

L
20

LANDBOUW-ECONOMISCH INSTITUUT
's-GRAVENHAGE



79

L20
79B

Instruction CZ 1
12th June 1950.

LANDBOUW-ECONOMISCHE
BIBLIOTHEEK
INSTITUUT

The costing of mixed holdings 1950-1951.

1. The Institute for Agricultural Economics (L.E.I.) runs the costing of a number of mixed holdings on sandy soil. 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:

- to have the opportunity to render advice to the farmers concerned founded on the financial results;
- 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.

In addition on some of the farms the work performed and the time required for it have been recorded with the aim to get an impression of the labour requirements of the individual crops.

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 per crop coupled with a relevant complicated grouping of costs for every participating farm by itself was particularly stressed. Managerial advice was rendered mainly on the basis of very ample labour records. Gradually the course of farm economic research has been changed and with it the method of costing, the production cost of milk now being calculated for the average farm in a certain area and the number of farms where data on labour are being recorded has been reduced. Due to these changes 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. By this change the investigations are now focused upon the remunerability of the farms and it was made sooner with the consequence that the number of participating mixed farms could be extended two years earlier. Before that the number of mixed farms attended to, was very small due to the large amount of work involved in the costing both for the participants and the L.E.I.

The number of farm accounts implied was:

	Arable farms and mixed farms on sea silt soils	Mixed farms on sandy soil	Grass-land 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

regard to mixed farms than to arable farms with
98

2284726

In 1950/51 extensive records of the utilisation of labour will only be kept for 15 farms.

3. The costing of mixed farms, with simple labour recording, is carried on as follows:

- a. the participant supplies the primary data, viz. data on available cash, data on the extent of the labour hours applied, data on the application of fertilizers and use of produce grown on the farm itself, data on sales and purchases 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 farm
- 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.

Farms where extensive labour data are being recorded a special labour recording form is being kept. At these farms also a labour recording register is being kept up to date.

4. The system of costing to be followed is amply described in the instructions:

GZ 2: entering of and control on the fundamental data by making simple notes on labour
GZ 3: entering and elaboration of detailed data derived from notes on labour
GZ 4: 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 participants receive a cash-file containing:
 1. 1 schedule 1.01 GZ (see appendix I)
 2. 1 schedule 1.02 GZ (see appendix II)
 3. a number of schedules 1.03 GZ (see appendix III)
Data relating to periods of two weeks must be entered on these schedules. The schedules are collected at the farms by an assistant of the Agricultural Advisory Service.
- b. A form for entering detailed data on labour (see Appendix IV). The participant notes every day the work being done by each worker and how much time has been spent for it. The staff of the L.E.I. totalizes these forms for every week.
- c. Cash mutation register (see appendix V). The data entered on schedule 1.03 GZ 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 special tables have been included in the cash mutation register.
- d. Register on utilisation of labour. NC (see appendix VI). The data of the detailed-labour form (b) are entered by the L.E.I. on forms giving all hours spent on each crop separately. For every farming year a separate register is being used.

- e. Elaboration forms: At the end of the year the totals of the cash mutation register are being entered on elaboration forms, which have been designed 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.
- f. Standard survey (see appendix VII). With the help of the data entered on the elaboration forms a survey is finally made by the head office affording the data of all farms to be compared.

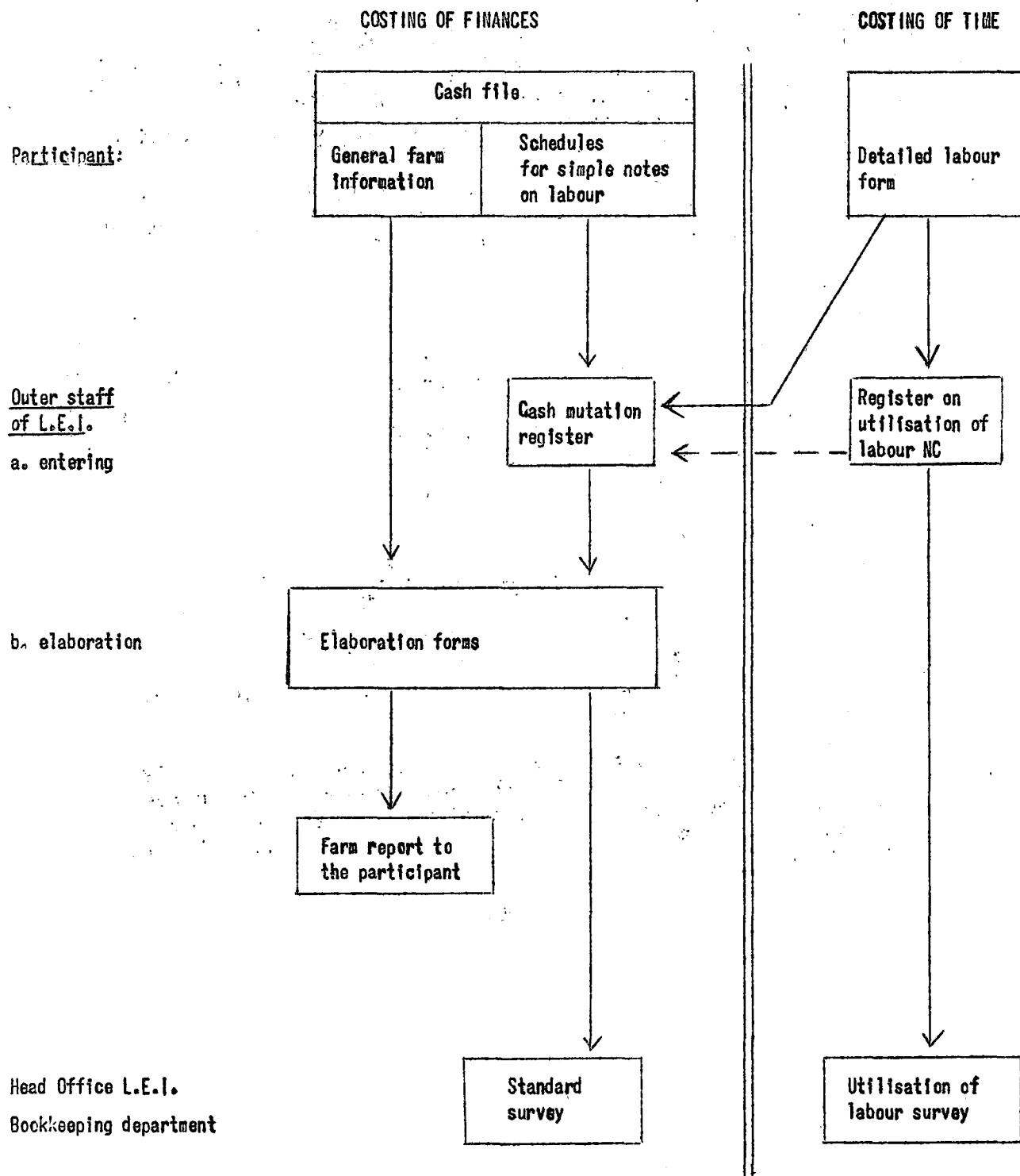
It embodies the following data:

- 1. data on land utilisation (table 1)
- 2. data on number of livestock and available labour (table 2)
- 3. comparison of a number of data regarding two financial years (table 3)
- 4. expenditure and revenue of the whole farm (table 4)
- 5. yields in kgs and money of cash crops (table 5)
- 6. data on cattle farming (table 6)
- 7. data on pig and poultry farming (table 7)
- 8. The principal labour costs (table 8)

- g. Report to the participant (see appendix VIII). A report based upon the particulars entered on the elaboration form, on the financial results of this farm is sent to each participant.
- h. Utilisation of labour survey. The particulars in the labour recording register NC totalised for all farms and after being worked out per ha published at a survey.

- 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.



Copy of data

Control on data

SIZE AND OUTLAY OF FARM

SCHEDULE 1.01 (left page)

Type of soil	Permanent grass		Leys		Arable land		Orchards		Total measured area		Number of fields			
	ha	a	ha	a	ha	a	ha	a	ha	a	Permanent grass	Leys	Arable land	Orchards
Sandy soil														
Excavated peat soil														
Soil with an impermeable layer														
Peaty soil														
Total														

Waste land, premises, roads, ditches

Total cadastral area

Position of fields in relation to farm buildings			
a, Compact	ha	Capacity liquid manure tank	c.m.
b. 200 - 500 metres from a	ha	Imperviously floored dungyard	c.m.
c. 500 - 2000 metres from a	ha	Silos: a.number	
d. 2 - 5 km from a	ha	b.capacity	c.m.
e. More than 5 km from a	ha	Storage room in barn	c.m.

Rented ha for total guilders

Owned ha

Total ha

COMPRESSED IN THE RENT PAID ARE:

Rent of farm buildings yes/no

Annual rental value

Rent of dwelling house yes/no guilders

Rent cottages yes/no guilders

The rent of similar holdings (including farm buildings and dwelling house) is: Dfl. per ha

Fixed saleable value of farm (buildings and land) amounts to Dfl.

Has the farmer joined a milk recording Society? Yes/no

Which part of the cattle herd has been entered in the herdbook?

To what extent is breeding stock sold?

The cattle belong to the breed.

FARM NO: _____

Instruction GZ 1, 1950.

Appendix I,

INVENTORY OF IMPLEMENTS AND MACHINERY
(BEING IN USE)

SCHEDULE 1.01 GZ (right page)

CROPPING SCHEME HARVEST 19

Will be repaid by the owner in the financial year 19..... /19.....

1.Catchment Board charges	Df1.....
2.Ground taxes	Df1.....?
3.Insurance of Buildings	Df1.....
4.Upkeep of buildings	Df1.....
5.....	Df1.....

AREA OF GRASSLAND MOWN	NOTES
Hay first cut	ha
Hay second cut	ha
Hay from pregrazed land	ha
Ensiled 1st cut	ha
Ensiled 2nd cut	ha
Ensiled 3rd cut	ha
Ensiled pre-grazed land	ha
Dried grass	ha
Grass for soilage	ha
Total	ha

LABOUR FORM FOR ARABLE FARMS		Kind of work →	Hours paid but without work being done																							
Farm No. :	Area:		TOTAL																							
FINANCIAL YEAR 195 /'5			M	H	T	M	H	T	M	H	T	M	H	T	M	H	T	M	H	T	M	H	T			
Week from	to	195																								
M = Man hours H = Horse hours T = Tractor Hours			Date ↓	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	
Name of worker		Man/Woman No.:	Su.																							
I. PAYMENT OF WORK ON CONTRACT		II. CALCULATION OF WAGES OF WAGES PAID	Mo.																							
Amount Gld.s		Hours at cents Gld.s	Tu.																							
Abstract: Advance		Fixed weekly wages Gld.s	We.																							
on gld.s		Work on contract (1) Gld.s	Th.																							
on gld.s gld.s		Total Gld.s	Fr.																							
Left to be paid gld.s		National Health Act Gld.s	Sa.																							
Date of birth 1):		Charges old Age Pension Gld.s	Total																							
Name of worker		Pre payment tax Gld.s	Su.																							
I. PAYMENT OF WORK ON CONTRACT		Health insurance Gld.s	Mo.																							
Amount Gld.s		Work on contract (1) Gld.s	Tu.																							
Abstract: Advance		Total Gld.s	We.																							
on gld.s		National Health Act Gld.s	Th.																							
on gld.s gld.s		Charges old Age Pension Gld.s	Fr.																							
Left to be paid gld.s		Pre payment tax Gld.s	Sa.																							
Date of birth 1):		Health insurance Gld.s	Total																							
Perquisites:		Man/Woman No.:	Su.																							
II. CALCULATION OF WAGES OF WAGES PAID		Mo.																								
Hours at cents Gld.s		Tu.																								
Gld.s		We.																								
Fixed weekly wages Gld.s		Th.																								
Work on contract (1) Gld.s		Fr.																								
Total Gld.s		Sa.																								
National Health Act Gld.s		Total																								
Charges old Age Pension Gld.s		Su.																								
Pre payment tax Gld.s		Mo.																								
Health insurance Gld.s		Tu.																								
Perquisites:		We.																								
II. CALCULATION OF WAGES OF WAGES PAID		Th.																								
Hours at cents Gld.s		Fr.																								
Gld.s		Sa.																								
Fixed weekly wages Gld.s		Total																								
Work on contract (1) Gld.s		Su.																								
Total Gld.s		Mo.																								
National Health Act Gld.s		Tu.																								
Charges old Age Pension Gld.s		We.																								
Pre payment tax Gld.s		Th.																								
Health insurance Gld.s		Fr.																								
Perquisites:		Sa.																								

1) Only to be filled up once.

Lines a to h not to be completed

A. Code	M	M	M	M	M																				
B. Total																									
C. Transfer																									
D. Carry forward																									
E. Carry forward																									
F. Gen. tot. M.H.																									
G. Gen. tot. P.H.																									
H. Gen. tot. T.H.																									

CASH-MUTATION REGISTER

Instruction GZ 1, 1950
Appendix V

Left page

RECEIPTS

Date	Specification	Total receipts	Stocks and claims related to last harvest	Cattle sold		Horses, sheep, pigs, poultry sold		Milk delivered				
				Number	Amount	Number	Amount	%butterfat	Kg milk	Kgbutterfat	Amount	
1	2	3	4	5	6	7	8	9	10	11	12	13

Right page

Eggs sold		Cereals and pulses sold				Potatoes sold			Other crops sold			Other receipts	Notes
Number	Amount	kg	Amount	kg	Amount	kg	Amount	kg	Amount	kg	Amount		
14	15	16	17	18	19	20	21	22	23	24	25	26	

Left page

EXPENDITURE

Date	Specification	Total expenditure	Livestock purchased		Wages paid (to workers)	Purchases feeding-stuffs and litter (see spec.)	Purchases fertilizers (see spec.)	Maintenance horses (excl. feed)
			Number	Amount				
1	2	3	4	5	6	7	8	9

Right page

Expenditure tractors		Rent; maintenance of buildings and equipment	Other expenditure during running financial year				Seed and plants for next harvest	Expenditure ex-farm and paid debts preceding harvest	Notes		
Code	Amount		Bookkeeping, insurance, packing material etc.	Disinfection, inspection charges twine, casual labour etc.	Vet. herdbook, covering charges etc.	Code					
10	11	12	13	14	15	16	17	18	19	20	21

WAGES PAID PER CROP

Survey No.

CROPPING SCHEME

Table I

No	Area cultivated land	Permanent grass% % column 1	Arable crop in % total						Area grassland and fodder crops			Applications of artificial fertilizers per ha					
			Cereals	Root crops	Green crops	Leys	Other crops	Second crops	Main crops	Second crops	Total	N	N	P ₂ O ₅	K ₂ O	CaO	
			ha	%	%	%	%	%	ha	ha	ha	kg	kg	kg	kg	kg	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	

No.	Number of livestock per 100 ha grass + fodder crops				Number of livestock per farm				Calves per 100 milkcows	1 year heifers per 100 milkcows	Young hens in % of total	Capital invested p/ha(cult.land) in livestock equipment		Number of work- horses	Number adult- workers
	Breed	Animals converted into other units	Milk cows	Sheep	Sows for breeding	Pigs for fattening	Laying hens	inventory				28	29	30	31
	18	19	20	21	22	23	24	25				gld	gld	number	number
	head	head	head	head	head	head	head	head							

COMPARISON OF DATA OF 2 FINANCIAL YEARS

Table 3

EXPENDITURE AND REVENUE OF THE FARM AS A WHOLE
PER HA CULTIVATED LAND

Table 4

No	Expenditure						Revenue						Balance								
	Wages + Feeding social charges	Manure	Rent	Other expenses	Total expenses	Cash crops	Cattle		Pigs	Poultry	Other revenue	Total revenue	Net balance	Family income	Labour income						
							Milk	Weight increase													
							46	47	48	49	50	51	52	53	53a	54	55	56	57	58	59
	gld\$	gld\$	gld\$	gld\$	gld\$	gld\$			gld\$	gld\$	gld\$	gld\$	gld\$	gld\$	gld\$	gld\$	gld\$	gld\$	gld\$	gld\$	gld\$

98

No	Dairy cattle per 100 ha grass + fodder crops	Costs of supplementary forage per cow						Yield per cow					Average butter fat content	Average milk price per 100 kg milk	% winter milk	Milk per ha grass and fodder crop				
		From own farm (sale-able)		Total milk prod.	Purchased		Total	kg milk	kg butter-fat	receiv- ed for milk	Output + ex- pansion	Receipts minus forage								
		Cereals + pulses	Other forage		concen- trates	other forage														
75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	head gld\$				

The Hague. REPORT ON THE RESULTS OF FARM NO.

AREA FINANCIAL YEAR 19 /

A. PRODUCTIVENESS OF THE FARM AS A WHOLE

COSTS:

1. Labour costs:
 - a. farmer
 - b. members of family
 - c. other workers
2. Purchased fodder
3. Purchased fertilizers
4. Depreciation machinery and implements
5. Interest livestock and equipment
6. Rent
7. Other costs
 - a. Casual labour
 - b. Seed
 - c. Other costs
8. TOTAL COSTS

REVENUE:

9. Livestock, grassland and fodder crops

- a. Milk
- b. Cattle
- c. Pigs
- d. Poultry and eggs
- e. Other revenues

10. Arable crops (cash crops)

- a. Cereals
- b. Pulses
- c. Oil seed and fibre crops, crops grown for seed
- d. Root crops
- e. Other crops

11. Other revenue

12. TOTAL REVENUE

B. COSTS OF THE TRACTOR

1. Make and type
2. Purchased in
3. Number of hours worked:
4. Expenditure:
 - a. Petrol
 - b. Parafin
 - c. Lubrication oil
 - d. Lubrication
 - e. Repairs done by other
 - f. Sundries
 - g. Calculated interest
depreciation
 - h. Total
5. Costs of repairs and re

olds.....

C. REVENUES FROM LIVESTOCK

1. CATTLE: (average milchcows)
 - a. Summer milk per cow
 - b. Winter milk per cow
 - c. Total milk yield per cow
 - d. Average butterfat content
 - e. Production costs per 100 kg milk
 - f. Selling price 100 kg milk
 - g. Revenue per f.100.- costs
2. PIGS: (average pigs)

Revenue per f.100.- fodder
3. POULTRY: average hens
 - a. Revenue per f.100.- forage
 - b. Egg yield per hen

		D. REVENUE FROM ARABLE CROPS		
Running year	Last year	Crop	Area	Yield kg/ha
kgs	kgs			
kgs	kgs			
kgs	kgs			
%	%			
glds	glds			
glds	glds			
glds	glds			
glds	glds			
glds	glds			

D. REVENUE FROM ARABLE CROPS