



MODULE 1
SUSTAINABLE AGRO-LIVESTOCK FARM AND ANIMAL WELFARE:
METHOD, TECHNIQUE, AND EXPERIENCES

UNIT 3
Economic aspects of animal welfare

ASSIGNMENT CASE STUDY

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- The farmer participated in Measure 14 on Animal welfare within Regional Development Plans (RDPs) in 2017 making the necessary investments to improve animal welfare with an investment of around 70,000 euros.
- Farm management costs increased by approximately 5%



- Making the necessary investments to improve animal welfare:
 - introduction of technical-structural improvements and adaptations (temperature control, air quality, manure management)
 - preparation and management of outer spaces food optimization and innovation
 - hygiene and sanitary interventions.
- Offsetting the increase in production costs, linked with:
 - expansion of farming areas
 - stock density reduction
 - prolonged working times due to more accurate management of the animals

- The farmer receives subsidies for 5 years which are calculated on the basis of the number of livestock units multiplied by a maximum of € 500/LSU/year
- In 2019 the animal welfare subsidies amounted to 58,447 euros (137.2 LU x 426 euros / LU)

Livestock capital at first January 2019

Chianina cattle with Protected Geographical Indication (PGI)

| Categoria | n. | Age in months | Total weight (kg) | Average weight per animal (kg) | Total value (euros) | Value per animal (euros) | Livestock unit coefficients (LU) | Number LU |
|---------------------------------------|------------|---------------|-------------------|--------------------------------|---------------------|--------------------------|----------------------------------|--------------|
| Calves in weaning | 18 | 4 | 640 | 35,56 | 25.200 | 1400 | 0,4 | 7,2 |
| Light bullocks and heifers (<400 kg) | 30 | 9 | 10.500 | 350,00 | 51.000 | 1700 | 0,4 | 12 |
| Heavy bullocks and heifers (> 400 kg) | 25 | 15 | 11.250 | 450,00 | 67.500 | 2700 | 0,6 | 15 |
| Bullocks in finishing | 10 | 20 | 7.500 | 750,00 | 37.000 | 3700 | 0,6 | 6 |
| Cows | 80 | 80 | 72.000 | 900,00 | 224.000 | 2800 | 1 | 80 |
| Heifers | 12 | 15 | 7.200 | 600,00 | 30.000 | 2500 | 1 | 12 |
| Bulls | 5 | 60 | 5.500 | 1.100,00 | 24.000 | 4800 | 1 | 5 |
| Totale | 180 | | 114.590 | | 458.700 | | | 137,2 |

THE DATA PROVIDED ON EXCEL FILE (Sweda_Module1_Unit3_Assignment):

- **Costs and revenues of all farm, year 2019**
- **Costs and revenues of the husbandry, year 2019**
- **Assets and liabilities on 31 December 2019**



Job to do

Use all the information provided in the attached Excel file for:

1. Build the Farm Income Statement (Farm income calculation)
2. Build the Husbandry Income Statement (Husbandry income calculation)
3. Build the Farm Balance sheet in its general format
4. Calculate the liquidity and Solvency ratios (Balance sheet analysis)
5. Measure the Farm Profitability and Efficiency
6. Briefly comment on the results obtained

Note: working schemes have also been set in the attached file