

Lincoln University Dairy Farm

October update Budget for 2008/09

Year ending May 31		159.0ha	Budget	2008/09	Actual 07 - 08	Difference		
Milk production	Milksolids		\$6.60/kgms	1,800/ha 286,200	281,670	1,772/ha 4,530 kgms		
Cows	Peak number & prodn		680cows	4.28/ha 421/cow				
Staff	4.00 FTE's		170cows/FTE	71,550ms/FTE				
Income				c/kgMS	c/kgMS	\$ change		
Milk Income	95%	1,888,920		6.60	7.71	2,173,027 - 284,107 -13%		
Surplus dairy stock	3%	51,000		0.18	0.55	155,342 -104,342 -67%		
Other stock sales	3%	53,373		0.19				
Other Income	0%	-		-	0.00	0 #DIV/0!		
	0%	-		-		0		
	100%	1,993,293		6.96	8.27	2,328,369 -335,076 -14%		
Stock Purchases						0		
Gross Farm Revenue			1,993,293	12,536/ha		2,328,369 -335,076 -14%		
Expenses				2008/09	2007/08	Actual	\$ change in	% change in
			\$/cow	c/kgMS	c/kgMS	\$	expense	expense
Administration		31,100	45.7	0.11	0.10	28,464	2,636	9%
Animal Health		41,061	60.4	0.14	0.15	42,422	-1,361	-3%
Breeding Expenses		51,506	75.7	0.18	0.19	52,305	-799	-2%
Electricity		17,961	26.4	0.06	0.06	17,012	949	6%
Employment		236,722	348.0	0.83	0.67	189,376	47,346	25%
Feed purchased		59,460	87.4	0.21	0.22	61,345	-1,885	-3%
Silage making & delivery		41,364	60.8	0.14	0.12	33,032	8,332	25%
Replacement grazing		130,428	191.7	0.46	0.37	103,824	26,604	26%
Winter grazing		124,600	183.1	0.44	0.36	102,596	22,004	21%
Fertiliser & Lime		145,151	213.4	0.51	0.32	90,050	55,101	61%
Freight & Cartage		680	1.0	0.00	0.01	3,022	-2,342	-77%
Irrigation Costs		72,720	106.9	0.25	0.24	66,489	6,231	9%
Rates & Insurance		14,745	21.7	0.05	0.05	13,914	831	6%
Regrassing		14,088	20.7	0.05	0.03	8,248	5,840	71%
Repairs & Maintenance		56,000	82.3	0.20	0.25	71,007	-15,007	-21%
Shed Expenses		10,750	15.8	0.04	0.02	5,228	5,522	106%
Vehicle Expenses		22,000	32.3	0.08	0.07	18,787	3,213	17%
Weed & Pest		1,908	2.8	0.01	0.01	1,977	-69	-3%
Accommodation allowance	4 houses	20,000	29.4	0.07	0.07	20,000	0	
Cash Farm Working Expenses		1,092,245	1,306	3.82	3.30	929,098	163,147	17.6%
Depreciation est		107,426		0.38	0.34	94,666		
Total Operating Expenses		1,199,671		4.19	3.63	1,023,764		
Dairy Operating Profit		793,622	1,167	2.77	4.63	1,304,605	-510,983	
		4,991/ha				8,205/ha	- 3,214	
Cash Operating Surplus		901,048				1,399,271	- 498,223	
		5,667/ha				8,664/ha		
Capital Changes							0	
Fonterra shares						54,448	-54,448	
Capital Improvements & Purchases		272,000				106,530	165,470	
Principal		-				-	0	
Vehicles -		0				-	0	
Total Capital changes		272,000				160,978	111,022	
Cash Surplus		\$629,048	3,956/ha			\$1,238,293	609,245	
Capital (at start of period, June 2008)			change (\$)	% change	% of total gain		Previous season's value	
Land & Improvements	\$44,353 \$/ha	8,249,664	2,111,664	34.4%	81%		6,138,000	
Fonterra Shares	281,670	1,608,336	-256,191	-13.7%	-10%		1,864,527	
Farm with shares	\$61,040 /eff ha	9,858,000						
Cows		1,194,600	486,100	68.6%	19%		708,500	
R2 Heifers		291,600	111,600	62.0%	4%		180,000	
R1 Heifers		240,000	120,300	100.5%	5%		119,700	
Plant/Mach		152,550	27,550	22.0%	1%		125,000	
Total debt Inc. Current A/c on June 1		-						
Total Capital		11,736,750	2,601,023	28.5%			9,135,727	
Change in capital for the 12 months		2,601,023	increase in capital				2007 - 08	
Brief Analysis		2008/09	2008/09 at a range of payouts				2007-8	
Milksolids payout		\$6.60	\$5.80	\$6.50	\$7.00	\$7.50	\$8.00	\$7.71
Return on Dairy Assets		6.8%	4.8%	6.5%	7.8%	9.0%	10.2%	14.6%
CFWE % of GFR		55%	62%	55%	52%	48%	46%	40%
Operating Profit/ha		\$4,991	\$3,551	\$4,825	\$5,725	\$6,625	\$7,525	\$8,205
Cash Farm Working Expenses / kg milksolids		\$3.82	\$3.82	\$3.82	\$3.82	\$3.82	\$3.82	3.30