

2021 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	256	263	167	154	260	186	265
Runoff hectares	166	186	38	31	48	26	85
Cattle on hand at year end	1,049	1,136	660	610	67	63	1,012
Peak cows milked	732	806	498	465	743	539	774
Cows per milking hectare	2.86	3.07	2.97	3.02	2.86	2.89	2.92
Milk solids (kg)	344,634	422,924	240,777	249,223	335,283	259,829	347,849
Milk solids (kg/cow)	471	525	484	536	451	482	449
Milk solids (kg/ha)	1,346	1,610	1,438	1,618	1,288	1,395	1,313
Milk solids price (\$/kg)	7.42	7.51	3.73	3.71	1.40	3.82	7.32
Average calf price (\$)	76	49	56	51	39	0	41
Average cull cow price (\$)	710	693	776	981	959	148	655
Cattle account profit as % of GFI	6%	6%	11%	13%	3%	0%	5%
Milk income as % of GFI	93%	93%	88%	87%	95%	97%	95%
FINANCIAL ANALYSIS							
Per milking hectare							
Gross farm income	10,757	13,001	6,132	6,931	1,896	5,476	10,109
Farm working expenses	6,965	7,287	4,029	3,906	1,161	2,628	6,913
Operating surplus	3,792	5,714	2,102	3,026	735	2,848	3,196
Economic farm surplus	3,117	4,887	1,575	2,446	464	2,660	2,992
Per Cow							
Gross farm income	3,762	4,236	2,064	2,296	664	1,892	3,460
Farm working expenses	2,436	2,374	1,356	1,293	407	908	2,366
Operating surplus	1,326	1,862	708	1,002	257	984	1,094
Per Milk solids (kg)							
Gross farm income	7.99	8.07	4.26	4.28	1.47	3.93	7.70
Farm working expenses	5.18	4.53	2.80	2.41	.90	1.88	5.26
Operating surplus	2.82	3.55	1.46	1.87	.57	2.04	2.43
PROFITABILITY							
Milk sales income	2,557,527	3,174,317	898,671	925,365	468,352	992,656	2,546,680
Cattle trading ⁺	178,550	220,074	114,343	136,427	13,232	2,598	121,531
Gross farm income	2,754,764	3,414,985	1,026,836	1,067,450	493,494	1,019,931	2,677,991
Farm working expenses	1,783,623	1,914,092	674,747	601,472	302,285	489,423	1,831,294
Interest	343,471	394,854	60,180	53,117	17,661	117,867	304,141
Net farm trading profit*	627,671	1,106,039	291,909	412,860	173,548	412,641	542,557
Personal expenses	128,207	134,499	88,731	96,230	117,374	77,478	101,264
Net plant purchases	130,900	156,148	37,893	25,808	32,150	24,308	82,978
EXPENSES (\$/kgms)							
Animal health	.22	.19	.23	.14	.01	.00	.22
Breeding expenses	.14	.12	.15	.14	.00	.00	.17
Contract, cultivation and regrassing	.15	.15	.08	.10	.01	.06	.11
Dairyshed expenses	.08	.07	.04	.04	.03	.05	.05
Electricity	.09	.09	.09	.09	.07	.00	.01
Fertiliser	.50	.47	.14	.13	.01	.27	.48
Freight	.04	.04	.03	.04	.00	.01	.04
Grazing costs	.36	.31	.37	.34	.01	.36	.70
Owned/Rented grazing block	.31	.21	.03	.00	.00	.14	.23
Repairs & maintenance	.40	.39	.10	.07	.03	.23	.43
Stock food costs	1.19	1.33	.58	.63	.03	.48	.93
Vehicle costs	.25	.17	.15	.09	.08	.02	.10
Wages	.92	.60	.51	.37	.50	.00	1.36
Administration	.12	.08	.08	.07	.05	.07	.12
Insurance, rates and ACC	.17	.16	.06	.04	.04	.11	.13
Farm working expenses	5.18	4.53	2.80	2.41	.90	1.88	5.26
Farm working expenses as % of GFI	65%	56%	66%	56%	61%	48%	68%
Interest	.89	.80	.16	.11	.02	.49	.86
Interest paid as % of GFI	11%	10%	4%	2%	1%	12%	11%
OTHER DATA							
Total farm assets (land, stock & plant)	12,898,508	15,858,399	1,260,006	1,003,676	187,596	8,787,551	12,711,343
Return on total farm assets	6.1%	8.3%	24.5%	38.0%	282.1%	5.7%	6.4%
Increase (decrease) in term liabilities	(165,886)	(353,869)	(2,474)	(139,413)	(12,974)	(129,739)	44,760
Term liabilities per kgms	22.00	19.56	2.62	1.51	.26	12.46	22.14
Min farm trading profit req. for viability	684,904	742,456	164,955	148,288	161,745	298,503	610,928

* After allowance for depreciation on plant and machinery. + Including allowance for change in stock numbers on hand.

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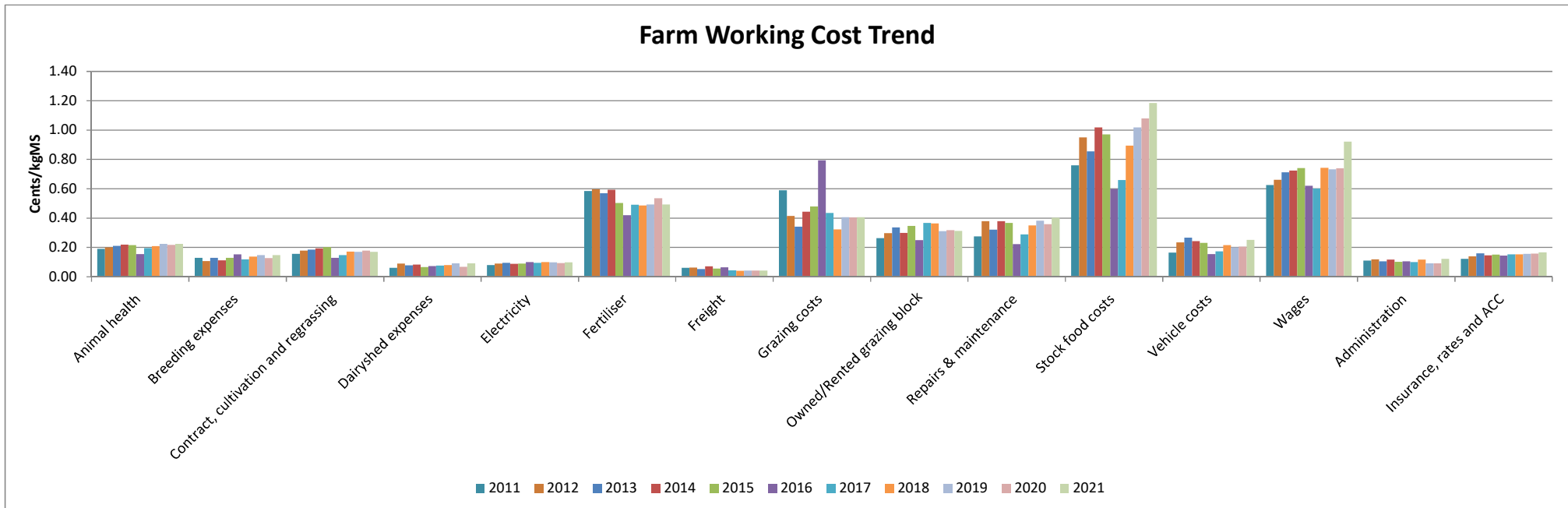
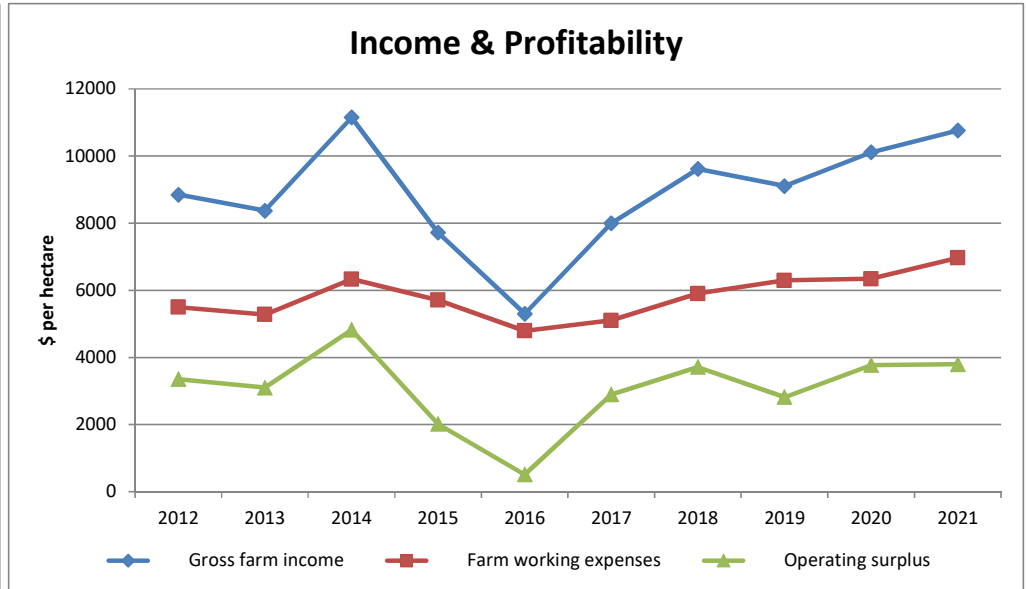
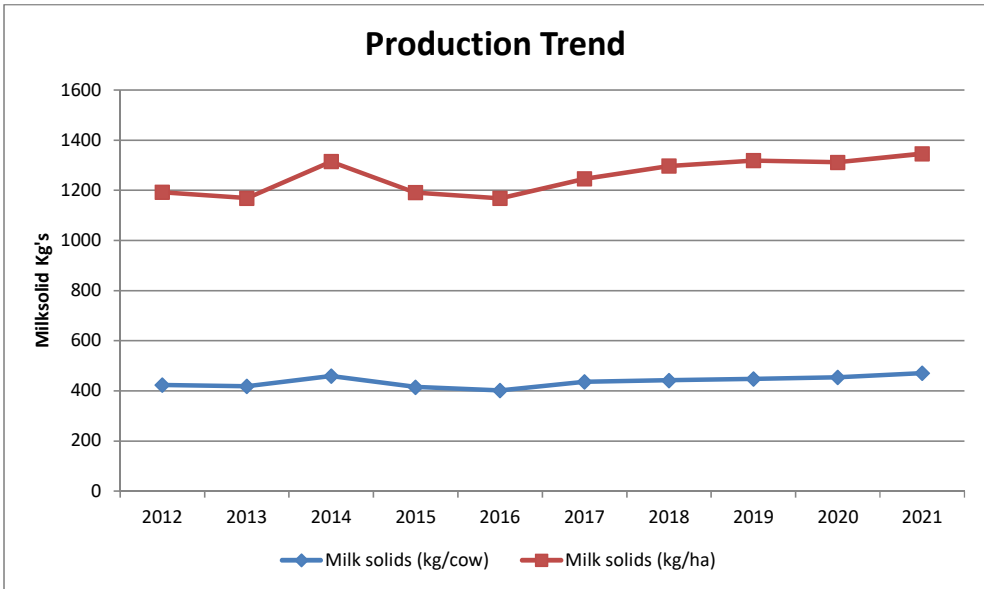
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M^cIntyre Dick

PO Box 848, Invercargill 9840, Ph. 0800 10 30 10 Web. www.mdp.co.nz

Dairy Owner Operator - 10 Year Trend

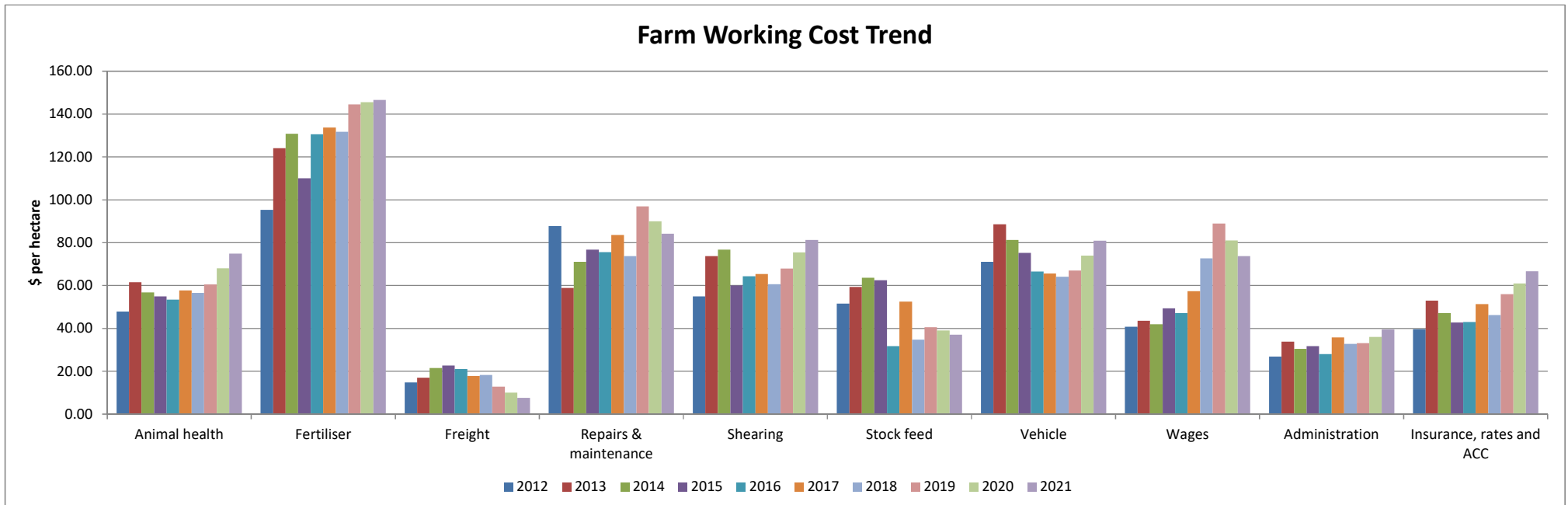
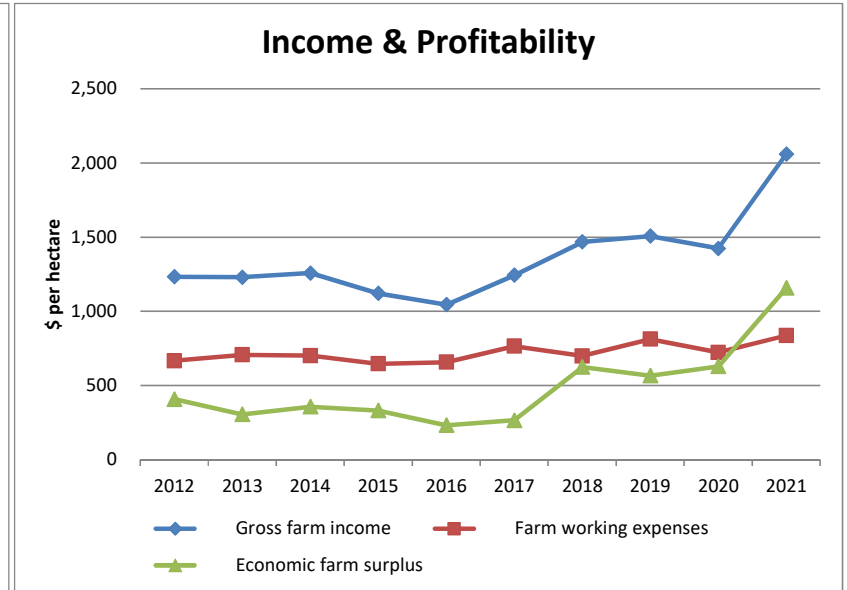
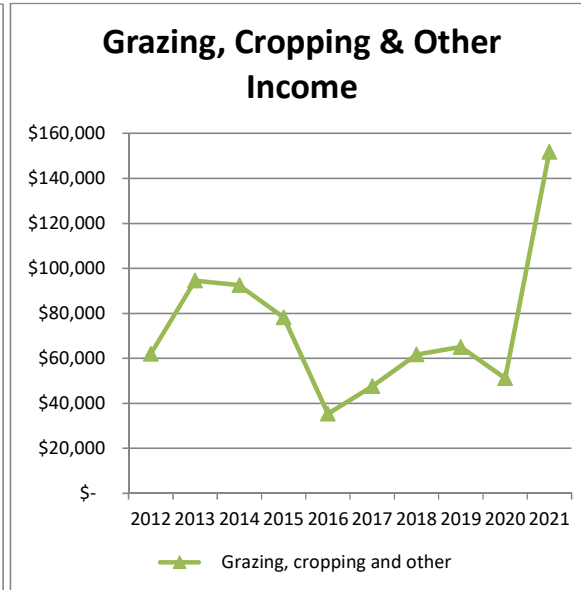
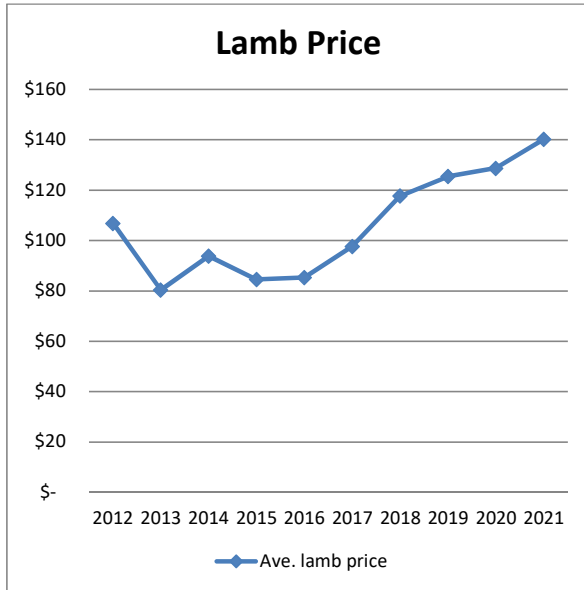
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2021 Sheep, Beef & Deer Farm Statistics	Average < 3000 su	Top 20% < 3000 su	Average 3000 su > 5000 su	Top 20% 3000 su > 5000 su	Average > 5000 su	Top 20% > 5000 su
PRODUCTION DATA						
Effective Area (ha)	214	144	479	396	1,168	727
Sheep on hand at year end	1,382	1,382	3,496	3,011	8,109	8,558
Cattle on hand at year end	65	43	82	120	362	215
Deer on hand at year end	100	0	84	0	78	0
Ave. stock units carried	1,750	1,582	3,911	3,729	9,933	8,108
Ave. stock units per ha	8.2	11.0	8.2	9.4	8.5	11.1
Lambing %	146%	148%	140%	139%	140%	147%
Ave. lamb price	117.20	121.08	117.08	124.14	112.26	132.58
Ave. ewe price	142.34	142.28	137.36	133.90	130.69	147.90
Total wool production (kg)	4,617	3,938	8,899	13,620	34,991	40,385
Wool production per sheep stock unit (kg)	4.1	5.0	3.6	5.0	4.6	5.4
Average wool price per kg	1.76	1.46	2.28	1.27	1.56	1.24
FINANCIAL ANALYSIS						
Per hectare						
Gross farm income	1,716	2,662	1,516	2,632	1,075	1,757
Farm working expenses	965	1,100	683	933	681	1,049
Operating surplus	750	1,562	833	1,698	394	708
Economic farm surplus	391	957	804	1,447	319	576
Per stock unit						
Sheep - Gross Profit	169.67	174.96	145.06	134.34	127.47	160.82
Cattle - Gross Profit	89.87	115.25	223.14	378.37	98.09	129.51
Deer - Gross Profit	22.23	0.00	93.18	342.97	14.11	0.00
Gross farm income	209.55	242.55	185.74	279.51	126.41	157.60
Farm working expenses	117.90	100.22	83.71	99.14	80.08	94.09
Operating surplus	91.64	142.33	102.03	180.37	46.33	63.51
PROFITABILITY						
Sheep trading ⁺	167,032	185,651	455,267	350,527	925,689	1,066,073
Wool sales	8,130	5,767	20,323	17,309	54,520	50,166
Cattle trading ⁺	41,949	50,960	70,181	99,614	178,359	122,028
Deer trading ⁺	12,113	0	11,252	0	8,306	0
Grazing, cropping and other	137,453	141,407	169,448	574,736	88,799	39,495
Gross farm income	366,676	383,786	726,471	1,042,186	1,255,672	1,277,761
Farm working expenses	206,316	158,580	327,419	369,649	795,492	762,813
Interest and rent	41,669	42,224	78,245	77,593	355,022	1,155,757
Net farm trading profit*	113,761	169,629	295,160	571,102	222,456	234,780
Personal expenses	82,041	94,576	84,945	101,777	147,226	201,255
Net plant purchases	15,511	19,298	38,356	0	83,679	37,310
EXPENSES (\$/su)						
Animal health	13.83	9.23	7.81	6.65	9.47	27.32
Fertiliser	40.52	17.80	14.13	13.79	23.70	56.62
Freight	7.04	4.58	1.12	1.34	.72	1.41
Repairs & maintenance	28.31	12.92	8.91	11.98	11.31	26.77
Shearing	9.29	5.31	8.05	8.45	12.88	35.76
Stock feed	23.99	5.08	3.40	10.86	2.19	2.94
Vehicle	20.29	13.08	8.51	9.10	14.86	56.63
Wages	27.12	6.97	7.22	8.87	18.88	69.89
Administration	17.00	6.30	3.89	4.66	4.09	10.50
Insurance, rates and ACC	21.52	12.26	6.62	7.93	9.40	32.39
Farm working expenses	117.90	100.22	83.71	99.14	80.08	94.09
Farm working expenses as % of GFI	56%	41%	45%	35%	63%	60%
Interest & rent	23.81	26.69	20.01	20.81	35.74	142.55
Interest and rent paid as % of GFI	7%	9%	11%	7%	14%	20%
OTHER DATA						
Total farm assets (land, stock & plant)	4,469,245	3,940,649	5,089,349	8,159,135	14,409,470	10,978,759
Return on total farm assets	2.9%	9.4%	12.5%	7.1%	2.5%	3.7%
Increase (decrease) in term liabilities	(56,496)	(18,309)	244,403	679,223	263,739	245,464
Term debt as % of total farm assets	12%	21%	25%	28%	29%	44%
Min farm trading profit req. for viability	152,683	203,508	188,547	290,123	452,780	587,707

* After allowance for depreciation on plant and machinery. + Including allowance for change in stock numbers on hand.

26/05/2022



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%