



**AHDB Beef and Lamb
Stocktake
Costs of Production 2015/16**

Lamb Finishing

Financial Performance (£ per head output)	(£ per head output)			(£ per kg carcass weight)		
	Bottom	Top		Bottom	Top	
	Third	Average	Third	Third	Average	Third
Number of flocks in sample	20	61	20	20	61	20
Average head of output	229	577	1022	229	577	1022
Lamb output	68.70	73.94	76.41	3.55	3.76	3.86
Other income	0.00	0.09	0.02	0.00	0.00	0.00
Gross Output	68.70	74.03	76.43	3.55	3.76	3.86
Purchase costs	53.99	54.39	55.39	2.79	2.76	2.80
Output less purchase costs	14.71	19.63	21.05	0.76	1.00	1.06
Variable Costs						
Purchased feed including minerals	2.67	1.37	0.49	0.14	0.07	0.02
Home-grown feed	0.59	0.27	0.05	0.03	0.01	0.00
Purchased forage	0.00	0.00	0.00	0.00	0.00	0.00
Home-grown forage (excludes contract)	1.07	1.70	2.13	0.06	0.09	0.11
Total feed and forage	4.34	3.33	2.67	0.22	0.17	0.13
Vet and medicine	1.13	0.85	0.55	0.06	0.04	0.03
Bedding	0.05	0.04	0.02	0.00	0.00	0.00
Other livestock expenses	4.04	2.66	2.28	0.21	0.13	0.12
Total variable costs	9.56	6.87	5.52	0.49	0.35	0.28
Gross Margin	5.15	12.76	15.52	0.27	0.65	0.78
Fixed Costs						
Labour - paid	3.32	1.23	0.97	0.17	0.06	0.05
Machinery repairs and spares	1.41	0.49	0.26	0.07	0.03	0.01
Contracting	0.70	0.41	0.29	0.04	0.02	0.01
Electricity	0.03	0.02	0.01	0.00	0.00	0.00
Fuel	1.57	0.79	0.57	0.08	0.04	0.03
Property maintenance and water	1.56	0.79	0.39	0.08	0.04	0.02
Land Rent (Actual)	2.12	1.09	0.79	0.11	0.06	0.04
Overheads	3.88	2.62	2.04	0.20	0.13	0.10
Cash Only fixed costs	14.60	7.44	5.32	0.75	0.38	0.27
Cash Only Cost of Production (inc purchase costs)	78.15	68.71	66.23	4.04	3.49	3.35
Cash Only Net Margin	-9.45	5.32	10.20	-0.49	0.27	0.52
Depreciation	3.50	1.51	1.10	0.18	0.08	0.06
Finance costs (Imputed)	0.86	0.63	0.60	0.04	0.03	0.03
Labour - unpaid (Imputed)	4.43	1.70	0.93	0.23	0.09	0.05
Land Rent (Imputed)	1.96	1.33	1.29	0.10	0.07	0.07
Non-Cash fixed costs	10.76	5.17	3.92	0.56	0.26	0.20
Full Investment fixed costs	25.36	12.61	9.25	1.31	0.64	0.47
Full Investment Cost of Production	88.90	73.88	70.16	4.60	3.75	3.54
Full Investment Net Margin	-20.21	0.15	6.28	-1.04	0.01	0.32
Physical Performance						
Mortality %	1.1	1.4	1.1			
Feeding period (days)	100	95	91			
Average liveweight at start (kg)	34.7	33.8	33.6			
Average liveweight at sale (kg)	41.2	42.3	42.8			
Daily liveweight gain (kg per day)	0.07	0.10	0.11			
Average carcass weight (kg)	19.3	19.7	19.8			
Purchase value per lamb (£)	53.40	53.69	54.80			
Return per lamb (£)	68.70	73.94	76.41			
Liveweight price all lambs (£ per kg lwt)	1.67	1.75	1.78			
Return per kg deadweight: finished lambs (£ per kg dwt)	3.57	3.77	3.87			
Lambs sold finished (%)	95	96	97			
Lambs sold or retained breeding (%)	5	4	3			
Total FW concentrate use (kg per lamb)	20	9	3			
Average concentrate cost (£ per tonne)	161	179	167			
Inorganic nitrogen use (kg per ha)	14	23	11			
Labour use - paid hours per lamb	0.3	0.1	0.1			
Labour use - unpaid hours per lamb	0.4	0.2	0.1			