

Lincoln University Dairy Farm

Result for 2005/06

2004/05 season

		RESULT			ORIGINAL BUDGET			2004/05 season
651 cows			kgMS					
year ending 30 June 2006			286,115		282,625	3,490	1.2%	277,634
			4.07		\$3.85			\$4.56
		\$	c/kgMS	\$	Variance	% change		\$
Income								
Milk Income	92%	1,163,344	4.066	1,088,106	75,237	6.9%		1,266,011
Stock Sales	7%	92,433	0.32	64,837	27,596	42.6%		91,345
Other Income		8,840	0.03	8840	-	0.0%		
Total Income		1,264,617	4.42	1,161,783	102,833	8.9%		1,357,356
Stock Purchases		27,050		42,750	- 15,700	-36.7%		61,550
Income Less Stock Purchases		1,237,567		1,119,033	118,533	10.6%		1,295,806
Expenses								
		\$	\$/cow	\$/kgMS	\$	% change		\$
Administration		31,095	48	0.11	29,950	1,145	4%	31,603
Animal Health		37,230	57	0.13	44,639	- 7,409	-17%	55,237
Breeding Expenses		36,347	56	0.13	41,660	- 5,313	-13%	29,339
Electricity		15,544	24	0.05	9,096	6,448	71%	15,892
Employment		201,971	310	0.71	194,813	7,158	4%	193,187
Feed & Grazing, & Runoff		225,162	346	0.79	190,301	34,861	18%	188,171
Fertiliser & Lime		71,173	109	0.25	78,325	- 7,152	-9%	58,624
Freight & Cartage		4,972	8	0.02	6,646	- 1,674	-25%	4,246
Irrigation Costs		54,119	83	0.19	50,813	3,306	7%	49,389
Rates & Insurance		13,564	21	0.05	11,414	2,151	19%	15,386
Regrassing		5,823	9	0.02	9,102	- 3,279	-36%	12,863
Maintenance and Repairs		35,115	54	0.12	42,500	- 7,385	-17%	41,769
Runoff Net Cost (reported in "Feed" above)		17,811	27	0.06	18,922	- 1,111	-6%	16,224
Shed Expenses		10,961	17	0.04	10,500	461	4%	13,219
Vehicle Expenses		22,356	34	0.08	21,700	656	3%	21,606
Weed & Pest		68	0	0.00	1,938	- 1,870	-96%	1,779
Farm Working Expenses		765,499	1096	2.68	743,896	21,603	3%	732,310
	\$ per kg MS	2.68			2.63			2.64
Loan Interest		-						
Overdraft int		-						
Depreciation est		91,416			116,531			
Income Result before tax & Capital		380,652	(ie = EBIT)		258,606			446964
Capital Changes								
Shares paid in July following each season		50,399			50,399			
Capital Improvements & Purchases		106,530			36,346			
Principal		-						
Vehicles		23,000			10,000			
Total Capital changes		179,929			96,745			
End of year Result including dep.		200,723			161,861			
					<i>after capital & depreciation added back</i>			
End of year result (Cash)		472,068			375,137			
Total Budgeted MS		286,115			282,625			277,634
Capital (at start of period, June 2005)			change (\$)	% change	% of total gain		Previous season's value (2004/05)	
Land		4,049,613	90,844	2.3%	24%		3,958,769	
	\$33,000/ha for 1250/ha plus additional shares (75759 kgMS) for production over 1250/ha							
Fonterra Shares	\$ 6.34	1,760,200	239,837	15.8%	64%		1,520,363	
Cows		656,399	10,956	1.7%	3%		645,443	
R2		151,800	10,050	7.1%	3%		141,750	
R1		129,000	20,250	18.6%	5%		108,750	
Plant/Mach		125,000	-	0.0%	0%		125,000	
Total debt Inc. Current A/c on June 1		-						
Total Capital		6,872,011	371,936	5.7%			6,500,074	
<i>change in capital for the 12 months</i>		371,936	<i>increase in capital</i>					
		2005/06		<i>2005/06 at various payouts</i>			2004/05	
Analysis		4.07		\$4.00	\$4.25	\$4.50	Last Season	
Return on Assets B4 Tax & Int		5.5%		5.3%	6.3%	7.3%	6.9%	
Expenses%GFI		62%		63%	59%	56%	58%	
EBIT/ha	\$	2,357		\$2,240	\$2,683	\$3,126	\$ 2,768	
cost per kg MS		2.68		2.68	\$2.68	2.68	\$2.64	