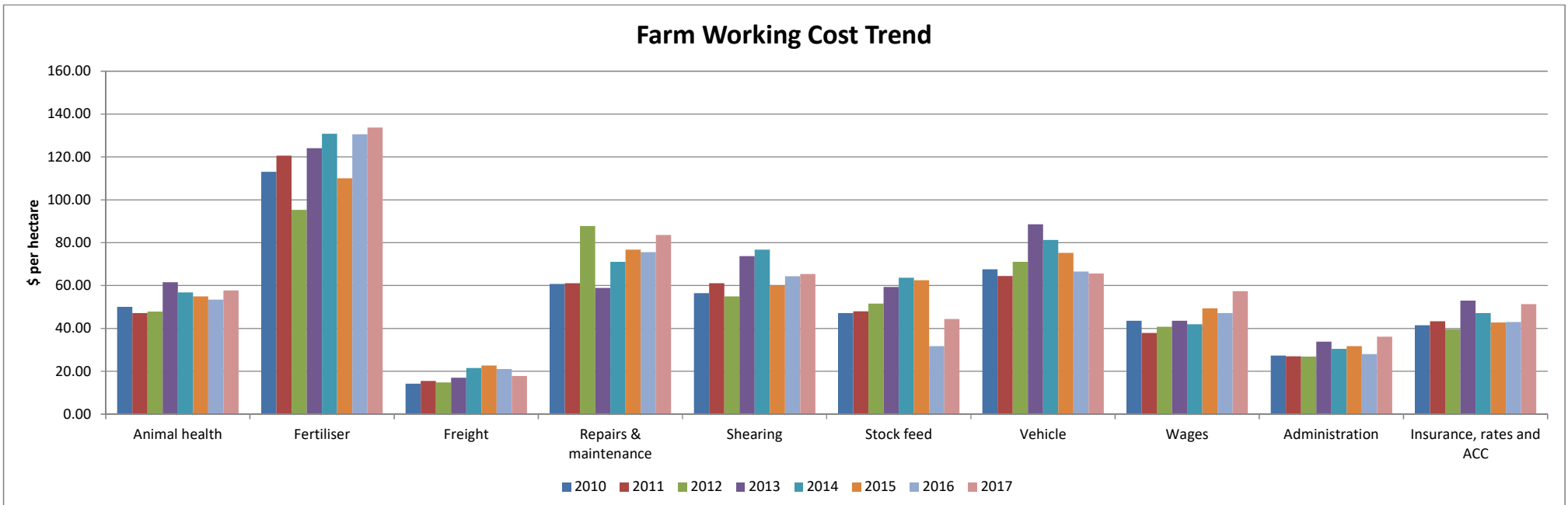
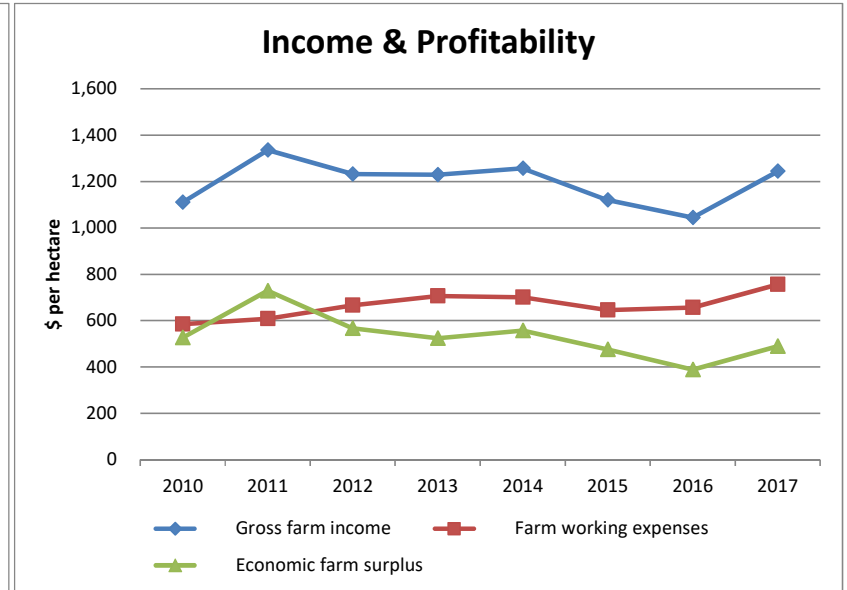
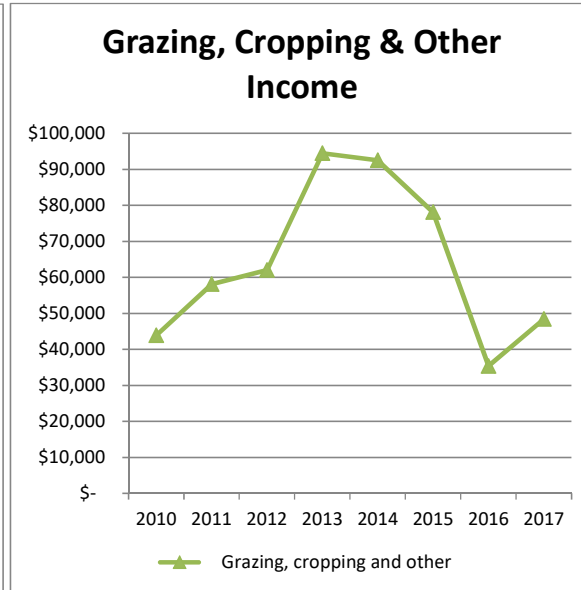
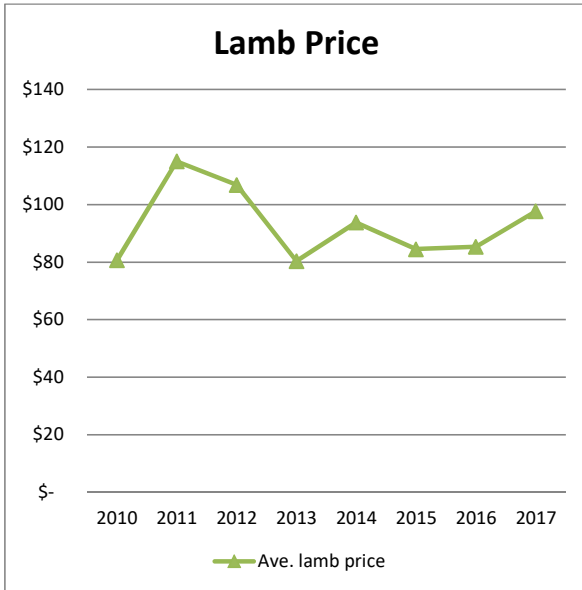


2017 Dairy Farm Statistics	Owners average	Owners top 20%	50/50 s/milkers average	50/50 s/milkers top 20%	LOSM & c/milkers average	Owners with 50/50 s/milkers	Owners with LOSM & c/milkers
PRODUCTION DATA							
Effective milking hectares	218	189	199	156	216	215	267
Runoff hectares	106	75	43	57	16	49	88
Cattle on hand at year end	841	790	810	712	87	142	1,016
Peak cows milked	623	578	585	495	651	614	757
Cows per milking hectare	2.86	3.05	2.94	3.17	3.02	2.85	2.84
Milk solids (kg)	272,822	269,260	248,342	241,819	275,191	283,960	324,657
Milk solids (kg/cow)	438	466	424	489	423	463	429
Milk solids (kg/ha)	1,251	1,421	1,249	1,553	1,276	1,318	1,218
Milk solids price (\$/kg)	5.80	5.84	2.78	2.86	1.27	3.06	5.83
Average calf price (\$)	71	101	53	82	35	0	41
Average cull cow price (\$)	793	813	748	782	2,267	138	780
FINANCIAL ANALYSIS							
Per milking hectare							
Gross farm income	8,031	9,359	4,406	6,123	1,787	4,375	7,765
Farm working expenses	5,093	5,164	3,049	3,739	1,018	2,308	5,377
Operating surplus	2,938	4,195	1,357	2,383	768	2,067	2,388
Economic farm surplus	2,371	3,509	922	1,752	442	1,706	2,026
Per Cow							
Gross farm income	2,812	3,069	1,497	1,928	592	1,536	2,735
Farm working expenses	1,784	1,693	1,036	1,178	337	810	1,894
Operating surplus	1,029	1,375	461	751	255	726	841
Per Milk solids (kg)							
Gross farm income	6.42	6.59	3.53	3.94	1.40	3.32	6.38
Farm working expenses	4.07	3.63	2.44	2.41	.80	1.75	4.41
Operating surplus	2.35	2.95	1.09	1.54	.60	1.57	1.96
PROFITABILITY							
Milk sales income	1,583,521	1,572,514	691,328	691,616	350,446	868,961	1,892,724
Cattle trading ⁺	135,125	156,031	162,207	229,119	21,436	25,350	136,682
Gross farm income	1,751,966	1,773,101	875,958	953,608	385,397	942,708	2,069,946
Farm working expenses	1,111,084	978,371	606,158	582,379	219,685	497,280	1,433,335
Interest	356,802	321,173	69,651	97,536	22,965	183,594	416,784
Net farm trading profit*	284,081	473,558	200,148	273,692	142,746	261,834	219,827
Personal expenses	91,391	105,540	57,718	87,076	77,157	77,253	84,262
Net plant purchases	83,670	77,518	30,760	33,118	39,943	16,069	45,076
EXPENSES (\$/kgms)							
Animal health	.20	.15	.20	.21	.01	.02	.18
Breeding expenses	.12	.12	.12	.11	.01	.01	.13
Contract, cultivation and regrassing	.15	.11	.08	.13	.01	.11	.13
Dairyshed expenses	.08	.08	.04	.05	.02	.01	.03
Electricity	.09	.09	.08	.07	.08	.00	.02
Fertiliser	.49	.41	.13	.18	.01	.32	.47
Freight	.04	.03	.02	.01	.00	.02	.04
Grazing costs	.43	.46	.34	.18	.05	.30	.69
Owned/Rented grazing block	.37	.24	.08	.10	.00	.16	.22
Repairs & maintenance	.28	.21	.09	.12	.02	.19	.28
Stock food costs	.66	.80	.28	.35	.03	.25	.59
Vehicle costs	.17	.14	.16	.19	.08	.05	.09
Wages	.60	.47	.59	.47	.37	.02	1.17
Administration	.10	.08	.07	.06	.06	.10	.11
Insurance, rates and ACC	.15	.15	.05	.05	.03	.11	.12
Farm working expenses	4.07	3.63	2.44	2.41	.80	1.75	4.41
Farm working expenses as % of GFI	63%	55%	69%	61%	57%	53%	69%
Interest	1.28	1.12	.23	.35	.05	.68	1.31
Interest paid as % of GFI	20%	17%	6%	9%	3%	20%	20%
OTHER DATA							
Total farm assets (land, stock & plant)	11,820,019	10,809,291	1,941,496	2,927,113	220,783	10,115,083	14,348,186
Return on total farm assets	4.5%	6.4%	11.2%	18.1%	170.9%	3.7%	3.8%
Increase (decrease) in term liabilities	646,402	(25,824)	50,909	12,342	22,326	356,789	227,654
Term liabilities per kgms	24.94	22.66	3.72	4.85	.80	14.94	25.62
Min farm trading profit req. for viability	567,232	531,761	133,491	202,523	109,989	357,457	630,113

2017 Sheep, Beef & Deer Farm Statistics	Average < 3000 su	Top 20% < 3000 su	Average 3000 su > 5000 su	Top 20% 3000 su > 5000 su	Average > 5000 su	Top 20% > 5000 su
PRODUCTION DATA						
Effective Area (ha)	244	179	416	307	1,301	745
Sheep on hand at year end	1,931	1,846	3,096	3,403	8,650	7,157
Cattle on hand at year end	47	61	121	19	356	219
Deer on hand at year end	122	0	196	192	75	0
Ave. stock units carried	2,115	1,931	3,851	3,650	9,785	7,391
Ave. stock units per ha	8.7	10.8	9.3	11.9	7.5	9.9
Lambing %	148%	164%	140%	152%	142%	146%
Ave. lamb price	96.96	99.98	97.63	98.75	95.45	103.15
Ave. ewe price	87.05	93.98	89.50	85.25	80.63	84.21
Total wool production (kg)	8,343	8,503	14,579	18,113	32,432	27,429
Wool production per sheep stock unit (kg)	5.2	5.1	5.1	5.7	5.0	5.1
Average wool price per kg	2.80	2.49	2.60	2.18	3.68	3.18
FINANCIAL ANALYSIS						
Per hectare						
Gross farm income	1,296	2,064	1,245	1,836	918	1,326
Farm working expenses	742	1,003	756	878	556	609
Operating surplus	554	1,061	489	958	362	717
Economic farm surplus	253	620	275	624	323	585
Per stock unit						
Sheep - Gross Profit	123.76	148.19	123.75	136.85	126.18	151.72
Cattle - Gross Profit	128.05	271.85	232.59	356.96	119.15	136.02
Deer - Gross Profit	30.99	0.00	2.79	29.43	36.95	0.00
Gross farm income	149.41	191.45	134.43	154.39	122.10	133.56
Farm working expenses	85.51	93.05	81.61	73.86	73.96	61.37
Operating surplus	63.90	98.40	52.82	80.53	48.14	72.19
PROFITABILITY						
Sheep trading ⁺	195,360	220,580	318,430	397,807	766,794	713,464
Wool sales	23,323	21,157	37,896	39,458	119,234	87,168
Cattle trading ⁺	40,711	75,596	89,072	33,239	184,918	145,864
Deer trading ⁺	24,931	0	23,880	22,140	17,465	0
Grazing, cropping and other	31,725	52,388	48,375	70,940	106,381	40,611
Gross farm income	316,048	369,721	517,654	563,582	1,194,791	987,108
Farm working expenses	180,887	179,686	314,251	269,625	723,692	453,552
Interest and rent	46,598	54,818	79,374	67,026	221,887	219,640
Net farm trading profit*	70,739	123,132	97,081	198,383	188,712	278,619
Personal expenses	55,783	45,742	75,159	66,117	116,688	81,668
Net plant purchases	31,688	23,457	42,503	46,039	71,138	62,840
EXPENSES (\$/su)						
Animal health	6.39	6.56	6.24	6.70	5.49	5.17
Fertiliser	17.34	17.42	14.45	16.02	16.76	10.88
Freight	1.41	2.03	1.92	1.03	.90	2.19
Repairs & maintenance	7.89	12.85	9.02	5.19	7.26	3.63
Shearing	6.16	4.81	7.07	8.30	7.18	7.84
Stock feed	6.37	6.64	4.80	1.80	2.77	2.08
Vehicle	8.46	7.21	7.09	6.26	6.20	4.39
Wages	5.56	6.82	6.19	9.04	8.94	5.71
Administration	5.71	5.62	3.90	3.14	2.67	2.56
Insurance, rates and ACC	7.05	7.11	5.55	5.42	4.25	3.60
Farm working expenses	85.51	93.05	81.61	73.86	73.96	61.37
Farm working expenses as % of GFI	57%	49%	61%	48%	61%	46%
Interest and rent	22.03	28.39	20.61	18.36	22.68	29.72
Interest and rent paid as % of GFI	15%	15%	15%	12%	19%	22%
OTHER DATA						
Total farm assets (land, stock & plant)	4,003,147	2,984,867	6,558,094	6,590,694	12,285,736	7,371,789
Return on total farm assets	2.9%	10.3%	1.5%	3.1%	6.2%	12.9%
Increase (decrease) in term liabilities	23,935	(25,439)	128,033	(14,452)	177,978	446,866
Term debt as % of total farm assets	16%	21%	17%	20%	31%	49%
Min farm trading profit req. for viability	120,443	114,209	180,123	169,060	388,579	306,030



Farm Stats Interpretation Guide

FINANCIAL ANALYSIS

Operating surplus = gross farm income – farm working expenses

Economic farm surplus = net farm trading profit – (interest and rent + labour adjustment)

- The labour adjustment is added when farmer is an owner operator and is included where working owners are not paid for their labour. It is calculated as follows:-

Peak cows milked x \$140 labour rate

If *less than* \$30,800 use \$30,800

If *between* \$30,801 and \$69,999 calculate peak cows milked x \$140

If *greater than* \$70,000 use \$70,000 as maximum labour adjustment

PROFITABILITY

Milk sales income = total milk income – Dairy NZ fee + Fonterra dividend (if any)

Cattle account surplus = cash surplus from accounts +/- change in value of livestock on hand

- Bear in mind this change in value is always based on herd values, never national standard cost which is why it could be different to accounts.
- Farm working expenses are as per accounts but not including depreciation or inter entity interest.
- Interest expenses should match up to accounts. If any inter entity interest is paid then this is backed out.

Net farm trading profit = gross farm income (GFI) – farm working expenses – interest – plant and machinery depreciation – owned runoff adjustment

- The owned runoff adjustment is calculated as if the runoff was leased so that it is comparable to other entities that lease their run off and there is a separate line for this in expenses section of our stats.

Owned runoff adjustment = market value of runoff land x 5%

Personal expenses = drawings + private share expenses

- Current account items that are non cash are not included in this line as it represents the actual money withdrawn from the entity throughout the year.
- Net plant purchases exclude land and land development asset purchases.

OTHER DATA

- Total farm assets – This is a combination of land, plant and stock valued at balance date.
 - Land – Current market value based on location and size
 - Stock – Herd value
 - Plant – Closing book value from asset schedule in accounts

Return on farm assets = (economic farm surplus per Ha x effective Ha) ÷ total farm assets

- Increase (decrease) in term liabilities is change from last year to this year in term liabilities not including inter entity loans.
- Minimum farm trading profit required for viability is calculated to show the profit before tax required so that the farm can meet tax of 25% and debt obligations over 20 years. It is calculated as follows:-

= [(Term liabilities ÷ 20 years) + total drawings] ÷ 75%