

Tynegrain Group posts record profit and large return of profits to its shareholders

Peter Jackson was delighted to present the group accounts at the company AGM for the financial year ending 30th June 2022 which was the Tynegrain Group's best ever financial profit.

The Tynegrain Group of Companies including its wholly owned subsidiaries GrainCo and Pelletco achieved a pre-tax profit of £6,173,644 on a turnover of £215,363,805.

The group's balance sheet increased to an impressive £29,730,309.

These financial results were after returning £831,000 to its shareholders in the form of a drying rebate on the business conducted with the co-operative and a distribution of Tynegrain's mutual dividend surplus during the financial year.

The total returns to shareholders for drying rebates now exceeds £3.3 million and over the last five years £1.5 million in dividends and returns in mutual surplus have been passed back to its shareholders.

Combined with these impressive results the GrainCo pools performed extremely well assisting many farmers to also enjoy a very profitable year alongside the company's success.



Peter Jackson addressing Tynegrain Group members at the AGM.

The company's pelleting plant performed well producing nearly 30,000 mt of biomass pellets from its farmer member's oat husks which are removed by Quaker during the oat milling process then returned to ourselves for pelleting to be used within the renewable energy sector within the UK.

Pelletco (which is a wholly owned subsidiary of GrainCo) enjoyed a profitable year's trading with good volumes of bulk and bagged wood pellets traded into the industrial and domestic household sectors.

All storage sites within the group were fully utilised with all stores enjoying good throughput.

Piercebridge seed plant once again performed well producing a good volume of seed but most importantly of a high quality delivered efficiently onto farm.

Tynegrain Agriculture (which is not within the group structure but owned by the same shareholders) had a good trading year with seed, fertiliser and agronomy services continuing to enjoy good support from its shareholders. The company had a year of transition with agronomist Richard Allinson retiring and Nick Cazaly and Nick Sanderson joining the company to continue the good work.

Bob Davison, Tynegrain director, said: "It is great to see Tynegrain continuing to thrive after so many years. With the group of companies doing well it continues to allow the board to invest in upgrades and repairs so the stores are maintained at a high standard and continuing investments can be made to improve the services the group can offer to its shareholders and the wider farming community."

GrainCo supporting Ukraine

Over the last year GrainCo has supported three different ventures to assist in a very small way reducing the plight being endured by the good people of Ukraine.

The first support GrainCo supplied were 26 pallets of Quaker porridge to Poland to assist in feeding Ukrainian refugees who were fleeing the conflict in their own country.

The Red Cross assisted in the distribution of the 13,000 1kg boxes of porridge to various refugee camps. The great thing about the porridge was it only needed boiling water to be added to provide a warm and filling nutritious meal.

GrainCo were approached by Carrs Milling to share the cost of donating 20 tonnes of flour to a church-run bakery in the west of Ukraine in a village called Uzhhorod. The bakery had a massive influx of population from the east of Ukraine but had not been able to source the required flour to make bread to feed everyone. We were delighted that we could assist in funding such a worthwhile venture.

Our most recent donation has been to a charity called Pick-Ups For Peace. In GrainCo's stock of vehicles we still held Robin Swinburn's old Toyota Hilux. It seemed more than appropriate to donate this vehicle to go off and join the fight in the East of Ukraine. The vehicle, which arrived in Ukraine on March 3rd, will be painted in camouflage and put to good work by the 24th Lviv Danylo Separate Mechanised Brigade.



Farmers show their support for Ukraine.



26 pallets of Quaker porridge oats were sent to Poland to help feed fleeing refugees.



Twenty tonnes of flour jointly donated by Carrs Milling and GrainCo.



Vehicle donations for Ukraine.

Tynegrain invests in solar at Tyne Dock to reduce energy costs

Tynegrain have made the decision to invest heavily into a solar array at Tyne Dock.

Even before the recent massive hike in electricity costs caused by the war in Ukraine the cost of electricity has been on a continual graph upwards. Even when electric prices stand still the never ending list of various taxes added over and above the raw energy costs continue to increase lifting the monthly bills.

At Tyne Dock we have plenty of sheds which are capable of housing a solar array and as we have the spare capital to invest it was an easy decision to make.

The group's annual spend on electricity is high at Tyne Dock due to the variety of functions carried out and it is envisaged the self-generated electricity from solar will reduce our dependency on the grid by about 40 pct when averaged over a full year.

The process has taken a while as we had to have full structural design calculations done to ensure the extra weight exerted by the solar panels could be taken by the shed roofs along with getting a grid connection for the days when we are not working and need to export the power

It is hoped the solar array will be up in time to benefit from some of this year's summer sunshine. If this proves to be a success and works as it should we will look to install further solar arrays at some of the company's other storage locations.

This installation will also bring the benefit of reducing the company's carbon footprint which should put the company in a better position going forward.



A mock-up of the proposed locations (shown in blue) of the solar system at Tyne Dock.



1,485 kWp solar pv panels.

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Solar PV Sizing

Solar Module Type:	High Efficiency Monocrystalline
Solar PV Panel Power:	450 Wp
Mounting Type:	Roof-mounted
Mounted Tilt Angle:	15 degrees
Number of Modules*:	3,300
Total Power Installed:	1,485 kWp

Site Information

Roof Type:	TBC
Shading:	None
Type:	Industrial

Dawsum comes out on top at GrainCo Wylam Trial Site

Dawsum, bred by KWS, was the highest yielding wheat variety in the 2022 trial at our Wylam site in the Tyne Valley.

It has already established itself as a market leader, particularly in the North of England, and was top seller through the GrainCo seed plant based at Piercebridge, Darlington taking 28% of the wheat seed acreage.

It is likely to become more popular again in the 2023 campaign, although farmers should be aware of the risks of growing too much of one variety, as this can cause a breakdown in disease resistance.

Just behind Dawsum was Graham, a variety that has performed well for a number of years now in our region. It should only be grown as a first wheat, but has a robust disease resistance package and performs well in the early drilled slot.

Champion came on to the recommended list at the same time as Dawsum, and yielded a fraction lower. Seed production was limited in comparison and therefore sold out very quickly.

Growers should take note that the specific weight is on the low side, which

VARIETY	YIELD T/Ha	SPEC WT	PRO
Dawsum	12.0	80.8	11.3
Graham	11.8	77.8	11.1
Champion	11.8	76.2	11.2
Gleam	11.7	77.6	10.7
Illuminate	11.5	79.2	11.6
Bairstow	11.5	77.5	11.7
Oxford	11.4	76.8	11.7
Extase	11.4	79.6	11.5
Astronomer	11.3	79.0	11.4
Skyscraper	11.3	77.3	11.6
Costello	11.2	81.2	11.8
Palladium	11.0	77.5	11.3

could cause an issue in poorer summers than 2022.

Gleam has done a great job for growers over a numbers of years, and although it has performed well again at our Wylam trial site this season, those who visited will have noticed the variety has broken down to yellow rust. We would suggest moving on from Gleam.

Another new variety to mention is Bairstow, bred by RAGT. This soft group 4 is establishing itself as a popular choice with biscuit wheat growers. It stands on the list with a +2 for ripening, which



could be too late for some but aids in spreading the workload at harvest time. It is not an early driller.

Check your contract balances online with GrainCo

What do you do?

Log onto our online **Fast Track** accounts/admin system via the GrainCo website or scan the QR code with your smartphone.



Don't have your login details?

If you don't have your username and password please contact **Mark Bell** on **0191 428 7702**.

Check your account online

This useful service enables you to track deliveries, check collected weights, contract balances, forward commitments, invoices etc online 24/7.

GrainCo website

Visit our website www.grainco.co.uk and you will find information about...

- Grain markets and pool results
- Company financial accounts
- Seed and fertiliser
- Upcoming events and training courses

Tynedale Rugby Club Farmer's Meeting report

Planning the route ahead at AFM

Tynegrain held their Annual Farmer's Meeting at the Corbridge venue on Tuesday 1st November last year, and this popular workshop was once again very well attended by members of the co-operative.

A varied range of speakers travelled to make their short, informative presentations on current trends in the arable world, with the feedback from those that attended being very positive.

James Chapman, one of GrainCo's experienced traders, talked farmers through the market at the time and the challenges that lie ahead including the ongoing war in Ukraine, world stocks across the globe and various weather events in the US and South America. One of the main focuses was on how useful marketing at least a proportion of your grain through our pools can be in this increasingly volatile period.

Stuart Murray, of Origin Fertilisers, discussed nitrogen use efficiency and the use of molybdenum in particular to improve uptake in crops. With the price of fertiliser at the time being very high, farmers were keen to do all they can to save on costs when buying their requirements. However since then, the Nitrogen market in particular has dropped considerably. AN is now in the region of £470/t, and there are some tempting new season Urea prices currently available for delivery July-December 23.

David Young presented the results from the GrainCo trial site at Wylam, kindly provided by Andy and Josh Graham. Top of the barley results were the hybrids Thunderbolt and Kingsbarn. The new conventional varieties of Tardis and Bolton followed, proving that if hybrid barley is grown using the correct program they will outperform



Jim Wilson of SoilEssentials speaking.

their rivals. Dawsum was the leader of the wheats, utilising its parentage with the great specific wheat of Costello matched with the yield benefit of Kerrin. Champion also performed admirably, but its specific weight does need to be watched as it is on the lower side. And although the old favourite Gleam yielded well, those that attended the site in June will have noticed its breakdown to yellow rust in the untreated plots. So unfortunately it looks like we will be losing this variety soon.

Jim Wilson, of SoilEssentials, then spoke about Tynegrain's new precision farming platform called OrbitCo. The package includes regular soil sampling of pH, P, K & Mg and also uses satellite imagery to tailor variable fertiliser and seed rates to both cut costs on farm and improve yields across the board.

Lastly, independent agronomist Bill Taylor and Tynegrain agronomist Nick Sanderson discussed LEAF assurance. They pointed out that all members who grow oats on a contract must have this assurance in place by harvest 2023 at the insistence of Quaker. Nick described some of the additional steps farmers will be required to undertake, that sit alongside their regular farm assurance schemes.

Latest USDA report

Global corn production is forecast to reduce 68.5 million tonnes from 1.216 billion to 1.147.5 billion in 22/23.

The largest reductions were 34.1 million tonnes in the United States, 9.5 million in Argentina, 16.8 million in the EU and 15.1 million in the Ukraine.

The largest increase was 9.00 million tonnes in Brazil.

Ending stocks of Corn are only forecast to drop by 9.2 million tonnes as demand contracts by 46.4 million tonnes leaving ending stocks at 296.50 million tonnes.

Global Wheat production is forecast to increase by 9.7 million tonnes from 779.20 million tonnes to 788.90 million in 22/23.

The largest reductions were 9.2 million tonnes in Argentina, 12 million in Ukraine and 5.6 million in India.

The largest increases were Canada 11.40 million tonnes, Russia 16.8 million and 4.6 million in Kazakhstan.

Ending stocks of Wheat are forecast to drop by 4.2 million tonnes, demand increases by only .5 million tonnes leaving global ending stocks at 267.20 million tonnes.

The take home from the above figures is no one is going hungry this year if they can afford to pay for it. Stocks hardly unchanged on the year but as always the world crops growing now will need to deliver. Planting acreage in the US is up but conditions have not been great to date. Ukraine crops will drop dramatically as plantings fall and it is unlikely Russia will kick another monster crop. If we are hoping for a return to higher prices seen earlier in the season we must rely again on several large crop issues around the globe. All commodity markets have been wild over the last year and given the mad political world we now live in combined with more severe weather events I would bet the lunacy of the market movements are not over yet.

Tynegrain agronomy

With everyone aware of the rising costs in farming, many arable farmers are focusing their thoughts onto moving away from serviced agronomy to independent agronomy.

The difference is that serviced agronomists work directly for the mainstream agrichemical companies and are incentivised to sell more of their own products. Independent agronomists charge an acreage fee but source products from all the major suppliers, so always get the best prices.

The appointment of Alex Cazaly and Nick Sanderson has enabled Tynegrain agronomy to take on more acres and they now walk over 18000 acres of farmland. They cover farms from Hartlepool in the south, to Seahouses in the north and Haydon Bridge in the west.

As part of the Tynegrain ethos, Alex and Nick visit every farm on a weekly basis during the growing season to ensure all crops are performing as expected. They work hand in hand with the growers formulating a spray strategy and pricing structure tailored to each individual farm and farmer. They also use soil testing and tissue sampling to ensure the crop is given everything it needs to produce the best yields.

Alex and Nick as well as being BASIS qualified, are also FACTS qualified, so can advise on fertiliser rates and products for any situation. They keep themselves up to date with crop variety changes for all crops, so have a knowledge of which variety of crop to grow in every situation. Another area which has become part of the agronomist's portfolio is the stewardship schemes and which of these are the best options for farmers to choose.

Finance is available through Tynegrain agronomy which can be tailor-made to match cash flow requirements. If you are interested in knowing more about how Tynegrain agronomy works and how it can benefit you, please do not hesitate to get in touch.

Richard retires!

2022 marked the end of an era for Tynegrain, as their long serving agronomist **Richard Allinson** retired from the company after 33 years of service. Richard was the first agronomist in the North of England to offer a walking fee per acre, rather than serviced agronomy that some of the large Ag Chem companies advocate. This enabled him to source products at better prices from all the major suppliers and manufactures, and proved to be very popular with Tynegrain members, with Richard building his acreage to over 15,000. Richard became a very well respected figure in the industry, with his enthusiasm, knowledge and sense of humour helping to lift the spirits throughout the region. I'm sure all members will join us in wishing him a long and happy retirement.



Precision agriculture: OrbitCo launched for 2023

The agricultural landscape in the UK is changing rapidly and here at Tynegrain/GrainCo it is no different.

OrbitCo is our new independent precision farming company, supported in partnership with SoilEssentials and their over two decades of expertise. SoilEssentials was created by like-minded farmers and agronomists in Scotland, and has since provided precision Ag services across the world. The value of independence Tynegrain/GrainCo share with SoilEssentials was pivotal in our decision to join together to provide our members with the best possible precision Ag services.

Precision Agriculture is no new concept, however, technology is advancing at

such a rapid pace that arable farmers now need to consider when to change not if.

Volatile fertiliser prices and the constant scrutiny from the public and government policy, are now more than ever driving for more sustainable and efficient methods of crop production.

OrbitCo offers a wide range of technologies and services to create zonal variable rate applications of N, P & K, Seed and Lime through satellite imagery and soil sampling. OrbitCo independent precision Ag will improve crop productivity, save time and reduce the environmental impact. The adoption of precision Ag is increasing year-on-year and more than 50% of the top

25% crop producers having adopted precision agriculture.

The OrbitCo portal is a modern platform and the ease of use through its step-by-step approach offers members and agronomists a fast way to create variable application maps. Using satellite imagery from Historic Productivity Index (HPI) members and agronomists can work hand in glove to understand each field's needs, distinguishing unproductive from productive areas of their land and discussing how this can be improved. The OrbitCo team look forward to providing the services you need for the next step into precision agriculture.

OrbitCo – Producing more with less.

Consider your nitrogen options and save money

Protected urea is in the spotlight as a viable financial and environmental alternative for crop nitrogen requirements this season due to the high price and limited availability of ammonium nitrate (AN).

GrainCo customers should assess every option, so fully understanding the benefits that Origin's SUSTAIN protected urea offers may help you make informed decisions.

While straight urea is viewed as a cheaper alternative to AN, Defra's NT26 project showed an average ammonia loss from unprotected urea of 24%. In addition to the significant financial loss of nitrogen, ammonia is an air pollutant that causes respiratory health problems to humans.

SUSTAIN is coated with an inhibitor, which blocks the urease enzyme in the soil from interacting with the urea on application, reducing the risk of volatilisation. Origin local Nutrition Agronomist Ben Jordan explains the benefits: "Compared to standard urea,



Origin's Ben Jordan provides nutrition agronomy across the North East.

ben.jordan@originfertilisers.co.uk

SUSTAIN reduces ammonia losses to the atmosphere after application by an independently proven 70%.

"As well as this, trial data shows its ability to reduce nitrous oxide, a potent greenhouse gas, losses by 73% compared to AN. ADAS, under its YEN Zero scheme, are recommending switching to a urease and/or nitrification inhibitors where appropriate to reduce

a crop's carbon footprint, so it is well worth considering."

SUSTAIN is proven through thousands of field trials over more than 20 years in a variety of crops. Independent data from the UK and Ireland on cereals, oilseed rape, sugar beet and grassland show it gives a performance that is the same or better than nitrates.

"Protected urea is a significantly lower cost per kg of nitrogen compared to AN and can be considered as a direct alternative with the benefit of considerable cost savings on nitrogen inputs."

Earlier this year Defra announced new standards to mitigate ammonia emissions. In future years, farmers in England can only use unprotected urea from 15/01 to 31/03, and protected urea fertilisers throughout the rest of the year.

With its significant current cost advantage, many growers are not waiting and are making the switch to SUSTAIN this crop year for financial reasons.

Tynegrain's guide to LEAF: the Marque of distinction

The consumer-led drive for food produced in a more environmentally friendly way has resulted in Pepsico insisting that all oats sold under their Quaker banner must come from LEAF Marque assured farms.



LEAF is a bolt-on extra to current farm assurance schemes, and works on a whole farm approach. That means all sectors of your farming business must be assured.

To assist Tynegrain members reaching these standards, we can offer guidance in completing the application. The cost of becoming a LEAF member should be more than covered by the premiums



available through wheat futures-based contracts for Quaker oat growers.

It is important to note that if you are a contract farmer on several different holdings, you only have to complete one audit.

Want to know more?

Please contact the Tynegrain office on 0191 428 7700, or Nick Sanderson from the Agronomy team if you require any information or advice.

LEAF Marque is an independent environmental assurance system recognising more sustainably farmed products:



- ✓ Underpinned by **Integrated Farm Management**
- ✓ Demonstrates **economic, environmental and social impact**
- ✓ **Global**
- ✓ **Robust, credible, independent**
- ✓ **ISEAL Code Compliant member**

Tynegrain member of the year for 2022 was Andrew Moralee

Lowfield Farm, Willington, County Durham is the operating base for Tynegrain member of the year Andrew Moralee.

Three generations of the Moralee family live and work at Lowfield Farm, with Andrew guided by his father Andrew senior and assisted by his son Jack. They farm 2150 acres, 1350 of which is arable and 800 acres of grass. The Moralee's own 95% of the land they farm.

They employ two full time farm workers and a part time fitter. All the work is done in house with their own machinery except for picking up the silage where a contractor is used with a self-propelled forager. Having a fitter means that much of the repairs and maintenance of machinery is done in house, however, because of warranty rules, newer equipment is serviced by main dealers.

The rotation is fairly traditional, wheat, barley and rape, as well as short term grass as a break crop. All the grain they produce is collected and taken to Tynegrain or delivered by tractor to Piercebridge except for the barley that is kept for the cattle. The majority of this goes into the GrainCo pool, which Andrew is a huge fan of.

Spring barley is also grown as part of a stewardship scheme for over-wintered stubbles, but Andrew whole-crops this. They are in stewardship scheme, with field margins and corners qualifying



Andrew Moralee of Lowfield Farm.

for points. This scheme also includes woodland management.

All the straw is baled, with half kept for their own use, the rest sold. The Oilseed rape straw is kept for the burning in the on-farm boiler, which produces heat for the houses and the farm workshop. In recent years Andrew has used both digestates and Fibrophos to reduce his reliance on bagged fertilisers.

The Moralee's run 300 suckler cows, selling over half the calves in the store marts at Darlington and Hexham. The rest are finished at Lowfield and go away fat. The muck produced has helped improve the soil organic matter across the farm.

Other sources of income are a wind turbine and a livery business with 20 horses catered for.

Andrew enjoys shooting and follows the South Durham hunt.

Wooden Spoon to...

As is customary at the AGM, we have a Wooden Spoon Award. This is awarded to the member who has delivered something of poor quality. This year this was awarded to Eslington Farming (Lord Ravensworth) for their rape with an admix of 12%.



Lord Ravensworth's son-in-law stands to collect the Wooden Spoon prize.

Diary dates for 2023

Northumberland County Show
Bywell, near Stocksfield
Saturday 27th May

GrainCo Demo Plots
Wylam Trial Site
Wednesday 28th June

Tynegrain/GrainCo Golf Day
Bamburgh Golf Club
Friday 30th June

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