

FARM CORNWALL

NEWSLETTER

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This year has presented perhaps one of the most challenging growing seasons for sometime. A long, wet, cold winter that refused to give way to spring left many of you not turning cattle out until late, it caused many to use up silage and straw stocks or indeed buy more in. Potato growers had a late start to the season but then benefited from higher prices for a longer period than normal. The Jersey Royal season got off to a late start and reduced yields. Potato growers up country were also affected by the late season too, this created an opportunity for the Cornish grower, because the window of opportunity was open for longer. But will that window of opportunity be there for another year? I very much doubt it. All the time Jersey are investing in a product that will be on the market shelves for longer and those growers up country will learn to be earlier, the window of opportunity will almost always become smaller for the Cornish grower, This year we ran a simple text system to identify the price daily between growers the text was then immediately sent on to the other growers around Gulval and Marazion area with the intention of keeping everyone aware of the price to avoid them being picked off by the buyer, early days, but I think growers need to feel confident with it. The cauliflower and daffodil grower fared little better in the spring missing vital marketing opportunities such as Mothering Sunday for daff growers and the continual wet and late frosts playing havoc with the cauliflowers. So what for this season? The long dry spell has certainly eased bulb and potato lifting, however it will affect second cut re-growths or the ability of grass fields to quickly return to production following a hay crop. Those cauliflower growers starting to plant could do with rain to ensure a good take, and will grass production keep going before dairy farmers have to start feeding first cut remains to be seen.

Pension Credits and Working Family Tax Credits.

Many of you will have heard of these but assumed they applied to someone else. If you are in receipt of your old age pension you may well be eligible to Pension Credits as well.

Pension Credits (example taken from www.directgov.uk)

Mary and Frank are both 75 and have £210.25 a week as follows:

- basic State Pension (Mary) £97.65
- basic State Pension (Frank) £58.60
- personal pension (Mary) £50.00
- savings of £12,000 (we count £1 of income for every £500 of savings they have over £10,000, which for £12,000 totals £4) £4



Mary and Frank will get Pension Credit of £23.99, bringing their weekly income to £234.20

As Mary and Frank's income is over £202.40, they cannot get Guarantee Credit, but they are entitled to an extra £23.95 Savings Credit.

Working Family Tax Credits

These work in a similar way to the pension credits but are for those young enough to be working. If you would like to find out if you are eligible go to www.workingfamilies.org and follow the instructions. It will ask you about current income, marital status, dependant children, receipt of other benefits and will ultimately come up with a figure as to how much you may or may not be entitled to or ring 0845 3003900 if you don't have access to the internet.

Many of you say to me that you would like to claw back some of the money you are entitled to from your Single Farm Payment which disappears into modulation, well you might be entitled to these payments as well. If you have access to the internet go to www.directgov.uk and put Pension Credit Calculator/ Working Family Tax calculator in the search box or alternatively ring 0845 6060265. Or if you prefer then please contact the Farm Business Centre at Long Rock on 01736 352012 and speak to me personally and I would be happy to help you through the process.

If you require a large print copy of this edition then please contact the Office on 01736 352 012.

The 'Gross Margin System'

This offers a way of comparing enterprises on a farm but fails to take into account those fixed costs which are not directly attributable to the crop or livestock enterprise. For example

SUCKLER BEEF GROSS MARGINS

Output	£ per cow
Sale of calf at 7-8months (Based on £1.50 per kg on a steer weighing 285kg)	
91% reared (not every cow rears a calf)	£ 389.00
Less Cow and Bull Depreciation over 8yrs	£ 68.00
Total output	£ 321.00
Costs	
Concentrate feed (120kg @15p)	£ 18.00
Vet &Med	£ 19.00
Straw (0,5t /cow at £100/t)	£ 50.00
Sundries (market charges, tags, disposal)	£ 12.00
Forage costs:	
Silage 18kg of silage for 120 days at Grazing- fertilizer for grazing 2cwt of 25.5.5 £250/t	£ 57.00
With a stocking rate of 1 cow to 1.5 acres	£ 93.00
Total costs	£ 249.00
Gross Margin	£ 72.00

A man owned a small farm. HM Customs & Revenue claimed he was not paying proper wages to his staff and sent a representative out to interview him. "I need a list of your employees and how much you pay them" demanded the officer.

"Well" replied the farmer, "there's my farm hand who's been with me for 3 years. I pay him £350 a week plus free room and board, the tractor driver has been here for 18 months, and I pay him £250 per week plus free room and board, then there's the half-wit. He works about 18 hours every day and does about 90% of all the work around here. He makes about £10 per week, pays his own room and board, and I buy him a bottle of whiskey every Saturday night. He also sleeps with my wife occasionally"

"That's the person I want to talk to..." says the official.

"That would be me" replied the farmer.



CATTLE CRUSH

Remember we have a mobile crush and handling unit, with electronic weigh scales available to be hired out for £40 a day or £100 for the week (pre payment required). Please call Edward on 01736 352 012 for more information.

SPRING BARLEY GROSS MARGINS

I appreciate many will say spring barley is a good cattle feed and there's the straw, the possibility of winter grazing on stubbles, rotational break for daffodils, cauliflowers and there's ELS, HLS payments on over-wintered stubbles. However, as you can see, on its own Spring Barley does not stack up.

Output	£/Ha	£/Acre
Sale of Crop £80 per tonne at 1.5 tonne /acre	£ 296.00	£ 120.00
Total	£ 296.00	£ 120.00
Costs		
Seed 1.25 cwt /acre or 155kg/ha at £305/tonne	£ 47.00	£ 19.00
Fertiliser 3 cwt or 370kg/ha of 20.10.10 at £250/tonne	£ 92.00	£ 37.00
Sprays	£ 60.00	£ 24.00
Total Costs	£ 199.00	£ 80.00

Gross Margin	£ 97.00	£ 40.00
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Don't forget your fixed costs which will include combining, ploughing, drilling, fertiliser and spray application, baling, leading the crop and bales off the field, rent, services, insurance and labour. You might be surprised to know that an average farm in the area could have a fixed cost of anything up to £500 per acre!

Deaths in agriculture have risen more so than compared to all other industries which has made agriculture the most dangerous industry to work in.

In 2008/9 25 workers were killed. In 2009/10 38 workers were killed (of those 17 were employed and 21 self employed.) The loss of those individuals is not only devastating to the family and friends, but its effect upon business can be ruinous.

We are planning to run some workshops alongside the HSE to help make sure you are all working safely and aware of safety legislation that is in place.

Dates to follow.

The Penwith Farm Business do their best to ensure that all information and advice given is up to date and accurate. However, the information and advice does not constitute legal or professional advice and Edward Richardson and the Penwith Farm Business Centre cannot accept any liability for actions arising from its use. You should seek your own professional or legal view as needed. Advice is based only on the facts and information provided.

