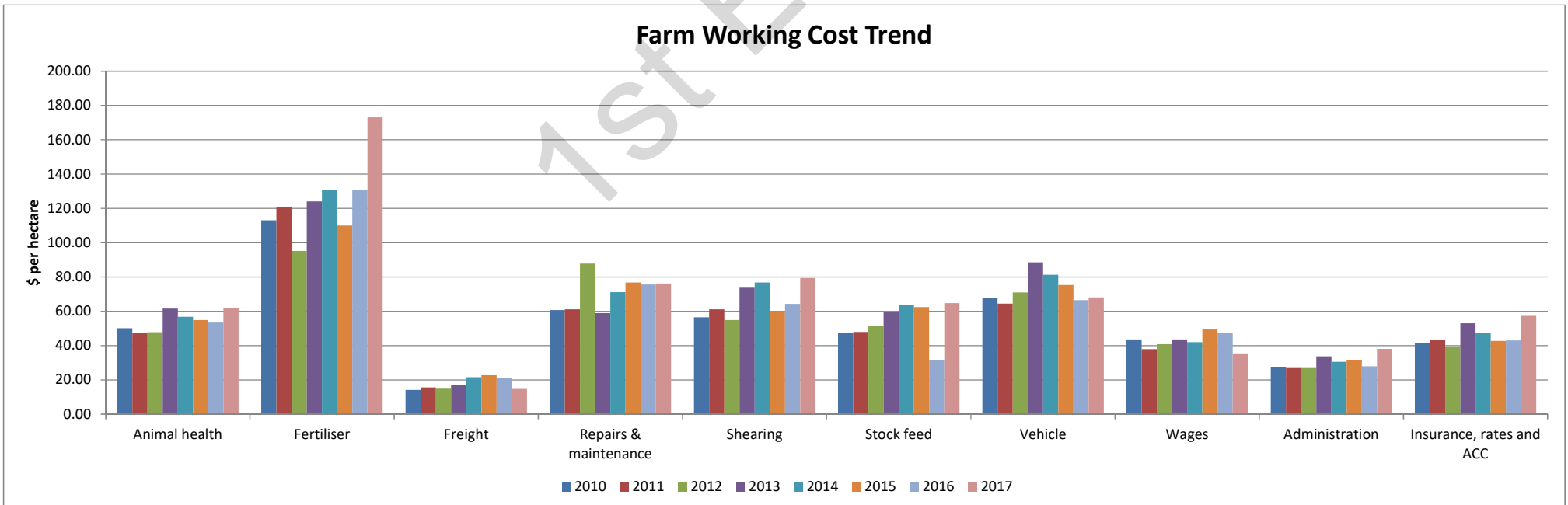
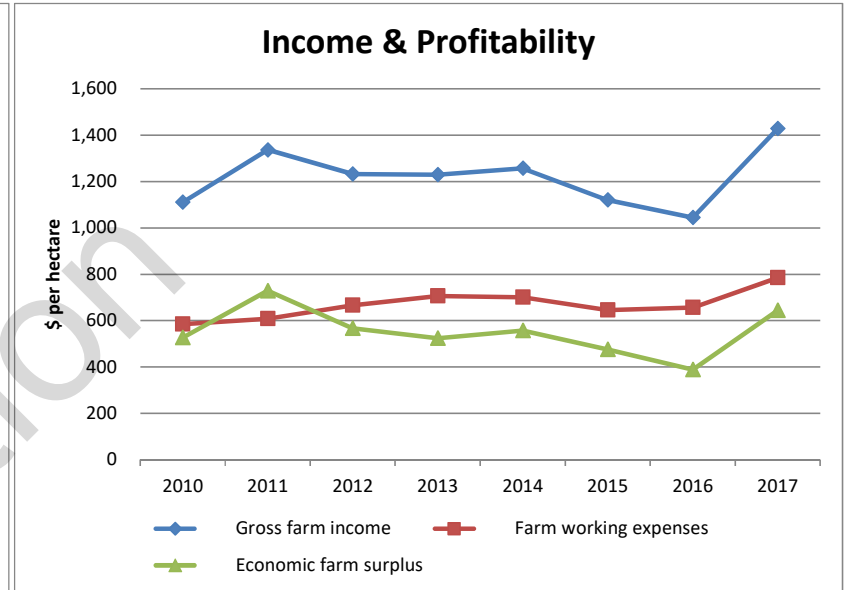
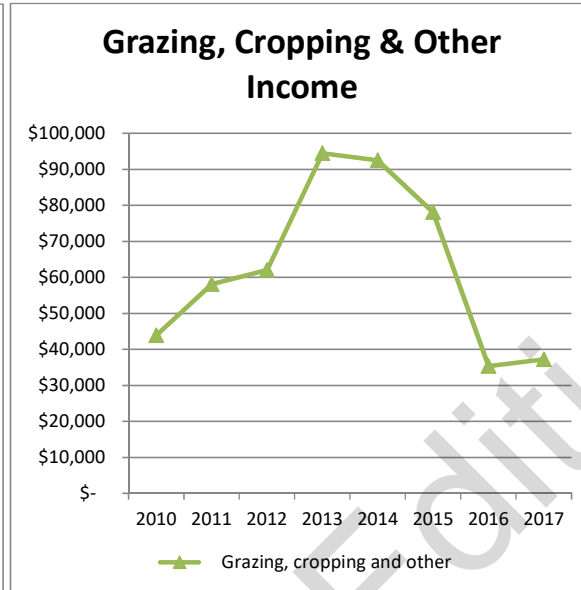
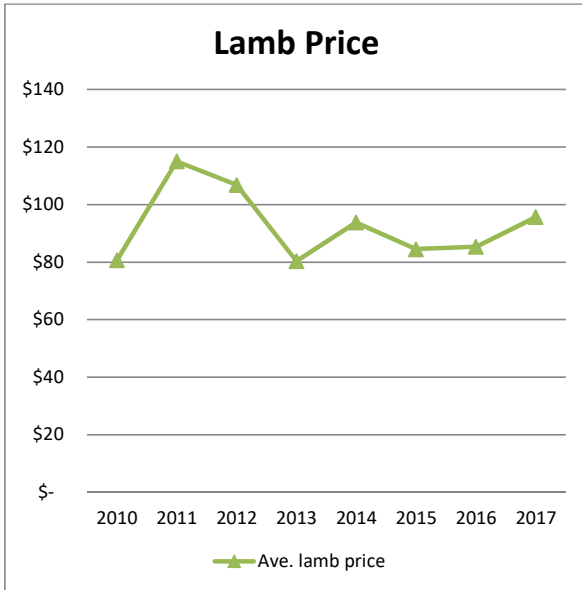


2017 Dairy Farm Statistics	Owners average	Owners top 20%	50/50 s/milkers average	50/50 s/milkers top 20%	LOSM & c/milkers average	Owners with 50/50 s/milkers	Owners with LOSM & c/milkers
PRODUCTION DATA							
Effective milking hectares	215	192	205	263	196	195	270
Runoff hectares	102	58	29	86	12	61	79
Cattle on hand at year end	857	791	850	1,214	59	110	1,036
Peak cows milked	636	579	604	828	574	556	779
Cows per milking hectare	2.95	3.02	2.95	3.15	2.93	2.85	2.88
Milk solids (kg)	281,273	276,536	260,461	324,611	241,126	273,059	327,808
Milk solids (kg/cow)	442	477	431	392	420	491	421
Milk solids (kg/ha)	1,307	1,440	1,271	1,237	1,230	1,400	1,213
Milk solids price (\$/kg)	5.83	5.85	2.72	2.69	1.20	3.07	5.86
Average calf price (\$)	70	109	53	35	50	0	48
Average cull cow price (\$)	793	767	746	906	1,237	134	786
FINANCIAL ANALYSIS							
Per milking hectare							
Gross farm income	8,336	9,218	4,044	4,331	1,670	4,737	7,709
Farm working expenses	5,367	5,067	2,905	2,817	834	2,482	5,332
Operating surplus	2,968	4,150	1,139	1,514	836	2,255	2,377
Economic farm surplus	2,371	3,399	639	1,102	541	1,875	2,092
Per Cow							
Gross farm income	2,822	3,055	1,372	1,374	570	1,662	2,673
Farm working expenses	1,817	1,679	986	894	285	871	1,849
Operating surplus	1,005	1,375	387	480	285	791	824
Per Milk solids (kg)							
Gross farm income	6.38	6.40	3.18	3.50	1.36	3.38	6.36
Farm working expenses	4.11	3.52	2.29	2.28	.68	1.77	4.40
Operating surplus	2.27	2.88	.90	1.22	.68	1.61	1.96
PROFITABILITY							
Milk sales income	1,639,648	1,616,668	708,846	872,216	290,449	838,580	1,920,947
Cattle trading ⁺	119,395	132,175	113,660	257,549	27,398	27,517	142,038
Gross farm income	1,794,514	1,769,792	829,029	1,136,784	327,410	924,261	2,083,522
Farm working expenses	1,155,463	972,929	595,474	739,399	163,502	484,189	1,441,073
Interest	388,360	278,530	71,910	76,149	20,438	175,081	362,786
Net farm trading profit*	250,691	518,333	161,645	321,237	143,470	264,992	279,662
Personal expenses	83,339	70,567	61,415	83,631	65,360	70,882	102,824
Net plant purchases	103,625	74,851	25,679	45,108	34,676	(4,568)	30,882
EXPENSES (\$/kgms)							
Animal health	.19	.15	.16	.16	.00	.01	.18
Breeding expenses	.12	.12	.12	.12	.00	.00	.14
Contract, cultivation and regrassing	.13	.10	.07	.06	.00	.11	.12
Dairyshed expenses	.06	.06	.05	.05	.02	.01	.03
Electricity	.09	.09	.10	.09	.08	.00	.01
Fertiliser	.47	.37	.12	.12	.00	.33	.46
Freight	.04	.02	.04	.05	.00	.01	.03
Grazing costs	.56	.50	.46	.43	.04	.23	.74
Owned/Rented grazing block	.31	.21	.04	.10	.00	.22	.21
Repairs & maintenance	.28	.23	.09	.14	.01	.22	.27
Stock food costs	.72	.83	.27	.16	.01	.27	.60
Vehicle costs	.16	.11	.14	.13	.07	.04	.09
Wages	.57	.42	.43	.47	.34	.02	1.14
Administration	.11	.07	.07	.08	.05	.11	.13
Insurance, rates and ACC	.14	.16	.04	.03	.03	.11	.12
Farm working expenses	4.11	3.52	2.29	2.28	.68	1.77	4.40
Farm working expenses as % of GFI	64%	55%	72%	65%	50%	52%	69%
Interest	1.31	.92	.16	.12	.06	.72	1.13
Interest paid as % of GFI	21%	14%	5%	3%	4%	21%	18%
OTHER DATA							
Total farm assets (land, stock & plant)	11,803,297	10,408,779	1,423,285	2,005,917	156,752	9,738,517	14,226,114
Return on total farm assets	4.4%	6.3%	9.0%	14.4%	217.3%	3.9%	4.0%
Increase (decrease) in term liabilities	731,340	(224,290)	26,516	(20,369)	27,511	302,078	312,104
Term liabilities per kgms	25.24	18.67	2.71	1.35	.97	15.84	24.17
Min farm trading profit req. for viability	576,629	423,948	123,809	140,246	95,014	350,151	597,325

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)	224	228	372	252	1,112	714
Sheep on hand at year end	1,967	2,217	3,419	3,412	9,399	7,879
Cattle on hand at year end	36	108	89	10	384	113
Deer on hand at year end	177	0	240	0	0	0
Ave. stock units carried	2,139	2,426	3,836	3,207	10,475	7,179
Ave. stock units per ha	9.5	10.6	10.3	12.7	9.4	10.1
Lambing %	149%	160%	147%	154%	144%	147%
Ave. lamb price	97.82	99.36	95.69	100.14	97.88	98.47
Ave. ewe price	87.54	92.06	83.73	84.89	84.77	75.18
Total wool production (kg)	8,664	10,550	16,778	20,672	35,688	31,237
Wool production per sheep stock unit (kg)	5.2	5.2	5.3	6.5	4.8	4.4
Average wool price per kg	2.82	3.11	2.43	2.14	3.13	2.54
FINANCIAL ANALYSIS						
Per hectare						
Gross farm income	1,440	2,018	1,428	2,036	1,233	1,426
Farm working expenses	816	1,045	785	928	739	689
Operating surplus	624	974	643	1,108	494	737
Economic farm surplus	223	611	379	677	425	568
Per stock unit						
Sheep - Gross Profit	125.77	154.75	126.98	143.11	133.54	133.87
Cattle - Gross Profit	114.01	261.29	231.46	235.87	135.87	59.03
Deer - Gross Profit	44.77	0.00	35.70	0.00	0.00	0.00
Gross farm income	150.81	189.71	138.53	160.01	130.87	141.85
Farm working expenses	85.46	98.17	76.12	72.95	78.43	68.56
Operating surplus	65.35	91.53	62.41	87.07	52.43	73.29
PROFITABILITY						
Sheep trading ⁺	202,653	262,829	360,929	413,611	870,842	795,280
Wool sales	24,434	32,824	40,693	44,322	111,608	79,265
Cattle trading ⁺	30,875	103,638	59,000	27,561	208,708	79,274
Deer trading ⁺	36,011	0	33,667	0	0	0
Grazing, cropping and other	28,586	60,903	37,154	27,668	179,623	64,523
Gross farm income	322,558	460,193	531,442	513,161	1,370,782	1,018,341
Farm working expenses	182,777	238,148	292,006	233,939	821,556	492,188
Interest and rent	47,845	49,919	50,415	51,038	273,655	218,441
Net farm trading profit*	71,529	160,509	161,622	198,882	204,557	263,392
Personal expenses	57,207	40,006	75,095	45,733	125,852	117,748
Net plant purchases	45,871	9,758	42,672	70,260	113,927	51,980
EXPENSES (\$/su)						
Animal health	5.93	5.49	5.98	6.28	5.34	6.07
Fertiliser	15.91	17.20	16.79	13.31	19.63	7.53
Freight	1.47	1.87	1.43	.84	1.04	2.56
Repairs & maintenance	7.79	11.22	7.39	3.83	6.21	4.48
Shearing	6.60	6.32	7.71	10.28	7.47	8.87
Stock feed	6.38	6.94	6.28	1.72	3.23	2.00
Vehicle	9.20	9.72	6.61	6.24	6.03	6.04
Wages	6.43	8.37	3.44	11.11	11.04	8.75
Administration	5.12	5.45	3.70	3.63	2.89	3.36
Insurance, rates and ACC	7.29	6.93	5.56	7.06	4.14	4.10
Farm working expenses	85.46	98.17	76.12	72.95	78.43	68.56
Farm working expenses as % of GFI	57%	52%	55%	46%	60%	48%
Interest and rent	22.37	20.58	13.14	15.91	26.13	30.43
Interest and rent paid as % of GFI	15%	11%	9%	10%	20%	21%
OTHER DATA						
Total farm assets (land, stock & plant)	4,230,248	3,802,768	6,836,286	8,155,342	14,932,543	8,336,486
Return on total farm assets	1.5%	5.1%	2.0%	2.1%	7.6%	5.2%
Increase (decrease) in term liabilities	46,495	27,157	56	24,861	334,167	581,333
Term debt as % of total farm assets	16%	15%	13%	13%	35%	36%
Min farm trading profit req. for viability	120,663	85,959	163,760	136,776	459,397	355,998



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%