure 8 Comparison of average FBI/farm between organic and non-organic farms 2023/24



**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

In 2023/24, the FBI/farm was recorded higher on organic farms for the LFA Grazing and Lowland Grazing groups only, with the non-organic farms recording higher FBI figures for the remaining groups, Cropping, Horticulture, dairy and Mixed Farms. Both Figure 8 and Table 6 present the Farm Business Income at a whole farm level, Figure 9 and Table 7 present the FBI as a per hectare figure, which is often seen as more appropriate when comparing data at farm level.

Figure 9 Average FBI/ha (TAA) for organic and non-organic farms by farm type 2023/24



**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 6 Comparison of Average FBI/ha between organic and non-organic organic farms 2023/24

FBI/ha TAA (£) 2023/24			
Robust Farm Type	**Organic Mean**	**Non-organic Mean**	**Difference**
Cropping	291*	236	55
Horticulture	4813*	16135	-11322
Dairy	309	1172	-863
LFA Grazing	168	196	-27
Lowland Grazing	108	170	-62
Mixed	82*	119	-36

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 7 below shows the relationship between FBI per farm and FBI per hectare, presented on an UAA and a TAA basis.

Table 7 Average FBI for organic and non-organic farms by farm type 2023/24

2023/24 (Full Sample)						
Robust Farm Type and Organic Status		**Number of farms (sample)**	**Number of farms (weighted)**	**FBI - £/farm**	**FBI - £/ha (UAA)**	**FBI - £/ha (TAA)**
Cropping	Organic *	7	359	40040	291	291
	Non-organic	361	17493	54788	235	236
Horticulture	Organic *	7	278	13499	4813	4813
	Non-organic	69	2297	64585	16135	16135
Dairy	Organic	25	396	21213	324	309
	Non-organic	220	4573	68051	1161	1172
LFA Grazing	Organic	15	254	27571	156	168
	Non-organic	157	6144	23372	196	159
Lowland Grazing	Organic	31	1272	18723	115	108
	Non-organic	239	10294	17158	160	170
Mixed	Organic *	6	181	21601	91	82
	Non-organic	129	5011	22715	114	119

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

4.0 Detailed costs and returns by farm type

This section presents a detailed breakdown of outputs and inputs alongside three profit indicators: Management Investment Income, Net Farm Income and Farm Business Income. This section presents the data on a per hectare basis, showing year on year changes (2022/23 and 2023/24) using an identical sample and organic versus non-organic results for the full sample of 2023/24.

4.1 Overview

The commentary provided in the following section provides an overview of the data presented in Tables 9 – 20. Comparisons between figures are made on a per hectare basis unless otherwise stated.

Cropping Farms

- Analysis on an identical sample of organic cropping farms saw a small decrease in Total Output from 2022/23 to 2023/24. Agricultural Output saw a reduction of almost 32%, whereas Environmental Subsidies and Diversification Activities both rose by 38.1% and 62.3% respectively. In 2022/23 Agricultural Output made up 66% of the Total Output, this fell to 54% in 2023/24. An increase in Variable Costs of 7.1% resulted in a reduction of Farm Gross Margin. Fixed Costs also rose, albeit by a smaller amount a 3.2%. With Total Output down and Total Costs higher, the Farm Business Income average saw a 28.7% decrease from £205/ha in 2022/23 to £146/ha in 2023/24.
- The comparison between the full sample of organic cropping farms against the full sample of non-organic cropping farms shows that the area of the average organic cropping farm is smaller at 137.9ha compared to 224.5ha, the average area of a non-organic cropping farm. Organic cropping farms generate 15% less Total Output than non-organic cropping farms. Agricultural Output on Organic farms makes up 59% of the total output compared to 71% for non-organic farms, however Organic cropping farms are earning almost two and a half times the revenue per hectare from Environmental Subsidies compared to their non-organic counterparts. Organic cropping farm's Variable Costs are less than half of the non-organic Variable Costs – with Fertiliser and Crop Protection costs accounting for most of this difference. Total Fixed Costs are similar in both organic and non-organic farms. Although Total Output was lower per hectare for Organic Farms, their Total Costs were also lower by £289/ha than those seen in the non-organic farms, this produced a higher Farm Business Income figure at £291/ha compared to £234/ha for non-organic cropping farms.

Horticulture Farms

- Analysis on an identical sample of Horticulture Farms showed similar Total Outputs and Costs in 2022/23 to 2023/24. Total Output saw a small reduction of less than 5% from 2022/23 to 2023/24. Total Costs also reduced by 5% from 2022/23 to 2023/24. This resulted in the very small increase of Farm Business Income of £128/ha (£5162/ha in 2022/23 to £5290/ha in 2023/24).
- The average area of the Organic Horticultural Farm is less than half the area of the average Non-organic Horticultural Farm. On average Organic Horticultural Farms generate a Total Output of only £9381/ha compared to £120,330/ha for non-organic farms. 87% of the Total Output seen on non-organic farms was up from Crop Output, compared to only 60% crop output seen on organic farms. The output from Environmental Subsidies on a per hectare basis on organic farms was over 5 times that seen on non-organic farms. Total Costs for non-organic Horticultural farms are 95% of the Total Output, yet costs for organic farm are 118% of the Output, resulting in a negative MII figure of -£1766/ha compared to £6049/ha for non-organic farms. At the Farm Business Income level, both non-organic and organic farms are

seen to make a profit, however organic farms had a significantly lower FBI per hectare at £4813/ha compared to their non-organic counterparts which had a FBI of £16135/ha.

Dairy Farms

- Analysis on the identical sample of organic Dairy Farms saw a 13% decrease in Total Output from 2022/23 to 2023/24, Output from Livestock accounting for the majority of this decrease. Variable Costs saw a year-on-year reduction of 10%, whereas Fixed Costs saw a slight increase of 5%, this resulted in an overall reduction of Total Costs of 8%. The resultant Farm Business Income per hectare in 2023/24 is only 42% of the 2022/23 figure.
- A comparison on the full sample of organic Dairy Farms against non-organic Dairy Farms shows the average organic farm is 25.7ha smaller in land area than their non-organic equivalents. Interestingly, when compared on a Standard Output basis, the size of the average organic farm is less than 20% of the size of the average non-organic farm. Overall, on a per hectare basis, organic farms had 61% less Total Output and 54% less Total Costs, the resultant Farm Business Income for organic Dairy farms is 73% less than the non-organic farms.

LFA Grazing Farms

- Year on Year analysis on the identical sample of organic LFA Grazing Farms showed a small increase in Total Output of 5%, both Variable Costs and Fixed Costs also increased by 15% and 13.5% respectively, this resulted in a reduction in Farm Business Income of 22% from 2022/23 to 2023/24.
- The comparison of the full sample of organic LFA Grazing Farms compared to the non-organic LFA Grazing Farms shows that the organic farms are slightly smaller on average by 9.7ha in terms of area, although in terms of Standard Output the Organic farms are almost 10% larger than the non-organic farms. In the 2023/24-year, Total Output per hectare on organic LFA Grazing Farms was, on average 8% more than the average non-organic LFA Grazing Farm. The output from Livestock made up 61% of the Total Output on the average non-organic farm, whereas Livestock output only made up to 50% of the Total Output on the average non-organic farm. This difference is accounted for within Environmental Subsidies – the average organic LFA Grazing Farm's Environmental Subsidies account for 27% of the Total Output compared to only 12% contribution seen in the average non-organic farm. Variable Costs on the organic farms were 39% less than those on non-organic farms but Fixed Costs were observed to be similar. The resultant Farm Business Income figure was 15% higher for organic LFA Grazing Farms than the average non-organic LFA Grazing Farm.

Lowland Grazing Farms

- The analysis on the identical sample of organic Lowland Grazing Farms showed a 9% increase in Total Output from 2022/23 to 2023/24, this was met with increases in both Variable and Fixed Costs of 17% and 21% respectively. The result being a 57% decrease in Farm Business Income from £303/ha in 2022/23 to £130/ha for 2023/24.
- The full sample comparison of non-organic Lowland Grazing Farms against organic Lowland Grazing Farms shows the average organic Lowland Grazing Farm is 9.5ha smaller in terms of area than the average non-organic Lowland Grazing Farm. The Total Output of the non-organic Lowland Grazing Farm is £1665/ha compared to £1220/ha for their organic counterpart; a 27% decrease. Within the Total Output, it is noted that Agricultural Output accounts for 64% of the total output in non-organic farms, whereas this is much lower in organic farms at 49%. Organic Variable Costs were observed to much lower than those incurred on non-organic farms; in fact, almost exactly 50% lower. Fixed Costs were also lower for organic farms by 12%, despite the lower Total Costs, this was not enough to counteract

the lower Total Output, as such the Farm Business Income of non-organic farms was £157/ha compared to £108/ha, a 31% reduction.

Mixed Farms

- The year on year analysis of an identical sample of Mixed Farms was not completed due to small sample size.
- The area of the average non-organic mixed farm is 66ha larger than the average organic mixed farm. The Total Output of the average organic farm is £1491/ha, a 25% reduction on the non-organic figure of £1980/ha. Interestingly, the Agricultural Output of the non-organic farm's accounts for 74% of the Total Output compared to 58% for the organic farms. Environmental Subsidies account for 14% of the organic farms' output at £228/ha, this is almost three times the Environmental Subsidies Revenue per hectare received by the average non-organic mixed farm. The Variable Costs incurred by the average organic mixed farm are half of those incurred by their non-organic equivalents, the main items accounting for these reduced costs are a lower spend on fertiliser, crop protection and feed for organic farms. Fixed costs are very similar between both organic and non-organic farms on a per hectare basis. The resultant Farm Business Income for organic Mixed Farms is £82/ha, this is 27% less than the non-organic Mixed farm, Farm Business income of £112/ha.

4.2 Cropping

Table 8 Cropping Farms, organic identical sample 2022/23 and 2023/24

Cropping Farms*	Organic Identical Sample 2022/23			2023/24		
Number (unweighted)		5			5	
Number (weighted)		214			254	
Farm Size (2013 SO)		77922.0			88112.7	
Farm area (adjusted)		145.2			148.5	
	£/ farm	£/ha	%	£/farm	£ha	%
Output						
Crops	119212	925	60%	96800	736	49%
Straw, Forage & Cultivations	10428	61	5%	9881	68	5%
Livestock	830	7	0%	559	6	0%
Environmental Subsidies	19757	144	10%	30911	199	16%
Basic Payment Scheme	25901	178	13%	21276	142	11%
Diversification & Miscellaneous	22130	215	11%	38037	350	19%
Total Output	**198258**	**1531**	**100%**	**197465**	**1500**	**100%**
Variable Costs						
Crop Costs						
Seed	13963	113	47%	13224	98	37%
Fertiliser	3068	21	10%	9070	56	25%
Crop Protection	546	3	2%	2908	18	8%
Other Crop Costs	11927	95	40%	9867	71	27%
Livestock Costs						
Feed	281	2	1%	200	2	1%
Vet & Medicine	8	0	0%	59	1	0%
Other Livestock Costs	47	0	0%	560	6	2%
Total Variable Costs	**29840**	**235**	**100%**	**35887**	**251**	**100%**
Farm Gross Margin	**168418**	**1296**		**161578**	**1249**	
Fixed Costs						
Labour						
Paid Labour	23404	184	14%	20075	175	12%
Unpaid Labour	14802	103	9%	15629	115	9%
Machinery						
Contract	27644	260	16%	27284	252	16%
Depreciation	12115	85	7%	11282	86	7%
Repairs	9024	62	5%	9442	62	6%
Fuel & Oil	7855	58	5%	5697	41	3%
Occupiers Repairs	12514	89	7%	13074	96	8%
Rent & Rates	36774	280	22%	40685	321	24%
General Farm Costs						
Electricity, Water & Heating Fuel	8853	86	5%	8103	70	5%
Insurance	3696	28	2%	6247	52	4%
Professional Fees	8297	67	5%	7605	52	4%
Other Farm Costs (inc. bad debt)	3657	29	2%	6308	52	4%
Total Fixed Costs	**168635**	**1332**	**100%**	**171431**	**1375**	**100%**
Management and Investment Income (MII)	**-217**	**-36**		**-9853**	**-126**	
Less Management Charges						
Plus Farmer and Spouse Labour	14699	102		15401	112	
Net Farm Income	**14482**	**66**		**5548**	**-14**	
Less Net Interest Payments	2901	8		462	-11	
Less Building Depreciation & Insurance	5260	41		7805	68	
Less Directors Remuneration	3370	29		668	7	
Plus Rental Value and Imputed Rent	27708	216		28898	221	
Plus Imputed Labour	104	1		228	2	
Farm Business Income	**30763**	**205**		**25741**	**146**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 9 *Cropping Farms, organic and non-organic, full sample 2023/24*

Cropping Farms	Non-organic 2023/24			Organic* 2023/24		
Number (unweighted)		361			7	
Number (weighted)		17493			359	
Farm Size (2013 SO)		248776.9			104569.4	
Farm area (adjusted)		224.5			137.9	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	263274	1100	62%	98136	782	49%
Straw, Forage & Cultivations	24551	125	6%	10601	79	5%
Livestock	13514	51	3%	9212	77	5%
Environmental Subsidies	16732	79	4%	28035	195	14%
Basic Payment Scheme	28990	138	7%	20019	145	10%
Diversification & Miscellaneous	76883	369	18%	33035	299	17%
Total Output	**423944**	**1862**	**100%**	**199037**	**1577**	**100%**
Variable Costs						
Crop Costs						
Seed	20034	88	15%	16134	131	45%
Fertiliser	56283	247	43%	6787	43	19%
Crop Protection	37324	163	28%	2322	15	6%
Other Crop Costs	10973	48	8%	8045	60	22%
Livestock Costs						
Feed	3981	17	3%	1416	12	4%
Vet & Medicine	693	3	1%	42	0	0%
Other Livestock Costs	2321	9	2%	1160	10	3%
Total Variable Costs	**131610**	**574**	**100%**	**35904**	**271**	**100%**
Farm Gross Margin	**292335**	**1288**		**163133**	**1305**	
Fixed Costs						
Labour						
Paid Labour	28538	105	10%	17447	151	11%
Unpaid Labour	30530	214	11%	20104	159	12%
Machinery						
Contract	33364	161	12%	26295	242	16%
Depreciation	31773	141	11%	12245	97	7%
Repairs	20346	95	7%	8456	59	5%
Fuel & Oil	16384	70	6%	5625	42	3%
Occupiers Repairs	14754	68	5%	12938	101	8%
Rent & Rates	63011	275	23%	36850	298	22%
General Farm Costs						
Electricity, Water & Heating Fuel	11470	54	4%	6727	58	4%
Insurance	9523	53	3%	5377	45	3%
Professional Fees	11891	54	4%	6498	47	4%
Other Farm Costs (inc. bad debt)	8135	42	3%	5691	48	3%
Total Fixed Costs	**279719**	**1333**	**100%**	**164252**	**1347**	**100%**
Management and Investment Income (MII)	**12616**	**-45**		**-1119**	**-42**	
Less Management Charges	341	1		0	0	
Plus Farmer and Spouse Labour	23185	173		19228	151	
Net Farm Income	**35459**	**127**		**18109**	**109**	
Less Net Interest Payments	10915	50		276	-8	
Less Building Depreciation & Insurance	13452	65		6710	58	
Less Directors Remuneration	3142	10		472	5	
Plus Rental Value and Imputed Rent	39492	189		28514	228	
Plus Imputed Labour	7346	41		876	8	
Farm Business Income	**54788**	**234**		**40040**	**291**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

4.3 Horticulture

Table 10 Horticulture Farms, organic identical sample 2022/23 and 2023/24

Horticulture Farms*	Organic Identical Sample 2022/23			2023/24		
Number (unweighted)		5			5	
Number (weighted)		238			239	
Farm Size (2013 SO)		69655.6			68529.6	
Farm area (adjusted)		7.0			7.1	
Output	£/farm	£/ha	%	£/farm	£/ha	%
Crops	34670	8188	64%	30547	7481	58%
Straw, Forage & Cultivations	25	1	0%	21	1	0%
Livestock	0	0	0%	0	0	0%
Environmental Subsidies	4938	824	9%	5780	975	11%
Basic Payment Scheme	852	109	2%	760	96	1%
Diversification & Miscellaneous	13996	1594	26%	15245	1657	29%
Total Output	**54481**	**10716**	**100%**	**52353**	**10210**	**100%**
Variable Costs						
Crop Costs						
Seed	2789	603	60%	2732	503	62%
Fertiliser	419	21	9%	230	12	5%
Crop Protection	133	5	3%	143	5	3%
Other Crop Costs	1300	115	28%	1335	119	30%
Livestock Costs						
Feed	0	0	0%	0	0	0%
Vet & Medicine	0	0	0%	0	0	0%
Other Livestock Costs	0	0	0%	0	0	0%
Total Variable Costs	**4641**	**744**	**100%**	**4440**	**639**	**100%**
Farm Gross Margin	**49840**	**9972**		**47913**	**9571**	
Fixed Costs						
Labour						
Paid Labour	15109	1446	21%	12521	1085	18%
Unpaid Labour	32558	6989	46%	33579	6971	48%
Machinery						
Contract	1901	236	3%	826	67	1%
Depreciation	1784	312	3%	1741	283	2%
Repairs	2083	326	3%	2149	293	3%
Fuel & Oil	1412	312	2%	1649	339	2%
Occupiers Repairs	3023	505	4%	3151	522	4%
Rent & Rates	4912	579	7%	4482	515	6%
General Farm Costs						
Electricity, Water & Heating Fuel	1336	190	2%	3109	303	4%
Insurance	1500	226	2%	1879	265	3%
Professional Fees	547	49	1%	716	66	1%
Other Farm Costs (inc. bad debt)	4263	767	6%	4383	699	6%
Total Fixed Costs	**70428**	**11937**	**100%**	**70183**	**11407**	**100%**
Management and Investment Income (MII)	**-20588**	**-1965**		**-22271**	**-1836**	
Less Management Charges	0	0		0	0	
Plus Farmer and Spouse Labour	31249	6833		32589	6853	
Net Farm Income	**10661**	**4867**		**10319**	**5016**	
Less Net Interest Payments	25	1		12	1	
Less Building Depreciation & Insurance	1291	136		1322	138	
Less Directors Remuneration	0	0		0	0	
Plus Rental Value and Imputed Rent	2378	276		2635	293	
Plus Imputed Labour	1309	157		989	118	
Farm Business Income	**13032**	**5162**		**12609**	**5290**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 11 *Horticulture Farms, organic and non-organic full sample, 2023/24*

Horticulture Farms	Non-organic 2023/24			Organic* 2023/24		
Number (unweighted)		69			7	
Number (weighted)		2297			278	
Farm Size (2013 SO)		276397.5			75149.8	
Farm area (adjusted)		19.1			8.0	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	421353	108109	87%	30820	6859	60%
Straw, Forage & Cultivations	728	22	0%	96	6	0%
Livestock	1966	46	0%	13	1	0%
Environmental Subsidies	2818	173	1%	5469	879	11%
Basic Payment Scheme	1924	65	0%	912	103	2%
Diversification & Miscellaneous	57461	11914	12%	14242	1533	28%
Total Output	**486250**	**120330**	**100%**	**51550**	**9381**	**100%**
Variable Costs						
Crop Costs						
Seed	87865	33917	57%	2830	476	65%
Fertiliser	9046	2726	6%	198	10	5%
Crop Protection	8176	518	5%	123	4	3%
Other Crop Costs	48364	8837	31%	1195	107	27%
Livestock Costs						
Feed	271	6	0%	0	0	0%
Vet & Medicine	44	1	0%	0	0	0%
Other Livestock Costs	339	8	0%	3	0	0%
Total Variable Costs	**154103**	**46011**	**100%**	**4347**	**598**	**100%**
Farm Gross Margin	**332146**	**74319**		**47203**	**8784**	
Fixed Costs						
Labour						
Paid Labour	132513	29558	45%	11129	968	16%
Unpaid Labour	31217	11731	11%	34233	6433	49%
Machinery						
Contract	16480	3221	6%	1115	88	2%
Depreciation	14208	2058	5%	1970	287	3%
Repairs	11409	2279	4%	2393	301	3%
Fuel & Oil	7250	1141	2%	1860	329	3%
Occupiers Repairs	9355	3124	3%	2717	449	4%
Rent & Rates	20106	3063	7%	4302	479	6%
General Farm Costs						
Electricity, Water & Heating Fuel	14321	2048	5%	2736	266	4%
Insurance	5647	1442	2%	1817	247	3%
Professional Fees	8712	1969	3%	971	80	1%
Other Farm Costs (inc. bad debt)	20459	6635	7%	4029	623	6%
Total Fixed Costs	**291678**	**68269**	**100%**	**69271**	**10550**	**100%**
Management and Investment Income (MII)	**40469**	**6049**		**-22068**	**-1766**	
Less Management Charges	108	4		0	0	
Plus Farmer and Spouse Labour	28332	11407		33247	6318	
Net Farm Income	**68693**	**17452**		**11179**	**4552**	
Less Net Interest Payments	4496	336		-20	-1	
Less Building Depreciation & Insurance	13231	2443		1138	118	
Less Directors Remuneration	5326	1792		0	0	
Plus Rental Value and Imputed Rent	16060	2929		2451	264	
Plus Imputed Labour	2885	324		986	115	
Farm Business Income	**64585**	**16135**		**13499**	**4813**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

4.4 Dairy

Table 12 Dairy Farms, organic identical sample 2022/23 and 2023/24

Dairy Farms	Organic Identical Sample 2022/23			2023/24		
Number (unweighted)		25			25	
Number (weighted)		343			396	
Farm Size (2013 SO)		426462.7			398385.0	
Farm area (adjusted)		132.6			135.3	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	6216	27	1%	2869	8	1%
Straw, Forage & Cultivations	1869	10	0%	1711	10	0%
Livestock	378286	3116	83%	316963	2573	79%
Environmental Subsidies	14569	107	3%	18122	128	5%
Basic Payment Scheme	20727	162	5%	17224	133	4%
Diversification & Miscellaneous	33182	273	7%	42995	348	11%
Total Output	**454849**	**3695**	**100%**	**399885**	**3199**	**100%**
Variable Costs						
Crop Costs						
Seed	3053	22	2%	2663	17	2%
Fertiliser	1476	11	1%	2870	14	2%
Crop Protection	0	0	0%	41	0	0%
Other Crop Costs	1788	14	1%	1294	11	1%
Livestock Costs						
Feed	124023	1076	72%	112279	933	70%
Vet & Medicine	8105	62	5%	8239	64	5%
Other Livestock Costs	33994	271	20%	33972	276	21%
Total Variable Costs	**172440**	**1456**	**100%**	**161357**	**1315**	**100%**
Farm Gross Margin	**282409**	**2239**		**238528**	**1884**	
Fixed Costs						
Labour						
Paid Labour	41800	301	17%	42005	304	15%
Unpaid Labour	51925	533	21%	55195	564	20%
Machinery						
Contract	23001	173	9%	24404	165	9%
Depreciation	17545	145	7%	19487	146	7%
Repairs	17730	134	7%	23445	191	9%
Fuel & Oil	12179	94	5%	10183	80	4%
Occupiers Repairs	10913	80	4%	13954	71	5%
Rent & Rates	41931	320	17%	44579	341	16%
General Farm Costs						
Electricity, Water & Heating Fuel	14957	126	6%	17462	144	6%
Insurance	7742	73	3%	8359	74	3%
Professional Fees	6425	54	3%	7805	63	3%
Other Farm Costs (inc. bad debt)	6101	55	2%	7097	57	3%
Total Fixed Costs	**252251**	**2086**	**100%**	**273975**	**2199**	**100%**
Management and Investment Income (MII)	**30158**	**153**		**-35447**	**-316**	
Less Management Charges	29	0		34	0	
Plus Farmer and Spouse Labour	43507	453		45307	464	
Net Farm Income	**73636**	**606**		**9825**	**149**	
Less Net Interest Payments	13831	88		15629	96	
Less Building Depreciation & Insurance	11872	91		13027	96	
Less Directors Remuneration	0	0		0	0	
Plus Rental Value and Imputed Rent	26827	228		30155	253	
Plus Imputed Labour	8418	80		9889	99	
Farm Business Income	**83178**	**734**		**21213**	**309**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 13 Dairy Farms, organic and non-organic full sample 2023/24

Dairy Farms	Non-organic 2023/24			Organic 2023/24		
Number (unweighted)		221			25	
Number (weighted)		4580			396	
Farm Size (2013 SO)		709097.3			132493.1	
Farm area (adjusted)		161.0			135.3	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	19252	74	2%	2869	8	1%
Straw, Forage & Cultivations	2883	23	0%	1711	10	0%
Livestock	772596	7500	91%	316963	2573	79%
Environmental Subsidies	10467	78	1%	18122	128	5%
Basic Payment Scheme	19563	126	2%	17224	133	4%
Diversification & Miscellaneous	26662	403	3%	42995	348	11%
Total Output	**851424**	**8205**	**100%**	**399885**	**3199**	**100%**
Variable Costs						
Crop Costs						
Seed	7393	37	2%	2663	17	2%
Fertiliser	31404	186	8%	2870	14	2%
Crop Protection	5974	28	1%	41	0	0%
Other Crop Costs	5006	54	1%	1294	11	1%
Livestock Costs						
Feed	270504	2530	67%	112279	933	70%
Vet & Medicine	22651	192	6%	8239	64	5%
Other Livestock Costs	61467	1262	15%	33972	276	21%
Total Variable Costs	**404399**	**4289**	**100%**	**161357**	**1315**	**100%**
Farm Gross Margin	**447025**	**3916**		**238528**	**1884**	
Fixed Costs						
Labour						
Paid Labour	79616	681	19%	42005	304	15%
Unpaid Labour	57487	610	14%	55195	564	20%
Machinery						
Contract	44977	342	11%	24404	165	9%
Depreciation	41933	313	10%	19487	146	7%
Repairs	31870	240	8%	23445	191	9%
Fuel & Oil	21857	124	5%	10183	80	4%
Occupiers Repairs	24217	157	6%	13954	71	5%
Rent & Rates	63385	399	15%	44579	341	16%
General Farm Costs						
Electricity, Water & Heating Fuel	28583	188	7%	17462	144	6%
Insurance	11452	77	3%	8359	74	3%
Professional Fees	11219	108	3%	7805	63	3%
Other Farm Costs (inc. bad debt)	6813	54	2%	7097	57	3%
Total Fixed Costs	**423409**	**3293**	**100%**	**273975**	**2199**	**100%**
Management and Investment Income (MII)	**23615**	**623**		**-35447**	**-316**	
Less Management Charges	144	1		34	0	
Plus Farmer and Spouse Labour	38332	404		45307	464	
Net Farm Income	**61804**	**1026**		**9825**	**149**	
Less Net Interest Payments	21316	174		15629	96	
Less Building Depreciation & Insurance	23796	151		13027	96	
Less Directors Remuneration	5018	32		0	0	
Plus Rental Value and Imputed Rent	37333	270		30155	253	
Plus Imputed Labour	19154	206		9889	99	
Farm Business Income	**68162**	**1145**		**21213**	**309**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

4.5 LFA Grazing

Table 14 LFA Grazing Farms, organic identical sample 2022/23 and 2023/24

LFA Grazing Farms*	Organic Identical Sample 2022/23			2023/24		
Number (unweighted)		14			14	
Number (weighted)		228			197	
Farm Size (2013 SO)		98794.1			100691.8	
Farm area (adjusted)		135.1			138.5	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	2638	28	2%	1975	17	1%
Straw, Forage & Cultivations	-488	1	0%	758	8	0%
Livestock	68846	540	45%	82457	630	50%
Environmental Subsidies	37468	298	25%	40743	309	25%
Basic Payment Scheme	27535	214	18%	22859	176	14%
Diversification & Miscellaneous	15662	107	10%	15969	108	10%
Total Output	**151660**	**1187**	**100%**	**164760**	**1249**	**100%**
Variable Costs						
Crop Costs						
Seed	1586	14	7%	2358	23	9%
Fertiliser	868	5	4%	1039	12	4%
Crop Protection	0	0	0%	70	0	0%
Other Crop Costs	901	8	4%	923	6	4%
Livestock Costs						
Feed	9509	68	40%	9764	71	37%
Vet & Medicine	3476	31	15%	4363	40	17%
Other Livestock Costs	7348	61	31%	7575	62	29%
Total Variable Costs	**23689**	**187**	**100%**	**26092**	**215**	**100%**
Farm Gross Margin	**127972**	**1000**		**138669**	**1034**	
Fixed Costs						
Labour						
Paid Labour	11407	85	10%	13547	99	10%
Unpaid Labour	25238	210	22%	27317	241	21%
Machinery						
Contract	6096	53	5%	6959	58	5%
Depreciation	12586	92	11%	16305	130	12%
Repairs	9037	72	8%	13295	107	10%
Fuel & Oil	7557	58	6%	6148	50	5%
Occupiers Repairs	8007	55	7%	8606	53	7%
Rent & Rates	23697	189	20%	25133	199	19%
General Farm Costs						
Electricity, Water & Heating Fuel	2123	14	2%	2321	15	2%
Insurance	5796	50	5%	4828	44	4%
Professional Fees	2990	25	3%	3920	31	3%
Other Farm Costs (inc. bad debt)	2436	19	2%	2576	20	2%
Total Fixed Costs	**116970**	**923**	**100%**	**130955**	**1048**	**100%**
Management and Investment Income (MII)	**11002**	**77**		**7713**	**-13**	
Less Management Charges	0	0		0	0	
Plus Farmer and Spouse Labour	23322	197		23216	193	
Net Farm Income	**34324**	**274**		**30929**	**179**	
Less Net Interest Payments	4616	32		8949	63	
Less Building Depreciation & Insurance	5594	44		6649	51	
Less Directors Remuneration	2131	9		1643	7	
Plus Rental Value and Imputed Rent	19532	168		21228	179	
Plus Imputed Labour	1916	12		4101	48	
Farm Business Income	**43430**	**369**		**39017**	**286**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 15 LFA Grazing Farms, organic and non-organic full sample, 2023/24

LFA Grazing Farms	Non-organic 2023/24			Organic 2023/24		
Number (unweighted)		157			16	
Number (weighted)		6144			254	
Farm Size (2013 SO)		92800.7			101706.2	
Farm area (adjusted)		143.7			134.0	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	2171	7	2%	1528	13	1%
Straw, Forage & Cultivations	1835	21	1%	1258	13	1%
Livestock	87324	685	61%	80751	596	50%
Environmental Subsidies	16991	111	12%	43055	341	27%
Basic Payment Scheme	18933	142	13%	21272	166	13%
Diversification & Miscellaneous	15702	166	11%	13775	92	9%
Total Output	**142956**	**1131**	**100%**	**161639**	**1222**	**100%**
Variable Costs						
Crop Costs						
Seed	737	6	2%	1918	19	7%
Fertiliser	5210	39	12%	804	10	3%
Crop Protection	577	4	1%	54	0	0%
Other Crop Costs	662	6	1%	790	5	3%
Livestock Costs						
Feed	21405	171	48%	13190	88	46%
Vet & Medicine	5476	45	12%	3884	34	14%
Other Livestock Costs	10785	88	24%	7900	63	28%
Total Variable Costs	**44852**	**359**	**100%**	**28539**	**219**	**100%**
Farm Gross Margin	**98103**	**772**		**133100**	**1003**	
Fixed Costs						
Labour						
Paid Labour	6735	27	6%	12316	86	10%
Unpaid Labour	35542	387	31%	25639	226	20%
Machinery						
Contract	6711	50	6%	7390	63	6%
Depreciation	10377	89	9%	17367	144	14%
Repairs	6458	55	6%	12051	98	10%
Fuel & Oil	5769	51	5%	6296	53	5%
Occupiers Repairs	4660	53	4%	7111	44	6%
Rent & Rates	22814	179	20%	23088	184	18%
General Farm Costs						
Electricity, Water & Heating Fuel	2601	26	2%	3110	23	2%
Insurance	4515	45	4%	4843	44	4%
Professional Fees	3720	35	3%	4586	38	4%
Other Farm Costs (inc. bad debt)	3198	36	3%	2642	21	2%
Total Fixed Costs	**113100**	**1032**	**100%**	**126441**	**1023**	**100%**
Management and Investment Income (MII)	**-14996**	**-260**		**6659**	**-20**	
Less Management Charges	37	0		31	0	
Plus Farmer and Spouse Labour	29086	345		22466	189	
Net Farm Income	**14052**	**85**		**29094**	**169**	
Less Net Interest Payments	6859	57		7433	54	
Less Building Depreciation & Insurance	4612	41		5872	46	
Less Directors Remuneration	177	1		10999	104	
Plus Rental Value and Imputed Rent	14512	118		19608	165	
Plus Imputed Labour	6456	41		3173	37	
Farm Business Income	**23372**	**146**		**27571**	**168**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

4.6 Lowland Grazing

Table 16 Lowland Grazing, organic identical sample 2022/23 and 2023/24

Lowland Grazing Farms	Organic Identical Sample 2022/23			2023/24		
Number (unweighted)		24			24	
Number (weighted)		1096			1038	
Farm Size (2013 SO)		57192.1			64371.9	
Farm area (adjusted)		87.9			87.5	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	2126	14	2%	2133	17	2%
Straw, Forage & Cultivations	3257	37	3%	4049	54	4%
Livestock	39058	434	36%	45191	520	39%
Environmental Subsidies	14206	157	13%	16878	163	15%
Basic Payment Scheme	14723	172	14%	12108	143	10%
Diversification & Miscellaneous	35199	324	32%	35121	344	30%
Total Output	**108569**	**1139**	**100%**	**115480**	**1242**	**100%**
Variable Costs						
Crop Costs						
Seed	981	10	7%	1397	13	9%
Fertiliser	154	1	1%	329	4	2%
Crop Protection	0	0	0%	0	0	0%
Other Crop Costs	836	9	6%	931	12	6%
Livestock Costs						
Feed	4272	56	32%	5890	73	36%
Vet & Medicine	1615	20	12%	1512	19	9%
Other Livestock Costs	5585	76	42%	6222	82	38%
Total Variable Costs	**13444**	**173**	**100%**	**16281**	**202**	**100%**
Farm Gross Margin	**95125**	**967**		**99199**	**1039**	
Fixed Costs						
Labour						
Paid Labour	4919	22	5%	9664	112	8%
Unpaid Labour	32627	455	30%	33929	477	27%
Machinery						
Contract	3962	34	4%	6860	83	5%
Depreciation	9652	125	9%	9892	129	8%
Repairs	4849	54	4%	6325	74	5%
Fuel & Oil	3370	39	3%	3618	44	3%
Occupiers Repairs	10420	92	10%	9874	92	8%
Rent & Rates	22107	260	20%	24626	296	20%
General Farm Costs						
Electricity, Water & Heating Fuel	4627	51	4%	6257	72	5%
Insurance	4148	48	4%	4729	55	4%
Professional Fees	4316	49	4%	4937	58	4%
Other Farm Costs (inc. bad debt)	4011	38	4%	4194	46	3%
Total Fixed Costs	**109007**	**1267**	**100%**	**124906**	**1538**	**100%**
Management and Investment Income (MII)	**-13882**	**-300**		**-25707**	**-499**	
Less Management Charges	0	0		0	0	
Plus Farmer and Spouse Labour	25436	393		27950	429	
Net Farm Income	**11554**	**93**		**2243**	**-70**	
Less Net Interest Payments	2968	22		4047	33	
Less Building Depreciation & Insurance	6078	66		6792	77	
Less Directors Remuneration	519	8		378	6	
Plus Rental Value and Imputed Rent	19840	244		21504	268	
Plus Imputed Labour	7191	62		5979	48	
Farm Business Income	**29021**	**303**		**18510**	**130**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 17 Lowland Grazing, organic and non-organic full sample, 2023/24

Lowland Grazing Farms	Non-organic 2023/24			Organic 2023/24		
Number (unweighted)		239			31	
Number (weighted)		10294			1272	
Farm Size (2013 SO)		84035.4			68832.6	
Farm area (adjusted)		99.4			89.9	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	5904	54	4%	3173	19	3%
Straw, Forage & Cultivations	8186	89	6%	5837	58	5%
Livestock	74353	918	54%	48762	527	41%
Environmental Subsidies	10168	99	7%	17711	177	15%
Basic Payment Scheme	12011	127	9%	12065	139	10%
Diversification & Miscellaneous	27450	379	20%	30553	300	26%
Total Output	**138073**	**1665**	**100%**	**118101**	**1220**	**100%**
Variable Costs						
Crop Costs						
Seed	1891	20	5%	1495	13	8%
Fertiliser	5392	57	14%	594	6	3%
Crop Protection	1619	15	4%	133	1	1%
Other Crop Costs	942	10	2%	1016	12	5%
Livestock Costs						
Feed	18130	202	46%	6574	73	35%
Vet & Medicine	3515	39	9%	1927	24	10%
Other Livestock Costs	7774	98	20%	6916	93	37%
Total Variable Costs	**39264**	**441**	**100%**	**18657**	**222**	**100%**
Farm Gross Margin	**98809**	**1224**		**99444**	**998**	
Fixed Costs						
Labour						
Paid Labour	6552	92	5%	10031	110	8%
Unpaid Labour	36587	567	30%	32877	474	27%
Machinery						
Contract	8245	93	7%	7698	87	6%
Depreciation	11553	147	9%	9210	116	8%
Repairs	7199	95	6%	6607	81	5%
Fuel & Oil	6054	81	5%	3667	41	3%
Occupiers Repairs	6290	77	5%	9356	105	8%
Rent & Rates	22235	291	18%	23148	263	19%
General Farm Costs						
Electricity, Water & Heating Fuel	4651	60	4%	5739	65	5%
Insurance	5369	72	4%	4791	54	4%
Professional Fees	4293	58	3%	4626	52	4%
Other Farm Costs (inc. bad debt)	3661	57	3%	3916	43	3%
Total Fixed Costs	**122688**	**1690**	**100%**	**121666**	**1490**	**100%**
Management and Investment Income (MII)	**-23879**	**-466**		**-22222**	**-493**	
Less Management Charges	92	1		0	0	
Plus Farmer and Spouse Labour	30551	487		27615	432	
Net Farm Income	**6580**	**21**		**5393**	**-60**	
Less Net Interest Payments	4158	45		4415	32	
Less Building Depreciation & Insurance	6326	112		6243	69	
Less Directors Remuneration	1046	15		309	5	
Plus Rental Value and Imputed Rent	16073	230		19035	231	
Plus Imputed Labour	6035	80		5262	42	
Farm Business Income	**17158**	**157**		**18723**	**108**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

4.7 Mixed Farms

Table 18 Mixed Farms, organic and non-organic full sample, 2023/24

Mixed Farms	Non-organic 2023/24			Organic* 2023/24		
Number (unweighted)		129			6	
Number (weighted)		5011			181	
Farm Size (2013 SO)		276624.6			112328.8	
Farm area (adjusted)		184.5			118.5	
	£/farm	£/ha	%	£/farm	£/ha	%
Output						
Crops	140900	597	35%	25291	178	14%
Straw, Forage & Cultivations	21796	117	5%	5641	36	3%
Livestock	137311	703	34%	71339	631	41%
Environmental Subsidies	14907	77	4%	24370	228	14%
Basic Payment Scheme	24760	140	6%	16628	144	9%
Diversification & Miscellaneous	60359	346	15%	32270	273	18%
Total Output	**400034**	**1980**	**100%**	**175538**	**1491**	**100%**
Variable Costs						
Crop Costs						
Seed	13644	67	9%	7487	65	20%
Fertiliser	35203	174	23%	2502	18	7%
Crop Protection	19231	95	13%	0	0	0%
Other Crop Costs	6265	27	4%	1904	12	5%
Livestock Costs						
Feed	56350	277	37%	14427	190	39%
Vet & Medicine	4889	28	3%	2998	20	8%
Other Livestock Costs	16016	89	11%	7815	66	21%
Total Variable Costs	**151599**	**756**	**100%**	**37133**	**371**	**100%**
Farm Gross Margin	**248435**	**1223**		**138404**	**1120**	
Fixed Costs						
Labour						
Paid Labour	32373	113	12%	22550	246	15%
Unpaid Labour	41080	322	16%	33439	349	22%
Machinery						
Contract	18649	115	7%	3515	26	2%
Depreciation	29338	154	11%	11019	99	7%
Repairs	17686	94	7%	11222	85	7%
Fuel & Oil	14817	78	6%	8223	64	5%
Occupiers Repairs	16158	79	6%	9110	105	6%
Rent & Rates	52324	269	20%	30773	275	20%
General Farm Costs						
Electricity, Water & Heating Fuel	14175	67	5%	3011	29	2%
Insurance	10350	64	4%	6360	59	4%
Professional Fees	9179	53	3%	2617	21	2%
Other Farm Costs (inc. bad debt)	6782	43	3%	9589	81	6%
Total Fixed Costs	**262912**	**1450**	**100%**	**151429**	**1439**	**100%**
Management and Investment Income (MII)	**-14476**	**-227**		**-13025**	**-319**	
Less Management Charges	106	0		0	0	
Plus Farmer and Spouse Labour	30364	250		26955	320	
Net Farm Income	**15781**	**24**		**13930**	**1**	
Less Net Interest Payments	18459	78		6284	37	
Less Building Depreciation & Insurance	15425	75		6071	64	
Less Directors Remuneration	4691	15		0	0	
Plus Rental Value and Imputed Rent	34792	184		13541	153	
Plus Imputed Labour	10716	72		6484	28	
Farm Business Income	**22715**	**112**		**21601**	**82**	

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

5.0 Enterprise Gross Margins

5.1 Data Sample

The following section presents Gross Margin data on both Crop and Livestock organic enterprises where sample sizes allow (sample size of at least 5 records).

The distribution of available organic crop and livestock gross margin data by robust farm type and Standard Output Size is presented in Table 22 (for crops) and Table 31 (for livestock). Table 23 (crops) and Table 32 (livestock) shows the sample size for each organic enterprise that has been analysed in the following section. Where sample sizes have allowed, an analysis on the top third performing farms within the sample have been presented.

All of the data presented in the following Gross Margin tables is weighted.

5.2 Organic Cropping enterprises gross margins

Table 19 Sample Size for organic crop gross margin analysis

Enterprise	Full Sample Size	Weighted Sample Size	Average Crop Area (ha)	Top Third Sample Size	Weighted Sample Size	Average Crop Area (ha)
Winter Wheat*	13	388	14	5	153	17
Spring Wheat*	8	282	24	5	214	28
Spring Barley*	13	388	17	6	133	19
Winter Oats*	8	149	18	5	92	16
Spring Oats*	8	205	19	5	89	19
Spring Beans*	5	105	15	-	-	-
Winter Beans*	5	103	12	-	-	-

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 20 *Organic Winter Wheat Gross Margin*

Winter Wheat*				
Gross Margin | 2023 Harvest Year				
	Average		Top Third	
Farms in Sample	13		5	
Farms in Sample, weighted	388		153	
Average Crop Area	14		17	
Total Tonnes Produced	57		80	
Yield (tonne/ha)	3.9		5.1	
Price of Crop Sold (£/tonne)	339		295	
Output	£/crop	£/ha	£/crop	£/ha
Crop Output	16999	1177	24890	1624
Straw and By-Products Output	1594	99	2713	112
Total Output	**18593**	**1276**	**27603**	**1736**
Variable Costs				
Seed	2038	150	2664	156
Fertiliser	470	44	828	80
Crop Protection	163	16	363	37
Other Crop Costs	662	48	569	37
Drying Fuel	90	5	25	1
Total Variable Costs	**3423**	**264**	**4449**	**310**
Gross Margin	**15169**	**1013**	**23154**	**1425**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 21 *Organic Spring Wheat Gross Margin*

Spring Wheat*				
Gross Margin | 2023 Harvest Year				
	Average		Top Third	
Farms in Sample	8		5	
Farms in Sample, weighted	282		214	
Average Crop Area	24		28	
Total Tonnes Produced	91		113	
Yield (tonne/ha)	3.5		4.1	
Price of Crop Sold (£/tonne)	278		267	
Output	£/crop	£/ha	£/crop	£/ha
Crop Output	27892	1094	35052	1303
Straw and By-Products Output	1158	65	993	41
Total Output	**29050**	**1159**	**36045**	**1344**
Variable Costs				
Seed	5368	210	6510	229
Fertiliser	1126	39	1393	44
Crop Protection	100	5	132	6
Other Crop Costs	901	38	1144	47
Drying Fuel	47	5	27	4
Total Variable Costs	**7542**	**297**	**9205**	**330**
Gross Margin	**21508**	**862**	**26840**	**1014**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 22 *Organic Spring Barley Gross Margin*

Spring Barley*				
Gross Margin | 2023 Harvest Year				
	Average		Top Third	
Farms in Sample	13		6	
Farms in Sample, weighted	388		133	
Average Crop Area	17		19	
Total Tonnes Produced	45		66	
Yield (tonne/ha)	2.7		3.7	
Price of Crop Sold (£/tonne)	308		300	
Output	£/crop	£/ha	£/crop	£/ha
Crop Output	12664	754	21116	1131
Straw and By-Products Output	1782	74	996	46
Total Output	**14446**	**828**	**22112**	**1177**
Variable Costs				
Seed	1395	86	1821	114
Fertiliser	412	14	700	18
Crop Protection	53	1	154	4
Other Crop Costs	410	24	549	15
Drying Fuel	80	2	177	5
Total Variable Costs	**2350**	**127**	**3401**	**156**
Gross Margin	**12096**	**701**	**18710**	**1021**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 23 *Organic Winter Oats Gross Margin*

Winter Oats*				
Gross Margin | 2023 Harvest Year				
	Average		Top Third	
Farms in Sample	8		5	
Farms in Sample, weighted	149		92	
Average Crop Area	18		16	
Total Tonnes Produced	66		74	
Yield (tonne/ha)	3.8		4.6	
Price of Crop Sold (£/tonne)	293		293	
Output	£/crop	£/ha	£/crop	£/ha
Crop Output	18374	1090	20802	1310
Straw and By-Products Output	2206	124	2030	100
Total Output	**20580**	**1214**	**22832**	**1410**
Variable Costs				
Seed	2369	131	1956	117
Fertiliser	743	38	303	10
Crop Protection	177	13	167	15
Other Crop Costs	1490	77	1702	94
Drying Fuel	139	6	88	3
Total Variable Costs	**4917**	**265**	**4217**	**240**
Gross Margin	**15663**	**949**	**18615**	**1170**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 24 *Organic Spring Oats Gross Margin*

Spring Oats*				
Gross Margin | 2023 Harvest Year				
	Average		Top Third	
Farms in Sample	8		5	
Farms in Sample, weighted	205		89	
Average Crop Area	19		19	
Total Tonnes Produced	49		66	
Yield (tonne/ha)	2.6		3.5	
Price of Crop Sold (£/tonne)	353		316	
Output	£/crop	£/ha	£/crop	£/ha
Crop Output	14635	720	20146	955
Straw and By-Products Output	521	23	1203	53
Total Output	**15156**	**743**	**21349**	**1008**
Variable Costs				
Seed	1749	107	1760	104
Fertiliser	1343	50	1242	49
Crop Protection	564	18	279	6
Other Crop Costs	898	26	1961	56
Drying Fuel	189	7	351	13
Total Variable Costs	**4743**	**209**	**5591**	**228**
Gross Margin	**10413**	**534**	**15758**	**780**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 25 *Organic Spring Beans Gross Margin*

Spring Beans* ***Gross Margin | 2023 Harvest Year***		
		Average
Farms in Sample		5
Farms in Sample, weighted		105
Average Crop Area		15
Total Tonnes Produced		34
Yield (tonne/ha)		1.9
Price of Crop Sold (£/tonne)		550
Output	£/crop	£/ha
Crop Output	15962	931
Straw and By-Products Output	0	0
Total Output	**15962**	**931**
Variable Costs		
Seed	2737	208
Fertiliser	1078	60
Crop Protection	169	5
Other Crop Costs	1995	68
Drying Fuel	145	4
Total Variable Costs	**6124**	**346**
Gross Margin	**9839**	**585**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 26 *Organic Winter Beans Gross Margin*

Winter Beans* ***Gross Margin | 2023 Harvest Year***		
		Average
Farms in Sample		5
Farms in Sample, weighted		103
Average Crop Area		12
Total Tonnes Produced		10
Yield (tonne/ha)		0.9
Price of Crop Sold (£/tonne)		550
Output	£/crop	£/ha
Crop Output	4199	381
Straw and By-Products Output	42	2
Total Output	**4241**	**383**
Variable Costs		
Seed	3144	350
Fertiliser	0	0
Crop Protection	0	0
Other Crop Costs	27	2
Drying Fuel	26	2
Total Variable Costs	**3197**	**354**
Gross Margin	**1043**	**29**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

5.3 Organic Livestock enterprises gross margins

Table 27 *Sample size for organic livestock gross margin analysis*

Enterprise	Whole Sample		Top Performing Sample	
	Sample size	Weighted Sample size	Top Third Sample size	Weighted Sample size
Dairy Cows	28	438	11	146
LFA Suckler Cows*	18	359	5	120
Lowland Suckler Cows*	33	1267	14	430
Dairy Followers*	18	311	8	93
Fat Cattle from Suckler Bred Calves & Stores*	26	844	12	312
Store Cattle from Suckler Bred Calves & Stores*	17	491	6	157
Lowland Sheep*	20	540	9	173
LFA Sheep*	15	205	5	82

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 28 *Organic Dairy Cows Gross Margin*

Dairy Cows				
Gross Margin | 2023-24				
	Average		Top Third*	
Herds in Sample	28		11	
Herds in Sample, weighted	438		146	
Production Information				
Average Cow Numbers	108		92	
Enterprise Grazing Livestock Units	108.8		92.8	
Stocking Rate (GLU/Forage Ha)	1.39		1.13	
Total Milk Produced (litres)	555471		581236	
Average Yield (litres/cow)	4965		5837	
Milk Price (ppl)	44.7		45.7	
Average Dairy Calf Sale Price	114		127	
Average Dairy Cow Sale Price	1020		1272	
Average Dairy Cow Purchase Price	1560		1560	
Output	£/cow	p/litre	£/cow	p/litre
Milk	2224	44.7	2678	45.7
Calves	161	3.4	197	3.6
Herd Depreciation	-154	-3.7	-3	0.3
Other Dairy Related Output	1	0.0	2	0.0
Total Output	**2231**	**44.5**	**2873**	**49.6**
Variable Costs				
Concentrates	669	12.4	852	14.2
Coarse Fodder	49	1.2	27	0.4
Forage Variable Costs	29	0.6	28	0.5
Vet & Medicines	61	1.3	61	1.0
Other Livestock Costs	227	5.1	227	3.9
Total Variable Costs	**1034**	**20.7**	**1196**	**20.0**
Gross Margin	**1197**	**23.8**	**1678**	**29.6**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 29 *Organic LFA Suckler Gross Margin*

LFA Suckler Cows ***Gross Margin | 2023-24***		
	Average	Top Third*
Herds in Sample	18	5
Herds in Sample, weighted	359	120
Production Information		
Average Cow Numbers	30	28
Enterprise Grazing Livestock Units	28.9	22.8
Stocking Rate (GLU/Forage Ha)	0.74	0.92
Average Cow Sale Price	1213	1201
Average Replacement Cow Purchase Price	769	N/A
Output	£/cow	£/cow
Calves	647	828
Herd Depreciation	-83	-50
Other Suckler Cow Related Output	1	2
Total Output	**564**	**780**
Variable Costs		
Concentrates	100	152
Coarse Fodder	7	5
Forage Variable Costs	26	15
Vet & Medicines	54	14
Other Livestock Costs	98	34
Total Variable Costs	**285**	**221**
Gross Margin	**280**	**559**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 30 *Organic Lowland Suckler Gross Margin*

Lowland Suckler Cows ***Gross Margin | 2023-24***		
	Average	Top Third*
Herds in Sample	33	14
Herds in Sample, weighted	1267	430
Production Information		
Average Cow Numbers	29	33
Enterprise Grazing Livestock Units	28.8	33.4
Stocking Rate (GLU/Forage Ha)	0.98	0.83
Average Cow Sale Price	1188	1252
Average Replacement Cow Purchase Price	N/A	N/A
Output	£/cow	£/cow
Calves	397	537
Herd Depreciation	-28	68
Other Suckler Cow Related Output	1	2
Total Output	**369**	**606**
Variable Costs		
Concentrates	46	11
Coarse Fodder	23	8
Forage Variable Costs	34	25
Vet & Medicines	30	26
Other Livestock Costs	115	82
Total Variable Costs	**249**	**151**
Gross Margin	**121**	**455**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 31 *Organic Dairy Followers Gross Margin*

Dairy Followers		
Gross Margin | 2023-24		
	Average	Top Third*
Enterprises in Sample	18	8
Enterprises in Sample, weighted	311	93
Production Information		
Average Number of In Calf Heifers	17	22
Enterprise Grazing Livestock Units	48.5	57.1
Stocking Rate (GLU/Forage Ha)	1.43	1.34
Average Dairy Heifer Sale Price	N/A	N/A
Average Dairy Heifer Transfer Value	1461	1478
Average Finished Cattle Sale Price	1302	1303
Average Store Cattle Sale Price (1-2 yo)	697	932
Average Calf Sale Price (0-12mo)	236	198
Output	£/livestock unit	£/livestock unit
Cattle	914	1432
Other Enterprise Related Output	0	0
Total Output	**914**	**1432**
Variable Costs		
Concentrates	307	316
Coarse Fodder	32	24
Forage Variable Costs	29	47
Vet & Medicines	27	31
Other Livestock Costs	144	312
Total Variable Costs	**539**	**730**
Gross Margin	**375**	**702**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 32 *Organic Fat Cattle from Suckler Bred Calves & Stores Gross Margin*

Fat Cattle from Suckler Bred Calves & Stores ***Gross Margin | 2023-24***		
	Average	Top Third*
Enterprises in Sample	26	12
Enterprises in Sample, weighted	844	312
Production Information		
Average Number of Other Cattle 2 years +	7	3
Average Number of Other Cattle 1-2 years	39	33
Average Number of Other Cattle 0-1 year	27	32
Enterprise Grazing Livestock Units	37.2	30.5
Stocking Rate (GLU/Forage Ha)	0.94	0.80
Average Finished Cattle Sale Price	1549	1550
Output	£/livestock unit	£/livestock unit
Cattle	1085	1541
Other Enterprise Related Output	0	0
Total Output	**1085**	**1541**
Variable Costs		
Concentrates	141	206
Coarse Fodder	15	22
Forage Variable Costs	45	63
Vet & Medicines	17	28
Other Livestock Costs	116	152
Total Variable Costs	**334**	**471**
Gross Margin	**751**	**1071**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 33 *Organic Store Cattle from Suckler Bred Calves & Stores*

Store Cattle from Suckler Bred Calves & Stores
Gross Margin | 2023-24

	Average	Top Third*
Enterprises in Sample	17	6
Enterprises in Sample, weighted	491	157
Production Information		
Average Number of Other Cattle 2 years +	2	1
Average Number of Other Cattle 1-2 years	24	24
Average Number of Other Cattle 0-1 year	31	31
Enterprise Grazing Livestock Units	25.0	24.9
Stocking Rate (GLU/Forage Ha)	0.77	0.78
Average Finished Cattle Sale Price	N/A	N/A
Average Store Cattle Price (2+ years)	N/A	N/A
Average Store Cattle Price (1-2 years)	979	1033
Average Calf Price (0-1 year)	N/A	N/A
Output	£/livestock unit	£/livestock unit
Cattle	870	1393
Other Enterprise Related Output	0	0
Total Output	**870**	**1393**
Variable Costs		
Concentrates	80	171
Coarse Fodder	10	3
Forage Variable Costs	25	8
Vet & Medicines	29	16
Other Livestock Costs	127	188
Total Variable Costs	**272**	**386**
Gross Margin	**598**	**1008**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 34 *Organic Lowland Sheep Gross Margin*

Lowland Sheep		
Gross Margin | 2023-24		
	Average	Top Third*
Enterprises in Sample	20	9
Enterprises in Sample, weighted	540	173
Production Information		
Average Ewe Numbers	164	122
Enterprise Grazing Livestock Units	25.1	19.8
Stocking Rate (GLU/Forage Ha)	0.76	0.90
Lambs Reared Per Ewe	149%	206%
Flock Replacement Rate (%)	21%	19%
Fat Lamb Sale Price	121	144
Store Lamb Sale Price	79	N/A
Gimmer Lamb Sale Price	N/A	N/A
Draft Ewe Sale Price	85	N/A
Cull Ewe Sale Price	63	85
Wool Price (£/kg)	0.68	0.94
Output	£/livestock unit	£/livestock unit
Lambs	151	230
Wool	1	2
Flock Depreciation	-25	-24
Other Enterprise Related Output	1	1
Total Output	**128**	**208**
Variable Costs		
Concentrates	9	10
Coarse Fodder	2	2
Forage Variable Costs	3	6
Vet & Medicines	14	15
Other Livestock Costs	19	26
Total Variable Costs	**47**	**58**
Gross Margin	**80**	**150**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Table 35 *Organic LFA Sheep Gross Margin*

LFA Sheep		
Gross Margin | 2023-24		
	Average	Top Third*
Enterprises in Sample	15	5
Enterprises in Sample, weighted	205	82
Production Information		
Average Ewe Numbers	303	219
Enterprise Grazing Livestock Units	41.3	41.3
Stocking Rate (GLU/Forage Ha)	0.73	0.79
Lambs Reared Per Ewe	149%	161%
Flock Replacement Rate (%)	20%	20%
Fat Lamb Sale Price	114	112
Store Lamb Sale Price	82	N/A
Gimmer Lamb Sale Price	N/A	N/A
Draft Ewe Sale Price	112	N/A
Cull Ewe Sale Price	84	75
Wool Price (£/kg)	0.84	0.82
Output	£/ewe	£/ewe
Lambs	187	215
Wool	3	3
Flock Depreciation	-17	-11
Other Enterprise Related Output	1	0
Total Output	**174**	**206**
Variable Costs		
Concentrates	10	11
Coarse Fodder	2	2
Forage Variable Costs	6	5
Vet & Medicines	13	12
Other Livestock Costs	16	14
Total Variable Costs	**47**	**44**
Gross Margin	**127**	**163**

**A part of this table was derived from data with less than 15 observations in the sample, which could reduce the robustness of the results*

Appendix A

Classification of Farms in the FBS & Standard Outputs

Farms in the Farm Business Survey are grouped by type of farm based on the EC system of classification defined by Commission Regulation 1242/2008 (with minor modifications to adapt it to United Kingdom conditions). This classification system uses Standard Outputs per hectare of crop area and per head of livestock estimated over a 5-year period. For 2010/11 (in line with the EU regulation) Standard Outputs were first introduced and were calculated for the period 2005-2009 (referred to as 2007 Standard Outputs). Prior to 2010, farm classification was based on using Standard Gross Margins. From 2013/14, Standard Outputs were recalculated for the period 2008-2012 (referred to as 2010 Standard Outputs). 2013 Standard Output coefficients were averaged over the period of 2011 to 2015, and these were used up until the 2022/23 FBS year.

New Standard Output coefficients have been calculated for the period of 2015 to 2019 (referred to as 2017 SOs). Due to price and exchange rates, the 2017 SOs vary from the 2013 SOs, when the updated coefficients were applied to the 2022/23 FBS population, a number of individual farms changed farm types. As such, the 2022/23 FBS sample was updated based on the 2017 Standard Output coefficients and the weighting framework updated. Any figures relating to 2022/23 data published in this report use the 2017 SO updated figures to allow comparability between 2022/23 and 2023/24. For more information relating to Farm Typology Standard Output Coefficients please refer to: https://www.gov.uk/guidance/changes-to-farm-typology-use-of-2017-standard-output-coefficients

Weighting of results

All data presented in this report has been weighted to reflect the relative significance of each farm in the population.

All FBS results are weighted so as to represent the whole population of farms rather than just the sample. The population in this case is all farms in England with a Standard Output of 25,000 euros. Weighting of FBS data is a two-stage procedure. The first stage applies a multiple to each farm to bring the number of farms to population level and to correct for differing probabilities of selection from the June agricultural census sampling frame; the second stage readjusts these weights to correct for biases identified from a range of variables in external data sources. For more information on the FBS weighting procedure please refer to: https://www.gov.uk/guidance/farm-business-survey-technical-notes-and-guidance

Appendix B

Definition of Terms used in the Farm Business Survey

Land Areas and Stocking:

Utilised Agricultural Area (UAA) is the crop area, including fodder, set-aside land, temporary and permanent grass and rough grazing in sole occupation (but not shared rough grazing) i.e. the agricultural area of the farm. It includes bare land and forage let out for less than one year.

Total Adjusted Area (TAA) comprises the utilised agricultural area but includes adjustments for sole occupier rough grazing, adjustments for shared grazing and includes areas of short-term rental agreements (i.e. grazing licences). Adjustments sole occupier rough grazing and shared grazing include converting the area to a permanent pasture equivalent.

Livestock Units are used as an approximate measure of stocking intensity and are based on the estimated energy requirements of different species and ages of livestock. A summary of the main livestock units is shown below.

Cattle	Livestock Units
Dairy Cows	1.00
Beef Cows	0.75
Heifers in Calf	0.80
Cattle 2yo +	0.80
Cattle 1-2yo	0.65
Cattle (0-12mo)	0.34
Bulls	0.65

Sheep	Livestock Units
Rams	0.08
Lowland Ewes	0.11
Upland Ewes	0.08
Hill Ewes	0.06
Store Lambs, under 1yo	0.04
Breeding Ewe Hoggs, 6-12mo	0.06
Other Sheep, 1 yo +	0.08

Outputs:

Agricultural Output is the main measure of individual crop and livestock output. It comprises:

a. **Crop Enterprise Output,** which is the total value of crops produced by the farm (other than losses in the field and in store). it includes crops used for feed and seed by the farm business and those consumed in the farmhouse and by farm labour. Crop enterprise output is calculated on a “harvest year” as distinct from an “accounting year” basis; that is, it refers only to those crops (with the exception of certain horticultural crops) wholly or partly harvested during the accounting year and excludes any crop carried over from the previous year. Thus valuation changes (between the previous crop and current crops) are no relevant and the total harvested yield of the crop is valued at market prices (plus any subsidies). However, any difference between the opening valuation of any stocks of previous crops and their ultimate disposal (sales, used on farm and any end-year stocks) is included in total farm output.

b. **By-Products, Forage and Cultivations**, which cover the value of output of the by-products of agricultural activity, sales of fodder, valuation changes for fodder and cultivations. It also covers revenue from the letting of bare land or forage on a short-term lease.

c. **Livestock Enterprise** output comprises the total sales of livestock and livestock products including direct livestock subsidies and production grants received, part of the valuation change (see below), produce consumed in the farmhouse and by labour and the value of milk and milk products fed on the farm (excluding direct suckling) adjusted for debtors at the beginning and end of the year (except for direct livestock subsidies) and transfers between enterprises; less purchases of livestock and livestock products from outside the farm business. Stock appreciation for breeding livestock (cattle, sheep and pigs) has been excluded from individual livestock enterprise outputs. However, changes in the numbers of breeding livestock between the opening and closing valuation and the total valuation change of trading livestock are included. Unlike crop enterprise output, livestock enterprise output is calculated on an accounting year basis.

d. **Miscellaneous Output** covers the value of output from those activities which are still within the agricultural cost centre but do not fall within either livestock or crop enterprise output. These will include revenue from wayleaves, agricultural hire work, sundry woodland sales, contract farming rent, miscellaneous insurance receipts and compensation payments

Total Farm Output is total crop enterprise output plus adjustment for output from previous year's crops plus total livestock enterprise output plus output from home grown fodder crops plus output from tillages and forage plus output from non-agricultural diversified activities plus miscellaneous revenue plus single payment. **Inputs** are resources used in the production process, e.g. feed, materials, labour and machinery, measured in physical or financial terms.

Inputs:

Inputs comprise payments and the estimated value of non-cash inputs, including home-grown feed and seed, adjusted for changes in stocks and creditors between the beginning and end of the year. The appropriate share of any input not used entirely by the farm business is deducted.

Costs are divided into two types: variable costs and fixed costs.

Variable Costs are costs that are readily allocated to an enterprise, and which will vary in approximately direct proportion to the scale of the enterprise. Examples of Variable Costs are fertilisers, pesticides, seed, concentrate feeding stuffs (purchased or home-grown), and purchased fodder.

Purchased Concentrate Feed and Fodder	This represents expenditure on feeds and feed additives, including charges for agistments and rented keep.
Home-Grown Concentrate Feed and Fodder	This includes ex-farm value of all home produced cereals, beans, milk (excluding direct suckling), etc. fed on the farm both from the current and previous years' crop.
Veterinary Fees and Medicines	This consists of veterinary fees and the cost of all medicines.
Other Livestock Costs	This comprises straw bought specifically for costs bedding materials, breeding costs (including AI and stud fees), miscellaneous dairy expenses, disinfectants, marketing and storage costs of animal products, Milk Development Council levy and other livestock costs not separately identified.
Purchased and Home-Grown Seeds	This comprises expenditure on purchased seeds, plants and trees adjusted for changes in stocks. Home-grown seed from the previous crop is included and charged at estimated market price: any seeds from current crops and sown for a succeeding crop are excluded but are included in the closing valuation of the crop and hence in enterprise output. This enables the value of home-grown seed used in the production of the current crop to be identified.
Fertiliser	This includes lime, fertilisers and other manures, and is adjusted for changes in stock. Fertilisers sown for next year's crops are treated as if they were still in store and are included in the closing valuation.
Crop Protection	This includes costs of pre-emergent sprays, fungicides, herbicides, dusts and insecticides and other crop sprays.
Other Crop Costs	These comprise all crop inputs not separately specified, e.g. marketing charges, packing materials, British Potato Council levy, baling twine and wire (though not fencing wire).

Fixed Costs are those costs which either cannot readily be allocated to a specific enterprise or do not vary with small changes in the scale of the individual enterprise. Examples of Fixed Costs are labour (including payments in kind), machinery repairs and depreciation, rent and rates, general expenses, interest.

Fixed costs exclude:

i) the value of purchased stores used in the farmhouse (e.g. coal, electricity), or sold off the farm;
ii) allowances for the private use of farm vehicles;
iii) the rental value of the private share of the farmhouse;
iv) any labour and materials used in capital projects.

Labour (excluding farmer and spouse)	This comprises wages and employer's insurance contributions, payments in kind, and salaried management. To calculate net farm income an imputed charge for unpaid labour is made, excluding that of the farmer and spouse, valued at the rate of comparable paid labour. The value of the manual labour of the farmer and spouse is not charged as an input in calculating net farm income (i.e. it is a component of net farm income).
Contract Costs	These costs include expenditure on work carried out by agricultural contractors, including the costs of materials employed, such as fertilisers, unless these can be allocated to the specific heading. Costs of hiring machines to be used by the farm's own labour are also included. Expenditure on contract labour is only included here if it is associated with the hiring of a machine. Otherwise, it is entered under (casual) labour.
Machinery Running Costs	These represent the cost of machinery and equipment repairs, fuel and oil and car mileage expenses. It excludes depreciation.
Land and Building Inputs	For the calculation of farm business income these comprise any rent paid, insurance, rates and repairs to land and buildings incurred by the whole business. In the derivation of net farm income land and building costs also include an imputed rental charge for owner occupiers but exclude those costs associated with land ownership such as the insurance of farm buildings, and landlord-type repairs and upkeep.
Depreciation of Machinery, Glasshouses and Permanent Crops	Depreciation provisions in respect of machinery, glasshouses and permanent crops (e.g. orchards) are shown on a current cost basis. The rates of depreciation used (generally on a diminishing balance basis for machinery and straight line for glasshouses and permanent crops) are intended to reflect the degree of deterioration of the assets.
Other General Farming Costs	These consist of electricity, heating fuel, water for all farming purposes, insurance (excluding labour and farm buildings), bank charges, professional fees, vehicle licences, and other miscellaneous expenses not recorded elsewhere.
Interest Payments	Interest charges on loans taken out for business purposes, net of interest receipts on monies invested temporarily outside the business, are deducted in the calculation of farm business income.
Depreciation of Building Works	This is calculated on a current cost basis (generally on a straight line basis over 10 years) with an adjustment to allow for the effect of capital grants.

Margin and Income Terms:

Total Farm Gross Margin equals total farm output less total variable costs

Management and Investment Income (MII) is defined as the return to the farmer and spouse for their management and on the tenant-type capital of the business. Management and investment income is NFI minus an imputed cost for the manual labour of the farmer and spouse plus paid management.

Net Farm Income (NFI) assumes all farms are tenanted and that all tenant type assets are owned by the farmer. It represents the return to the farmer and spouse for their manual and managerial labour and on tenant type capital in livestock, crops, machinery, etc., but excluding land and buildings. It is calculated before deduction of interest payments on any farming loans and also excludes interest earned on any financial assets owned. (Breeding livestock appreciation (BLSA) is excluded from total farm output and, therefore, is not included in net farm income).

Farm Business Income (FBI) for sole traders and partnerships represents the financial return to all unpaid labour (farmers and spouses, directors, non-principal partners and directors and their spouses and family workers) and on all their capital invested in the farm business, including land and buildings. For corporate businesses it represents the financial return on the shareholders capital invested in the farm business. It is used when assessing the impact of new policies or regulations on the individual farm business. Although Farm Business Income is equivalent to financial Net Profit, in practice they are likely to differ because Net Profit is derived from financial accounting principles whereas Farm Business Income is derived from management accounting principles. For example, in financial accounting output stocks are usually valued at cost of production, whereas in management accounting they are usually valued at market price. In financial accounting depreciation is usually calculated at historic cost whereas in management accounting it is often calculated at replacement cost.

> **Unpaid Labour** costs are based on the time spent in manual work on the farm, valued at the appropriate prevailing hourly earnings of agricultural workers. Farmer and spouse unpaid labour costs are added back in order to calculate NFI from MII.
>
> **Breeding Livestock Appreciation** represents the change in market prices of breeding cattle, sheep and pigs between the opening and closing valuations. It is not included in the calculation of farm business income.

For further information on the terms used in the Farm Business Survey please refer to ‘Definitions used by the Farm Business Survey’ available at fbs-definintions-4oct16.pdf

FBS
Farm Business Survey

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