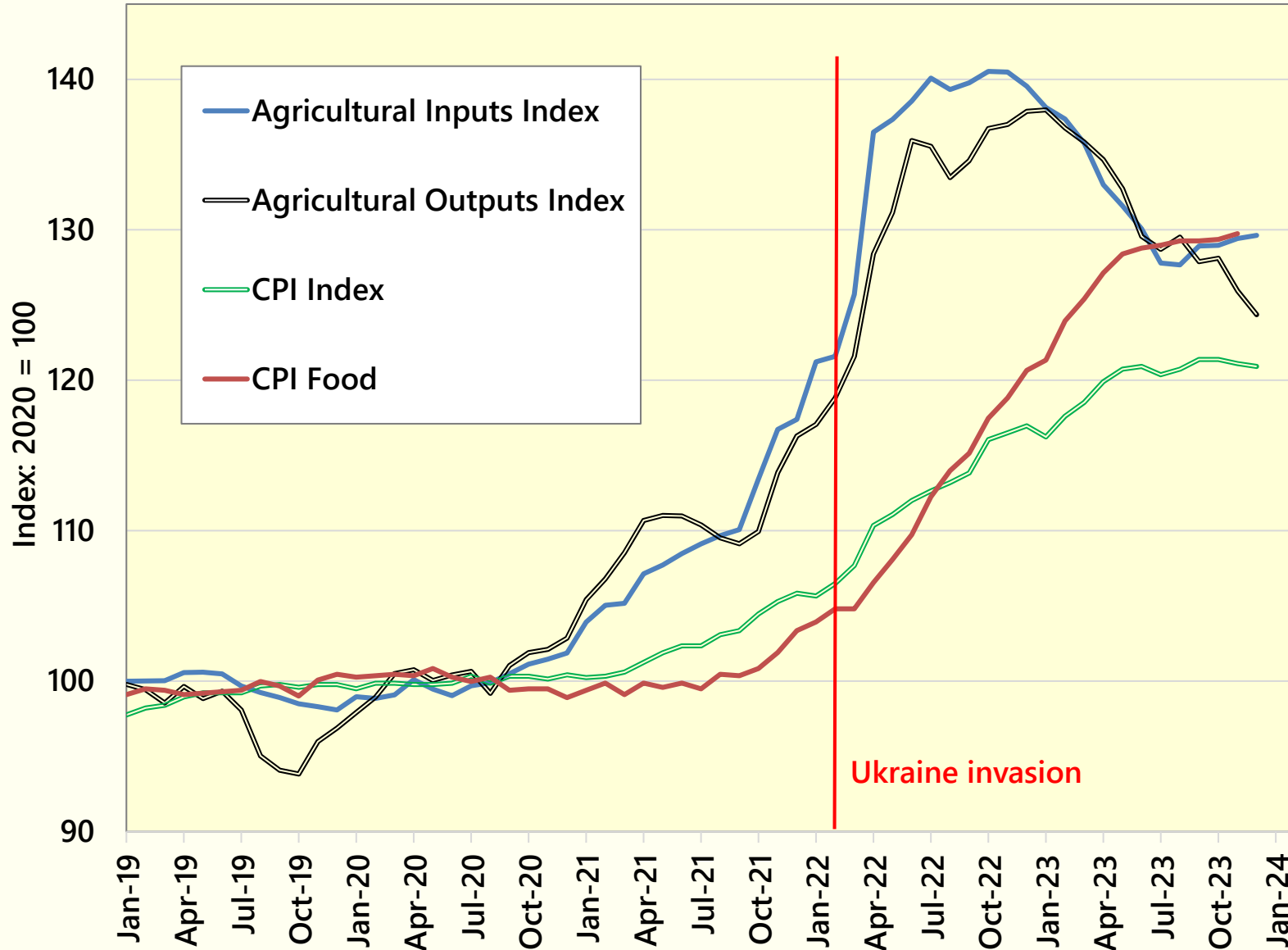


'AGFLATION'

Farm Inputs, Outputs, and CPI – 2019 to 2024



Source: Defra / ONS / Andersons

CHANGING SUPPORT

- **In 2024, BPS will be at least half of 2020 levels**
 - also now 'delinked' – no need to occupy land
- **Many opportunities to integrate SFI into commercial farming operations;**
 - using whole-field options as a rotational break crop
 - taking non-profitable areas out production
 - being paid for actions many farms doing anyway (cover crops, no insecticide, hedge management etc.)
 - *also, Countryside Stewardship being 'revamped' for 2024*
- **Capital grants (40%) for equipment and machinery under the Farming Investment Fund**
 - Slurry Investment Scheme now open (50% grant)
- **FREE Business advice under the Future Farming Resilience Fund – ask us for details**

LOAM FARM MODEL

- 600 Ha of combinable crops (Wheat, Barley, Oats & Beans); 240 owned and 360 on FBTs
- owner, 1 FT worker & harvest casual

<i>£ per Ha</i>	2021 ^①	2022 ^①	2023 ^②	2024 ^③
Output	1,523	2,136	1,791	1,672
Variable Costs	390	460	754	573
Gross Margin	1,133	1,676	1,036	1,099
Overheads	437	507	545	589
Rent & Finance	242	243	256	266
Drawings	78	80	82	86
Farming Margin	376	847	153	157
BPS (+ SFI from 2023 ^④)	198	163	128+40	93+83
Business Surplus	574	1,009	321	333

Source: Andersons ① Result ② Provisional ③ Budget ④ SFI payments are shown *gross* – costs of compliance are in farming costs.

MEADOW FARM MODEL

- 154 Ha mixed lowland farm (40 Ha on FBT)
- Beef, sheep and arable; Proprietor + 1 F.T. family
- *Can be Restructured to improve profits*

<i>£ per Ha</i>	22/23 ^①	23/24 ^②	23/24 ^③	Restruc -ture ^③
Output	1,619	1,609	1,526	1,380
Variable Costs	871	699	756	613
Gross Margin	748	910	770	767
Overheads	631	650	652	552
Rent and Finance	76	84	82	82
Drawings	249	253	259	195
Farming Margin	(208)	(77)	(223)	(62)
BPS + CS/SFI	184+22	150+22	115+171	115+157
Business Surplus	(2)	95	63	210

Source: Andersons ① Result ② Provisional ③ Budget ④ SFI payments are shown
gross – costs of compliance are in farming costs.

WHAT DO THE BEST DO?

Features of Top-Performing Farms

- Have a clear business strategy, shared with partners – set goals and budgets
- Compare themselves with others, not just in their sector, and gather information
- Control costs – especially overhead costs
- Understand their market and meet its requirements
- Focus on the details that matter but retain a view of the big picture
- Have a mindset for change and innovation
- Manage people well and motivate them
- Remain disciplined and stick to a strategy

HOW CAN WE HELP?

- **Strategic planning and options for change**
 - business strategy
 - succession planning and retirement
 - **Increasing farming profits**
 - what to crop, where to crop it, how to crop it
 - simple, profitable, livestock systems
 - 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
- + Consultancy for the agri-food supply chain**