



2023 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	264	289	239	279	254	215	310
Runoff hectares	109	130	1	2	28	16	174
Cattle on hand at year end	1,054	1,379	1,009	1,351	1	58	1,159
Peak cows milked	730	897	742	943	766	635	880
Cows per milking hectare	2.76	3.10	3.11	3.39	3.02	2.95	2.84
Milk solids (kg)	357,881	466,694	387,008	539,055	366,935	315,799	426,121
Milk solids (kg/cow)	490	520	522	572	479	497	484
Milk solids (kg/ha)	1,354	1,613	1,622	1,936	1,445	1,469	1,374
Milk solids price (\$/kg)	8.73	8.84	4.83	5.41	1.53	4.74	8.97
Average calf price (\$)	73	102	49	56	46	5	59
Average cull cow price (\$)	823	773	773	932	648	637	784
Cattle account profit as % of GFI	6%	6%	4%	8%	6%	5%	4%
Milk income as % of GFI	94%	93%	96%	92%	91%	93%	94%
FINANCIAL ANALYSIS							
Per milking hectare							
Gross farm income	12,573	15,298	8,158	11,348	2,441	7,496	13,179
Farm working expenses	8,727	9,392	5,334	6,790	1,417	4,296	8,622
Operating surplus	3,846	5,906	2,825	4,559	1,024	3,200	4,557
Economic farm surplus	3,080	5,207	2,040	3,691	567	2,860	4,021
Per Cow							
Gross farm income	4,554	4,933	2,625	3,352	809	2,538	4,643
Farm working expenses	3,161	3,028	1,716	2,005	470	1,455	3,038
Operating surplus	1,393	1,904	909	1,346	340	1,083	1,605
Per Milk solids (kg)							
Gross farm income	9.29	9.48	5.03	5.86	1.69	5.10	9.59
Farm working expenses	6.45	5.82	3.29	3.51	.98	2.92	6.27
Operating surplus	2.84	3.66	1.74	2.36	.71	2.18	3.32
PROFITABILITY							
Milk sales income	3,125,647	4,123,957	1,869,912	2,917,625	562,722	1,496,506	3,823,405
Cattle trading*	185,641	273,012	75,686	242,921	34,190	77,988	147,578
Gross farm income	3,324,492	4,426,138	1,947,105	3,160,546	619,848	1,611,655	4,086,198
Farm working expenses	2,307,482	2,717,404	1,272,957	1,890,958	359,735	923,680	2,673,299
Interest	406,469	532,263	84,645	61,433	18,143	241,562	680,037
Net farm trading profit*	610,542	1,176,471	589,503	1,208,155	241,970	446,412	732,861
Personal expenses	109,892	113,499	45,588	41,479	90,032	62,127	71,973
Net plant purchases	101,945	108,053	53,360	18,347	(14,952)	36,705	72,113
EXPENSES (\$/kgms)							
Animal health	.30	.30	.22	.14	.00	.02	.28
Breeding expenses	.19	.16	.07	.07	.01	.00	.16
Contract, cultivation and regrassing	.24	.19	.12	.13	.01	.07	.13
Dairyshed expenses	.10	.07	.07	.08	.03	.03	.09
Electricity	.10	.09	.08	.07	.09	.01	.02
Fertiliser	.66	.58	.17	.19	(.00)	.43	.64
Freight	.06	.05	.03	.02	.00	.02	.08
Grazing costs	.58	.56	.61	.71	.00	.41	.68
Owned/Rented grazing block	.35	.26	.00	.00	.01	.09	.21
Repairs & maintenance	.50	.49	.11	.11	.03	.57	.36
Stock food costs	1.68	1.77	.87	1.04	.00	.89	1.36
Vehicle costs	.25	.21	.15	.14	.10	.06	.15
Wages	.80	.68	.49	.49	.58	.06	1.63
Administration	.15	.08	.06	.03	.05	.06	.10
Insurance, rates and ACC	.17	.15	.06	.06	.04	.11	.14
Farm working expenses	6.45	5.82	3.29	3.51	.98	2.92	6.27
Farm working expenses as % of GFI	69%	61%	65%	60%	58%	57%	65%
Interest	1.12	1.07	.12	.05	.01	.75	1.54
Interest paid as % of GFI	12%	11%	2%	1%	1%	15%	16%
OTHER DATA							
Total farm assets (land, stock & plant)	13,642,850	16,826,785	2,634,764	4,995,925	96,287	9,599,392	16,877,324
Return on total farm assets	6.4%	9.7%	23.0%	30.9%	183.7%	6.4%	7.7%
Increase (decrease) in term liabilities	53,822	(30,883)	(68,773)	(712,250)	(95,120)	32,345	204,706
Term liabilities per kgms	17.48	18.35	1.25	.00	.07	10.37	23.20
Min farm trading profit req. for viability	558,810	684,699	92,638	55,305	121,477	340,876	759,085

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 based on data from Federated Farmers/RaboBank 2021/22 Remuneration report

Dairy		Sheep/Beef	
Peaked Cows Milked	Labour Adjustment	Stock Units	Labour Adjustment
1 – 299	\$75,000	>3000k	\$70,000
300- 499	\$90,000	3000-5000k	\$80,000
500 - 699	\$100,000	5000k +	\$90,000 Maximum
700 +	\$120,000 Maximum		

PROFITABILITY

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

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

- Keep 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 are based on actual interest paid to external parties. Any inter entity interest 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 = estimated 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 – Estimate of 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%