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LANDBOUW-ECONOMISCH INSTITUUT  
's-GRAVENHAGE



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47B

Instruction W 1  
14th June 1950.



The costing of grassland farms  
1950/51.

1. The Institute of Agricultural Economics (L.E.I.) runs the costing of a number of grassland farms. This costing is a part of the accomplishment of the appointed task of the L.E.I. as laid down in the rules of incorporation, worded as follows:

"The advancement of the knowledge of farm economic and social economic features and problems appertaining to or being of importance to Agriculture in the Netherlands, in the widest sense, or to a certain extent related to it. They (the Institute) shall endeavour to attain that aim by collecting, elaborating and publishing statistical and other data of importance for the purpose and by all other suitable means thought to be useful."

The aim of costing in this respect is, to collect data on the remunerability of the costed farms and on the basis of these data:

- a. to have the opportunity to render advice to the farmers concerned, founded on the financial results;
  - b. on the other hand to set up calculations on the remunerability of farming in certain areas in the past and on the probable remunerability in the future.
2. The course followed by farm economic research as has been expressed in the objectives of costing described above has been arrived at after important changes during the last years in the past. Originally costing of milk at the separate holdings was particularly stressed but the remunerability of the farms by themselves was hardly considered. Gradually the course of farm economic research has been changed and with it the method of costing. The interest is now focused upon the remunerability of farming even though the calculation of the production cost of milk at the individual farms is still carried out. Owing to the simple managerial structure of grassland farms it is obvious that the production cost of milk can be easily derived from the calculation of remunerability. Due to these changes being of more importance to mixed and arable farms than to grassland farms, it is now possible to cost a larger number of farms by the same staff, to the benefit of the reliability of the calculated average figures. The number of farm accounts implied, was:

	Arable farms and mixed farms on silty soil	Mixed farms on sandy soil	Grassland farms	Poultry farms	Total
1945/6	25	-	56	-	81
1946/7	142	18	236	42	438
1947/8	196	88	223	210	717
1948/9	149	457	282	146	1034
1949/50	163	560	333	162	1218
1950/51	276	747	537	± 160	1720

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3. The costing of grassland farms is in general lines carried on as follows:
  - a. the participant supplies the primary data viz. data on available cash, data on the content of labour hours applied data on the application of fertilizers, data on sale and purchase of livestock etc.
  - b. members of the L.E.I. staff, stationed with Agricultural Advisers, enter the data collected in a cash mutation register;
  - c. at the end of the year the accounts are closed by the outer staff of the L.E.I. and worked out with the help of an elaboration form.
  - d. the head office prepares a survey based upon the elaboration forms, containing a great number of data of all farms in a certain area, if necessary calculated per ha cultivated land or another comparative unit.

4. The system of costing to be followed is extensively described in the constructions:

W 2: entering of and control on the fundamental data

W 3: elaboration of costing data.

The use of the forms and registers needed, already quoted under item 3, can be described as follows:

- a. Cash-file. The participant uses a cash file, containing:
  1. 1 schedule 1.00 W (see appendix I)
  2. 1 schedule 1.01 W (see appendix II)
  3. 1 schedule 1.03 W (see appendix III)A few general particulars must be entered on these schedules.
  4. a number of schedules 1.03 W (see appendix IV)  
Data relating to periods of two weeks must be entered on these schedules. They are either collected at the farms by an assistant of the Agricultural Advisory Service, or forwarded to the outer staff of the L.E.I.
- b. Cash mutation register (see appendix V). The data entered on schedule 1.03 W are transmitted to this register by the staff of the L.E.I. The data on cash are entered on tabled forms of receipts and expenditure. As to other information such as purchase and sale of livestock applied fertilizers spent man hours etc. special tables have been included in the cash mutation register.
- c. Elaboration forms. At the end of every year the totals of the cash mutation register are being entered on elaboration forms, which have been designated in such a way that a (standard) survey can be easily compiled from them. There is a separate form to calculate the expenditure and one to figure out the revenue. In addition there are some specification and auxiliary schedules.
- d. Standard survey (see appendix VI). With the help of the data entered on the elaboration forms, a survey per area is finally made by the head office, affording the data of all farms to be compared.

It embodies the following data:

1. Data on land utilisation, number of livestock and utilisation of labour (table 1)

2. Expenditure and revenue of the whole farm calculated per ha cultivated land (table 2)
  3. Data on cattle farming, manurial treatment, management of grassland (table 3)
  4. Yields of cattle farming and rations (table 4)
  5. Comparison of a number of data concerning two financial years (table 5)
  6. Data on side lines of farming: pigs, sheep, cash crops (table 6)
- e. Report to the participant (see Appendix VII). A report, based upon the particulars entered on the elaboration form, on the financial results of his farm is sent to each participant.
5. The costing (being schematically elucidated on the next page) is in the first place adapted to the aim: the compilation of the survey (In addition some specifications are needed, keeping also other objectives in view). To arrange the data administratively, this aim must always be borne in mind.

INSTITUTE OF AGRICULTURAL ECONOMICS

Participant:

Cash file			
Schedule 1.00 W general information	Schedule 1.01 W data on staff	Schedule 1.02 W management of grassland	Schedule 1.03 W

L.E.I. staff stationed elsewhere

a. entering

Cash mutation register						
Forms for expendi- ture and revenue	Specifica- tion of purchased forage	Use of produce of own holding	Applied fertiliz- ers	Hours worked by farmer and his family	Hours worked by and wages of hired workers	Sale and purchase of live- stock

b. elaboration

Elaboration forms

Report to participant

Head Office L.E.I.

a. Bookkeeping department

Standard  
survey

b. Statistical department

Statistics  
on wages

I. Cropping scheme harvest 195...				II. Stocks kept on May 1, 195...	
Arable crops	ha	a	ca	kg hay	Glds
				kg silage	"
				kg dried grass (preceding harvest)	"
				kg straw	"
				kg cattle meal	"
				kg cattle cakes	"
Total arable				kg beet	"
Permanent grassland				kg potato fibre	"
Leys				kg steamed potatoes	"
Orchards				kg	"
Total measured area				kg	"
Premises, roads, ditches				kg	"
Total cadastral area				kg nitrochalk	"
Second crops				kg basic slag	"
				kg potash salt 40%	"
				kg	"
				kg	"

### III. GENERAL INFORMATION.

a. Area rented land \_\_\_\_\_ ha for total \_\_\_\_\_ glds  
 Owned area \_\_\_\_\_ ha  
 Total \_\_\_\_\_ ha The rent paid for similar holdings (including farm buildings and dwelling house) glds \_\_\_\_\_ per ha.

b. The rent includes Annual rental value  
 Rent farm buildings yes/no \_\_\_\_\_ glds.  
 Rent dwelling house yes/no \_\_\_\_\_ "  
 Rent cottages yes/no \_\_\_\_\_ "

c. Location of the fields with regard to farm buildings \_\_\_\_\_

d. Type of soil \_\_\_\_\_

e. Estimated value at May 1st of available:

bulls: \_\_\_\_\_

fattening stock: \_\_\_\_\_

pigs (specified): \_\_\_\_\_

I. HIRED LABOUR.

To be completed at beginning of financial year.  
1.01 W

Name of worker				
Age	yr.	yr.	yr.	yr.
Number children under age				
Weekly wages	glds	glds	glds	glds
Pre-payment tax	"	"	"	"
Health insurance weekly fee	"	"	"	"
Old age pension weekly fee	"	"	"	"
Are these fees deducted from the above wages:				
Pre-payment tax	yes/no	yes/no	yes/no	yes/no
Health insurance	yes/no	yes/no	yes/no	yes/no
Old age pension	yes/no	yes/no	yes/no	yes/no
Perquisites:				
Rental value (weekly)	glds	glds	glds	glds
Milk (weekly)	litres	litres	litres	litres
(weekly)	kg	kg	kg	kg
Wheat (annually)	kg	kg	kg	kg
Potatoes (annually)	kg	kg	kg	kg
(annually)	kg	kg	kg	kg
(annually)	kg	kg	kg	kg
Pig (annually)	kg	kg	kg	kg
Board and lodgings (annually)	yes/no	yes/no	yes/no	yes/no

II. FAMILY LABOUR.	Sex	Age	
Farmer	M		
	M/F		
	M/F		
	M/F		
	M/F		
	M/F		
	M/F		
Maid servant	F		

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Appendix III

To be forwarded at the beginning of indoor-season  
1.02 W.

Kind of livestock	Turned out topasture		Taken indoors		Stock of fertil	
	Date	Number	Date	Number	Kind	Kgs
Horse employed for hay making						

## 11. LIVESTOCK SENT AWAY ON AGISTMENT (included in inventory).

[illegible]

### III. AREA OF GRASSLAND INTENDED FOR

Hay 1st cut	
Hay 2nd cut	
Hay after being grazed	
Ensilage 1st cut	
" 2nd cut	
" 3rd cut	
" after being grazed	
Dried grass	
Cut for soilage	
Total	

#### IV. DURATION OF PASTURING SEAS.

	Date of turning out to pasture	Date when taken indoors
Fullgrown cattle		
Young cattle:		
Heifers one		
year old		
Calves		

### V. GENERAL INFORMATION.

Milk recording society

What part of the cattle is entered into the herdbook?.....

To what extent is breeding stock sold?.....

**Breed** \_\_\_\_\_

Capacity liquid manure tank (cubic metres).....

Concrete dungfloor..... sq. metres

Silos number      total capacity      cubic metres

#### VI. YIELDS OF ARABLE CROPS:

Crop	yield	kgs
п	п	kgs
п	п	kgs

Area: \_\_\_\_\_ Farm No. \_\_\_\_\_  
Period \_\_\_\_\_ to \_\_\_\_\_ 195 \_\_\_\_\_

I. Hours worked on own farm		First week	Second week	II. Livestock	Purchased	Born	Sold	Died	Number at the end of period
A. Farmer and members family	Farmer _____			<b>Calves:</b>					
				Female under ½ year					
				" ½ - 1 year					
				Male under ½ year					
				" ½ - 1 year					
	Maid servant _____			Other young cattle:					
<b>B. Hired staff</b>		<b>First week</b>		<b>Second week</b>					
Name	Hours	Money wages	Hours	Money wages					
<b>C. Perquisites for casual staff:</b>									
<b>III. Application of artificial fertilizers to arable land.</b>									
Date	Fertilizer	Kg	Crop						
<b>IV. Utilisation of milk for home use.</b>									
Used for:	First week	Second week							
Calves									
Bull									
Pigs									
Private customers (so far not quoted on cash schedule)									
Household									
To workers free of charge									
Butter and cheese making									
				<b>Remarks:</b>					

1.03 4

[illegible]

CASH MUTATION REGISTER.

Receipts.

Left page.

Date	Total columns 3 - 12	Sold stocks from prece- ding har- vest	Farm business claims	cattle			Horses and other livestock		Milk					
				Code	Weight in kgs	Amount	Code	Amount	% butter- fat	kg milk	kg butter- fat	Amount		
1	2	3	4		5		6			7			8	

Right page.

		Arable crops			Sundries		Notes
		Code	kg	Amount	Code	Amount	
9	10			11		12	13

EXPENDITURE

Left page.

Date	Total columns 3 - 7	Purchase of livestock		Fertilizers								Fodder		
				N		P <sub>2</sub> O <sub>5</sub>		K <sub>2</sub> O		Other fertilizers		Cattle (incl. horses and sheep		
		Code	Amount	Kg	Amount	Kg	Amount	Kg	Amount	Kg	Amount	Concen- trates	Roughage, straw litter	Milk products
1	2	3		4		5		6		7		8	9	10

Right page.

Pigs		Wages paid	Other expendi- ture cattle (incl. horses, sheep, grassland)		Other expen- diture pigs		Other expen- diture arable land		Ex-farm and debts begin- ning finan- cial year	Sundries		Notes
Code	Amount		Code	Amount	Code	Amount	Code	Amount		Code	Amount	
11		12		13		14		15	16		17	18

Survey no. \_\_\_\_\_

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Appendix VI.

Table 1.

### UTILISATION OF LAND AND LABOUR; LIVESTOCK.

[illegible]





Survey no .....

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
2	2	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	38	40	42	44	46	48	50	52	54	56	58	60	62	64	66	68	70	72	74	76	78	80	82	84	86	88	90	92	94	96	98	100	102	104	106	108	110	112	114	116	118	120	122	124	126	128	130	132	134	136	138	140	142	144	146	148	150	152	154	156	158	160	162	164	166	168	170	172	174	176	178	180	182	184	186	188	190	192	194	196	198	200
3	3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63	66	69	72	75	78	81	84	87	90	93	96	99	102	105	108	111	114	117	120	123	126	129	132	135	138	141	144	147	150	153	156	159	162	165	168	171	174	177	180	183	186	189	192	195	198	201	204	207	210	213	216	219	222	225	228	231	234	237	240	243	246	249	252	255	258	261	264	267	270	273	276	279	282	285	288	291	294	297	300
4	4	8	12	16	20	24	28	32	36	40	44	48	52	56	60	64	68	72	76	80	84	88	92	96	100	104	108	112	116	120	124	128	132	136	140	144	148	152	156	160	164	168	172	176	180	184	188	192	196	200	204	208	212	216	220	224	228	232	236	240	244	248	252	256	260	264	268	272	276	280	284	288	292	296	300																									
5	5	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100	105	110	115	120	125	130	135	140	145	150	155	160	165	170	175	180	185	190	195	200	205	210	215	220	225	230	235	240	245	250	255	260	265	270	275	280	285	290	295	300																																								
6	6	12	18	24	30	36	42	48	54	60	6																																																																																									

### YIELDS FROM CATTLE FARMING AND RATIOS.

[illegible]

Survey no \_\_\_\_\_

Table 5.

**COMPARISON OF DATA OF 2 FINANCIAL YEARS.**

[illegible]



### A. Remunerability of the farm as a whole.

### B. Costs of tractor.

[illegible]

**C. Yields and Revenue Livestock department.**

### D. Yields and revenue of Arable crops.

[illegible]