

Calculating Livery Charges – Template Calculation Form

The information below is a template calculation form for people looking to work out what they should charge for their livery services.

The following detailed costs are not exhaustive and there is space to add your own if they are not included. If you do not have an amount you can estimate from previous years bills and by adding an additional 5% to cover any prices increases for this year. It is better to overestimate than under estimate! It would be advised to write down all of your outgoings on a separate sheet and then work out the costs for each category as details below.

If you offer more than one livery type, calculate a base DIY rate, and then calculate the additional costs per serviced livery package (see end of document for more details how to do this)

CALCULATION SHEET FOR LIVERY CHARGES

This list is not exhaustive. We would recommend you take a walk around the yard and your facilities to remind yourself of costs you incur on a regular or ongoing basis. You can also check through previous invoices and bills from suppliers and other costs to see what else should be included.

You can enter annual costs for each item if you have these figures (ie annual bills or receipts, and divide this by 12 to obtain a monthly fee, or if charged monthly you can enter an approximate monthly cost and times by 12 to get your annual cost. It is useful to have both the annual and the monthly costs noted for each item if possible. For other calculations where costs may be more variable, there are instructions within the form.

COST	ANNUAL COST	Divide by 12	MONTHLY COST
<u>Business Costs</u>			
Rent/ Mortgage		=	
Business Rates		=	
Business Taxes		=	
Premises Insurance		=	
Business Insurance		=	
VAT		=	
Accounting/ Bookkeeping		=	
Professional Memberships & Training		=	
PR and Marketing		=	
Office Equipment and Stationery		=	
Bank Charges		=	
Loan Repayments		=	
Legal or Consultancy Fees		=	
Other:		=	
Other:		=	

Other:		=	
Other:		=	
<u>Staffing Costs</u>			
Wages		=	
Casual Labour		=	
PAYE/ Accounting Costs		=	
Employers NI and Pensions		=	
Professional Memberships		=	
Training		=	
Employers Insurance		=	
Holiday or Sickness Pay		=	
Clothing		=	
Other:		=	
Other:		=	
Other:		=	
Other:		=	
<u>Utilities</u>			
Electricity		=	
Water		=	
Phone Bill		=	
Gas		=	
Oil		=	
Other:		=	
Other:		=	
<u>General Maintenance Costs</u>			
Machinery Fuel, Wear and Maintenance (tractors, quads etc)		=	
Muck Heap and Waste Removal		=	
General Maintenance(ditch clearing, hedge cutting, weedkilling)		=	
Delivery Costs or Fuel for collection (of feed, bedding, hay etc)		=	
Sub-Contractors (third party services used)		=	
Other:		=	
Other:		=	
Other:		=	
Other:		=	
<u>Paddock Maintenance</u>			
Land Maintenance (3rd-party services, equipment hire, fuel etc)		=	
Grass Maintenance (3rd-party services, fertiliser, grass seed etc)		=	
Fencing Repairs/ Renewals (fencing, batteries, posts, fittings etc)		=	

Other:		=	
Other:		=	
Other:		=	
Other:		=	
<u>Yard Maintenance Costs</u>			
Stable Maintenance (re-painting, fittings and equipment used)		=	
Equipment Repair/ Replacement (wheelbarrows, tools, hoses etc)		=	
Other:		=	
Other:		=	
Other:		=	
Other:		=	
<u>Facility Maintenance Costs</u>			
Facility Maintenance/ Repairs (arena surfaces, fencing etc)		=	
Electricity (arena lights, floodlights)		=	
Damage or Replacement of Equipment (Poles, Cups, markers etc)		=	
Other:		=	
Other:		=	
Other:		=	
Other:		=	
<u>Direct Costs for Assisted Services</u>			
Ad-Lib Hay/ Haylage - calculate the allowance or average amount used per horse per week and times by 52 (if only fed in winter then divide the weekly amount by half for an average over the year)		=	
Bedding - calculate the allowance or average amount used per horse per week and times by 52 (if only fed in winter then divide the weekly amount by half for an average over the year)		=	
Feed and Supplements- calculate the allowance or average amount used per horse per day and times by 52 (if only fed in winter then divide the weekly amount by half for an average over the year)		=	
Wormer or Worm Counts - if included		=	
Shoeing/ Trimming Costs - if included		=	
Clipping/ Grooming - if included (electricity, blades, maintenance)		=	
Equipment Replacement/ Repair (feed bowls, waterers, etc)		=	
Other:		=	
Other:		=	
Other:		=	
Other:		=	
<u>Health and Safety Costs</u>			

Fire Extinguishers and Alarms (replacement, maintenance etc)		=	
Maintenance of Parking Areas/ Access (fill potholes, weedkilling etc)		=	
Cleaning Materials (toilet cleaner, toilet roll, kitchen roll etc)		=	
Tea Room Supplies (tea, coffee, milk, towels, washing up liquid etc)		=	
First Aid Kit re-stocking (Human and Horse)		=	
Signage		=	
PAT Testing of Equipment		=	
Vermin Control		=	
Bio-Hazard Costs (disinfectant, signage, testing, etc)		=	
Security Services & Equipment		=	
Salting/ Gritting Stocks		=	
Other:		=	
Other:		=	
		=	
<u>Your Own Costs!!</u>			
Number of hours worked on the yard by yourself and/ or your family members at a preferred rate of wage (suggested min. £15 an hour). Calculate the average hours worked per week and times by 52		=	
Fuel (personal driving to and from the yard daily, twice daily, feed collections etc)		=	
TOTAL OUTGOINGS		<i>Divide by 12</i>	
<u>Deductions</u> (amounts to be deducted from your outgoings)			
Rate Relief	-	=	-
Government Grants	-	=	-
Agricultural Subsidies	-	=	-
Other:	-	=	-
Other:	-	=	-
TOTAL (Total outgoings minus the deductions above)		<i>Divide by 12</i>	
Allow 10% Contingency for Price/ Quantity Increases, Unforeseen Costs, Empty Stables etc. To calculate, times the TOTAL above by 1.1			
COST PER STABLE PER CALENDAR MONTH To calculate the cost per stable, divide the above total in the box above by the number of spaces you offer (i.e if you offer 10 spaces you divide by 10 etc). This gives you an annual amount per stable per full year.			ANNUAL
			£
To convert this to a calendar month amount, divide the sum again by 12.			MONTHLY
			£

If you offer more than one type of livery, you can complete all aspects for all stables and work out a base rate per stable by dividing by your total number of spaces for a basic 'DIY' rate regardless of package. You can then calculate the cost of other services included as per your packages and the table, and calculate in the same way as above for each package you offer. Then add this additional amount to your base rate and calculate the 'COST PER STABLE PER CALENDAR MONTH' as detailed above.

Once you have calculated your cost per calendar month, you will be able to work out what you need to charge each client. Remember the amount shown above is the amount you need to *cover* your costs assuming all costs are in line with previous years, not make a profit. If you wish to make a profit from your business, you will need to increase the above figure by a suitable amount. i.e if you wish to make 30% profit you need to calculate the above figure x 1.30 to come up with a final figure for clients.

IMPORTANT

This information as provided above is intended to provide guidance and areas for consideration for those intending to enter into such arrangements. Anyone proposing to enter into such a written agreement should take consideration and their own legal advice as to their particular circumstances.

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