

LOAM FARM MODEL

- 600 Ha of combinable crops (W. Wheat, W. OSR, S. Beans*); 240 owned and 360 on FBTs
- owner, 1 FT worker & harvest casual

<i>£ per Ha</i>	2017 ^①	2018 ^②	2019 ^③	2020 ^③
Output	1,205	1,205	1,237	1,094
Variable Costs	395	403	439	411
Gross Margin	810	802	798	683
Overheads	413	421	442	443
Rent & Finance	243	242	239	238
Drawings	77	79	79	79
Farming Margin	77	61	38	(77)
BPS	228	228	230	220
Business Surplus	305	289	268	143

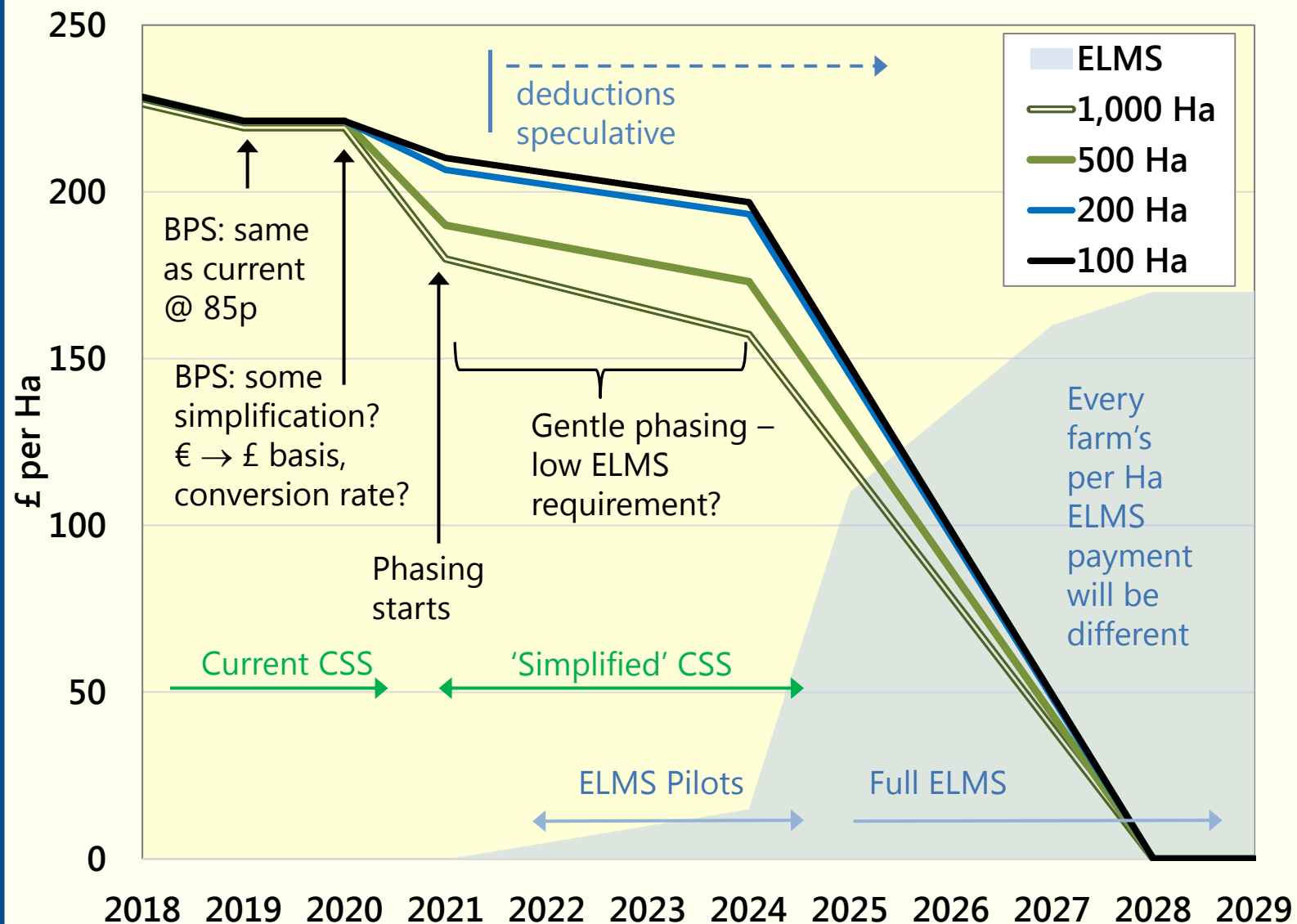
Source: Andersons

① Result ② Provisional ③ Budget

* plus Spring Barley in 2020

FUTURE SUPPORT SUMMARY

Possible English Payments – 2018 to 2029



CONTROLLING COSTS

- **Controlling costs of production remains the key to arable profitability**
 - input use needs to be in proportion to likely yield
 - high rents (and rent-equivalents) an issue for many
 - differences between top performers and 'the rest' usually due to overheads (esp. machinery and labour)
 - amount of tractor horsepower purchased in 2018 was the highest for 6 years (over 2 million HP)
 - every farmed hectare of land in the UK is carrying a machinery depreciation charge of £167
- **Still huge scope for savings through collaboration**
 - a wide range of joint ventures available
- **Large yield variation across fields and farms**
 - some areas *always* loss-making – why crop them?
- **Rotations to maximise returns rather than output**

HOW CAN WE HELP?

- **Increasing farming profits**
 - what to crop, where to crop it, how to crop it
 - areas for improvement and lowering costs
 - **Growing your business**
 - investment appraisals and bank finance
 - joint venture agreements and collaboration
 - rent tenders and reviews
 - **Maximising business opportunities**
 - grant funding applications and diversification
 - agri-environmental schemes
 - **Strategic planning and options for change**
 - business strategy
 - succession planning and retirement
- + Consultancy for the agri-food supply chain**

Ask us about a free initial visit