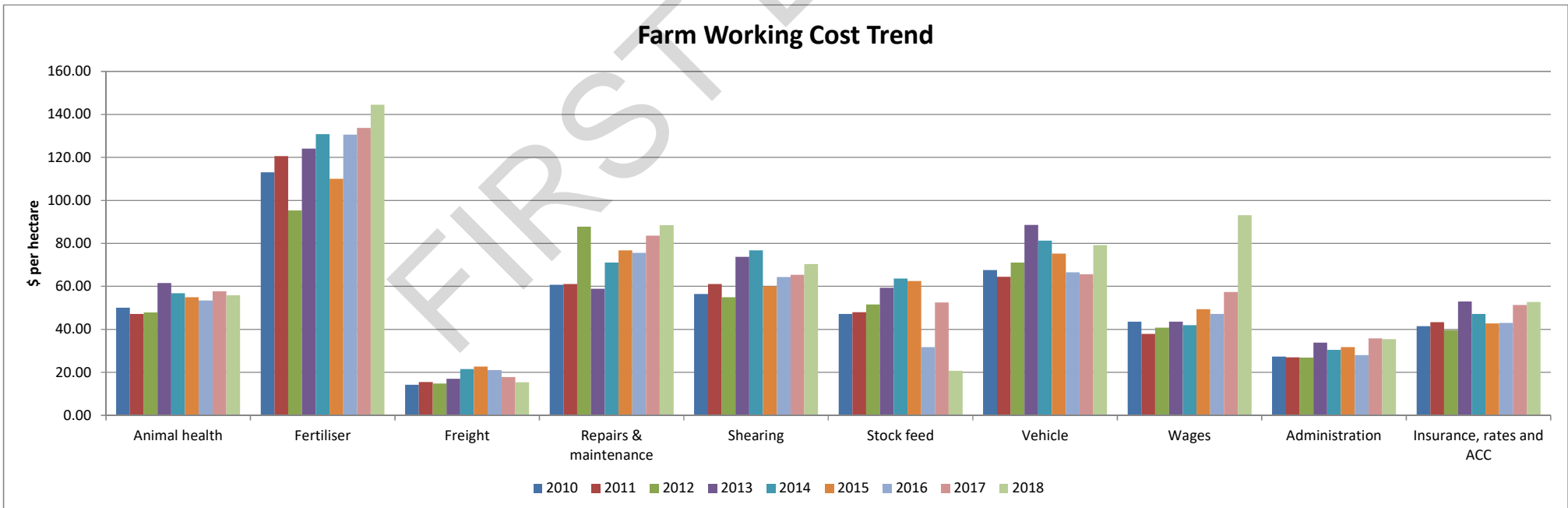
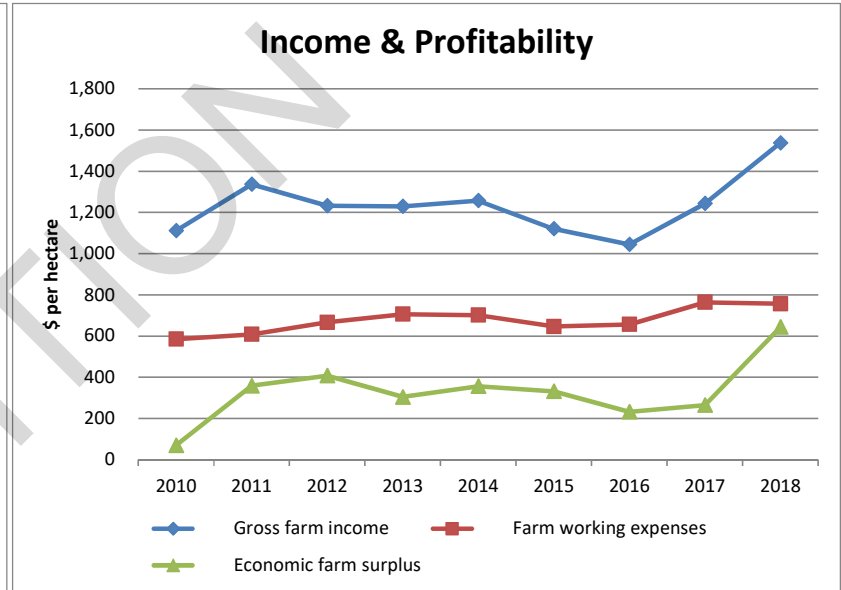
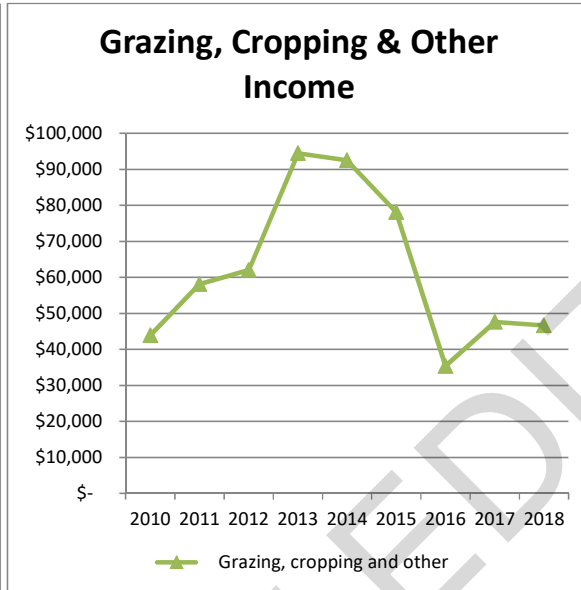
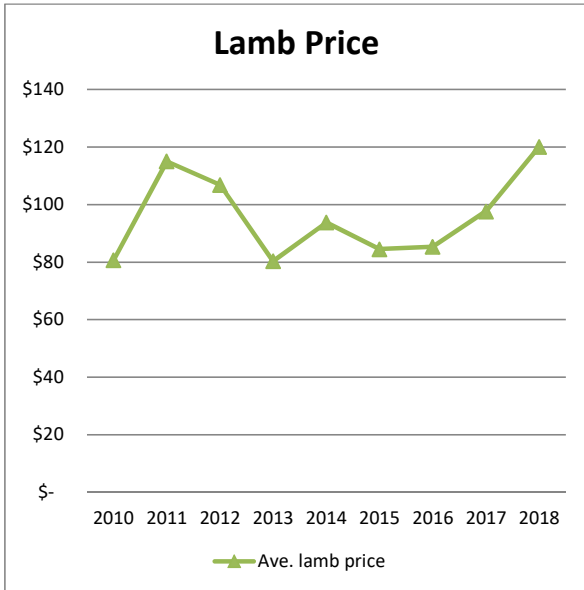


2018 Dairy Farm Statistics	Owners average	Owners top 20%	50/50 s/milkers average	50/50 s/milkers top 20%	LOSM & c/milkers average	Owners with 50/50 s/milkers	Owners with LOSM & c/milkers
PRODUCTION DATA							
Effective milking hectares	259	171	206	158	209	192	251
Runoff hectares	242	0	36	47	32	71	70
Cattle on hand at year end	1,132	793	854	710	102	106	924
Peak cows milked	777	579	609	517	594	580	717
Cows per milking hectare	3.00	3.39	2.95	3.28	2.84	3.02	2.85
Milk solids (kg)	354,470	287,885	262,084	259,068	264,175	275,653	307,351
Milk solids (kg/cow)	456	498	431	501	445	475	429
Milk solids (kg/ha)	1,369	1,688	1,271	1,643	1,262	1,433	1,223
Milk solids price (\$/kg)	6.65	6.65	3.21	3.24	1.33	3.41	6.58
Average calf price (\$)	97	143	59	71	53	0	48
Average cull cow price (\$)	789	831	825	765	754	120	807
FINANCIAL ANALYSIS							
Per milking hectare							
Gross farm income	10,273	12,497	5,105	6,757	1,899	5,300	8,721
Farm working expenses	6,336	6,454	3,464	3,808	1,054	2,834	5,845
Operating surplus	3,937	6,042	1,641	2,950	846	2,466	2,876
Economic farm surplus	3,297	5,249	1,287	2,262	548	2,258	2,575
Per Cow							
Gross farm income	3,426	3,683	1,730	2,062	669	1,757	3,059
Farm working expenses	2,113	1,902	1,174	1,162	371	939	2,050
Operating surplus	1,313	1,781	556	900	298	817	1,009
Per Milk solids (kg)							
Gross farm income	7.51	7.40	4.02	4.11	1.50	3.70	7.13
Farm working expenses	4.63	3.82	2.73	2.32	.83	1.98	4.78
Operating surplus	2.88	3.58	1.29	1.80	.67	1.72	2.35
PROFITABILITY							
Milk sales income	2,356,440	1,914,588	841,685	840,075	352,177	940,766	2,022,376
Cattle trading ⁺	227,993	181,172	164,009	169,923	35,289	15,359	148,504
Gross farm income	2,660,814	2,130,667	1,052,826	1,065,423	397,531	1,019,137	2,192,075
Farm working expenses	1,641,061	1,100,468	714,451	600,333	220,563	544,964	1,469,133
Interest	497,065	236,766	57,491	115,102	19,572	159,731	348,220
Net farm trading profit*	522,688	793,432	280,884	349,988	157,397	314,441	374,722
Personal expenses	84,410	52,494	64,836	101,918	71,452	98,491	89,023
Net plant purchases	135,170	21,340	50,610	69,422	36,223	19,827	38,775
EXPENSES (\$/kgms)							
Animal health	.21	.16	.20	.16	.01	.02	.18
Breeding expenses	.13	.13	.12	.10	.01	.00	.15
Contract, cultivation and regrassing	.17	.13	.10	.02	.00	.13	.15
Dairyshed expenses	.07	.04	.04	.03	.02	.01	.03
Electricity	.09	.08	.09	.12	.07	.00	.01
Fertiliser	.47	.31	.14	.14	.01	.30	.48
Freight	.04	.02	.04	.05	.00	.03	.05
Grazing costs	.43	.82	.49	.26	.05	.27	.80
Owned/Rented grazing block	.28	.00	.09	.10	.00	.26	.20
Repairs & maintenance	.32	.26	.08	.05	.02	.21	.32
Stock food costs	.93	.98	.38	.67	.09	.39	.67
Vehicle costs	.23	.10	.11	.05	.07	.05	.08
Wages	.83	.46	.65	.39	.39	.02	1.30
Administration	.14	.15	.06	.05	.05	.09	.12
Insurance, rates and ACC	.13	.10	.04	.03	.03	.12	.12
Farm working expenses	4.63	3.82	2.73	2.32	.83	1.98	4.78
Farm working expenses as % of GFI	62%	52%	68%	56%	55%	53%	67%
Interest	1.31	.70	.21	.43	.04	.72	1.16
Interest paid as % of GFI	17%	9%	5%	11%	3%	20%	16%
OTHER DATA							
Total farm assets (land, stock & plant)	13,518,160	9,820,878	1,734,334	1,715,912	208,375	10,121,204	12,664,365
Return on total farm assets	6.4%	9.7%	17.5%	25.6%	237.5%	4.6%	5.2%
Increase (decrease) in term liabilities	262,766	830,503	(89,347)	(84,495)	29,792	(123,793)	(1,374)
Term liabilities per kgms	22.47	16.25	3.30	6.07	.77	14.66	23.96
Min farm trading profit req. for viability	674,793	341,071	129,818	242,134	107,713	363,172	552,753

2018 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)	243	207	451	254	1,323	714
Sheep on hand at year end	1,928	2,019	4,058	3,320	10,093	7,576
Cattle on hand at year end	74	111	92	35	412	120
Deer on hand at year end	219	0	0	0	93	0
Ave. stock units carried	2,363	2,353	4,185	3,208	12,424	7,624
Ave. stock units per ha	9.7	11.3	9.3	12.6	9.4	10.7
Lambing %	151%	169%	146%	144%	145%	142%
Ave. lamb price	114.21	123.43	120.08	114.64	113.30	112.77
Ave. ewe price	121.96	147.02	123.48	117.11	117.35	104.54
Total wool production (kg)	8,350	11,692	15,877	13,182	42,780	39,420
Wool production per sheep stock unit (kg)	5.0	6.3	5.1	8.6	5.0	5.6
Average wool price per kg	2.29	2.20	2.65	3.10	2.58	2.37
FINANCIAL ANALYSIS						
Per hectare						
Gross farm income	1,589	2,604	1,537	2,357	1,374	1,805
Farm working expenses	854	1,252	756	1,147	743	767
Operating surplus	735	1,353	781	1,210	631	1,038
Economic farm surplus	424	905	643	890	573	859
Per stock unit						
Sheep - Gross Profit	147.08	204.85	156.50	159.84	143.79	138.81
Cattle - Gross Profit	29.67	131.11	164.46	282.55	96.18	52.11
Deer - Gross Profit	57.11	0.00	0.00	0.00	27.40	0.00
Gross farm income	163.69	229.47	165.81	186.65	146.32	169.04
Farm working expenses	87.98	110.28	81.52	90.81	79.12	71.87
Operating surplus	75.71	119.19	84.29	95.84	67.19	97.17
PROFITABILITY						
Sheep trading ⁺	235,754	327,672	540,986	448,902	1,231,133	884,665
Wool sales	19,121	25,773	42,152	40,835	110,445	93,448
Cattle trading ⁺	39,073	94,568	64,099	37,628	237,714	77,186
Deer trading ⁺	56,431	0	0	0	29,189	0
Grazing, cropping and other	36,461	91,927	46,611	71,396	209,344	233,531
Gross farm income	386,839	539,940	693,848	598,761	1,817,825	1,288,830
Farm working expenses	207,916	259,495	341,125	291,322	983,036	547,972
Interest and rent	33,233	50,016	92,492	82,907	361,379	218,999
Net farm trading profit*	130,605	210,513	234,120	210,319	389,742	478,562
Personal expenses	75,046	49,279	78,914	53,083	158,683	139,442
Net plant purchases	19,373	32,379	23,314	15,268	151,655	58,564
EXPENSES (\$/su)						
Animal health	5.15	5.34	6.02	7.22	5.82	5.14
Fertiliser	14.52	12.03	15.58	17.01	17.35	10.43
Freight	1.98	2.56	1.66	.99	1.25	1.65
Repairs & maintenance	8.21	10.05	9.54	13.48	7.47	5.36
Shearing	6.16	6.41	7.59	4.98	7.22	8.18
Stock feed	8.31	19.42	2.23	.48	2.90	2.06
Vehicle	9.08	13.10	8.54	9.71	6.57	6.26
Wages	5.70	4.80	10.04	12.03	11.75	10.05
Administration	4.63	4.00	3.82	4.41	2.29	2.73
Insurance, rates and ACC	7.67	8.00	5.69	7.37	4.36	3.56
Farm working expenses	87.98	110.28	81.52	90.81	79.12	71.87
Farm working expenses as % of GFI	54%	48%	49%	49%	54%	43%
Interest and rent	14.06	21.26	22.10	25.84	29.09	28.72
Interest and rent paid as % of GFI	9%	9%	13%	14%	20%	17%
OTHER DATA						
Total farm assets (land, stock & plant)	4,969,513	4,991,385	5,867,832	4,252,739	18,323,132	8,506,932
Return on total farm assets	1.9%	4.0%	9.6%	8.7%	4.9%	8.0%
Increase (decrease) in term liabilities	(24,327)	(46,067)	229,986	6,563	37,839	68,040
Term debt as % of total farm assets	10%	15%	22%	15%	34%	35%
Min farm trading profit req. for viability	135,512	118,762	170,979	106,118	643,212	389,459



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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%